

# **Financial Results for FY2021 ended March 2022**



**May 24, 2022  
THE CHIBA BANK, LTD.**

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## Summary of Financial Results

# Summary of Financial Results ①

NEXT STEP 2023

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<b>Non-consolidated</b>	(¥Bil.)	2021/3	2022/3	YoY	
Gross business profits		156.0	161.5	5.4	
Net interest income		124.5	131.8	7.2	P.6
Net fees and commissions income		26.1	27.5	1.3	P.13
Trading income		1.7	1.1	(0.6)	
Profit from other business transactions		3.5	1.0	(2.4)	
Gains (losses) related to bonds (Government bonds, etc.)		(0.3)	(1.4)	(1.0)	
Expenses (-)		86.0	84.5	(1.4)	P.14
Real net business income		70.0	76.9	6.9	
Core net business income		70.3	78.3	8.0	
Excluding gains (losses) on cancellation of investment trusts		66.2	75.1	8.9	
Net transfer to general allowance for loan losses (-)		3.2	1.5	(1.7)	
Net business income		66.7	75.4	8.6	
Non-recurrent income and losses		(2.5)	(1.7)	0.7	
Disposal of non-performing loans (-)		7.1	5.6	(1.5)	
Gains (losses) related to stocks, etc.		5.8	2.7	(3.1)	
Ordinary profit		64.2	73.6	9.4	
Extraordinary income (loss)		(0.3)	(0.3)	(0.0)	
Profit		45.6	52.3	6.6	

Net credit costs (-)		10.4	7.1	(3.2)	P.15
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<b>Consolidated</b>	(¥Bil.)	2021/3	2022/3	YoY
Ordinary profit		71.8	78.8	7.0
Profit attributable to owners of parent		49.6	54.4	4.8

## Key results for FY2021 ended March 2022

- ◆ Net interest income increased by ¥7.2 billion YoY, the highest level in 10 years. Net fees and commissions income increased by ¥1.3 billion YoY to a record high. As a result, Gross business profits increased by ¥5.4 billion YoY for 5 consecutive period.
- ◆ Expenses decreased by ¥1.4 billion YoY due to decrease expenses related to the new head office building.
- ◆ Core net business income excluding gains (losses) on cancellation of investment trusts increased by ¥8.9 billion YoY for 3 consecutive period, and core business were remained strong.
- ◆ Credit costs decreased by ¥3.2 billion, and restrained in comparison to the planned ¥10.0 billion.
- ◆ Non-consolidated profit was the 2nd highest level on record since the FY2015. Consolidated profit increased for 2 consecutive period, higher than the planned ¥52.0 billion.

## Gross business profit



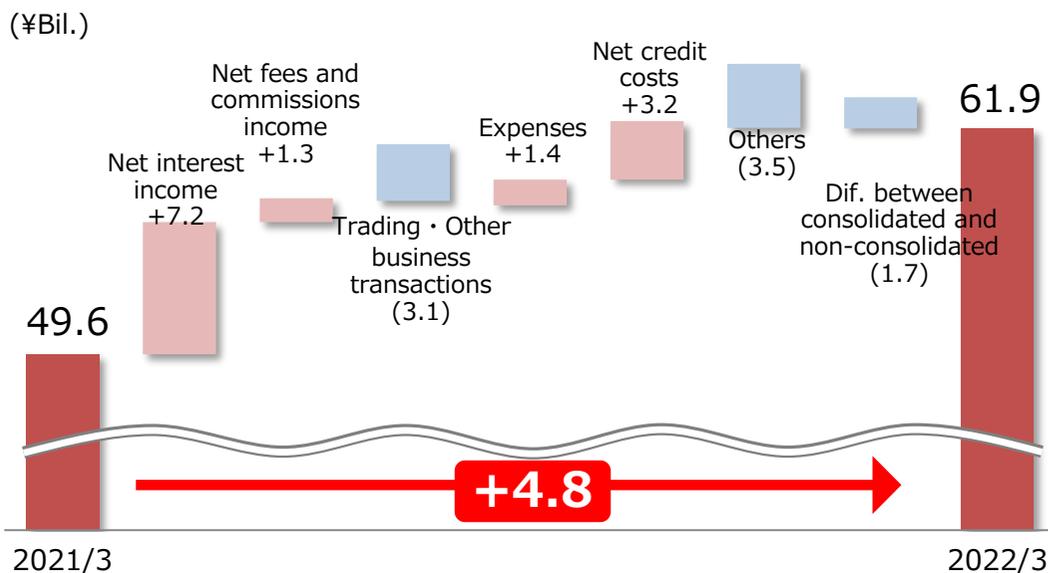
## Core net business income excluding gains (losses) on cancellation of investment trusts



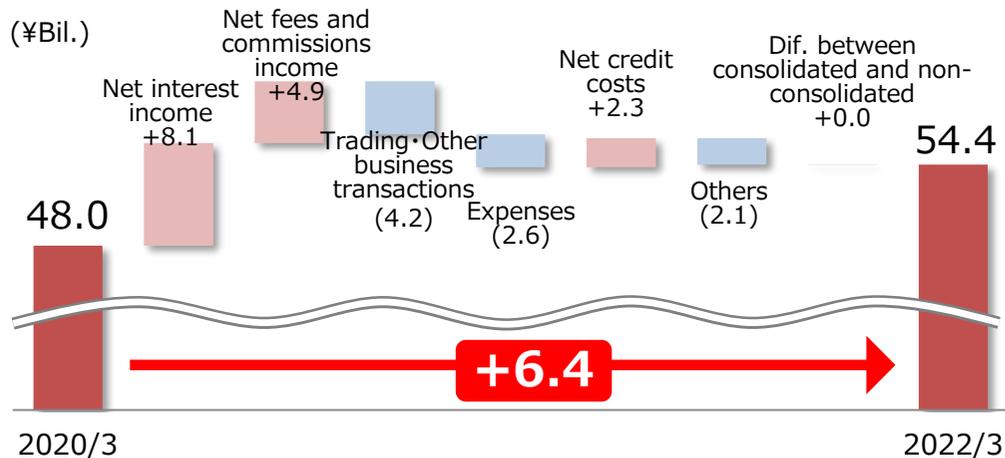
# Summary of Financial Results ②

## Breakdown of changes in profit attributable to owners of parent (Non-consolidated + Dif. between consolidated and non-consolidated)

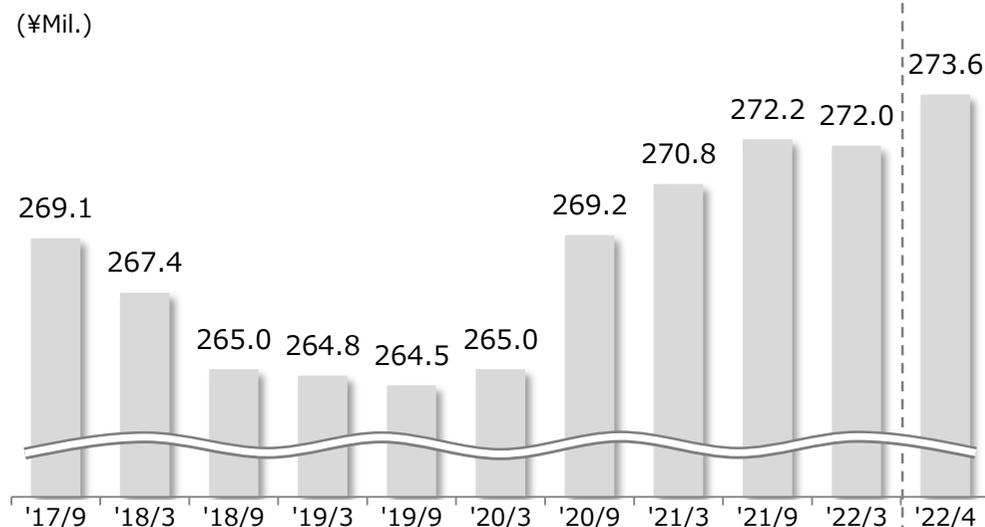
### Change from 2021/3 (YoY)



### Change from 2020/3 (Comparison with before COVID-19)



## Net interest income per day from loans in yen currency (non-consolidated)



## Interest income projection of the BOJ's "Special Deposit Facility to Enhance the Resilience of the Regional Financial System"

	FY2020		FY2021		FY2022		FY2023		FY 2024	Total
	1H	2H	1H	2H	1H	2H	1H	2H	1H	
Requirement Period	← ① →		← ② →		← ③ →					
Interest period					← ① →	← ② →	← ③ →			
	①: Satisfied ②: Prospect of satisfaction ③: Expected to be satisfied if the plan is achieved									
	Interest income amount (¥Bil.)									
①②③ Achieved				1.7	0.9	0.9	1.0	1.0	1.0	6.8
①② Achieved				1.7	0.9	0.9	1.0			4.8

※ List the amount received for the relevant period.

## Summary of Financial Results ③

NEXT STEP 2023

## ~ Consolidated Financial Results and Status of Subsidiaries ~

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Consolidated	(¥Bil.)	2021/3	2022/3	YoY
		Gross business profits	167.8	171.9
Net interest income	121.5	128.0	6.5	
Net fees and commissions income	36.8	38.6	1.8	
Trading income	5.9	4.1	(1.8)	
Profit from other business transactions	3.5	0.9	(2.5)	
General and administrative expenses (-)	93.9	91.1	(2.8)	
Net credit costs (-)	10.6	7.8	(2.7)	
Net transfer to general allowance for loan losses (-)	3.3	1.6	(1.6)	
Disposal of non-performing loans (-)	7.2	6.1	(1.1)	
Gains (losses) related to stocks, etc.	5.8	2.7	(3.0)	
Equity gains (losses) of affiliated companies	0.3	0.3	0.0	
Others	2.3	2.7	0.3	
Ordinary profit	71.8	78.8	7.0	
Extraordinary income (loss)	(0.3)	(0.4)	(0.0)	
Pre-Tax Profit	71.4	78.3	6.9	
Total income taxes (-)	21.8	23.8	2.0	
Profit	49.6	54.4	4.8	
Profit attributable to non-controlling interests	-	-	-	
Profit attributable to owners of parent	49.6	54.4	4.8	
(reference)				
Consolidated net business income	78.4	85.3	6.8	

## Status of Subsidiaries

【Consolidated subsidiaries】

(¥Bil.)

Company name	Investment ratio (Including indirect)	Profit items (After deduction of inter-subsidiary dividends)	2021/3	2022/3	YoY
			Chibagin Securities Co.,Ltd.	100%	Ordinary profit
		Profit	1.2	0.7	(0.4)
Chibagin Leasing Co.,Ltd.	100%	Ordinary profit	1.4	1.1	(0.3)
		Profit	0.9	0.7	(0.1)
Chibagin Guarantee Co.,Ltd	100%	Ordinary profit	5.7	5.1	(0.6)
		Profit	3.8	3.3	(0.4)
Chibagin JCB Card Co.,Ltd	100%	Ordinary profit	0.9	1.0	0.0
		Profit	0.6	0.6	0.0
Total of 5 other companies	100%	Ordinary profit	0.7	0.7	(0.0)
		Profit	0.4	0.4	(0.0)
<b>Total</b>		<b>Ordinary profit</b>	<b>10.7</b>	<b>9.0</b>	<b>(1.6)</b>
		<b>Profit</b>	<b>7.1</b>	<b>6.0</b>	<b>(1.0)</b>

【Equity method subsidiaries】

<b>Total of 6 companies</b>	<b>Profit according to equity method</b>	<b>0.3</b>	<b>0.3</b>	<b>0.0</b>
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Dividends to parent company(-)	3.5	4.2	0.7
Difference between consolidated and non-consolidated ※	3.9	2.1	(1.7)

※After adjustment for unrealized gains, etc.

# Net Interest Income

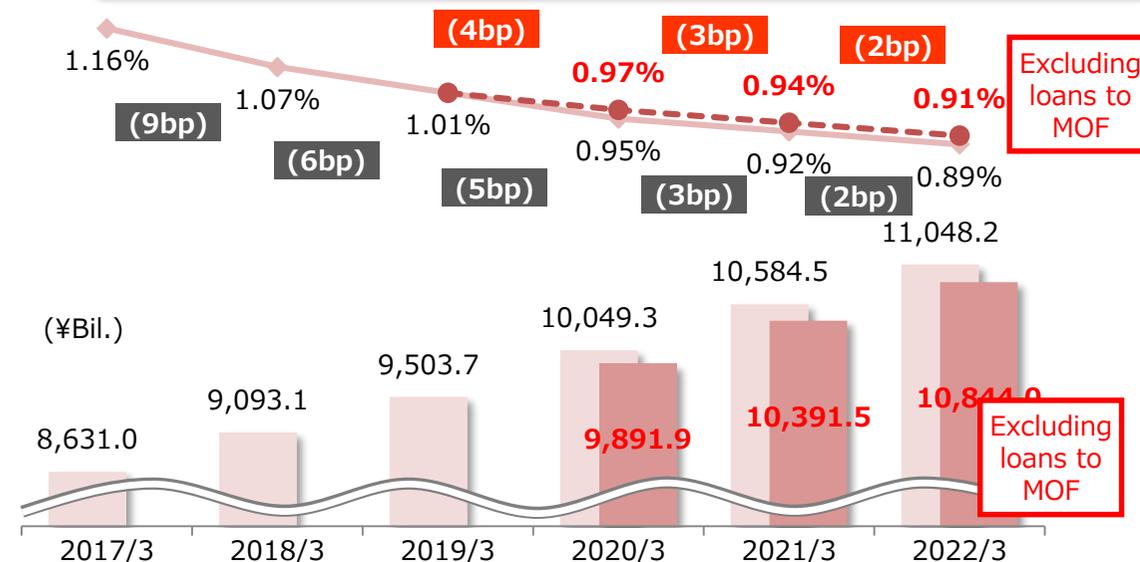
NEXT STEP 2023

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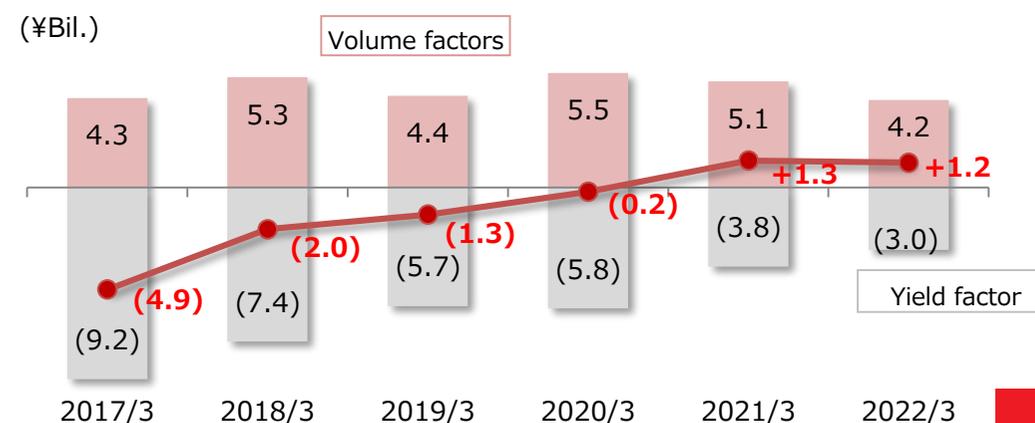
Interest on loans in domestic business, which reversed for the first time in 12 years in the previous fiscal year, increased steadily

(¥Bil.)	2021/3	2022/3	YoY
Net interest income	124.5	131.8	7.2
Domestic	118.7	123.6	4.9
Interest on Loans	97.1	98.5	1.3
Loans and bills discounted	97.8	99.0	1.2
Deposit (incl. NCD)	0.6	0.5	(0.1)
Interest and dividends on securities	20.6	22.0	1.4
Bonds	2.5	2.5	0.0
Stock dividends	8.5	9.7	1.2
Investment funds	(0.0)	0.6	0.6
investment trusts	9.6	9.1	(0.4)
Gains (losses) on cancellation	4.4	2.7	(1.6)
Others (Market operation, etc.)	0.9	3.0	2.1
International	5.8	8.1	2.2
Loans and bills discounted	5.5	4.3	(1.1)
Foreign Securities	11.3	12.4	1.1
Foreign Securities	9.3	8.9	(0.4)
Foreign currency funds	1.9	2.8	0.8
Investment trusts	0.0	0.6	0.6
Gains (losses) on cancellation	(0.2)	0.4	0.6
Others (Funding and market operation, etc.)	(10.9)	(8.6)	2.3
Net interest income (Excluding gains (losses) on cancellation of investment trusts)	120.4	128.6	8.1
Gains (losses) on cancellation of investment trusts	4.1	3.2	(0.9)

## Average balance and yield of domestic loans



## Factors behind Changes in Domestic loan interest (YoY)



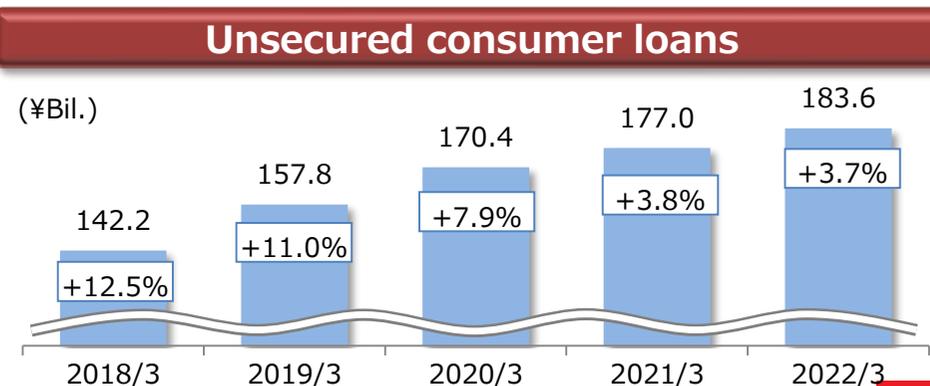
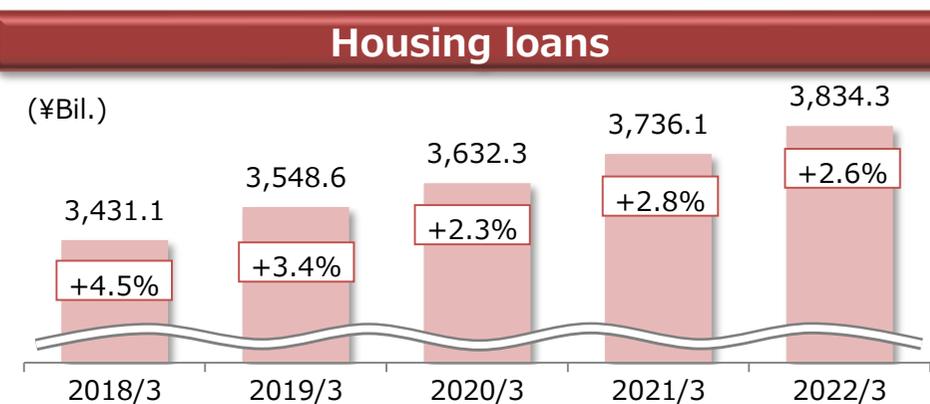
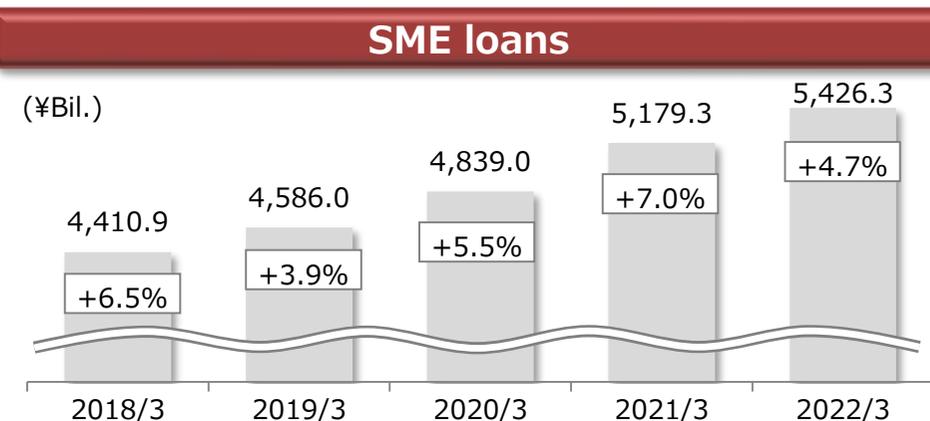
## Steady increase in corporate loans, housing loans, and unsecured consumer loans

(¥Bil.)	2021/3	2022/3	YoY	%
<b>Deposits</b>	14,104.5	14,787.6	683.1	4.8%
Domestic deposits	13,822.4	14,521.1	698.7	5.0%
Personal deposits	10,043.7	10,535.3	491.5	4.8%

(¥Bil.)	2021/3	2022/3	YoY	%
<b>Loans</b>	11,206.4	11,691.3	484.8	4.3%
Domestic loans	10,962.6	11,425.9	463.2	4.2%
Excl. public sector	10,552.9	10,954.9	401.9	3.8%
Corporate loans	6,632.5	6,930.5	298.0	4.4%
Large corporations	1,453.1	1,504.2	51.0	3.5%
SMEs	5,179.3	5,426.3	246.9	4.7%
Consumer loans	3,920.4	4,024.3	103.9	2.6%
Housing loans	3,736.1	3,834.3	98.2	2.6%
Unsecured consumer loa	177.0	183.6	6.6	3.7%
Public sector	409.7	470.9	61.2	14.9%

Domestic loans	10,962.6	11,425.9	463.2	4.2%
Excl. public sector	10,552.9	10,954.9	401.9	3.8%
Branches in Chiba	7,258.4	7,451.5	193.0	2.6%
Branches outside Chiba	3,294.4	3,503.3	208.8	6.3%
Special branches*	1,583.3	1,685.6	102.2	6.4%
Retail branches	1,711.1	1,817.7	106.5	6.2%

\*Tokyo Head Office, Shinjuku Branch and Osaka Branch

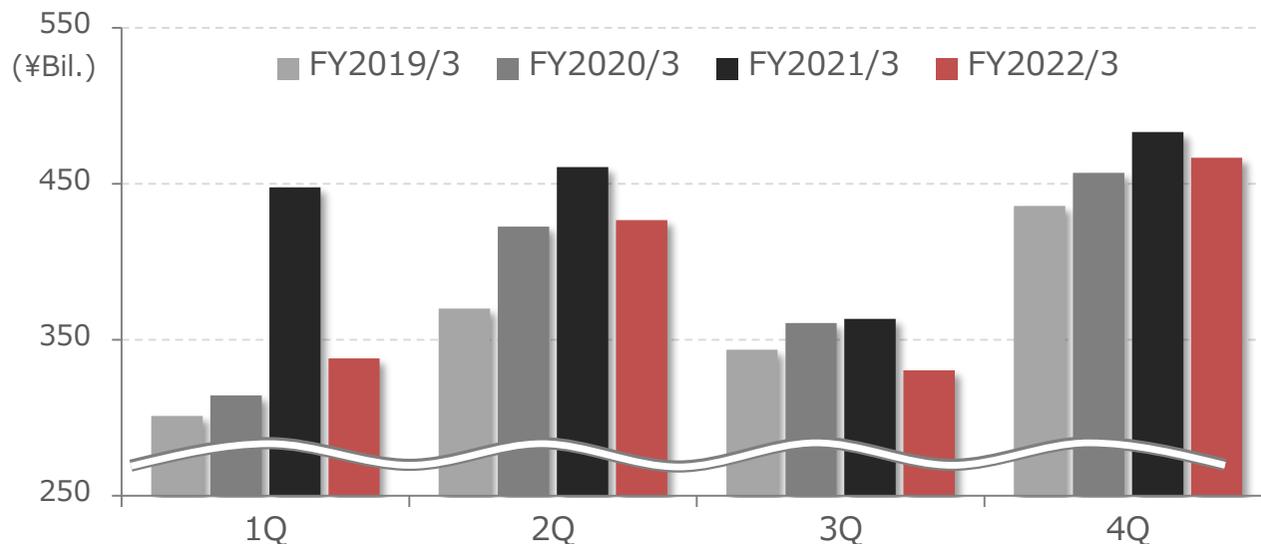


# Loans ①

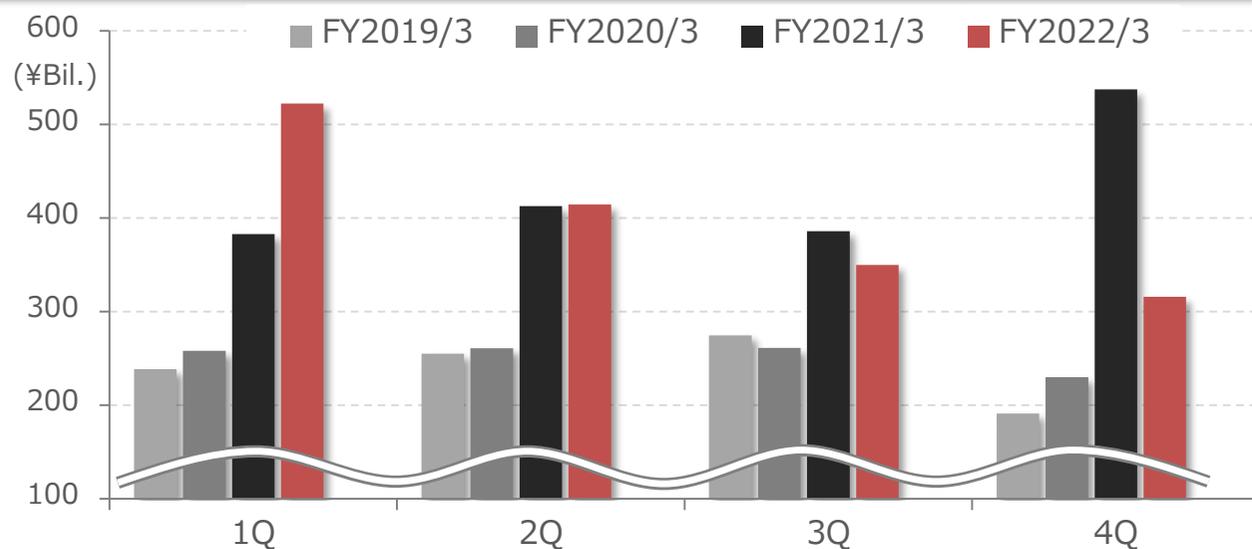
Steady increase in corporate loans even after decline in demand for COVID-19-related loans

## Execution of corporate loans (yen currency)

※Only loans on deeds, loans on bills, and discounts on merchants (excluding overdrafts and spot loans, etc.)

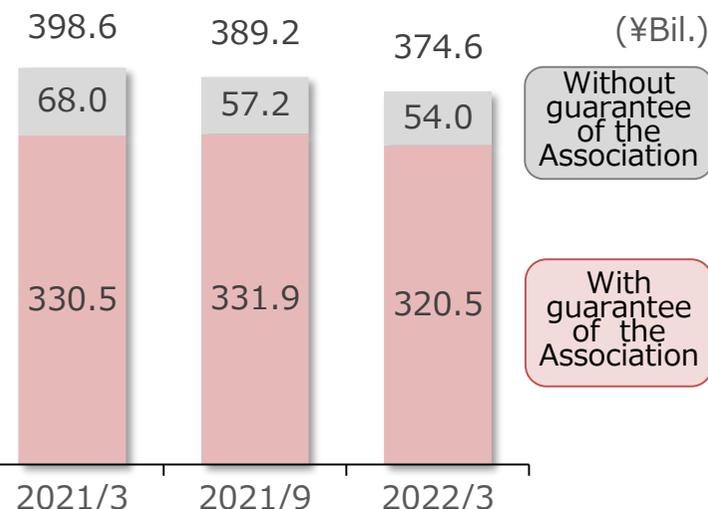


## Increase in balance of corporate loans (yen currency)(YoY)



## COVID-19-related loans balance

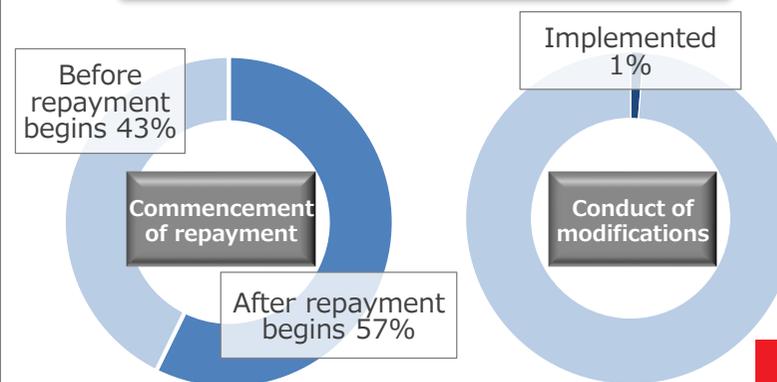
### Balance at end of the year



※Excluding spot loans, overdrafts, commitment lines, etc.

### Of which, the situation of interest-free and no-guarantee fee loans

Balance as of 2022/3 **¥217.7 Bil.**



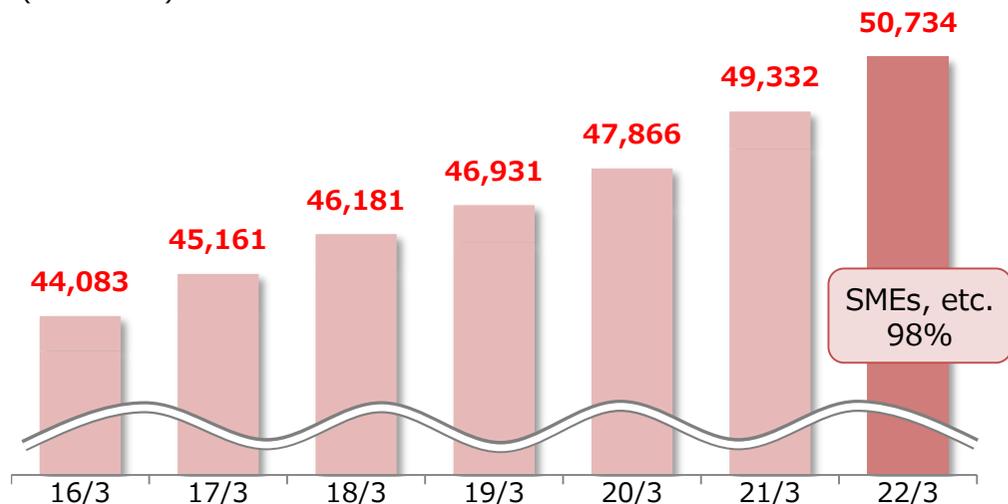
※Percentage on a balance basis

# Loans ②

## Aggressive responding to SMEs borrowing needs by COVID-19 pandemic

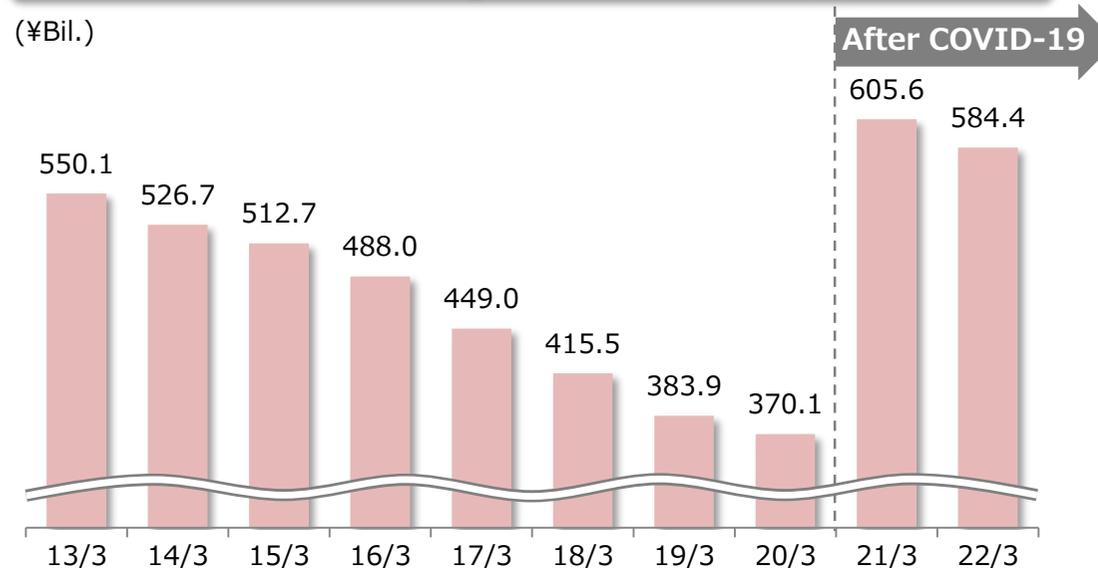
### Balance of loans to SMEs

(Borrowers)



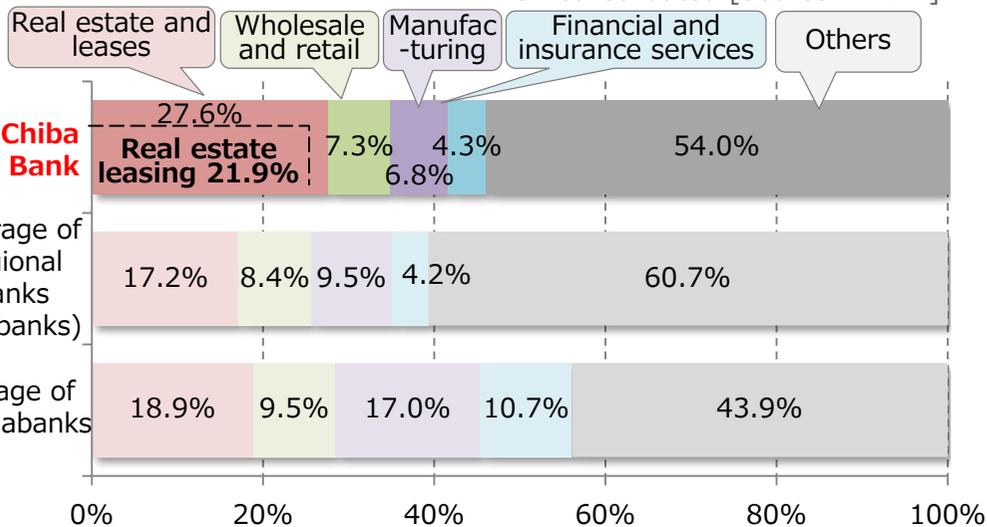
### Balance of loans with guarantee of the Association

(¥Bil.)



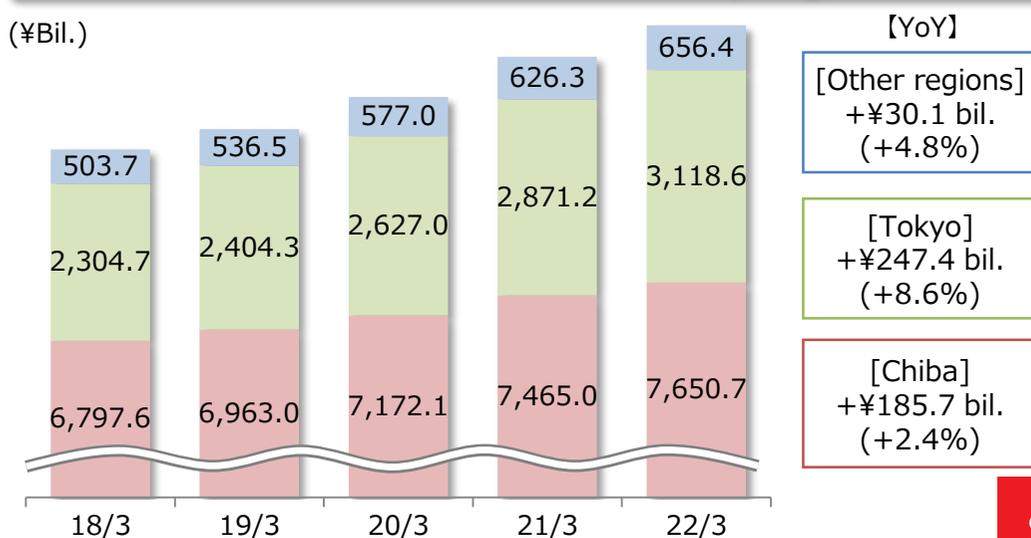
### Loan breakdown by industry (as of 2021/9)

※Non-consolidated [Source: Nikkin]



### Balance of domestic loans by region

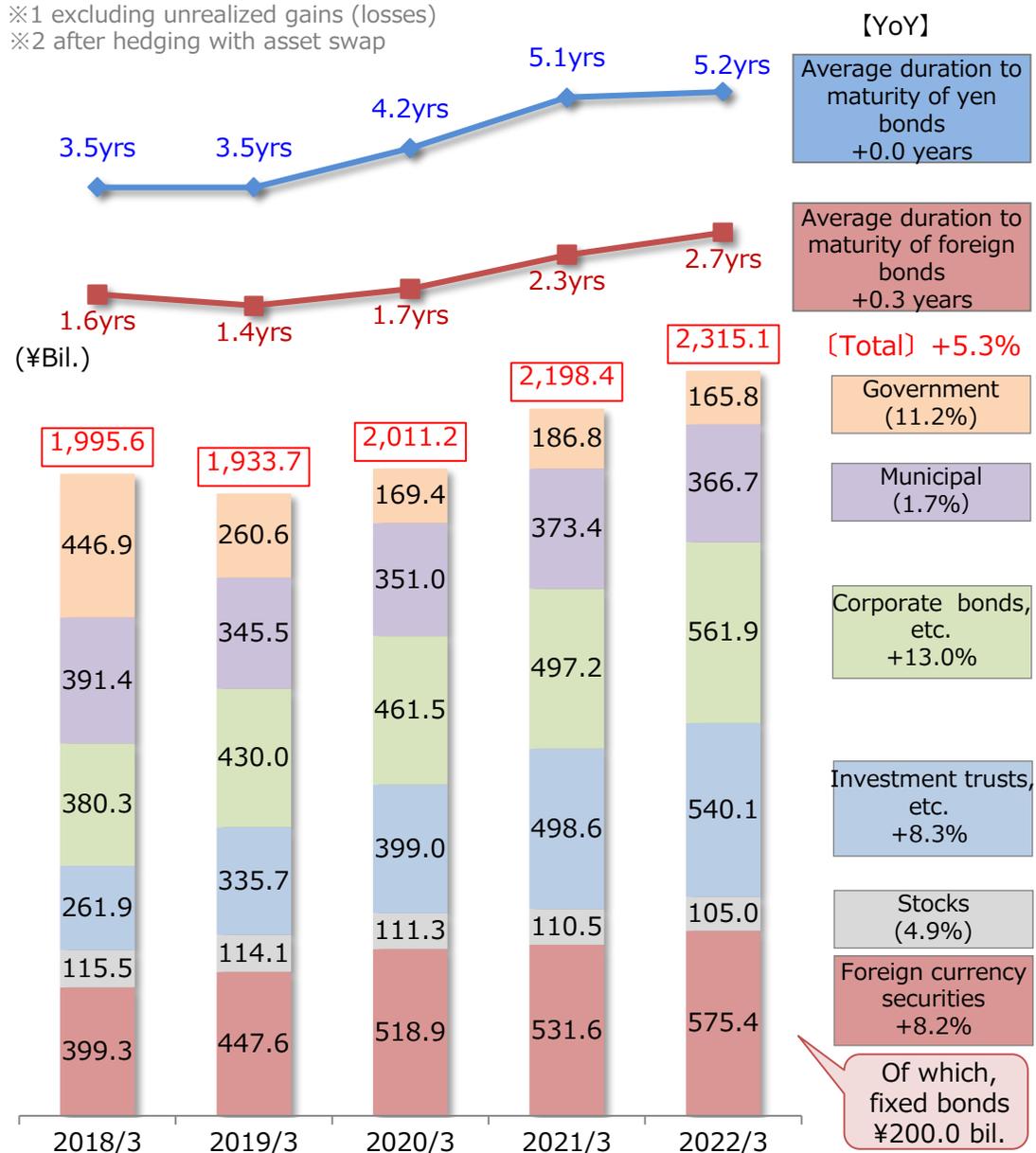
(¥Bil.)



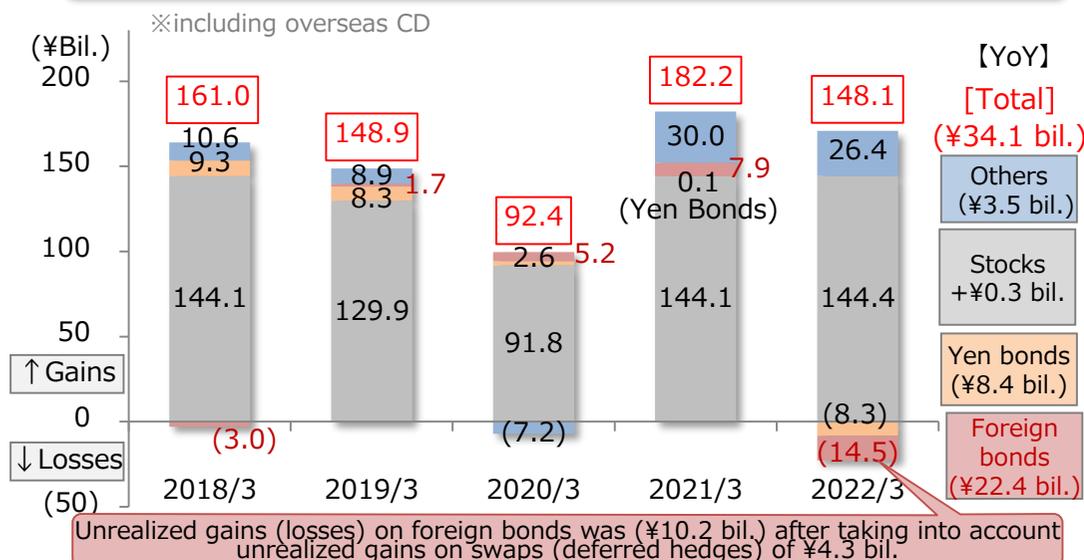
### Portfolio management based on risk diversification

#### Balance of securities\*1 · Duration of securities\*2

\*1 excluding unrealized gains (losses)  
\*2 after hedging with asset swap



#### Unrealized gains (losses) on other securities



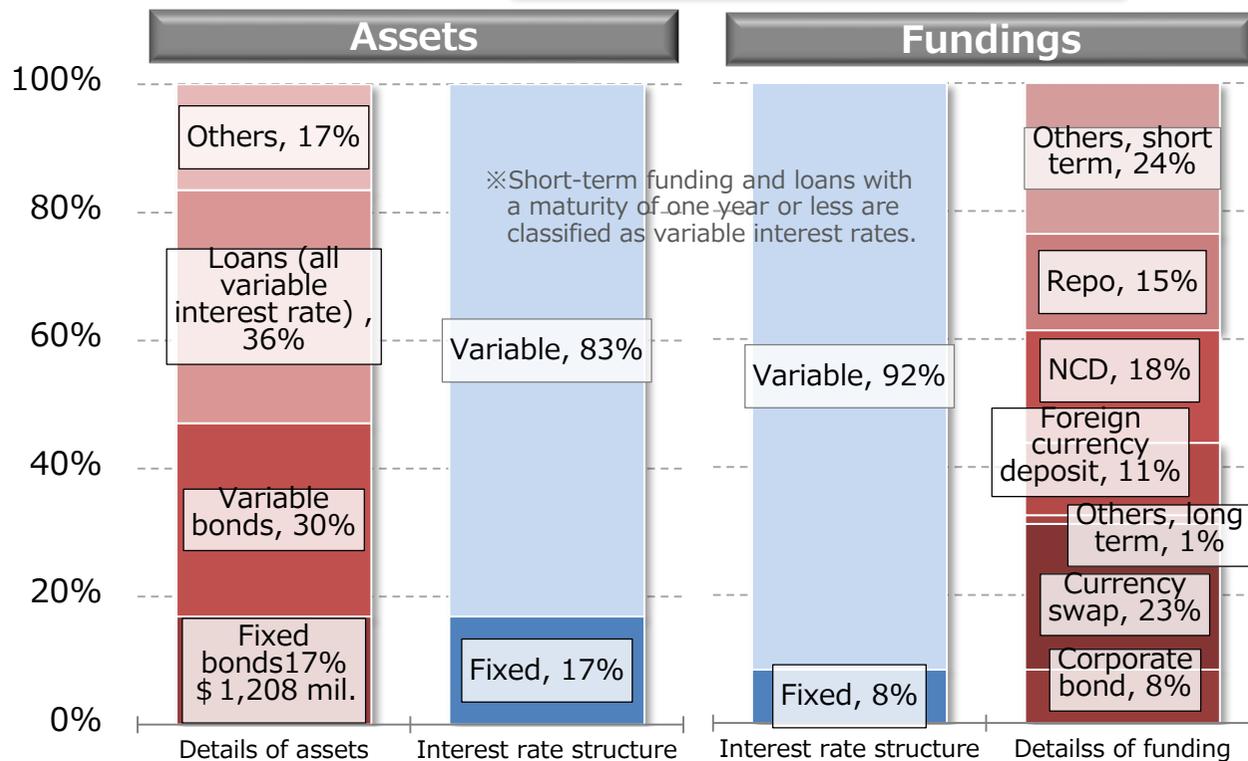
#### Status of liquidity management

	Short-term liquidity	Operational procurement structure
Basel requirements	<b>Liquidity Coverage Ratio</b> [All Currencies] <b>177% &gt; Reference 100%</b>	<b>Net Stable Funding Ratio</b> [All currencies] ※Started application from Sep. 2021 <b>125% &gt; Reference 100%</b>
The Bank management	Operational procurement GAP Procurement limit USD LCR	<b>U.S. dollar NSFR</b> Long-term stable funding ratio in foreign currencies
Issuance of U.S. dollar bonds (2021/9)	Issuance amount: \$300 million ( <b>with more than 11 times bid</b> ) Term : 5 years Yield: <b>1.389%</b> (+7.5 to 8.5 bps compared to megabanks) ※U.S. 5-year JGB yield: 2.95% (End of Apr. 2022)	

### Impact of rising overseas interest rates on net interest income is limited to a certain level

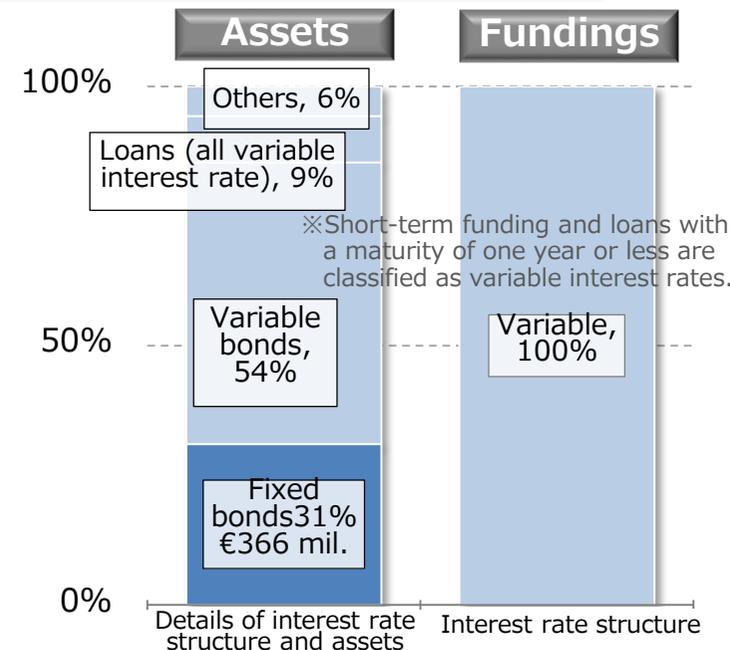
#### USD assets and fundings

Balance as of 2022/3 **\$7,159 mil.**



#### Euro assets and fundings

Balance as of 2022/3 **€1,186 mil.**



※Assets under management in foreign currencies other than U.S. dollars and euros are equivalent to \$250 mil.

#### Impact on existing loans and securities by increase in foreign currency interest rates (Approximate)

[Impact of a parallel 10 basis point increase in interest rates]

※Impact on outstanding balance as of 2022/3.

※As most of the bonds held by overseas branches are floating bonds, the impact on foreign bonds held by overseas branches is not included.

※Impact of increasing interest rates on credit risk is not factored in.

(¥Bil.)	USD	Euro
Net interest income	(0.04)	(0.04)
Appraisal profit/loss	(1.47)	(0.55)
Foreign bonds	(0.92)	(0.37)
Stocks and investment trusts	(0.54)	(0.17)

#### Change in unrealized gains (losses) on foreign bonds due to a rise in U.S. dollar interest rates

[Precondition of interest rate] (%)

Interest period	1 year	3 years	5 years	7 years	10 years
March 31	1.60	2.51	2.46	2.43	2.34
Simulation	3.50	3.30	3.00		

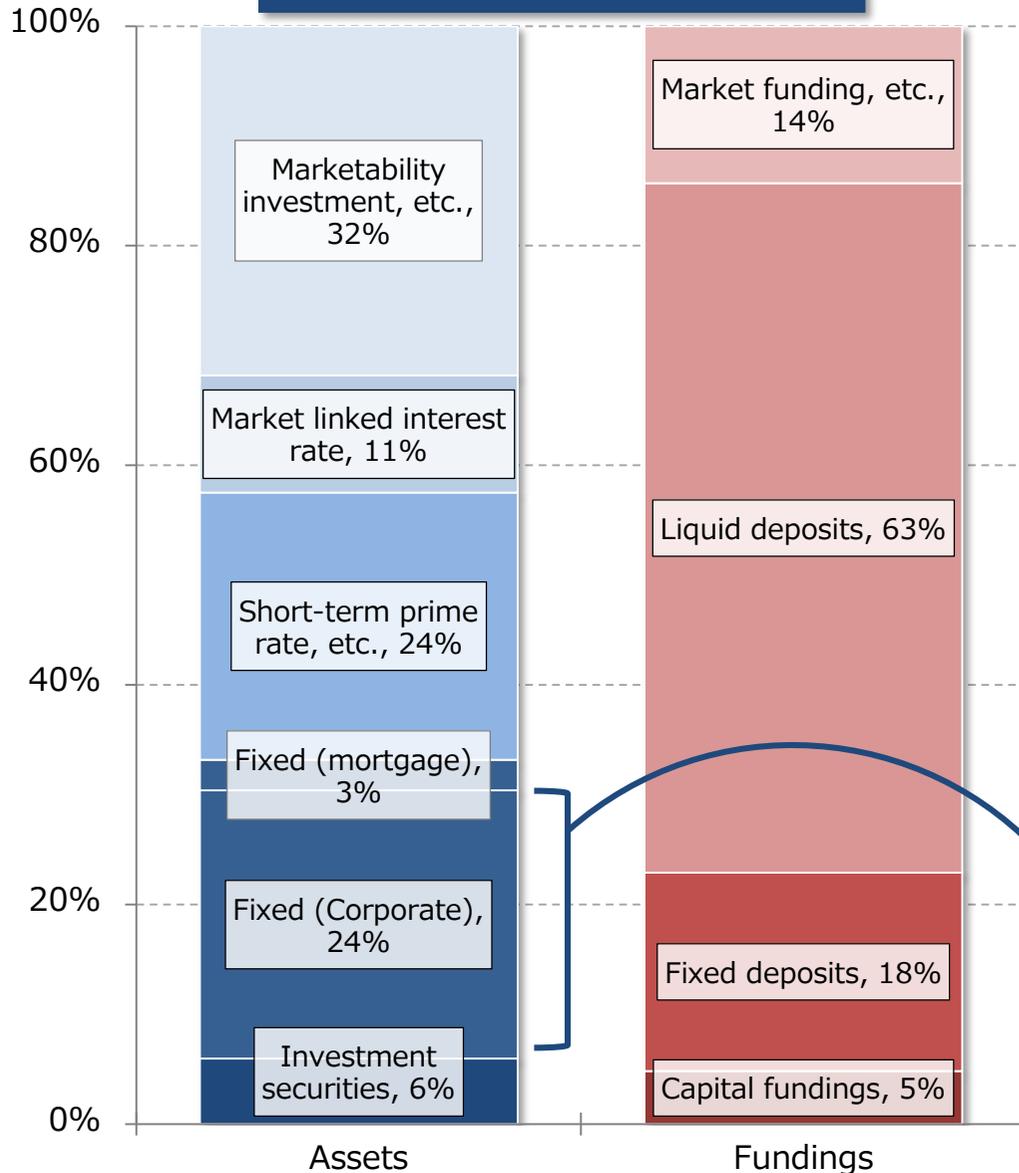
Change (¥5.6 bil.)

※Effect on foreign bonds held as of March 31

### Rising yen interest rates contribute to increasing yen-currency net interest income

#### Yen assets and fundings

Balance as of 2022/3 **¥17.8 tri.**



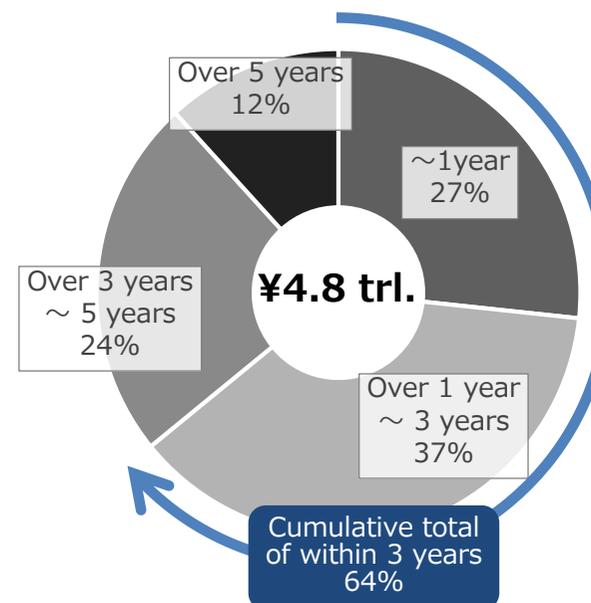
#### Yen bonds interest rate sensitivity by term

Total **¥5.2 bil.**

(¥Bil.)

Interest rate Term	~ 1 year	Over 1 year ~ 3 years	Over 3 years ~ 5 years	Over 5 years ~ 7 years	Over 7 years ~ 10 years	Over 10 years
10bp	0.0	0.6	0.5	0.6	1.8	1.4

#### Fixed-rate (corporate) term to maturity



# Net Fees and Commissions Income

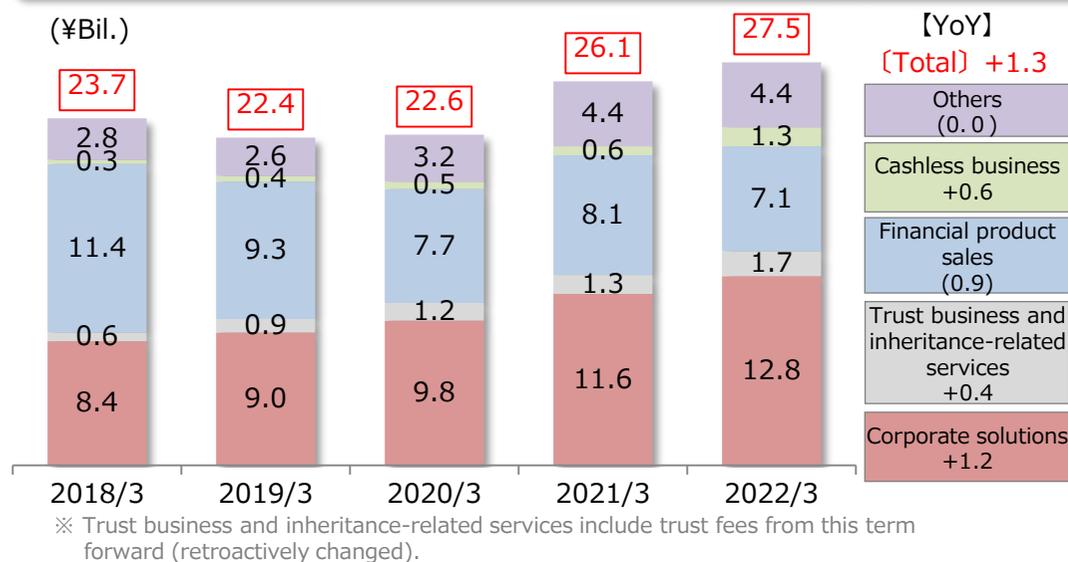
Net fees and commissions income hit record high, driven by corporate solutions

(¥Bil.)	2021/3	2022/3	YoY
Net fees and commissions income	26.1	27.5	1.3
Net fees and commissions revenue	45.0	46.4	1.3
Net fees and commissions payments (-)	18.8	18.8	0.0

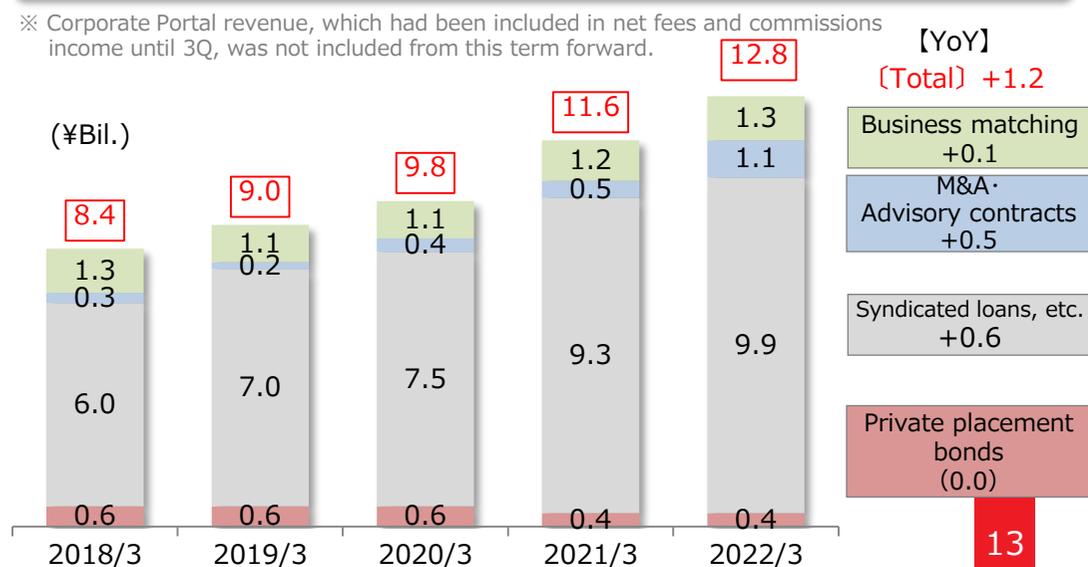
<Main breakdown>

Investment trusts and personal annuities	8.1	7.1	(0.9)
Investment trusts	3.8	3.7	(0.1)
Annuities and whole life insurance	1.3	1.1	(0.2)
Level paying life insurance	2.0	1.4	(0.6)
Financial instrument intermediary	0.7	0.6	(0.0)
Corporate solutions	11.6	12.8	1.2
Private placement bonds	0.4	0.4	(0.0)
Syndicated loans	9.3	9.9	0.6
M&A and advisory contracts	0.5	1.1	0.5
Business matching	1.2	1.3	0.1
Trust business and inheritance-related services	1.3	1.7	0.4
Cashless payment and card business	0.6	1.3	0.6
Payment and settlement transactions	13.0	12.6	(0.3)
Guarantee charges and group insurance costs (-)	12.1	12.1	0.0

## Net fees and commissions income



## Fees and commissions income of corporate solutions



# Expenses

## Maintaining efficient operations at the top-level expense ratio (OHR) of Japanese banks

	(¥Bil.)	2021/3	2022/3	YoY	2023/3	YoY
					(Projection)	
Expenses (-)		86.0	84.5	(1.4)	82.5	(2.0)
Personnel expenses (-)		40.7	39.9	(0.8)	39.1	(0.7)
Non-personnel expenses (-)		37.5	38.2	0.7	37.2	(1.0)
Taxes (-)		7.7	6.3	(1.4)	6.1	(0.2)
OHR (Non-consolidated)※1		55.0%	52.0%	(2.9pt)	49.6%	(2.4pt)
OHR (Consolidated)※2		55.8%	52.5%	(3.2pt)		

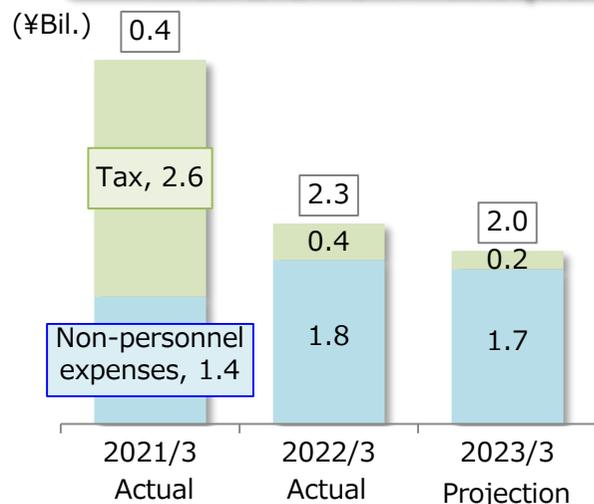
※1  $\frac{\text{Expenses}}{\text{Net business income} - \text{Gains (Losses) related to bonds, etc.} + \text{Net transfer to general allowance for loan losses} + \text{Expense}}$

※2  $\frac{\text{General and administrative expenses}}{\text{Gross business profits} - \text{Gains (Losses) related to bonds, etc.}}$

### Main factors of change in expenses

(¥Bil.)	2022/3 (Actual)	2023/3 (Projection)
Personnel expenses (-)	(0.8) Decrease in retirement benefit expenses (0.8) Recoil of employment adjustment subsidy +0.2	(0.7) cost reduction (0.4) Decrease in personnel (0.3)
Non-personnel expenses (-)	+0.7 New HQ building +0.4 Revenue enhancement measures and digitalization +0.9 Realization of efficiency and cost reduction (0.6)	(1.0) Revenue enhancement measures and strategic investment +1.5 Reduction of deposit insurance premiums (1.9) Realization of efficiency and cost reduction (0.6)
Taxes (-)	+1.4 New HQ building (Recoil reduction of consumption tax) (2.6) New HQ building (Real estate acquisition tax) +0.4	(0.2) New HQ building (Recoil reduction of real estate acquisition tax) (0.2)

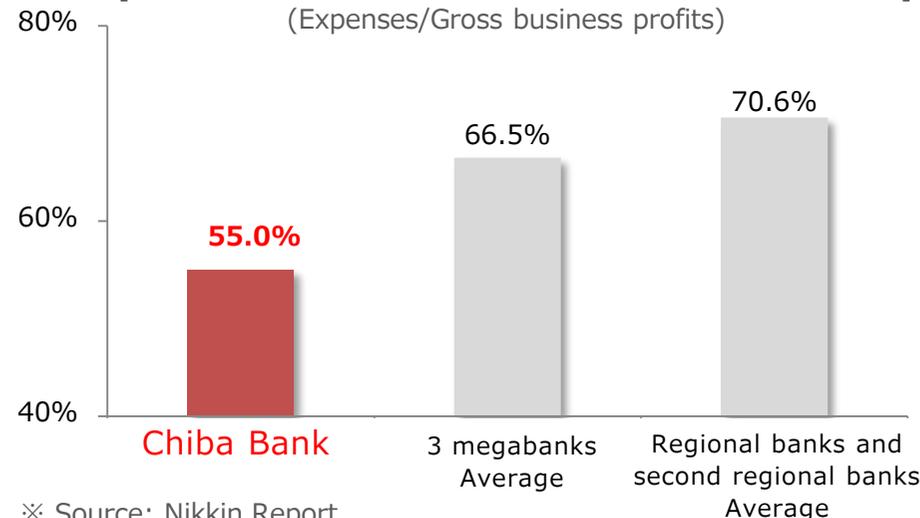
### Expenses result and expectation associated with the new headquarters office building



Completed in September 2020

### Expense ratio (OHR) compared with other banks

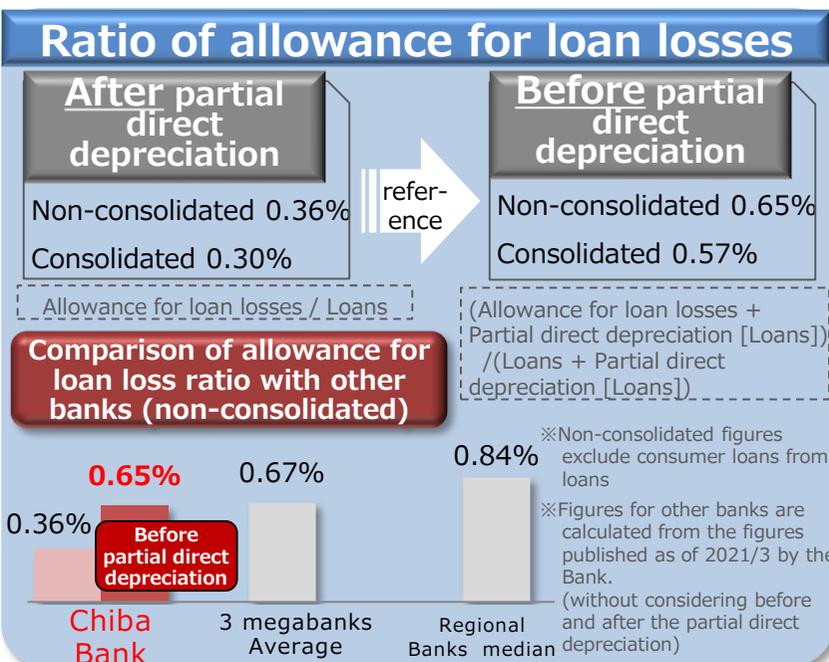
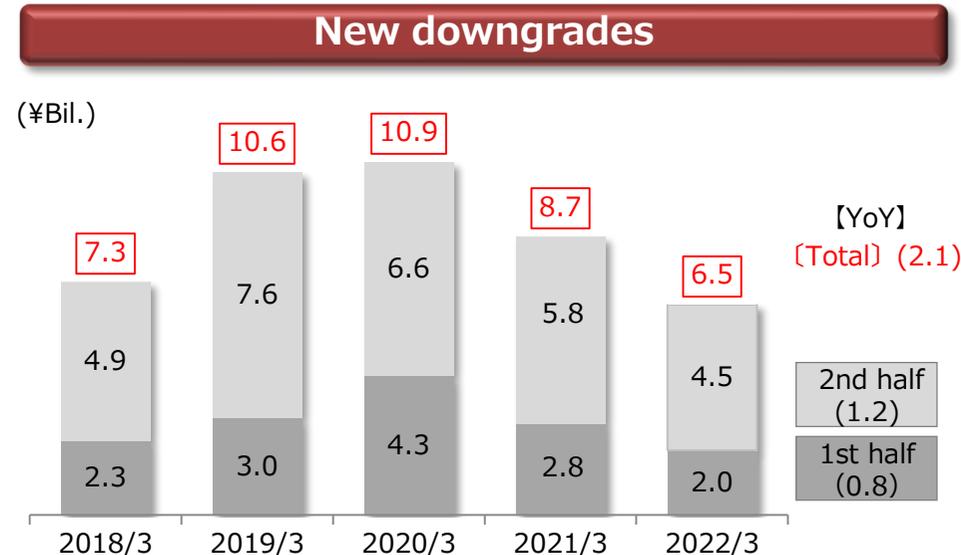
[Non-consolidated basis for the FY 2020 ended March 2021] (Expenses/Gross business profits)



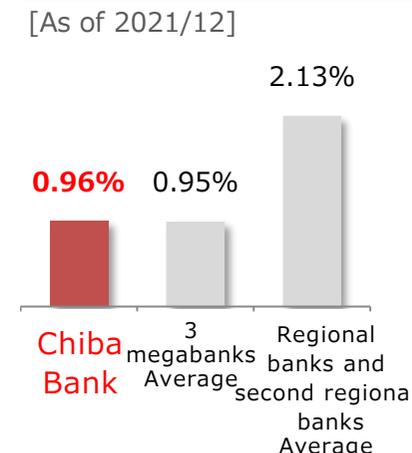
# Net Credit Costs

Net credit costs have been kept low, and the Non-performing loan ratio has fallen to below 1%

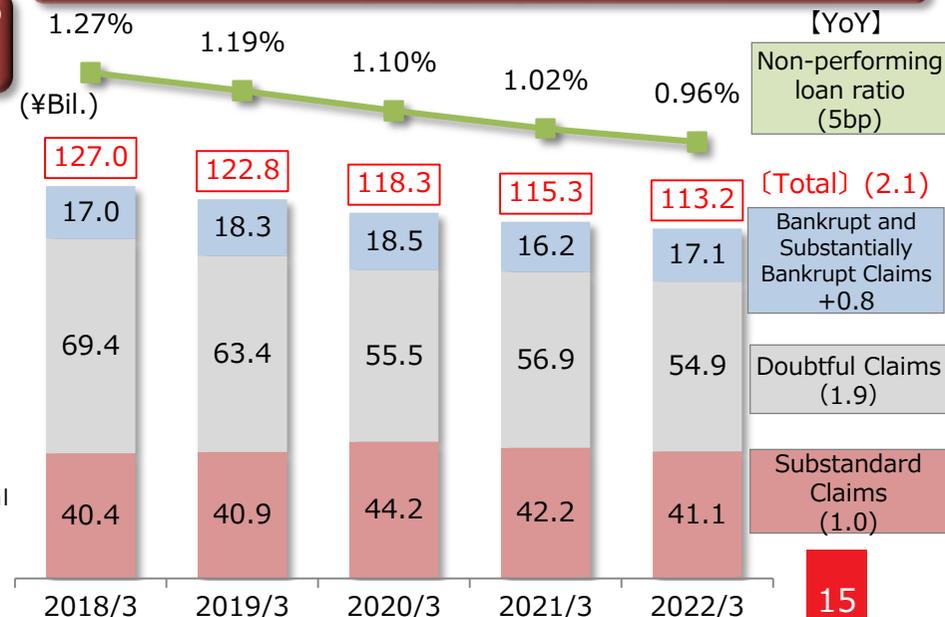
(¥Bil.)	2021/3	2022/3	YoY	2023/3 (Projection)	YoY
Net credit costs (-)	10.4	7.1	(3.2)	9.0	1.8
Net transfer to general allowance for loan losses (-)	3.2	1.5	(1.7)	0.1	(1.4)
Disposal of non-performing loans (-)	7.1	5.6	(1.5)	8.9	3.2
Write-offs / Net transfer to specific allowance, etc. (-)	8.3	7.3	(1.0)	10.7	3.3
New downgrades (-)	8.7	6.5	(2.1)	10.0	3.4
Existing non-performing loans (-)	0.4	1.1	0.7	1.0	(0.1)
Collections etc.	0.7	0.3	(0.4)	0.3	(0.0)
Recoveries of written-off claims	1.2	1.7	0.5	1.8	0.0
Net credit costs ratio (-)	9bp	6bp	(3bp)	7bp	1bp



### Non-performing loan ratio (Financial Reconstruction Law Disclosure Standards)



### Disclosed claims under the Financial Reconstruction Law · Non-performing loan ratio



# Impact of the COVID-19 and Situation in Ukraine

Credit costs under stress taking into account the impact of the COVID-19 and the Ukrainian situation are around ¥10.0 billion per year

## Impact of COVID-19

### Calculated from a macro perspective

[Assumptions] While repeating the spread and convergence of infection, economic conditions are expected to recover gradually, but it will take time for recovery depending on the conditions of the industry and individual companies.

Target borrowers : **All borrowers** (excluding borrowers subject to credit cost calculation in "Micro Perspective" below and consumer loans)

- ①Based on the BOJ Tankan data for 2022/3 and other data, the impact of each industry is assumed.
- ②Identification of affected borrowers based on factors such as cash flow, support for COVID-19, industry, and internal rating.
- ③Estimation of credit costs under stress

Impact of COVID-19 by industry		Impact	
		FY2022	FY2023
Large	Hotels, Food and beverage, Passenger transportation	High	High
Medium	Construction, retail, personal services, etc.	Certain effects	Certain effects on low-rated borrowers
Small	Others	None	Small

### Short-term deficit borrowers affected by the COVID-19

#### [Credit rating]

There are some cases in which we make comprehensive judgments based on the following guidelines and stay in the "Normal borrowers."

- Surplus, no loss carried forward or excess of liabilities before COVID-19
- Conventionally normal borrowers
- Expected to turn profitable after COVID-19

### Calculated from a micro perspective ①

Target borrowers :

- ①Borrowers whose loans restructured, etc., **with a credit amount of ¥100 million or more** (excluding sectors of residential real estate leasing, finance, public, etc.)
- ②**Lower than or equal to Potentially Bankrupt Assets**

Estimated net credit costs taking into the actual conditions of each company based on the following **COVID-19 impact surveys**, etc.

- Recovery from the impact
- Current level of sales

### Calculated from a micro perspective ②

Target borrowers :

To whom credit examination section individually ascertains the actual situation

Estimated credit costs based on actual conditions for each company

## Impact of Ukrainian situation

Target borrowers: "retail," "wholesale," and "transport" of SMEs  
 ※Downstream industries with weak financial bases

Assume a stress scenario in which the income and expenditure situation deteriorates to a certain extent due to delays in passing on rising raw material and fuel prices

※Investigated that **the impact on borrowers dealing directly with Russia and Ukraine is currently limited**

### Simulation of net credit costs (new downgrades)

		FY2022	FY2023	(¥Bil.)
COVID-19	Macro	2.9	3.9	
	Micro	5.9	6.2	
Ukrainian situation		1.2	-	
<b>Total</b>		<b>10.1</b>	<b>10.1</b>	

# Earning Projections

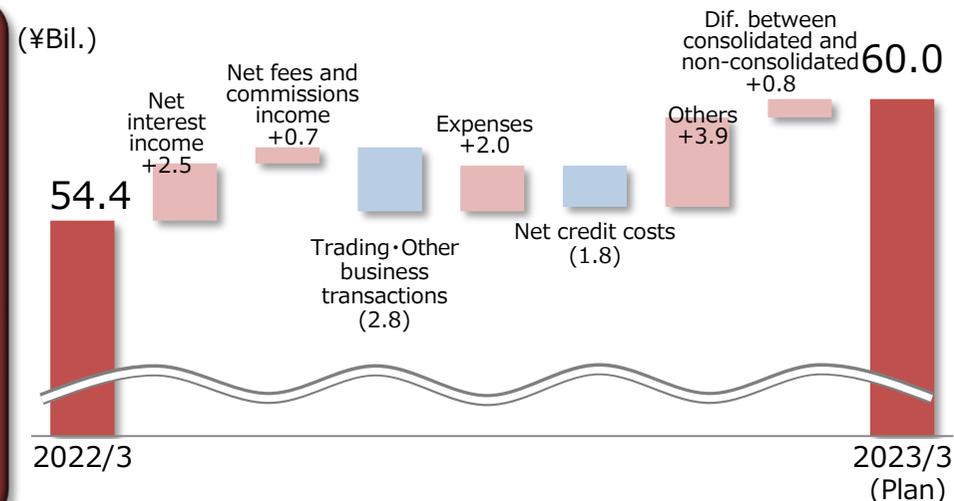
**NEXT STEP 2023**

~ connect and go beyond, for the future ~

<b>Non-consolidated</b>			
(¥Bil.)	2022/3	2023/3 (Projections)	YoY
Gross business profits	161.5	162.0	0.4
Net interest income	131.8	134.4	2.5
Net fees and commissions income	27.5	28.3	0.7
Trading income	1.1	2.4	1.2
Profit from other business transactions	1.0	(3.1)	(4.1)
Gains (losses) related to bonds (Government bonds, etc.)	(1.4)	(4.3)	(2.8)
Expenses (-)	84.5	82.5	(2.0)
Real net business income	76.9	79.5	2.5
Core net business income	78.3	83.8	5.4
Excluding gains (losses) on cancellation of investment trusts	75.1	78.5	3.3
Net transfer to general allowance for loan losses (-)	1.5	0.1	(1.4)
Net business income	75.4	79.4	3.9
Non-recurrent income and losses	(1.7)	0.6	2.3
Disposal of non-performing loans (-)	5.6	8.9	3.2
Gains (losses) related to stocks, etc.	2.7	8.0	5.2
Ordinary profit	73.6	80.0	6.3
Extraordinary income (loss)	(0.3)	(0.1)	0.2
Profit	52.3	57.0	4.6
Net credit costs (-)	7.1	9.0	1.8

<b>Consolidated</b>			
(¥Bil.)	2022/3	2023/3 (Projections)	YoY
Ordinary profit	78.8	86.5	7.6
Profit attributable to owners of parent	54.4	60.0	5.5

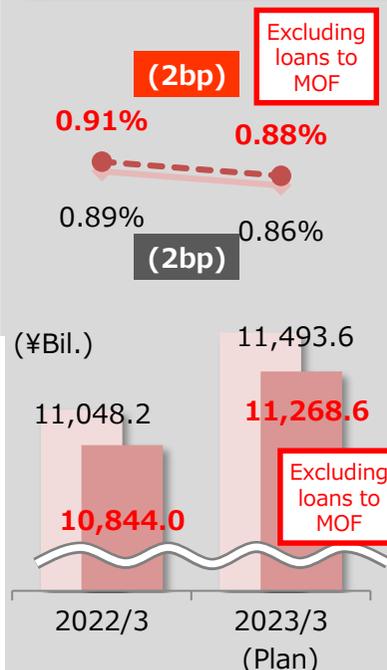
**Breakdown  
of changes  
in profit  
attributable  
to owners  
of parent  
(Non-  
consolidated  
+ Dif.  
between  
consolidated  
and non-  
consolidated)**



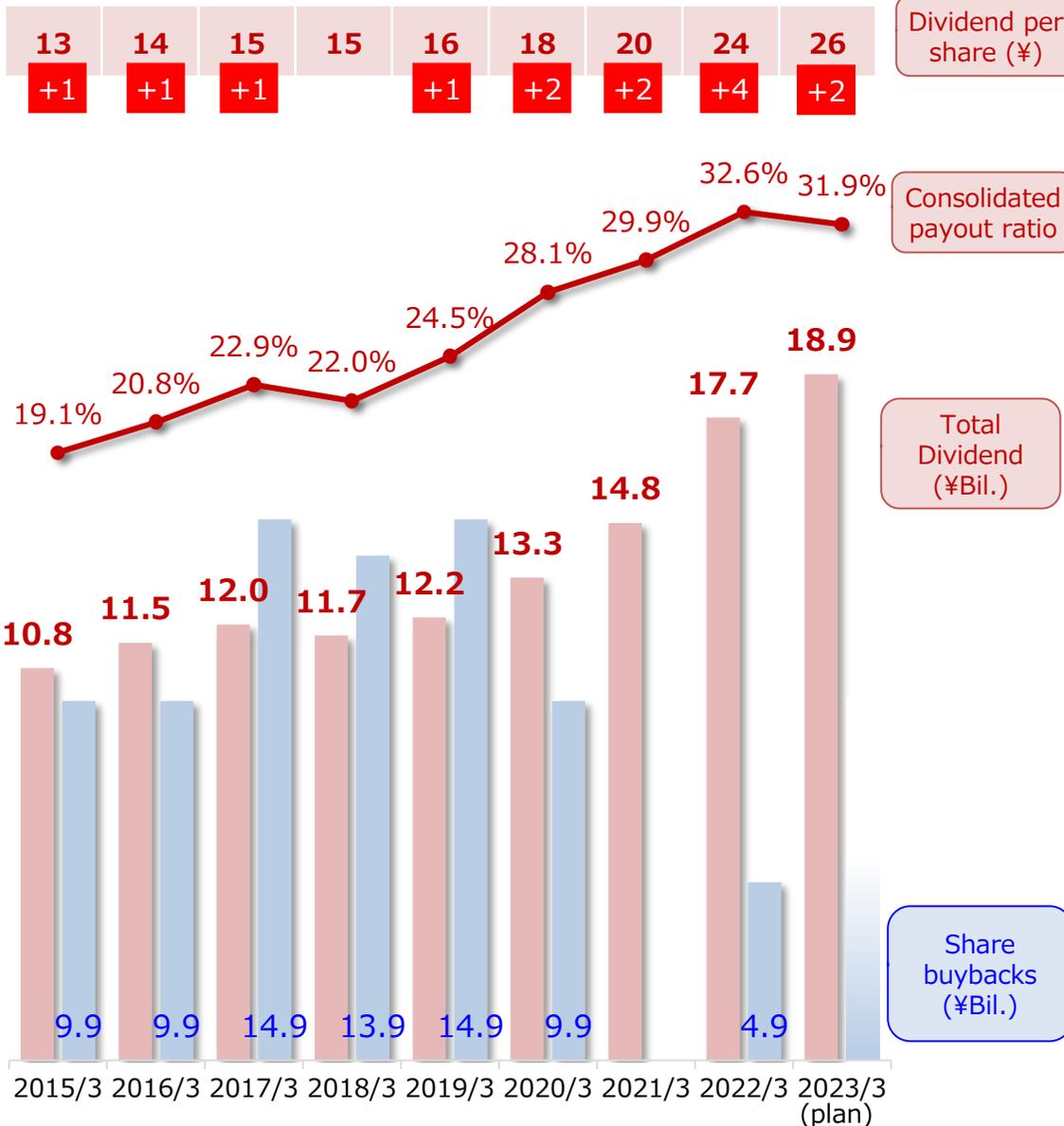
(¥Bil.)	2022/3	2023/3 (Projections)	YoY
Net interest income	131.8	134.4	2.5
Domestic	123.6	126.1	2.4
Interest on loans	98.5	99.4	0.8
Interest and dividends on securities	22.0	23.6	1.5
Gains (losses) on cancellation of investment trusts	2.7	4.1	1.3
International	8.1	8.2	0.1
Gains (losses) on cancellation of investment trusts	0.4	1.2	0.7

(¥Bil.)	2022/3	2023/3 (Projections)	YoY
Net fees and commissions income	27.5	28.3	0.7
Investment trusts and personal annuities	7.1	8.2	1.1
Corporate solutions	12.8	13.0	0.1
Trust business and inheritance-related services	1.7	2.2	0.4
Cashless payment and card business	1.3	1.8	0.5
Payment and settlement transactions	12.6	12.1	(0.5)
Guarantee charges and group insurance costs (-) ※	12.1	13.2	1.0

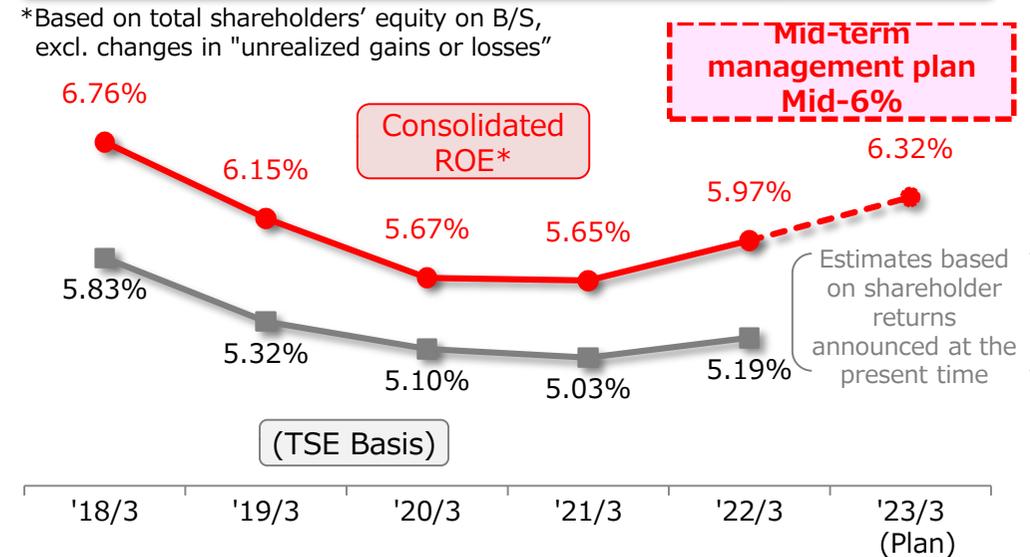
**Average balance and  
yield of domestic loans**



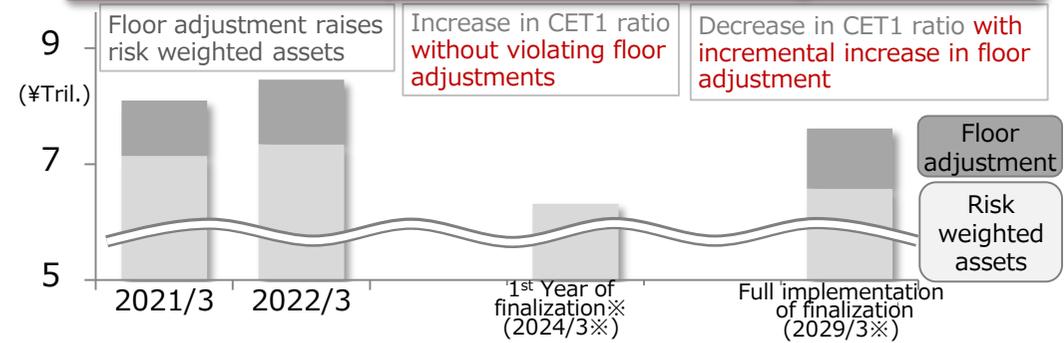
### Shareholder returns



### Consolidated ROE



### Consolidated capital Ratio · Risk weighted assets



(%)	2021/3	2022/3	1st year of finalization※	Full imple-mentation finalization※
Total capital ratio	12.79	12.11	16.2	13.4
CET1 Ratio	12.28	11.94	15.9	13.2
Excluding unrealized gains (losses) on securities	10.56	10.58	14.1	11.7

※Estimated results for FY2021 based on Basel III Finalization Standards. In principle, the start of application was brought forward by one year.

# Medium Term Management Plan

# Overview of the Plan

## Our Group's Mission

Contribute to the sustainable development of regional economies through the provision of the latest financial services as a partner for customers and regional communities

### Title

The 14th Medium Term Management Plan NEXT STEP 2023  
~ connect and go beyond, for the future ~ (Plan period: April 1, 2020 to March 31, 2023)

### Vision

Enhance customer experience by deepening financial functions and creating new models for regional finance

### Basic Policies

#### Basic Policy I

"We will continue to evolve closely with our customers"

- We will be a consulting partner that is closely linked to the lives of individual customers
- We will be the best partner as solving the diverse management issues of corporate customers
- We will continue to build branches that are both convenient and able to consult

#### Basic Policy II

"We will continue to create new value for our customers' future"

- We will provide new value to our customers by using digital technology and all kinds of information resources
- We will create new value by taking on challenges that go beyond the framework of banking

#### Basic Policy III

"We will advance alliance strategies"

- In order to provide new value and stand with our customers, we will further strengthen collaboration with other banks and companies in other industries

#### Basic Policy IV

"We will realize sustainable management"

- We will strive to build a rewarding company by enhancing human resource development and realizing diverse work styles
- We will further strengthen our internal control structures, including governance, compliance, and risk management

### Target

Profit attributable to owners of parent

¥60.0 Bil.

Consolidated ROE

Mid-6%

Non-consolidated OHR

In the lower 50% range

# Progress of the Plan

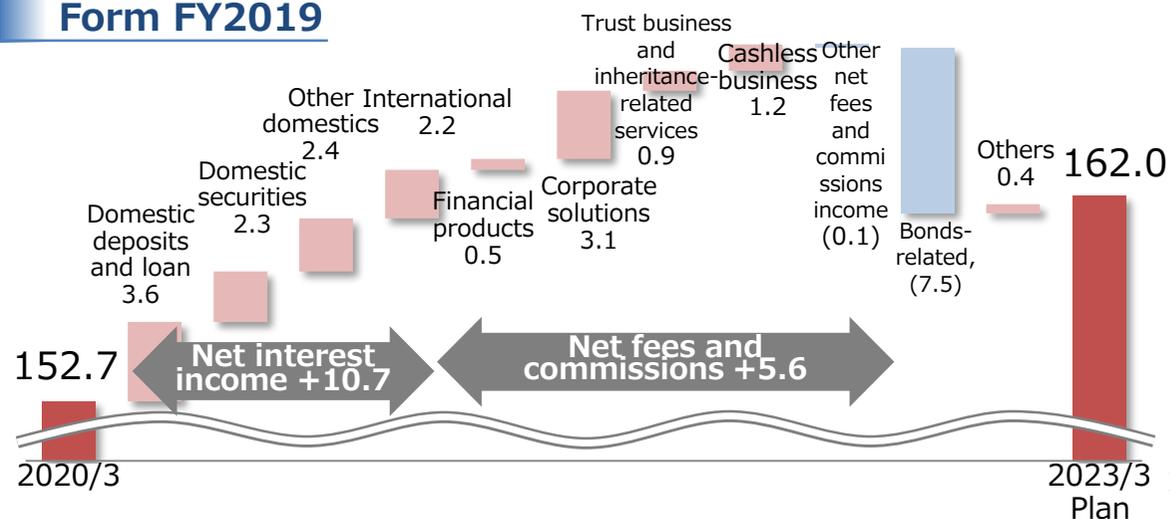
**NEXT STEP 2023**

~ connect and go beyond, for the future ~

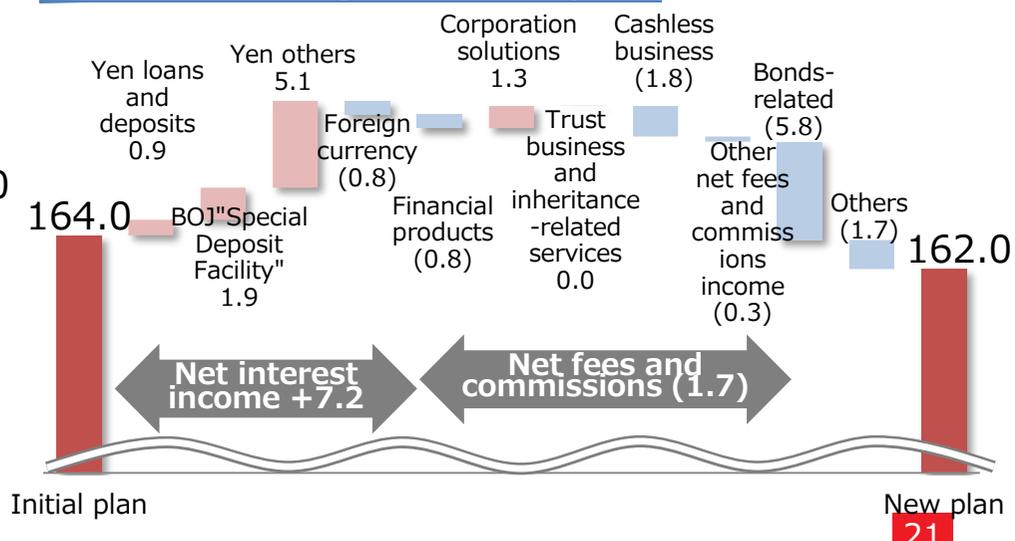
	Last year of the mid-term plan two times before 2017/3	Last year of the previous mid-term plan 2020/3	2021/3	2022/3	2023/3 plan		2023/3 Initial Mid-term plan	
					Change from 2020/3	Change From initial Mid-term plan		
Gross business profit	144.0	152.7	156.0	161.5	162.0	+9.1	(2.0)	164.0
Expenses (-)	83.1	81.9	86.0	84.5	82.5	+0.5	(3.0)	85.5
Real net business income	60.9	70.8	70.0	76.9	79.5	+8.6	+1.0	78.5
Net credit costs (-)	(3.7)	9.5	10.4	7.1	9.0	(0.5)	+0.2	8.8
Ordinary income	70.0	67.8	64.2	73.6	80.0	+12.1	+1.1	78.9
Profit	48.6	45.9	45.6	52.3	57.0	+11.0	+1.0	56.0
Profit attributable to owners of parent	52.7	48.0	49.6	54.4	60.0	+11.9	-	60.0

## Breakdown of changes in gross business profit of FY2022 plan

### Form FY2019



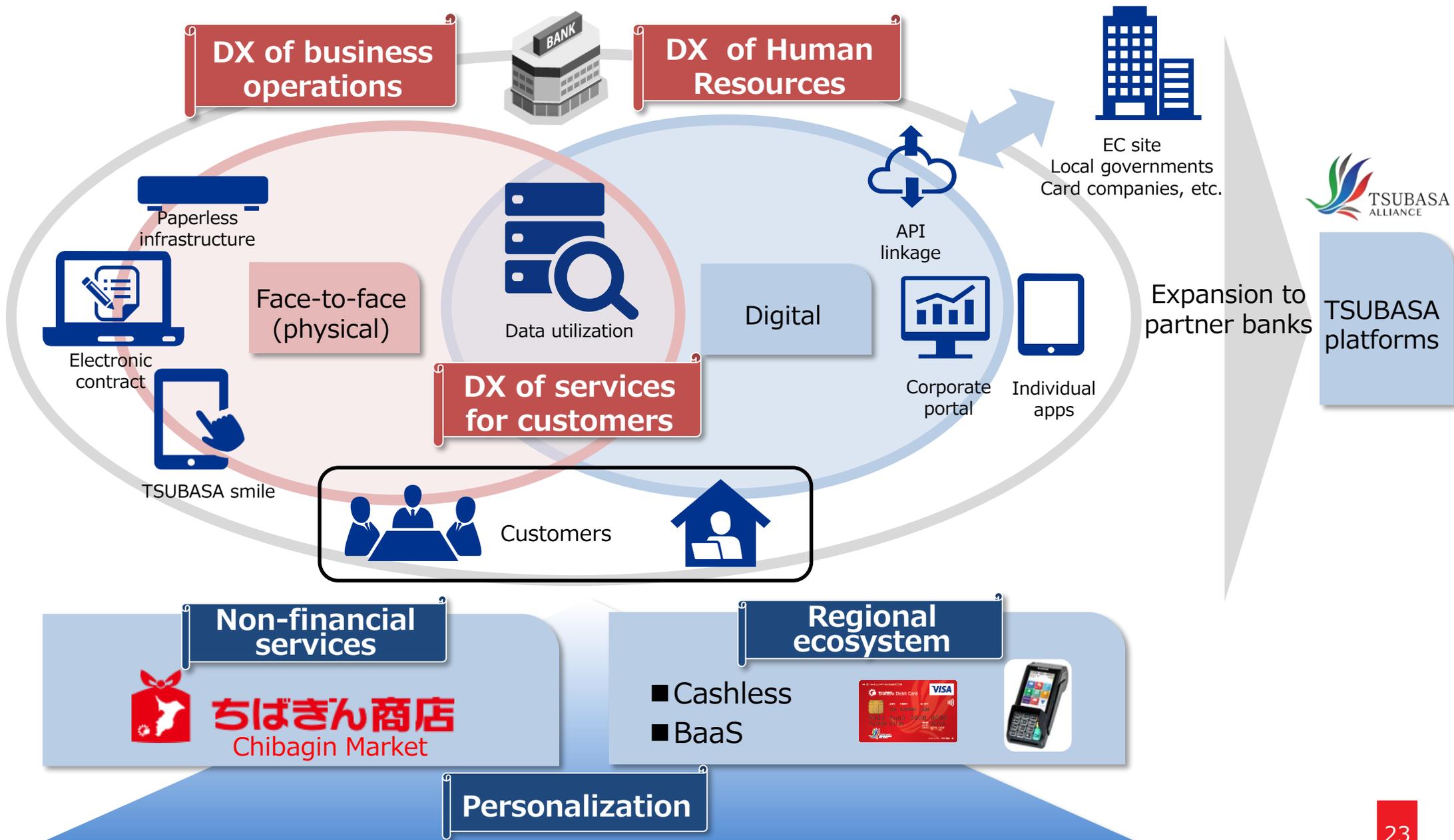
### Form initially mid-term plan



# DX strategy

# Overview of DX Strategy

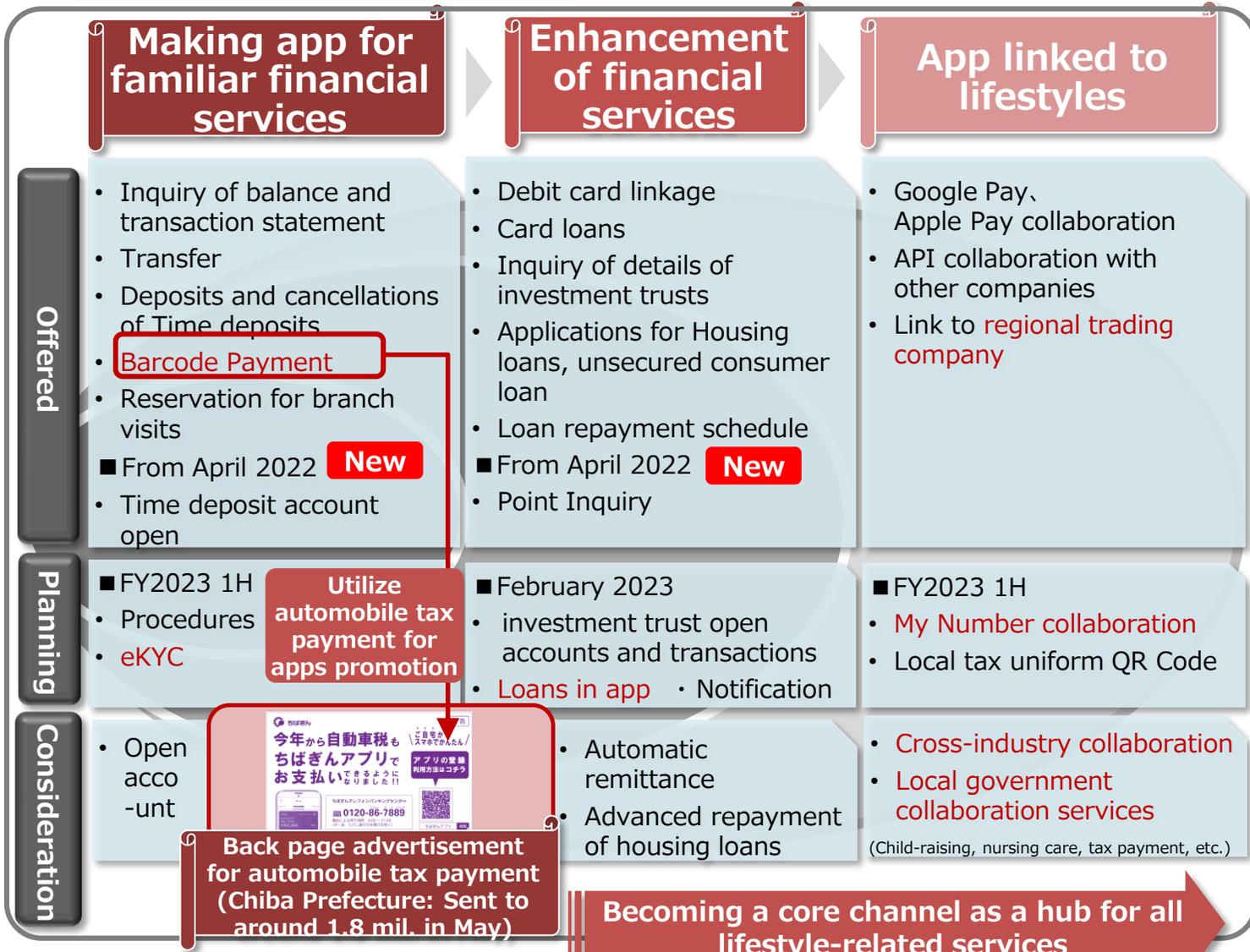
## Reform the bank itself through DX



## Continue upgrading for "app linked to lifestyles"



**Provide "best app" to all customers**  
~ App connected to customers' lifestyles and used always ~

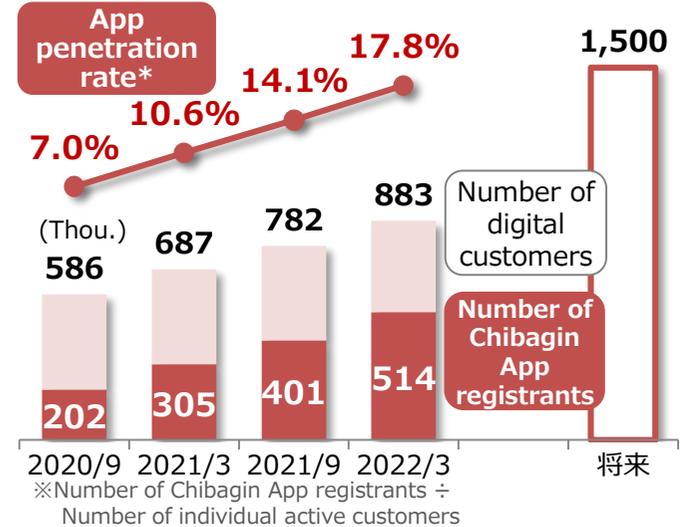


Utilize automobile tax payment for apps promotion

Back page advertisement for automobile tax payment (Chiba Prefecture: Sent to around 1.8 mil. in May)

**Becoming a core channel as a hub for all lifestyle-related services**

### Number of digital customers and Chibagin App registrants, App penetration rate



### Expansion to TSUBASA Banks

Acceptance of HR from application introduction banks ⇒ **Developed by the entire TSUBASA**

**4 banks Introduction**

- Musashino
- Chugoku
- Gunma
- Ryukyu **New**

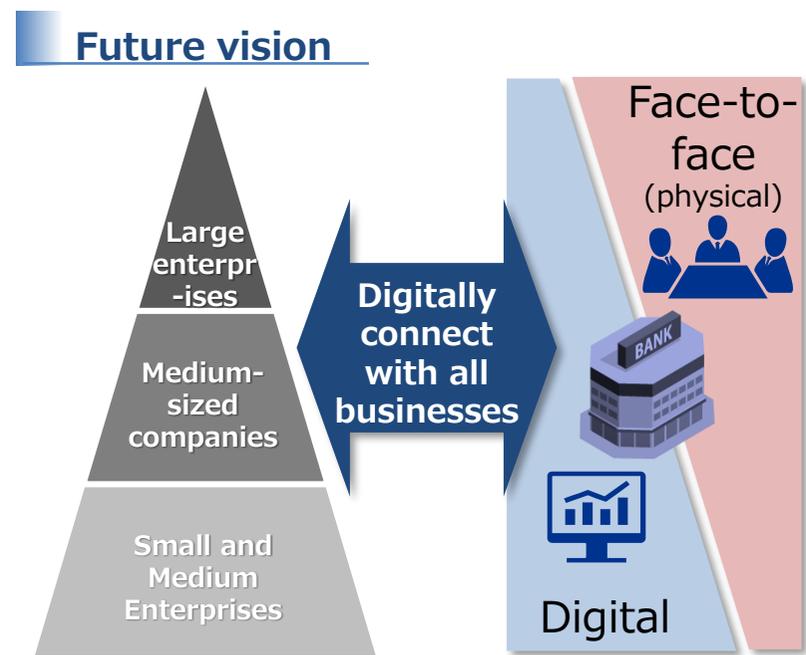
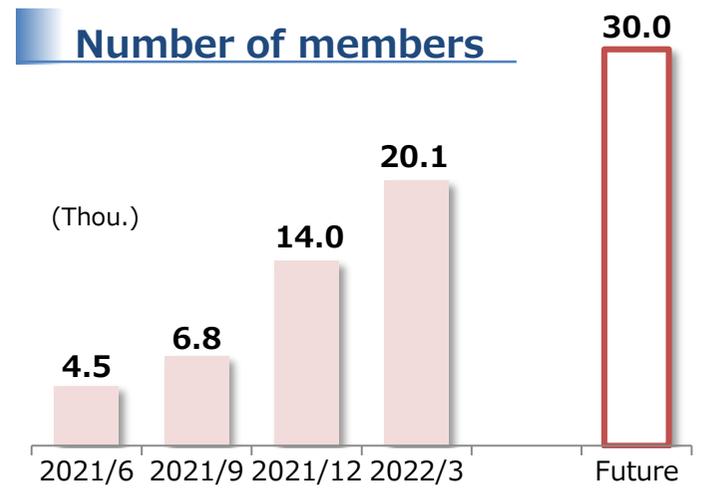
**Reduction development costs Approximately 50%**

Digital channel that will serve as a hub for all services linking corporate customers and the Bank



Providing **"best corporate portal"** to all customers  
 ~ Corporate Portal as a hub for all services and indispensable for business ~

	Connect with digital	Digitize financial services	Resolving management issues
Offered	<ul style="list-style-type: none"> <li>Chat</li> <li>Disseminating useful information for management</li> <li>February 2022</li> <li>Web conferencing</li> </ul>	<ul style="list-style-type: none"> <li>Account balance and transaction</li> <li>Transition trends (Graphical)</li> <li>February 2022</li> <li>Account information comparison function</li> </ul>	<ul style="list-style-type: none"> <li>BigAdvance</li> </ul>
Planning	<ul style="list-style-type: none"> <li>From May 2022 <b>New</b></li> <li>Questionnaire function</li> </ul>	<ul style="list-style-type: none"> <li>From May 2022 <b>New</b></li> <li>List of other banks' accounts</li> <li>Digital Delivery of Repayment schedule</li> <li>Inquiry of borrowings list</li> </ul>	
Consideration	<ul style="list-style-type: none"> <li>Cooperation with the internal messaging function</li> </ul>	<ul style="list-style-type: none"> <li>Cash flow visualization</li> <li>Acceptance of loan applications</li> <li>Links with electronic contracts</li> </ul>	<ul style="list-style-type: none"> <li>Management diagnosis, financial analysis</li> <li>Collaboration with the group company website</li> <li>Provision of business systems</li> </ul>



# Moonshot Goal ③

## ~ Data Integration · Business Efficiency ~

Realize moonshot goals ⇒ Go to the next step

### Data integration



Realization of data search system that can obtain "anytime," "what you want," and "in the way you want."

July 2021 **Moonshot goal realized**

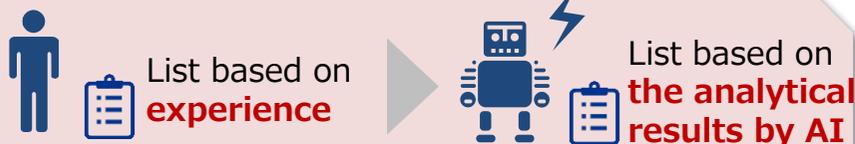
### Distributing a list to branches

<Results from July 2021 to March 2022>

- Number of lists delivered: 254
- Number of customers: 227 thou.
- **Contact rate: 22%\***

\*Only verifiable items are posted.

### Future Vision

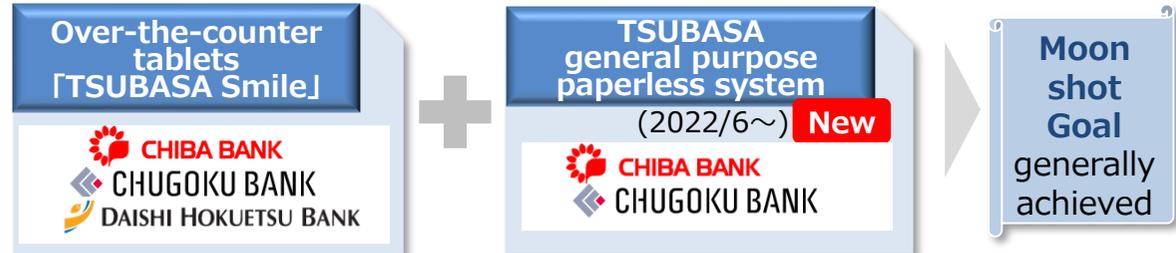


**Sophistication of marketing strategies**  
(Optimize customer approach through personalization, realize automation)

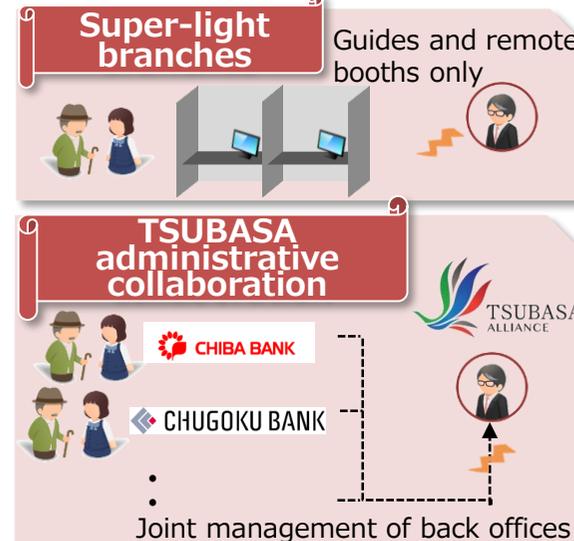
### Business efficiency



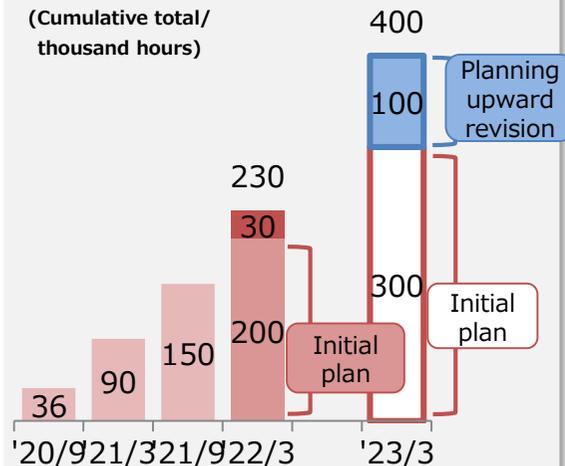
**Eliminate the use of paper and stamps completely** within the bank



### Future Vision



### Amount of reduction in operations



# Non-financial Services ~ Regional Trading Company ~

## Building a regional ecosystem with "non-financial services" as a hub



### Step 1. "Regional Products"

Creating "products and services that can trigger regional revitalization" from Chiba and **create products and services that represent Chiba.**

**Cloud Funding**

Discovery and creation of new products and services

**EC site**

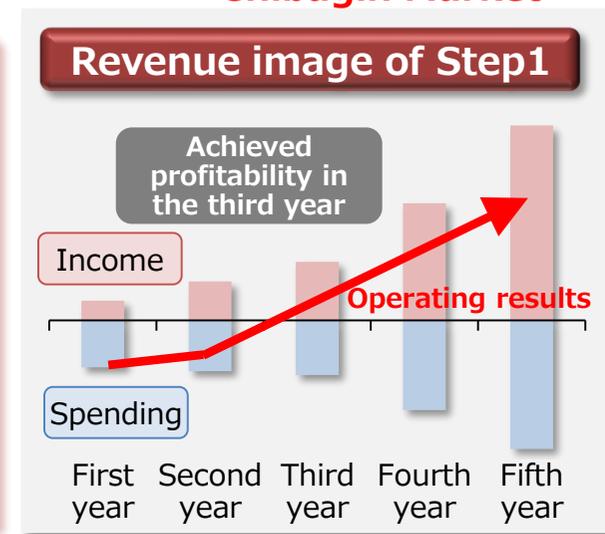
Continue to sale

**Individual brand**

Brand individual products

**Open "C-VALUE" a crowdfunding site (From October 2021)**

- Total number of open projects **51** (75% of closings **achieved target amount**)
- Number of members: More than 4,000



### Step 2, "Life Events"

**① Housing** (Scheduled start of trial from the 1H of FY 2022)

Up to now: only ④

From now: ①

**Provide one-stop financial and non-financial services, involving from the upstream of commercial distribution related to life events**

**CHIBA BANK**

Discovering latent needs using data utilization, personalization

Customers

Customer referrals ①

Customer referrals (Housing loans) ④

Real estate companies

Customer referrals ③

Affiliated real estate companies

Concierge service for home purchases

Customer referrals ②

### ②Automobiles

### Step 3: "Living"

Supporting consumer activities on a new daily to realize **"Links to Lifestyles"**

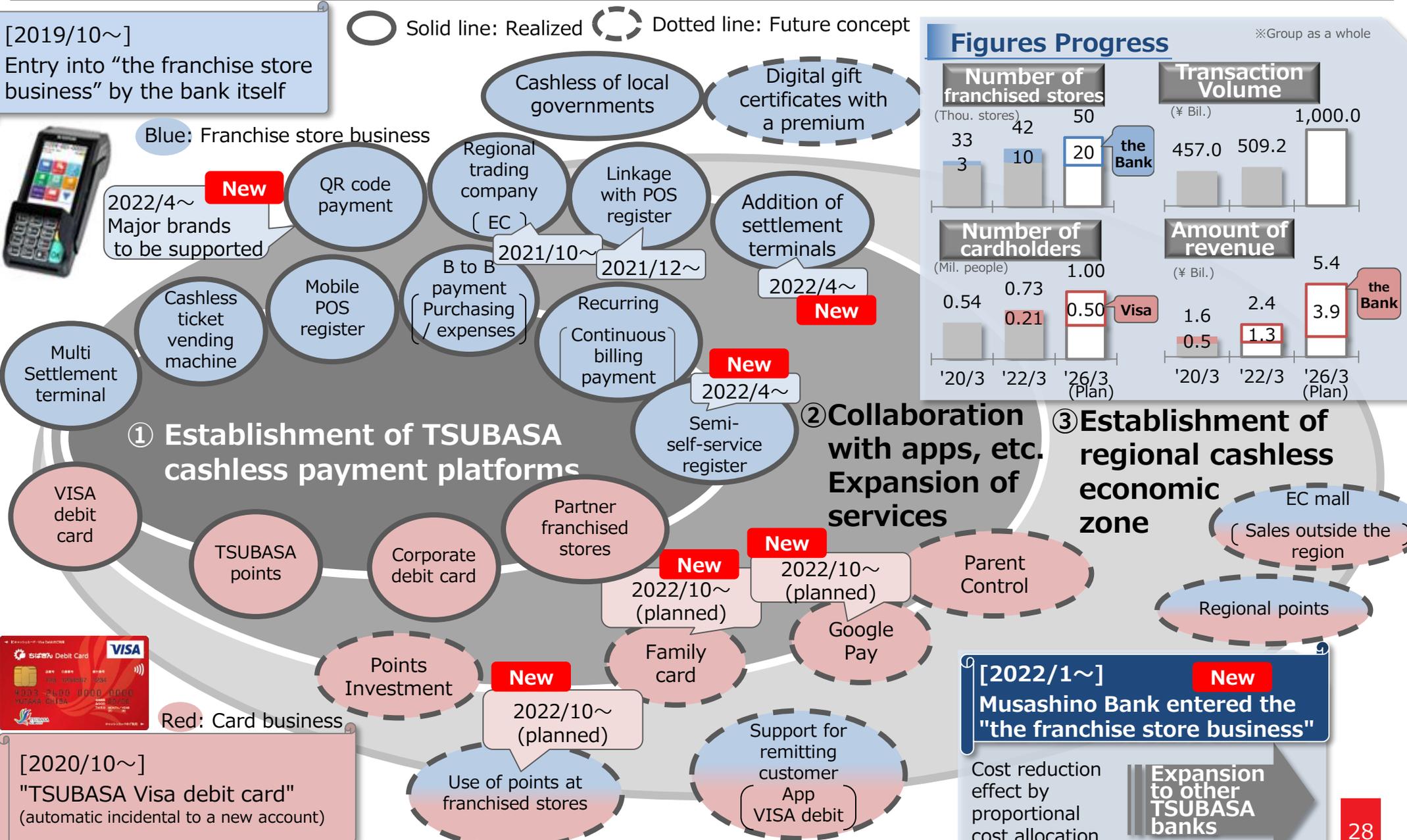
[Major areas]

Health/  
Nursing care

Education

Food  
retailing

## Establishment of a regional ecosystem



# Regional Ecosystem ②

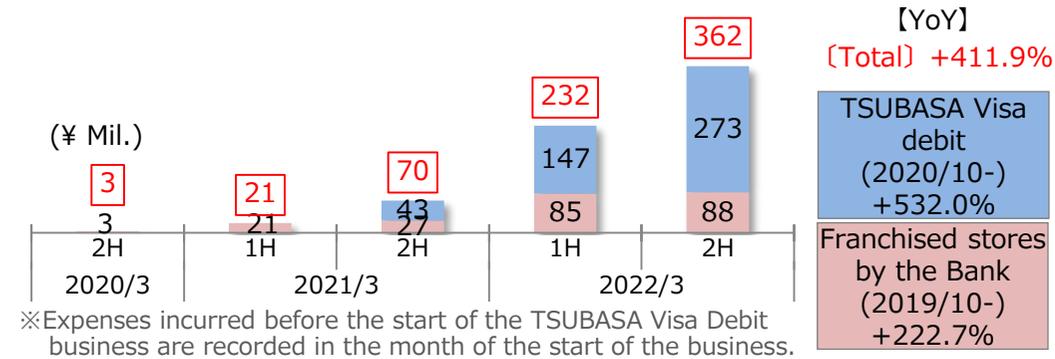
## ~ Cashless Business ② ~

### Cashless business income and expenditure

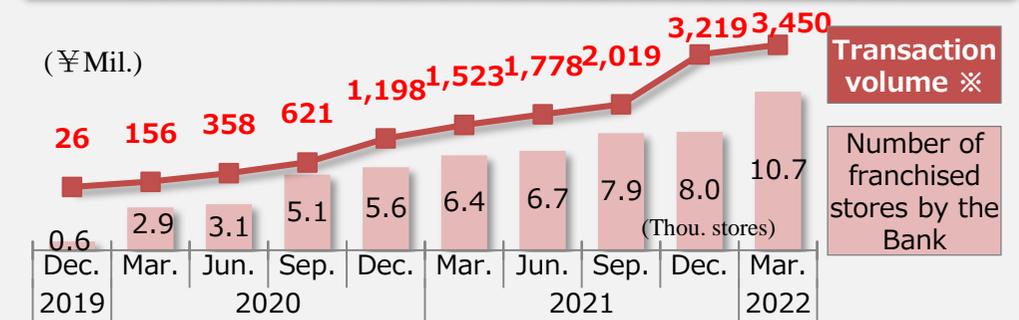
		(¥Mil.)	2021/3	2022/3	YoY
Total of new and existing business by the Bank	Profit		648	1,306	657
	Revenue		2,360	3,310	950
	Expenses(-)		1,711	2,004	293
Total of <b>new</b> business by the Bank	Profit		92	594	502
	Revenue		307	1,195	888
	Expenses(-)		215	601	386
Franchised stores by the Bank	Profit		49	173	124
	Revenue		253	706	453
	Expenses(-)		203	532	329
TSUBASA Visa debit	Profit		43	420	377
	Revenue		54	488	434
	Expenses(-)		11	68	56
Existing business by the Bank	Profit		556	711	154
	Revenue		2,052	2,114	61
	Expenses(-)		1,496	1,403	(92)
Subsidiaries (Chibagin JCB Card) (Chibagin DC Card)	Profit		1,171	1,186	14
	Revenue		4,757	4,860	103
	Expenses(-)		3,585	3,674	88
(reference)					
Total of group	Profit		1,820	2,492	671
	Revenue		7,117	8,171	1,053
	Expenses(-)		5,297	5,678	381

※Expenses of subsidiaries include personnel expenses and other operating expenses.

### New business profit



### "Franchised stores by the Bank business" Number of franchised stores and transaction volume

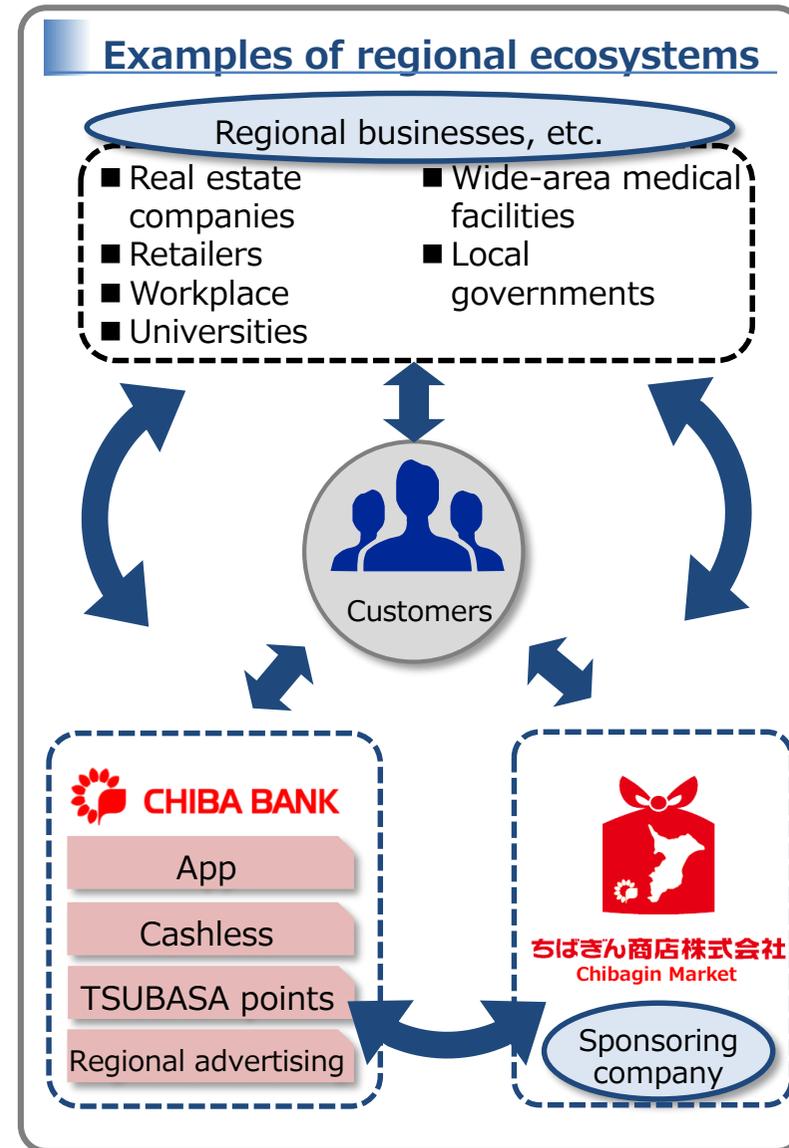
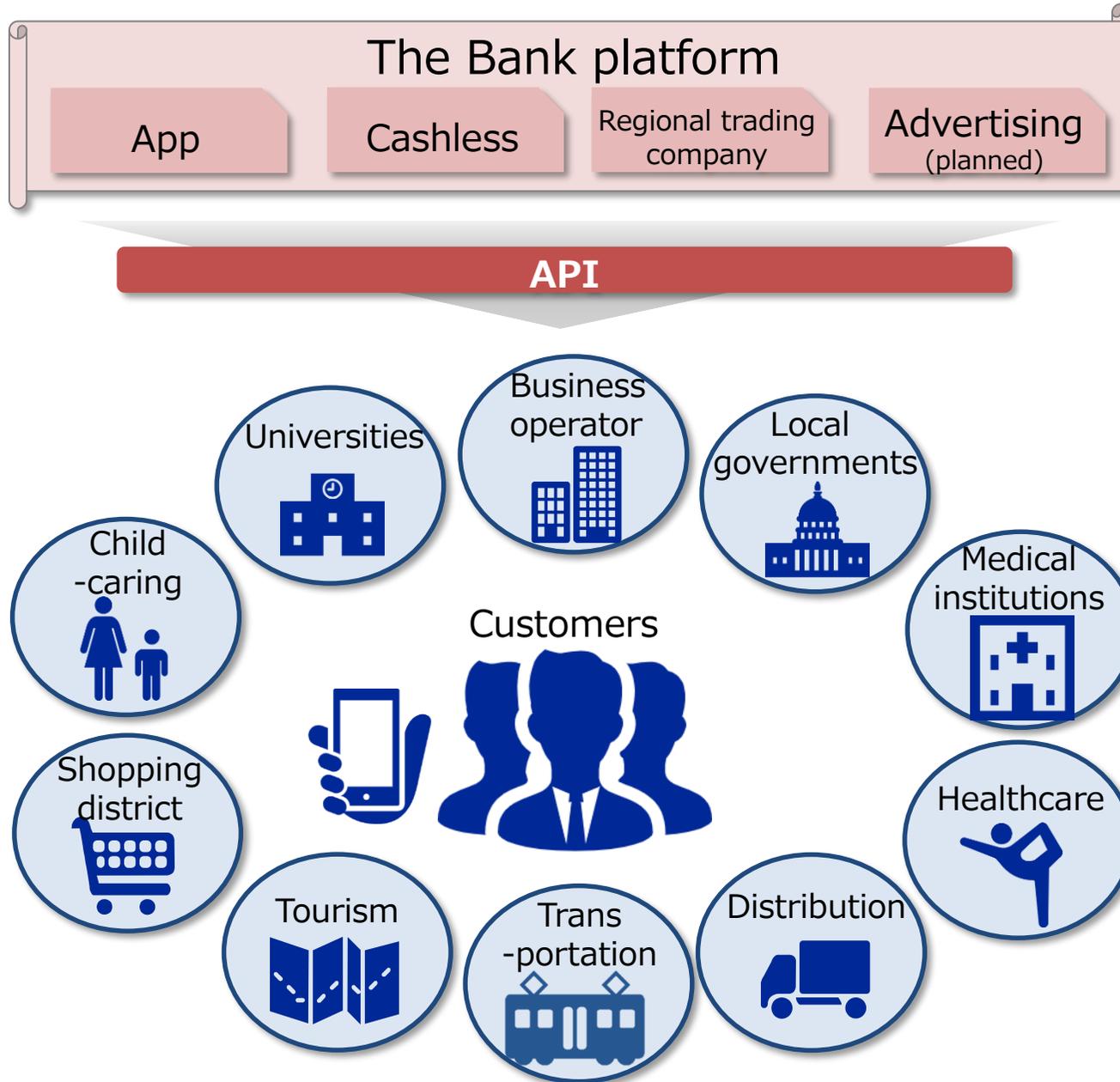


### "TSUBASA Visa debit" Number of cardholders and transaction volume



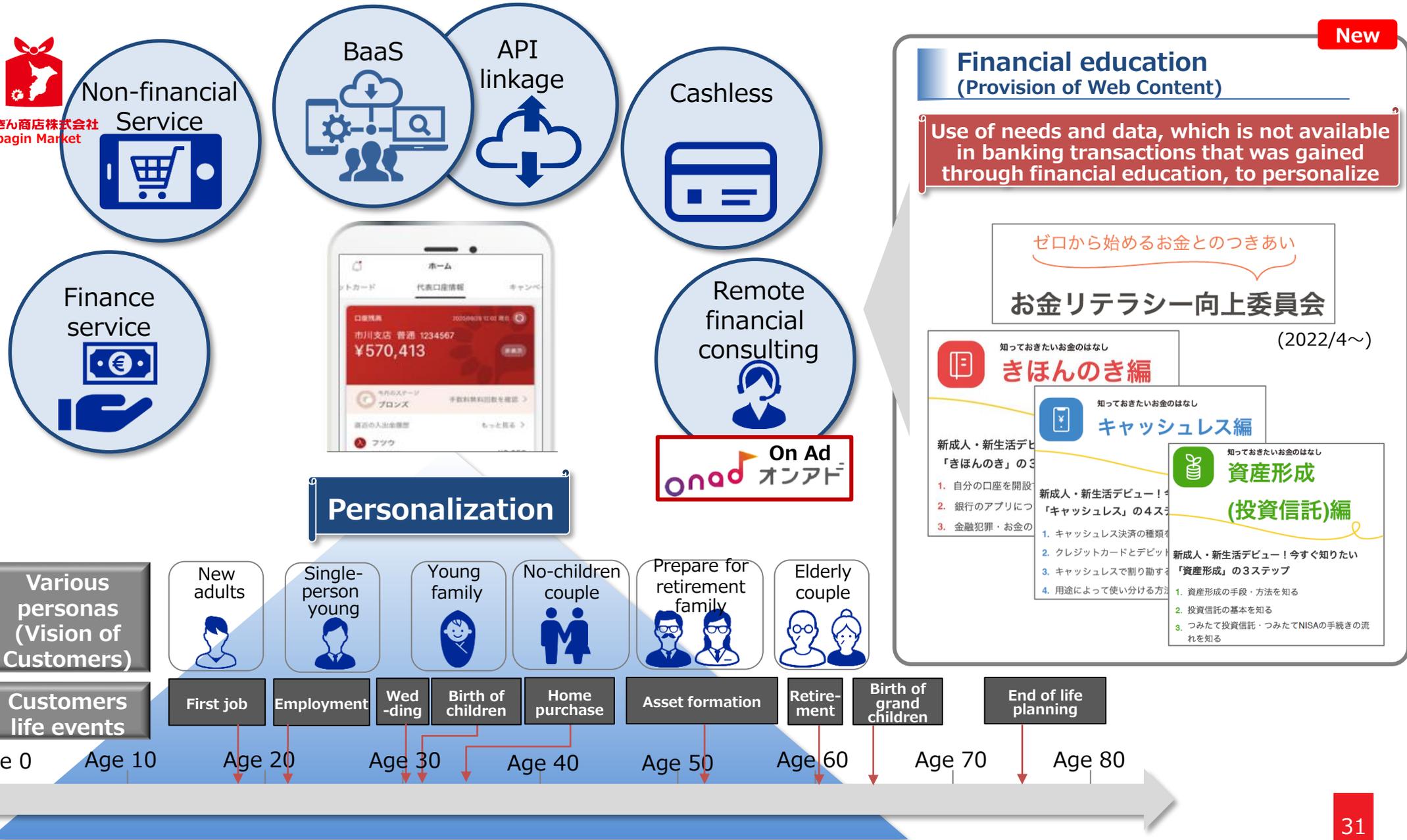
※Transaction volume : settlement amount for one month in the relevant month

Providing the Bank platform as "BaaS" and building regional ecosystem



# Personalization

Identify latent needs based on data analysis and make precise proposals tailored to persona and life events



## Aggressive development of new businesses

### Remote financial consulting services

From April 2022  
Start operations

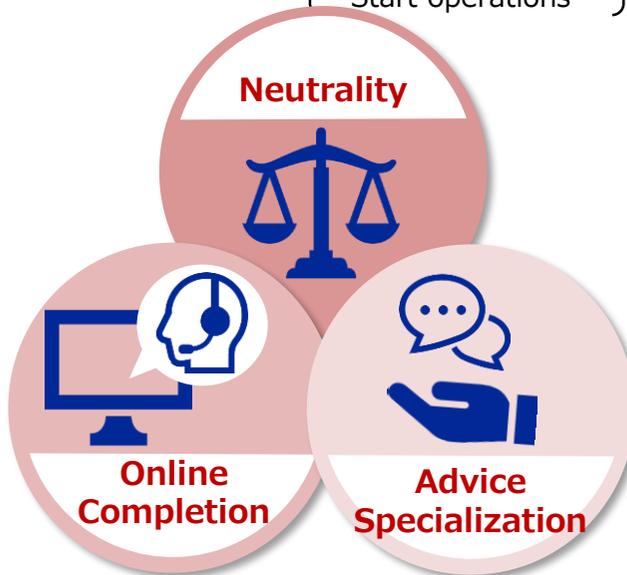
**New**

# NOMURA



Equity Participation

On Ad



あなただけのオンリー・アドバイス

お金の「わからない」を「わかる」に。

## オンアドが解決します!

- スマホ/PCでどこでもつながる
- 具体的な相談が、決まっていなくても大丈夫
- アドバイザーを自由に決められる
- 自分だけのプランが見つかる
- アドバイザーを自由に決められる
- 自分だけのプランが見つかる

オンアドで相談できる!

## 5つのカテゴリー

詳しく知りたいカテゴリーを選択!

- 1 ライフプラン
- 2 資産形成・運用
- 3 保険
- 4 相続・贈与
- 5 ローン

将来の夢や目標を叶えるために

シミュレーションで何をすべきか

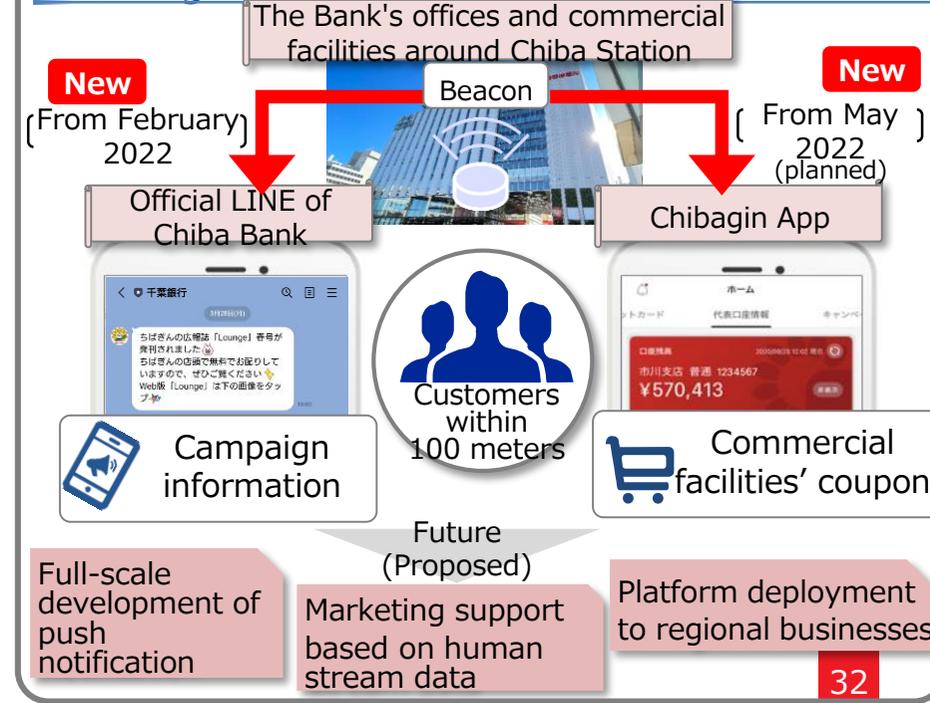
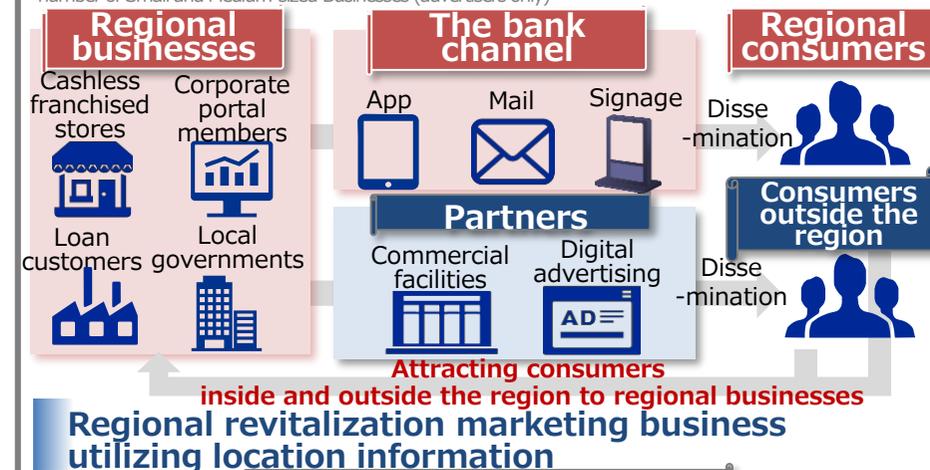
## 見える化 × 明確化

あなたのお金についての課題を見出し、投資助言業者として有価証券の活用も視野に入れたプランシミュレーションを行います。課題の抽出だけでなく、今後取るべき対策までアドバイスをいたします。

### Advertising business

Advertising market-size\* in Chiba Prefecture: Approx. 60 billion yen

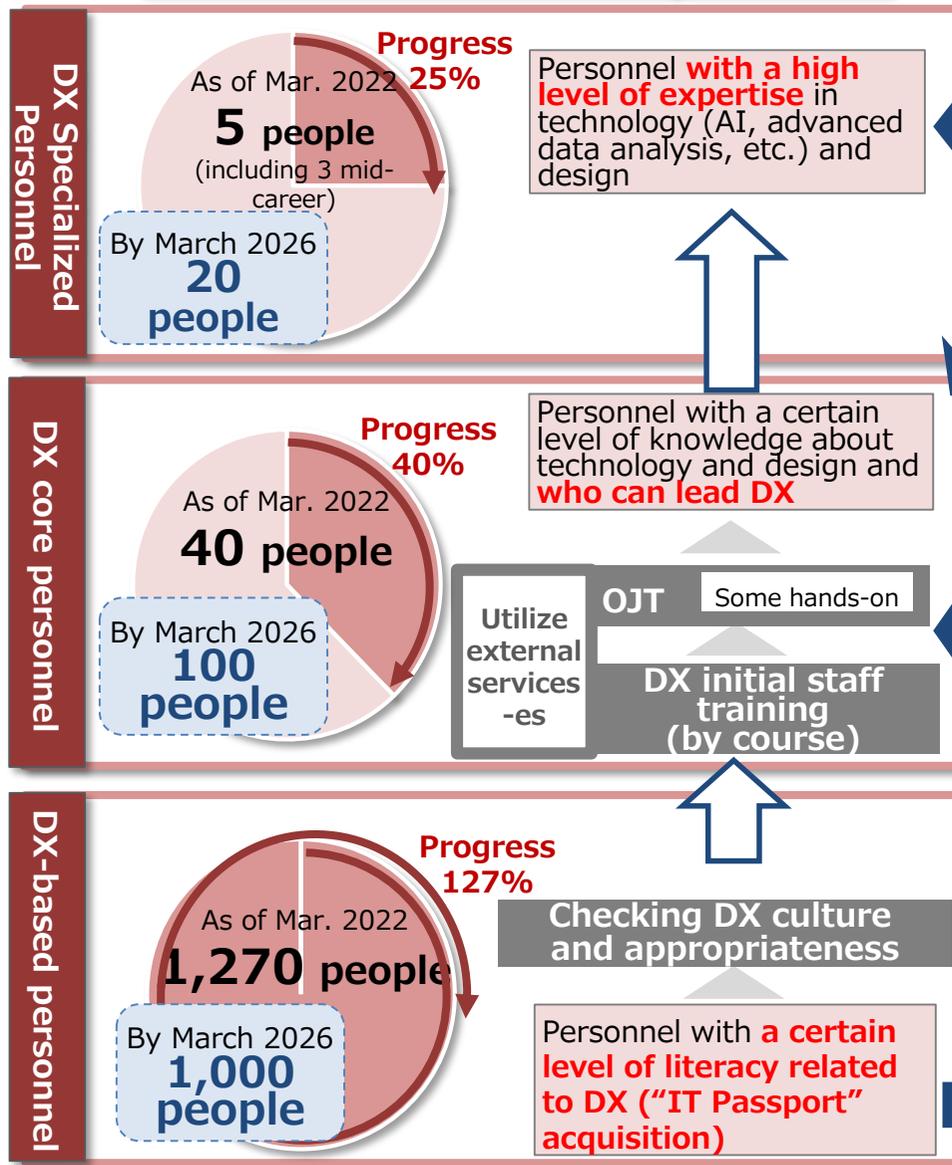
\*Calculated by the Bank based on the Economy, Trade and Industry Book, Survey of Economic Structure and number of Small and Medium-sized Businesses (advertisers only)



# DX Personnel

Dividing DX personnel into three levels and establishing certification requirements for each category

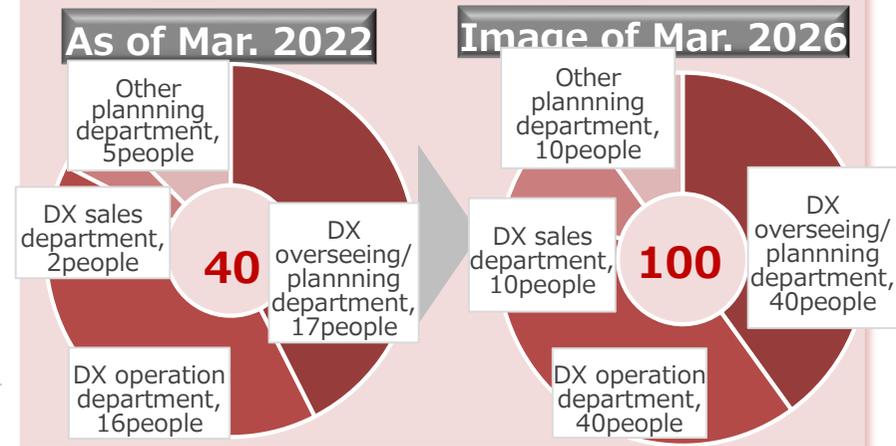
## DX Certification System



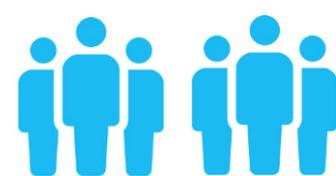
Outside human resources (mid-career)



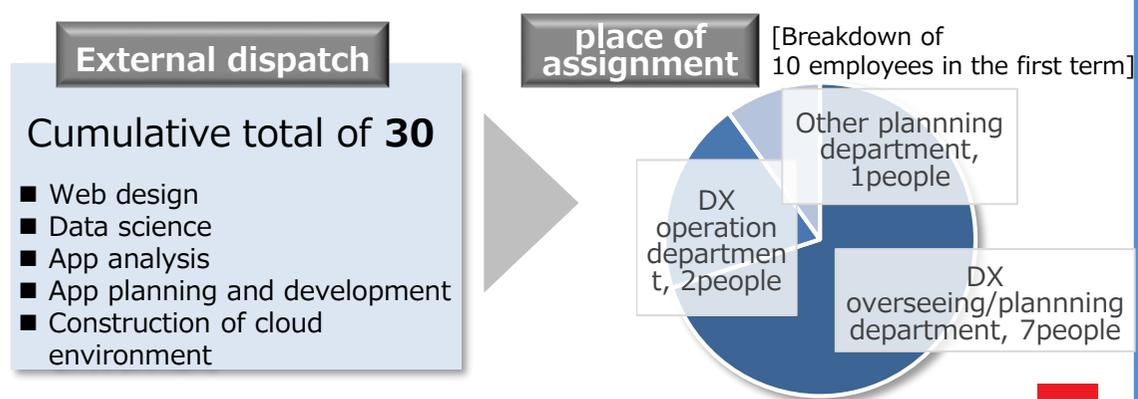
## DX core personnel breakdown



DX trainee



Trainee period: 6 months to 1 year  
 Apr. 2021 1<sup>st</sup>: Dispatch of 10 employees  
 Oct. 2021 2<sup>nd</sup>: Dispatch of 10 employees  
 Apr. 2022 3<sup>rd</sup>: Dispatch of 10 employees



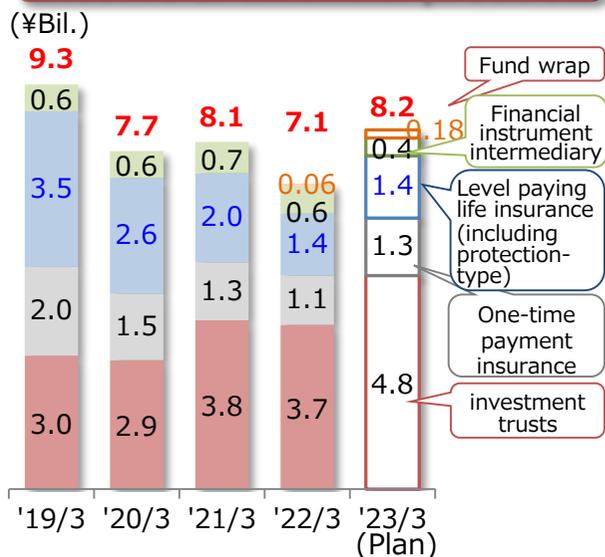
※Number of employees: 4,070 (as of March 2022)

# Various Measures

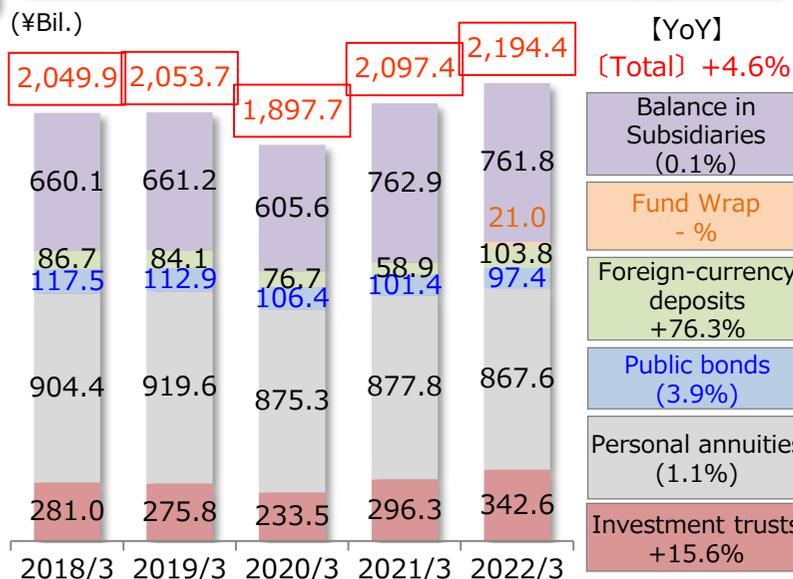
## Introduced a new system to expand investment trust business

### Financial products

#### Fees and commissions income of financial products



#### Balance of financial products (group total)



### Efforts to expand investment trust business

**New proposal tool** (Scheduled for 2023/3) **New**

- Promotion of long-term holding
- Improving staff skills
- Comprehensive post-sales follow up through the system

**Contracted paperless** (Scheduled for 2023/3) **New**

- Improve customer convenience
- Generating time required for proposals
- Foundation for lightweight stores

**Investment trust smartphone apps** (Scheduled for 2023/2)

- Incorporation of young people
- Shift to mass-responsive smartphones
- Reinforcement of cumulative NISA

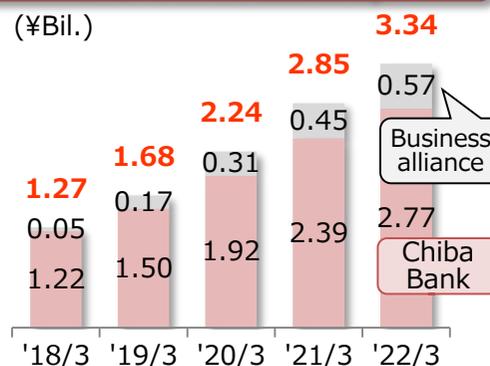
Balance of investment trusts to **¥600 bil.** in the final year of the next med-term management plan (2026/3)

### Trust and inheritance

#### Trust and inheritance-related fees



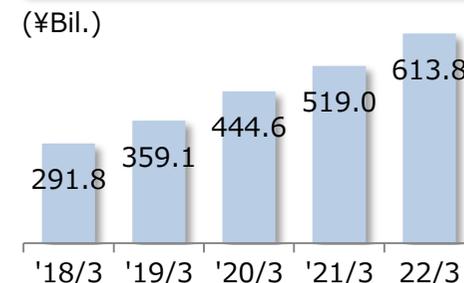
#### fees from future execution of the will in custody



#### Alliance banks using the bank's services

- DAISHI HOKUETSU BANK
- CHUGOKU BANK
- MUSASHINOBANK
- THE TOHO BANK,LTD.
- BANK OF THE RYUKYUS

#### Identifying assets through inheritance business

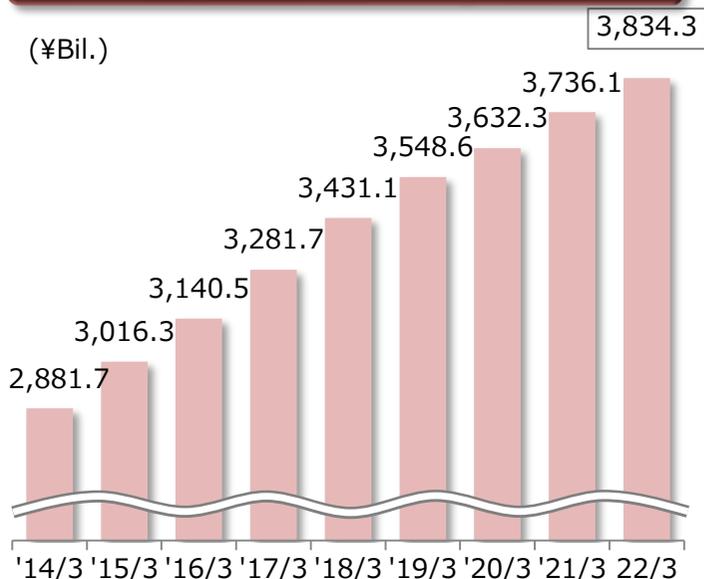


#### Expansion of derivative transactions

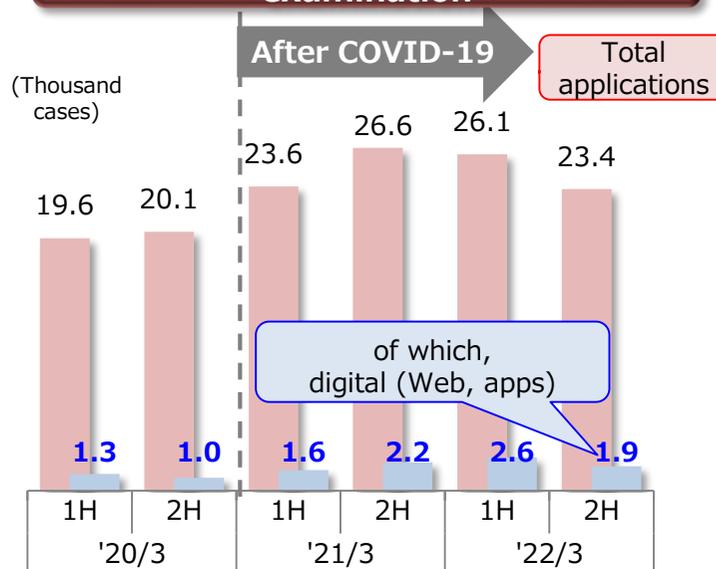
※Includes trust fees from this term forward (changed retroactively)

Steady progress in both applications and execution in response to growing demand for relocation

### Balance of housing loans



### Number of applications for preliminary examination



### Efforts to expand housing loans

Proposals from upstream of the purchasing process (Trial scheduled for FY2022 1H)  
[Use of Chibagin market]

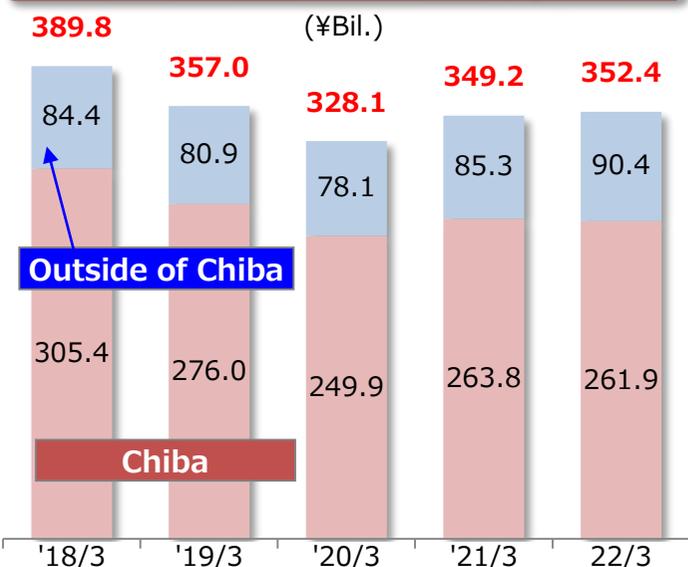
Incorporation of development projects through project support for regional businesses

Revision of screening standards in line with current conditions  
[Double income family, etc.]

Increase in official application rate  
[After-sales follow-up, promotion]

Non-face-to-face infrastructure development  
[Web completion scheme]

### Executed amount of housing loans

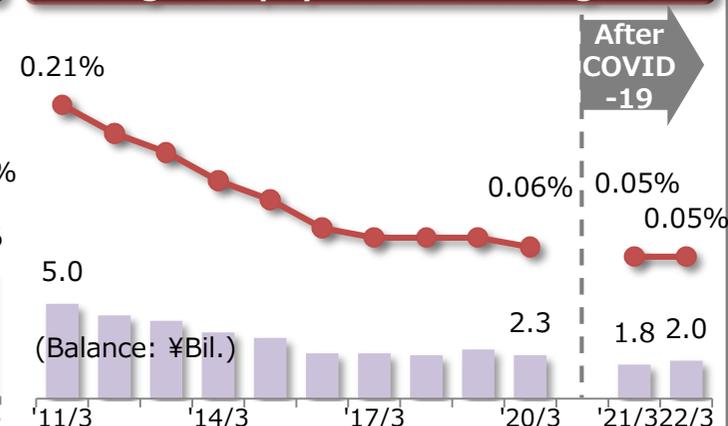


### Housing loan status of delinquency and requesting subrogation payment

#### Balance and ratio of delinquency housing loans



#### Balance and ratio of requesting subrogation payment of housing loans

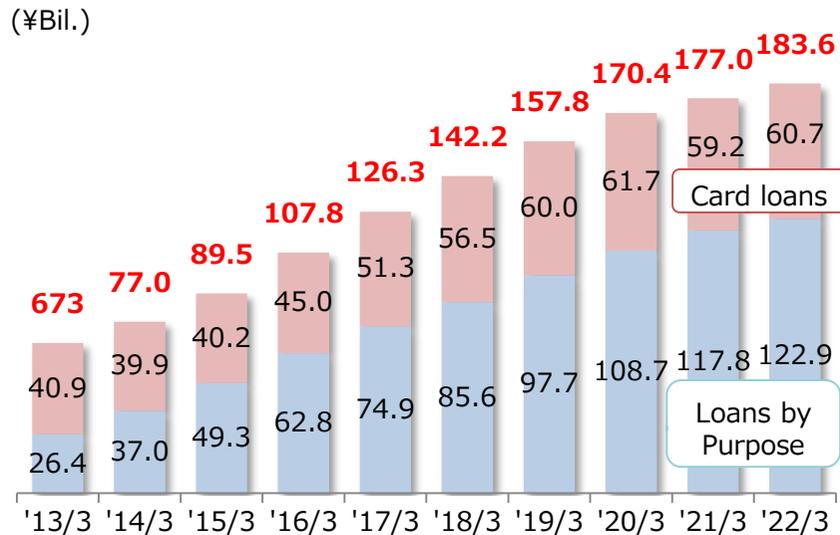


# Individuals ③

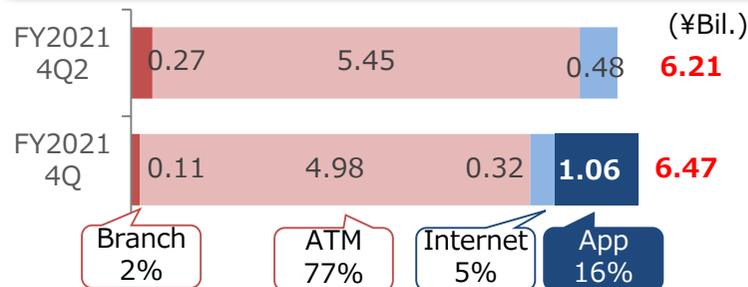
## ~ Unsecured customer loans ~

Maintain the soundness of assets while increasing the balance

### Balance of unsecured consumer loans



### Card loan borrowing channel

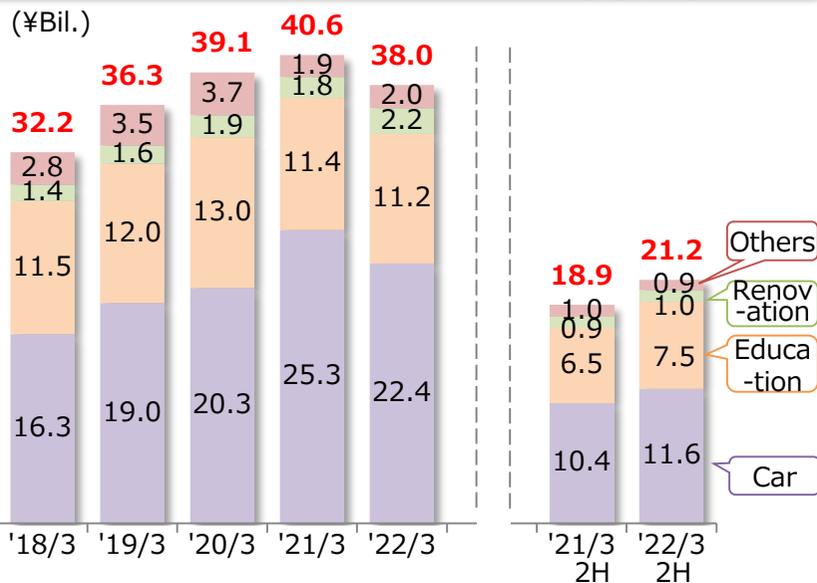


### Efforts to expand unsecured customer loans

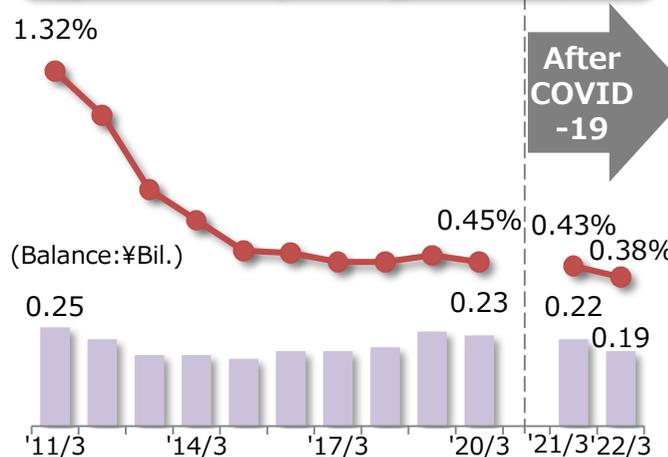
- Loans in apps** (Scheduled for 2023/2)
  - Retain prime customers by targeting account holders
- Push notice** (Scheduled for 2023/2)
  - Delivery of notifications through apps based on customer needs
- Proposals from upstream of the commercial stream**
  - Making appropriate proposals from upstream of the purchasing process by making the most of the best use of "Chibagin market" and information

- 2021/6~ Can be traded on apps
  - Expand share of app transactions to 16%
  - Overall borrowing also increased by +4.1% due to improved convenience through apps

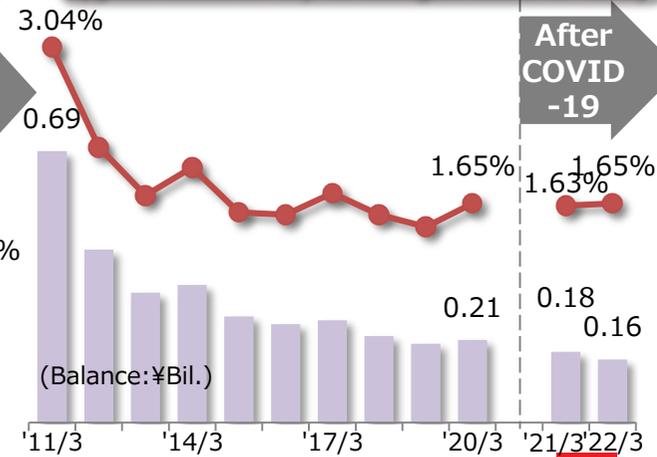
### Executed amount of loans by purpose



### Balance and ratio of delinquency loans by purpose (guaranteed by Chibagin Guarantee)



### Balance and ratio of delinquency card loans (guaranteed by Chibagin Guarantee)

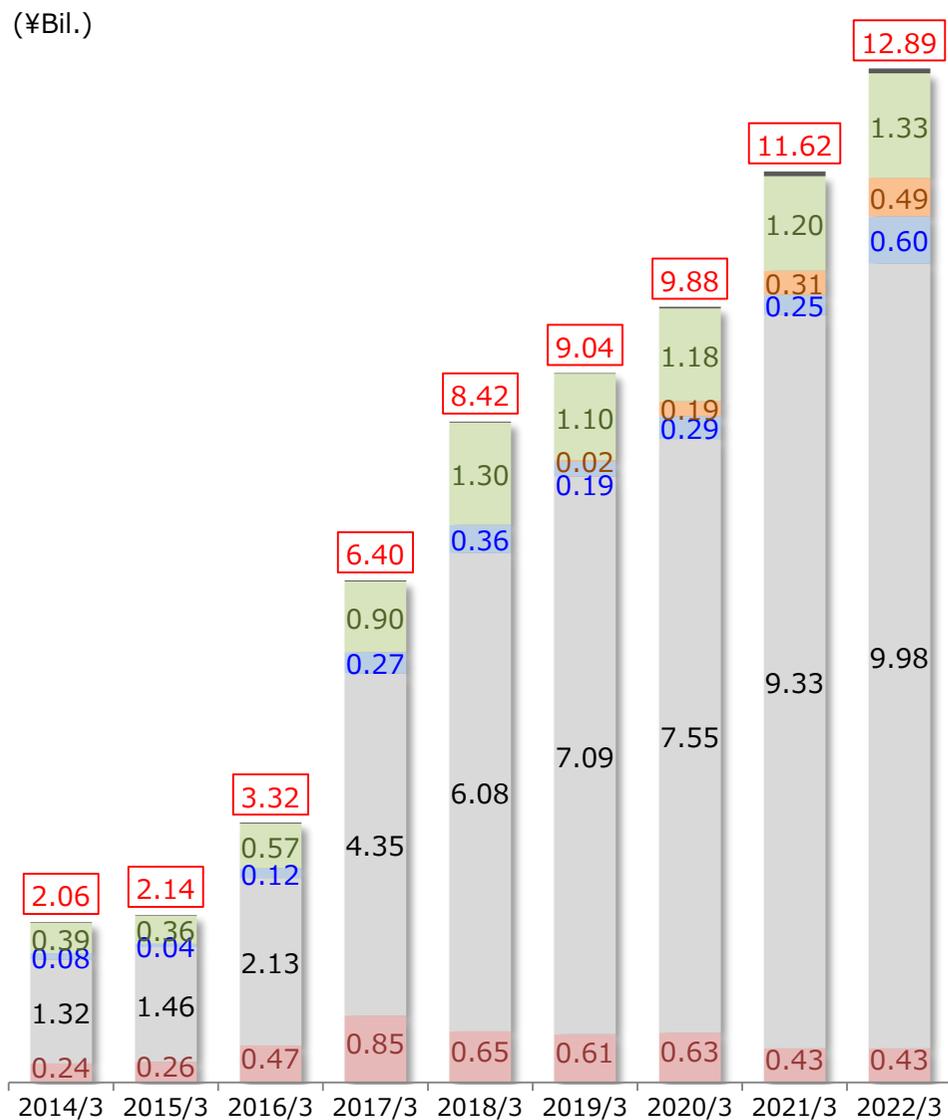


## Record-high profits for 11 consecutive years

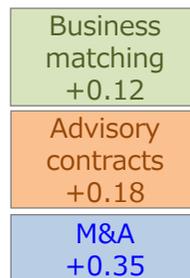
### Corporate solutions revenue

※There is "Others" without a breakdown (¥0.04 billion in FY2021)

(¥Bil.)



[YoY]  
[Total] +1.27



Syndicated loans, etc. +0.64

Private placement bonds (0.00)

### Composition amount of syndicated loan arranged by the Bank

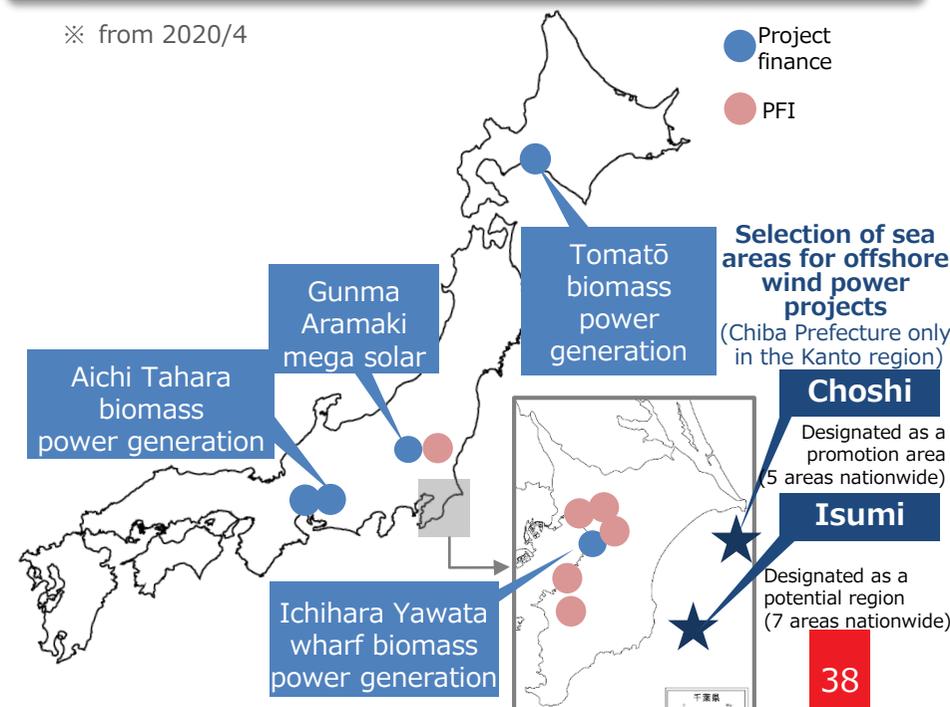
※ Including co-arangers, LBOs, etc.

(¥Bil.)



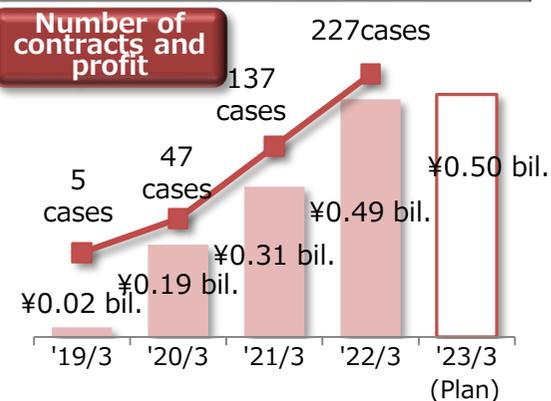
### Project finance and PFI arranged by the Bank

※ from 2020/4

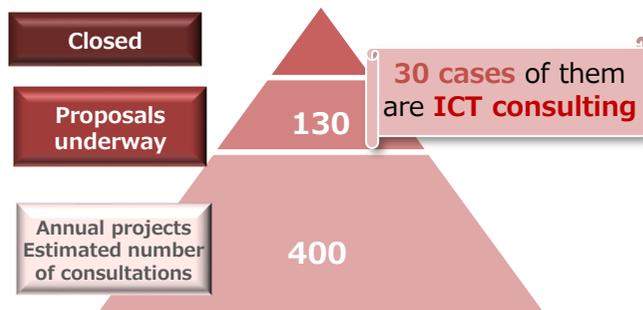


## Discovering many needs through continuous dialogue as a partner

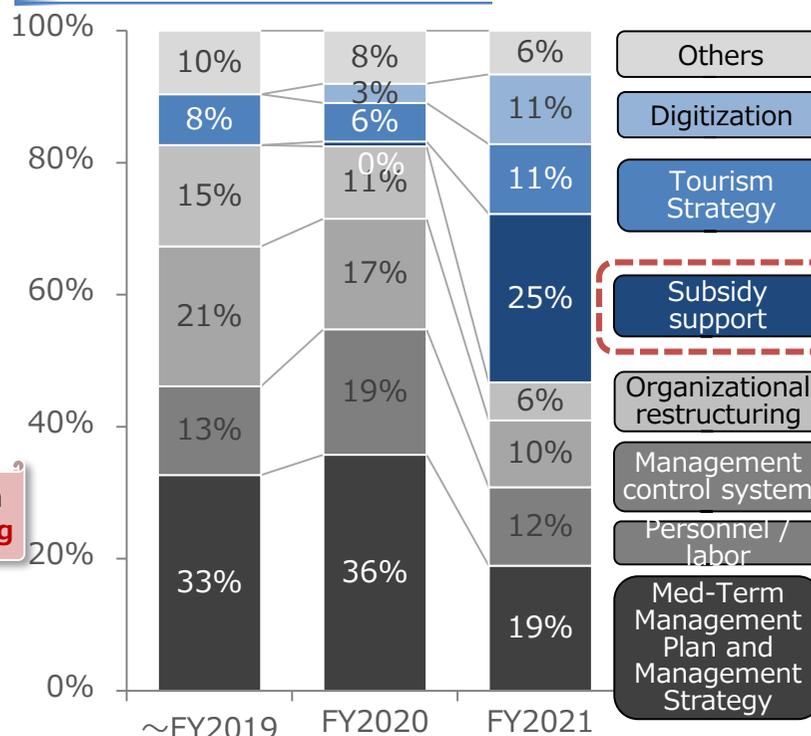
### Advisory for corporation



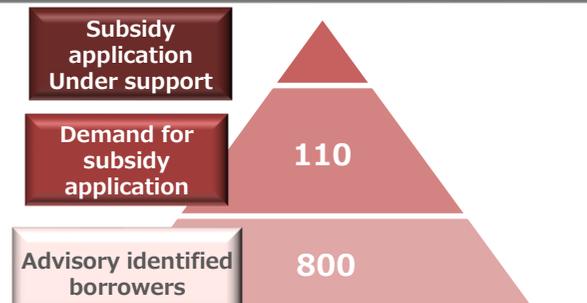
### Number of projects



### Breakdown of Contracts

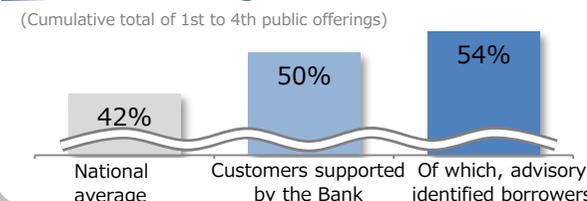


### Business restructuring subsidies



**[Achievements of support]**  
 (Cumulative total of 1st to 4th public offerings)  
 ■ Support: 455 ■ Adopted: 197\*  
 \* Number of cases supported by the Bank as the support organization for business innovation, etc.

### Rate of adoption of business restructuring subsidies

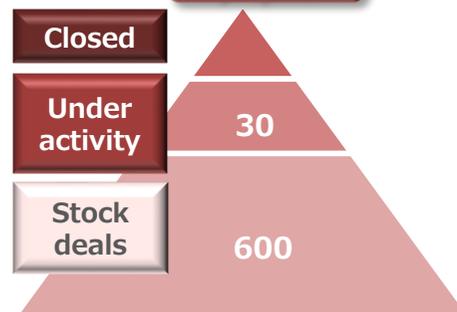


### M&A

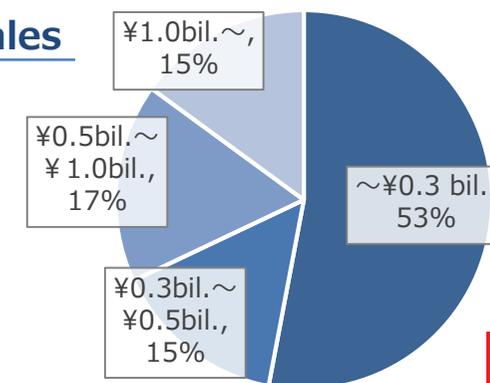
### Profit



### Number of projects



### Size by sales



\*Other than this, commission revenue related to business succession is recorded in trust and inheritance (FY2021 ¥0.3 bil.)

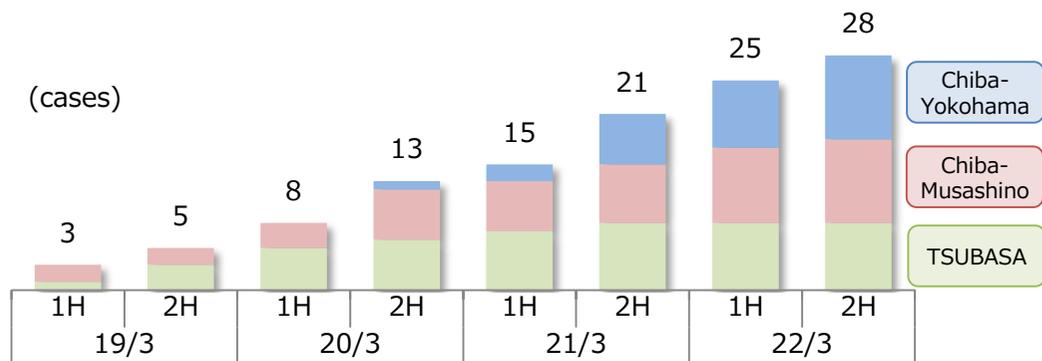
Take advantage of the largest overseas network among regional banks

Overseas Network of the Bank



Cumulative Number of co-financing with alliance banks (International business)

Major initiatives in the 2H of FY2021	Timing	Alliance	Country	Affiliated overseas bases
	2021/11	Yokohama	China	B/K of Yokohama Shanghai Branch
	2021/12	Musashino	Thailand	Chiba B/K Bangkok Representative Office and Hong Kong Branch

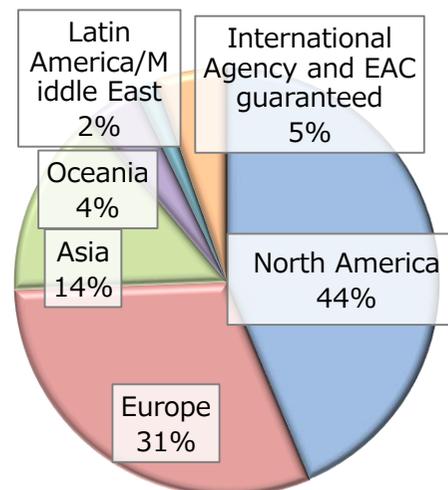


Balance of non-Japanese exposure

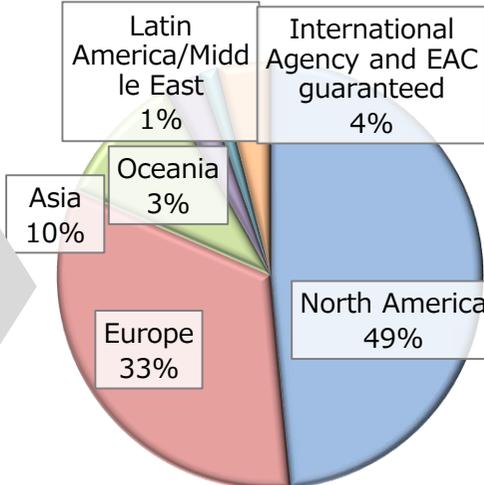
※ Including credit to non-Japanese companies in domestic branches and market divisions

By region

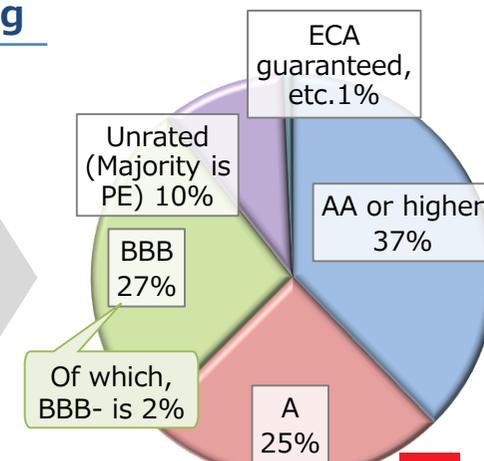
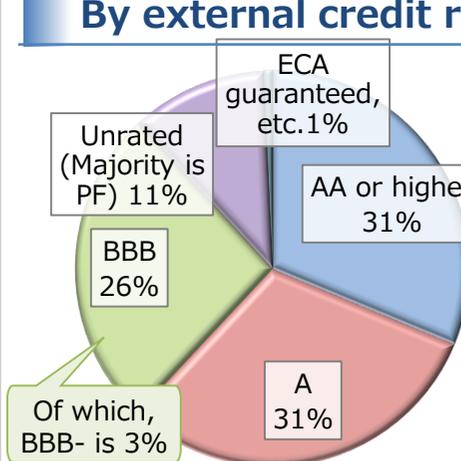
2019/3 US\$4,803 mil.



2022/3 US\$5,141 mil.



By external credit rating



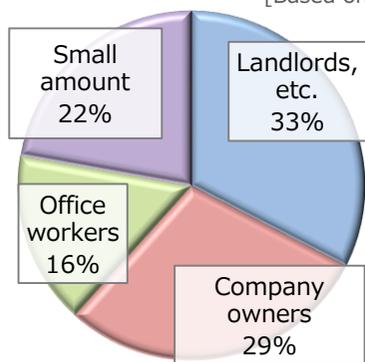
※ Lower S&P Moody's rating

Steady increase in loans to the real estate leasing industry, maintaining low credit risk

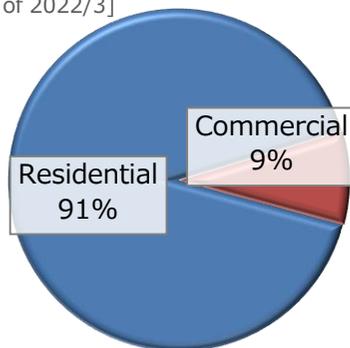
### Balance of loans to the real estate leasing sector



### Ratio by borrower character



### Ratio by tenant



[Based on number of customers as of 2022/3]

**Occupancy rate**

Average of the customers' properties : 95.6% (national average : 83.3%)

**DSCR**

Average of the customers' properties : 148%

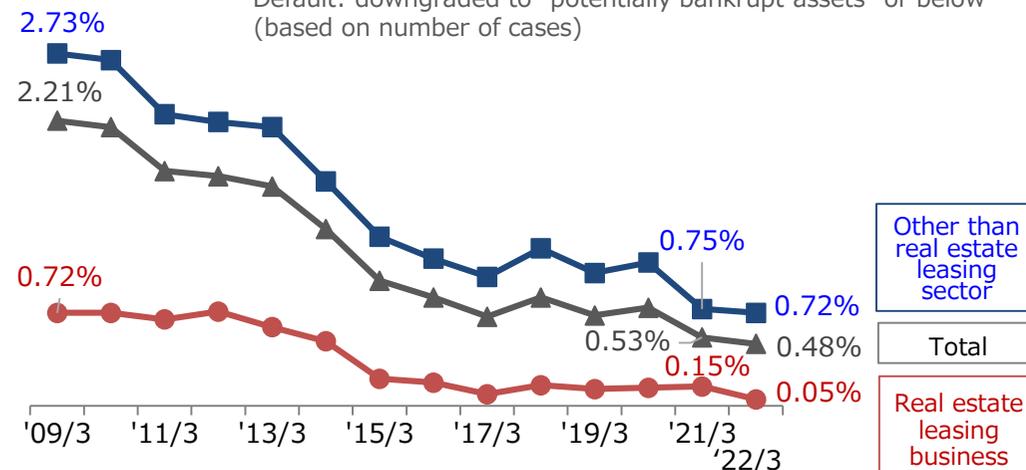
**DSCR: Debt service coverage ratio**

(Cash flows before principal and interest payments for the property / Principal and interest payments)

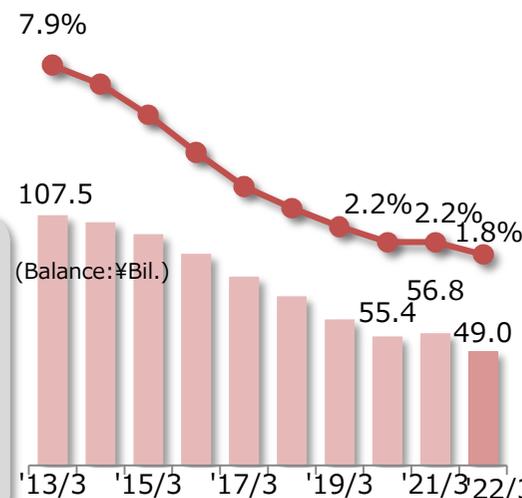
[ If the ratio is less than 100%, the repayment and expenses cannot be covered by the property rent income. ]

### Default-rate ※

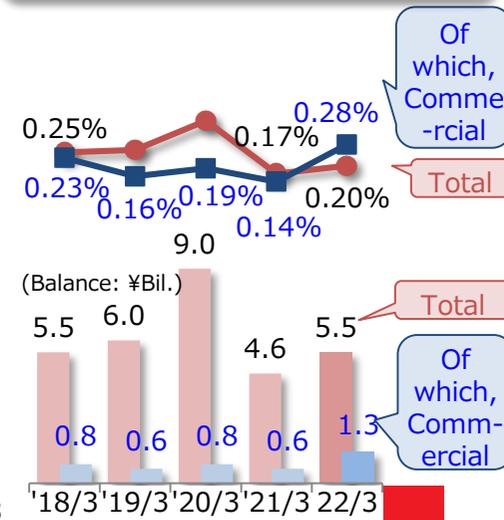
※ Default: downgraded to "potentially bankrupt assets" or below (based on number of cases)



### "Balance" and "percentage" of restructuring loans for real estate leasing sector



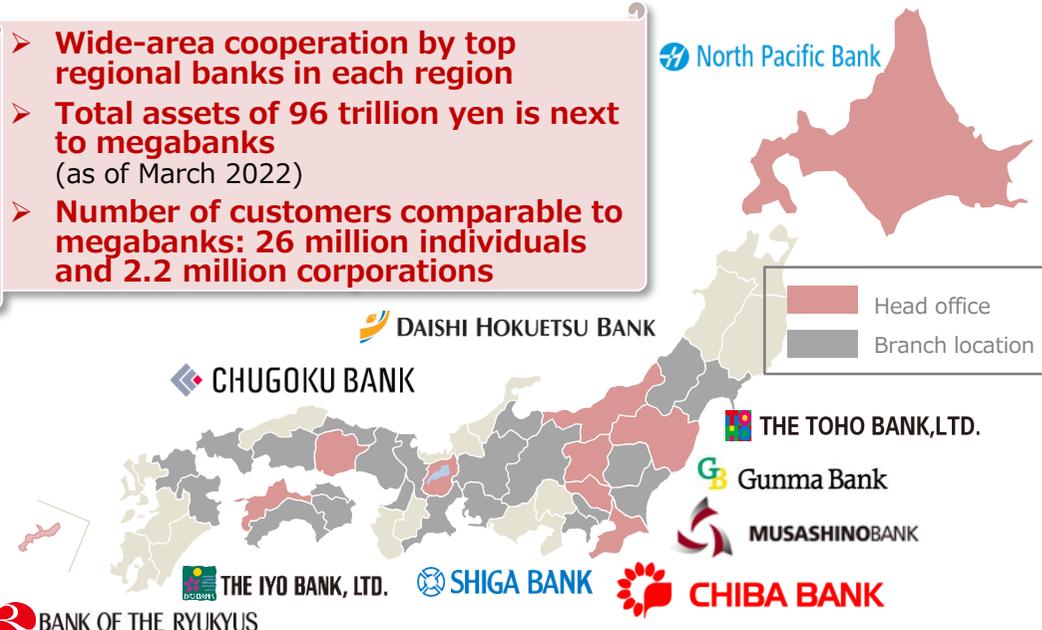
### "Balance" and "percentage" of delinquent loans for real estate leasing sector



# Alliance Strategies

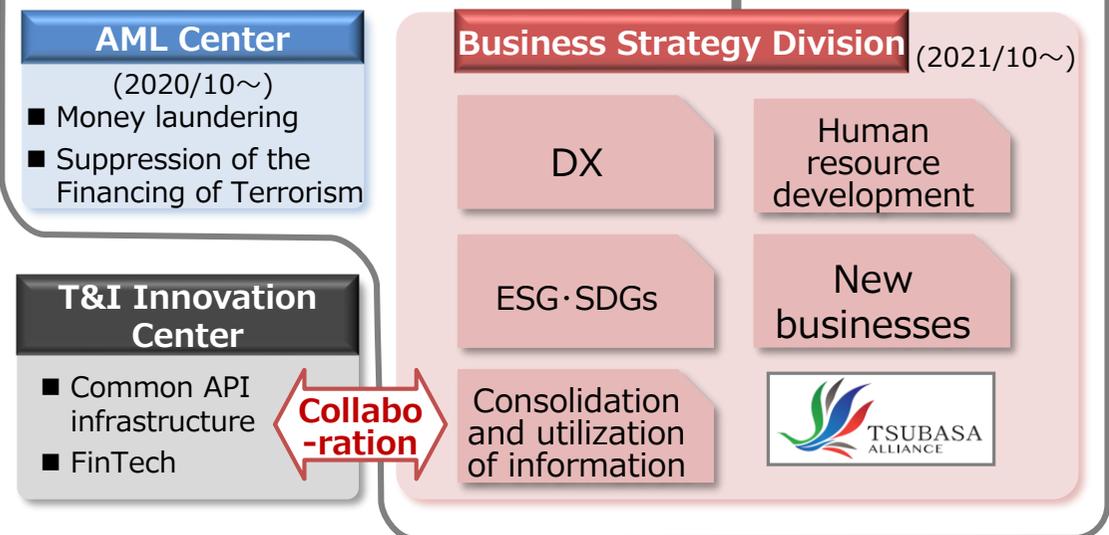
Established the Business Strategy Division to further upgrade collaboration initiatives while consolidating the knowledge of participating banks

- Wide-area cooperation by top regional banks in each region
- Total assets of 96 trillion yen is next to megabanks (as of March 2022)
- Number of customers comparable to megabanks: 26 million individuals and 2.2 million corporations



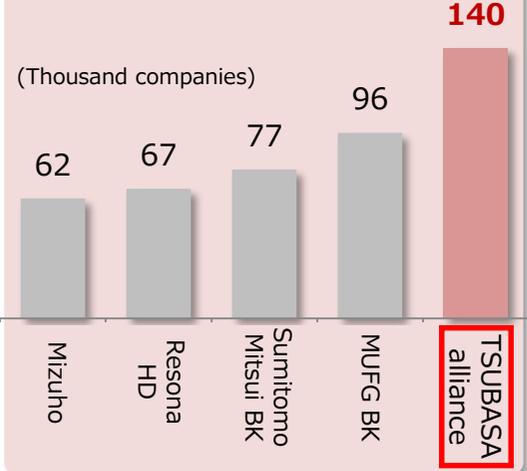
### TSUBASA Alliance Co. Ltd.

- Response to important issues and consolidate operations common to each bank
- Expanding advanced services and functions developed in advance by each bank

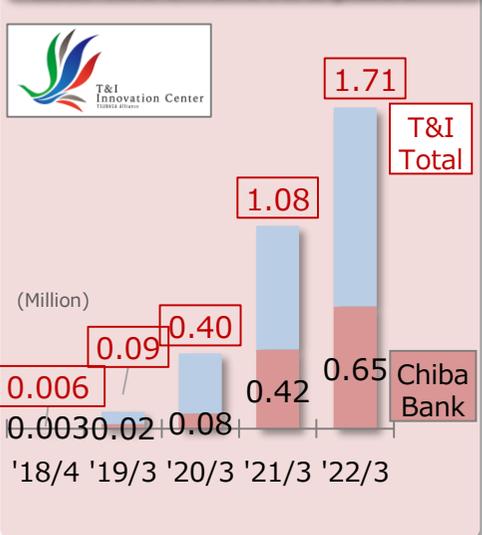


#### Number of customers who chose the banks as main bank

Source: TEIKOKU DATABANK, Ltd. "National Survey of Main Banks, 2021"

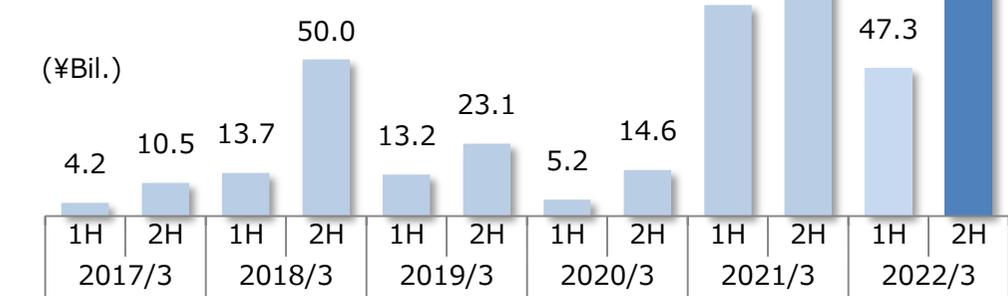


#### "T&I" Number of individual user IDs on the API platform



#### Results of syndicated loan by TSUBASA banks

※Recorded syndicated loans arranged and participated by Chiba Bank. 78.0  
 Syndicated loans in which only Chiba and Musashino participated have not been recorded.



# Chiba-Musashino Alliance / Chiba-Yokohama Partnership

NEXT STEP 2023

~ connect and go beyond, for the future ~

Providing high-value-added services by sharing issues and know-how among neighboring regional banks in the Tokyo metropolitan area

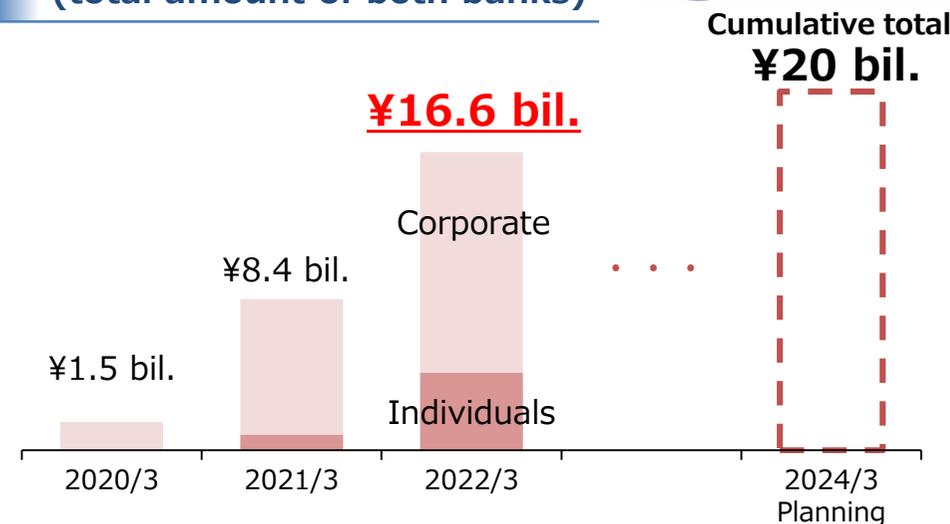
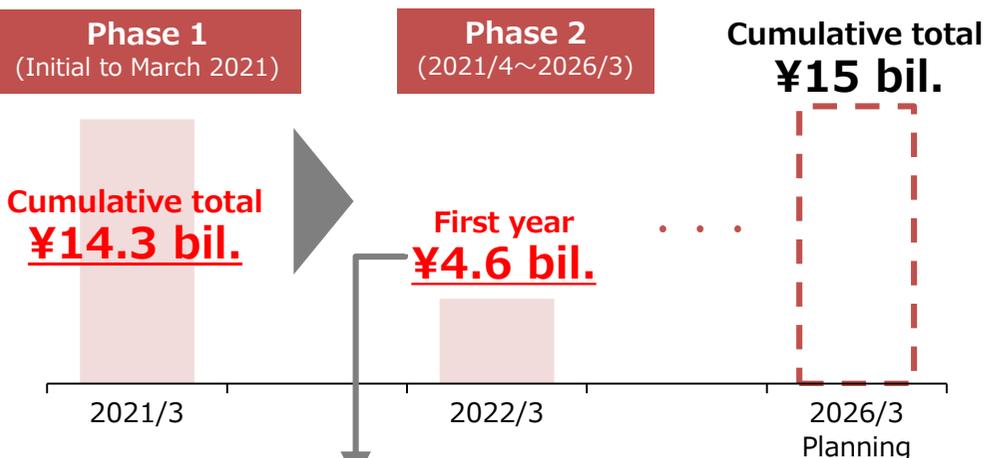
## Chiba-Musashino Alliance

## Chiba-Yokohama Partnership

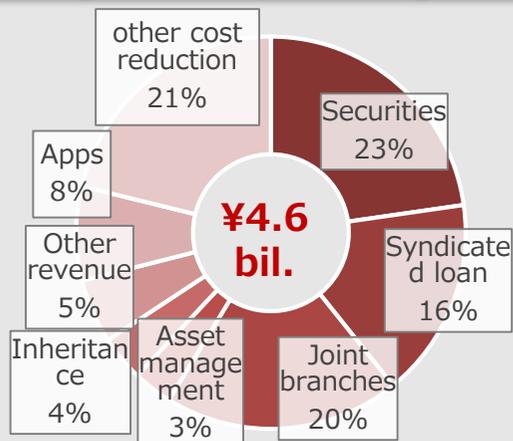
Cumulative effect  
(total amount of both banks)



Cumulative effect  
(total amount of both banks)



### Breakdown of alliance Effects (Total of both banks)



2022/1 **New**  
Musashino Bank  
Entry into  
**the cashless  
franchisee business**

- Others
- 2021/1~ Introduction of apps
  - 2021/7~ Started selling TSUBASA fund wrap

### New partnerships in sustainability

- Customer support → Joint holding of decarbonization related seminars for SDGs friends and local governments
- Customer support → SDGs Friends Loan (Cumulative Total number of both banks: 10,944cases) ⇒ 2022/4 Expansion to Musashino Bank
- Carbon Neutral → Sharing know-how on reducing CO2 emissions and carbon offsetting to achieve carbon neutral targets for both banks in 2030

# Sustainability

# Toward the Realization of Sustainable Management

Achieve both social value and economic value through our long-term aims

**Sustainable management = "long-term aim" + "social value (solving social issues) + economic value"**

## Efforts to address ESG issues



## Chiba Bank group declaration on SDGs

**Regional economy and community**

Contribute to the revitalization of the regional economy and local communities

**Population aging**

Support safe and secure lives for the elderly

**Financial Service**

Provide financial services for better life

**Diversity**

Promote diversity and work style reforms

**Environmental conservation**

Contribute to the conservation of a sustainable environment



### Steady initiatives for sustainability

	~2018	2019	2020	2021	2022
<b>Structure, etc.</b>	<ul style="list-style-type: none"> <li>2017 ESG Promotion Committee established</li> </ul>	<ul style="list-style-type: none"> <li>Declaration on SDGs established</li> <li>Sustainability Policy established</li> <li>Integrated report published</li> </ul>		<ul style="list-style-type: none"> <li>SDGs Promotion Office established</li> </ul>	
<b>Environment</b>		<ul style="list-style-type: none"> <li>Announcement of endorsement of TCFD recommendations</li> <li>Loan policy revision</li> </ul>	<ul style="list-style-type: none"> <li>Environmental Policy established</li> <li>Disclosure of climate change information</li> <li>CO2 emissions targets</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of sustainable financial targets</li> </ul>	<ul style="list-style-type: none"> <li>Re-setting of CO2 emissions targets (2030 Carbon neutral)</li> <li>GX League Basic Concept endorsed</li> </ul>
<b>Social</b>	<ul style="list-style-type: none"> <li>2015:Talent bank for regional banks</li> <li>2016:Donation-type private placement bonds</li> </ul>	<ul style="list-style-type: none"> <li>ESG index investment trust structuring and selling</li> </ul>	<ul style="list-style-type: none"> <li>Human Rights Policy established</li> <li>Collaborative agreement with food banks etc.</li> </ul>	<ul style="list-style-type: none"> <li>Introduction of TFT</li> <li>Introduction of Corporate Code of Conduct (Revision of Corporate Philosophy)</li> </ul>	<ul style="list-style-type: none"> <li>TSUBASA Diversity &amp; Inclusion Declaration established</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>2015:Management Advisory Committee is established</li> <li>2018:Introduction of CxO system, Raised outside director ratio to 1/3 or more</li> </ul>	<ul style="list-style-type: none"> <li>Policy on Corporate Governance established</li> </ul>		<ul style="list-style-type: none"> <li>Introduction of restricted stock remuneration plans</li> </ul>	

### External Evaluation

#### CDP score for climate change

Received "A-" rating, the highest level for a Japanese bank



◆ Global average :「B-」

	Regional Banks	Major banks, etc.
A-	<b>Chiba</b>	Mizuho FG
	Fukuoka FG	MUFG
B	Hachijuni	SMFG
		Resona HD
B-	1 company	1 company
C	1 company	2 companies
F	Numerous (Unanswered companies)	

#### MSCI ESG Rating

Received "A" rating, the same level as the three mega banks

2022 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)  
 2022 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

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2021

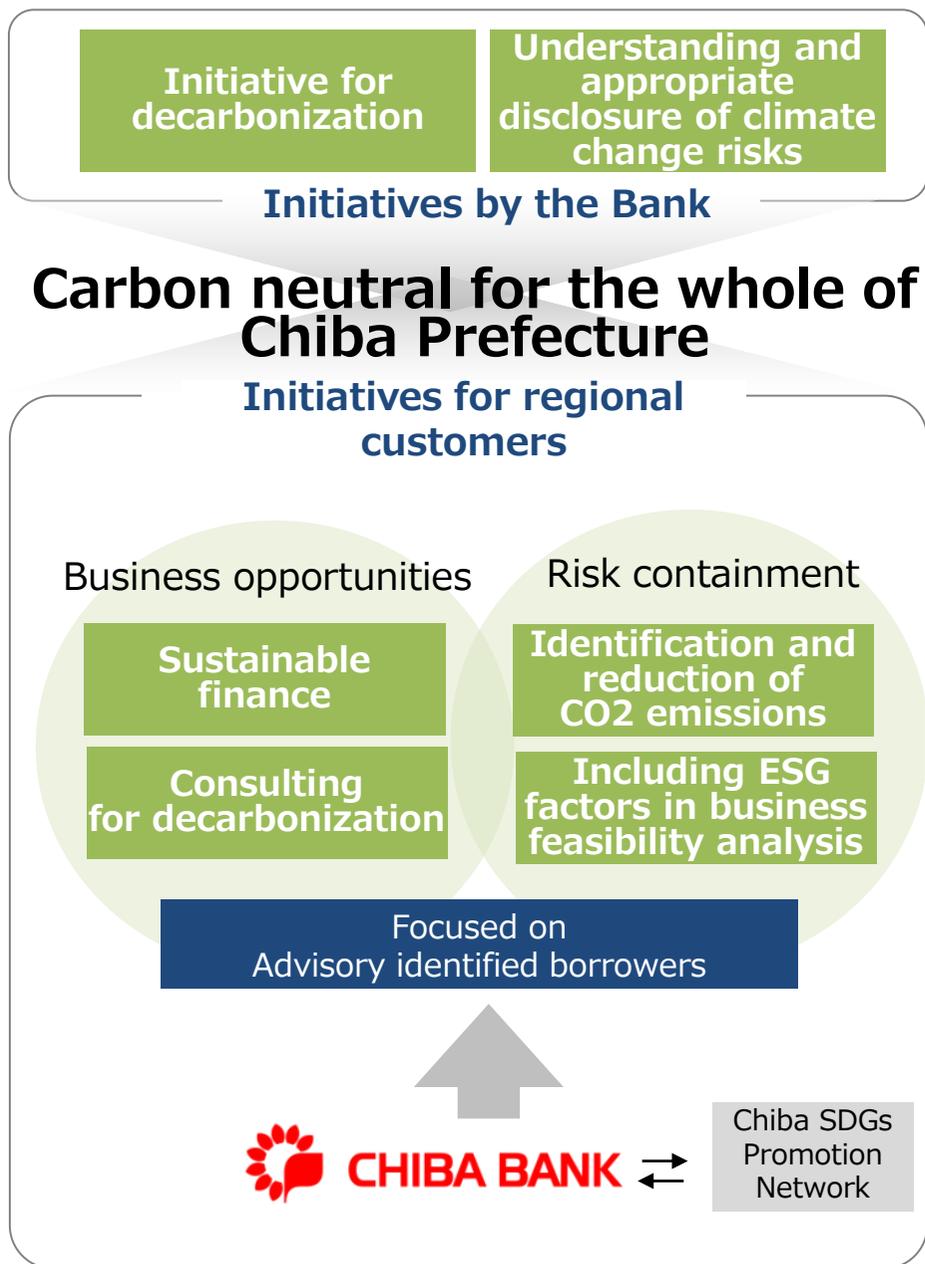


Sompo Sustainability Index



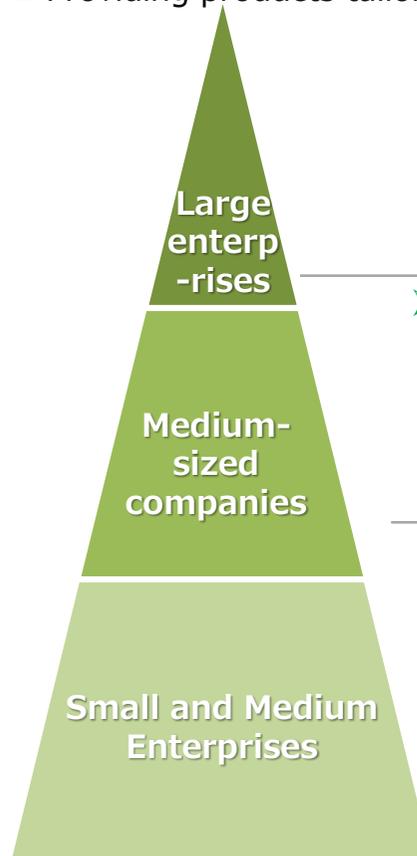
# Toward the Realization of Decarbonized Society

Promoting efforts for the Bank and regional customers to achieve carbon neutral for Chiba Prefecture as a whole



## Finance solutions

- Providing products tailored to the scale and needs of customers



- Sustainability linked loan
- Green loan
- Positive impact finance
  - Financing in accordance with international principles
  - Evaluated by external organizations (R&I, etc.)
- SDGs leaders loan
  - └ Sustainability linked loan type
  - └ Green loan type
  - Finance consistent with international principles
  - Chibagin Research Institute evaluates (R&I evaluates the framework)
- SDGs friends loan
  - Linking customers' business activities with the objectives of SDGs
  - Supporting customers' efforts to achieve SDGs

2022/4 **New**  
Musashino Bank started service



## Consulting solutions

- Establishment of a system for understanding and measuring customers' CO2 emissions



CO2 emissions visualization tool

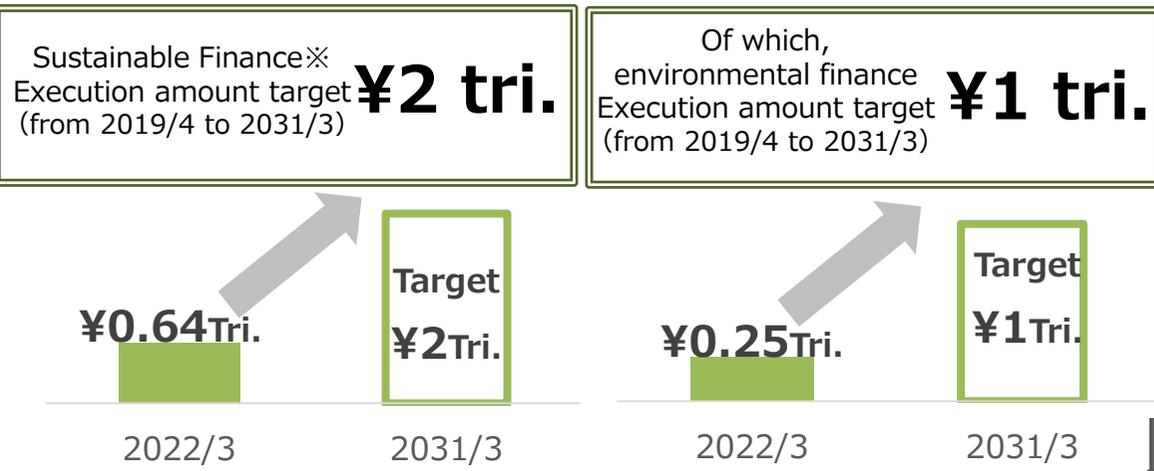


Consulting on CO2 emissions visualization (planning)

## Proactively Promoting Sustainable Finance

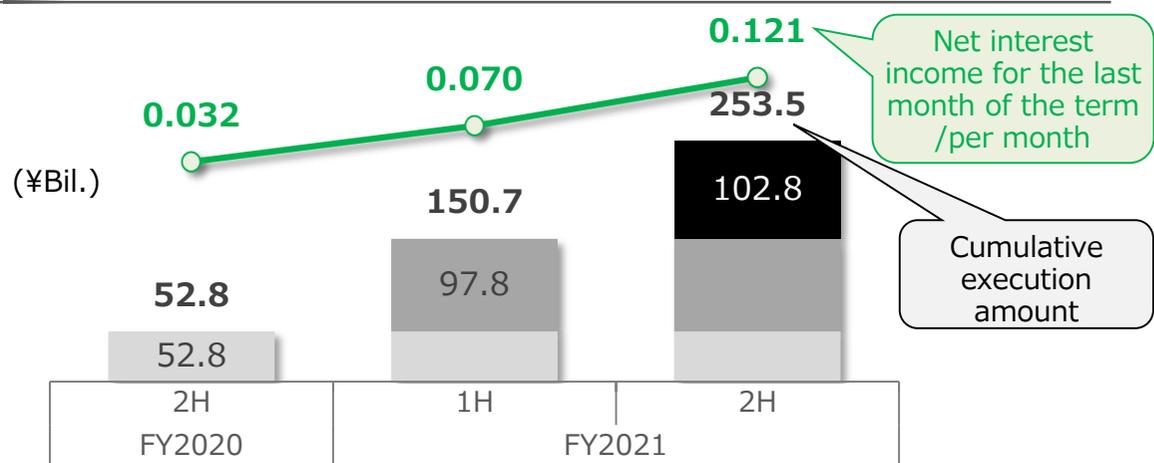
### Sustainable Finance

#### Sustainable Finance Targets



※ Finance for solving environmental and social issue (Including financing to support customers' ESG and SDGs initiatives)

#### SDGs friends loan Cumulative execution amount / Net interest income



### Finance for renewable energy

Financial support for customers working on the Utilize of renewable energy

As of the end of 2022/3	Loans balance
Solar power generation	¥137.4 billion
Biomass generation	¥17.3 billion
Wind power generation	¥14.3 billion
Water power generation	¥0.7 billion
Total	¥169.7 billion

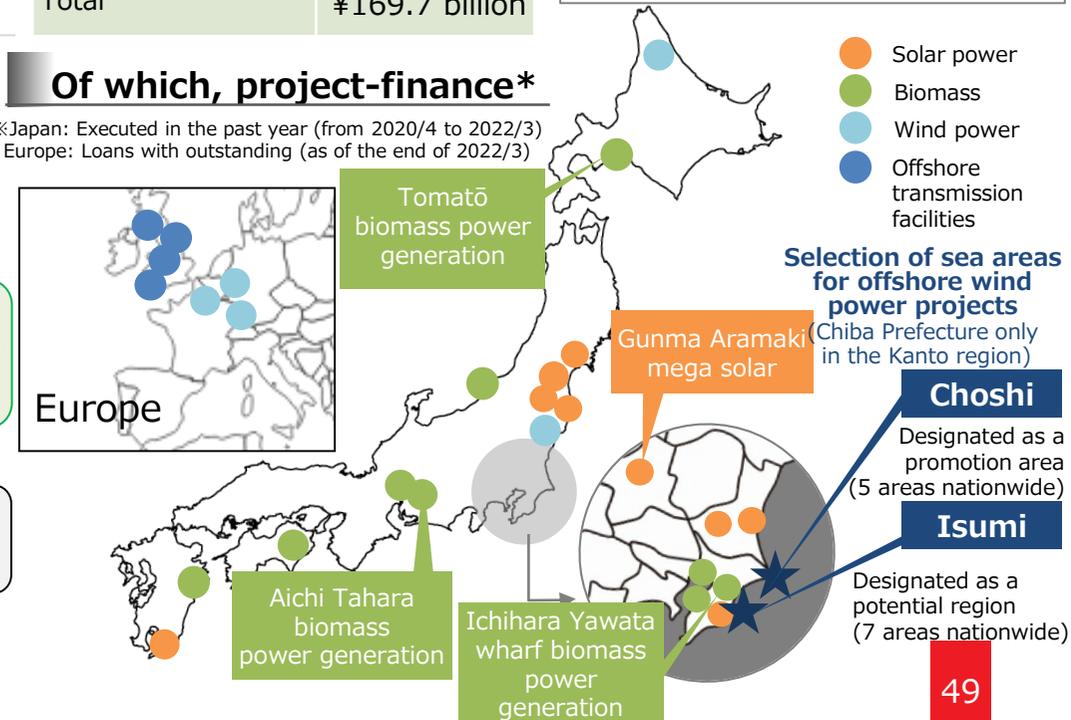
Amount of renewable energy generated from loans provided by the Bank (cumulative) ※

- Annual power generation : Approx. 6.77 millionMWh
- Converted to households : Approx. 1.9 million households
- CO2 savings : Approx. 3.0 million tonnes

※Include projects under construction

#### Of which, project-finance\*

※Japan: Executed in the past year (from 2020/4 to 2022/3)  
Europe: Loans with outstanding (as of the end of 2022/3)



# E ~ Responding to Climate Change ~

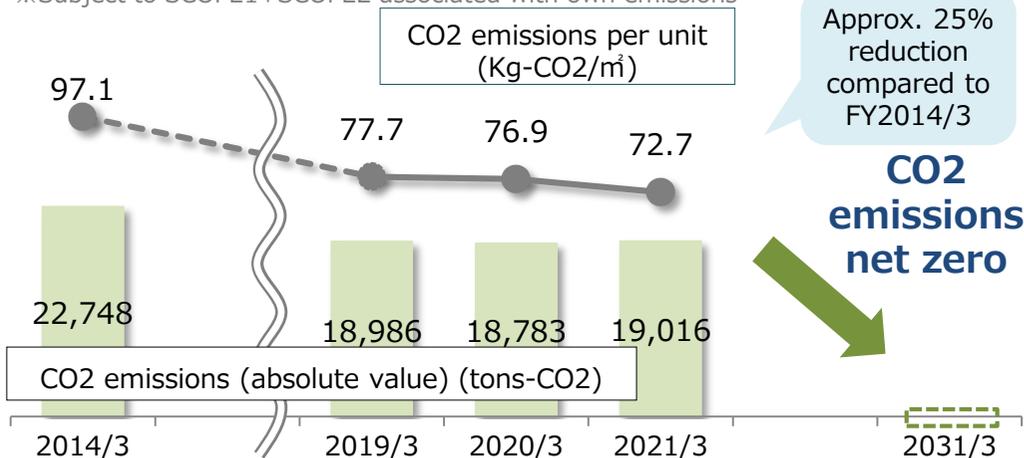
## Expanding disclosure on climate change and strengthening efforts to decarbon

### Change in CO2 emissions

**CO2 emissions net zero by March 2031**  
(Achieve carbon neutral※)

**New**

※Subject to SCOPE1+SCOPE2 associated with own emissions



(tons-CO2)	2019/3	2020/3	2021/3
SCOPE1	2,591	2,493	2,425
SCOPE2	16,395	16,290	16,591
SCOPE 1+2 Total	18,986	18,783	19,016
(Reference)			
SCOPE3 (of which business trip)	540	540	540
(Of which, commuting)	1,640	1,660	1,590

※ For SCOPE3, approximate figures for Chiba Bank only

Partial disclosure of emissions from SCOPE 3 based on loans to listed companies, etc. is planned

### Information disclosure

■ Proactive disclosure of climate-change information (Dec. 2019 endorsement of TCFD Recommendations)

#### Physical risks

To 2050

Large-scale storm and flood disasters, etc.

Sea level rise

Damage to real estate collateral due to typhoons, torrential rains and other windstorms in Chiba Prefecture  
Impact of collateral value on credit costs ※1

**¥3~4 bil.**

Plans to calculate increase in credit cost based on damage to real estate collateral and stagnation of corporate business

#### Transition risks

To 2050

Transition to a decarbonized society

Increase in credit costs ※2  
**Maximum of ¥14 bil.**

Ratio of carbon-related assets to total loans and other assets of the Bank **1.1%** ※3

Oil, Gas, Coal

Power, Utilities

Plans to add steel sector

※1 Calculated based on data on building damage in Chiba Prefecture caused by the "Typhoon Faxai" and "Typhoon Hagibis" and subsequent heavy rains in autumn 2019, and IPCC's RCP2.6 scenario (2°C scenario) and RCP8.5 scenario (4°C scenario). The analysis covers real estate collateral (loans excluding mortgages) in Chiba Prefecture.

※2 Calculated based on the IEA SDS scenario.

※3 Total loans, Acceptances and guarantees, foreign exchange, and private placed bond to the energy and utility sectors as of March 31, 2021, based on the definition recommended by the TCFD recommendations. However, water supply and renewable energy generation projects are excluded.

# S ~ Diversity · Regional Revitalization ~

## Utilization of diverse personnel

### Promotion of diversity

Numerical targets	FY2020	FY2021	Target in 2026 July
Percentage of leadership positions held by women (No. of persons)*	24.4% (453) As of April 1, 2021	25.4% (465) As of April 1, 2022	<b>30%</b>
Percentage of employees taking paid leave	70%	72%	<b>80%</b>
Percentage of men taking child-care leave	112.7%	102.9%	<b>100% Continued</b>

\*Staff with subordinates and staff in equivalent positions, such as branch manager, who are responsible for organizational management as responsible for operations.

### External Evaluation



CHIBA BANK



NADESHIKO BRAND 2022

"Nadeshiko Brand" selected by METI and Tokyo Stock Exchange

**Fifth consecutive year**



CHIBA BANK



ちばぎん証券 Chibagin Securities

Platinum Eruboshi acquirer



PL

女性が活躍しています!

**First in the bank**

### TSUBASA Diversity & Inclusion Declaration

Declaration of proactive efforts to position diversity and inclusion as a source of competitiveness in order to realize sustainable growth in the region (established in April 2022)



**New**

### Regional Revitalization

#### Special for areas along the Kominato Railway (Started April 28, 2022)

**New**



**11** new products and projects

- Trocco ride event
- Sunflower field
- Satoyama cycling
- Soccer, etc.

**Aiming for regional revitalization through tourism and new businesses**

### Chiba SDGs Promotion Network

Chiba SDGs partner-registration system  
 Number of registered companies  
**945 companies**  
 (January to February, 2022)

Number of Certification System Registrations of Other Prefectures  
 No.1 Nagano 1,329 companies  
 No.2 Kumamoto 1,012 companies  
**Number of registrations of Chiba Prefecture is at the top level nationwide, in the first two months of recruitment**  
 Tabulation based on information as of March 25, 2022



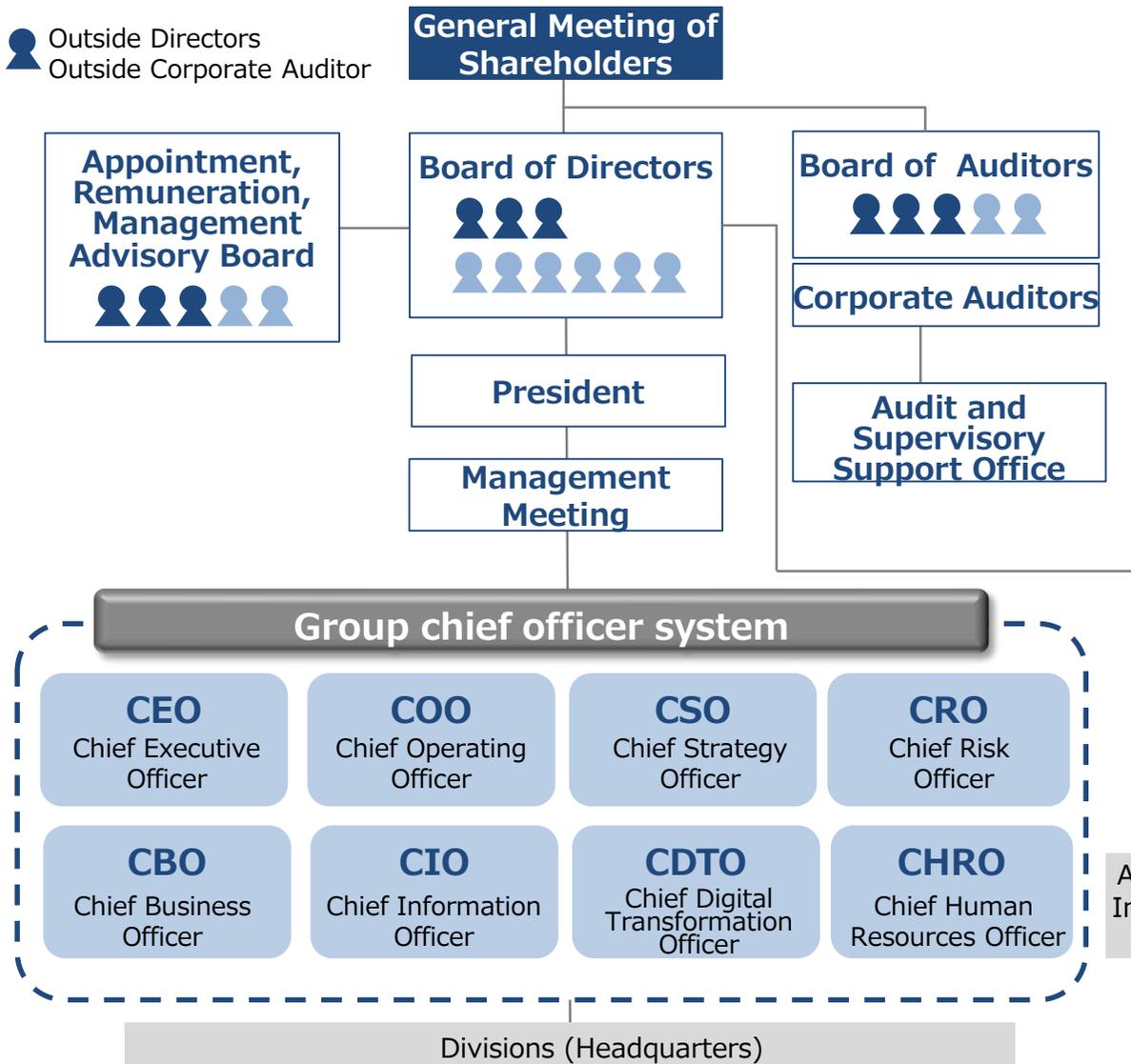
Establishment of the Chiba SDGs partner-registration system

Customers in Chiba Prefecture

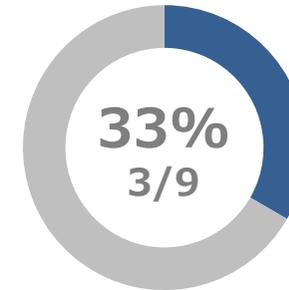
- Dissemination, awareness-raising of SDGs, **working together to support**
- Information sharing and collaboration among network members



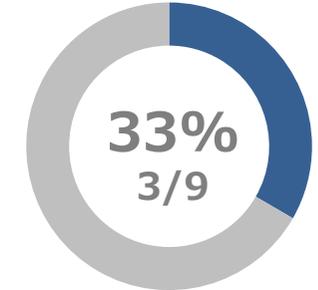
# Sophistication of Group Governance



<Ratio of Independent Outside Directors>



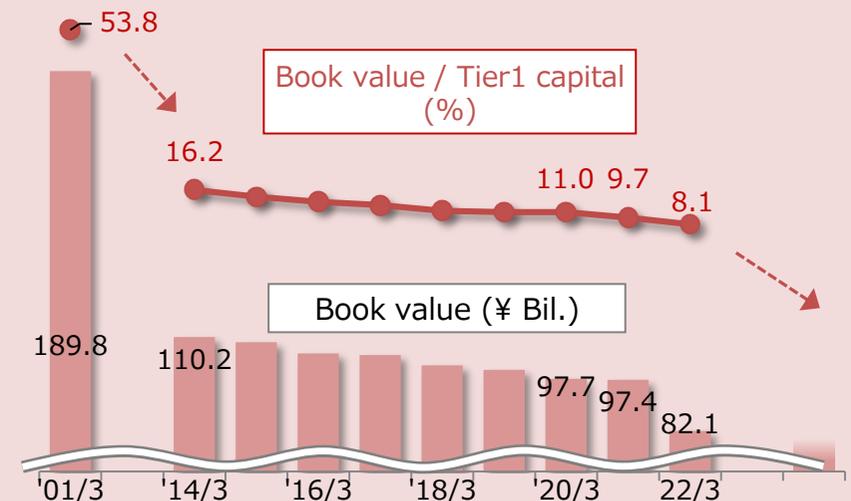
<Ratio of Female Directors>



## Book value※ of stocks and ratio to Tier1 capital (consolidated)

※acquisition cost of other securities with market value

[Policy regarding cross-shareholdings]  
Based on economic rationales and forward-looking stock values, taking into account risk and return, appropriately verify the validity of the rationale for holdings



# Materials

# About Chiba Prefecture

Even in the COVID-19, real estate prices in Chiba Prefecture rose

## Major economic data for Chiba Prefecture

**Population**  
628 mil people



**No. 6 nationwide**

**Prefectural income**  
¥19.5 tri.



**No. 6 nationwide**

**Gross prefectural products**  
¥21.0 tril.



**No.7 nationwide**

Primary industry **No. 4 nationwide** ¥0.2 tri.

Secondary industry **No.9 nationwide** ¥5.2 tri.

Tertiary industry **No. 6 nationwide** ¥15.5 tril.

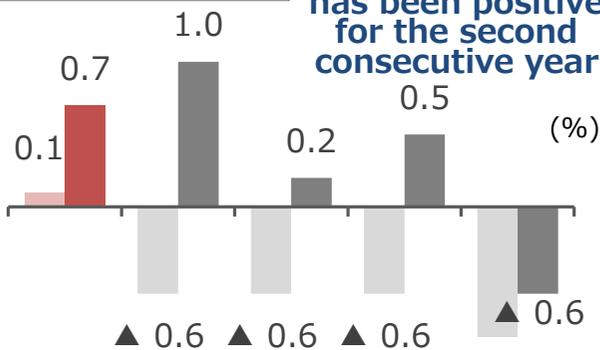
Sources: Ministry of Internal Affairs and Communications Statistics Bureau, "Population Census" (FY2020); Cabinet Office, Economic and Social Research Institute, "Prefectural Accounts" (FY2018)

## Published land price (YoY)

■ January 2021 ■ January 2022

### Residential land

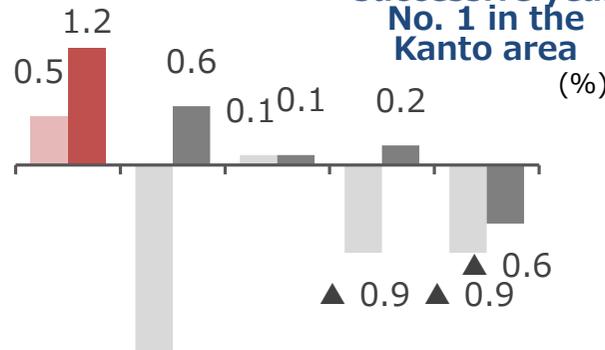
Only one in the Kanto area which has been positive for the second consecutive year



**Chiba** Tokyo Kanagawa Saitama Average of the 3 prefectures in north Kanto

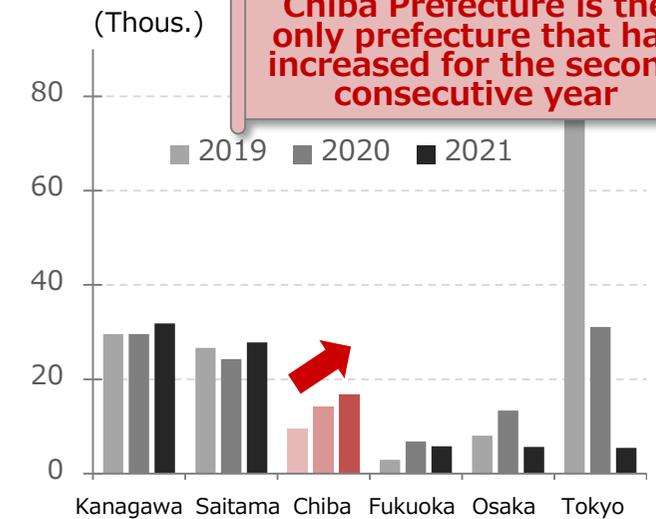
### Commercial land

Second successive year No. 1 in the Kanto area



**Chiba** Tokyo Kanagawa Saitama Average of the 3 prefectures in north Kanto

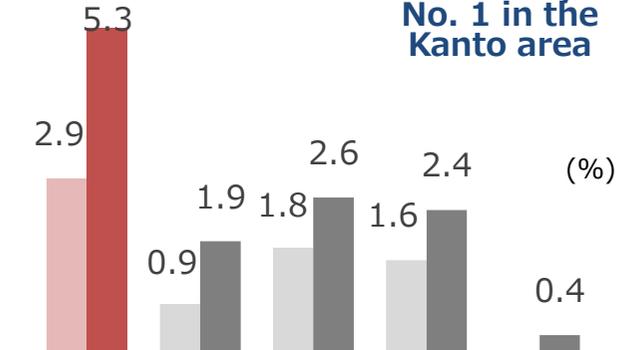
## Excess In-migrants by Prefecture



Source: Ministry of Internal Affairs and Communications

### Industrial land

Second successive year No. 1 in the Kanto area



**Chiba** Tokyo Kanagawa Saitama Average of the 3 prefectures in north Kanto

# Share in Chiba Prefecture / Comparison with World Bank

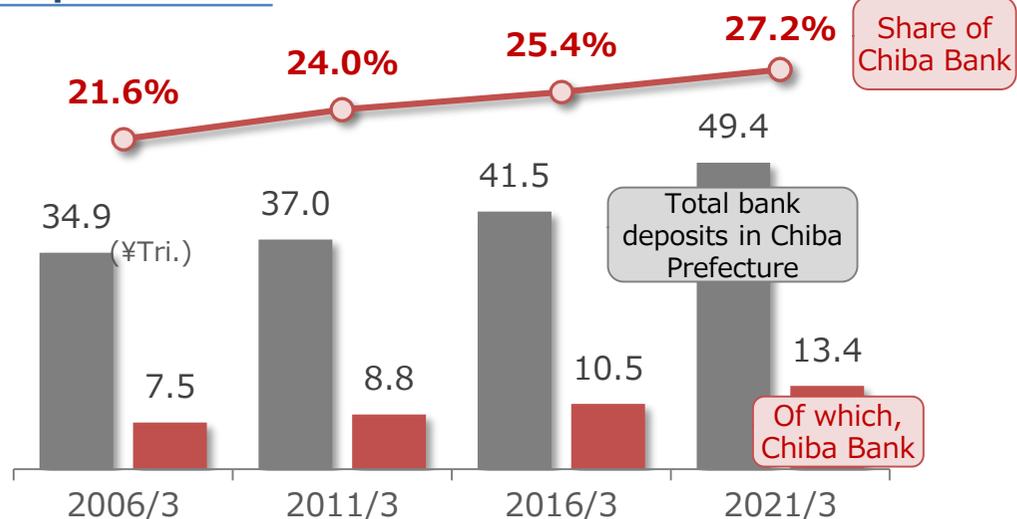
NEXT STEP 2023

~ connect and go beyond, for the future ~

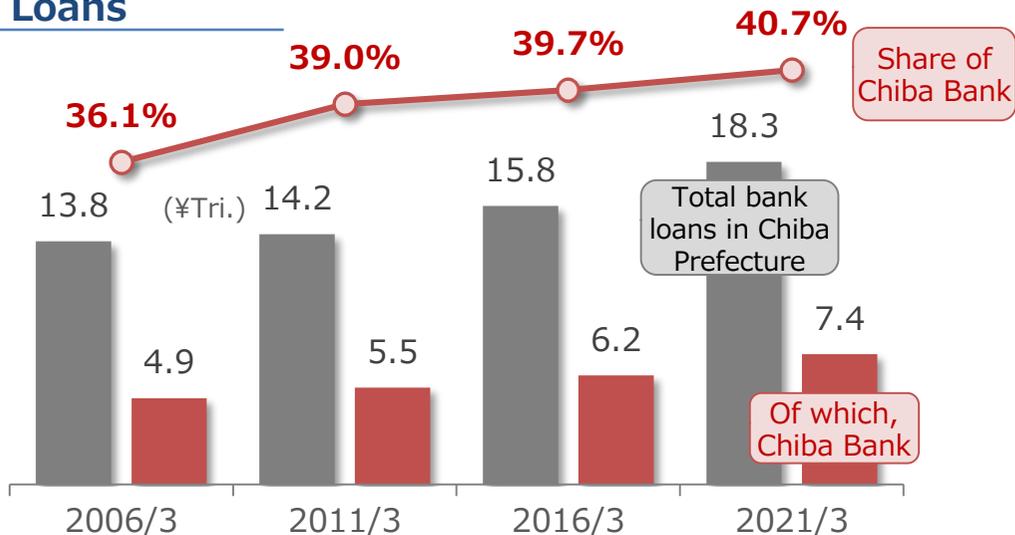
Established an overwhelming business base in Chiba Prefecture/a reasonable scale compared to the largest banks in the world

## Balance and Share in Chiba Prefecture

### Deposits

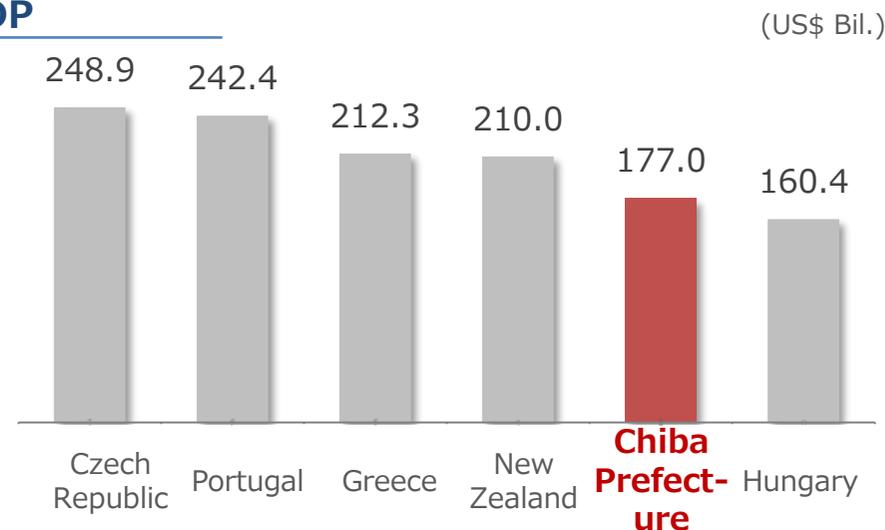


### Loans

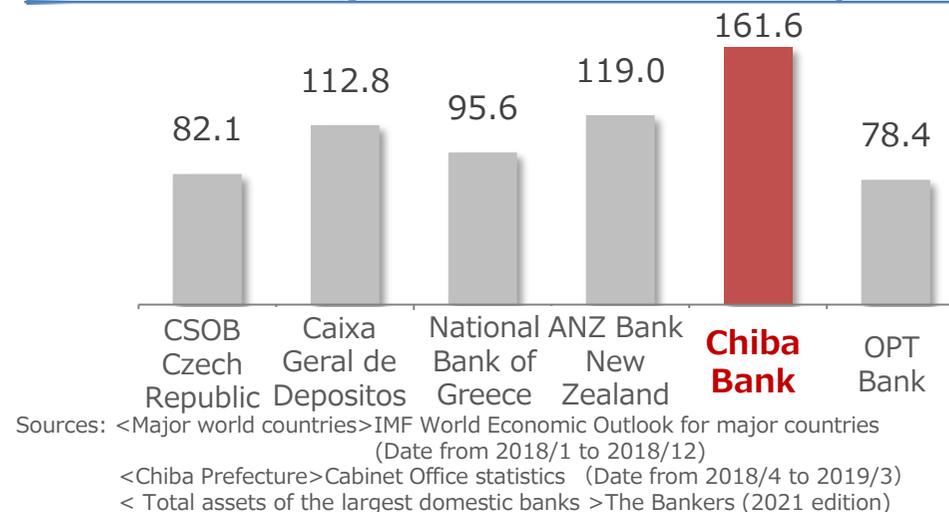


## Economic Scale in Chiba Prefecture (Compared with major world countries), Total assets of Chiba bank (Compared with the largest bank)

### GDP



### Assets of largest bank in each country and region



Inquiries related to this presentation should be addressed to:

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