

Communication with Stakeholders

The Hyakugo Bank Group strives to meet the expectations of its stakeholders by balancing economic development with solutions to social issues in the region through its core business, and actively discloses information through the General Meeting of Shareholders, business partner gatherings, and company briefings. We also strive to improve management by listening to the opinions and requests of our stakeholders.

Communication with customers

Business partner gathering

Every year, the Bank holds business partner gatherings to strengthen relationships with regional customers and proactively disclose information. In FY2023, we held the gathering 8 times at 5 locations in Mie and Aichi Prefectures from August to September, where the President explained business performance along with business activities and outcomes, including initiatives for decarbonization, regional revitalization, and the SDGs. The Bank's executives and the Presidents of Group companies also participate in the gatherings to directly listen to customers' opinions and requests, which facilitates communication as well as improve management.

Date	Venue (invited district)	No. of participants
August 2023	Tsu City (Tsu District)	122
	Ise City (Ise and Toba Shima Districts)	97
	Nagoya City (Aichi District)	109
	Yokkaichi City (Kuwana and Suzuka Districts)	128
September 2023	Yokkaichi City (Yokkaichi District)	139
	Matsuzaka City (Matsusaka and Kishu Districts)	107
	Nagoya City (Aichi District)	119
	Tsu City (Iga and Tsu Districts)	110



Conducting customer surveys

The Bank and Hyakugo Securities have established policies in accordance with the Principles for Customer-Oriented Business Conduct (revised on January 15, 2021) issued by the Financial Services Agency, and regularly disclose the status of their initiatives while reflecting the voice of customers. As part of these efforts, we conduct customer surveys with customers who have purchased investment trusts to gather feedback on our proposals as well as their opinions and requests. Based on customer voice, we actively work to improve our services and operations.



Customer-based Business Operation Declaration and Action Policy
https://www.hyakugo.co.jp/gyoumu_unei_sengen/



Opinions and requests from customers

- Increase opportunities for and quality of proposals
- Enable online trading with Hyakugo Securities
- Expand the range of products
- Resume asset management seminars

Main initiatives to improve services and operations

- We have transitioned to a group-wide sales structure to propose asset management plans tailored to customers.
- Hyakugo Securities launched online trading services
- Expanded the lineup of investment trusts with new funds, mainly those eligible for the new NISA
- Resumed asset management seminars (held 9 times in 6 districts)

Communication with regional society

Volunteer activities "Walkathon"

In 2023, 29 employees participated in "Walkathon," a volunteer activity hosted by Saint Joseph Joshi Gakuen, walking a 10-km (or 5-km) course with students and other parties related to the school. The Bank has supported this activity since 2015. Walkathon is a fundraising event in which participants receive a pre-arranged donation from a sponsor they have found themselves for the distance they have walked. Some children in the countries supported by this fundraising event walk more than 10 km on unpaved roads every day to get to school. This 10-km walk is a fundraising activity designed to share and imagine the feelings of these children. The funds raised this time amounted to approximately 1.34 million yen, which will be used to support education for people in Sierra Leone and the Philippines, as well as to donate to Médecins Sans Frontières and the Garden of Siloam (Kenya).



Initiatives to promote sports

As a sponsor, the Bank supports Shunsuke Togami, who is from Tsu City and has competed in numerous international tournaments, including the All Japan Table Tennis Championships.

In December 2023, the “Hyakugo Bank Cup Table Tennis Competition” was held for two days, hosted by the Tsu City Table Tennis Association and sponsored by the Bank.

The tournament was held for the first time in four years due to the COVID-19 pandemic. Around 840 people from Mie, Aichi, Shiga and other prefectures, ranging in age from elementary school students to people in their 80s, participated in the heated competition. It also served as an opportunity to deepen exchanges among participants.

By sharing joy with local residents through means such as sponsorship of sporting events and support for top athletes, we will contribute to the realization of a prosperous regional society.



Communication with shareholders and investors

Every June, we hold the Ordinary General Meeting of Shareholders at our Marunouchi Headquarter Building. In addition, we hold regular company briefing sessions mainly for domestic and international securities firms, institutional investors, and analysts, in an effort to strengthen dialogue and enhance communication with shareholders and investors.

In FY2023, we held Information meetings (IR) in both in-person (in Tokyo) and online for full-year results announcement in May and for interim results announcement in November.

Audio recordings of the IR meetings, along with explanatory materials, are available on the Bank's website. Individual company briefings for institutional investors in Japan and overseas are also held as needed.



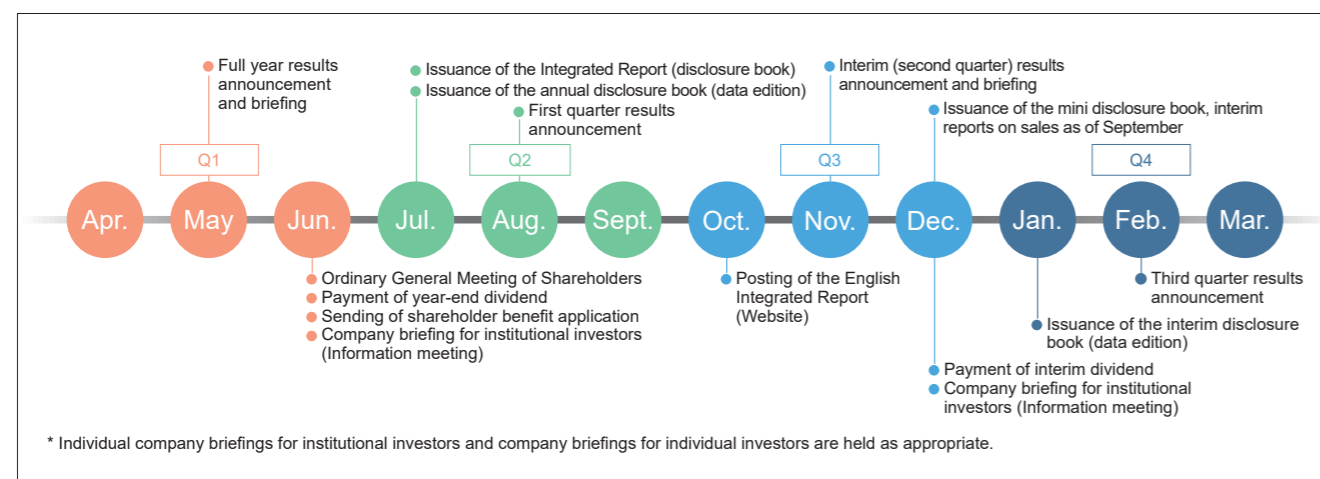
Activities in FY2023

General Meeting of Shareholders	Number of participants (including online participants)	264
Financial results briefing	Number of briefings held	2 times
	Number of participants (including online participants)	128
Number of individual meetings with analysts and institutional investors		14

The Hyakugo Bank Group's Website: “For Shareholders and Investors”
<https://www.hyakugo.co.jp/ir/>



IR calendar



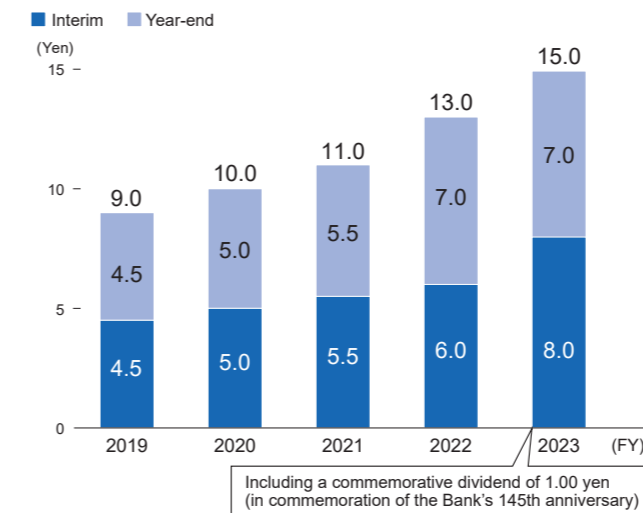
Shareholder returns

Dividends to shareholders

The Bank's basic policy is to enhance internal reserve in order to maintain and reinforce sound management, and to implement stable returns of profit to its shareholders.

In accordance with the Bank's basic policy, an annual dividend of ¥15 per share was paid to all shareholders for FY2023. We intend to distribute an annual dividend of ¥16 per share for FY2024.

Dividends Payment



Shareholder benefit program

We have a shareholder benefit program as a way of expressing our appreciation to our shareholders for their support. All shareholders who hold 1,000 shares or more as of March 31 of each year receive a gift catalog for local specialties of Mie Prefecture, in accordance with the number of shares they hold.

Eligible shareholders	Shareholders recorded in the shareholder registry who hold 1,000 or more shares in Hyakugo Bank as of March 31 of each year
Description of shareholder benefits	Recipients can select items from the Shareholder Benefit Gift Catalog, which lists local specialties of Mie Prefecture, in accordance with the number of shares they hold.



Number of shares held	Available local specialty gift
1,000 to 4,999	¥3,000 equivalent
5,000 or more	¥5,000 equivalent

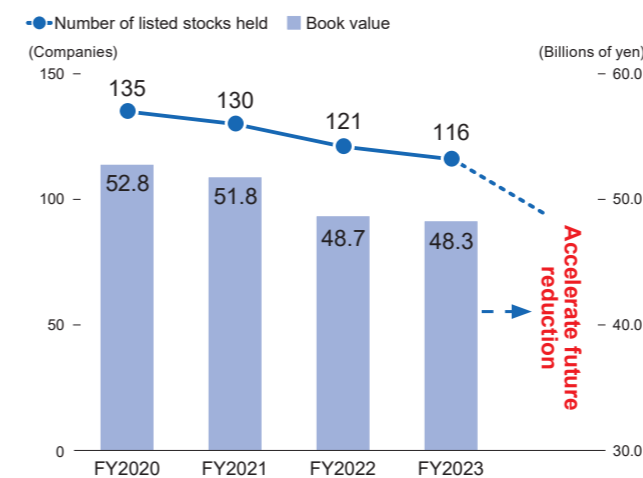
Status of cross-shareholdings

Policy for reducing cross-shareholdings

The Bank's basic policy on cross-shareholdings is to determine the significance of holding and whether it will contribute to the improvement of corporate value, and to reduce cross-shareholdings through continuous dialogue with investment partners. If the investment partners that have agreed to be sold continue to conduct banking transactions, etc., they will continue to be managed as cross-shareholdings. When selling, the Bank compares the capital cost and other factors and prioritizes them in terms of operational efficiency.

We intend to accelerate the use of funds for the sale of cross-shareholdings in strategic investments such as human capital and DX.

Number of Cross-Shareholdings (Listed) and Book Value



* Excluding Group company shares

Disclosure of information

Issuance of the disclosure book “Integrated Report”

We publish our integrated reports called HYAKUGO BANK REPORT. This report comprises both financial and non-financial information, and describes the Bank's management conditions, initiatives for sustainable growth, and medium- to long-term value creation. Specifically, the report introduces our medium to long-term management strategy, corporate governance structure, as well as our activities aiming to achieve a sustainable society as a regional financial institution, along with photos and numerical data. The latest edition of Hyakugo Bank Integrated Report 2024 is available at branch counters.

In addition, the disclosure book (data edition) based on Article 21 of the Banking Act is published in July and January every year. Please see the Bank's website.

Website

We will publish information on the Bank's management, products, services, and campaigns on our website in a timely manner. Financial information such as IR materials and the disclosure book is available for viewing from the category entitled “For Shareholders and Investors.”

