

# The 45th Information Meeting

## The 31st Long-Term Management Plan

# Dare to Change; Create the Next Generation

(April 2018 ~ March 2021)

May 14, 2020



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# Hachijuni Bank's Profile

Company name	THE HACHIJUNI BANK, LTD.
Head office	Nagano City, Nagano Prefecture
Date of establishments	Aug 1st, 1931
Network	<p>Domestic 151  in Nagano:131, outside Nagano:20  (incl. consolidated branches by branch-in-branch integration: 10 in Nagano)</p> <p>Overseas Branch: 1 (Hong Kong)</p> <p>Representative Offices: 3  (Shanghai, Bangkok, Singapore)</p> <p>*Dalian Representative Office was closed in Oct 2019.</p>
No. of employee	3,138
Capital stock	¥52.2bn
Issued shares	511,103 thousand shares
Total assets	¥10,413.2bn
Net assets	¥691.5bn
Deposits	¥6,989.1bn
Loans	¥5,443.9bn
Total capital ratio (Basel III)	<p>Consolidated: 18.94% (preliminary)</p> <p>Non-consolidated: 17.59% (preliminary)</p>
Ratings	<p>S&amp;P Global Ratings : A</p> <p>R&amp;I : A+</p> <p>JCR : AA</p> <p>(As of Mar 31, 2020)</p>

## Support for TCFD



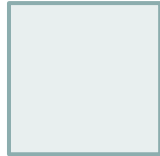
The Bank announced a support for TCFD in Mar 2020.

The Bank aggressively work on this matter as a leading bank of environmental management.



Head office

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Main Volume

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1. Outline of FY2019 Financial Results and FY2020 Forecasts
2. Major Accounts and Main Figures
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## Topics

### Steady improvement of profits in core businesses

(¥100mn)

	3/2016	3/2017	3/2018	3/2019	3/2020
<b>Gross business profit</b>	906	886	866	868	871
<b>Profit on interest</b>	751	738	700	688	689
<b>Profit on fees &amp; commissions</b>	99	80	83	79	84
<b>【for reference】 Profits in core businesses by FSA's standard ※our calculation</b>	32	▲69	▲44	▲16	▲10

# Outline of FY2019 Financial Results

## ■ Consolidated

(¥100mn)

	3/2019	3/2020	Change
Consolidated gross business profit	983	990	6
Profit on interest	690	690	0
Profit on fees & commissions	134	143	8
Trading profit	20	23	2
Profit from other business transactions	138	133	▲4
General & administrative expenses	609	594	▲14
Credit related expenses	18	14	▲4
Gains/losses related to stocks	18	▲18	▲37
Gains/losses on money held in trust	▲41	▲16	25
Ordinary profit	343	334	▲9
Net income attributable to owners of parent	224	220	▲4
Ratio of consolidated profits to parent company's profits (times)	1.030	1.128	0.098

## ■ Non-Consolidated

(¥100mn)

	3/2019	3/2020	Change
Gross business profit (A)	868	871	2
Profit on interest	688	689	1
Profit on fees & commissions	79	84	5
Profit from other business transactions	99	97	▲2
Gains/losses related to bonds (B)	90	90	▲0
G&A expenses (C)	547	537	▲10
Actual net business profit (A-C)	320	333	12
Core net business profit (A-B-C)	229	242	13
Excl. cancelation P/L on investment trusts	240	247	7
Transfer to general reserve for possible loan losses (D)	▲30	9	40
Net business profit (A-C-D)	350	323	▲27
Temporary profit/losses			
Gains/losses related to stocks (E)	17	▲23	▲40
Gains/losses on money held in trust	▲41	▲16	25
Disposal of NPL	47	▲3	▲51
Reversal of allowance for loan losses	-	-	-
Reversal of general reserve	-	-	-
Reversal of specific reserve	-	-	-
Ordinary Profit	290	280	▲10
Extraordinary gains/losses	11	▲7	▲18
Net income	218	195	▲22
Profit /losses related to securities (B+E)	108	67	▲41
Credit related expenses	17	6	▲10

## Review of FY2019 Financial Results and FY2020 Forecasts

### ■ Review of FY2019 Financial Results (Consolidated)

- Ordinary profit was ¥33.4bn (▲¥0.9bn from FY2018) due to losses related to stocks (▲¥3.7bn) despite an increase in consolidated gross business profit (+¥0.6bn) and a decrease in operating expenses (▲¥1.4bn).
- Net income attributable to owners of the parent was ¥22.0bn (▲¥0.4bn).

### ■ Review of FY2019 Financial Results (Non-Consolidated)

- Core net business profit was ¥24.2bn (+¥1.3bn from FY2018) due to an increase in fees & commissions and a decrease in general & administrative expenses.
- Ordinary profit was ¥28.0bn (▲¥1.0bn) due to an increase in losses related to stocks (▲¥4.0bn) despite a decrease in losses on money held in trust (+¥2.5bn).
- Net income was ¥19.5bn (▲¥2.2bn) due to the lack of extraordinary gains (¥1.6bn) by the merger with a group company recorded in the previous fiscal year.

### ■ FY2020 (3/2021) Forecasts

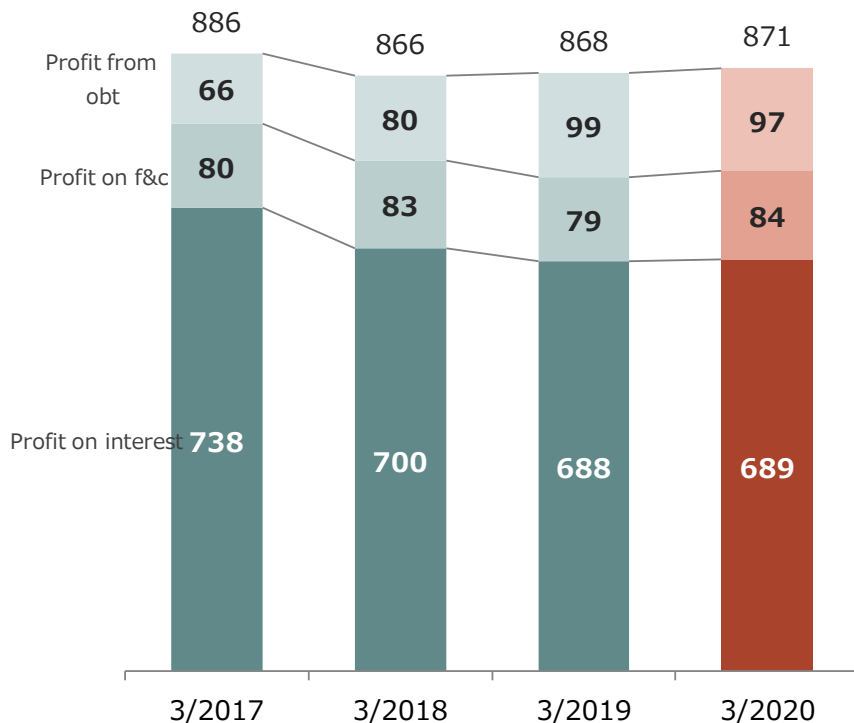
- Because of the widespread impact of COVID-19 pandemic, it is difficult to make forecasts at present.
- We will disclose FY2020 forecasts immediately if we can calculate it by a proper and reasonable manner.

## Gross Business Profit (Non-Consolidated)

- Gross business profit increased by ¥0.2bn from FY2018 due to increases in profit on interest and profit on fees & commissions despite a decrease in gains related to bonds.
- Profit on interest increased by ¥0.1bn due to an increase in interest & dividends on securities despite a decrease in interest on loans and an increase in funding cost of foreign currencies.

### ■ Gross Business Profit

(¥100mn)



### ◆ FY2019 (3/2020) Increase/Decrease Factors

(¥100mn)	3/2019	3/2020	Change	For reference
Profit on interest	688	689	1	See page 7
Profit on fees & commissions	79	84	5	See page 8
Profit other business transactions	99	97	▲2	See page 9

## Profit on Interest (Non-Consolidated)

- Profit on interest increased by ¥0.1bn from FY2018 due to an increase in interest & dividends on securities (+¥1.3bn) despite a decrease in interest on loans.
- Interest on loans decreased by ¥0.4bn due to a decline in interest rates despite an increase in outstanding balance.

(¥100mn)	3/2018	3/2019	3/2020
<b>Profit on interest</b>	<b>700</b>	<b>688</b>	<b>689</b>
Interest on loans	466	474	469
Domestic	443	433	418
International	23	41	51
Interest & dividends on securities	295	302	316
Domestic	199	202	226
International	95	100	89
Interest on deposits	▲25	▲32	▲35
Domestic	▲6	▲5	▲4
International	▲19	▲27	▲30
Interest payment on interest rate swaps	▲20	▲23	▲28
Domestic	▲13	▲15	▲17
International	▲7	▲8	▲10

(¥100mn)	3/2017	3/2018	3/2019	3/2020
Loans to the Japanese government (average balance))	808	1,743	2,335	2,859

### ■ Yield (%)

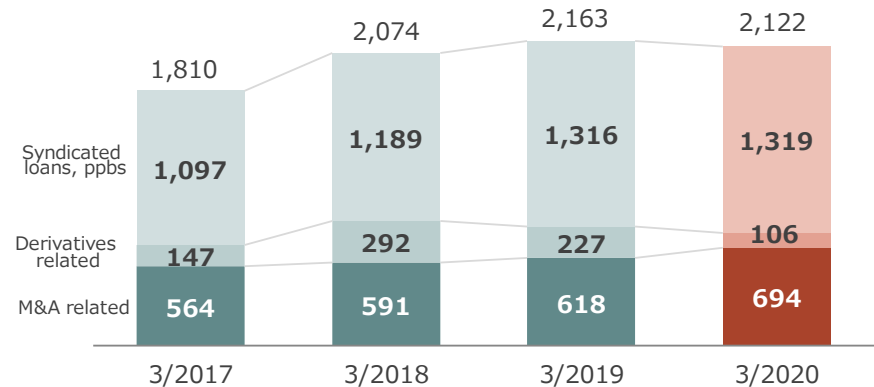
	3/2018	3/2019	3/2020
<b>Yield on loans</b>	<b>0.93</b>	<b>0.90</b>	<b>0.86</b>
Domestic	0.90	0.84	0.79
Excl. loans to the Japanese government	<u>0.94</u>	<u>0.89</u>	<u>0.84</u>
International	1.76	2.81	2.70
<b>Yield on securities</b>	<b>1.28</b>	<b>1.29</b>	<b>1.22</b>
Domestic	1.06	1.04	1.04
International	2.34	2.46	2.14
<b>Funding costs</b>	<b>0.11</b>	<b>0.13</b>	<b>0.13</b>
Domestic	0.02	0.02	0.02
International	1.14	1.64	1.64
<b>Yield on deposits</b>	<b>0.04</b>	<b>0.04</b>	<b>0.05</b>
Domestic	0.01	0.00	0.00
International	1.35	1.90	1.94

## Profit on Fees & Commissions (Non-Consolidated)

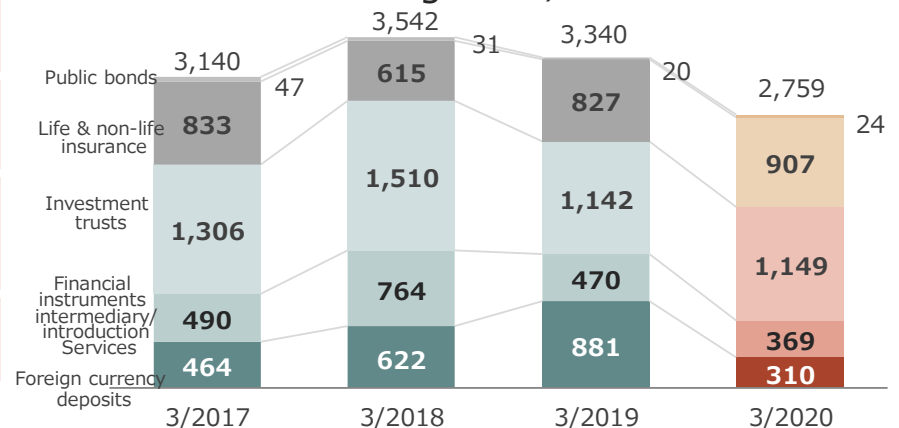
- Profit on fees & commissions increased by ¥0.5bn from FY2018 due to increases in handling fees of private placement bonds (corporate banking) and control of the reduction and exemption of several fees.

(¥100mn)		3/2018	3/2019	3/2020
<b>Profit on fees &amp; commissions</b>		<b>83</b>	<b>79</b>	<b>84</b>
<b>Fees &amp; commissions</b>		<b>174</b>	<b>173</b>	<b>180</b>
〈Major items〉	Deposit/loan business	70	72	76
	Exchange business (transfer/remittance etc.)	60	59	60
	Securities-related business	25	19	21
<b>Fees &amp; commissions payment</b>		<b>90</b>	<b>94</b>	<b>96</b>
	Fees related to payment loans	64	67	69

### ◆ Corporate Banking (¥1mn)



### ◆ Personal Banking (¥1mn)



※ Incomes from consulting businesses were included in the above figures.

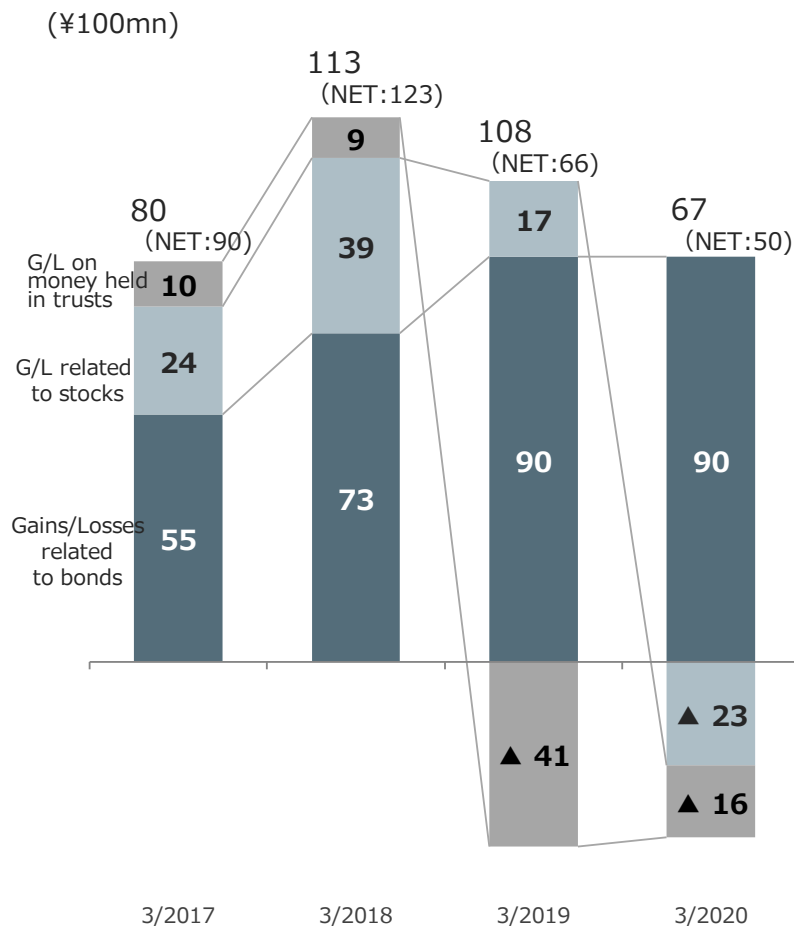
※ Incomes other than "fees & commissions" were also included in these figures.



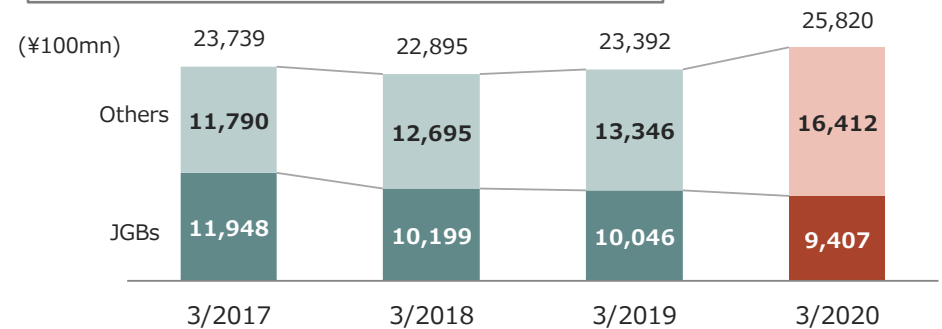
## Profit/Losses Related to Securities (Non-Consolidated)

- Profit/losses related to securities decreased by ¥4.1bn from FY2018 due to an increase in losses on sales of stocks.
- Average balance of securities increased by ¥242.7bn due to increases in foreign bonds and corporate bonds.

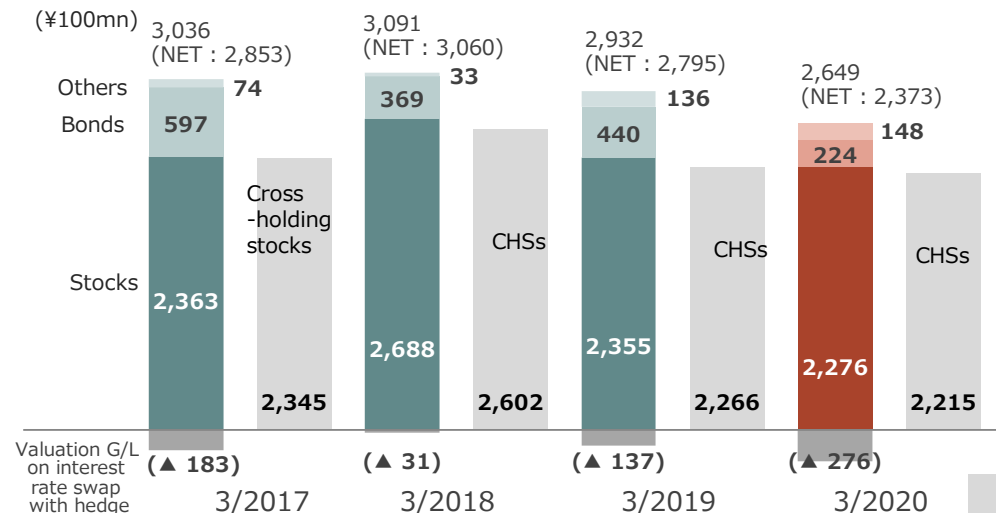
### ■ Profit/Losses Related to Securities



### ■ Average Balance of Securities

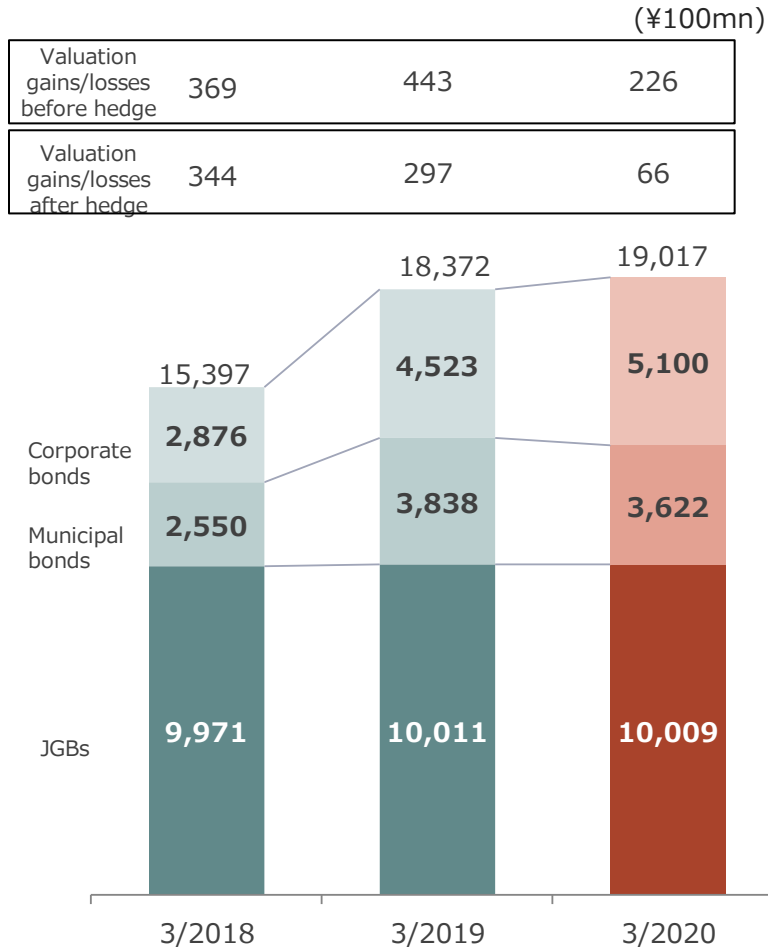


### ■ Valuation Gains/Losses on Securities (after interest rate swap hedge)

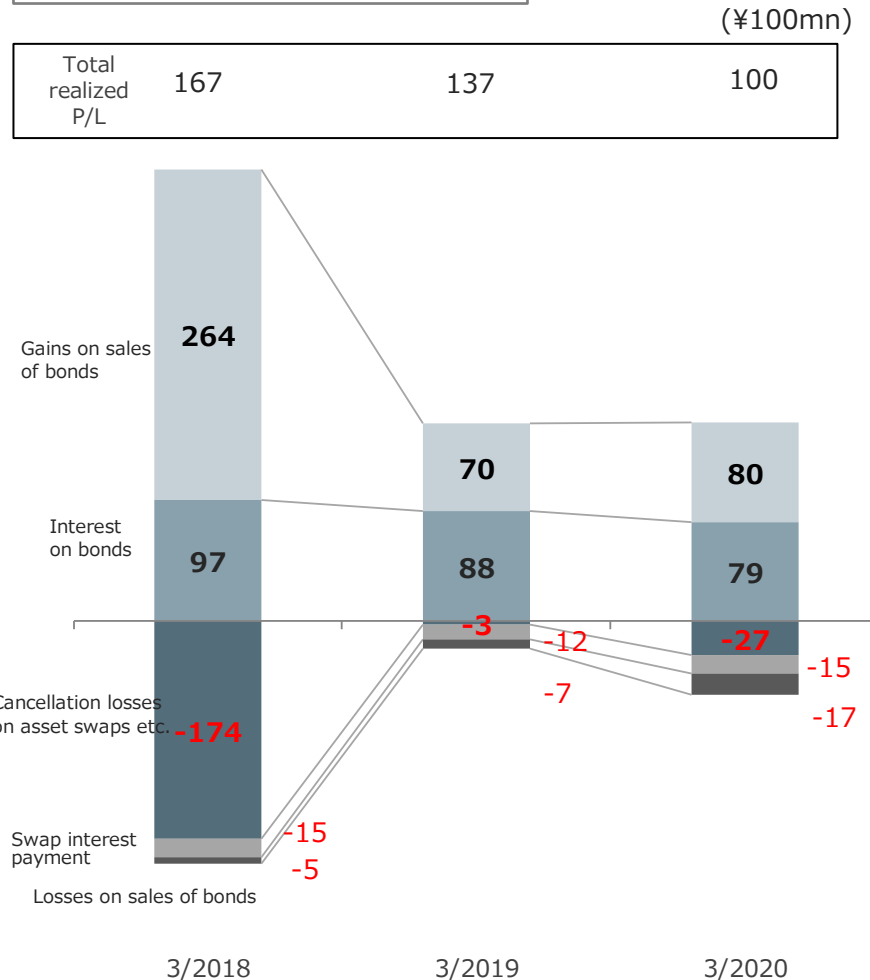


## Market Investment (Yen-Denominated Bonds)

### ■ Holding Amounts (Outstanding Balance)



### ■ Profit/Losses



※ The above figures were based on ALM accounting so they were different from the figures on Financial Statements.

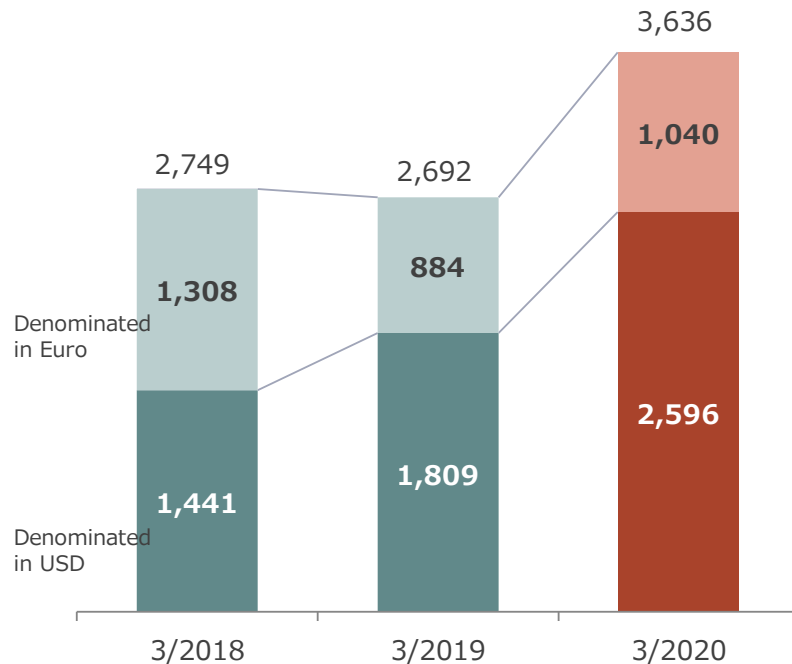
# Market Investment (Foreign Currency-Denominated Bonds)

## ■ Holding Amounts (Outstanding Balance)

(¥100mn)

Valuation gains/losses before hedge	▲8	37	127
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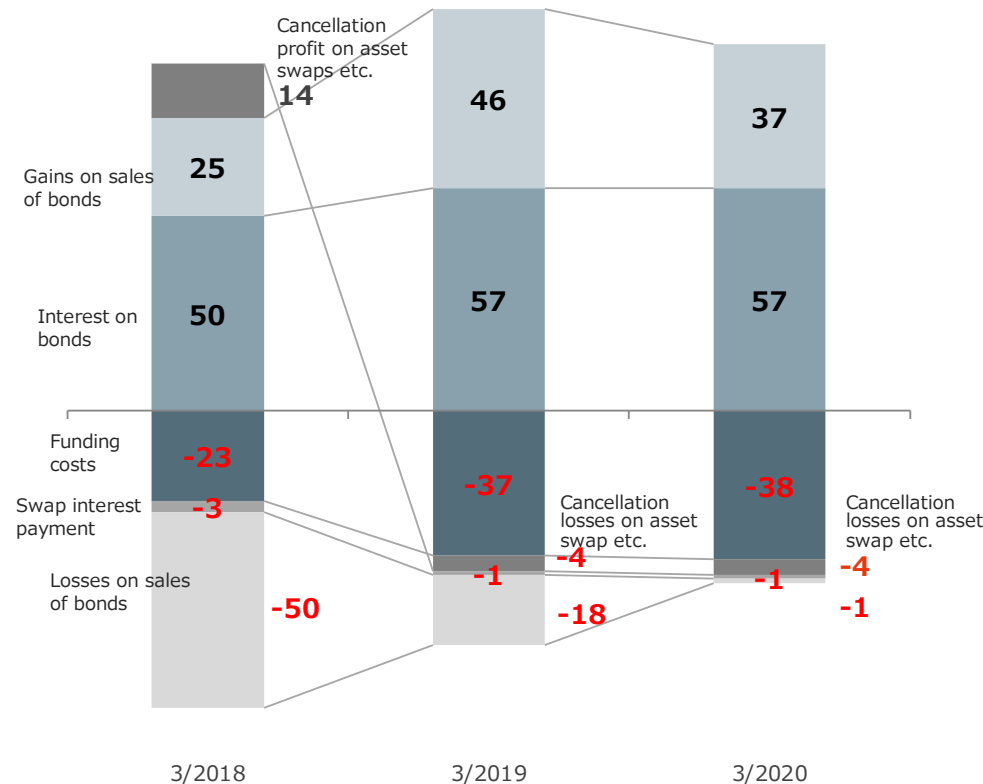
Valuation gains/losses after hedge	▲5	27	35
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## ■ Profit/Losses

(¥100mn)

Total realized P/L	13	44	50
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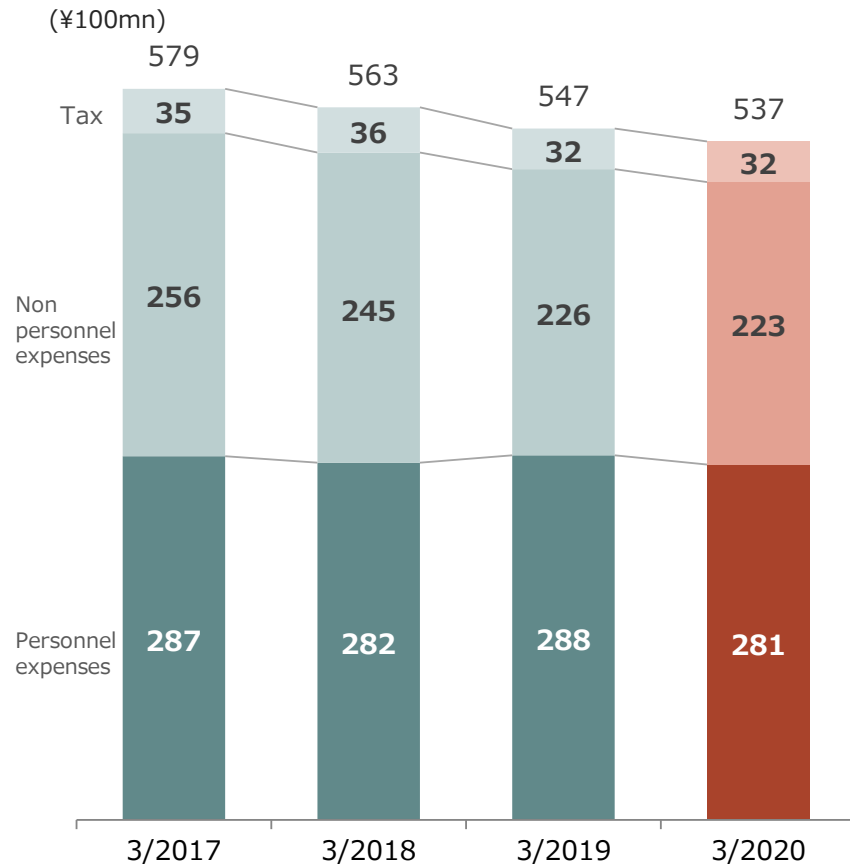


※ The above figures were based on ALM accounting so they were different from the figures on Financial Statements.

## General & Administrative Expenses (Non-Consolidated)

- Personnel expenses decreased by ¥0.7bn from FY2018 due to a decrease in staff headcount, non personnel expenses decreased by ¥0.3bn due to the reorganization of operational sections as well as the review of network.
- General and administrative expenses decreased by ¥1.0bn.

### ■ G&A Expenses



### ■ Depreciation and Investment Amounts

(¥100mn)	3/2019	3/2020
Depreciation	40	37
Investment amounts	(Original plan : 73) 32	(Original plan : 72) 37
Main investments	*Next phased information system *Tablet for paperless	*Next phased information system *Reconstruction of branches/welfare facilities

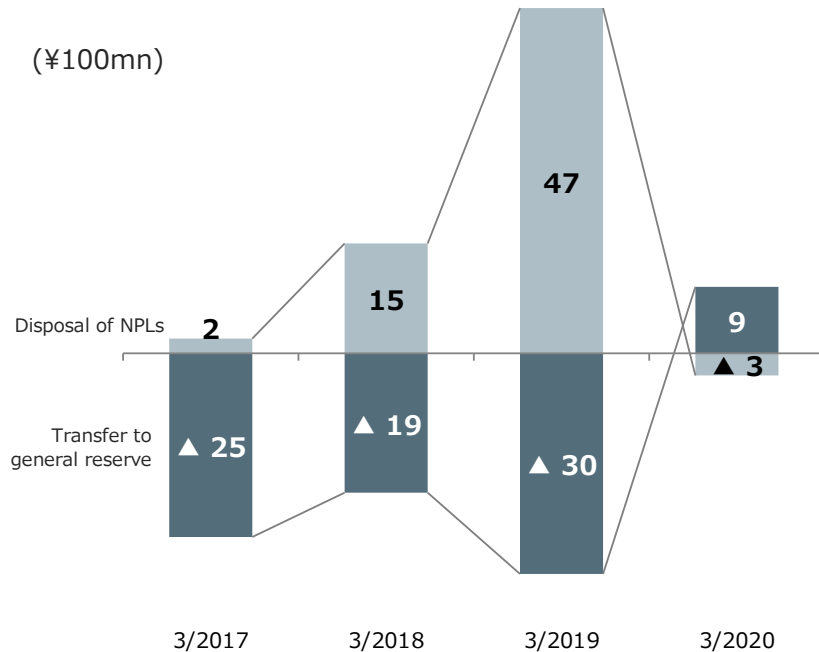
### ◆ FY2019 Increase/Decrease Factors

(¥100mn)	3/2019	3/2020	Change	Main factors
Personnel expenses	288	281	▲7	<ul style="list-style-type: none"> <li>•Decrease in wages</li> <li>•Decrease in temporary employment costs (average no. of staff:▲185)</li> </ul>
Non personnel expenses	226	223	▲3	<ul style="list-style-type: none"> <li>•Decrease in maintenance costs (▲¥0.3bn)</li> <li>•Decrease in depreciation (▲¥0.2bn)</li> </ul>
Tax	32	32	+0	—

## Credit Related Expenses (Non-Consolidated)

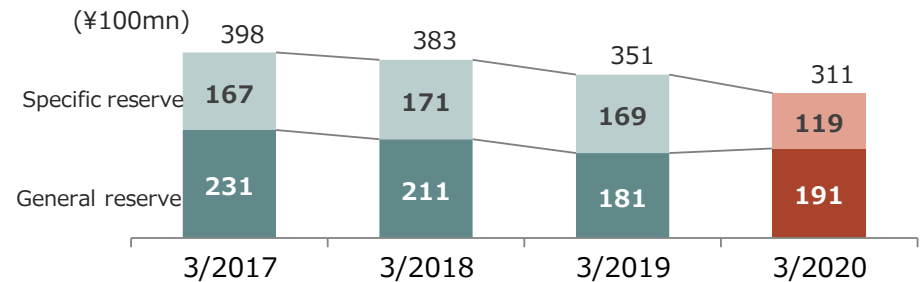
- Credit related expenses was ¥0.6bn as transfer to general reserve was ¥0.9bn due to the downward movement of portfolio while disposal of NPLs was a negative ¥0.3bn due to collections of loans from large borrowers.
- Outstanding balance of NPLs increased by ¥2.0bn from FY2018.

### ■ Credit Related Expenses



Credit related expenses	▲ 23	▲ 3	17	6
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### ■ Outstanding Balance of Reserve for Loan Losses



### ■ Non-Performing Loans (NPLs)

(¥100mn)	3/2017	3/2018	3/2019	3/2020
Bankrupt and quasi-bankrupt assets	101	120	101	75
Doubtful assets	640	542	492	475
Substandard assets	226	207	167	231
<b>Total</b>	<b>967</b>	<b>869</b>	<b>761</b>	<b>782</b>
<b>NPL ratio</b>	<b>1.94%</b>	<b>1.68%</b>	<b>1.41%</b>	<b>1.41%</b>
After partial direct charge-off※	1.83%	1.53%	1.30%	1.34%

※Partial direct charge-off was not executed. This figure was disclosed only for the reference.

## Return to Shareholders

- Dividend payout ratio of FY2019 achieved “over 30%”, which is one of the target of 31st Long-Term Management Plan.

(¥100mn)	3/2017	3/2018	3/2019	3/2020
Annual dividends①	70	65	69	68
Dividend per share (full year)	¥14.0	¥13.0	¥14.0	¥14.0
Interim dividend	¥6.0	¥6.0	¥6.0	¥6.0
Purchase of own stocks②	0	Note 1 29	28	Note 2 29
Shareholder returns ③ = ① + ②	70	95	98	98
Net income (non-consolidated) ④	231	227	224 ※Consolidated	220 ※Consolidated
Dividend payout ratio (non-consolidated)① ÷ ④	30.6%	28.9%	30.9% ※Consolidated	31.1% ※Consolidated
Ratio of shareholder returns (non-consolidated) ③ ÷ ④	30.6%	41.9%	43.7% ※Consolidated	44.7% ※Consolidated

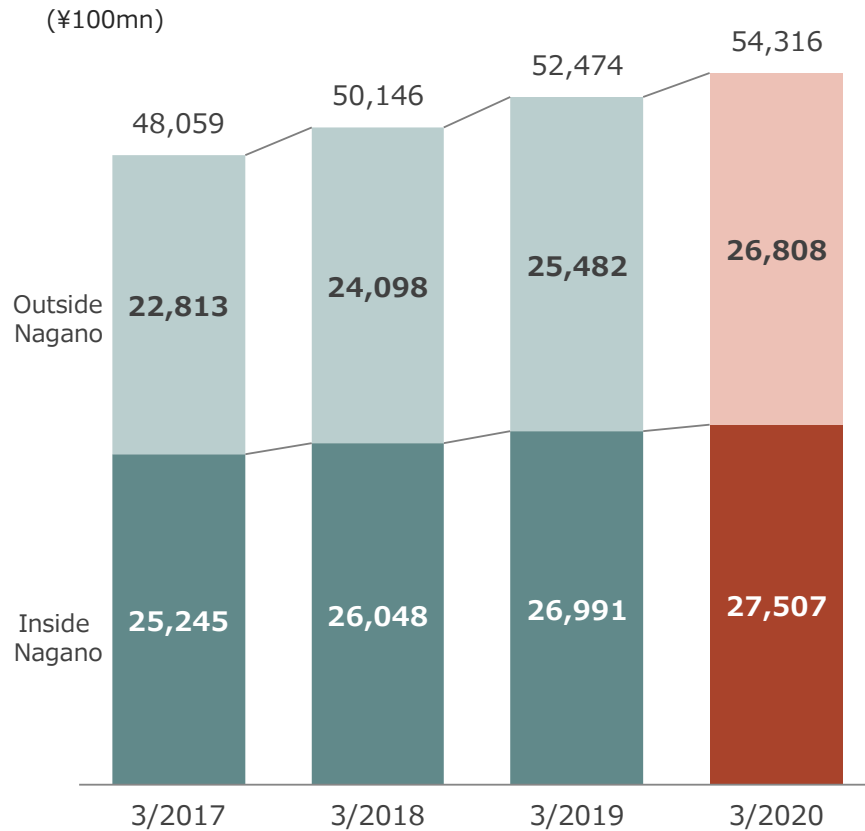
Note 1: Based on the resolution of Feb 2018

Note 2: Purchased 6,745,400 shares from Sep 2019 to Nov 2019

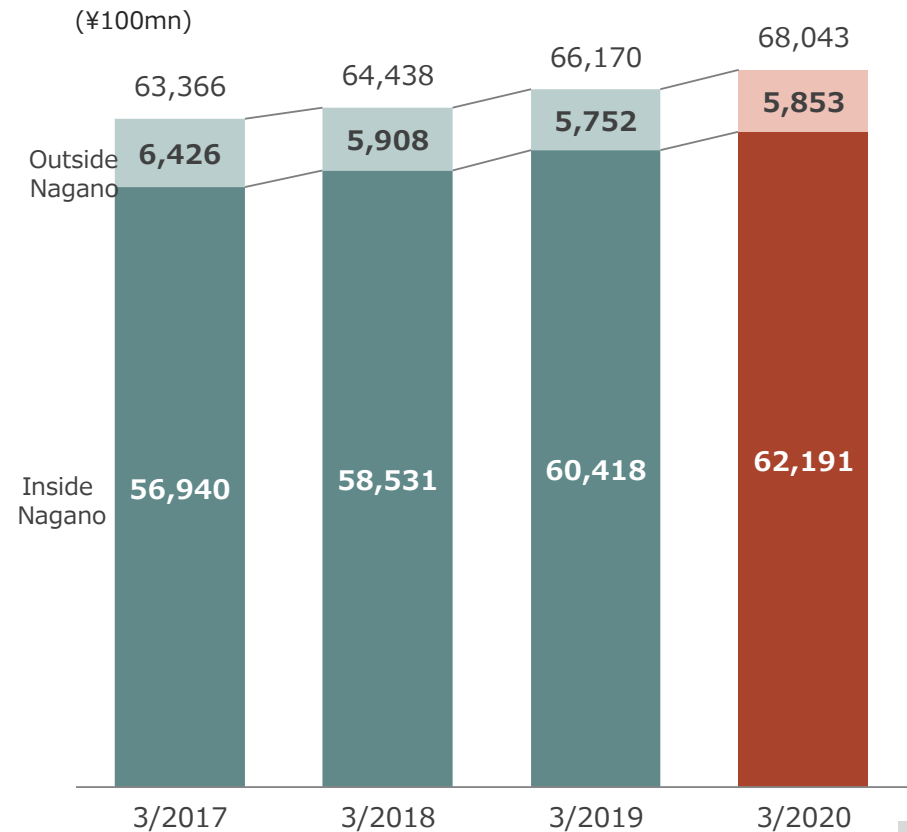
## Major Accounts (Loans/Deposits)

- Average balance of loans and deposits marked new record highs respectively.

### ■ Average Balance of Loans



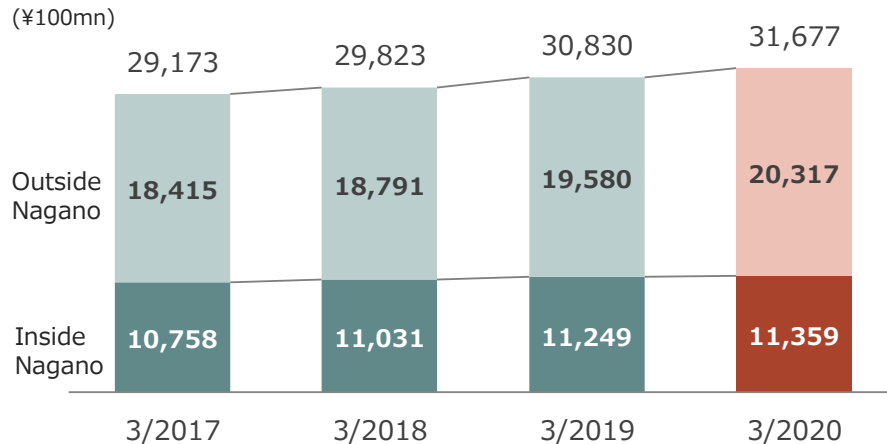
### ■ Average Balance of Deposits



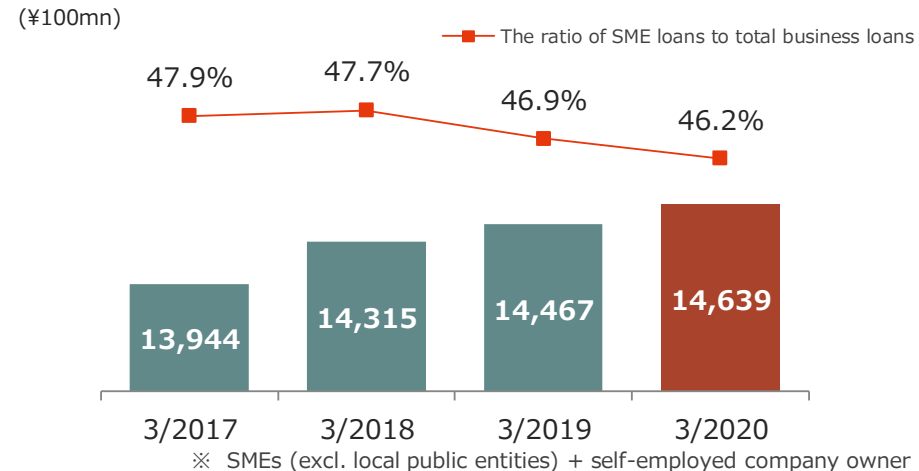
## Main Figures (Business Loans)

- Business loans increased by ¥84.7bn from FY2018 because demand for funds of equipment capital and operation capital increased both inside and outside Nagano.
- Business loans to SMEs increased by ¥17.2bn, mainly in loans inside Nagano.

### ■ Business Loans by District (Outstanding Balance)



### ■ Business Loans to SMEs※ (Outstanding Balance)



### ■ Business Loans for Real Estate Sector (Outstanding Balance)

(¥100mn)	3/2017	3/2018	3/2019	3/2020
Inside Nagano	1,549	1,658	1,712	1,699
<b>Total</b>	<b>3,495</b>	<b>3,732</b>	<b>3,969</b>	<b>4,159</b>
(Loans to large companies)	1,136	1,212	1,348	1,520

※ Large companies: ¥1bn or more capital with 300 or over employees

### Topics

#### ◆ COVID-19 dedicated loans

##### Disaster recovery special loans (Mar 2, 2020~)

##### 【Results as of Apr 30】

- Application : 244 cases/approx. ¥7.1bn
- Execution : 191 cases/approx. ¥3.5bn

##### Emergency special funds for coronavirus (Apr 10, 2020~)

##### 【Results as of Apr 30】

- Application : 370 cases/approx. ¥1.0bn
- Execution : 283 cases/approx. ¥0.8bn

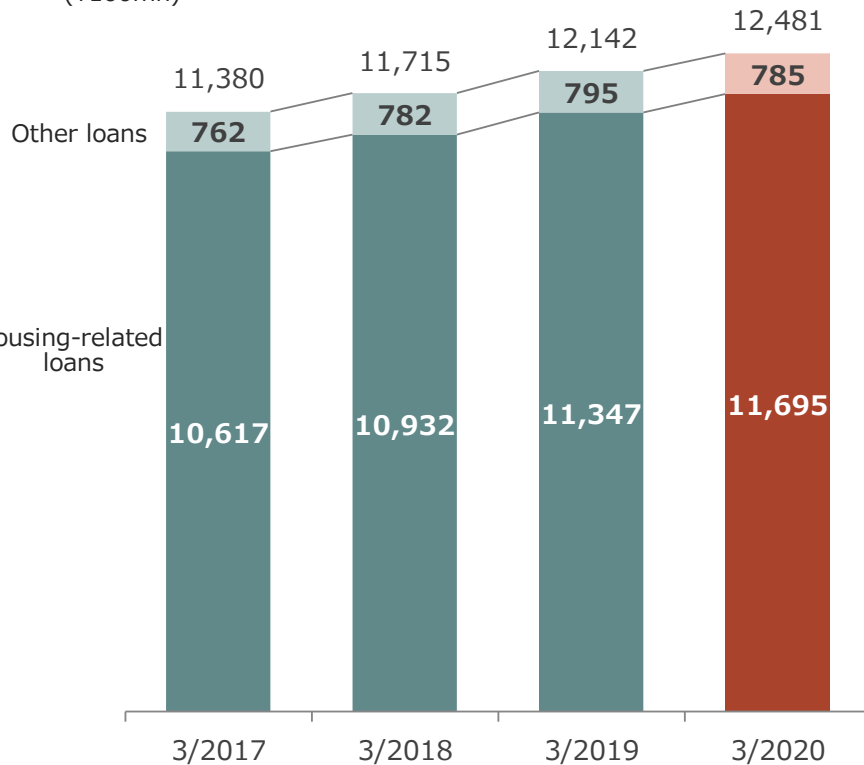


## Main Figures (Personal Loans)

- Personal loans increased by ¥33.9bn from FY2018 to ¥1,248.1bn. (record high)
- Housing-related loans increased by ¥34.8bn due to the increase of demand for funds of new homes. (record high)

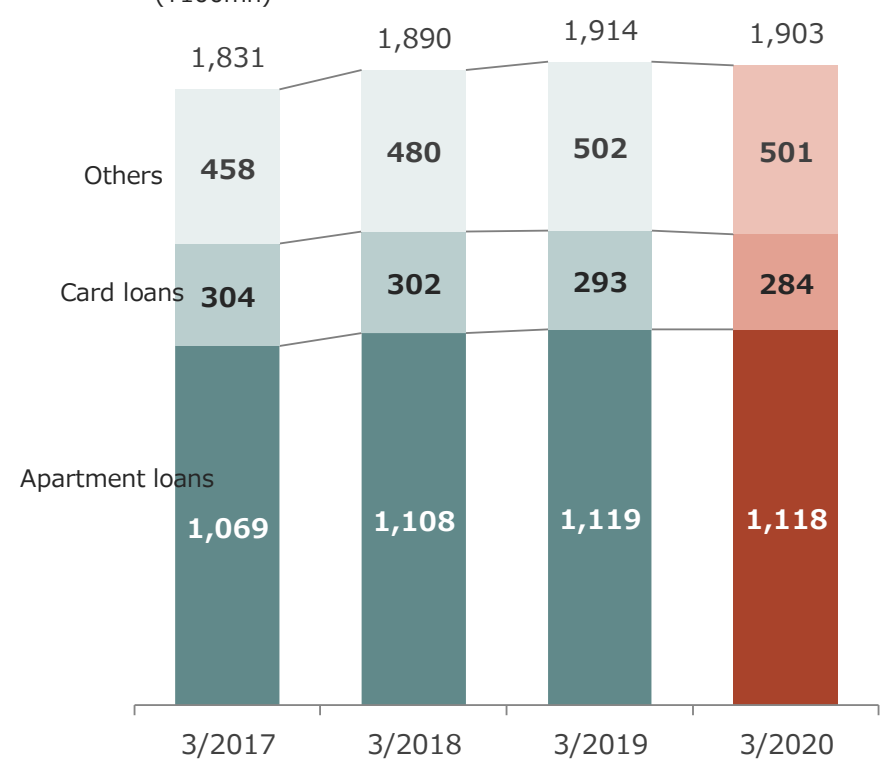
### ■ Personal Loans (Outstanding Balance)

(¥100mn)



### ■ Apartment Loans, Other Loans (Outstanding Balance)

(¥100mn)

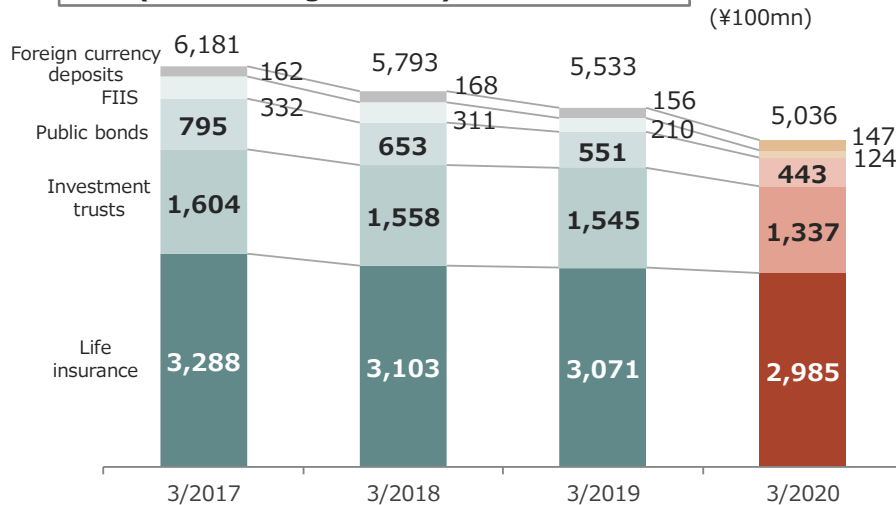


※ Loans for corporate customers were excluded.

## Main Figures (Investment Type Products in Personal Banking)

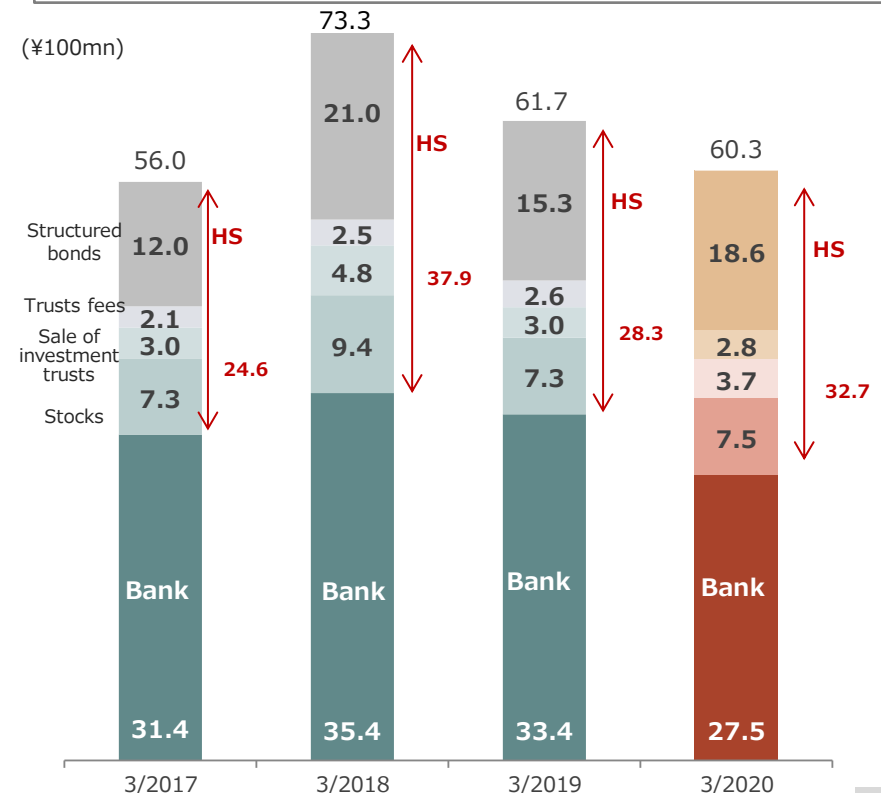
- Outstanding balance (market price) of investment type products in personal banking decreased by ¥49.7bn from FY2018, reflecting market turmoil caused by coronavirus pandemic.  
Income from investment type products (Bank + Hachijuni Securities Co., Ltd.) decreased by ¥0.1bn.
- As for Installment-type Investment Trusts, no. of accounts and monthly installments increased respectively and hit new record highs.

### Investment Type Products (Outstanding Balance)



### Income from ITP (Bank+HS)

※after deduction of the Bank's intermediary fee



### Installment-type Investment Trusts

	3/2017	3/2018	3/2019	3/2020
No. of IIT accounts	18,691	22,175	25,676	32,787
(installment NISA)	-	2,675	5,460	10,278
Monthly installments (¥1mn)	247	361	480	907

# Market Investment (the Change in Outstanding Balance of Securities)

## ➤ Promoting diversified investment while continuing yen-denominated securities investment

(Cost basis, ¥100mn)		3/2018	9/2018	3/2019	9/2019	3/2020
Bonds	Interest-bearing JGBs	8,013	8,684	8,413	8,234	8,870
	Floating-rate JGBs	1,656	1,256	1,101	824	731
	Inflation-protected JGBs	0	11	167	167	218
	Other domestic bonds	4,651	4,816	7,236	8,528	7,071
	Yen-denominated securitized products	581	582	598	639	656
	Structured bonds etc.	126	59	87	282	802
	CLO	46	39	67	54	94
Stocks	Domestic stocks	1,148	1,162	1,138	1,122	1,138
Yen-denominated investment trusts	Domestic ETF	161	184	165	81	209
	J-REIT	263	273	268	219	267
	Other investment trusts	1,796	1,740	2,047	2,182	2,288
	Union-type of funds etc.	185	178	193	207	214
	Hedge funds	224	229	238	227	225
Foreign securities	Hedge funds	47	50	49	47	48
	Yen-denominated foreign bonds	342	352	357	374	443
	Foreign stocks, ETF etc.	103	87	105	123	151
	Foreign currency-denominated bonds	2,492	2,499	2,123	2,356	2,760
	Foreign currency-denominated securitized products	263	398	533	594	750
	Foreign currency-denominated CLO	0	0	0	0	0
Total		22,052	22,558	24,885	26,207	26,840
Bond durations (years)		3.62	3.68	3.62	4.21	3.77

### Topics

Responding swiftly to the market turmoil by the following investments

#### ◆ Buying (Mar 2020)

(¥100mn)	
JGB asset swap (Yen)	1,441
Short to medium-term credit bonds, beneficial interests (Yen, Foreign currency)	338
J-REIT	64
<b>Total</b>	<b>1,843</b>

※ No loss-cut & impairment loss in J-REIT

## Outline of the 31st Long-Term Management Plan

# “Dare to change; Create the Next Generation”

April 2018 ~ March 2021

### Strengthening and Expansion of “Face-to-Face Sales” in Order to Realize Customer Profits

⇒ P.23

- ◆ Strengthening quantity in “face-to-face sales”
- ◆ Strengthening quality in “face-to-face sales”
- ◆ Expansion of the scope of “face-to-face sales”
- ◆ Strengthening “face-to-face sales” of the whole Hachijuni Group

### Reform of “Sales Promotion Structure and Operational Processes”

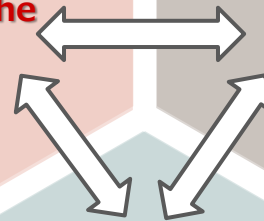
⇒ P.25

- ◆ Reorganization of operational sections (change of organization, review of business, outsourcing)
- ◆ Reduction of operational processes
- ◆ Increasing operational efficiency by IT
- ◆ Review of structure (branch/staff)
- ◆ Reducing burden on the customer/ improving convenience

### Expansion of Investment in Developing “Human Resources” and More Opportunities for Their Active Participation

⇒ P.24

- ◆ Career path/program of nurturing human resources
- ◆ Staff support system according to their age
- ◆ Personnel exchanges within the Hachijuni Group
- ◆ Nurturing human resources in specialized fields
- ◆ Work style reform



## Progress in the 31st Long-Term Management Plan [Numerical Targets]

Management Targets	Targets	FY2019 (3/2020)	Environmental Targets	Targets	FY2019 (3/2020)
Net income attributable to owners of the parent	¥25.0bn (FY2020)	¥22.0bn	Amount of greenhouse gas emissions reduced (compared to FY2013)	15% (FY2020)	18.8%
Ratio of consolidated profits to parent company's profits	1.25 times (FY2020)	1.12 times	No. of new contracts for electronic delivery services: cases	3,000 (over 3 years)	4,958
Dividend payout ratio (consolidated))	Over 30% (annual)	31.1%	No. of new contracts for and renewals to e-livret: cases	100,000 (over 3 years)	77,161
			No. of environmental investments and loans: cases	3,000 (over 3 years)	1,947

Regional Vitality Targets	Targets	FY2019 (3/2020)
No. of new business launches : companies	1,000 (over 3 years)	788
No. of cases through business matching (sales channel development, etc.)	6,000 (over 3 years)	7,224
No. of cases utilizing private placement bonds, funds, etc.	500 (over 3 years)	523
No. of business successions, M&As, and change/discontinuation of businesses	1,000 (over 3 years)	776

# Progress in the 31st Long-Term Management Plan

【Challenge Targets/Long-Term Management Guideline】

Challenge Targets	FY2018	Targets	Target Year	FY2019 (3/2020)
Business loans to SMEs (outstanding balance)	¥1,446.7bn	¥2tn	FY2027	¥1,463.9bn
No. of SME borrowers	26,250	30,000	FY2027	26,903
Income from investment type products (Bank + HS)	¥5.4bn	¥10.0bn	FY2022	¥5.7bn
OHR (gross business profit basis)	63.1%	Under 60%	FY2022	61.7%
Amount of greenhouse gas emissions reduced (compared to FY2013)	14.4%	30%	FY2030	18.8%
Long-Term Management Guideline	Guideline	FY2019 (3/2020)		
ROE	5% or higher	2.79%		

## Progress in the 31st Long-Term Management Plan ①

### Theme① Strengthening and Expansion of “Face-to-Face Sales” in Order to Realize Customer Profits

#### Providing financial services most suited to customer needs

##### Individual Business Meeting with External Experts

Reinforcing cooperation with experts (certified tax accountant, administrative scrivener etc.) for responding to customers' consultations about asset succession or inheritance

Supporting smooth business succession by holding consultation meetings in many places with external experts

**Responding to growing needs  
by the progress of aging society**



Inheritance consultation meetings with experts were held in various areas of Nagano

	2019 1H	2019 2H
Connecting customers with experts	7 cases	45 cases
Inheritance consultation meetings	4 places	11 places
Experts [Details of consultations]	Jun 2019~ • Tax accountant corporation [assets for inheritance tax, a declaration of inheritance tax]	Oct 2019~ • Administrative scrivener office [making one's testament] • Inheritance consulting firm [agency business for inheritance]

##### Increase of the Shared Stores ~Expansion of Comprehensive Financial Services~



New Nakano Branch opened in Nov 2019:  
The first shared store of 3 group companies

	FY2018	FY2019
The shared store with <b>Hachijuni Securities Co., Ltd.</b>	3 stores	5 stores
The shared stores with <b>Hachijuni Lease Co., Ltd.</b>	2 stores	6 stores

Increasing the shared stores with group companies for responding to various consultations by customers in a one-stop manner

Enhancing cooperation within the group to provide more comprehensive financial services

Creating new type of stores for next generations from customers' view point

**No. of consolidated branches by branch  
integration: 10 (as of Mar 31, 2020)**

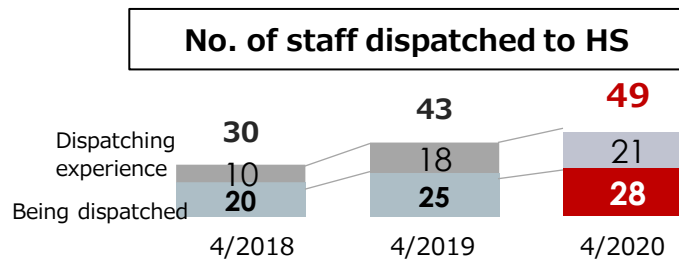
## Progress in the 31st Long-Term Management Plan ②

### Theme② Expansion of Investment in Developing “Human Resources” and More Opportunities for Their Active Participation

**Reinforcement of personnel system focused on each staff's growth and worthwhileness of working**

#### Nurturing Human Resources by Exchanging Staff in Group Companies

Dispatching personal banking staff to Hachijuni Securities Co., Ltd. (HS) to acquire specialist knowledge and know-how of securities business



No. of staff with qualification	4/2018	4/2019	4/2020
Security analyst	53	56	57
Financial planner (FP) 1st class	56	60	64
FP 2nd class	772	796	843

**Reinforcement of organizational strength aiming to be a financial professional group**

#### Promoting Gender Diversity in Workplace



	Mar 31, 2018	Mar 31, 2019	Mar 31, 2020
Female staff in managerial position	189	196	203
Ratio	15.5%	16.2%	17.1%

The Bank's share was selected as a component of MSCI Japan empowering woman select index※ in Jun 2019.

Supporting female staff who want to realize work life balance in different life stages of childbirth or child-care by introducing many kinds of systems such as child-care leave and short-time work

※ This is one of the ESG index which Government Pension Investment Fund (GPIF) adopts in their investment

**No. of female staff in managerial position: 203  
[Ratio : 17.1%] (as of Mar 31, 2020)**



## Progress in the 31st Long-Term Management Plan ③

### Theme③ Reform of “Sales Promotion Structure and Operational Processes”

#### Reinforcement of sales promotion structure by increasing efficiency

##### Introduction of RPA

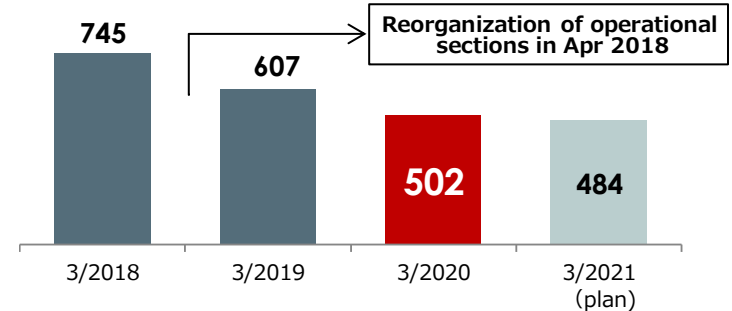
RPA※ was introduced in May 2018 and the range of using it was expanded to many operations.

Labor-saving by RPA: 23 operations (approx. 22,500-hour burden) were reduced mainly in operation centers by the end of Mar 2020.

※Robotic Process Automation

**Increasing rationality and efficiency,  
reducing staff in operational sections**

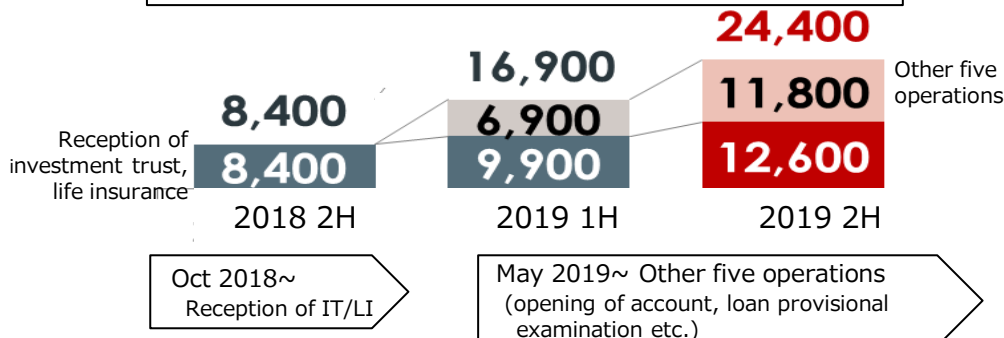
##### No. of staff in operational sections



##### Expansion of Paperless by Utilizing Tablets Terminals

##### No. of reception by tablets (cases)

※Less than 100 are rounded down



Expanding the use of tablet in procedures with customers such as opening of account and change of address etc. to realize paperless procedure

**Providing “rapidly, easily, safely” procedures**

## Progress in the 31st Long-Term Management Plan ④

### Efforts to SDGs

**CDP2019 (Climate Change) : Rating “B (management)”**

**No.1 rank in Japanese banks  
for 4 straight years**

### Established “SDGs Promotion Group” (Feb 2020)



SDGs promotion group

Established “SDGs promotion group” in General Affairs Department to strengthen the Bank’s efforts to work on SDGs through banking business

Announced a support for TCFD (Task Force on Climate-related Financial Disclosure) in Mar 2020

Making efforts to realize the sustainable society together with regional communities

### Launch of “Regional Revitalization/SDGs Support PPB”



Renewal of 2 types of Private Placement Bonds in Nov 2019, supporting

- 1) companies’ activities for regional revitalization,
- 2) financing of companies for SDGs facilitation

#### Type 1 for regional revitalization

Supporting SDGs-related “business and activities”

The Bank’s underwriting commission is discounted. Issuers can donate the discounted amount to schools or welfare organizations.

#### Type 2 for company support

Supporting the “financing of companies” to contribute to SDGs

Type 2 is available to companies who actively work on environmental conservation. Issuance-related cost and expenses are discounted.

#### FY2019 results

**187 cases/¥11.73bn**

※including results before renewal