

Medium-term Management Plan (April 2022 - March 2025)

KAI-KAKU150 2nd STAGE

“Gateway to the Future II”

—Aiming to Transform into a Green & Consulting Bank Group—

The Hyakugo Bank Group's Aims



Green

- The Hyakugo Bank Group will support “Just Transition,” a fair transition to carbon neutrality in the region, and contribute to the sustainable economic development of local communities.



Consulting bank group

- The Hyakugo Bank Group will practice problem-solving consulting and commit itself to pioneering the future of its customers and local communities.
- The Hyakugo Bank Group will continue its IT strategy to improve productivity and support customers and local communities in their efforts towards IT applications.

Overview of Medium-term Management Plan

We position the Medium-term Management Plan KAI-KAKU 150 2nd STAGE “Gateway to the Future II”—Aiming to Transform into a Green & Consulting Bank Group—, which kicked off in April, 2022, as “three years of adopting aggressive strategies” in our long-term vision. Using the foundation established in the 1st STAGE as a jumping board, we will use the three-year period to diversify revenue sources and reform the cost structure by strengthening green initiatives and deepening digital and consulting initiatives, making a united group effort to leap to the next stage.

Five Basic Policies and 11 Key Strategies

In the Medium-term Management Plan “Gateway to the Future II,” we established five basic policies and 11 initiatives. In “Strengthening Efforts Towards Carbon Neutrality,” we will contribute to the creation of green society by supporting the decarbonization of customers and advancing decarbonization efforts of the Hyakugo Bank Group. In “Strengthening Business Model” and “Increased Productivity,” we will exhaustively pursue improved productivity by rebuilding face-to-face and non-face-to-face channels and streamlining operational efficiency through data utilization, as well as enhance loan income and fees and commissions. In “Strengthening Management Foundation” and “Increased Awareness of SDGs/ESG,” we will build a solid management foundation by investing in human capital, including development of consulting and data application personnel and provision of career support for diverse human resources, as well as by taking measures against climate change and other emerging risks as necessary.

| Basic Policy | Key Strategy | Listed pages |
|--|--|----------------|
| I Strengthening Efforts Towards Carbon Neutrality | 1 Carbon Neutral Strategy | Pages 23 to 30 |
| II Strengthening Business Model | 2 Strategy to Enhance Loan Income and Fees and Commissions | Pages 31 to 34 |
| | 3 Securities Strategy | Page 35 |
| | 4 Group Company Strategy | Page 36 |
| III Increased Productivity | 5 Channel Strategy | Pages 37 to 38 |
| | 6 IT Strategy | |
| IV Strengthening Management Foundation | 7 Human Resources Strategy | Pages 39 to 42 |
| | 8 Governance Strategy | Pages 51 to 63 |
| | 9 Organizational Strategy | Page 67 |
| V Increased Awareness of SDGs/ESG | 10 Diversity Strategy | Pages 43 to 46 |
| | 11 SDGs/ESG Strategy | Pages 47 to 50 |