

# **Review of the Previous Medium-term Management Plan**

# Basic Strategies of the Previous Medium-term Management Plan

- Under the previous Medium-term Management Plan, “Gateway to the Future II,” we renewed our long-term vision to address new threats such as climate change risks and lifestyle changes
- We focused on “five basic policies” and “eleven key strategies,” centered on strengthening efforts towards carbon neutrality

## Long-Term Vision

### KAI-KAKU 150 2nd STAGE New Long-Term Vision for “Gateway to the Future II”

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

#### <The Hyakugo Bank Group's Vision>

- Green
  - The Hyakugo Bank Group will contribute to the sustainable economic development of local communities by supporting “Just Transition,” a fair transition to regional carbon neutrality.
- Consulting Bank Group
  - The Hyakugo Bank Group is committed to pioneering the future for its customers and local communities by practicing problem-solving consulting.
  - The Hyakugo Bank Group will continue its IT strategy to improve productivity, while also supporting the IT transformation of its customers and local communities through consulting.

## Basic Policies and Key Strategies

5 Basic Policies		11 Key Strategies	
I	Strengthening Efforts Towards Carbon Neutrality	1	Carbon Neutral Strategy
		2	Strategy to Enhance Loan Income and Fees and Commissions
II	Strengthening Business Model	3	Securities Strategy
		4	Group Company Strategy
		5	Channel Strategy
III	Increased Productivity	6	IT Strategy
		7	Human Resource Strategy
IV	Strengthening Management Foundation	8	Governance Strategy
		9	Organizational Strategy
V	Increased Awareness of SDGs/ESG	10	Diversity Strategy
		11	SDGs/ESG Strategy

# Summary of the Previous Medium-term Management Plan

- Some KPI targets were revised due to changes in the external environment, but all KGIs were achieved

Previous Medium-term Management Plan: “Gateway to the Future II”		Results in FY2023	Results in FY2024	FY2024 (Final Targets)
KGI	Consolidated net income	14.2 billion yen	18.0 billion yen ○	15.0 billion yen or more
	ROE in consolidated net assets	3.21%	3.87% ○	3.50% or more
	Core OHR	60.89%	59.61% ○	Less than 67%
	Equity ratio	12.22%	11.92% ○	11% or more
KPI	Housing-loan-related fees	3.5 billion yen	2.8 billion yen △	4.4 billion yen
	Commissions related to depository assets	3.0 billion yen	2.8 billion yen △	3.4 billion yen
	Corporate solutions fees	2.9 billion yen	2.9 billion yen ○	3.0 billion yen
	Number of personnel with professional qualifications	390 persons	451 persons ○	450 persons