

# **Financial Results for the Second Quarter (First Half) of FY2021 ending March 2022**



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## Summary of Financial Results

# Summary of Financial Results ①

NEXT STEP 2023

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## Non-consolidated

(¥Bil.)

2021/3 1H	2022/3 1H	Change
--------------	--------------	--------

Gross business profits	79.0	86.4	7.3	
Net interest income	62.9	69.7	6.7	P.6
Net fees and commissions income	12.7	14.7	1.9	P.11
Trading income	0.8	0.5	(0.2)	
Profit from other business transactions	2.4	1.4	(1.0)	
Gains (losses) related to bonds (Government bonds, etc.)	0.9	0.7	(0.2)	
Expenses (-)	41.4	42.9	1.5	P.12
Real net business income	37.6	43.5	5.8	
Core net business income	36.7	42.7	6.0	
Excluding gains (losses) on cancellation of investment trusts	34.4	39.6	5.2	
Net transfer to general allowance for loan losses (-)	1.1	0.5	(0.6)	P.13
Net business income	36.5	42.9	6.4	
Non-recurrent income and losses	0.9	2.2	1.3	
Disposal of non-performing loans (-)	2.5	1.2	(1.2)	P.13
Gains (losses) related to stocks, etc.	3.3	2.7	(0.6)	
Ordinary profit	37.4	45.2	7.7	
Extraordinary income (loss)	(0.0)	0.0	0.0	
Profit	27.4	33.1	5.6	
Net credit costs (-)	3.6	1.8	(1.8)	P.13

## Consolidated

(¥Bil.)

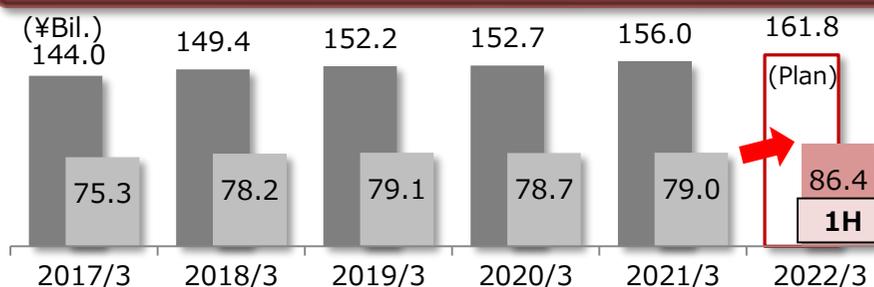
2021/3 1H	2022/3 1H	Change
--------------	--------------	--------

Ordinary profit	38.6	45.4	6.8
Profit attributable to owners of parent	27.0	31.8	4.8

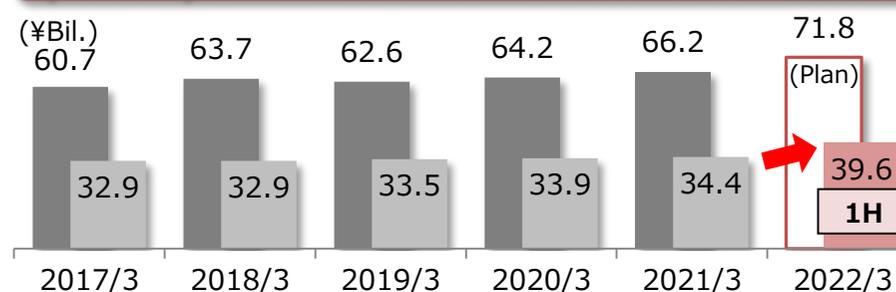
## Key results for the first half of FY2021 ending March 31 2022

- ◆ Net interest income increased by ¥6.7 billion YoY and net fees and commissions income increased by ¥1.9 billion YoY, which were strong. As a result, Gross business profits increased significantly by ¥7.3 billion YoY.
- ◆ Core net business income excluding gains (losses) on cancellation of investment trusts increased by ¥5.2 billion YoY, and core business were remained strong, while expenses increased due to expenses related to the new head office building.
- ◆ Net credit costs decreased by ¥1.8 billion YoY. New downgrades decreased by ¥0.8 billion YoY to ¥2.0 billion.
- ◆ Non-consolidated net income of 1H increased by ¥5.6 billion to a record high.
- ◆ Profit were progressing steadily against the projection, with 67% of non-consolidated profit and 61% of consolidated profit.

## Gross business profit



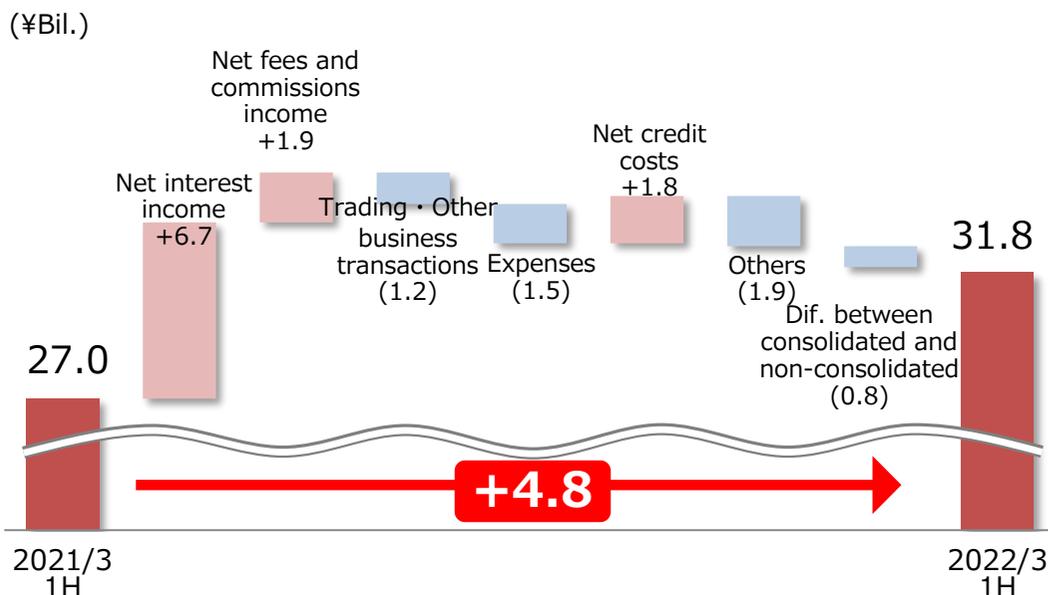
## core net business income excluding gains (losses) on cancellation of investment trusts



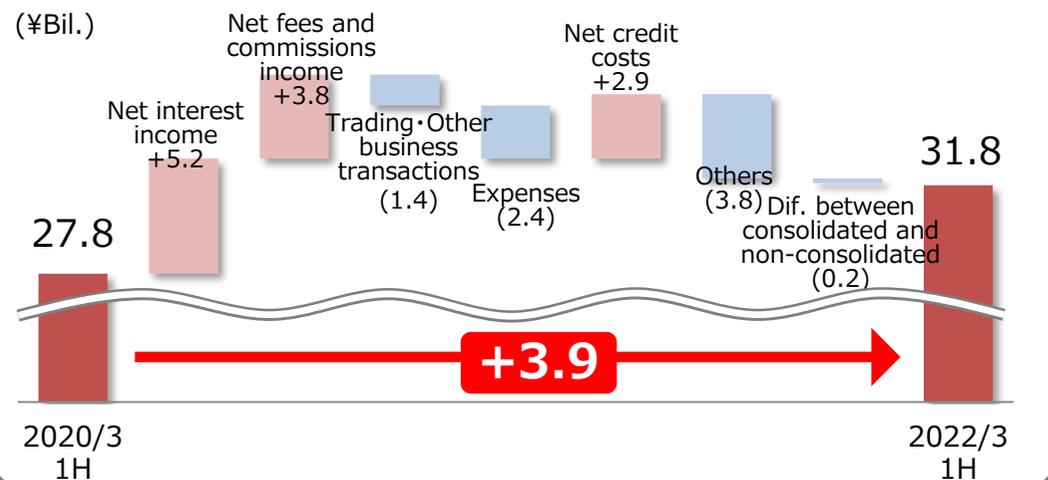
# Summary of Financial Results ②

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

### Change from 2021/3 1H

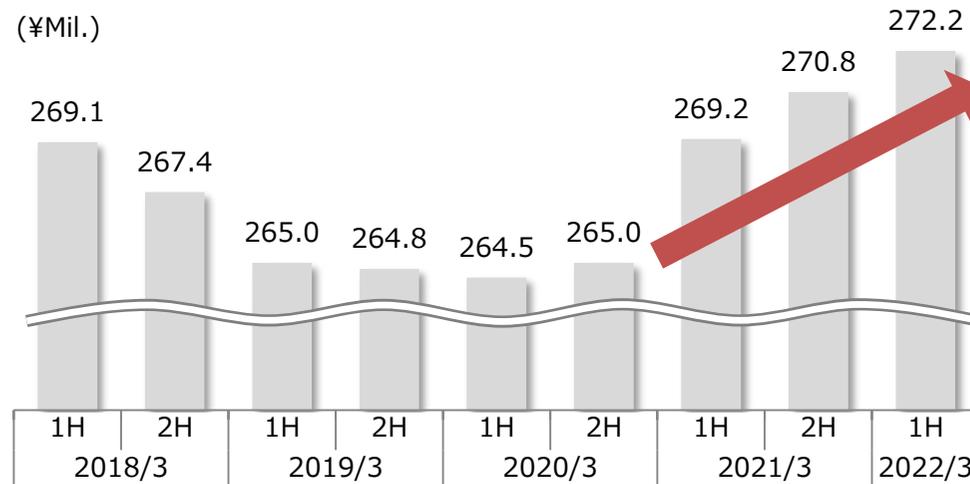


### Change from 2020/3 1H (Comparison with before COVID-19)

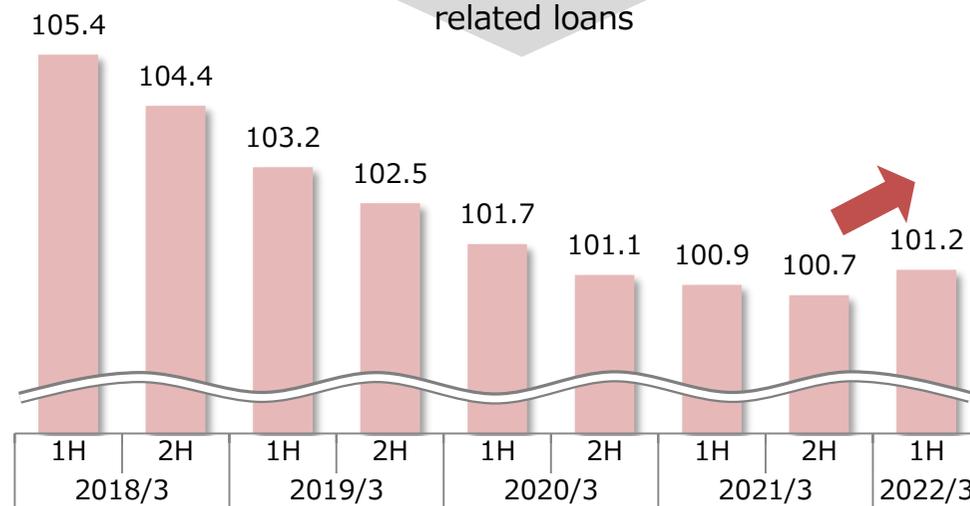


## Loans in yen currency net interest income per day (non-consolidated)

※Net interest income per day at the end of each half-year month  
(March and September)



Of which, housing-related loans



## 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	Change
		1H	1H	
Gross business profits		82.5	89.6	7.1
Net interest income		59.6	65.7	6.0
Net fees and commissions income		17.8	20.1	2.3
Trading income		2.5	2.3	(0.2)
Profit from other business transactions		2.4	1.4	(1.0)
General and administrative expenses (-)		45.2	46.1	0.9
Net credit costs (-)		4.0	2.4	(1.6)
Net transfer to general allowance for loan losses (-)		1.4	0.7	(0.7)
Disposal of non-performing loans (-)		2.6	1.7	(0.9)
Gains (losses) related to stocks, etc.		3.3	2.6	(0.7)
Others		1.8	1.6	(0.2)
Ordinary profit		38.6	45.4	6.8
Extraordinary income (loss)		(0.0)	(0.0)	(0.0)
Pre-Tax Profit		38.6	45.4	6.8
Total income taxes (-)		11.5	13.5	2.0
Profit		27.0	31.8	4.8
Profit attributable to non-controlling interests		-	-	-
Profit attributable to owners of parent (reference)		27.0	31.8	4.8
Consolidated net business income		39.7	45.7	6.0

## Status of Subsidiaries

【Consolidated subsidiaries】

(¥Bil.)

Company name	Investment ratio (Including indirect)	Profit items (After deduction of inter-subsidiary dividends)	2021/3	2022/3	Change
			1H	1H	
Chibagin Securities Co.,Ltd.	100%	Ordinary profit	0.4	0.7	0.3
		Profit	0.3	0.5	0.2
Chibagin Leasing Co.,Ltd.	100%	Ordinary profit	0.7	0.4	(0.2)
		Profit	0.4	0.3	(0.1)
Chibagin Guarantee Co.,Ltd	100%	Ordinary profit	2.5	2.3	(0.2)
		Profit	1.7	1.5	(0.1)
Chibagin JCB Card Co.,Ltd	100%	Ordinary profit	0.3	0.4	0.0
		Profit	0.2	0.3	0.0
Total of 5 other companies	100%	Ordinary profit	0.3	0.3	(0.0)
		Profit	0.2	0.2	(0.0)
Total		Ordinary profit	4.5	4.4	(0.0)
		Profit	3.0	2.9	(0.0)

【Equity method subsidiaries】

Total of 6 companies	Profit according to equity method	0.1	0.0	(0.0)
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Dividends to parent company(-)	3.5	4.2	0.7
Difference between consolidated and non-consolidated ※	(0.3)	(1.2)	(0.8)

※After adjustment for unrealized gains, etc.

# Net Interest Income

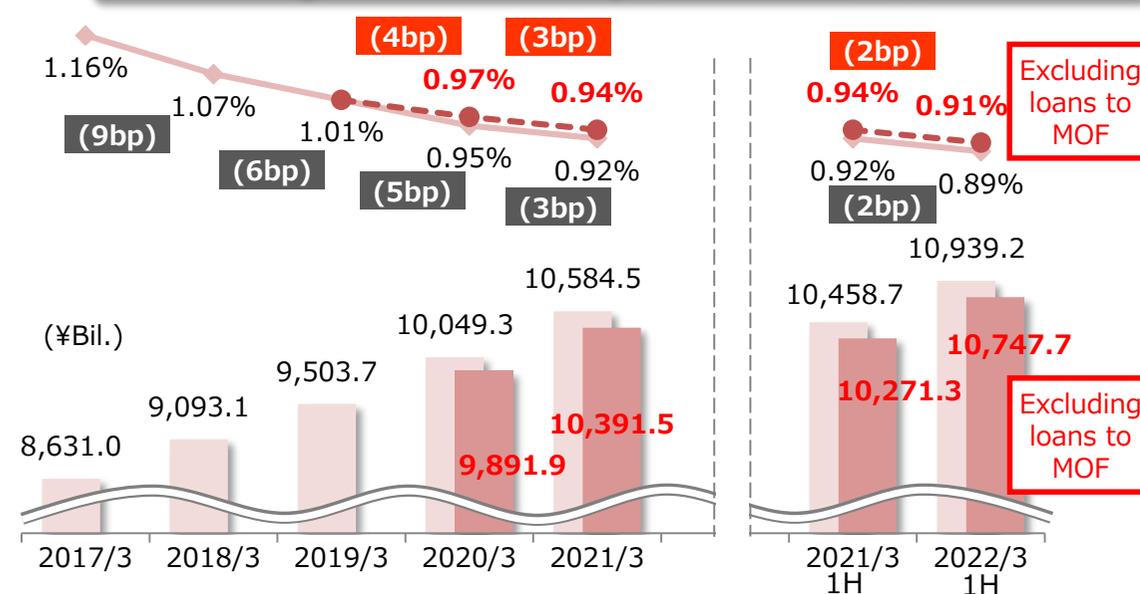
NEXT STEP 2023

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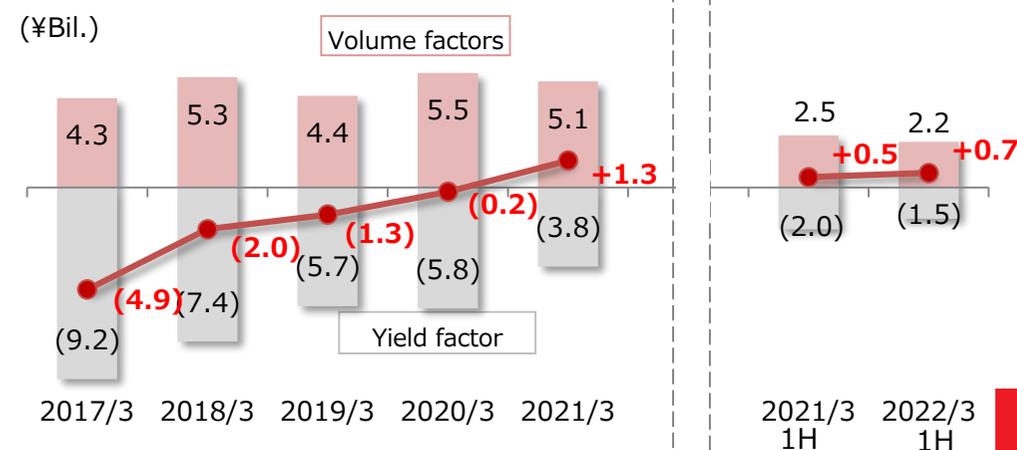
Interest on loans in domestic business, which reversed for the first time in 12 years in the previous fiscal year, increased steadily

(¥Bil.)	2021/3 1H	2022/3 1H	Change
Net interest income	62.9	69.7	6.7
Domestic	60.4	64.4	4.0
Interest on Loans	48.2	49.0	0.7
Loans and bills discounted	48.6	49.3	0.7
Deposit (incl. NCD)	0.3	0.3	(0.0)
Interest and dividends on securities	11.7	14.8	3.0
Bonds	1.2	1.2	0.0
Stock dividends	6.3	7.2	0.9
Investment funds	0.0	0.5	0.5
investment trusts	4.1	5.7	1.5
Gains (losses) on cancellation	1.9	2.3	0.4
Others (Market operation, etc.)	0.4	0.6	0.2
International	2.5	5.2	2.6
Loans and bills discounted	3.2	2.0	(1.2)
Foreign Securities	5.4	7.1	1.6
Foreign Securities	4.5	4.1	(0.4)
Foreign currency funds	0.4	2.2	1.7
Investment trusts	0.4	0.8	0.3
Gains (losses) on cancellation	0.3	0.7	0.3
Others (Funding and market operation, etc.)	(6.2)	(4.0)	2.2
Net interest income (Excluding gains (losses) on cancellation of investment trusts)	60.7	66.5	5.8
Gains (losses) on cancellation of investment trusts	2.2	3.1	0.8

## Average balance and yield of domestic loans



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



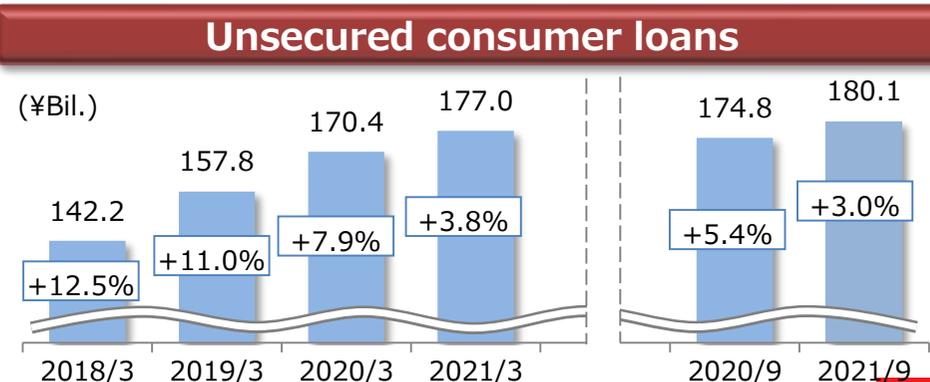
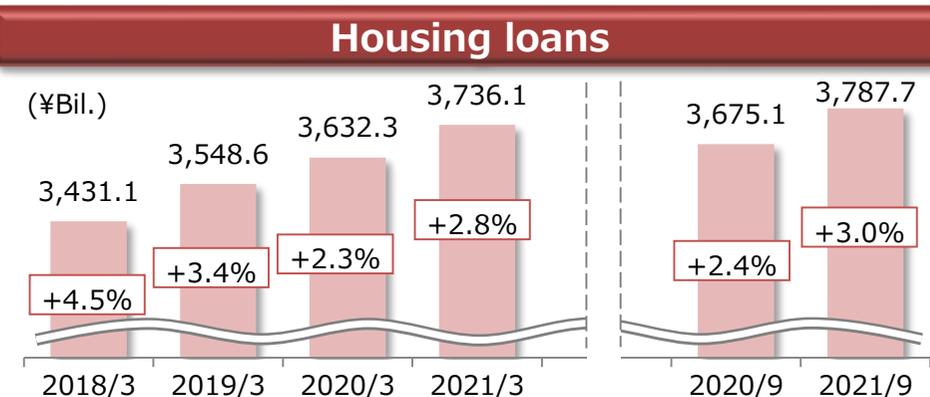
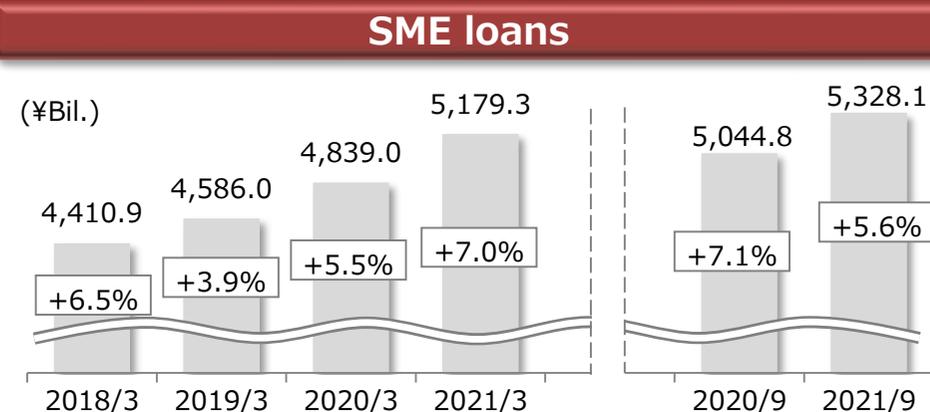
## Steady increase in SME loans, housing loans, and unsecured consumer loans

	(¥Bil.)	2020/3 1H	2021/3 1H	YoY	%
<b>Deposits</b>		13,486.8	14,138.8	652.0	4.8%
Domestic deposits		13,191.7	13,867.6	675.8	5.1%
Personal deposits		9,744.6	10,290.9	546.3	5.6%

	(¥Bil.)	2020/3 1H	2021/3 1H	YoY	%
<b>Loans</b>		10,955.4	11,521.1	565.6	5.1%
Domestic loans		10,736.5	11,280.6	544.0	5.0%
Excl. public sector		10,332.3	10,828.7	496.4	4.8%
Corporate loans		6,474.4	6,854.1	379.7	5.8%
Large corporations		1,429.5	1,526.0	96.4	6.7%
SMEs		5,044.8	5,328.1	283.3	5.6%
Consumer loans		3,857.9	3,974.5	116.6	3.0%
Housing loans		3,675.1	3,787.7	112.5	3.0%
Unsecured consumer loans		174.8	180.1	5.3	3.0%
Public sector		404.1	451.8	47.6	11.7%

Domestic loans		10,736.5	11,280.6	544.0	5.0%
Excl. public sector		10,332.3	10,828.7	496.4	4.8%
Branches in Chiba		7,135.2	7,371.9	236.6	3.3%
Branches outside Chiba		3,197.1	3,456.8	259.7	8.1%
Special branches*		1,538.1	1,701.6	163.4	10.6%
Retail branches		1,658.9	1,755.2	96.2	5.8%

\*Tokyo Head Office, Shinjuku Branch and Osaka Branch

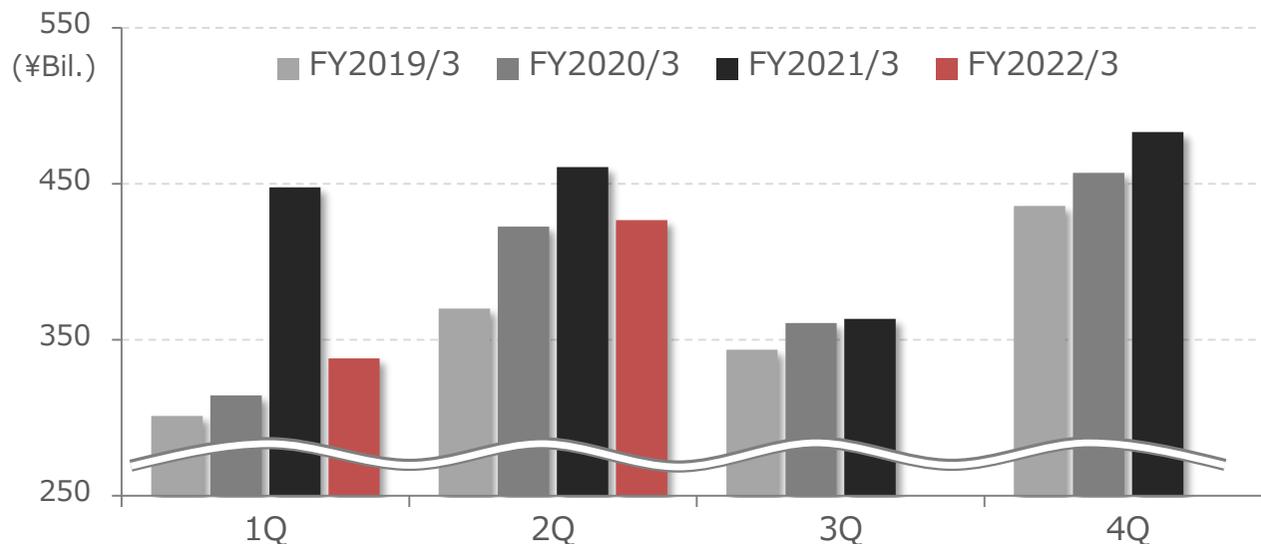


# Loans ①

Demand for capital investment and working capital remains strong, even after the 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.)

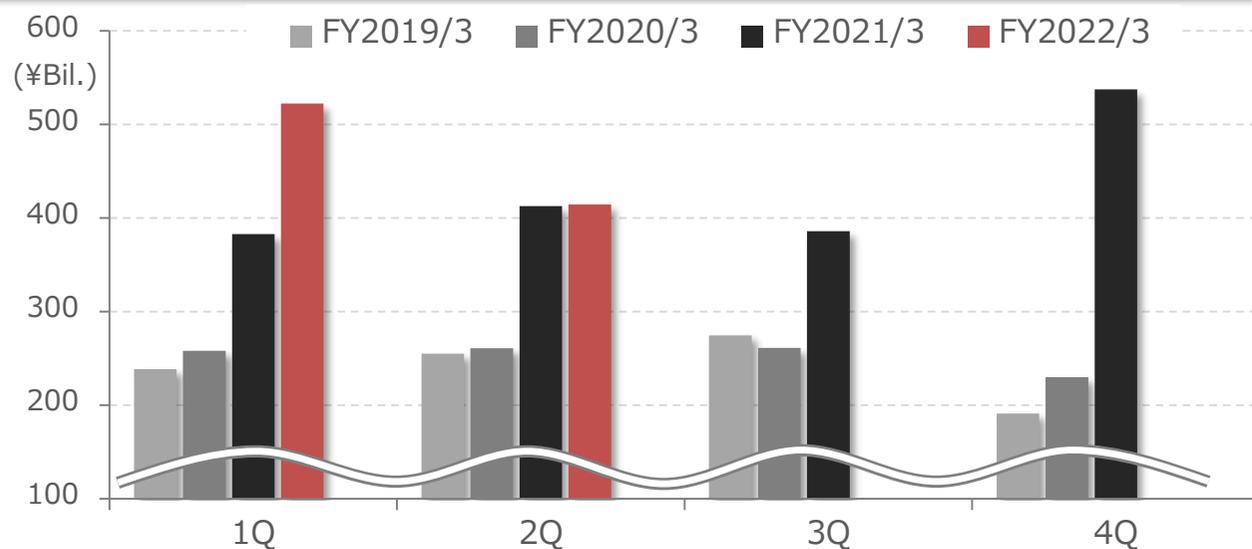


## DBJ "Capital expenditure survey in the Tokyo Metropolitan Area"

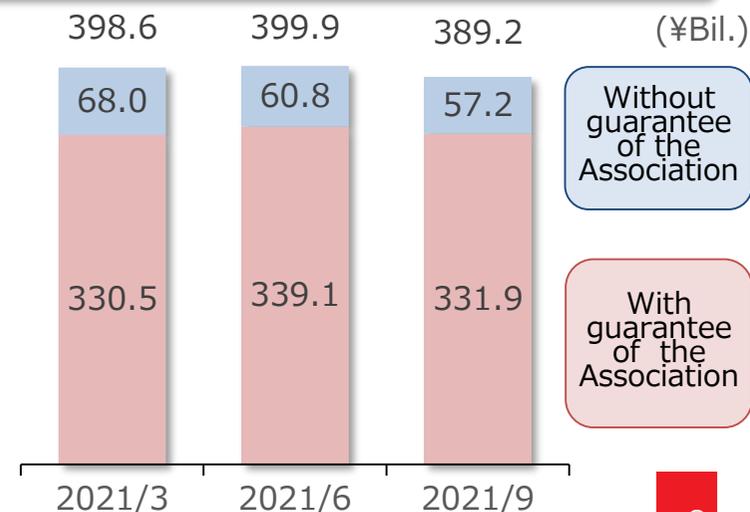
	'22/3 Plan (¥Bil.)	YoY (%)
Chiba	308.0	+35.3
Manufacturing industry	103.2	+8.5
Non-Manufacturing Industry	204.8	+54.6
Of which, transportation	143.8	+68.2
Of which, real estate	21.2	+190.0
Tokyo	2,621.8	+19.0
Kanagawa	359.2	+16.9
Saitama	143.8	+20.9
Nationwide total	19,727.4	+11.3

※ Source: DBJ  
 Target companies: Capital of ¥100 million or more  
 Survey period: June 2021  
 Number of responding companies in Chiba Prefecture: 370

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



## COVID-19-related loans balance



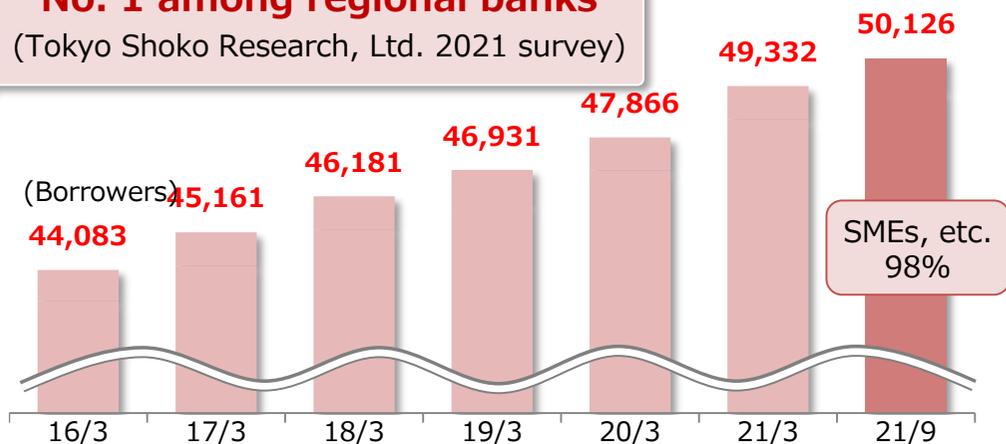
※Excluding spot loans, overdrafts, commitment lines, etc.

# Loans ②

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

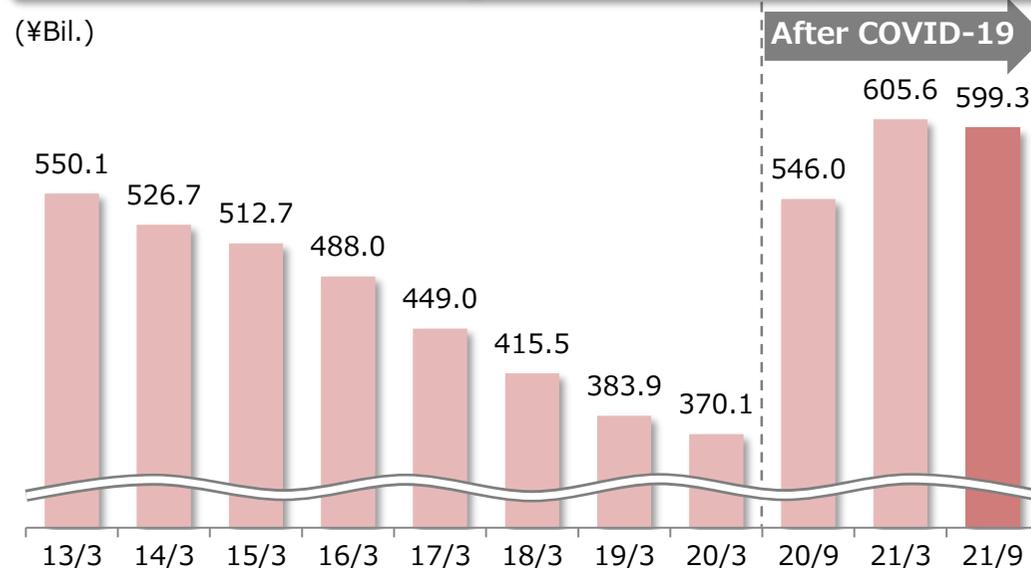
### Balance of loans to SMEs

Number of customers who chose the banks as main bank: 22,919 companies  
**No. 1 among regional banks**  
 (Tokyo Shoko Research, Ltd. 2021 survey)



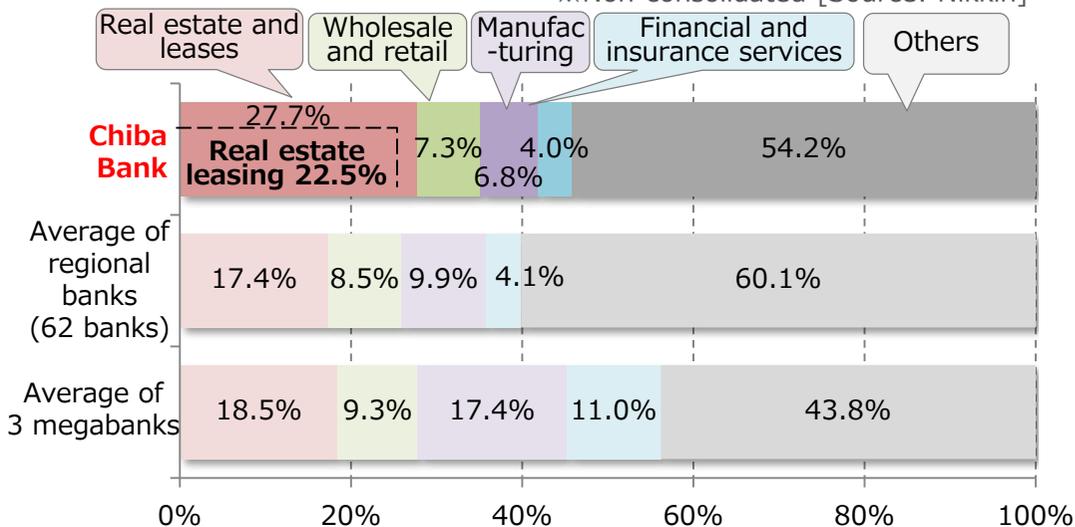
### Balance of loans with guarantee of the Association

(¥Bil.)



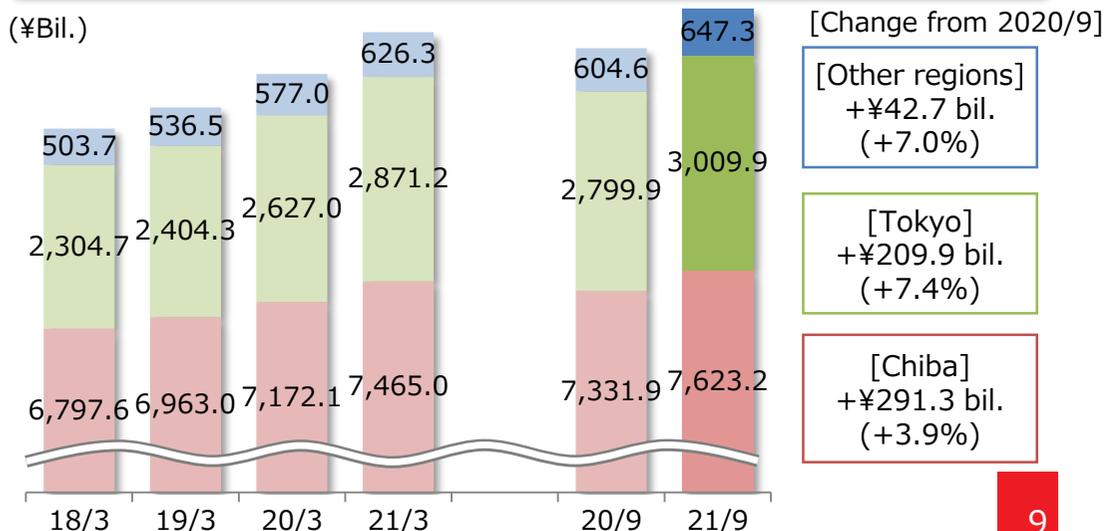
### Number of new loan customers

※Non-consolidated [Source: Nikkin]



### Balance of domestic loans by region

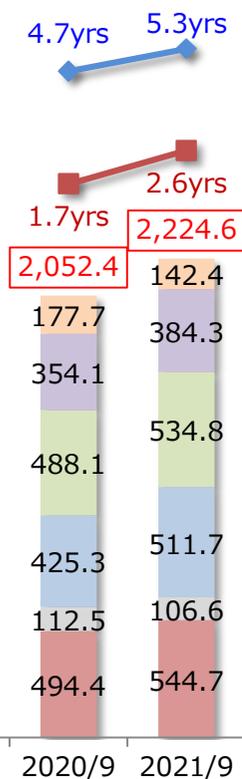
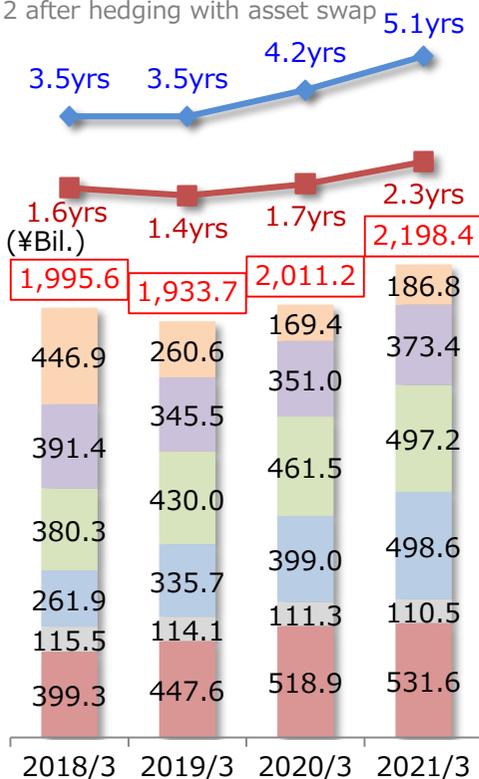
(¥Bil.)



### 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



[Change from 2020/9]

Average duration to maturity of yen bonds +0.6 years

Average duration to maturity of foreign bonds +0.9 years

[Total] +8.3%

Government (19.8%)

Municipal +8.5%

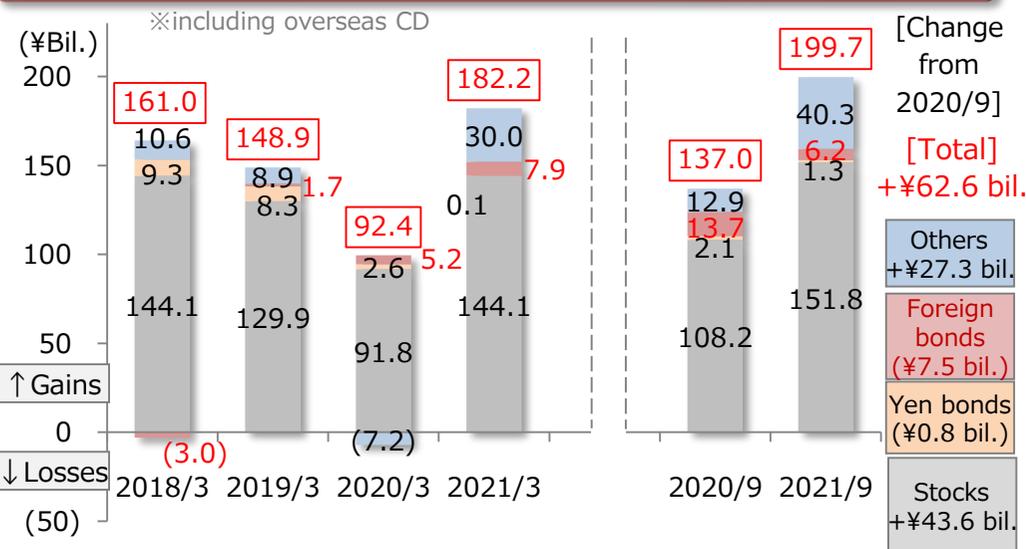
Corporate bonds, etc. +9.5%

Investment trusts, etc. +20.2%

Stocks (5.2%)

Foreign currency securities +10.1%

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



#### Status of liquidity management

	Short-term liquidity	Operational procurement structure
Basel requirements	Liquidity Coverage Ratio [All Currencies] <b>173% &gt; Reference 100%</b>	Net Stable Funding Ratio [All currencies] <b>123% &gt; Reference 100%</b> <small>※Started application from Sep. 2021</small>
The Bank management	Operational procurement GAP Procurement limit USD LCR	U.S. dollar NSFR Long-term stable funding ratio in foreign currencies

#### 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 the end of September 2021.

※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 rising interest rates on credit risk is not factored in.

(¥Bil.)	USD	Euro
Net interest income	(0.20)	(0.01)
Appraisal profit/loss	(1.41)	(0.73)
Foreign bonds	(0.84)	(0.47)
Stocks and investment trusts	(0.57)	(0.26)
Total	(16.1)	(0.75)

**Issuance of U.S. dollar bonds (2021/9)**  
 Issuance amount: \$300 million  
 (with more than 11 times bid)  
 Term : 5 years  
 Yield: **1.389%** (+7.5 to 8.5 bps compared to megabanks)  
 ※U.S. 5-year JGB yield: 1.18% (End of Oct. 2021)

New

# Net Fees and Commissions Income

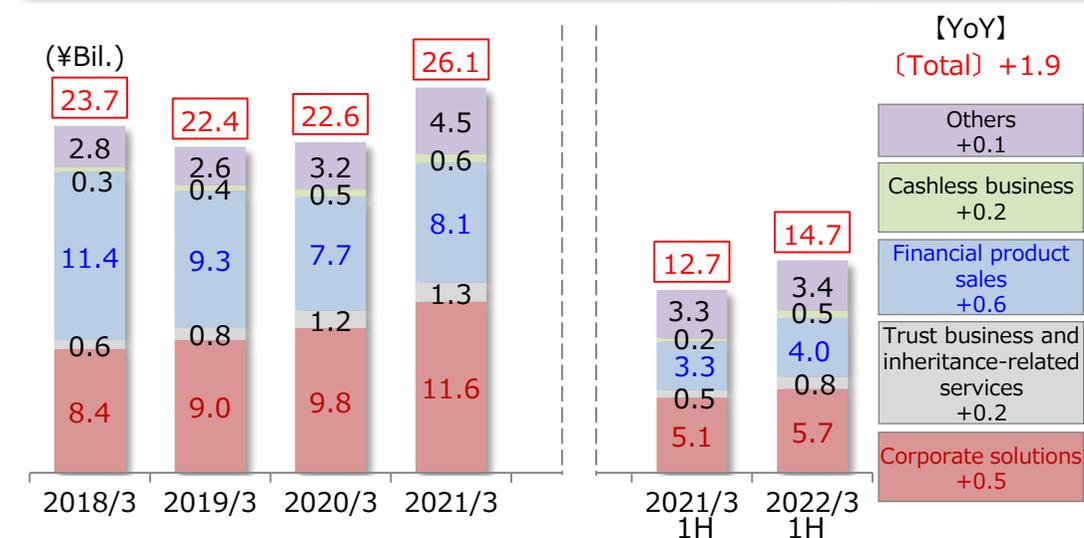
Net fees and commissions income hit record high, driven by corporate solutions

	(¥Bil.)	2021/3	2022/3	YoY
		1H	1H	
Net fees and commissions income		12.7	14.7	1.9
Net fees and commissions revenue		21.1	23.0	1.9
Net fees and commissions payments (-)		8.3	8.3	(0.0)

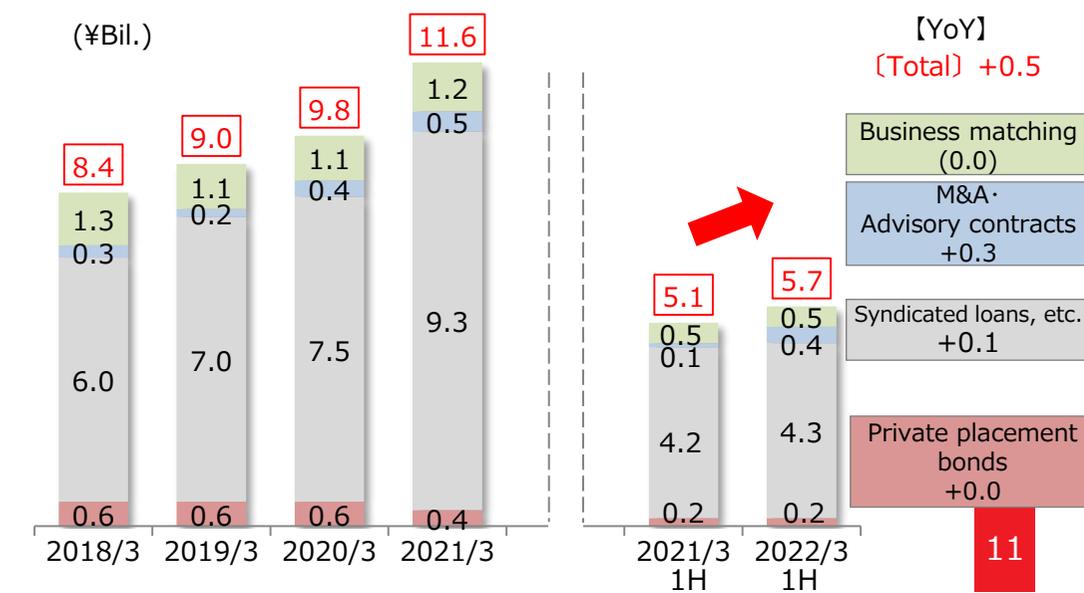
<Main breakdown>

Investment trusts and personal annuities	3.3	4.0	0.6
Investment trusts	1.3	2.2	0.9
Annuities and whole life insurance	0.6	0.6	(0.0)
Level paying life insurance	1.0	0.7	(0.2)
Financial instrument intermediary	0.2	0.3	0.0
Corporate solutions	5.1	5.7	0.5
Private placement bonds	0.2	0.2	0.0
Syndicated loans	4.2	4.3	0.1
M&A and advisory contracts	0.1	0.4	0.3
Business matching	0.5	0.5	(0.0)
Trust business and inheritance-related services	0.5	0.8	0.2
Cashless payment and card business	0.2	0.5	0.2
Payment and settlement transactions	6.6	6.4	(0.1)
Guarantee charges and group insurance costs (-)	5.0	4.7	(0.2)

## 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

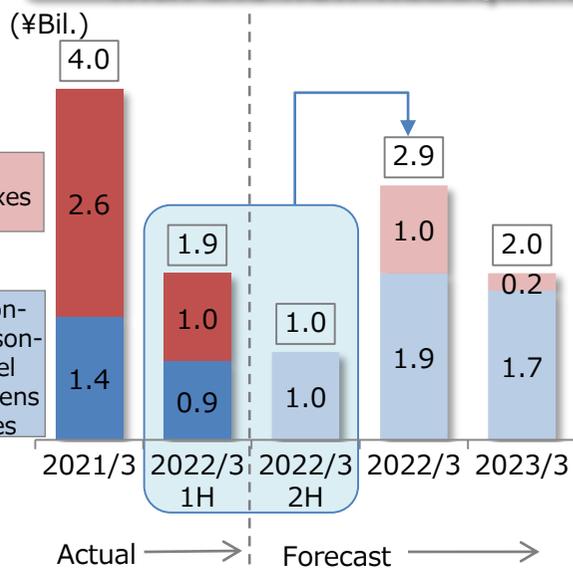
(¥Bil.)	2021/3	2022/3	YoY	2022/3	YoY
	1H	1H		(Projection)	
Expenses (-)	41.4	42.9	1.5	85.5	(0.5)
Personnel expenses (-)	20.3	20.0	(0.2)	40.0	(0.7)
Non-personnel expenses (-)	17.9	18.8	0.8	38.6	1.0
Taxes (-)	3.1	4.0	0.9	6.9	(0.8)
OHR ※	52.9%	50.0%	(2.9pt)	53.1%	(1.8pt)

※ Expenses  
 Net business income – Gains (Losses) related to bonds, etc.  
 + Net transfer to general allowance for loan losses + Expense

### Main factors of change in expenses

(¥Bil.)	2022/3 1H (Actual)	2022/3 (Projection)
Personnel expenses (-)	(0.2) Decrease in retirement benefit expenses (0.4) Recoil of Employment adjustment subsidy +0.1	(0.7) Decrease in retirement benefit expenses +0.6
Non-personnel expenses (-)	+0.8 New HQ building +0.9 Revenue enhancement measures and digitalization +0.2 Realization of efficiency and cost reduction (0.4)	+1.0 Strategic investment +0.8 Advancement of measures for next fiscal year +0.5 New HQ building +0.4 Realization of efficiency and cost reduction (0.8)
Taxes (-)	+0.9 New HQ building (Property tax, Real estate acquisition tax) +1.0	(0.8) (2.6) New HQ building (consumption tax) New HQ building (Real estate acquisition tax)+1.0

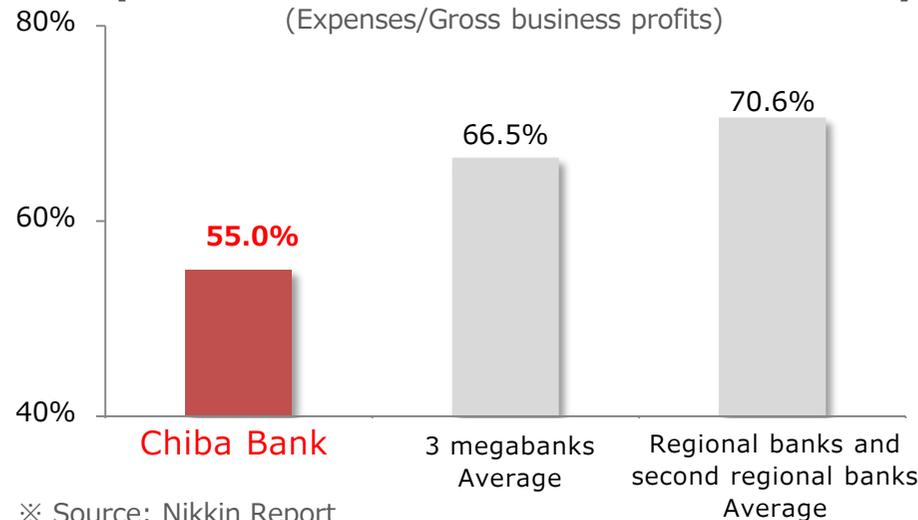
### Expenses result and expectation associated with the new headquarters office building



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)

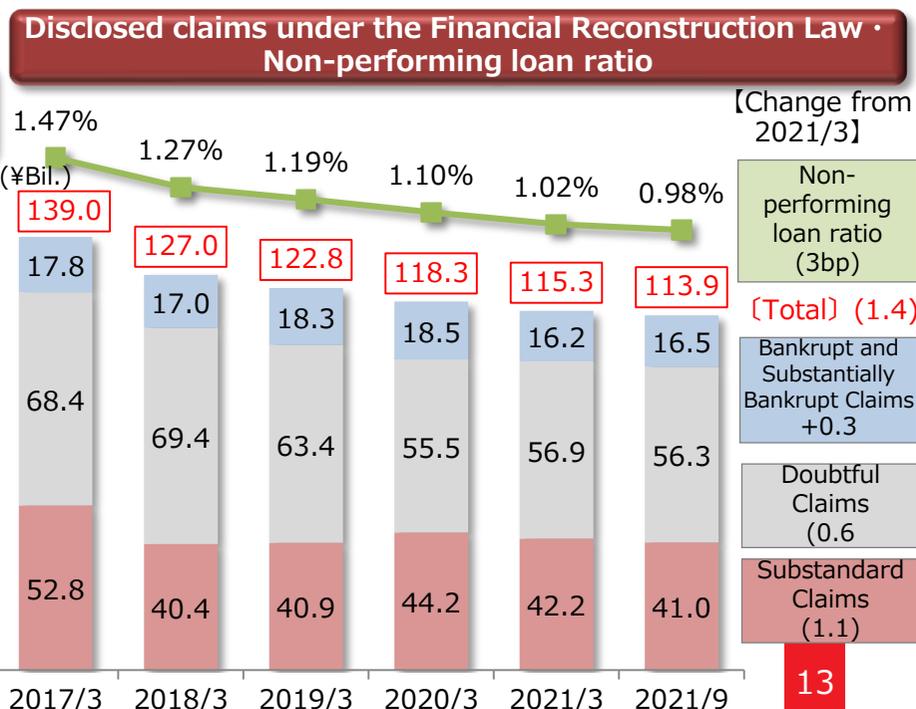
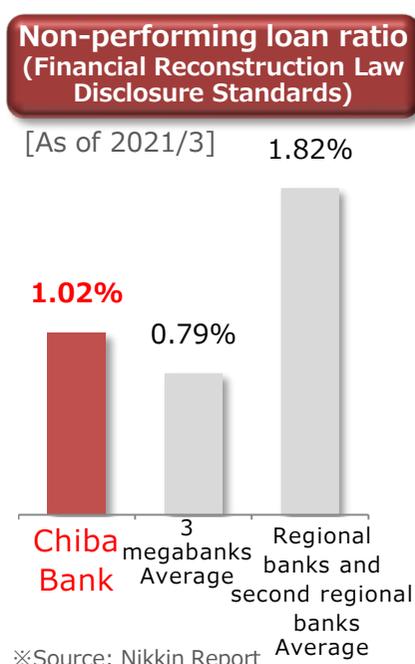
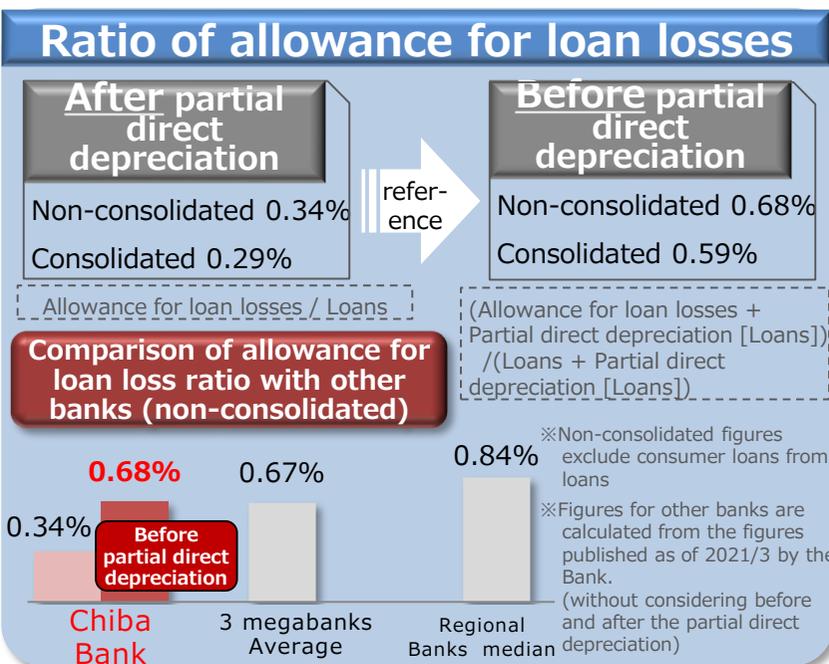
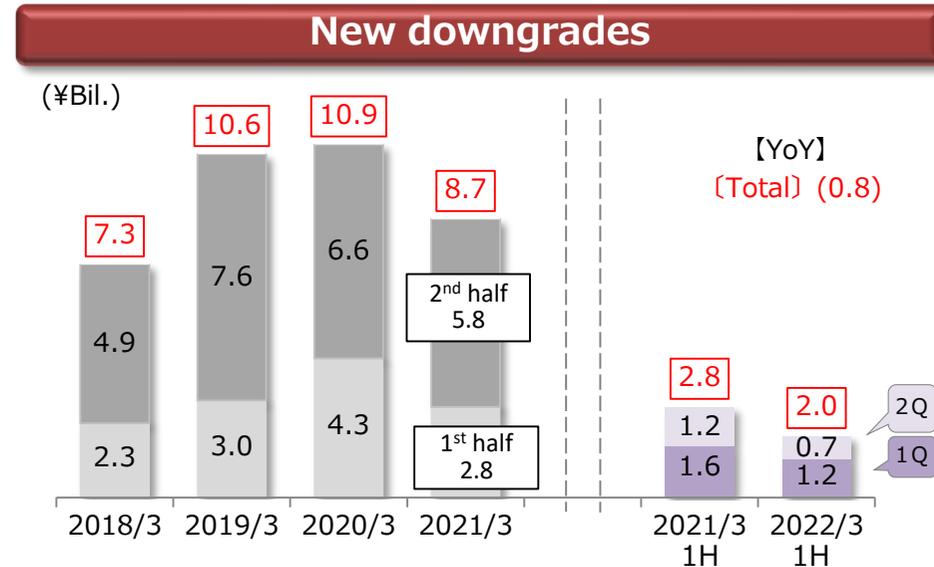


※ Source: Nikkin Report

# Net Credit Costs

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

	2021/3	2022/3		2021/3	
(¥Bil.)	1H	1H	YoY	(Projection)	YoY
Net credit costs (-)	3.6	1.8	(1.8)	10.0	(0.4)
Net transfer to general allowance for loan losses (-)	1.1	0.5	(0.6)	0.8	(2.4)
Disposal of non-performing loans (-)	2.5	1.2	(1.2)	9.2	2.0
Write-offs / Net transfer to specific allowance, etc. (-)	2.9	2.2	(0.7)	11.3	2.9
New downgrades (-)	2.8	2.0	(0.8)	11.0	2.2
Existing non-performing loans (-)	0.3	0.4	0.0	0.8	0.3
Collections etc.	0.2	0.2	(0.0)	0.5	(0.2)
Recoveries of written-off claims	0.4	0.9	0.4	2.1	0.8
Net credit costs ratio (-)	6bp	3bp	(3bp)	8bp	△0bp



# Net Credit Costs under Stress

Estimated net credit costs under stress taking impact of COVID-19 into account from both macro and micro perspectives

## Calculation from a macro perspective

Review scenarios, etc. in line with current conditions (**major changes are in red**)

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

Identify the target by comprehensively considering each element for each company

### Cash flow position

With or without support in the COVID-19

### Industries

### Internal rating

Recent cash flow (Current account deficit)

New or restructuring loans under COVID-19

Industries affected by COVID-19

Taking into account the current internal rating

Impact of COVID-19 by industry		Impact	
		2022/3 2H	2023/3 full year
Large	Commercial real estate leasing	High	<b>High</b>
	Others	None	Certain effects
Medium	Commercial real estate leasing	<b>None</b>	<b>Certain effects</b>
	Others	Certain effects	<b>Certain effects on low-rated borrowers</b>
Small		None	None

## Simulation of net credit costs (new downgrades)

(¥Bil.)	2022/3			2023/3
	1H results	2H	Full year	
Macro	-	4.9	-	7.9
Micro	-	3.9	-	1.6
<b>Total</b>	<b>2.0</b>	<b>8.8</b>	<b>10.8</b> (Change from previous forecast +0.3)	<b>9.5</b> (Change from previous forecast +2.7)

[Assumptions] Economic conditions from **the next fiscal year onward** are expected to recover gradually, but it will take time for recovery depending on the conditions of the industry and individual companies.

Using BOJ Tankan data in 2021/9, Refinement of impact by industry

※Sales forecasts for **FY2021** by industry (YoY)

Impact of COVID-19 by industry	
Large	Hotels, Food and beverage, <b>Passenger transportation</b>
Medium	Industries for which sales forecasts is lower than the all industries average
Small	Industries for which sales forecasts is higher than the all industries

## Calculation from a micro perspective①

Target borrowers :

- ① Borrowers whose loans restructured, etc., **with a credit amount of ¥100 million or more** (excluding residential real estate leasing, finance, public works, 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
- Need for support

## Calculation from a micro perspective②

Target borrowers :

To whom credit examination section individually ascertains the actual situation

Estimated credit costs based on actual conditions for each company

# Earning Projections

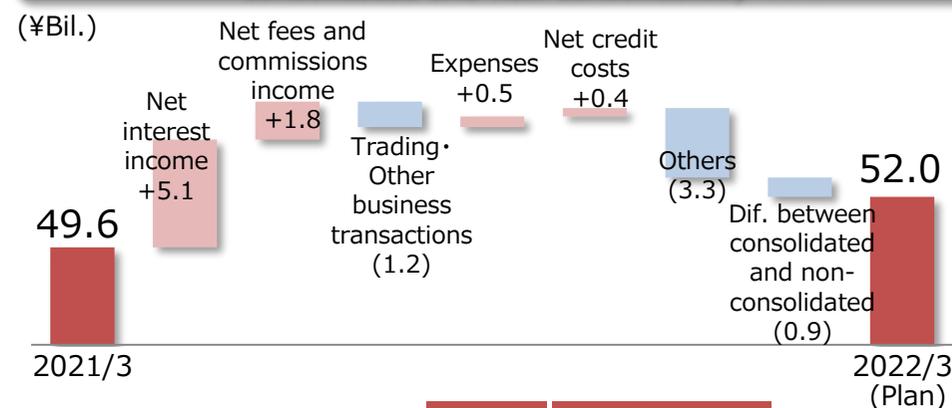
NEXT STEP 2023

~ connect and go beyond, for the future ~

Non-consolidated	2021/3	2022/3				Change from initial projections
		1H results	2H projections	Full year projections	YoY	
Gross business profits	156.0	86.4	75.3	161.8	5.7	2.3
Net interest income	124.5	69.7	59.9	129.7	5.1	3.3
Net fees and commissions income	26.1	14.7	13.3	28.0	1.8	0.0
Trading income	1.7	0.5	1.1	1.7	(0.0)	(0.8)
Profit from other business transactions	3.5	1.4	0.8	2.3	(1.1)	(0.2)
Gains (losses) related to bonds (Government bonds, etc.)	(0.3)	0.7	0.3	1.0	1.4	-
Expenses (-)	86.0	42.9	42.5	85.5	(0.5)	(0.0)
Real net business income	70.0	43.5	32.7	76.3	6.2	2.3
Core net business income	70.3	42.7	32.4	75.2	4.8	2.3
Excluding gains (losses) on cancellation of investment trusts	66.2	39.6	32.1	71.8	5.6	2.9
Net transfer to general allowance for loan losses (-)	3.2	0.5	0.2	0.8	(2.4)	(0.2)
Net business income	66.7	42.9	32.5	75.5	8.7	2.5
Non-recurrent income and losses	(2.5)	2.2	(8.7)	(6.5)	(3.9)	(2.5)
Disposal of non-performing loans (-)	7.1	1.2	7.9	9.2	2.0	0.2
Gains (losses) related to stocks, etc.	5.8	2.7	(1.0)	1.6	(4.1)	(1.8)
Ordinary profit	64.2	45.2	23.7	69.0	4.7	-
Extraordinary income (loss)	(0.3)	0.0	(0.3)	(0.3)	0.0	0.2
Profit	45.6	33.1	15.8	49.0	3.3	-
Net credit costs (-)	10.4	1.8	8.1	10.0	(0.4)	-

Consolidated	2021/3	2022/3				Change from initial projections
		1H results	2H projections	Full year projections	YoY	
Ordinary profit	71.8	45.4	30.0	75.5	3.6	-
Profit attributable to owners of parent	49.6	31.8	20.1	52.0	2.3	-

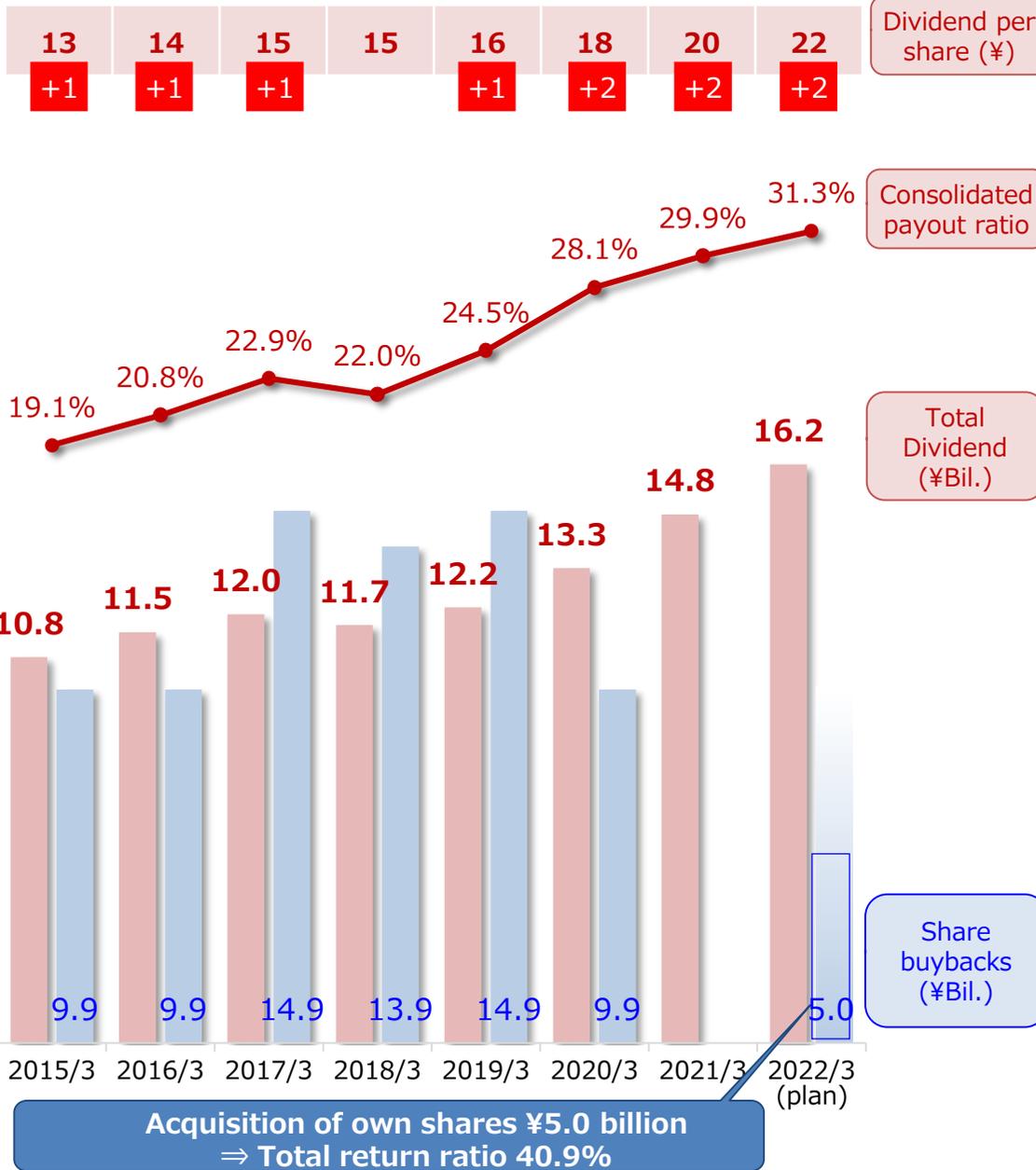
## Breakdown of changes in profit attributable to owners of parent (Non-consolidated + Dif. between consolidated and non-consolidated)



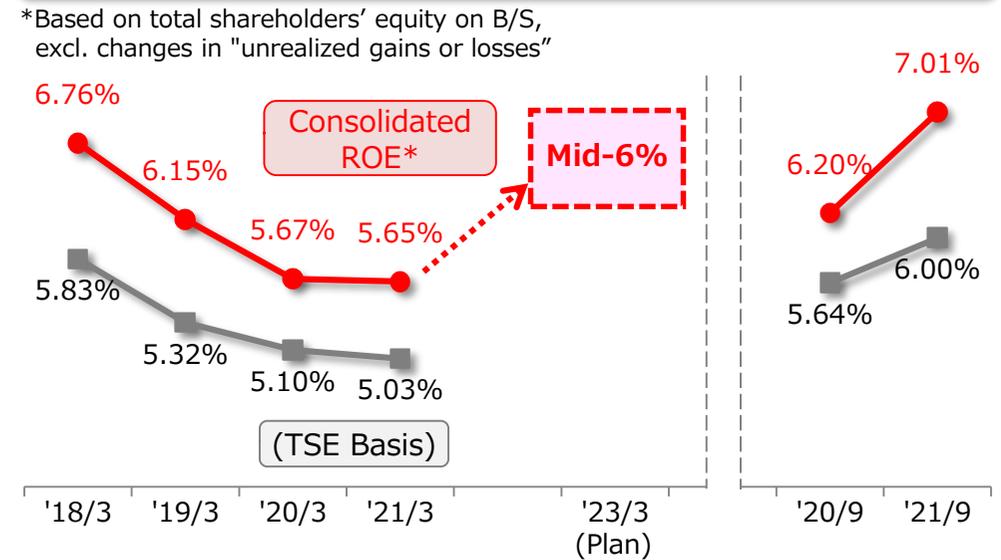
(¥Bil.)	2021/3	2022/3 (Projections)	YoY
Net interest income	124.5	129.7	5.1
Domestic	118.7	122.2	3.5
Interest on loans	97.1	98.6	1.5
Interest and dividends on securities	20.6	20.6	(0.0)
Gains (losses) on cancellation of investment trusts	4.4	2.5	(1.8)
International	5.8	7.4	1.5
Gains (losses) on cancellation of investment trusts	(0.2)	0.8	1.0
Net fees and commissions income	26.1	28.0	1.8
Investment trusts and personal annuities	8.1	8.5	0.4
Corporate solutions	11.6	12.1	0.5
Trust business and inheritance-related services	1.3	1.8	0.5
Cashless payment and card business	0.6	1.5	0.9
Payment and settlement transactions	13.0	12.5	(0.5)
Guarantee charges and group insurance costs (-) ※	12.1	12.3	0.2

¥400 million decrease in revenue due to revision of interbank fees has been factored in.

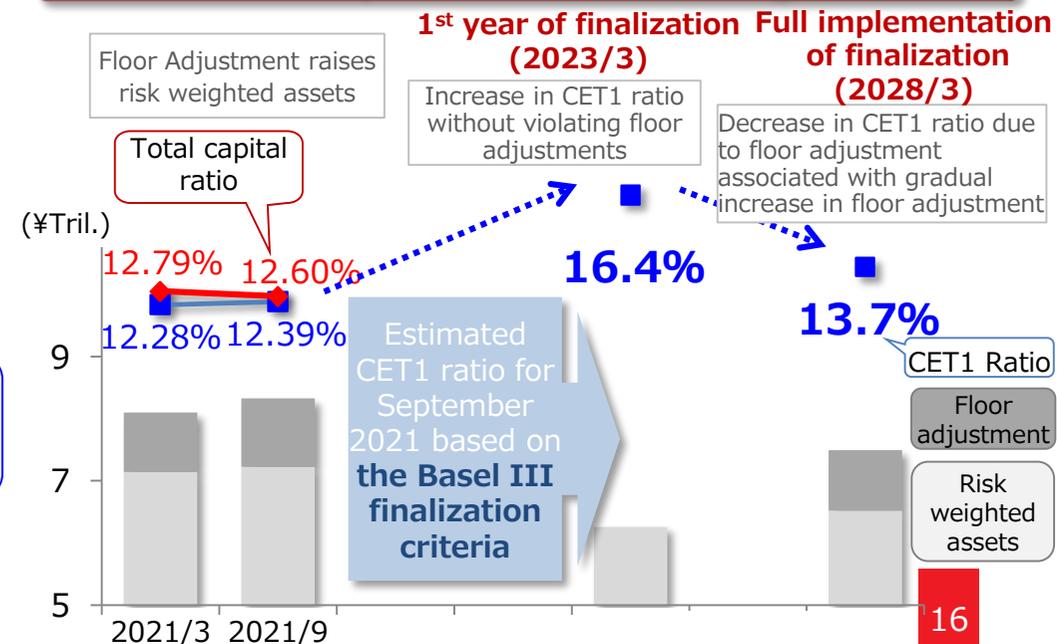
## Shareholder returns



## Consolidated ROE



## Consolidated capital Ratio · Risk weighted assets



# 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

# Planned Figures

**NEXT STEP 2023**

~ connect and go beyond, for the future ~

(¥Bil)

	2020/3 actual	2021/3 actual	2022/3 plan (reviewed)	2023/3 target	Change from 2020/3	Change From 2022/3 plan
Gross business profit	152.7	156.0	161.8	164.0	+11.2	+2.2
Expenses (-)	81.9	86.0	85.5	85.5	+3.5	-
Real net business income	70.8	70.0	76.3	78.5	+7.6	+2.2
Net credit costs (-)	9.5	10.4	10.0	8.8	(0.7)	(1.2)
Ordinary income	67.8	64.2	69.0	78.9	+11.0	+9.9
Profit	45.9	45.6	49.0	56.0	+10.0	+7.0
Profit attributable to owners of parent	48.0	49.6	52.0	60.0	+11.9	+8.0

**Key points (Change from 2020/3 to 2023/3)**
**■ Net interest income**

- Loan growth in mainly metropolitan areas
- Strengthen overseas business and fund management capabilities

**■ Net fees and commissions income**

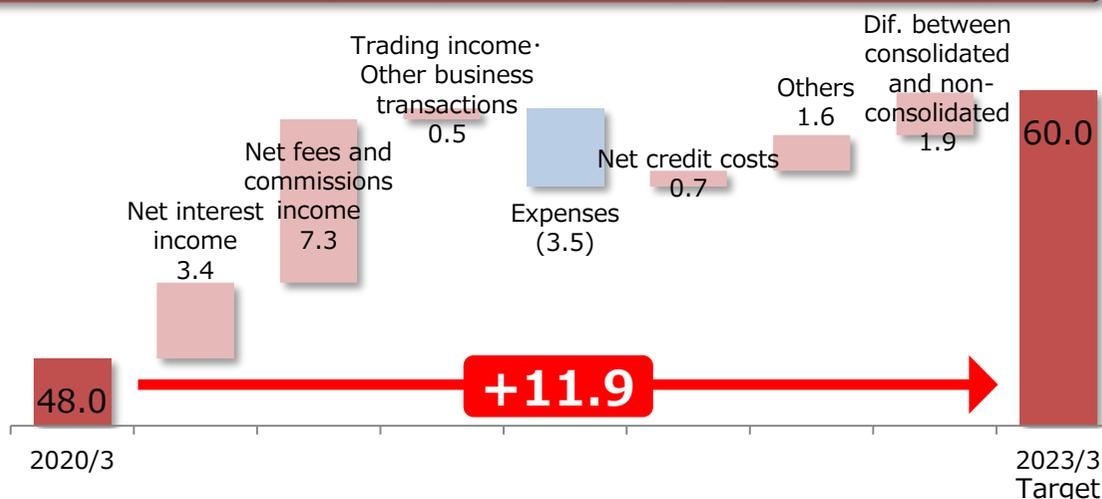
- Cashless business +3.1
- Corporate solutions +1.9
- Trust business and inheritance-related services +1.0
- Financial product sales, others +1.4

**■ Expenses**

- New headquarters building related +2.3
- Efficiency improvement, new businesses, etc. +4.4
- Reducing existing expenses (3.3)

**Investment plan (total in 3 years)**

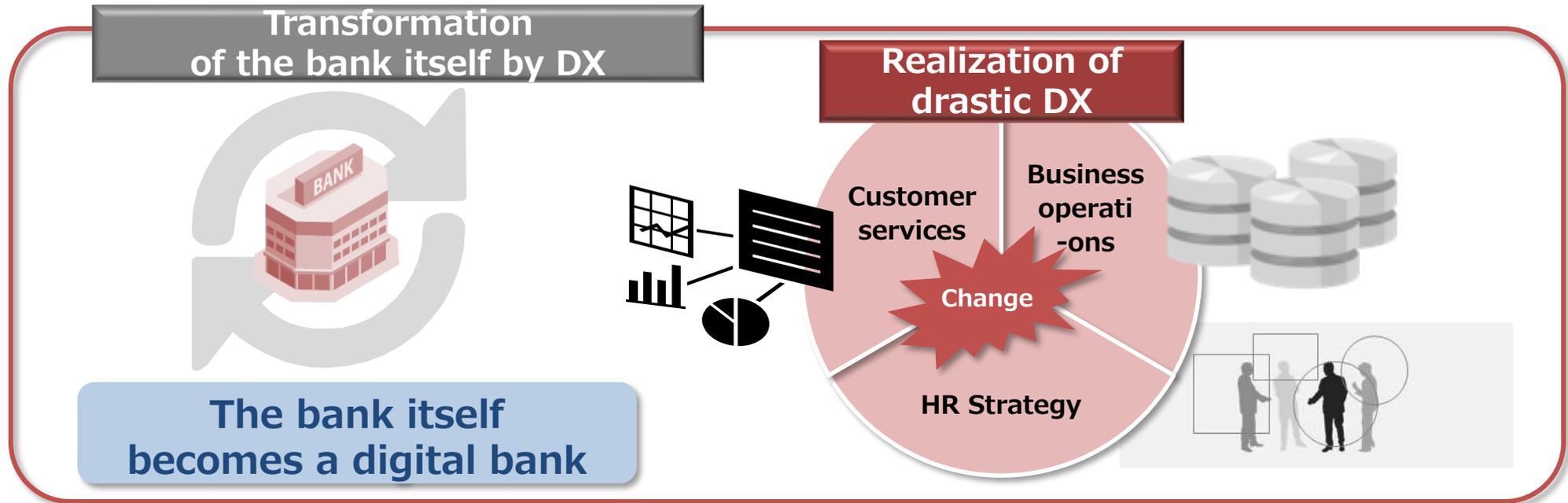
	2021/9 cumulative total	Total in 3years (Plan)
<b>Strategic investments</b>	<b>5.0</b>	<b>13.0</b>
For Customers (Digital, new services, etc.)	2.5	8.0
Strengthen management (Efficiency improvement, internal management, etc.)	2.5	5.0
Regular investment (Investment for legal compliance and renewal)	3.4	12.0
<b>Total investment (excluding headquarters building related)</b>	<b>8.4</b>	<b>25.0</b>

**Breakdown of changes in profit attributable to owners of parent**


# DX strategy

# DX Strategy under the Current Medium Term Management Plan

## Transformation of the bank itself to realization drastic DX



### Seven key issues

#### Digitize customer services

- App
- Corporate portal
- ICT consulting
- Online lending

#### Utilization of data

- Utilization of big data
- Date search system

**New**

#### Improvement of operating efficiency

- Eliminate the use of paper and stamps completely

#### New businesses launch

- Regional trading company **New**
- Remote financial consulting services

#### Digitize business operations including headquarter operations

- Drastic review of operations using digital

#### Enhancement of risk management

- Thorough risk management in response to digitalize

#### Securing DX human resources

- Planned development and recruitment of DX personnel **New**

**Underlined in red: Moonshot goals**

### What we want to achieve through DX

Improve CX※

※ Customer Experience

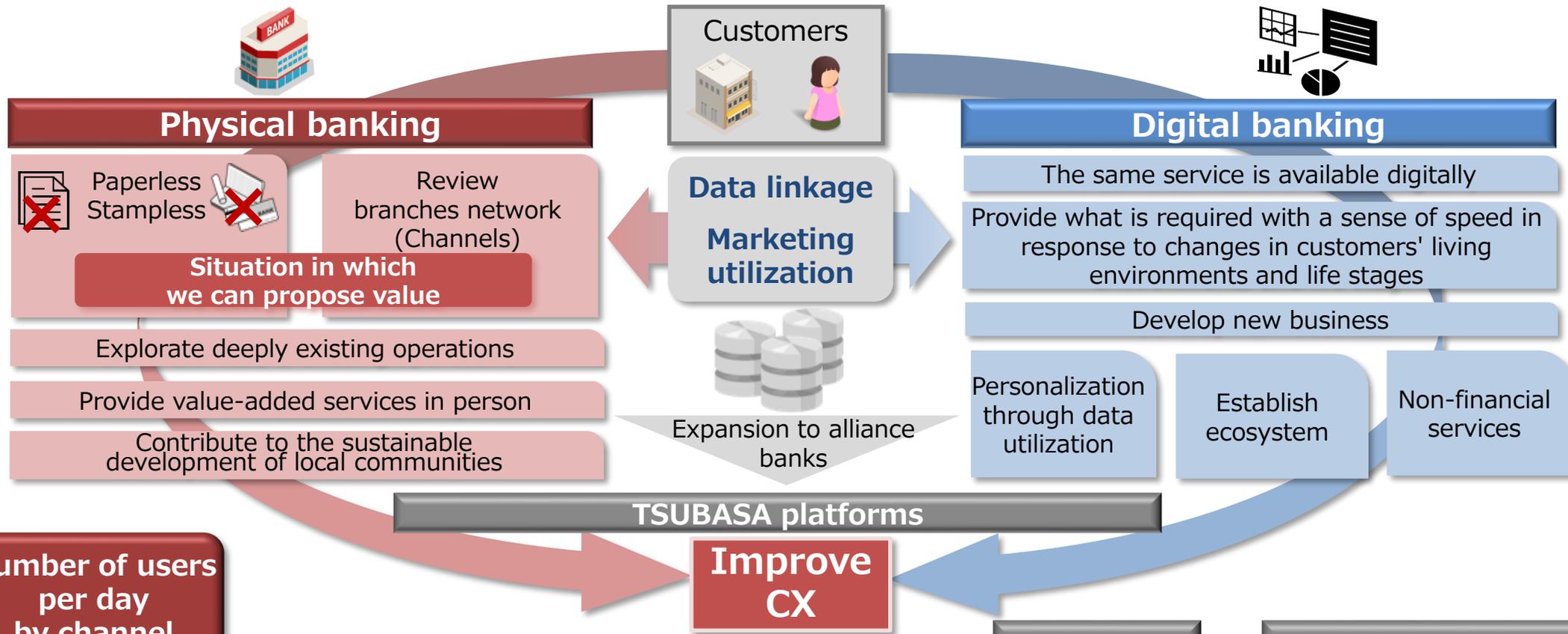


Improve productivity

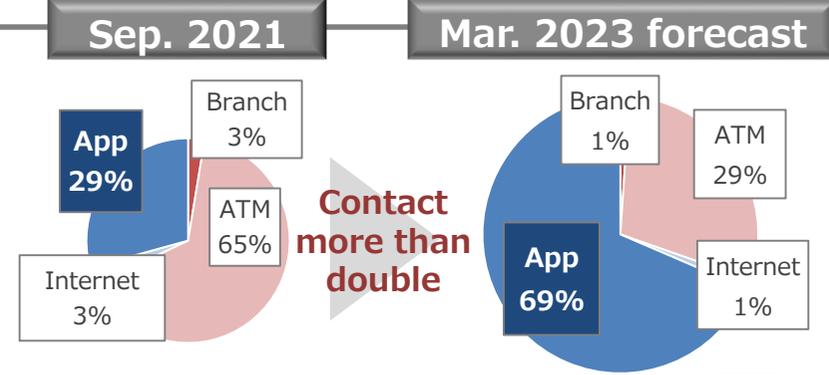
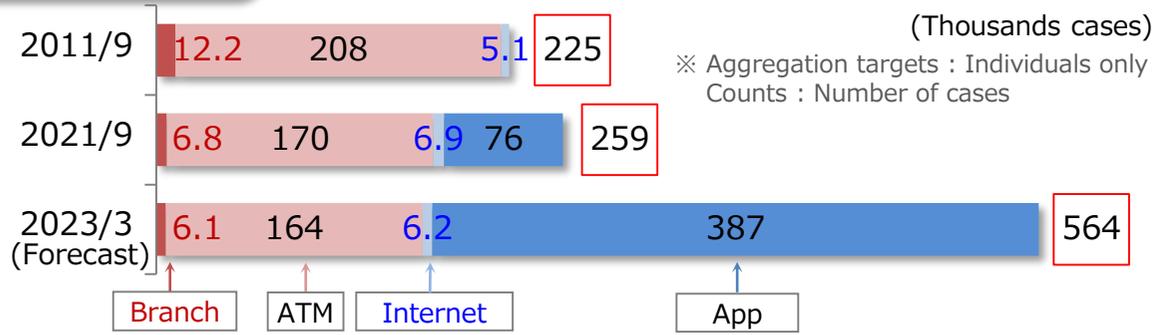
# Future Vision ①

## ~Integration of Physical and Digital~

Achieve "always close by" and "always convenient" at the same time and become the bank of choice



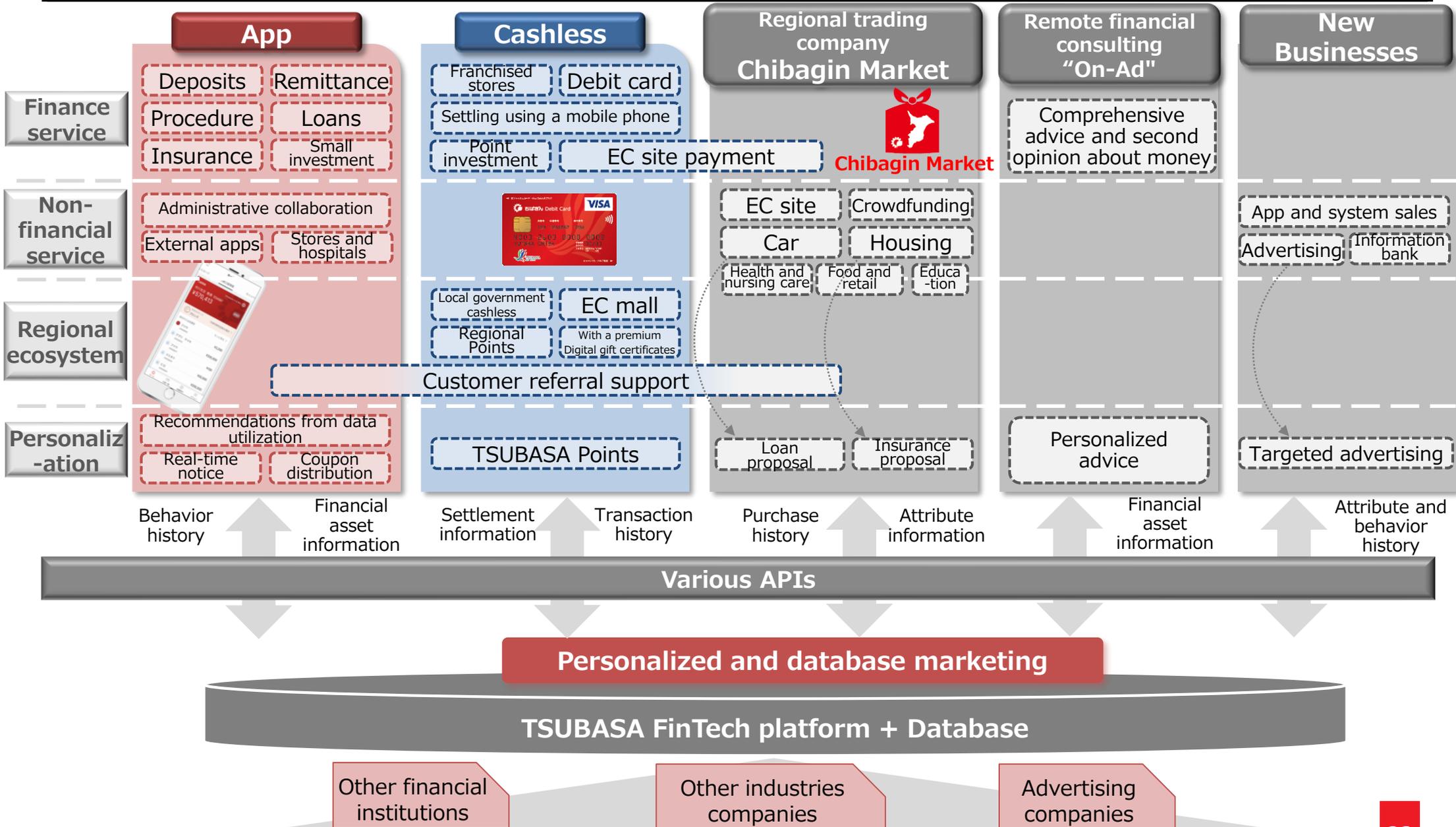
### Number of users per day by channel



# Future Vision ②

## ~ Digital Banking ~

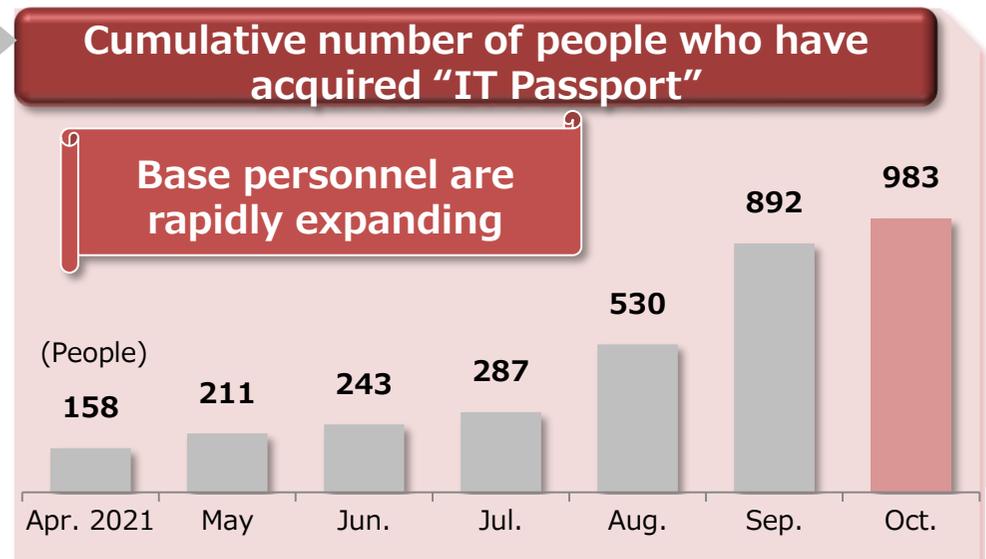
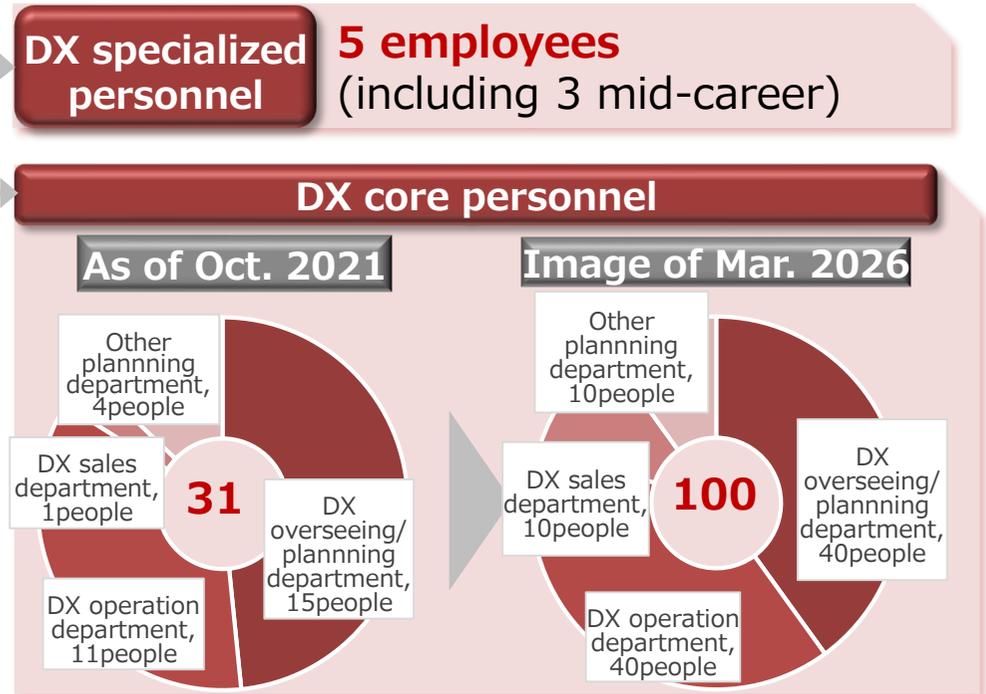
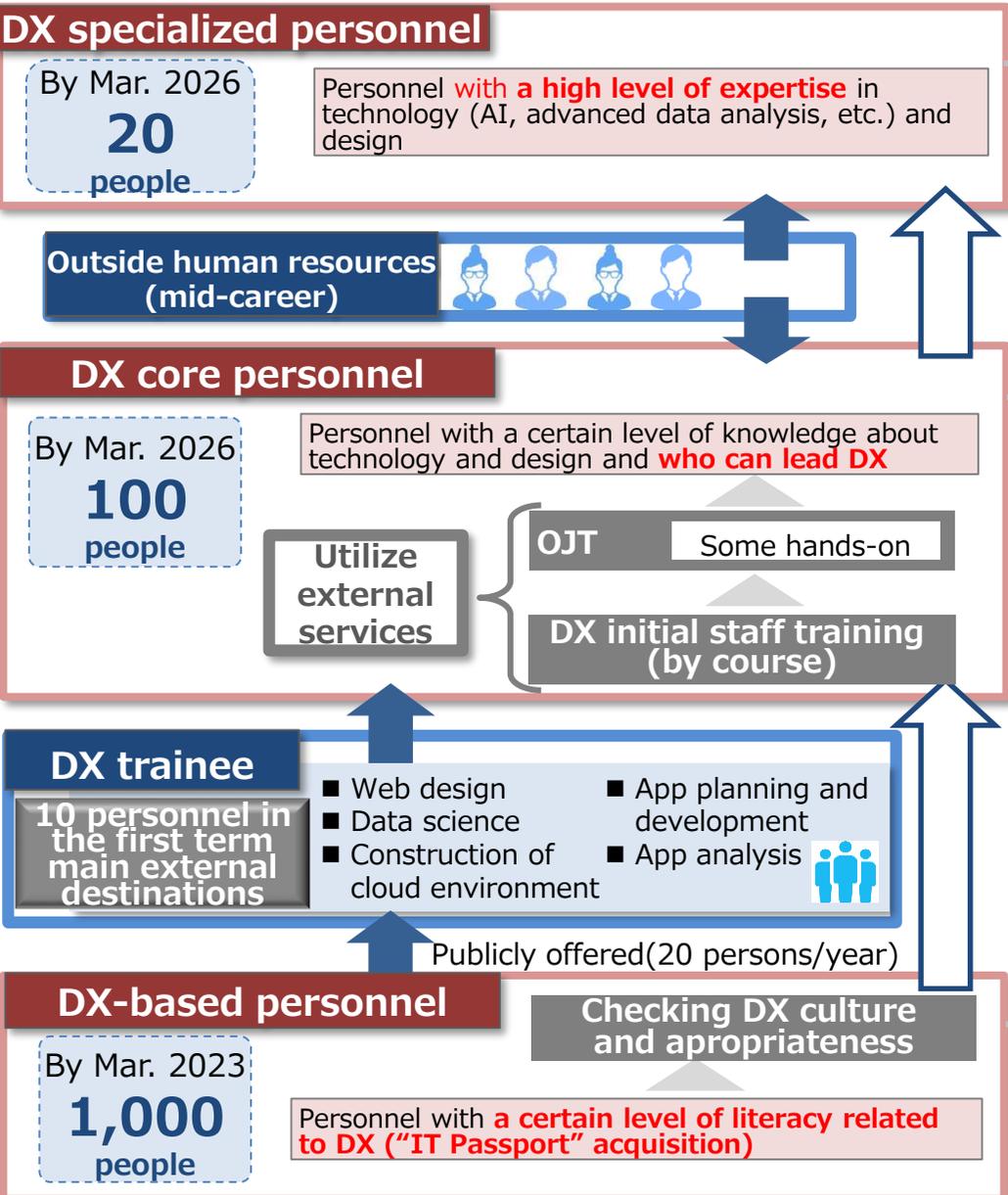
Establishment of digital banking through "non-financial services," "regional ecosystem," and "personalization"



# DX Personnel

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

New



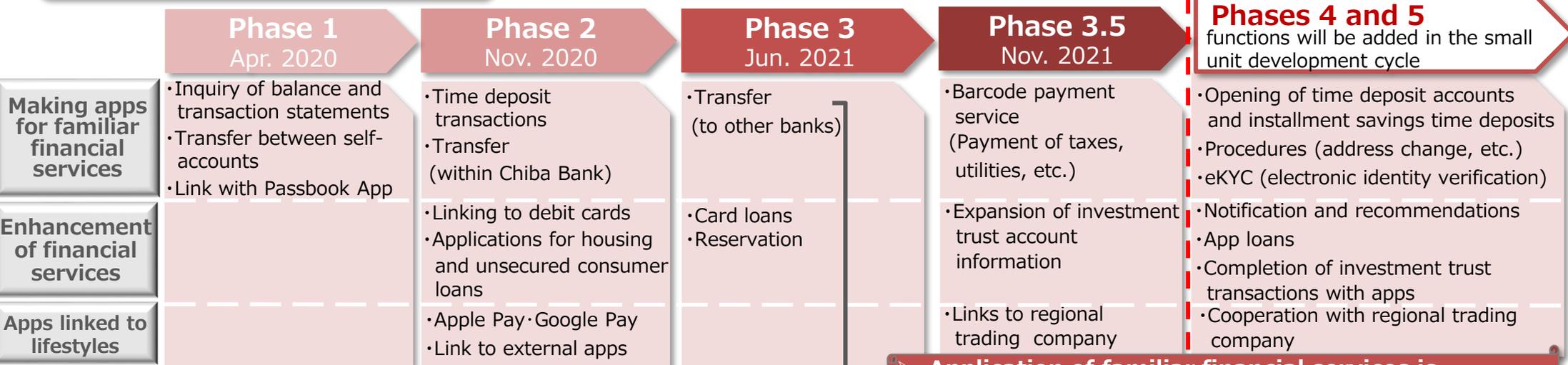
※Number of employees : 4,236 (as of Sep. 2021)

# Chibagin App

## Steady upgrading for "apps linked to lifestyles"

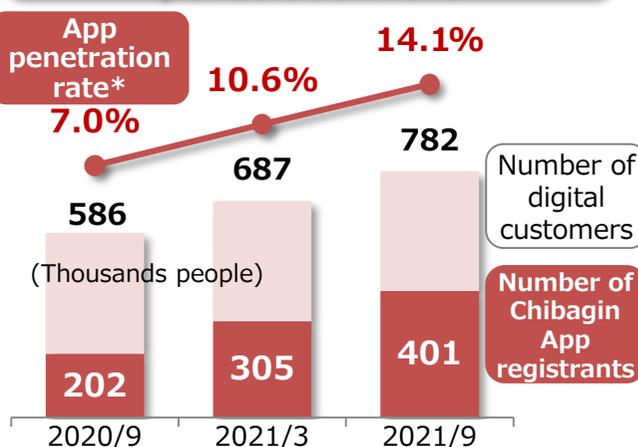
**Moonshot Goal**

Provide **"best apps"** to all customers  
 ~ Apps connected to customers' lifestyles and used always ~



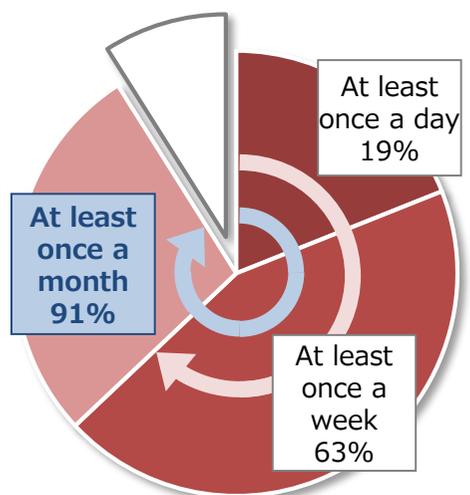
➤ Application of familiar financial services is expected to be realized  
 ➤ Developing to enhance financial services

**Digital customers and Chibagin App registrants, penetration rate**

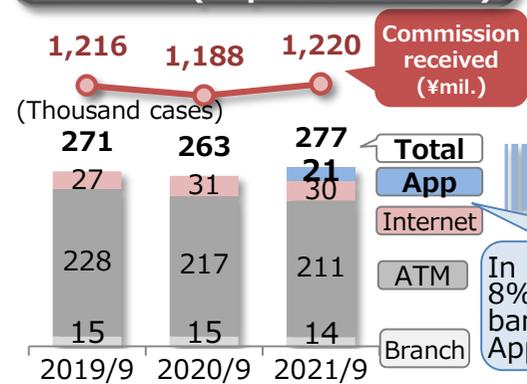


\*Number of Chibagin App registrants ÷ Number of individual active customers

**Chibagin App active Ratio**



**[Individual] Remittances to other banks by channel cases and commissions received (September total)**



**Expansion to TSUBASA banks**

- Musashino Bank from January 2021
- Chugoku Bank from July 2021
- Gunma Bank Scheduled for spring 2022

**Expansion to other banks (during personnel exchanges)**

In 3 months after release, 8% of remittances to other banks was shifted to the App.

## Launched corporate portal service and steadily increased subscribers



**Moonshot Goal**

Providing **“Best corporate portal”** to all customers

~ Corporate Portal as a hub for all services and indispensable for business ~

**Phase 1**  
Apr. 2021

**Phase 2**  
FY2021~FY2022 1H planned

**Phase 3 ~**

Connect with digital

- Chat
- Disseminating useful information for management

- Web conferencing
- Alert notification function

- Sales utilizing browsing history

Digitize financial services

- Balance and transaction statements (within Chiba Bank)
- Link to Web-EB

- Collaboration with other banks' accounts
- Comparison function of account information
- Digital Delivery of repayment schedule

- Cash flow visualization
- Electronic contract
- Link to cashless business

Resolving management issues

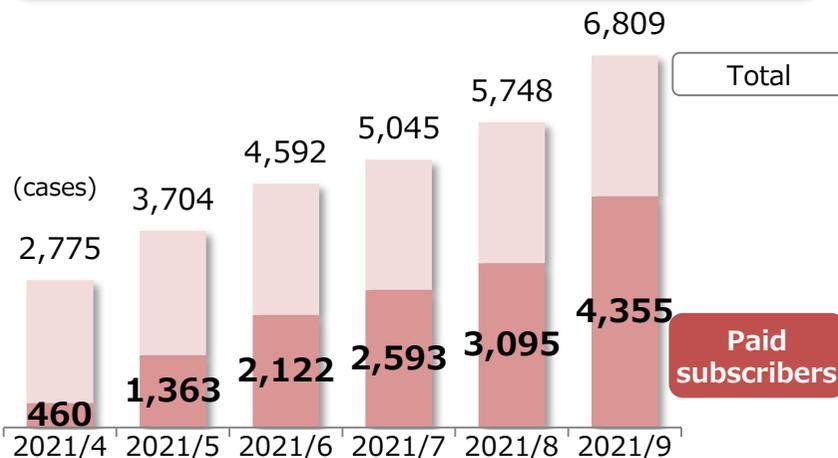
- Cooperation with BigAdvance

- Cooperation with ICT Consulting
- To portals of group companies

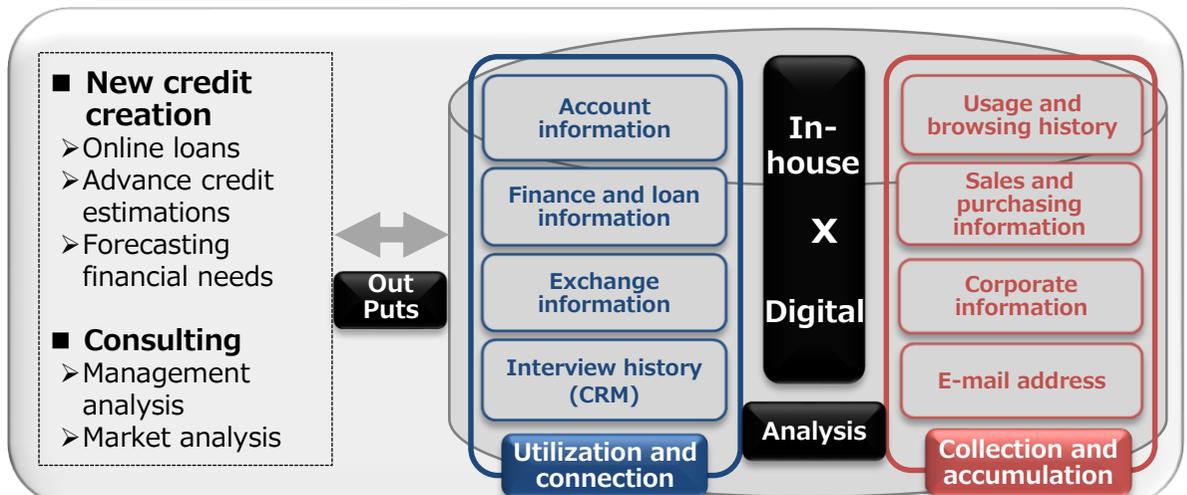
- Link to business functions such as sales management and personnel and labor management



### Number of members



### Future vision



# Data Integration · Business Efficiency

Completed data integration and maintenance of search system, started using for branch sales

## Data integration



### Moonshot Goal



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

July 2021 **Moonshot goal realized** New

## Data analysis · Marketing

### Example of lists provided to branches

#### Individuals

- Large payroll deposit recipients·assets under custody is less than ¥10 million → Promote financial products
- Weekday holiday job type and monthly balance is positive → Promote accumulation products

Delivery of 60k customer list **who is not contacted in the past** ⇒ Approach 8k customers as of the end of October (contact rate 13%)

#### Corporate

- No borrowing from the Bank, although there is repayment to government-affiliated financial institution → New loan promotion
- Total borrowings increased but our Bank's share decreased → Promotion of lending

- Personalized, high-satisfaction proposals for each customer
- Expanding and streamlining the scope of operations from a new perspective

## Business efficiency



### Moonshot Goal



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

## Moonshot Goal

### Actual

### Going forward

	Actual	Going forward
<b>Branch in-store</b>	<ul style="list-style-type: none"> <li>"TSUBASA Smile" makes reception operations paperless and stamp-less</li> </ul>	<ul style="list-style-type: none"> <li>Shift to a system of centralizing and collaborating clerical work by back-office operations paperless</li> </ul>
<b>Branch Sales representative</b>	<ul style="list-style-type: none"> <li>Web completion for unsecured loans</li> <li>Housing loans electronic contract</li> </ul>	<ul style="list-style-type: none"> <li>Web completion for housing loans</li> <li>Digitalization of corporate contract</li> </ul>
<b>Headquarter planning / management</b>	<ul style="list-style-type: none"> <li>Completely paperless and stamp-less in headquarter approval documents</li> <li>Headquarter⇒Customer digitalization of information documents</li> </ul>	<ul style="list-style-type: none"> <li>Branch ⇒ Headquarter paperless of applications, etc.</li> <li>Addition of subject documents in the same left</li> </ul>

## Promotion of business efficiency

### Headquarter centralized departments

### Amount of reduction in operations

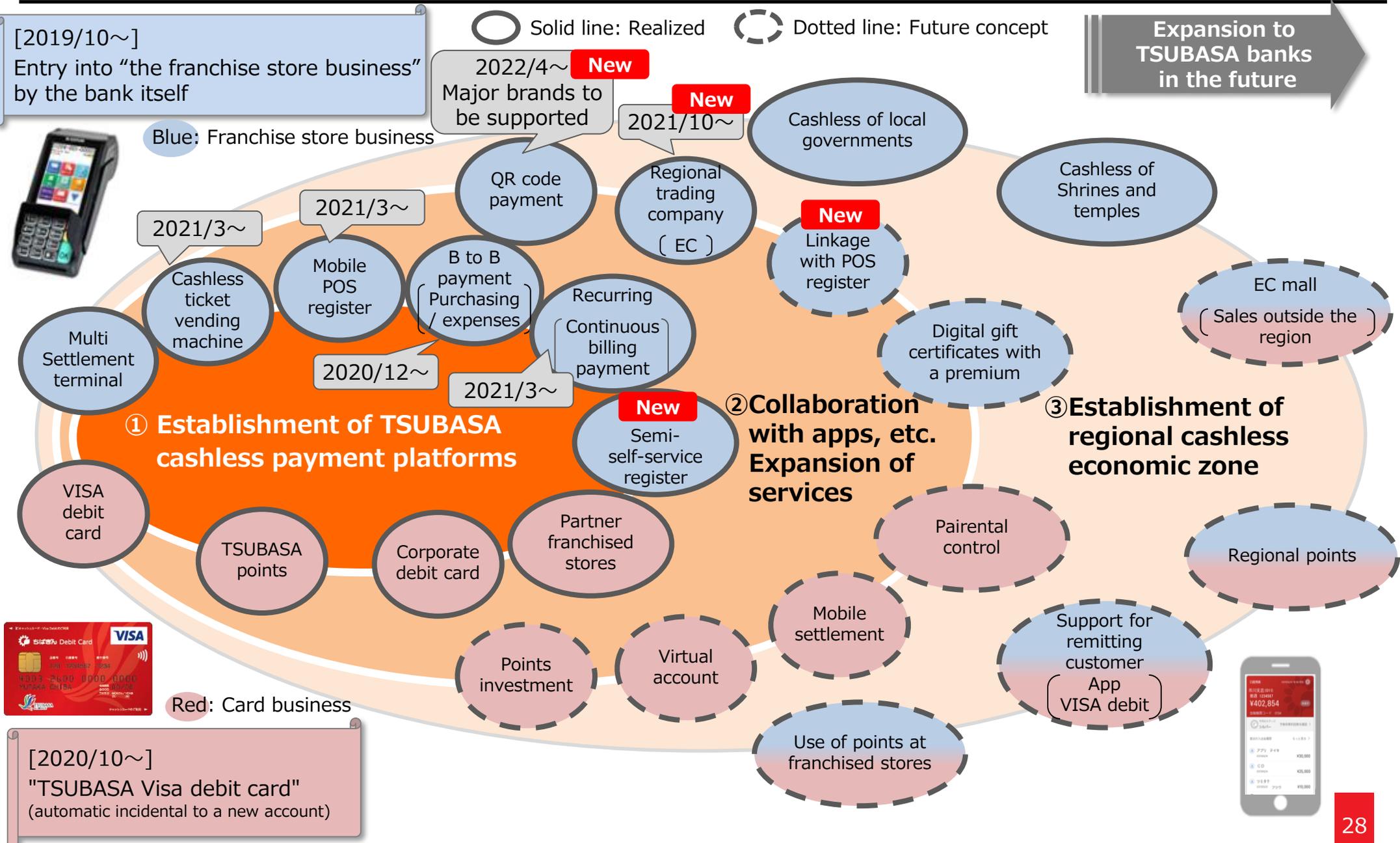


Promote automation of HQ centralized divisions by utilizing RPA, etc.

※Reduction of headquarter-specific operations is also being implemented through the "Quit Project"

# Cashless Business ①

## Establishment of a regional ecosystem



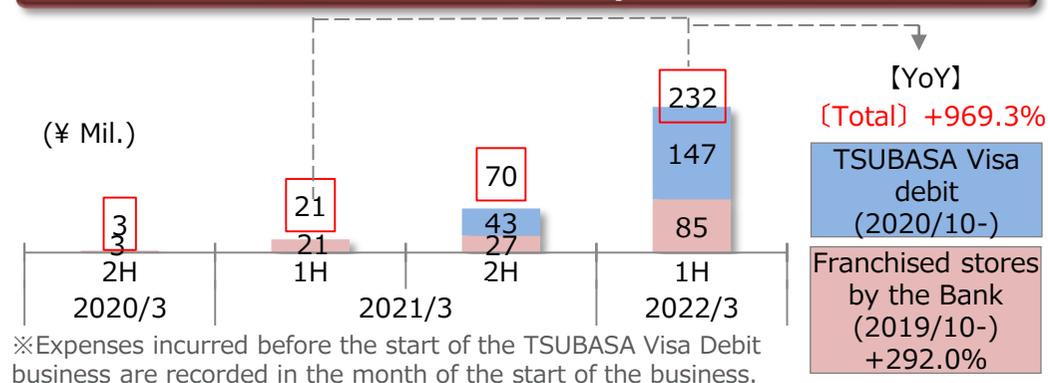
## Cashless Business ②

## Cashless business income and expenditure

		2021/3	2022/3	
		1H	1H	YoY
		(¥Mil.)		
Total of new and existing business by the Bank	Profit	287	552	264
	Revenue	1,075	1,498	422
	Expenses(-)	787	945	158
Total of new business by the Bank	Profit	21	232	210
	Revenue	69	467	397
	Expenses(-)	47	234	187
Franchised stores by the Bank	Profit	21	85	63
	Revenue	69	285	215
	Expenses(-)	47	200	152
TSUBASA Visa debit	Profit	-	147	147
	Revenue	-	182	182
	Expenses(-)	-	34	34
Existing business by the Bank	Profit	266	319	53
	Revenue	1,005	1,030	24
	Expenses(-)	739	710	(28)
Subsidiaries (Chibagin JCB Card Chibagin DC Card)	Profit	516	555	39
	Revenue	2,321	2,343	22
	Expenses(-)	1,804	1,788	(16)
(reference)				
Total of group	Profit	804	1,108	303
	Revenue	3,396	3,842	445
	Expenses(-)	2,592	2,733	141

※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

# New Businesses

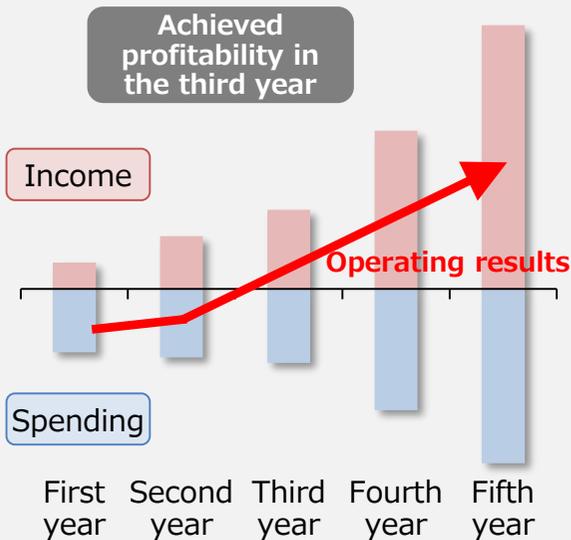
## ~ Regional Trading Companies, Remote Financial Consulting ~

### Building a Regional Ecosystem with "Non-financial services" as a hub

#### Regional trading company

Creating New VALUE for "CHIBA"

#### Revenue image of Step1



#### 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" **New**  
a crowdfunding site  
on October 14



Four projects achieved the target amount on the first day!



Target achievement rate **641%**  
(As of the end of October)



- 12 projects in operation (as of Nov. 15)
- Scheduled to open 5-10 new projects per month

#### Step 2. "Life Events"

Forming a business distribution for life events and providing one-stop financial and non-financial services

[Major areas]



#### Step 3: "Living"

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

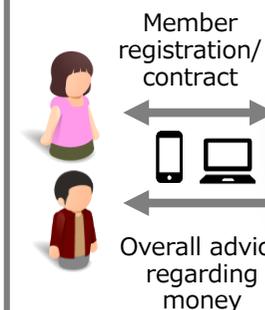
[Major areas]



#### Remote financial consulting services

### NOMURA

New



Investment advisors / agencies

**New company (Joint venture)**

Established: January 14, 2022  
Start of operations: April 1, 2022

Financial Institutions

Bank  
Securities companies  
Insurance companies  
, etc.

Do not intermedate financial products or services

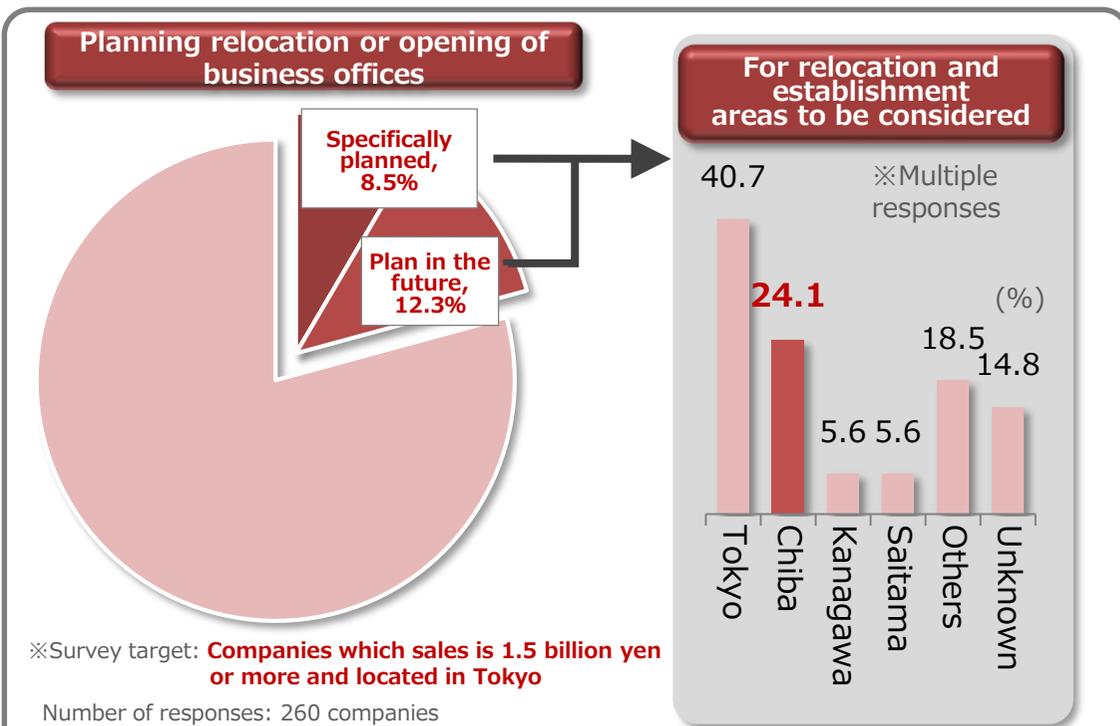
Specializing in neutrality, remote completion, and advice

# Real Estate Market Trends in the Chiba Prefecture with COVID-19

# Trends among COVID-19 Pandemic for Companies and Individuals

Many companies and citizens in the Tokyo metropolitan area are considering the establishment of business office and emigration to Chiba Prefecture

※All surveys conducted by Chibagin Research Institute in June 2021



※Survey target: **Companies which sales is 1.5 billion yen or more and located in Tokyo**

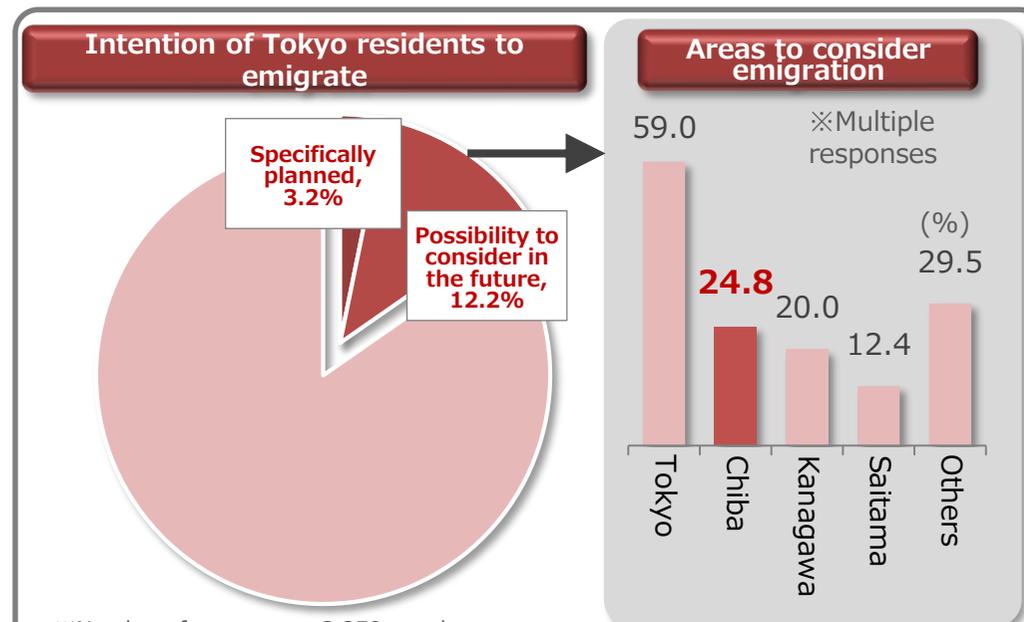
Number of responses: 260 companies

- Considering the relocation and opening in Chiba : **5.0% of the total**
- Companies with sales of 1.5 billion yen located in Tokyo: 25,823 companies

There is a possibility that approximately **1,300 large and medium-sized enterprises** located in Tokyo will **open business establishments, etc.**

#### Main reasons for choosing Chiba

- Close to the head office, business sites, business partners, etc.
- Good access by automobiles, railroads, and airports
- Ability to secure bulk land
- Expected to secure human resources



※Number of responses : 3,250 people

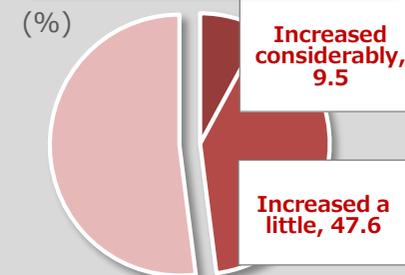
- **0.8% of the total will specifically consider moving to Chiba**
- Tokyo residents: 14.06 million

Approximately **110k people** are expected to move from Tokyo

#### Main reasons for choosing Chiba

- Have a good natural environment
- Low prices
- Traffic convenience

### "Construction or real estate company in Chiba" Inquiries for houses in Chiba Prefecture by residents in Tokyo

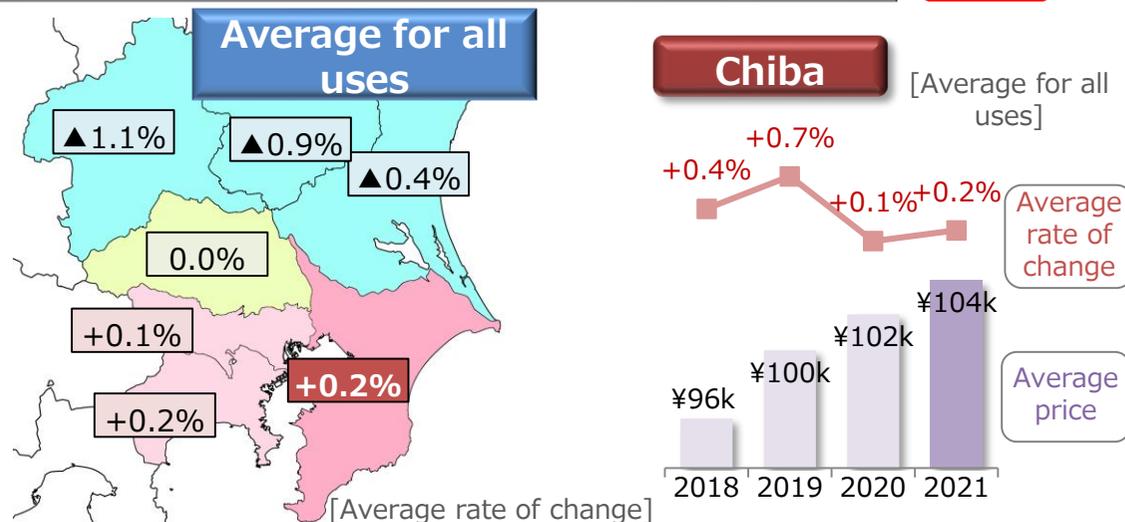


※Survey targets: Construction and real estate business in Chiba Prefecture

# Real Estate Market in Chiba Prefecture

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

## Benchmark land price in Chiba (July 2021) New



Top 10 locations for rate of increase in the Tokyo area

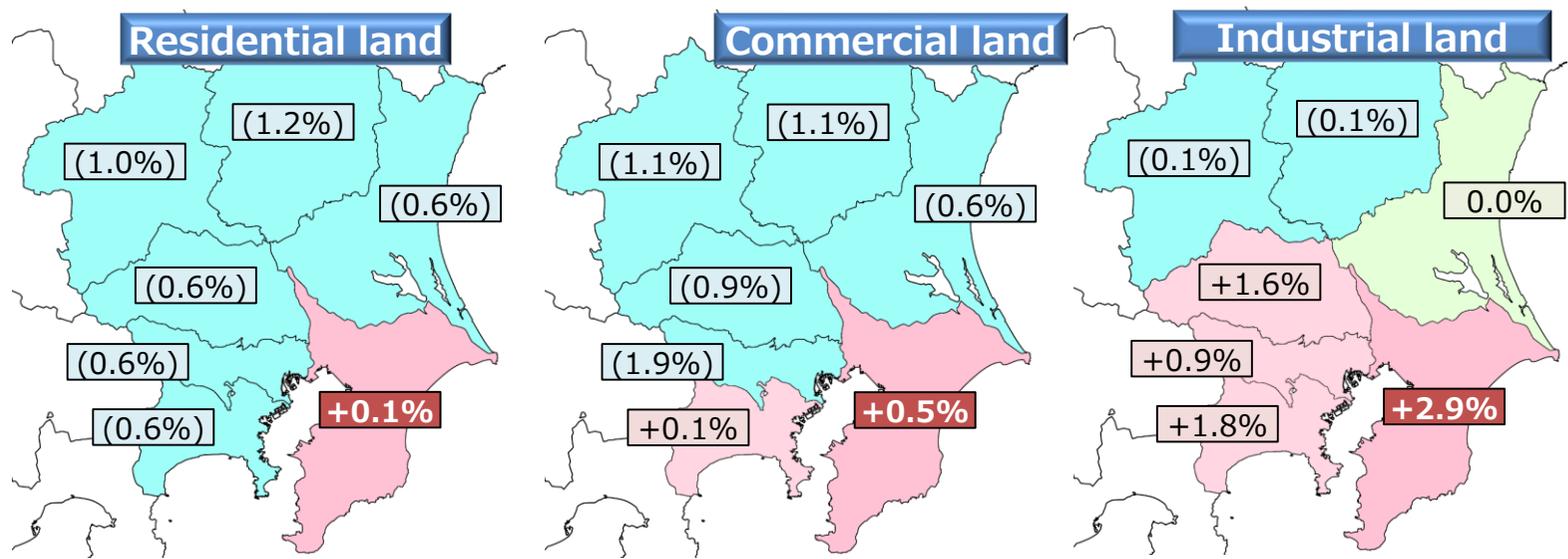
**6 out of 10 locations are in Chiba**

- Ichikawa City 3 locations
- Funabashi City
- Kisarazu City
- Kashiwa City

## Roadside land Price (January 2021) New

Kanto Koshin-etsu	Prefec-tures	Rate of change
	Chiba	+0.2%
Standard residential land Jul. 2021 Announcement	Kanagawa	▲0.4%
	Nagano	▲0.5%
	Saitama	▲0.6%
	Ibaraki	▲0.7%
	Niigata	▲0.9%
	Gunma	▲1.0%
	Tokyo	▲1.1%
	Tochigi	▲1.1%
Yamanashi	▲1.1%	

## Posted land price (January 2021) [YoY]



## Number of transfers exceeded by Prefecture (Thousand people)

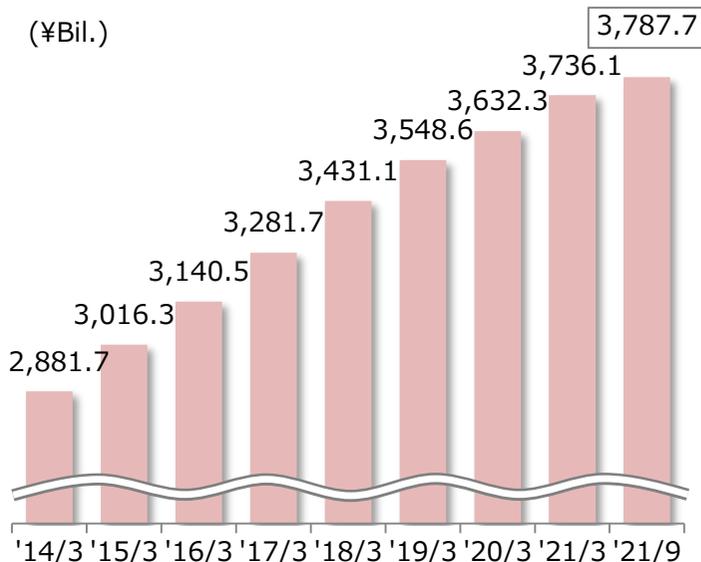
Rank	Prefec-tures	FY 2019	FY 2020	change
No.1	Kanagawa	30	29	▲1
No. 2	Saitama	26	25	▲1
No. 3	Chiba	9	13	+3
No.4	Osaka	10	10	+0
No. 5	Tokyo	83	7	▲75
No.6	Fukuoka	4	6	+1
No.7	Okinawa	1	1	▲0
No.8	Gunma	▲2	0	+3

Source: Ministry of Internal Affairs and Communications  
 ※Fiscal year: from April to March

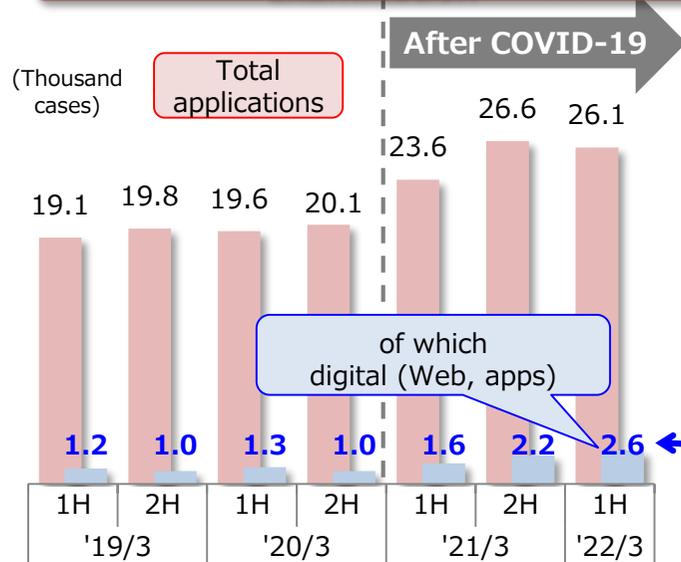
# Housing Loans

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

## Balance of housing loans

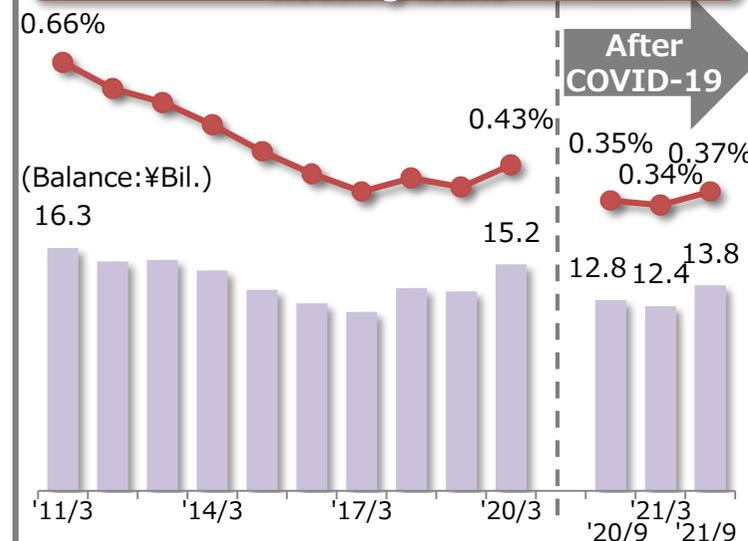


## Number of applications for preliminary examination

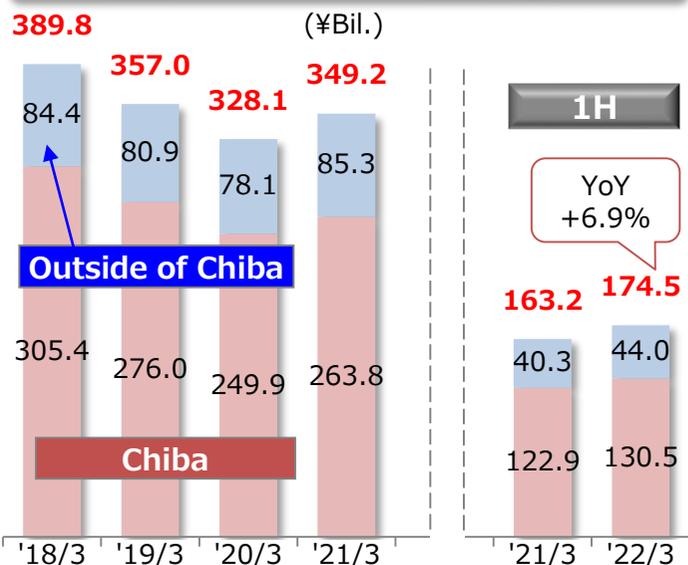


## Housing loan status of delinquency and requesting subrogation payment

### Balance and ratio of delinquency housing loans



## Executed amount of housing loans



## Measures to Expand Housing Loans

### Housing loans Web Completion scheme

[2H of FY2021] Scheduled to be introduced at all branches

**New**

Capturing digital customers

Paper Stamp Visiting branches

### Dedicated housing loans officer\*

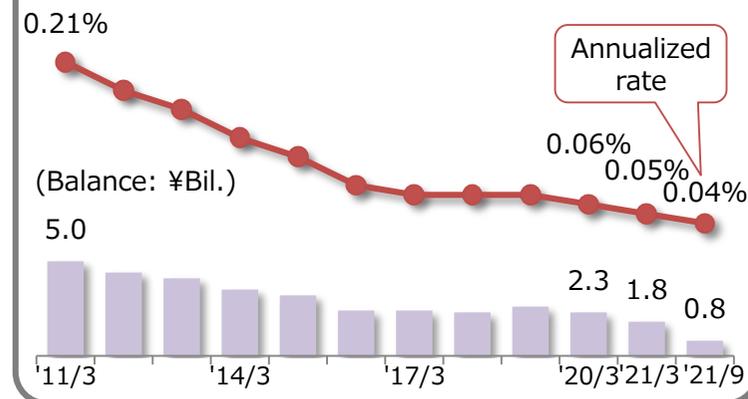
(People)

Period	Number of Officers
18/4	77
19/4	77
20/4	87
21/4~	132

Reallocate personnel devised by improving work efficiency, etc.

\* Personnel of consumer loan center, plaza and promotion office

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



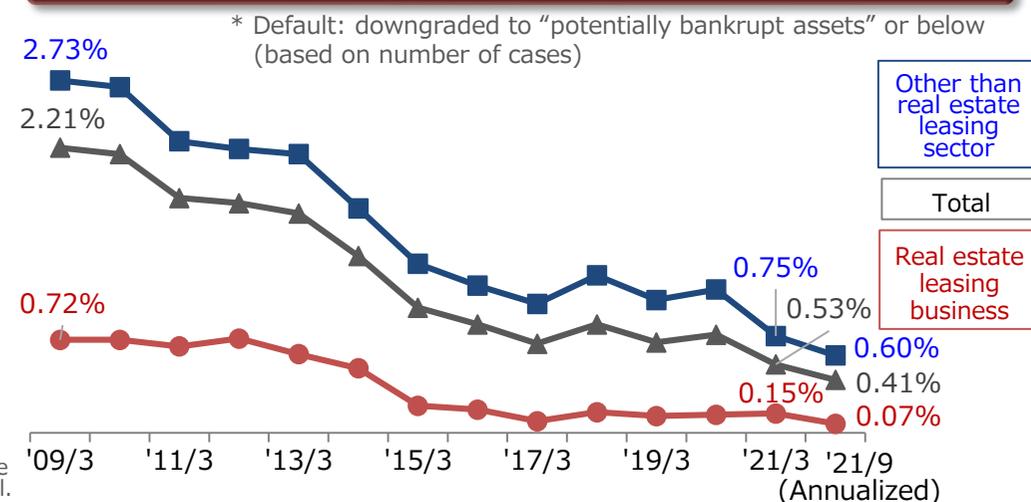
# Loans to the Real Estate Leasing

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

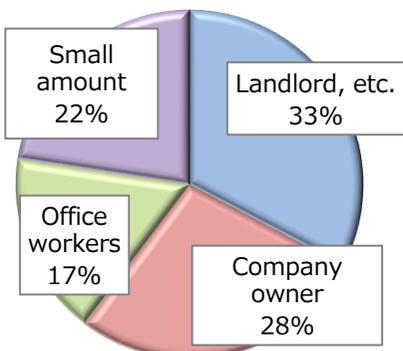
### Balance of loans to the real estate leasing sector



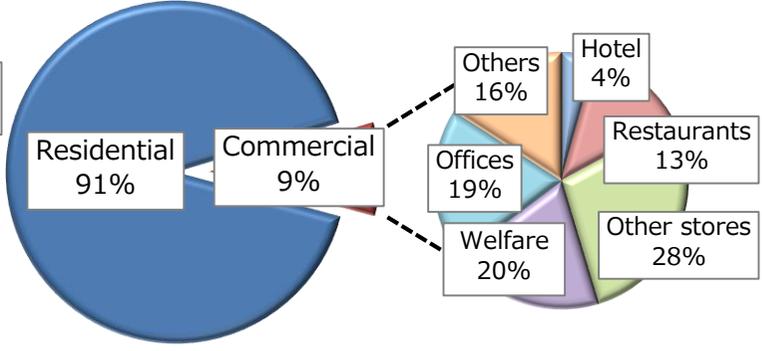
### Default-rate ※



### Ratio by borrower character

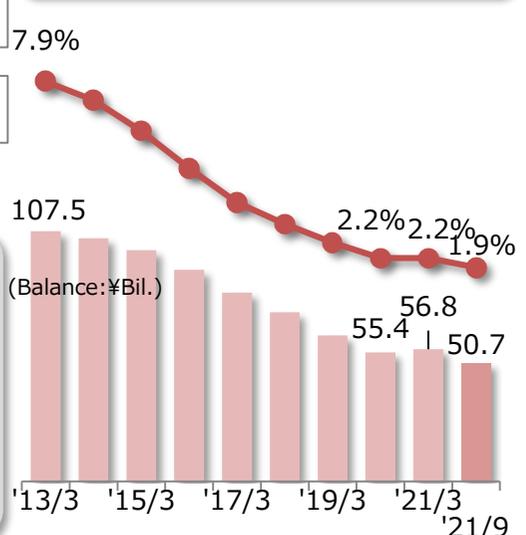


### Ratio by tenant

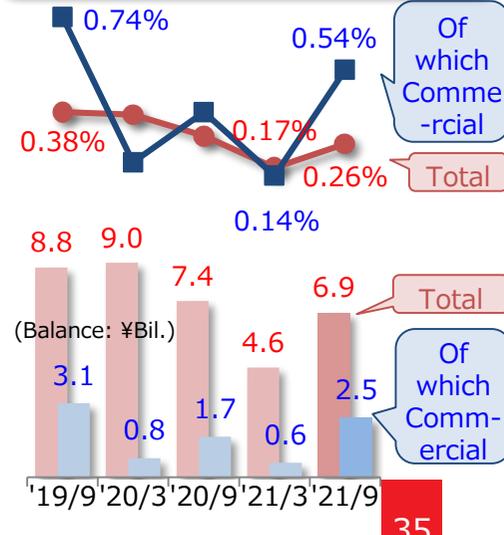


[Based on number of customers as of March 2020] ※ Ratio of "commercial" is the data which aggregate the customers whose loan outstanding is more than ¥0.1 Bil.

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



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



### Occupancy rate

Average of the customers' properties : 95.4% (national average : 83.3%)

### DSCR

Average of the customers' properties : 142%

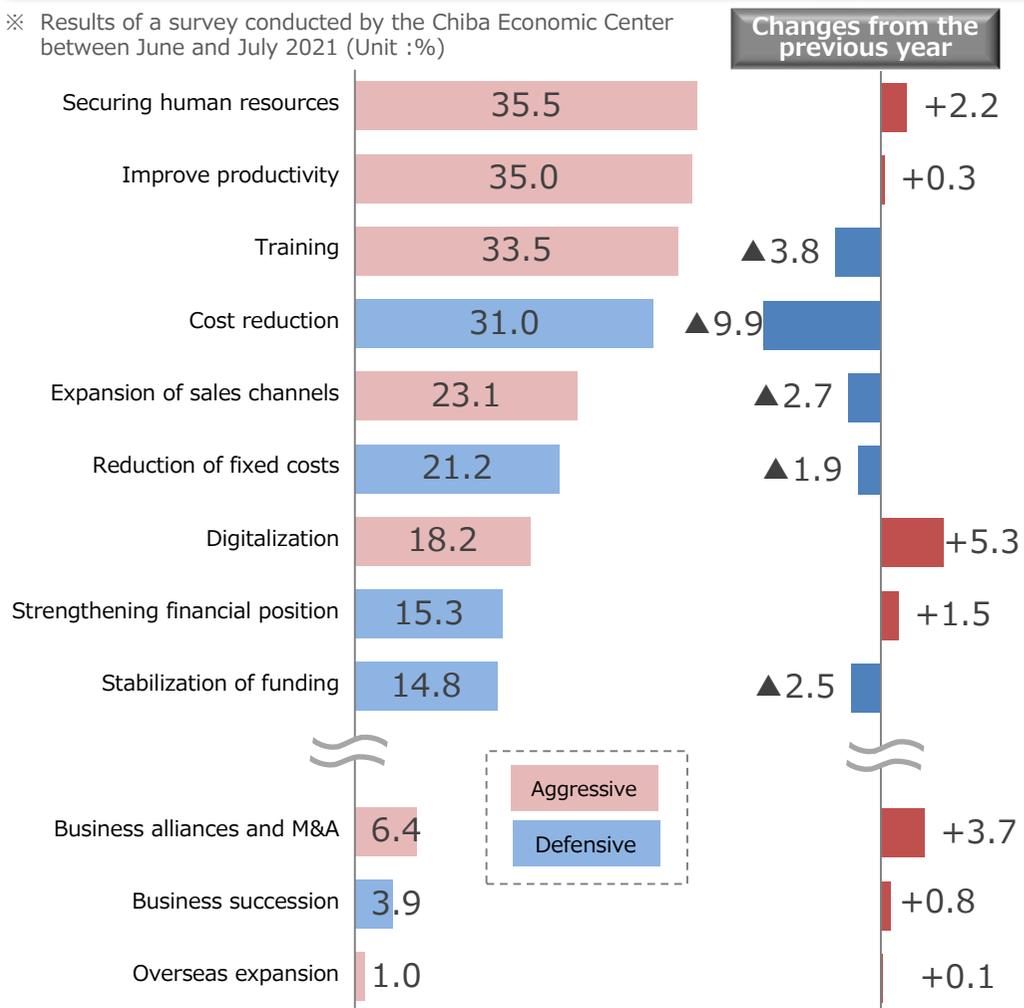
**DSCR: Debt service coverage ratio**  
 (Cash flows before principal and interest payments for the property / Principal and interest payments)  
 (If the ratio is less than 100%, the repayment and expenses cannot be covered by the property rent income.)

# Various Measures

Looking ahead to after-COVID-19, companies are aggressive ⇒ Provide optimal solutions

### Management issues of Chiba Prefecture companies

※ Results of a survey conducted by the Chiba Economic Center between June and July 2021 (Unit :%)

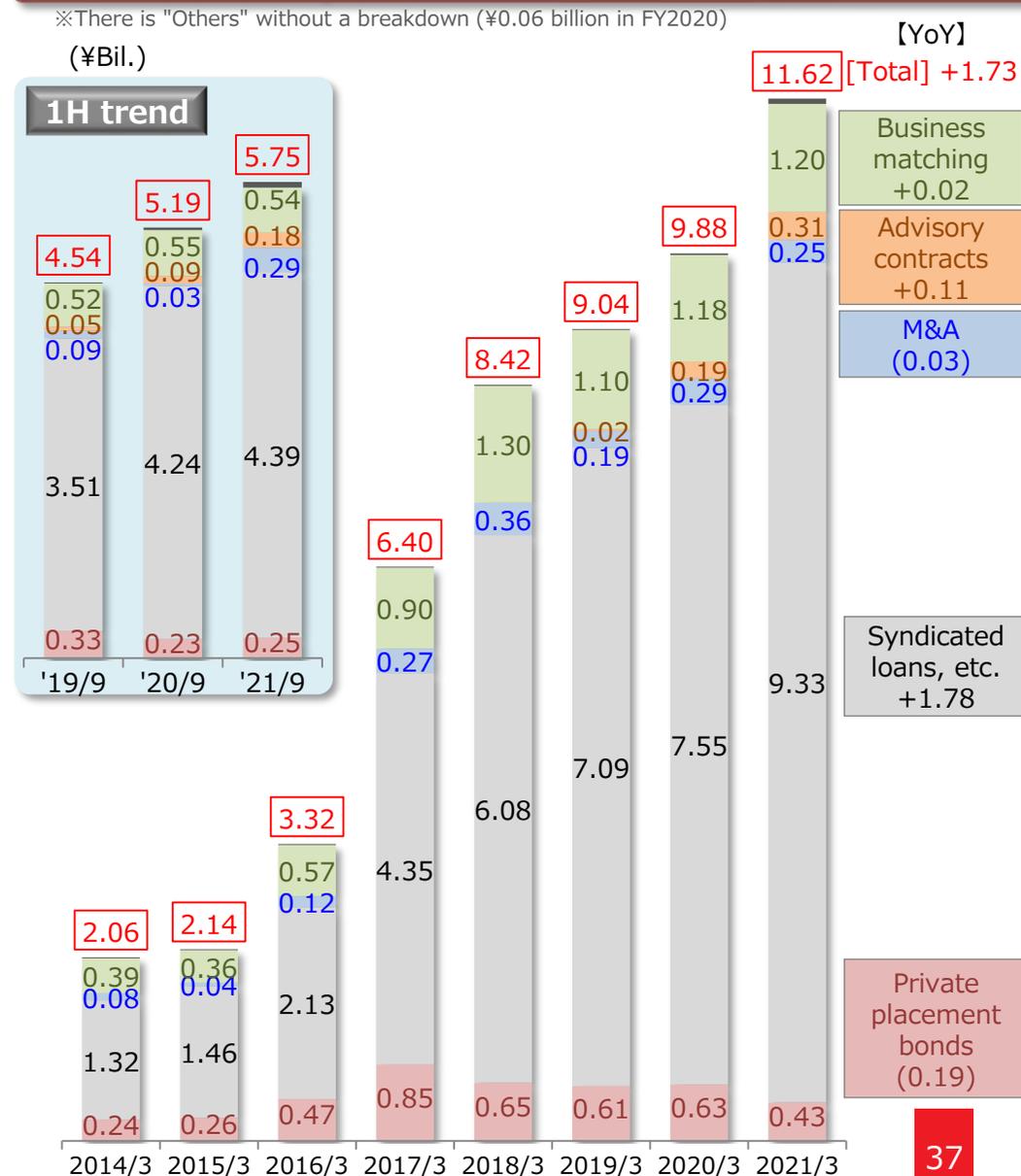


- "Aggressive" issues are along the top level
- Downward trend in "defensive" issues
- Increase in "digitization" and "M&A"

**Aggressive management stance, looking ahead to after COVID-19**

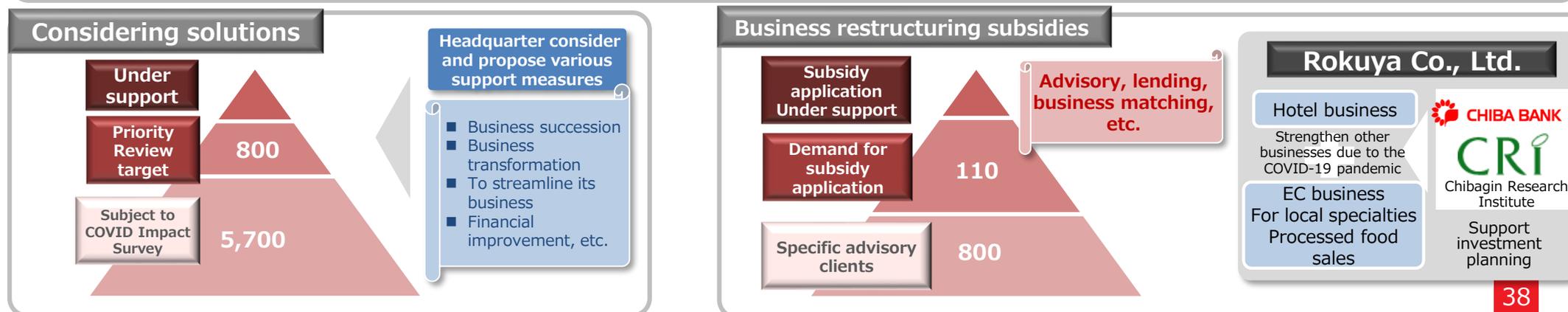
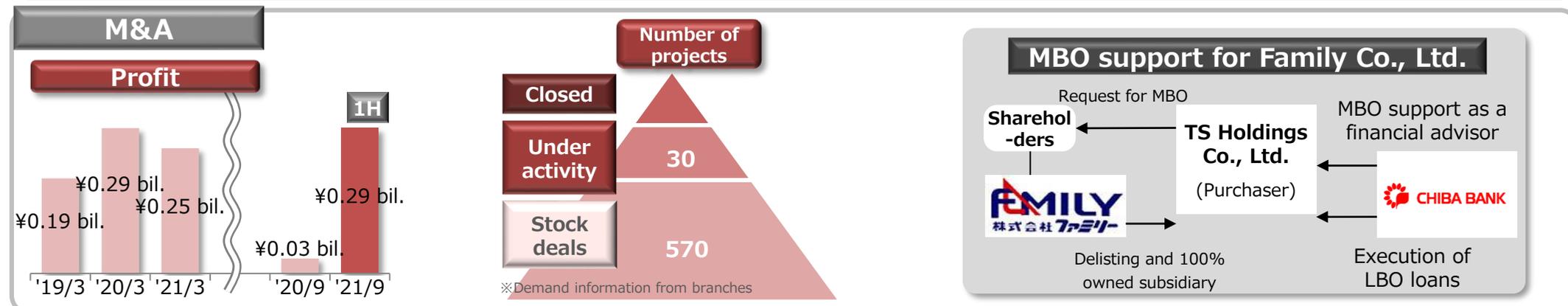
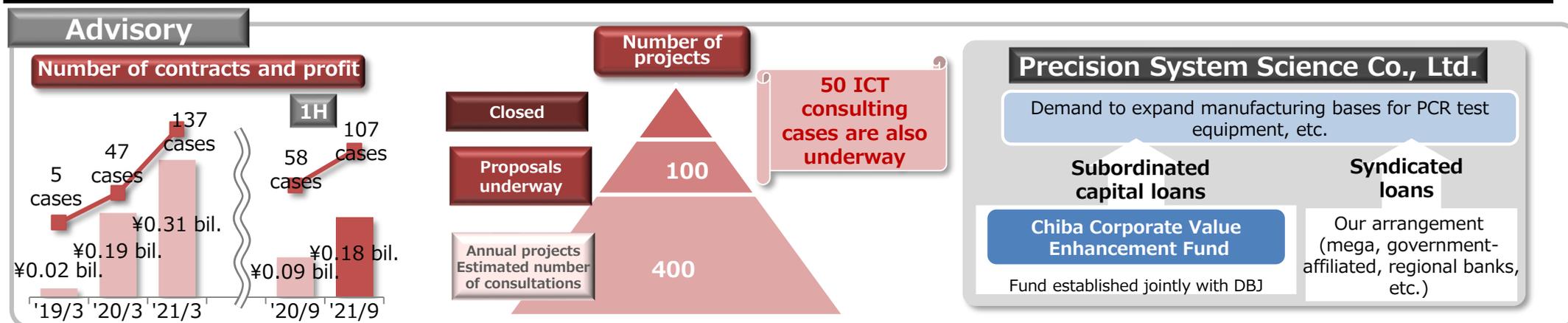
### Corporate solutions revenue

※There is "Others" without a breakdown (¥0.06 billion in FY2020)



# Corporate Solutions ②

## Discovering many demands through continuous dialogue as a partner



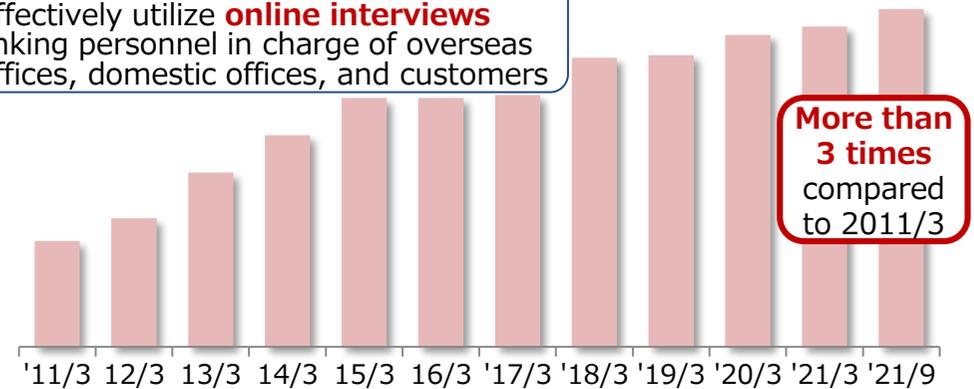
### Take advantage of the largest overseas network among regional banks

#### Overseas Network of the Bank



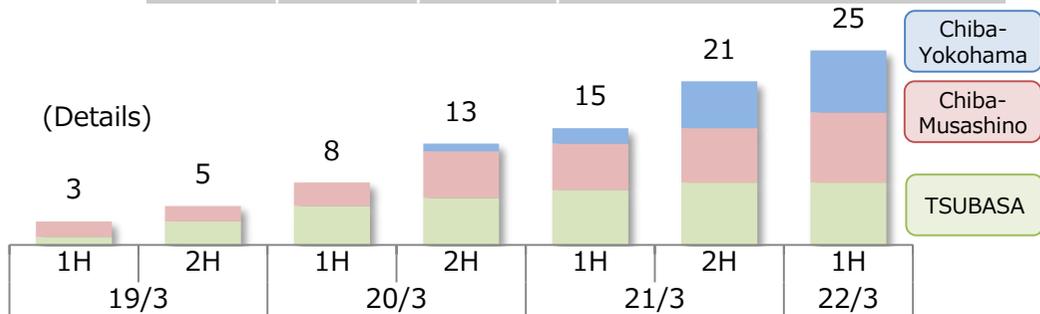
#### Loan customers number of Japanese-affiliated company at overseas branches

- Continuing support for Japanese companies despite the turmoil caused by COVID-19
- Effectively utilize **online interviews** linking personnel in charge of overseas offices, domestic offices, and customers



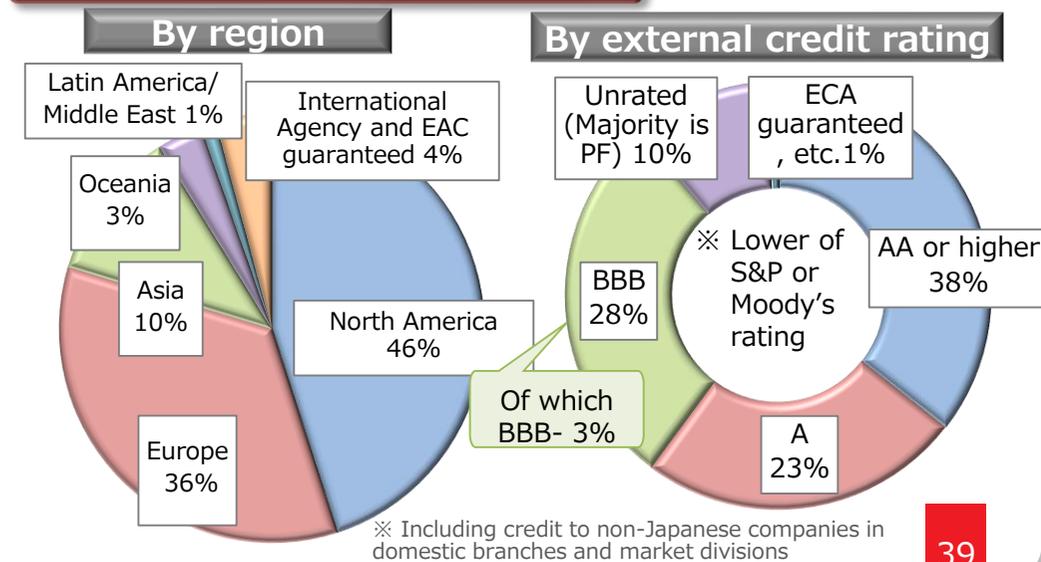
#### Cumulative Number of co-financing with alliance banks (International business)

Major initiatives in the 1H of FY2021	Timing	Alliance	Country	Affiliated overseas bases
	2021/8	Musashino	Malaysia	Chiba B/K Hong Kong Branch
	2021/8	Yokohama	Thailand	Chiba B/K Bangkok Representative Office and Hong Kong Branch
	2021/5,7	Yokohama	Singapore	Chiba B/K Hong Kong Branch Yokohama B/K Singapore Branch



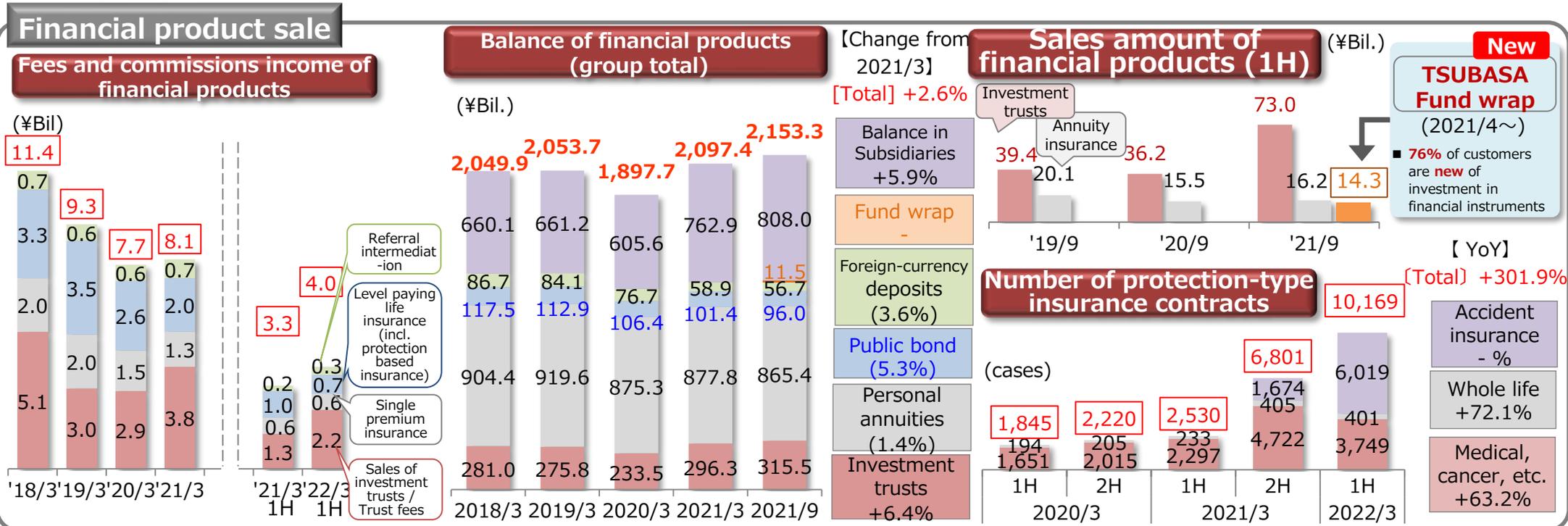
#### Balance of non-Japanese loans

[As of the end of September 2021]



# Financial Products Sales · Trust Business and Inheritance-related Service

Establishment of a system that enables various proposals to be made to customers' needs for asset management and inheritance measures



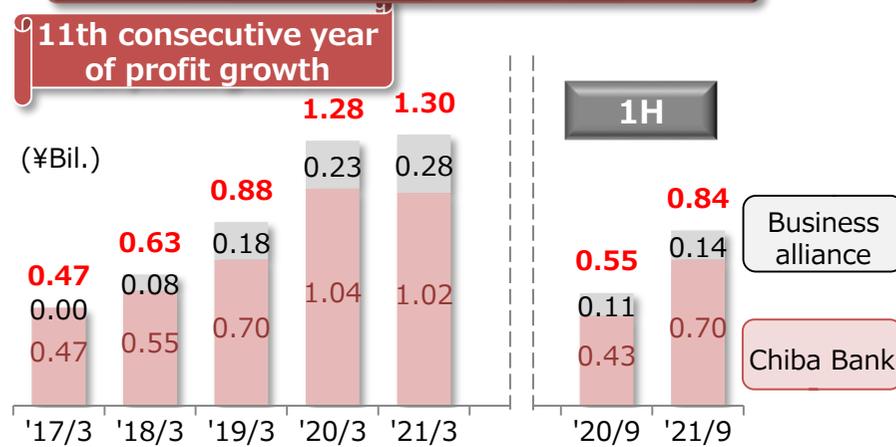
## Trust and inheritance

Inheritance-related	Trust
Testamentary trust	Land trust
Testamentary trust support services	Public interest trust
Inheritance sorting service	Specified gift trust
Management succession support service	Guardianship support trust
Family trust support service	Alternative testamentary trust

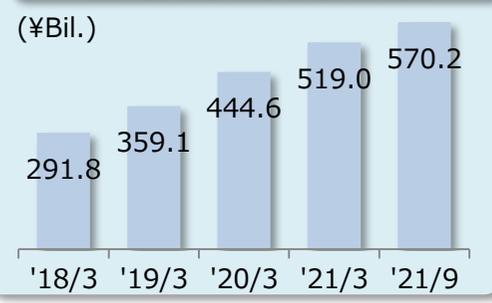
Asset management trust (2020/12~)

Measures against dementia

### Trust and inheritance-related fees



### Identifying assets through inheritance business

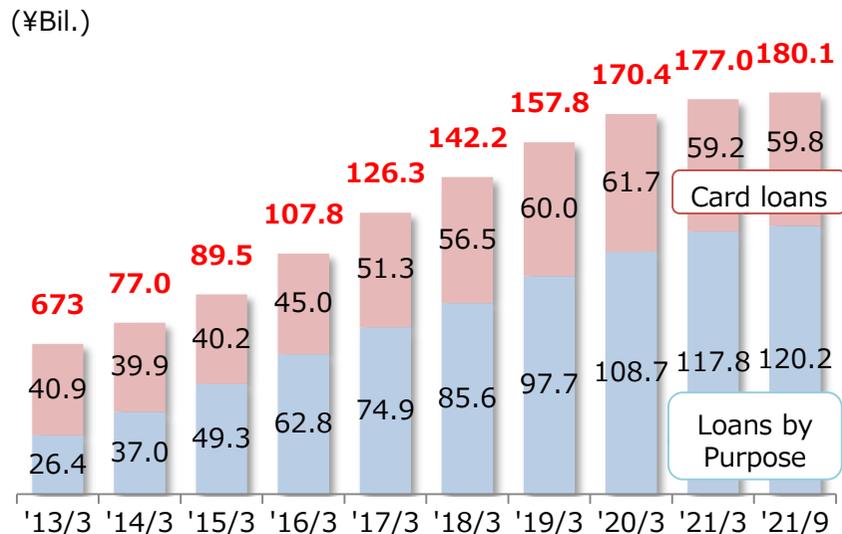


Expansion of derivative transactions

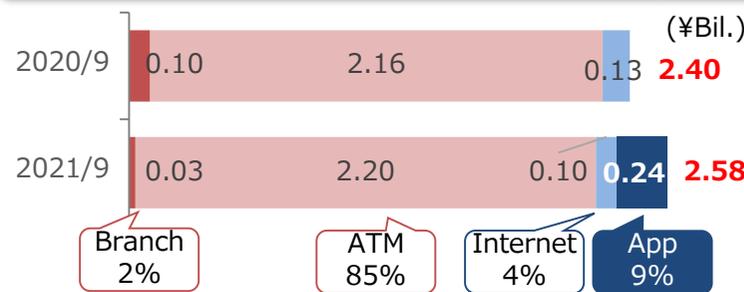
# Unsecured Customer Loans

Maintain the soundness of assets while increasing the balance

## Balance of unsecured consumer loans



## Card loan borrowing channel (Monthly transaction amount)



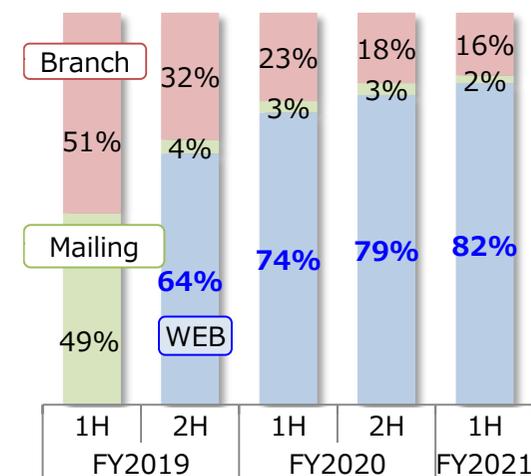
Branch 2%    ATM 85%    Internet 4%    App 9%

2021/6~ Can be traded on apps **New**

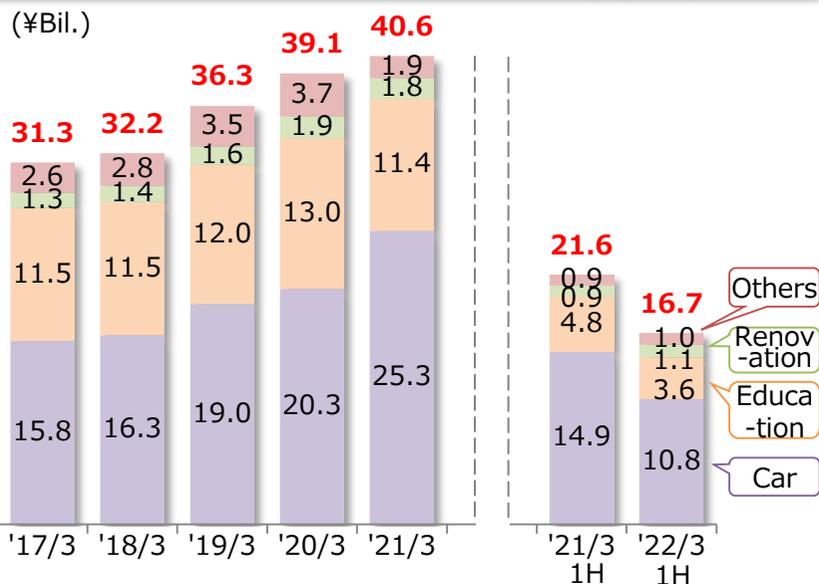
Expand share of app transactions to 9%

Overall borrowing also increased by +7.4% due to improved convenience through apps

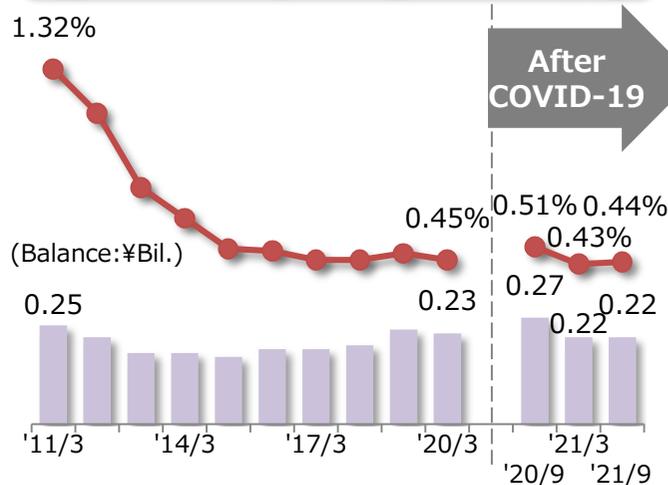
## Application method for Loans by Purpose (Number)



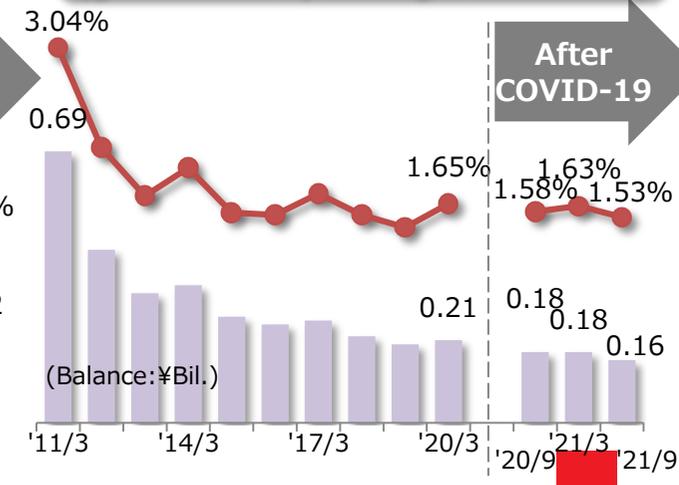
## Executed amount of loans by purpose



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



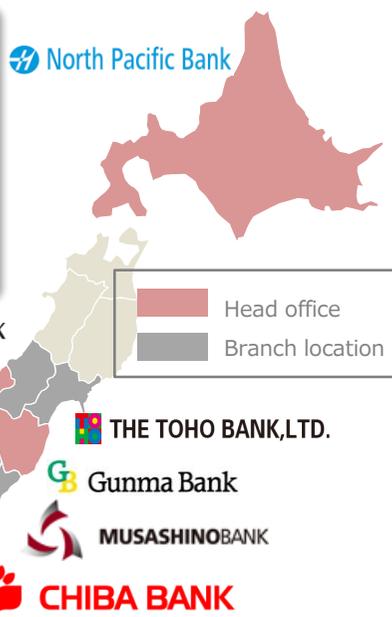
## Balance and ratio of delinquency card loans (guaranteed by Chibagin Guarantee)



# 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 91 trillion yen is next to megabanks (as of June 2021)
- 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

#### AML Center (2020/10~)

- Money laundering
- Suppression of the Financing of Terrorism

#### T&I Innovation Center

- Common API infrastructure
- FinTech

#### Business Strategy Division (2021/10~) New

DX

Human resource development

ESG·SDGs

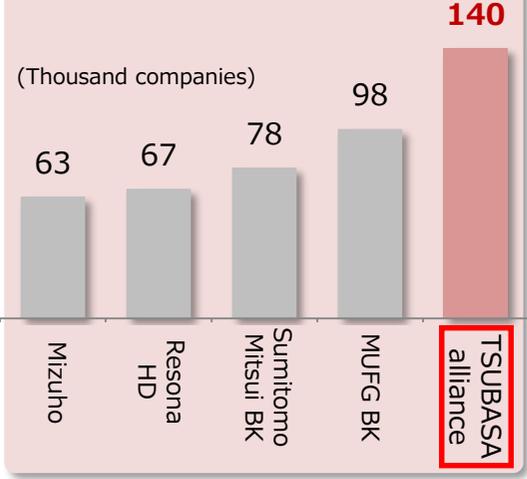
New businesses

Consolidation and utilization of information

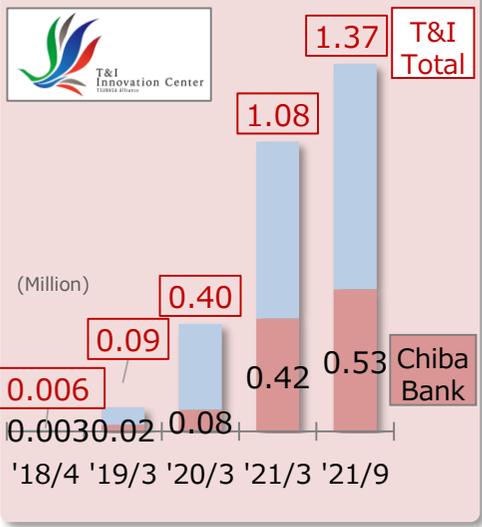
Collabo-ration

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

Source: TEIKOKU DATABANK, Ltd. "National Survey of Main Banks, 2020"

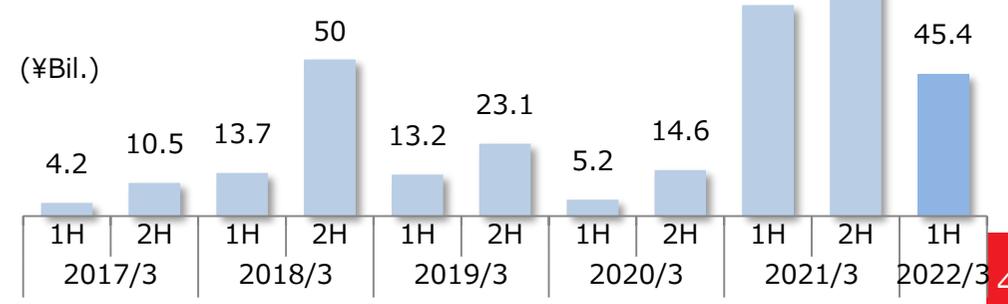


#### "T&I" Number of individual user IDs on the API platform



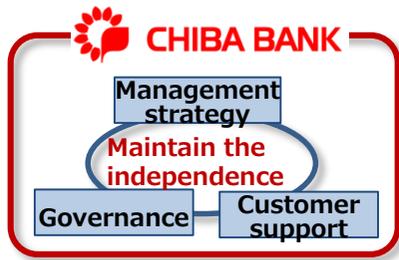
#### Results of syndicated loan by Tsubasa banks

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



# Chiba-Musashino Alliance

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



Realize a deepened regional banks as a frontrunner in regional bank collaboration

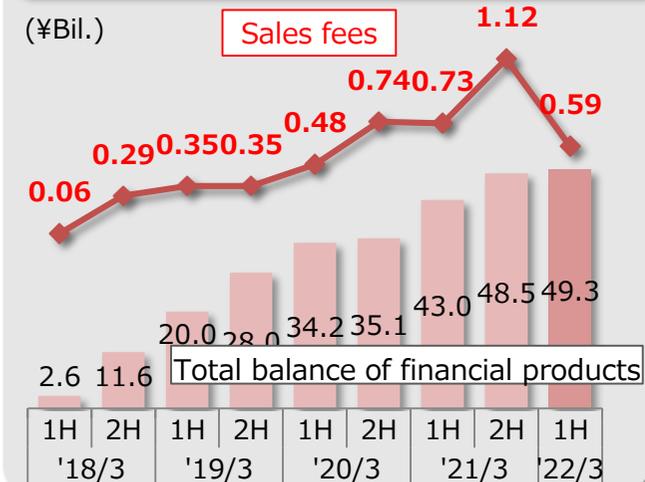


New

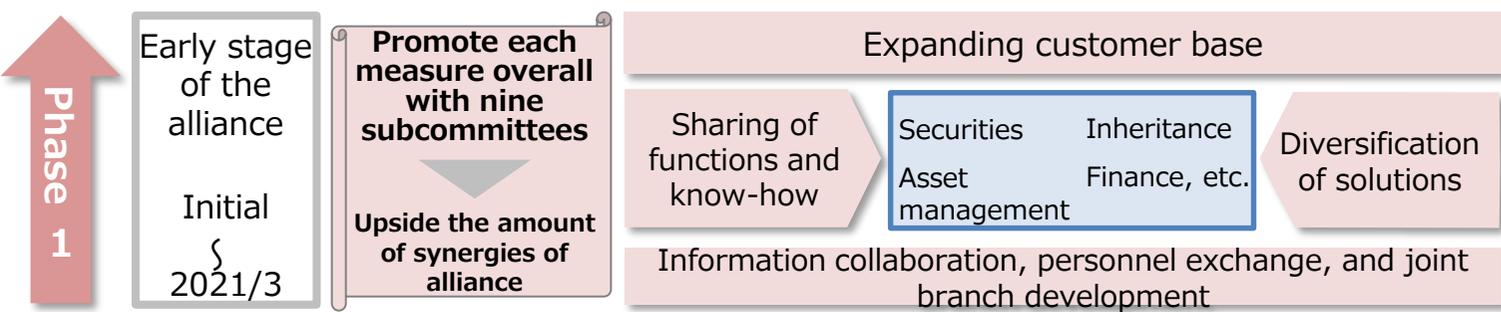
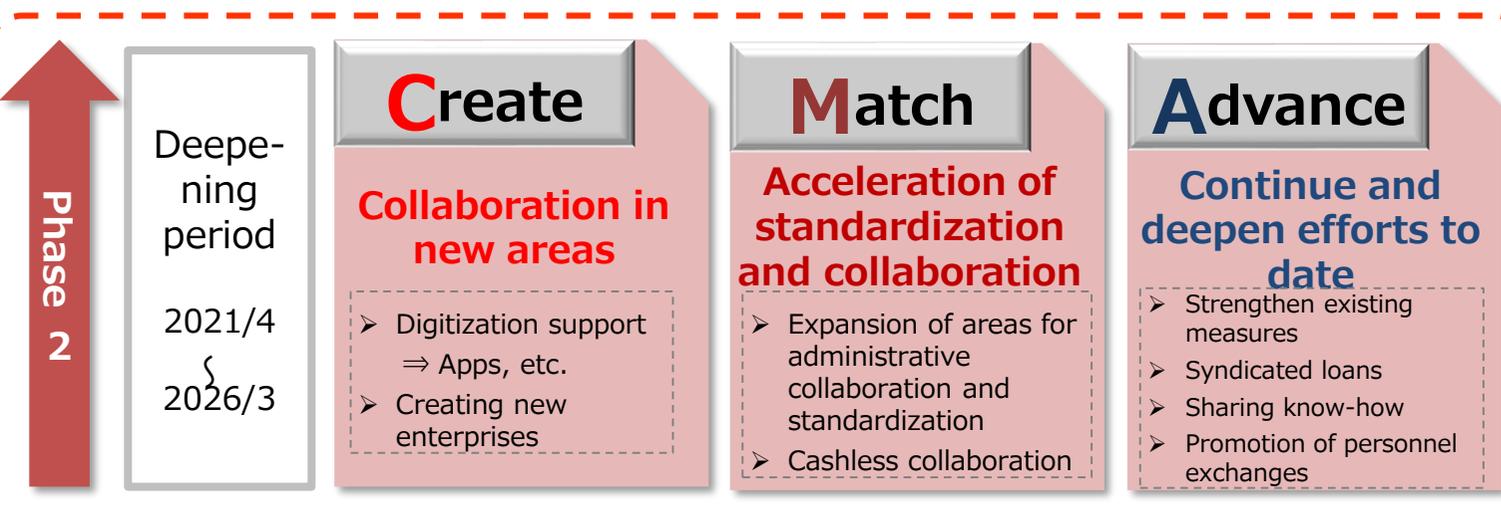
By Musashino Bank in July 2021  
Started handling TSUBASA fund wrap

※Not included in the graph below

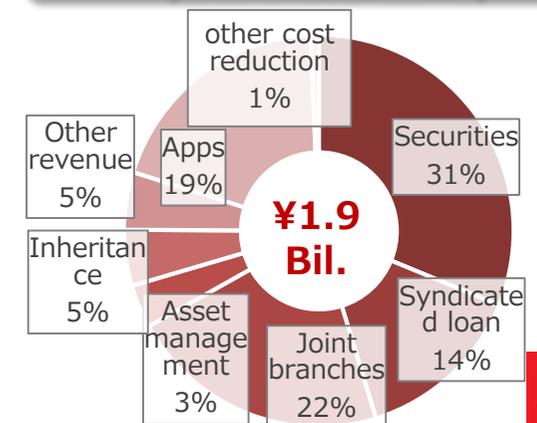
Musashino Bank ⇒ Chibagin Securities "Introduction cases"  
Total balance of financial products and sales fees



Leap period  
Standardization and collaboration (administrative and headquarters operations)



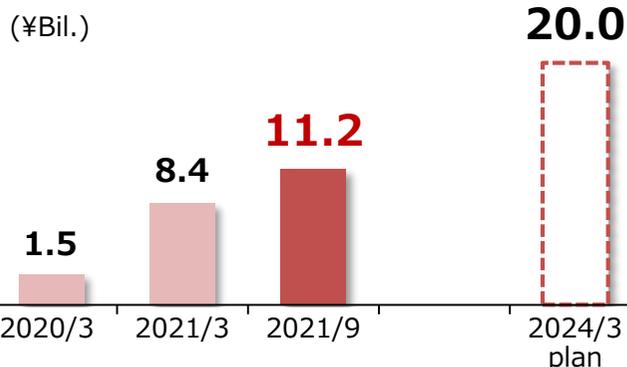
Effect of alliance in the 1H (total of both banks)



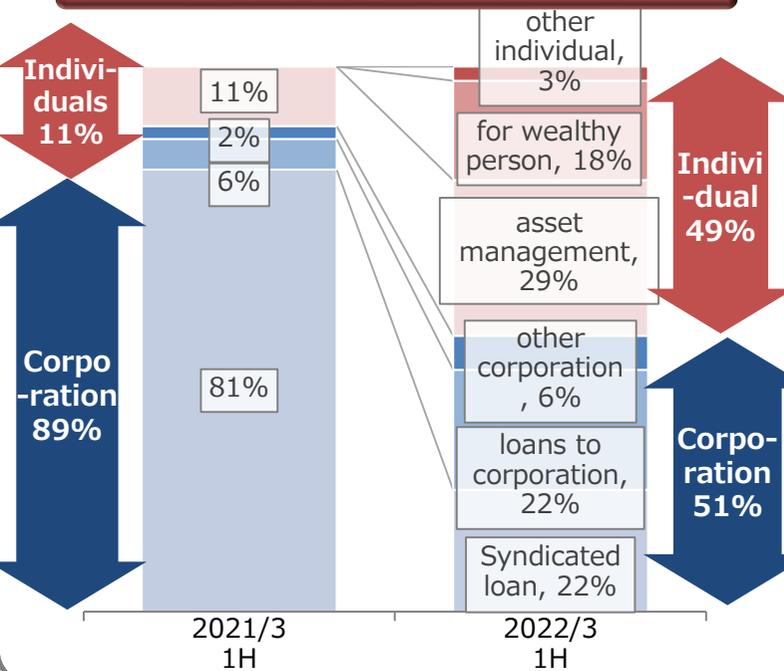
In addition to the corporate sector, the effects of collaboration in the personal Sector have begun to appear conspicuously, and the amount of effects is steadily trending toward a cumulative 5-year total of ¥20 billion

### Collaboration synergies (total of both banks)

#### Cumulative trends

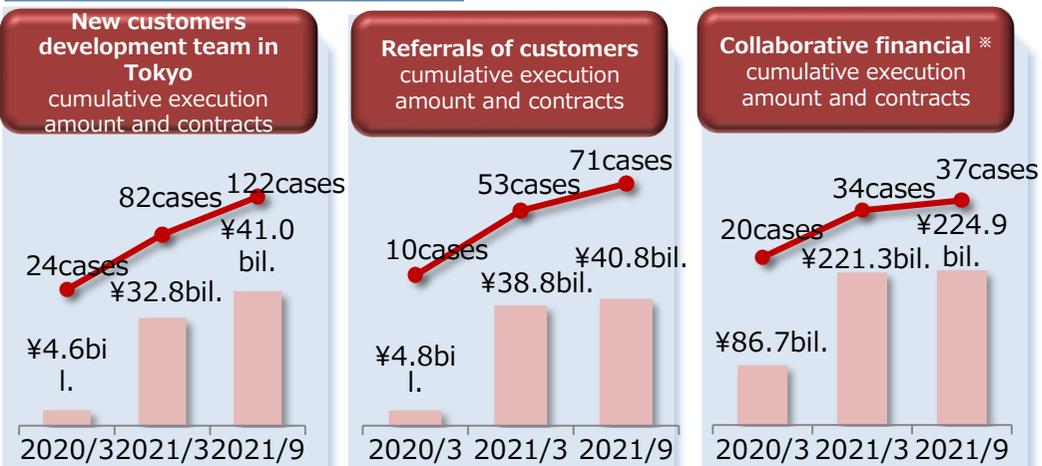


#### Transition of Breakdown



### Progress of various collaboration measures

#### Corporate sector



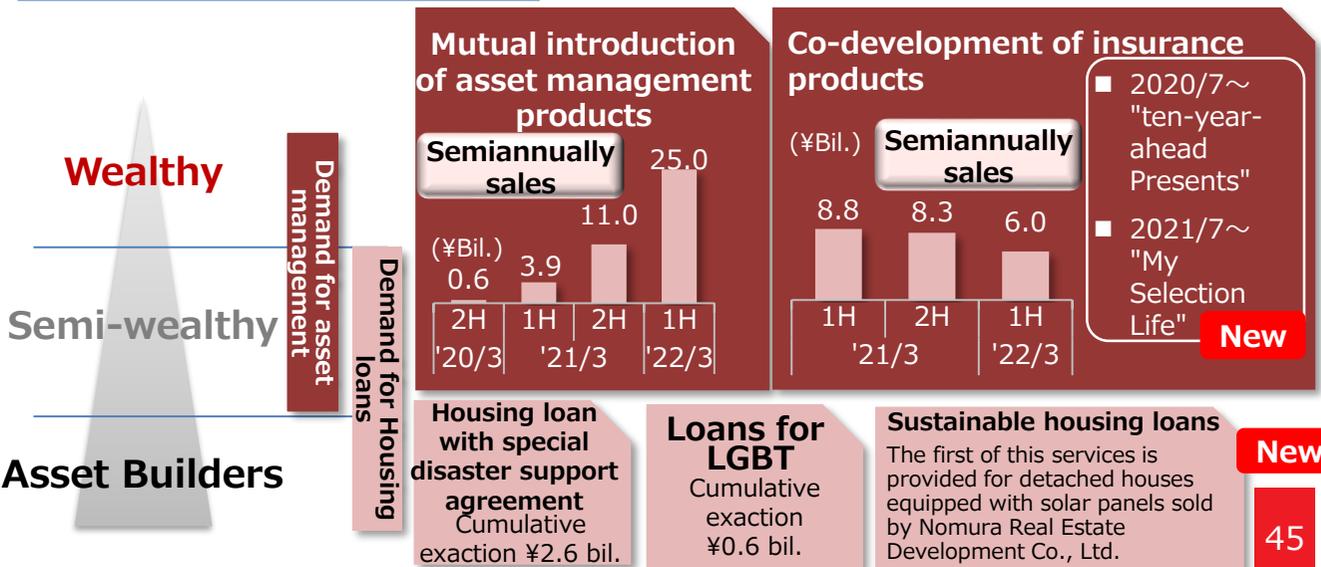
#### Digital strategy

Considering collaborative measures in apps and portals, etc.

#### Human Resource Development

- Mutual opening of holiday seminars
- Cooperation in support of acquisition of qualifications

#### Personal Sector



New

New

# Sustainability

# Aiming to Balance Social Value and Economic Value with a Long-Term Orientation

## Chiba Bank group declaration on SDGs

Theme	Key issues	SDGs goals
<b>Regional economy and community</b>	Contribute to the revitalization of the regional economy and local communities	
<b>Population aging</b>	Support safe and secure lives for the elderly	
<b>Financial Service</b>	Provide financial services for better life	
<b>Diversity</b>	Promote diversity and work style reforms	
<b>Environmental conservation</b>	Contribute to the conservation of a sustainable environment	

### Chibagin Forest

A total of six maintenance activities since 2003 (tree planting and tree-growing)

- Cumulative total of plant : Approx. 20,000 trees
- CO2 absorbed: Approx. 200 tonnes



## Strengthening ESG initiatives to realize sustainability management

### Structure, etc.

ESG Promotion Committee established	2017/10
Publication of integrated report	2019/7~
SDGs Promotion Office established	<b>New</b> 2021/10

### Environment

Forest maintenance activities (Chibagin Forest)	2003~
Commitment to TCFD* recommendations <small>*Task Force on Climate-related Financial Disclosures</small>	2019/12
Loan policy revision (Tightening the loan to coal-fired power plants, cluster munitions, palm oil, and deforestation businesses)	2019/12
Establishment of "Chiba Bank Group Environmental Policy"	2020/11
Establishment of Sustainable Finance Targets	<b>New</b> 2021/7

### Social

Talent bank for regional banks	2015~
Handling of donation-type private placement bonds	2016~
Establishment of the "Chiba Bank Group Human Rights Policy"	2020/11
Donation course added to shareholder benefit system	2021/3~
Formulation of new action plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace	<b>New</b> 2021/7
	<b>New</b>

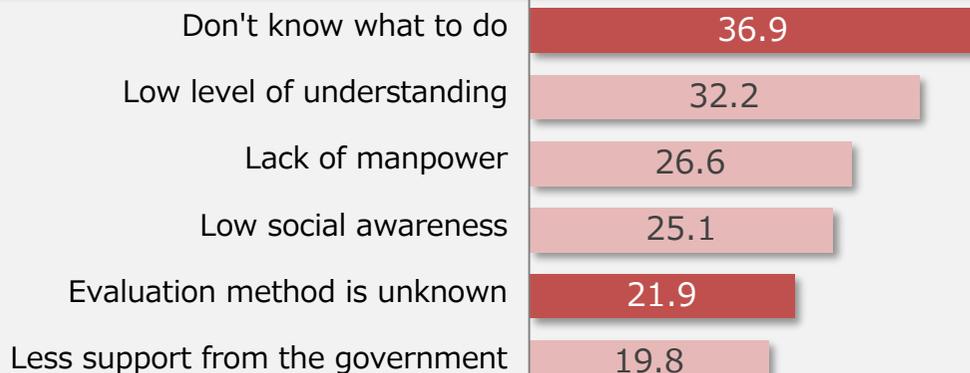
### Governance

Established the Corporate Advisory Committee (currently the Appointment, Remuneration, Management Advisory Board)	2015
Introduced group chief officer (CxO) system	2018
Introduction of restricted stock remuneration plans	<b>New</b> 2021/6

# Challenges in the Promotion of SDGs by Local Companies and Governments

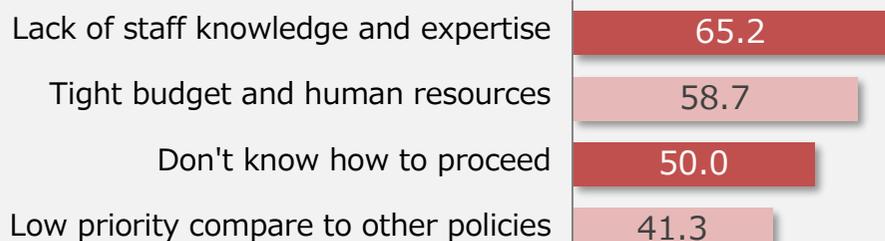
## Promoting SDGs together with local companies and governments

### Challenges when local companies work on SDGs



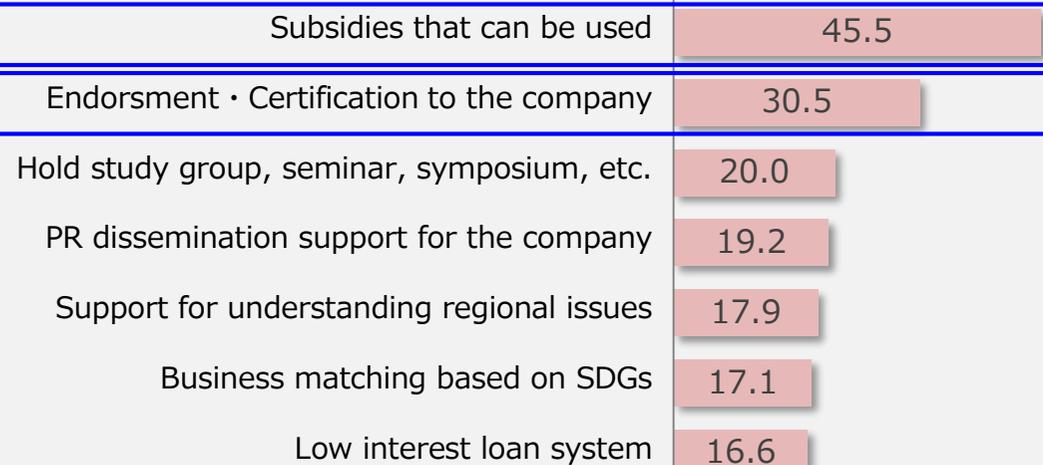
Mostly "Don't know what to start with"

### Challenges when local governments work on SDGs



Mostly "Don't know how to proceed"

### Supportive measures that will boost promotion



Support from local governments and development of certification systems will boost promotion

Work together with local companies and governments in order to boost SGDs promotion

Agreement signed to support the promotion of regional revitalization SDGs (October 2021)

#### Matsudo City

- Regional Revitalization SDGs
- Cashless, digital
- Decarbonization
- Child care support, women's active participation, etc.

#### Sammu City

- SDGs dissemination and enlightenment for individuals and SMEs, etc.
- (Establishment of SDGs Declaration System)

Agreement signed between Chibagin Research Institute

For companies: Offering various products (next page)

※ Survey conducted by Chibagin Research Institute between May and June 2021/Unit: %  
Number of respondents: 435 corporate questionnaires, 47 municipal questionnaires

# Sustainable Finance

## Actively promoting sustainable finance to realize a decarbon society

### Sustainable finance

Sustainable Finance※  
Execution amount target  
(from April, 2019 to March, 2031)

**¥ 2 tri.**

Of which, environmental finance  
Execution amount target  
(from April, 2019 to March, 2031)

**¥ 1 tri.**

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

### New Products for corporate customers

■ Promoting sustainable loans by preparing products by company size

Large enterprises	Chiba Sustainability Linked Loan (from October 2021)
Medium-sized companies	Currently under consideration with the aim of designing products that are easy for medium-sized companies to use while being aware of international principles. (to be released during FY2021)
Small and Medium Enterprises	SDGs Friends Loan (from October 2020)

Cumulative exaction  
¥150.7 bil.  
(As of the end of September 2021)



### New Products for individual customers

■ Application of a discount rate to loan for environmentally friendly uses

Loans by purpose	Loans for car and home renovation (from October 2021)
Housing Loans	Sustainable housing loans (Scheduled to be handled from late November 2021)

### Environmental finance

■ Financial support for customers working on the Utilize of renewable energy

As of the end of 2021/9	Loans balance
Solar power generation	¥131.1 billion
Biomass generation	¥14.6 billion
Wind power generation	¥12.8 billion
Water power generation	¥0.6 billion
<b>Total</b>	<b>¥159.1 billion</b>

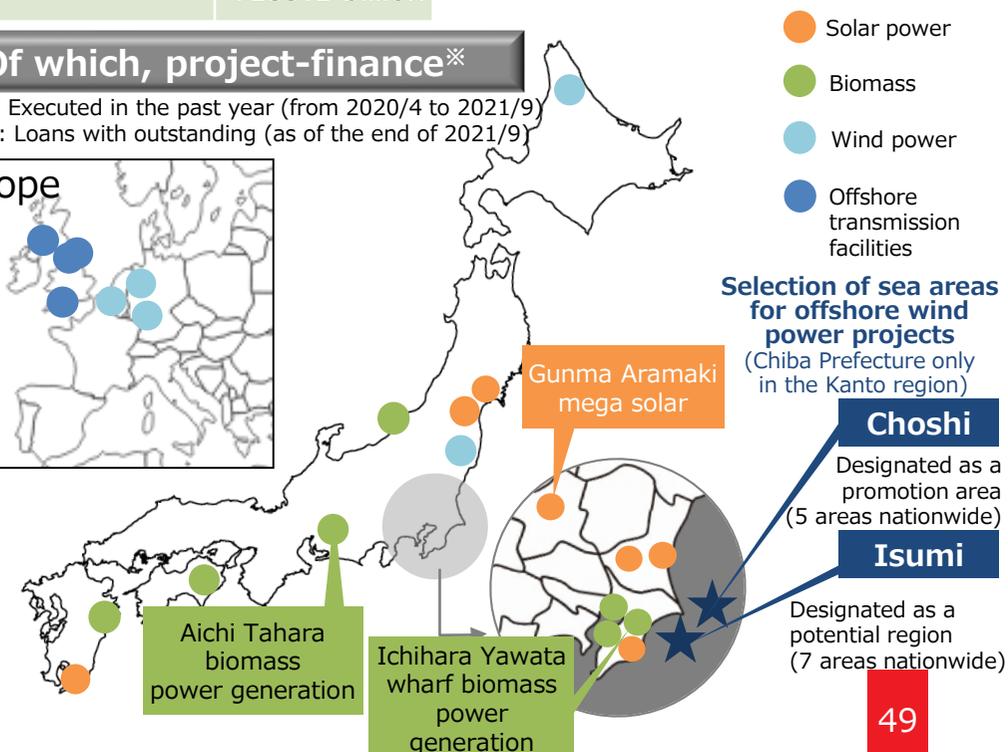
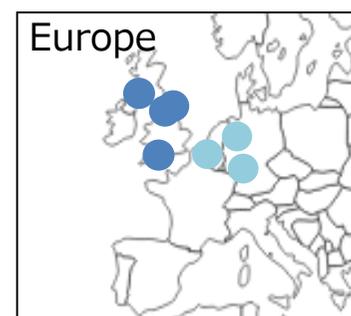
Amount of renewable energy generated from loans provided by the Bank (cumulative) ※

- Annual power generation :  
Approx. 6.2 millionMWh
- Converted to households :  
Approx. 1.7 million households
- CO2 savings :  
Approx. 2.7 million tonnes

※Include projects under construction

### Of which, project-finance※

※Japan: Executed in the past year (from 2020/4 to 2021/9)  
Europe: Loans with outstanding (as of the end of 2021/9)



# Responding to Climate Change

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

### Scenario analysis results (accrual of credit risk)

**Physical risks**

To 2050

- Large-scale storm and flood disasters, etc.
- Sea level rise

- Loss of real estate collateral
- Business stagnation due to damage to customers' business locations
- Withdrawal from business due to damage to customers' business locations

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.**

**Transition risks**

To 2050

Transition to a decarbonized society

- Impact on customers' businesses due to changes in regulations, taxation, etc.
- Impact on customers' business due to failure of decarbonization-related technologies or changes in the market

Increase in credit costs ※2

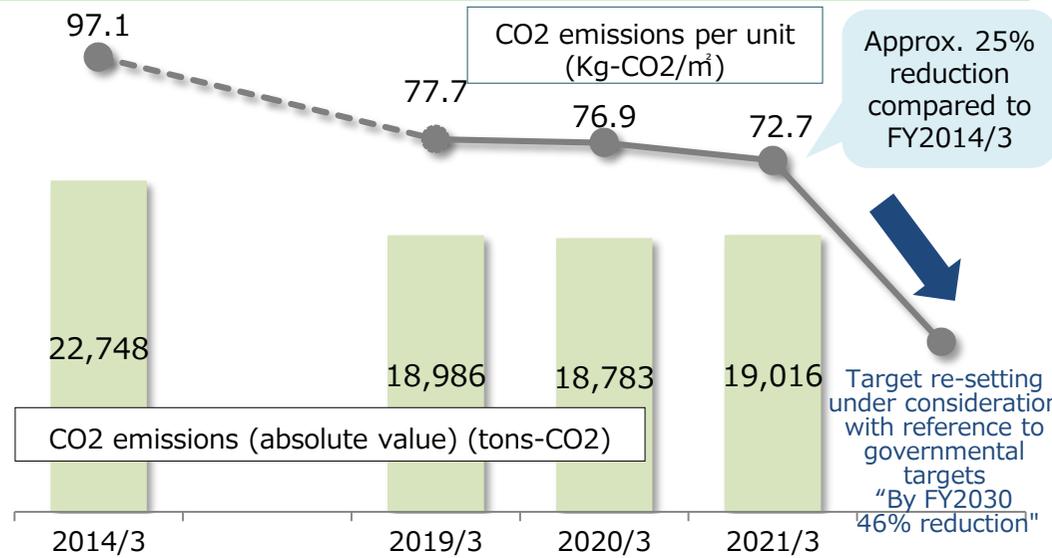
**Maximum of ¥14 bil.**

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

Oil, Gas, Coal

Power, Utilities

### Changes in CO2 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)	2019/3	2020/3	2021/3
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

**Balance target for coal-thermal power generation loans**

**Zero by March 2037**

**New**

[Responding to TCFD]

※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.

Utilizing diverse human resources, contributing to regional revitalization and support for customers in COVID-19

### Numerical targets based on the Act on Promotion of Women's Participation and Advancement in the Workplace

Action plan (achieved) Apr. 2016 to Jul. 2021	FY 2007	As of 2021/7	Target for 2021/7
Percentage of management positions held by women (No. of persons)	2.0% (17)	20.0% (203)	20%
Percentage of leadership positions held by women (No. of persons)*	9.4% (98)	31.6% (289)	30%

New

Achieved

New Action Plan Jul. 2021 to Jul. 2026	As of 2021/3	As of 2021/7	Target for 2026/7
Percentage of leadership positions held by women (No. of persons)	-	25.5% (492)	30%
Percentage of employees taking paid leave	70%	-	80%
Percentage of men taking child-care leave	112.7%	-	100% Continued

※Personnel with subordinates and equivalent positions, such as branch manager agents, who are responsible for organizational management as responsible for operations.

### Contribution to regional communities

#### Utilization of vacant public facilities

New

- Support for commercialization of Takakiko Gramping Resort utilizing the former Takataki Elementary School in Ichihara City, which has closed down



Ichihara City

Requested support for commercialization

**CHIBA BANK**

- Support for application for grants\*
- Support for business plan formulation
- Loans for necessary funds
- Operational support for referrals to food service providers, etc.

Elementary school rental

Granbar Group Co., Ltd.  
[Business entity:  
HAMIRU Co., Ltd.]Support for commercialization  
Loan response

\*Ministry of Internal Affairs and Communications, "Subsidy for the Creation of Regional Economic Circulation"

#### Issuance of privately placed bonds

(cumulative from the start of handling to the end of September 2021)

	Number of issues	Issuance amount	Donations amount
Local Revitalization	620 cases	¥61.0 bil.	¥1.03mil.
Sports-Supporting	64 cases	¥5.7 bil.	¥0.08mil.
Medical Support	86 cases	¥9.9 bil.	¥0.12mil.
Total	770 cases	¥76.8 bil.	¥1.25 mil.

### External Evaluation



The "New Diversity Enterprise 100" selected by METI

First as financial institution



"Nadeshiko Brand" selected by METI and Tokyo Stock Exchange

Forth consecutive year



METI, Nippon Kenko Kaigi "The Certified Health and Productivity Management Organization Recognition 2021(Large Enterprise Category (White 500))" selected

Third time



2021 J-Win Diversity Award Advance Division

Grand Prize

Nikkei WOMAN  
June 2021  
"Best 100 companies in which women are active"

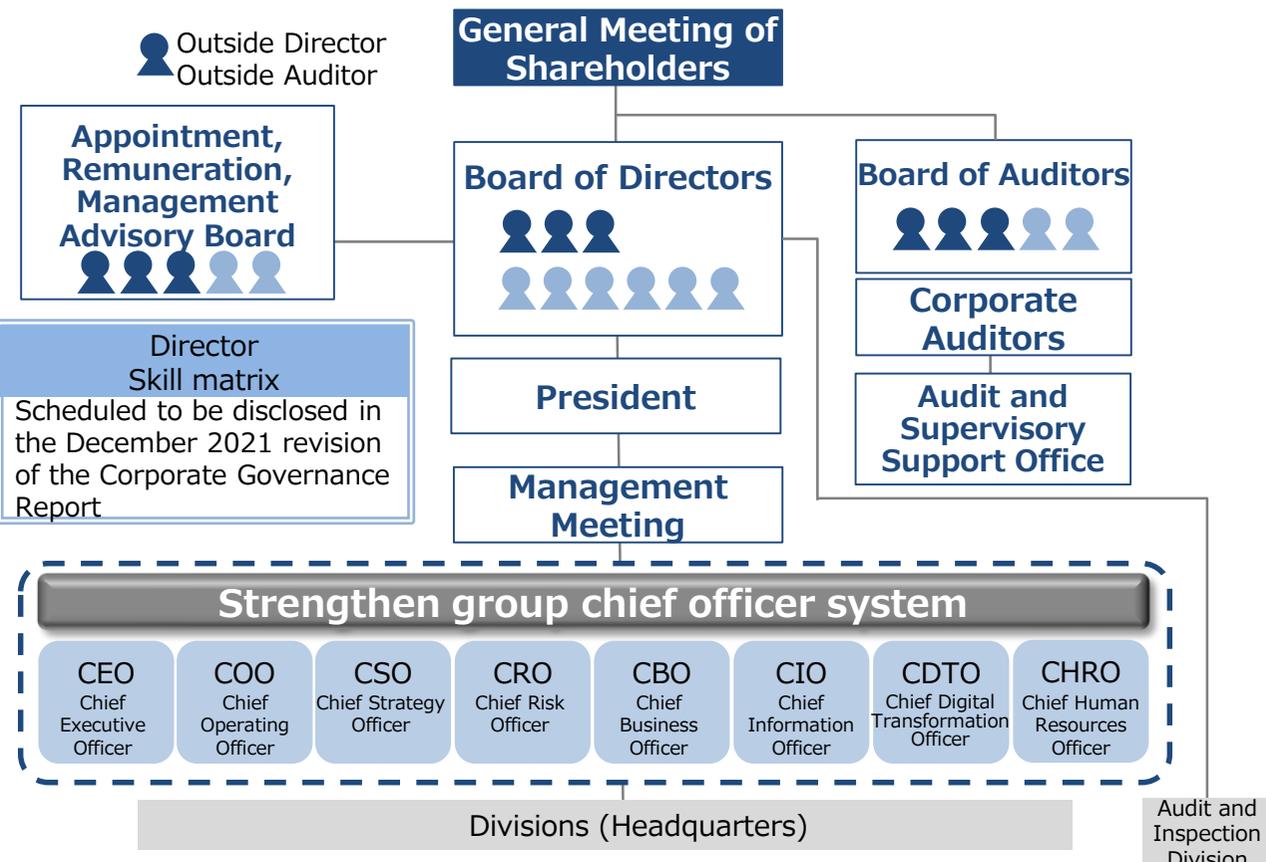
6th overall

Nikkei DUAL  
"Ranking for the companies in which Dual-income or childcare is easy"

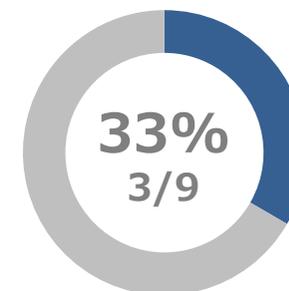
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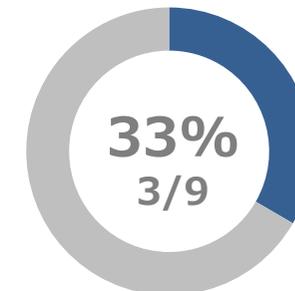
### Sophistication of Group Governance



<Ratio of Independent Outside Directors>



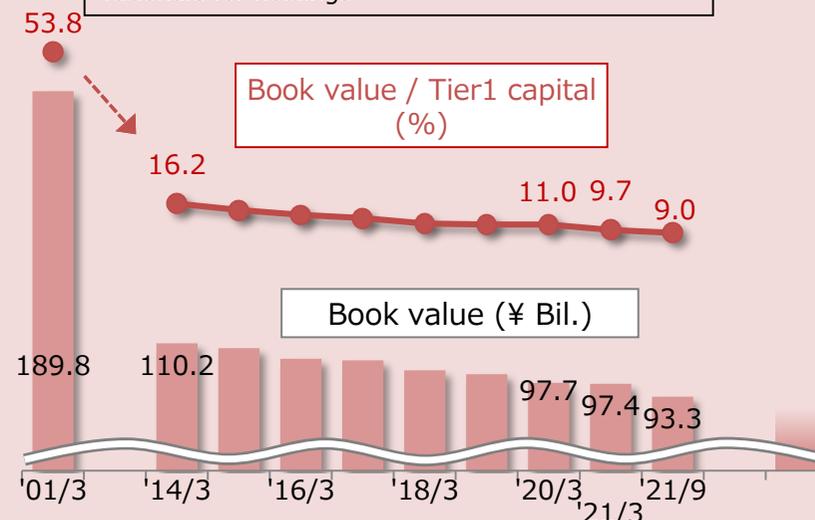
<Ratio of Female Directors>



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



**New** Revision of headquarters organization

**Business Succession Consulting Division**  
Established a new department dedicated to the consolidation of operations, such as business divestitures through M&A, business reorganization, and business succession within the family, which had been handled by multiple departments, in order to further enhance our ability to resolve various management issues related to business reorganization, etc.

**SDGs Promotion Office**  
Established a new department to oversee the entire Group in order to promote the achievement of SDGs and the Group's efforts to realize a carbon-free society by 2050

Inquiries related to this presentation should be addressed to:

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