

Strengthening DX Strategy and the New Headquarter Building

**April 6, 2021
THE CHIBA BANK, LTD.**

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Change of president

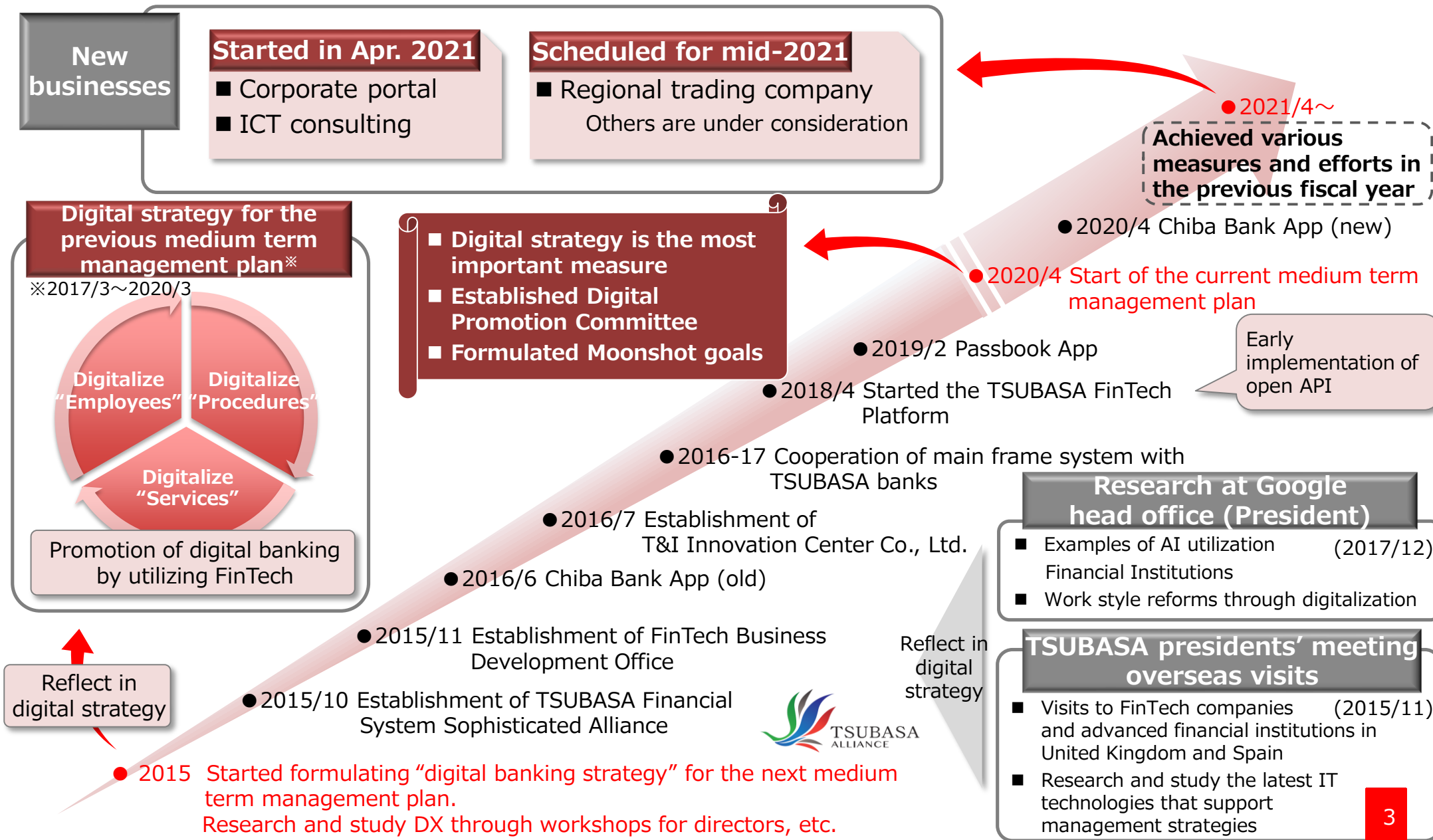
Change of president	30
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Strengthening DX Strategy

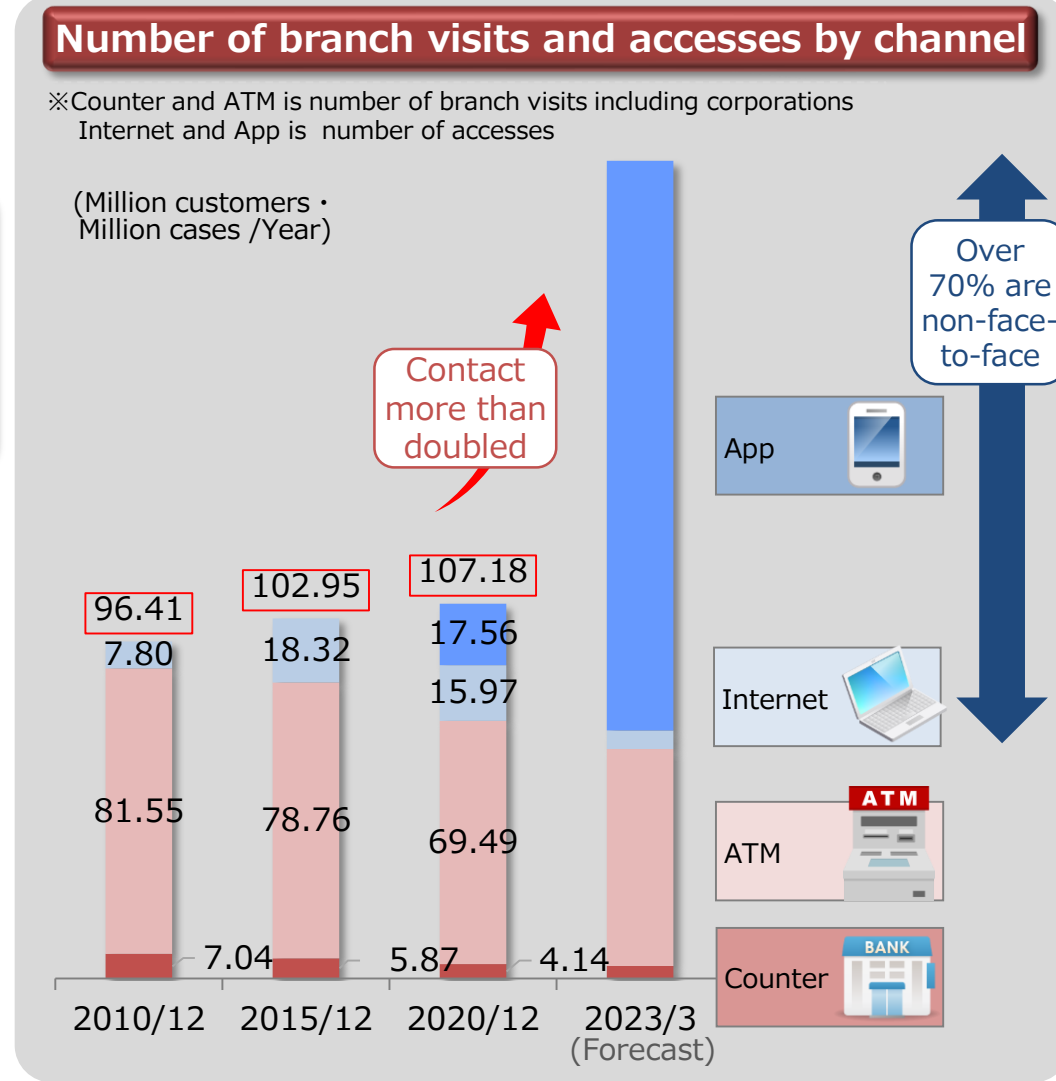
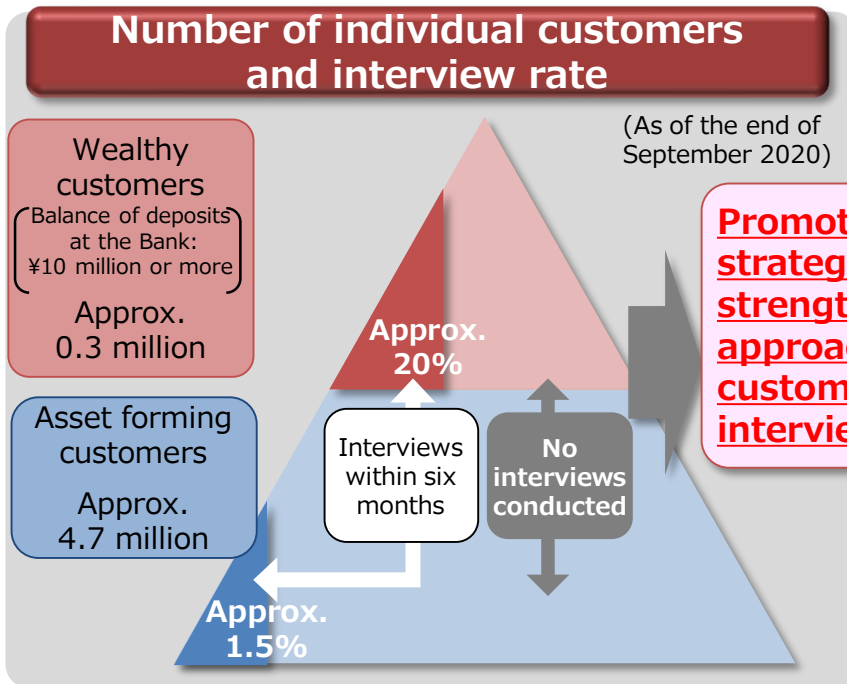
1. Overview

~ History of Our Digital Strategy ~

Executives and employees have been working together to promote digital strategies



Non-face-to-face needs expanded more than expected due to the prolonged impact of COVID-19



Impact of COVID-19

- Fewer opportunities for face-to-face interviews (fewer coming to branches and fewer visits)
- Establishment of telecommuting (Reduction in presence in the office)
- Change of values and lifestyles

Expansion of non-face-to-face needs

With COVID-19
After COVID-19

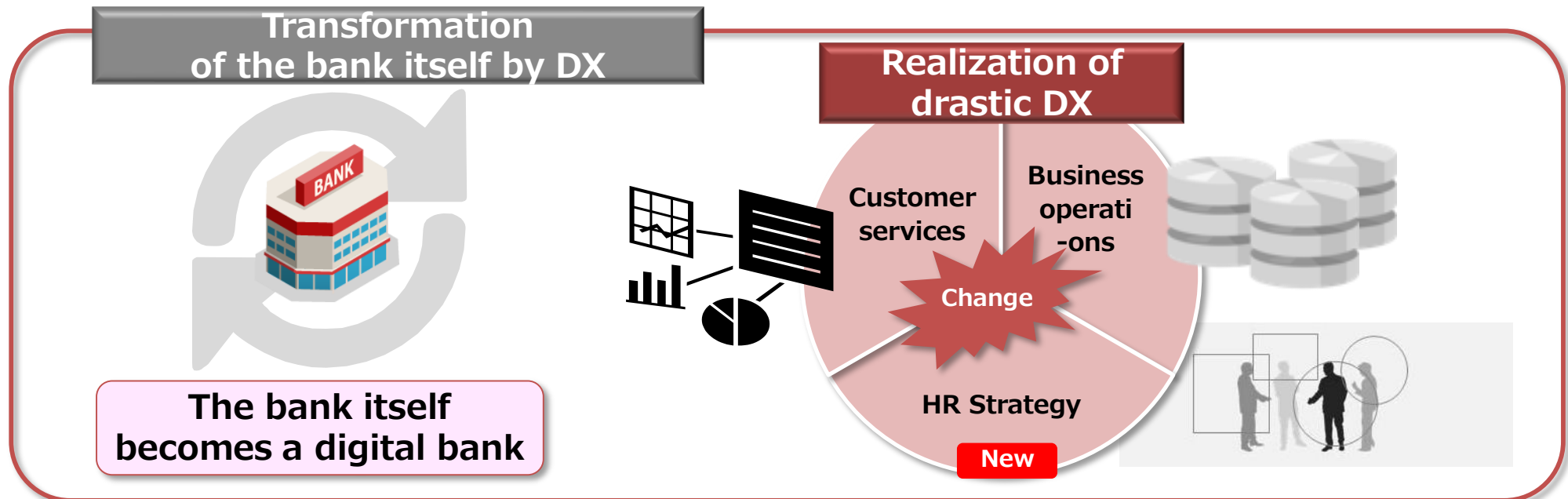
Digitalization is even more important theme

- Application contributes to increase contact with individual customers
- The main contact point will become App

~ Overview of Our DX Strategy ~

~ connect and go beyond, for the future ~

Added "Change of Human Resources Strategy" to the axis of DX promotion in order to transform the bank itself



Seven key issues New

Digitize customer services

- **App**
- **Corporate portal**
- ICT consulting
- Online lending

Utilization of data

- Utilization of big data
- Date search system

Improvement of operating efficiency

- Eliminate the use of paper and stamps completely

New businesses launch

- Regional trading company
- Response to deregulation

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

Underlined in red: Moonshot goals

What we want to achieve through DX

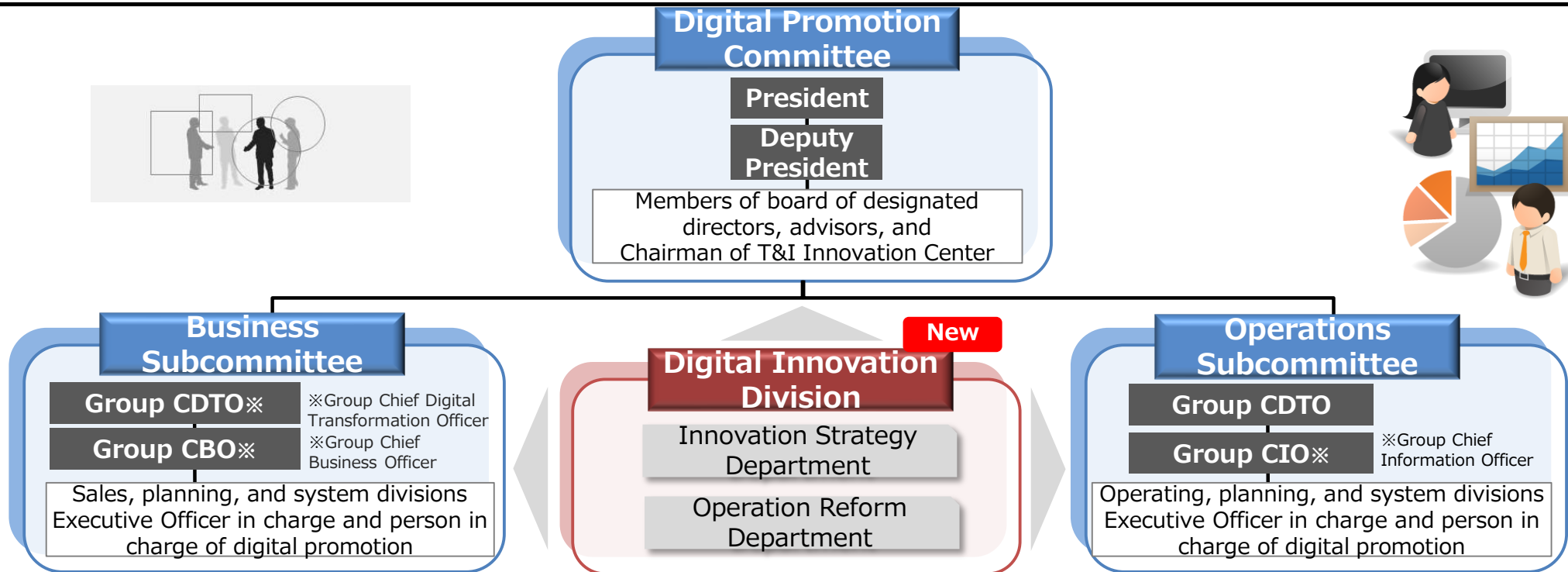
Improve **CX**※

※ Customer Experience



Improve **productivity**

Established the "Digital Innovation Division" to oversee DX measures of the entire group



Progress of moonshot goals

Providing "Best apps" and "Best corporate portal" to all customers

Realization of a customer search centralization system to obtain information inside and outside the bank "anytime," "what you want," and "in what you want."

Eliminate the use of paper and stamps completely

Efforts for the first year

- App** ■ 2020/11, Release of second phase
- Portal** ■ 2021/4, Launch of service

- Approved internally the introduction of "a new database" that integrates data in the bank from all customers and "a search system"
- Realized paperless acceptance of deposits and transfers
- Approved internally the introduction of web completion scheme for housing loans

Plan in the future

- 2021/6, Scheduled for release of third phase
- Scheduled for release of second and third phases in succession
- 2021/7, scheduled for release
- Planning to expand the scope of data on external and API platform
- Scheduled for paperless of deposits and transfers back office operations
- Scheduled for 100% paperless of in-house application documents

2. Moonshot Goals ①

~ Apps and Corporate Portal ~

Providing "Best apps" and "Best corporate portal" to all customers



[Individuals]

Providing "Best apps" to all customers

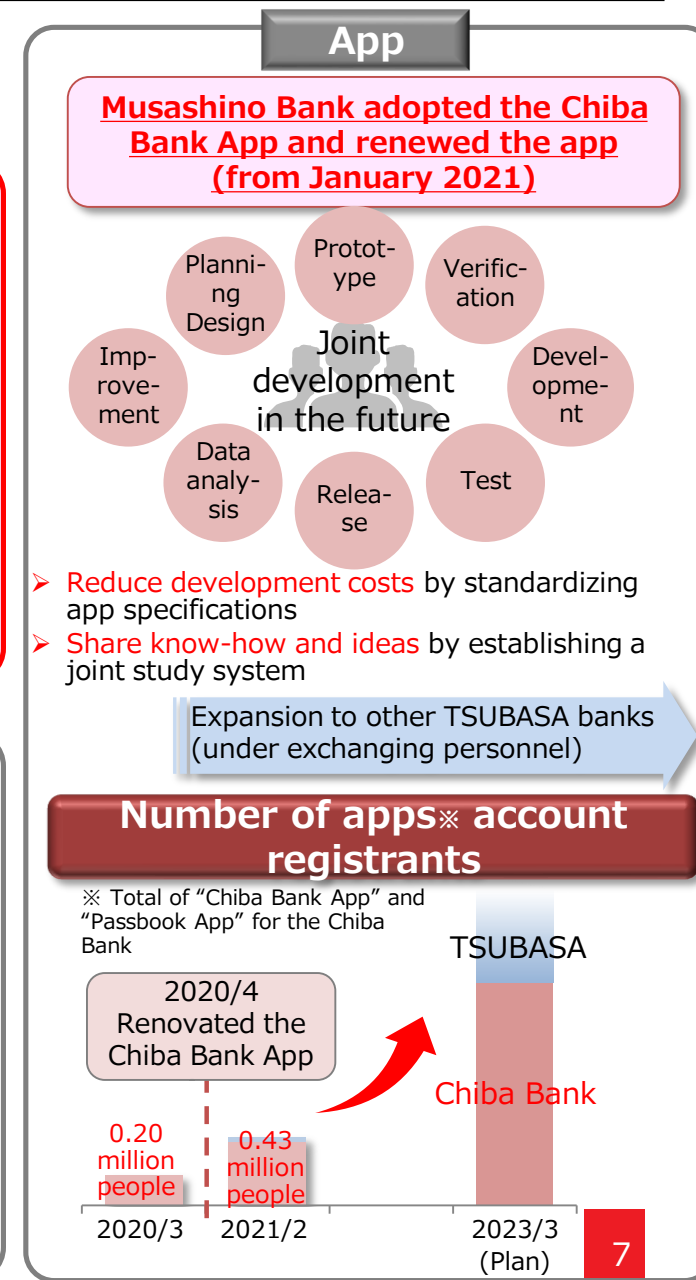
~ Apps connected to customers' lifestyles and used always ~

[Corporations]

Providing "Best corporate portal" to all customers

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

➔ Provide "personalized information" to customers

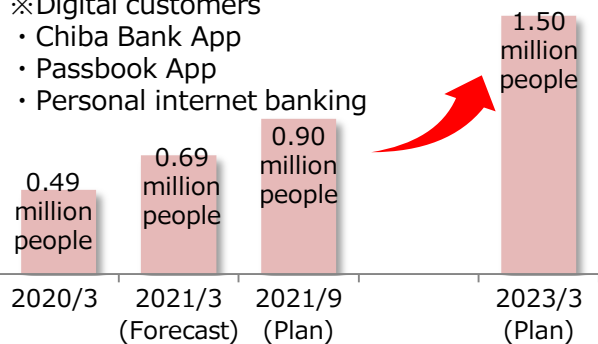


Digital customers

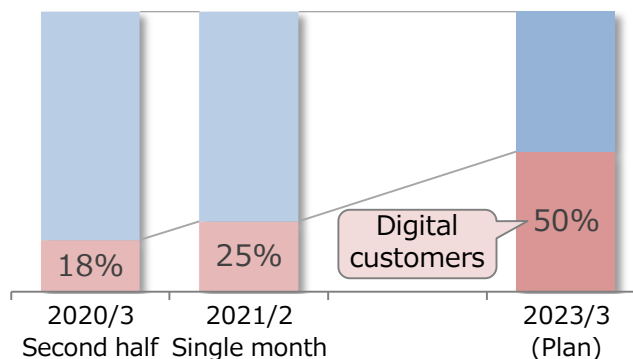
Number of digital customers (Individuals)

※ Digital customers

- Chiba Bank App
- Passbook App
- Personal internet banking

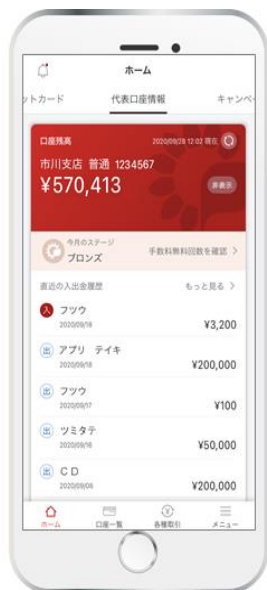


Gross business profits composition (Individuals)



2. Moonshot Goals ① ~ Chiba Bank App ~

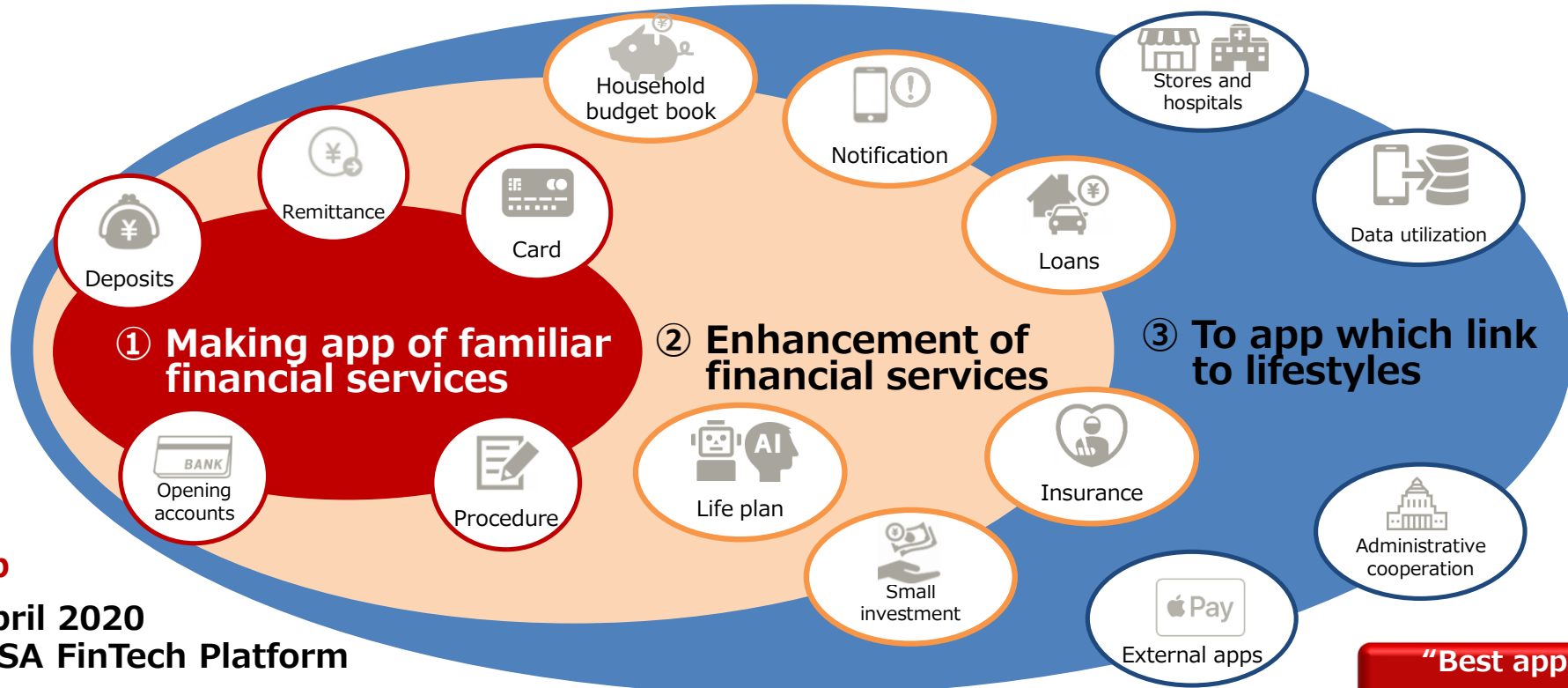
Towards "the app linked to lifestyles"



Chiba Bank App

Renovated in April 2020

Build on TSUBASA FinTech Platform



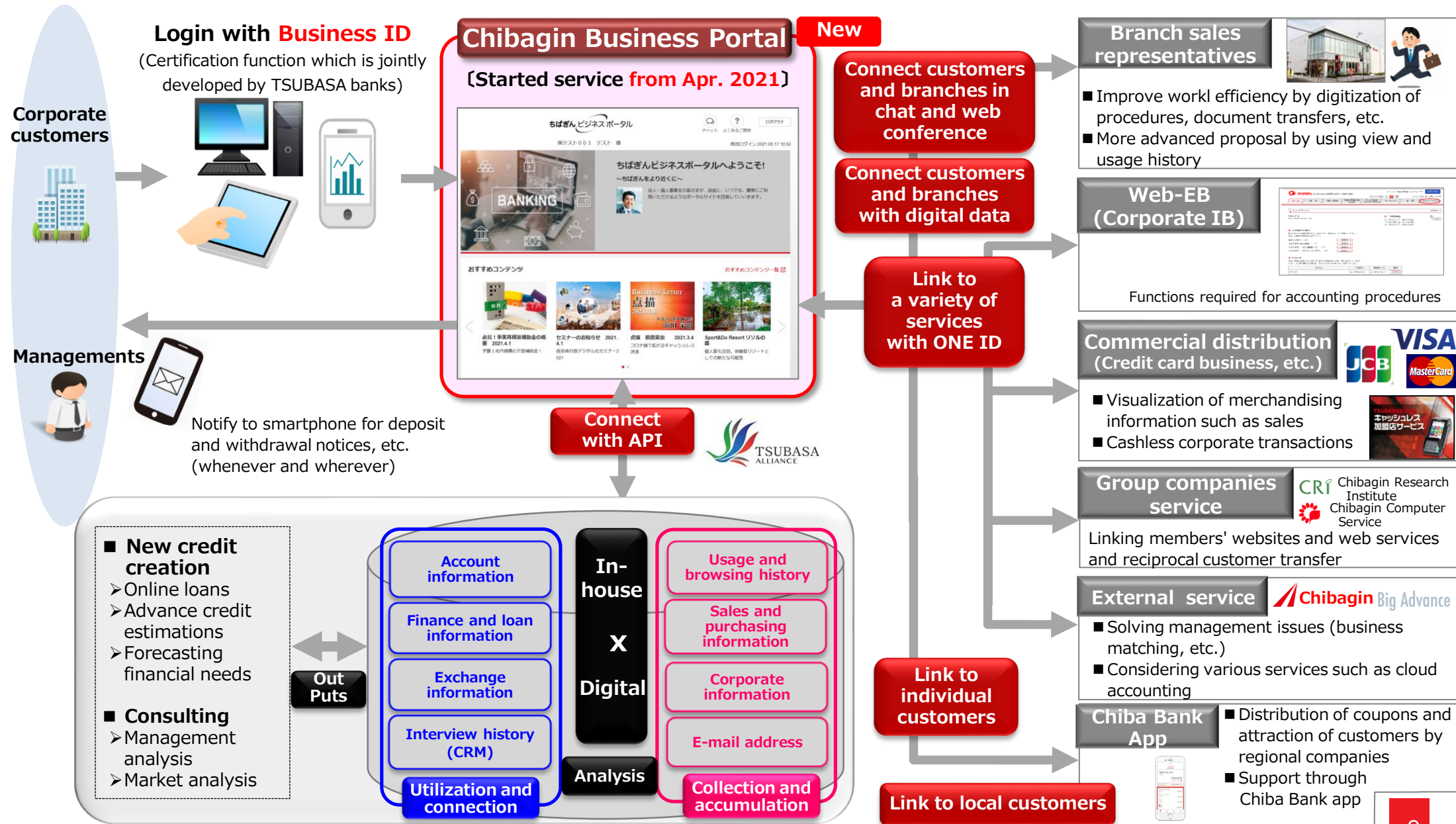
"Best app in Japan"

Phase 1	Phase 2	Phase 3	Phases 4 and 5
Implemented in April 2020	Implemented in November 2020	Scheduled to implement in Jun. 2021	
<ul style="list-style-type: none"> Inquiry of balance and transaction statements Transfer between self-accounts Link with Passbook App 	<ul style="list-style-type: none"> Time deposit transactions Transfer (within Chiba Bank) Linking to debit cards Applications for housing and unsecured consumer loans Cooperate with Apple Pay·Google Pay Link to external apps 	<ul style="list-style-type: none"> Transfer (to other banks) Card loans Reservation 	<ul style="list-style-type: none"> Procedures (address change, etc.) eKYC (electronic identity verification) Life plan simulation Account alerts Insurance and investment trusts Tax payments App loan Small-amount investments, etc.
		<p>New</p>	
		<ul style="list-style-type: none"> Evolve into our core channel with development flexibility and extensibility In the future, we will shorten the development period and add functions per case. 	

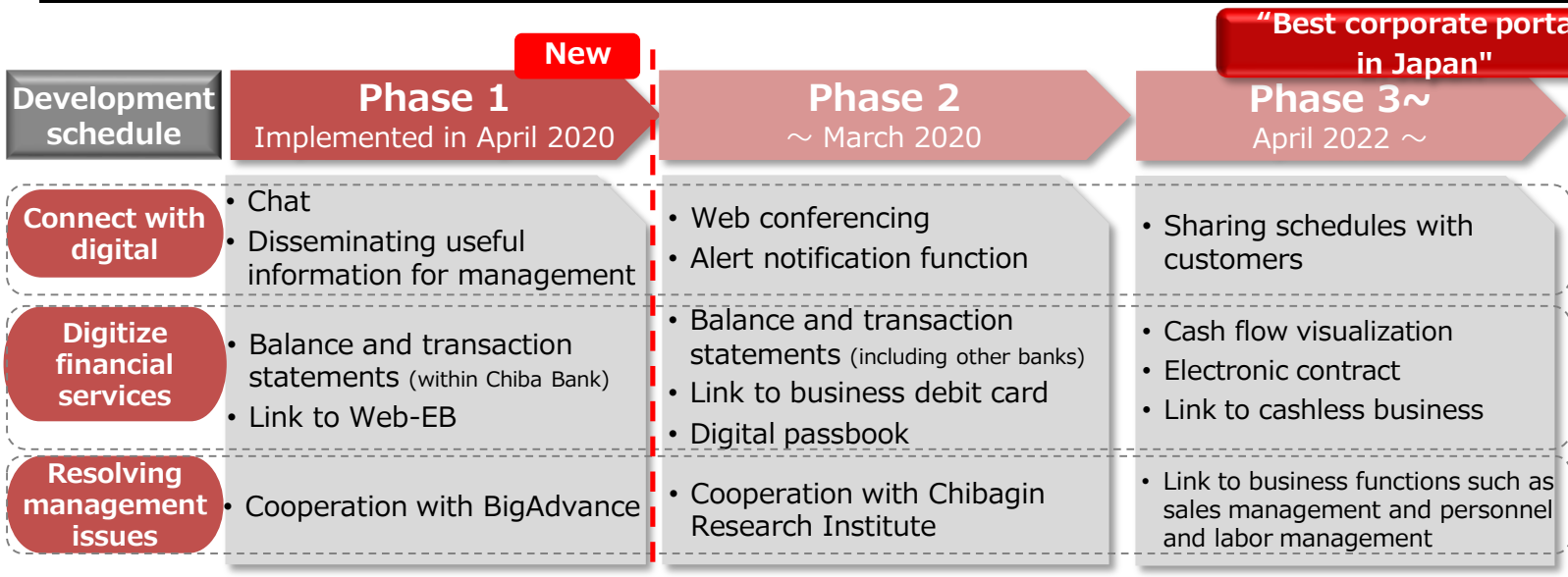
2. Moonshot Goals ①

~ Corporate Portal ① ~

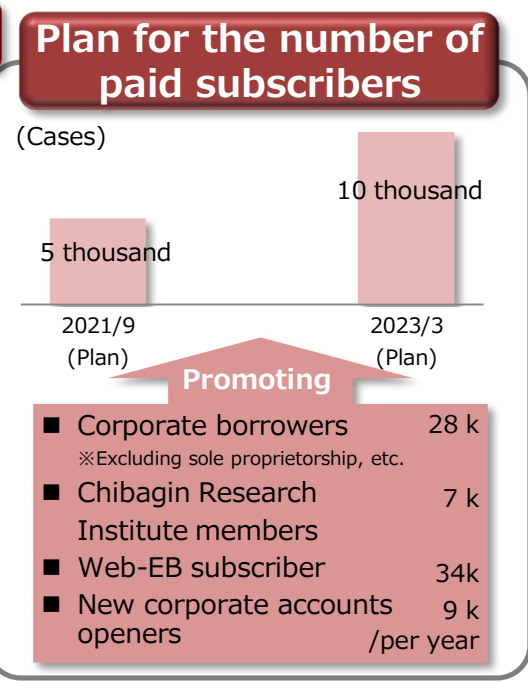
A corporate portal to serve as a hub for all services essential to business activities



Sophistication of sales activities adapted to the digital age



"Best corporate portal in Japan"



ちばぎんビジネスポータル

御テスト001 テスト 様

前回ログイン: 2021.03.17 10:52

ちばぎんビジネスポータルへようこそ!

~ちばぎんをより近くに~

法人・個人事業主の御用いただけるよう努めます

おすすめコンテンツ

- 必見! 事業再構築補助金の概要 2021.11.11
- セミナーのお知らせ 2021.11.11
- 点描 前田崇治 2021.3.11

チャット

(株)ちば商事 千葉一郎 2021年3月5日(金) 19:53

この前サイトで紹介されていた補助金について、詳細を知りたいのですが。

千葉銀行 2021年3月5日(金) 19:55

千葉一郎様 お世話になっております。稲毛東口支店の田中と申します。先週より掲載しております「ものづくり・商業・サービス補助金」についてのお問い合わせになりますでしょうか。

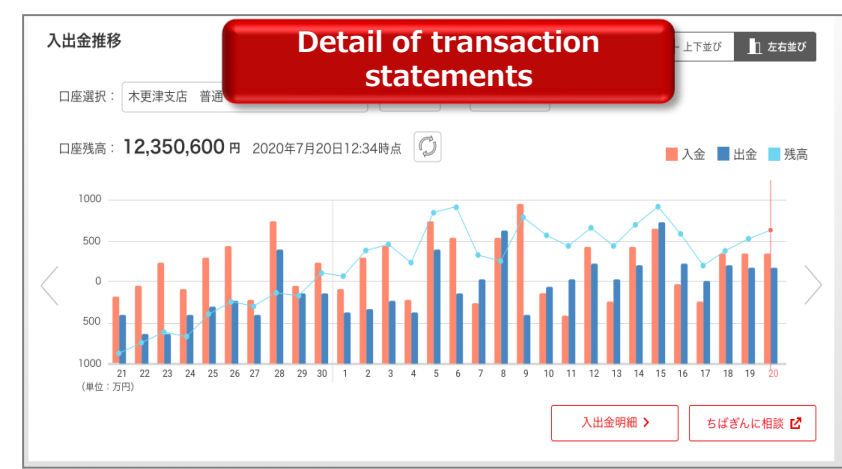
(株)ちば商事 千葉一郎 2021年3月5日(金) 19:56

ここにメッセージを入力してください

- Connect customers and sales representatives in chat at real time
- Documents can be delivered or received

おすすめコンテンツ

Disseminating useful information for management



Can consult while sharing cash flow data that are visualized and centralized (including accounts of other banks)

2. Moonshot Goals ②

~ Centralization of Date ~

Achieve the best CX for all customers in the region by utilizing centralized data



Moonshot goal

Realization of a customer search system to obtain information inside and outside the bank

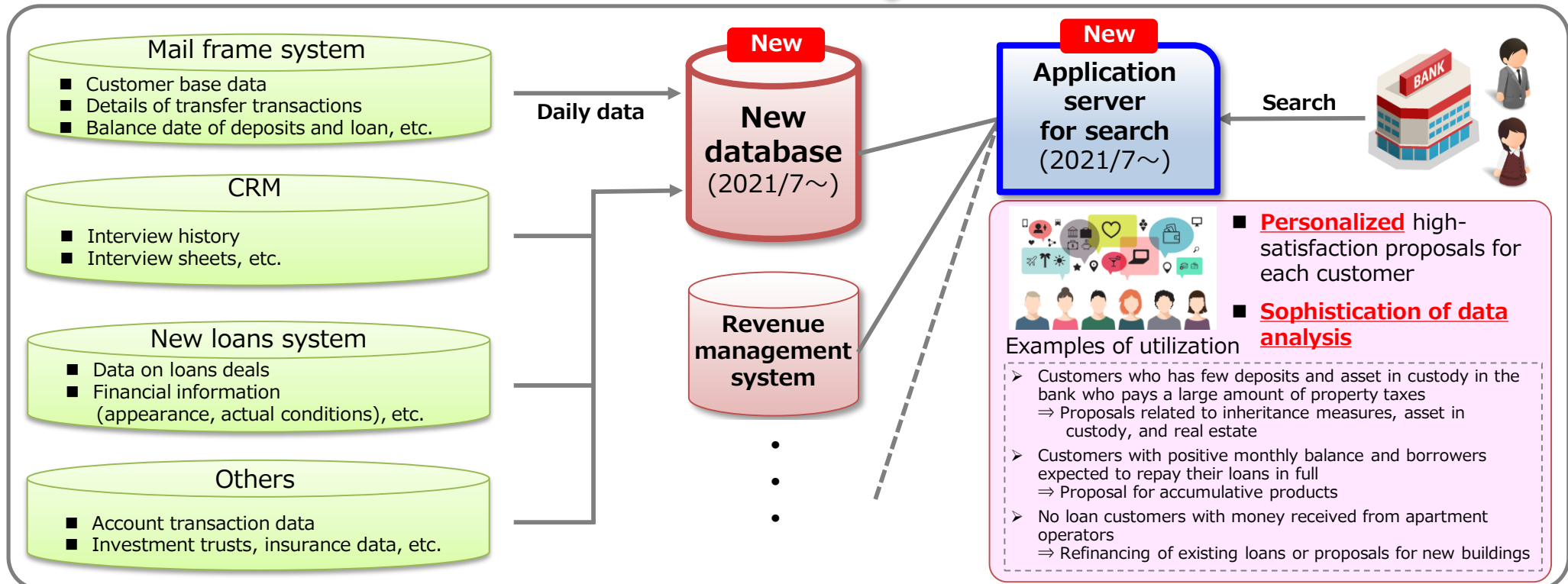
"anytime", "what you want", and "in what you want".

Realize the best customer experience for all customers in the region by utilizing centralized data

Jul. 2021 (planned)
Achieved Moonshot goal with internal information

Going forward

- Further expansion of data (external data, data on API platform, etc.)
- Alarms based on scenarios, etc.



Automate operations and judgments, release from job location constraints

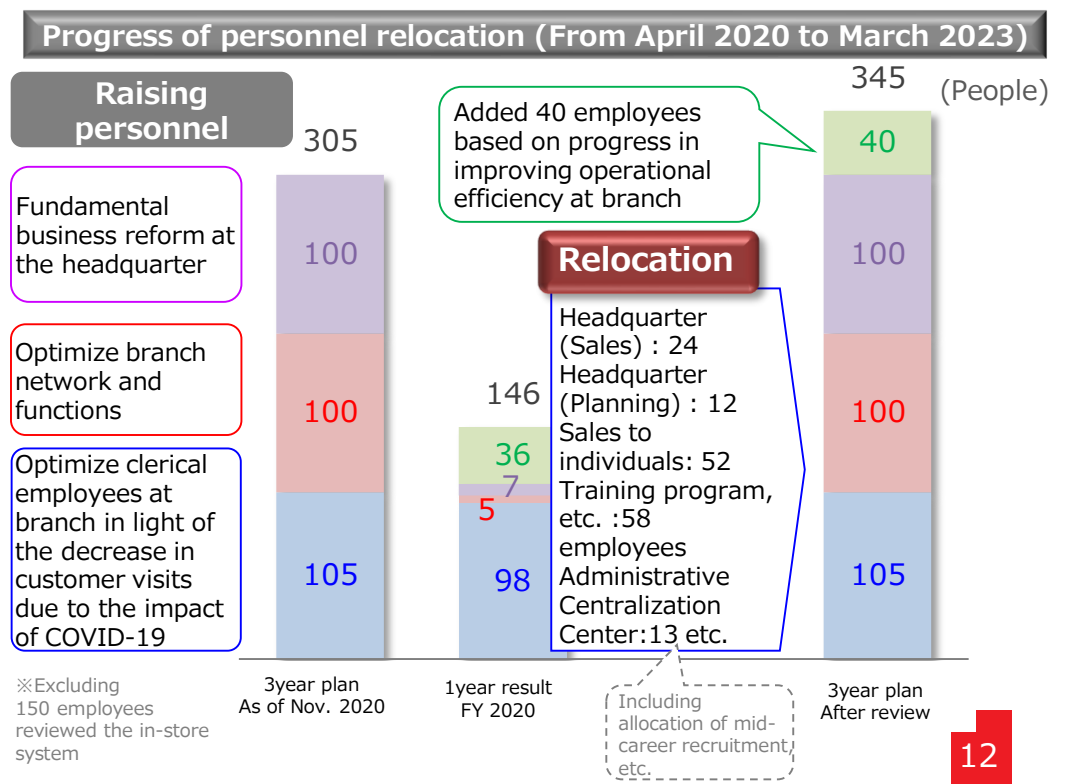
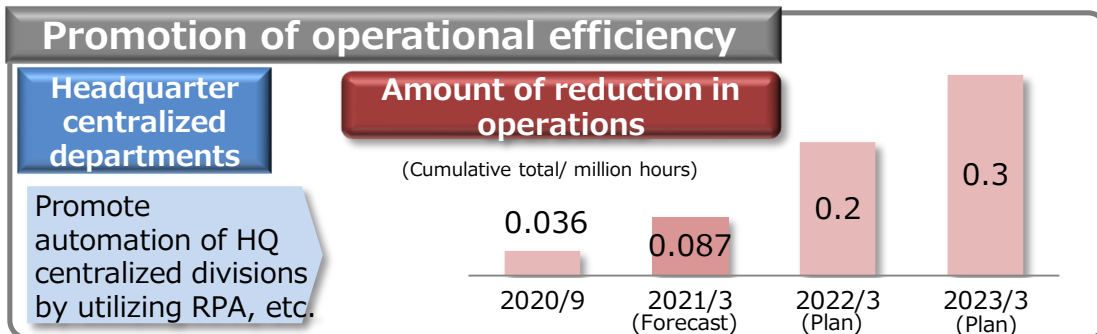


Eliminate the use of paper and stamps completely within the bank

By doing so

- > **Release staff from routine work and judgment**
Routine work and judgment are performed automatically by using data ⇒ Eliminate errors
- > **Release staff from the location constraints**
A series of jobs can be completed in remote locations as well.

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



2. Moonshot Goals ③

~ Over the Counter tablet "TSUBASA Smile"

Achieve convenience improvement, business reform, and efficient cross-selling through tablet reception

You will see the demonstrations at the viewing of new HQ in 2nd part of "IR Day"



Over the counter tablets for low counters [TSUBASA Smile]



Button operation according to the guide

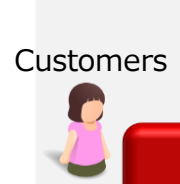
- No writing
- Able to respond even if not experienced
- Speed up
 - Without inputting
 - Without back office
 - Without verification

Complete applications for various products with a single entry

- Entry of address etc. only once
- Efficient cross-selling

Recorded with electronic data

- Paperless



[2019/4~] Introduced at some branches

[2020/8~] Expansion to all branches

- Basic banking transactions can be handled, including complex transactions such as account openings, address changes, and loss notifications
 - Inheritance procedures are responded remotely
 - Dedicated terminals for investment trusts
- Jointly developed with Daishi Bank*/Chugoku Bank
 - *Currently The Daishi Hokuetsu Bank

App guidance

開設する口座は連携アプリになります。

連携アプリ

iPhoneをご利用の方

Download on the App Store

Androidをご利用の方

GET IT ON Google Play

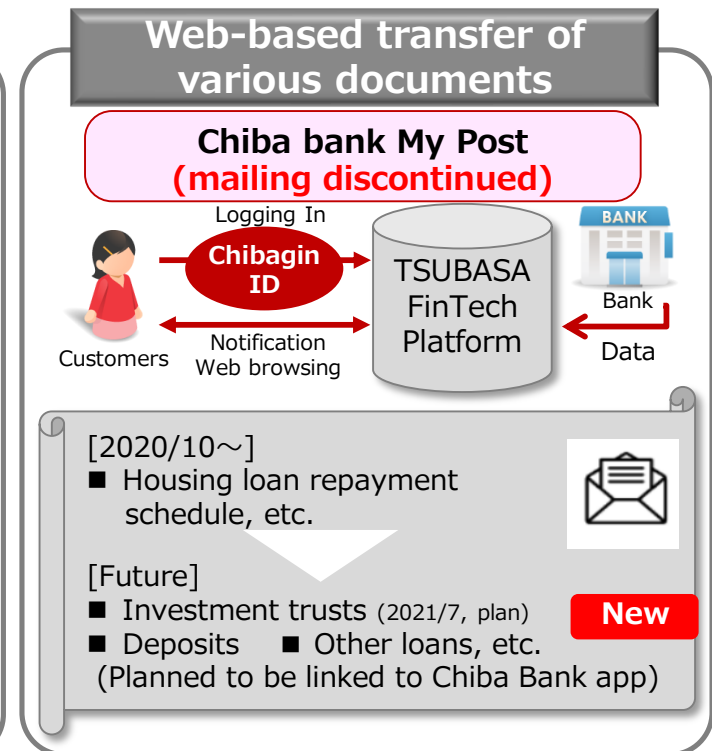
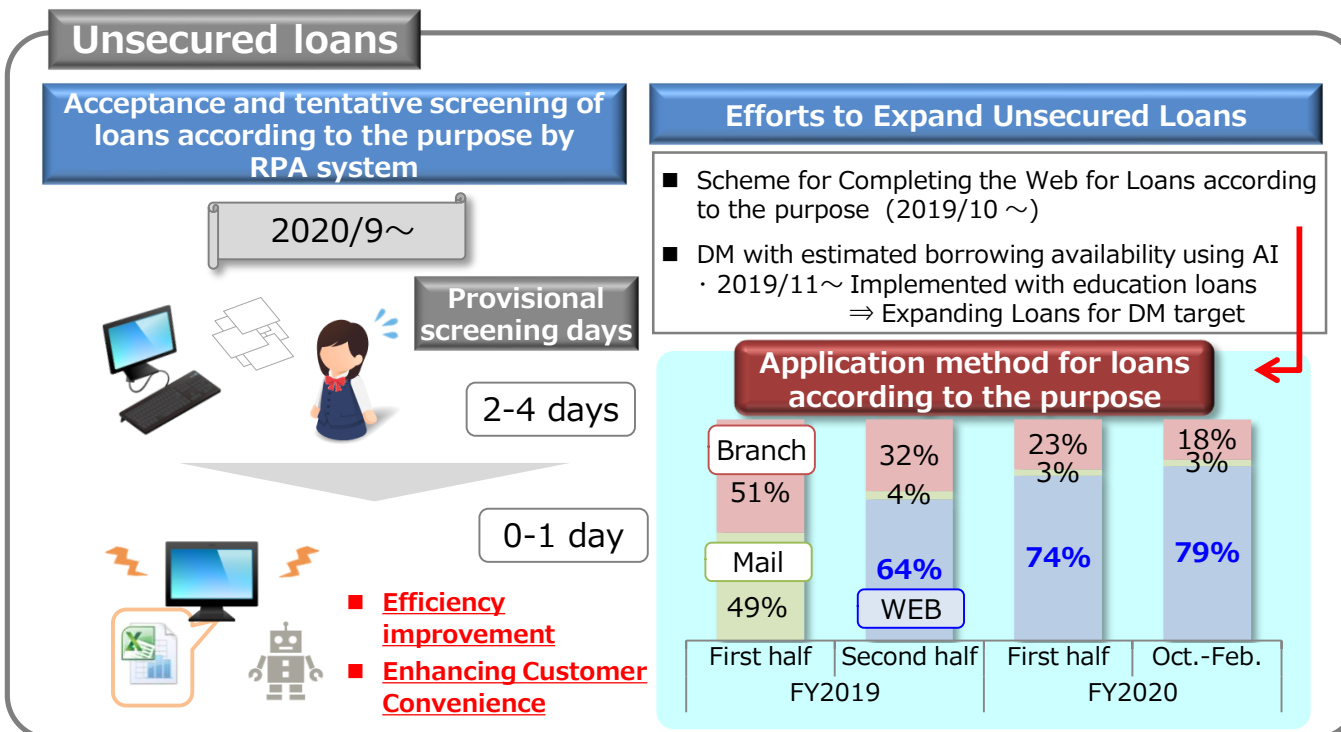
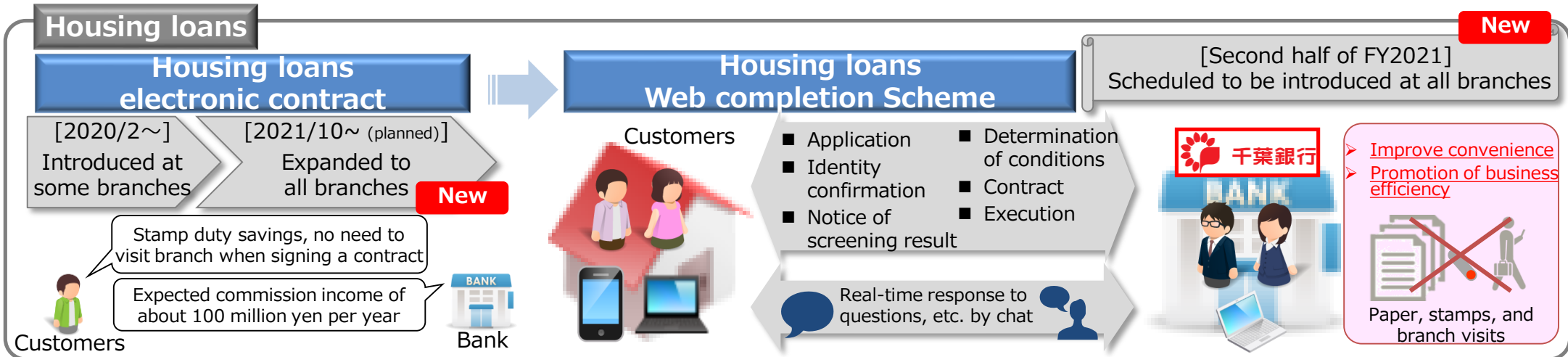
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~ Digitization of Various Operations ~

~ connect and go beyond, for the future ~

Expanding non-face-to-face transactions to promote customer convenience and bank business efficiency



3. New Attempt for DX ~ Regional Trading Company ~

Regional trading company becomes hub to build an economic circulation system within the region



Step 1. "Regional products"

Supporting the expansion of markets for excellent regional products and services by stimulating consumption needs of Individuals

[Major areas]

- Producer
- Food production industry
- Restaurants
- Situation-oriented experience

- Acquisition of marketing know-how
- Collection of non-financial data
- Expansion of the functions of Chiba bank app menu
- Synergy with the card business

Step 2. "Life events"

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

[Major areas]

- Housing
- Car

- Execution of housing loans
- Execution of car loans
- Insurance and other related transactions

Step 3. "Living"

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

[Major areas]

- Health/Nursing care
- Education
- Food retailing

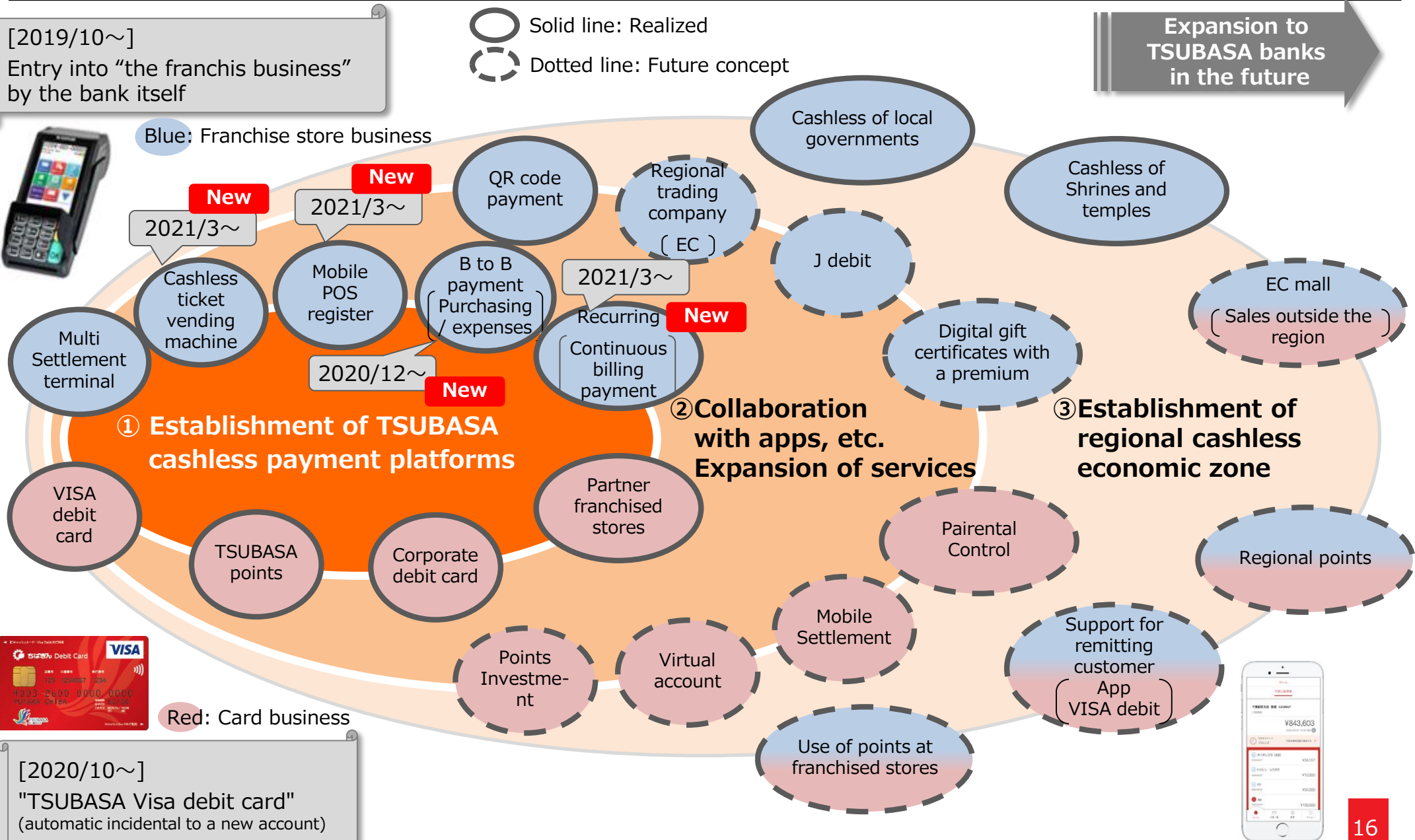
- Various loans
- Insurance and inheritance-related transactions
- Increase cashless payments

[Business partner support marketing platform]

- Merchandise development support
- Sales support based on commercial area analysis and other areas
- EC listings
- support for sales promotion activities
- Inventory optimization

3. New Attempt for DX ~ Cashless ~

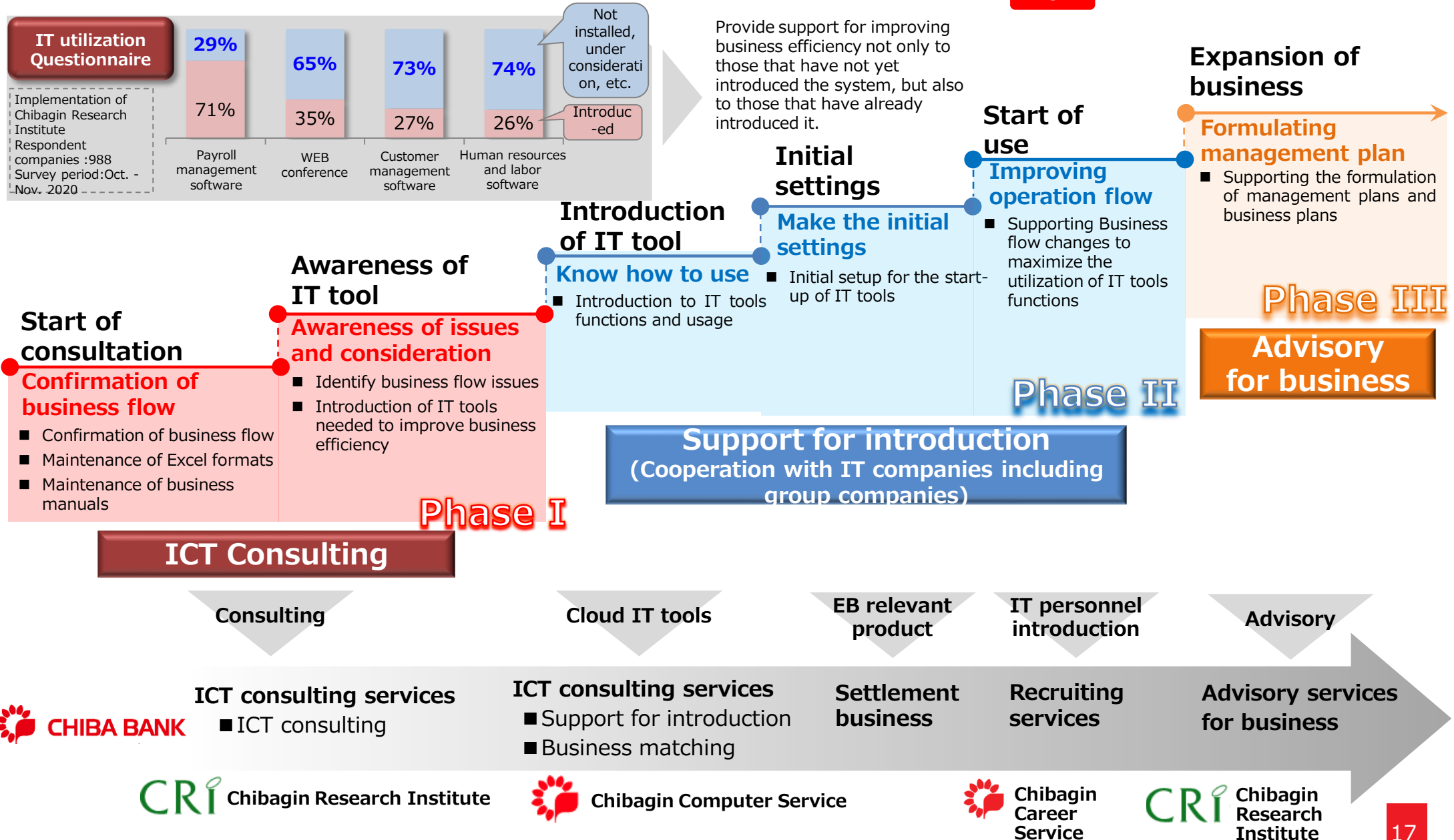
Establish a regional cashless economic zone



3. New Attempt for DX ~ ICT Consulting ~

ICT support for corporate customer

New



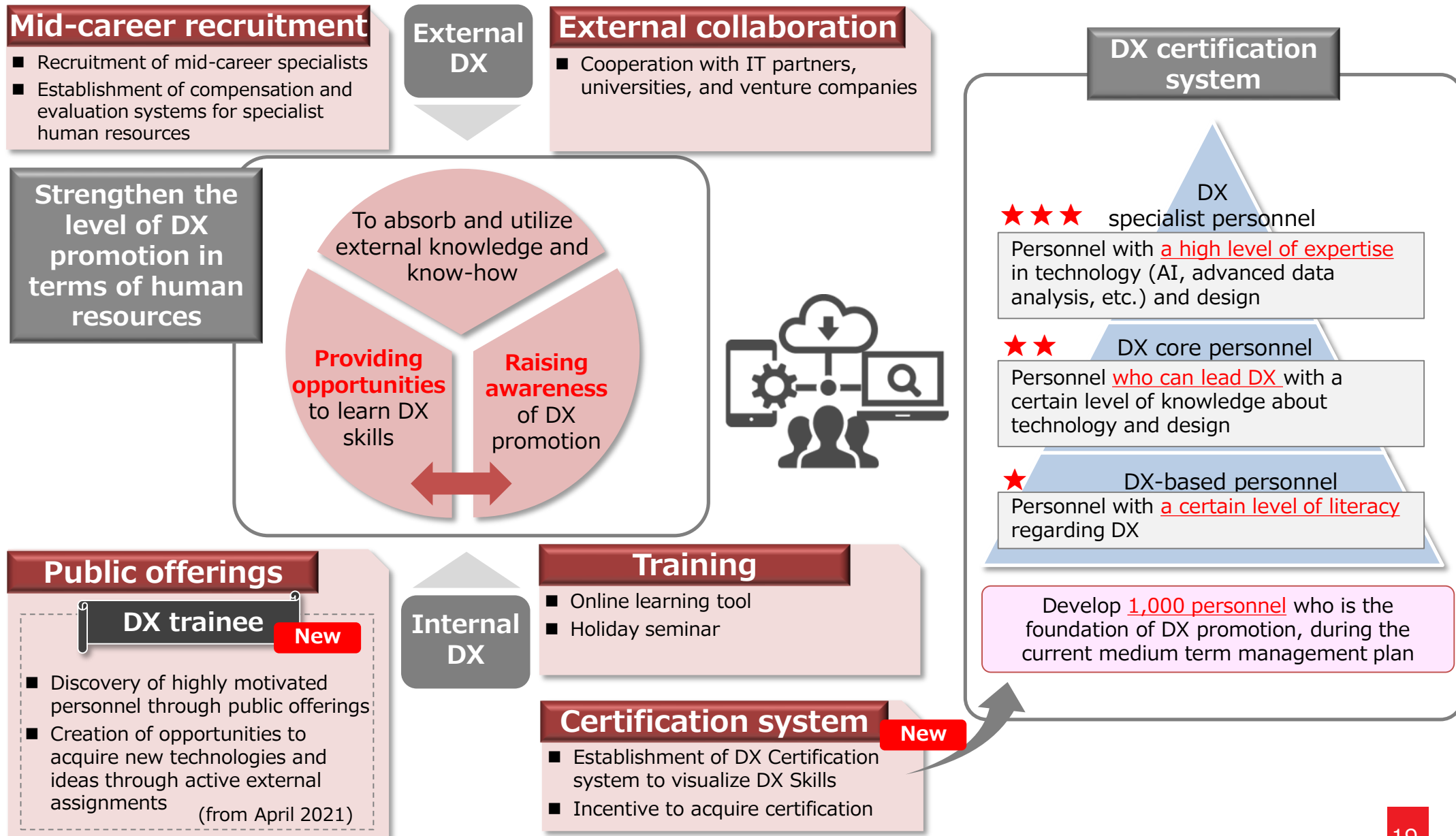
Active senior couple.
They have a vague anxiety in the 100-year of life.
They want to enjoy their pastime, and to live the rest of my life in abundance.
Such a vague anxiety but hope to be fulfilled,
"connect and go beyond, for the future"
We have drawn up a picture of the future supported by Chiba Bank's digital services.



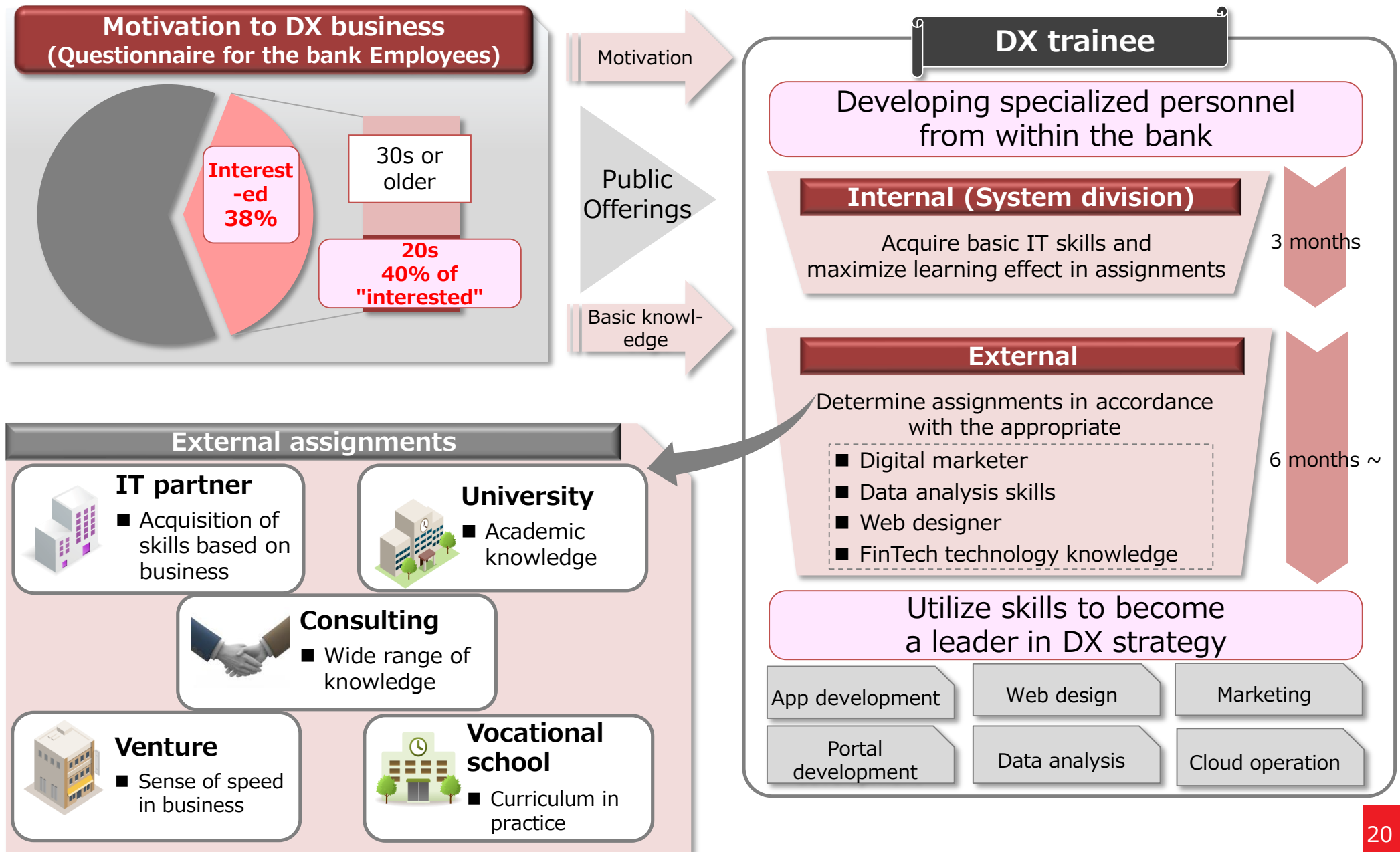
4. Reform of Human Resources Strategy

~ Retainment and Development of DX personnel ~

Securing DX personnel through "five measures" that will be leaders in the transformation of the bank itself by DX



Develop leaders in DX strategy from within the bank



5. System

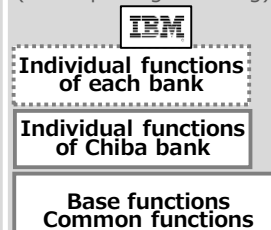
Utilize system collaboration to control system-related expenses at alliance banks

System collaboration through TSUBASA alliance

Main frame

Joint development and operation of systems by IBM Japan

(Initial package offering)

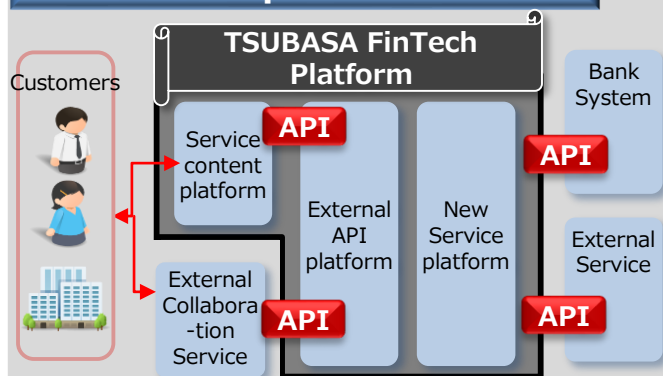


Major subsystems jointly developed by TSUBASA banks

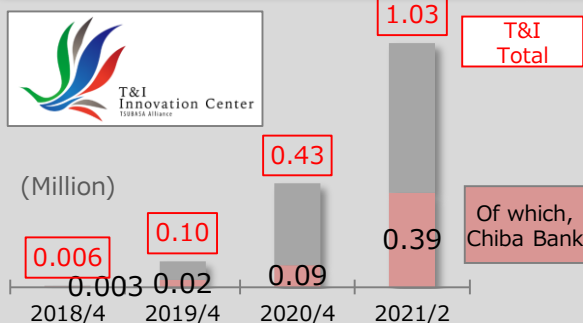
- Loan business system
- Customer risk management system
- Branch system
- CRM
- Call center system
- Account transfer system
- TSUBASA Smile (over the counter tablet)
- Foreign exchange online



API platform



Number of individual user IDs

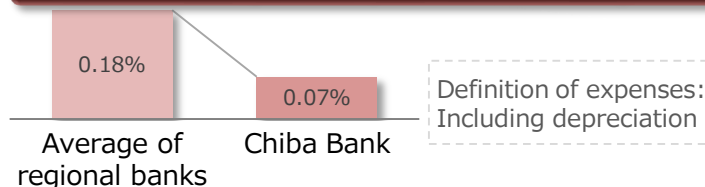


Comparison of IT-related investment and expenses with other regional banks

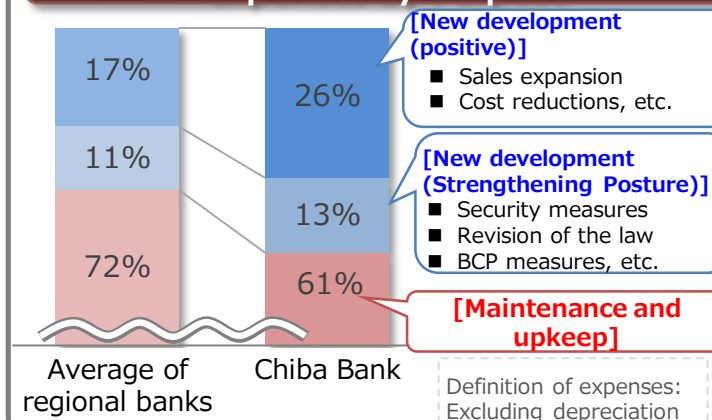
- **Restrain system expenses compared to other banks** by utilizing alliances and thoroughly implementing low-cost operations from the past
- **Allocate large amount of management resources to mainly positive new development**, by controlling maintenance and upkeep costs

Exhibition the average of regional banks: "FSA (Results of Questionnaire Survey on September 2019)"
Chiba Bank: Results in the 2019/3 period.

IT-related expenses/amount of deposits



Ratio of IT-related investments and expenses by Purpose



New Headquarter Building

As symbols of coexistence with regional community



September 2020
Chiba Bank building completed

Grand open is scheduled in 2023 when the 80th anniversary of the bank's establishment (After demolition of the old headquarter building and completion of the exterior construction)

A sailing ship going through the ocean is a motif.

It is designed with an image of a sailing ship that will move grandly Chiba's great oceans toward the future and express Chiba Bank's strong feelings "to move forward into the future as a new financial group beyond the framework of existing bank".

Overview of the new headquarter building

Site area	24,992.98m ²
Building area	6,595.80m ²
Total floor area	46,878.25m ²
Scale	16th floor, Penthouse 2nd floor (Height: Approx. 90m)

Four concepts

We realized the headquarter building "which is opened to regional", "with comfortable working", "the highest level of safety and environmental performance" for realizing sustainable management aimed at achieving both social value and economic value through a long-term orientation.

Coexistence with regional community

Improve productivity by innovate work style

Strength BCP

Environmental considerations

Coexistence with regional community

As a new hub for interaction with regional customers

Main halls

Holding a concert and lending to regional customers are also possible. Provided as a temporary accommodation facility in case of emergency.



Chiba Bank financial reference center

~FinTERRACE~

Introduce the history of Chiba Bank and finance and the development of society in Chiba Prefecture through materials and videos. As a place for financial education, there are also fun exhibits for learning about money.

Chiba Bank Co-working space

~PORT~

Provide support for regional start-up companies, co-creation communities among companies, and opportunities for business matching.



Role as a regional disaster prevention base

(Example of response)

- Information collaboration with government organization
- Provision of temporary shelter (assuming a maximum of around 700 people)
- Acceptance of emergency relief goods
- Provide facilities use and supplies

Concluded "an agreement on cooperation in providing support to prefectural residents in the event of a disaster" with Chiba Prefecture in June 2018 and "an agreement on cooperation for the provision of headquarter facilities in the event of a disaster" with Chiba City in June 2019.



▲ In conjunction with the main hall, the lobby in front of the main hall (photographic above) and main entrances are also provided as temporary accommodation facilities.

Provision of financial services at Head Office

Four areas are set up to provide services according to the purpose of the visit



Digital area



Reception robot "Himarin"



Quick Area



Multipurpose area



VIP area

Improve productivity by innovate work styles

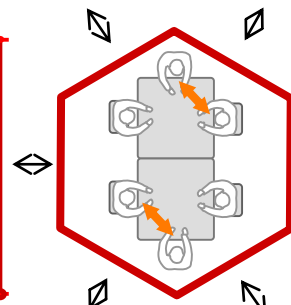
The office is designed to be functional and to encourage communication

Workplace

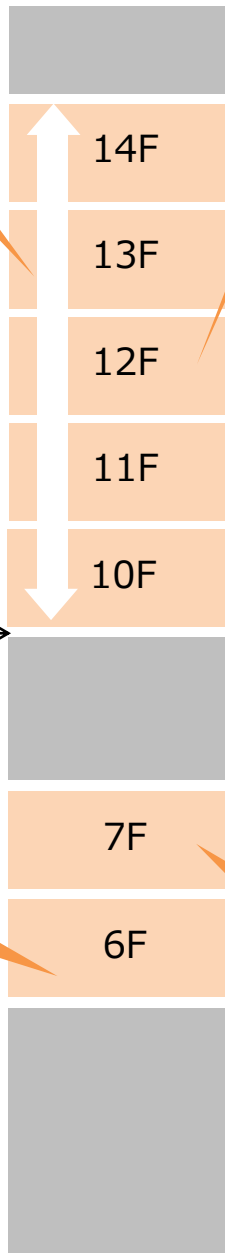
- Installation of internal stairs
Set up a internal stairs in the middle area of the workplace from 10th to 14th floors. The structure is designed that allow staff from other departments can easily communicate with each other.
- Universalization of design
- Adoption of free addresses
- Adoption of Hexagon-Grid



3600mm



Adopted Hexagon-Grid characterized by lines that keep uniform staff distance and introduce accidentally communication



Free area

- Choosing freely where to work according to their projects and moods
Freely select from multi-work areas that can be used in all applications, Solo-work areas that can be used when staff want to concentrate on their work alone or change their mood, and agile-work areas that can quickly develop projects with teams.
- Placed on the middle floor of the Workplace (12F)
Placed on the middle floor of the workplace from 10th to 14th floors. Create areas where people and information intersect across departments.



Consideration to "health and productivity management" by adopting circadian rhythm lighting that adjusts color and illuminance to match biorhythm and radiation air conditioning with less airflow etc,.

Certified as "Excellent Health and Productivity Management Organization 2021" in Mar. 2021



Knowledge center

- About 10,000 books can be collected
Deepen knowledge of staff by viewing books and providing lending services.
- Establishment of service counters
Concentrate stationery and equipment to consolidate general affairs operations.



Cafeteria



Response to various meetings and events through changing table placement and partition walls by glass sliding walls.

Strengthening BCP

Maintaining and continuing financial services to customers even in the event of a disaster

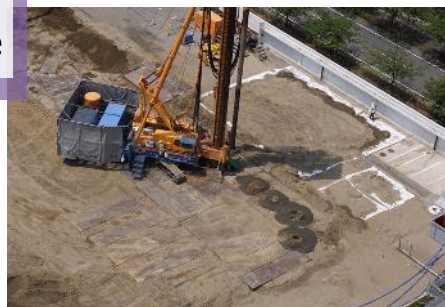
Ensuring safety by adopting advanced technologies

Achieve an earthquake-resistant S-grade

Equivalent to disaster bases or base hospitals

Liquefaction countermeasure

Take all possible measures to prevent liquefaction by improving the ground such as driving approximately 1500 sand piles.



Basic isolation

Adopted a base isolation structure that reduces seismic intensity 7 to about seismic intensity 3.



Strengthening disaster countermeasures capabilities

Disaster countermeasures office



18-sided multi-display is installed to strengthen business continuity system in the case of a large-scale disaster (Used as a training room in normal times)

Disaster supplies warehouse



Stockpiling 6 days' worth of supplies for staff (Water, Food, etc.)

Power supply multiplexing



Emergency power generation room



Co-generation generator

Multiplexing power supplies by installation of co-generation generator that generate electricity using gas in addition to private power generator that can operate continuously for 72 hours

Environmental considerations

Realizing a comfortable office environment while reducing environmental impact

Performance equivalent to S rank
in the Comprehensive Assessment System for Built Environment Efficiency (CASBEE)

Promotion of energy saving

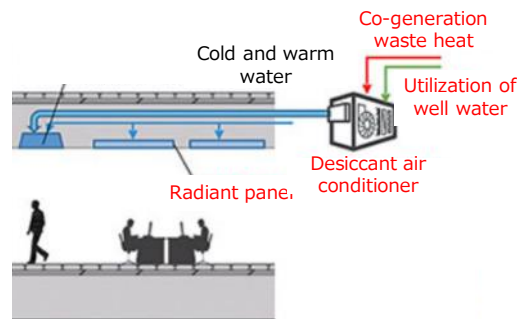
BEMS (Building Energy Management System)

Introduction of a system for energy management to optimize electricity and air conditioning according to climatic and other conditions.

Air conditioning system

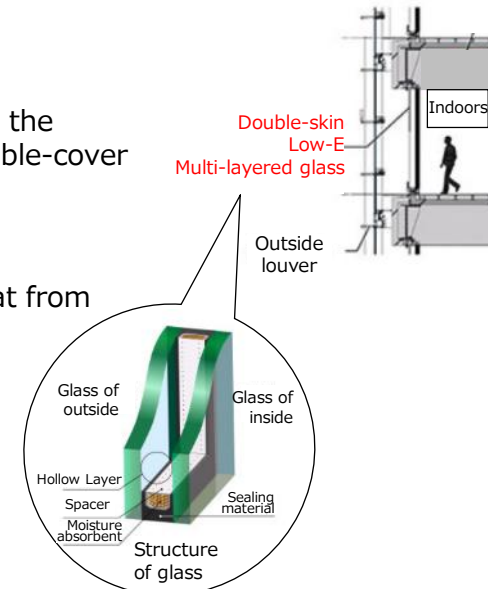
- Desiccant air conditioner
- Radiant air conditioning

Control efficiently temperature and humidity of the air conditioning system by the reuse of heat sources.



Exterior specifications

- Double-skin glass
Reduce the solar radiation and the burden air conditioning by double-cover the building with glass
- Low-E Multi-layered glass
Control solar radiation and heat from outside
- Outside Louver
Reduce solar radiation from outside



Effective use of resources

Waste heat from co-generation power generation



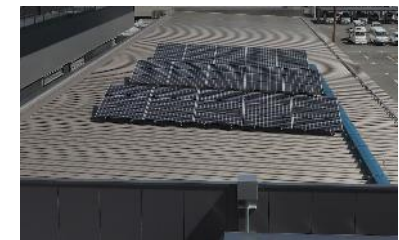
Use of waste heat from power generation for air conditioning systems and hot water supply equipment.

Well water



use well water in 95% and realizing water resource savings

Solar power generation



Chiba Bank Mobile Branch Vehicle

Provide financial services in the case of an emergency



Chiba Bank mobile branch vehicle
Introduced in February 2021

To support by providing financial services
in the case of a major disaster

When there is
damage to branch
facilities

When a lifeline is
temporarily blocked

- It is equipped with private generator, and can also supply power to the outside in an emergency.
- In the future, we will consider opening at regional events, etc.

Installed equipment

- ATM
- Counter
- Remote terminal

Operations handled

- Overall deposit transactions
- bank transfer, tax payment, utility bill payment
- Receipt of various procedures
- Various consultations by Headquarter specialists (via remote terminals)



In-car ATM corner



In-car counter

Change of president

Change of president

After deliberation by the Nomination, Compensation, and Management Advisory Committee, change of president is scheduled in June

*Subject to approval at the General Meeting of Shareholders



Hidetoshi Sakuma
(age 68)

In 1976 graduated from Waseda University, School of Political Science and Economics



Tsutomu Yonemoto
(age 56)

In 1987 graduated from Waseda University, School of Commerce



Joined Chiba Bank in April 1976

Mar. 2009 President

Jun. 2018 President (Group CEO*)

Scheduled to be appointed Chairman in June 2021 (Group CEO)

Joined Chiba Bank in April 1987

Apr. 2006 General Manager of Mimomi Branch

Oct. 2008 General Manager of Tsuga Branch

Jun. 2010 General Manager of Hong Kong Branch

Jun. 2012 General Manager of Akihabara Branch

Jun. 2014 General Manager of Corporate Planning Division

Jun. 2016 Executive Officer, General Manager of Business Promotion Division

Jun. 2017 Managing Executive Officer

Jun. 2018 Managing Executive Officer (Group CBO*)

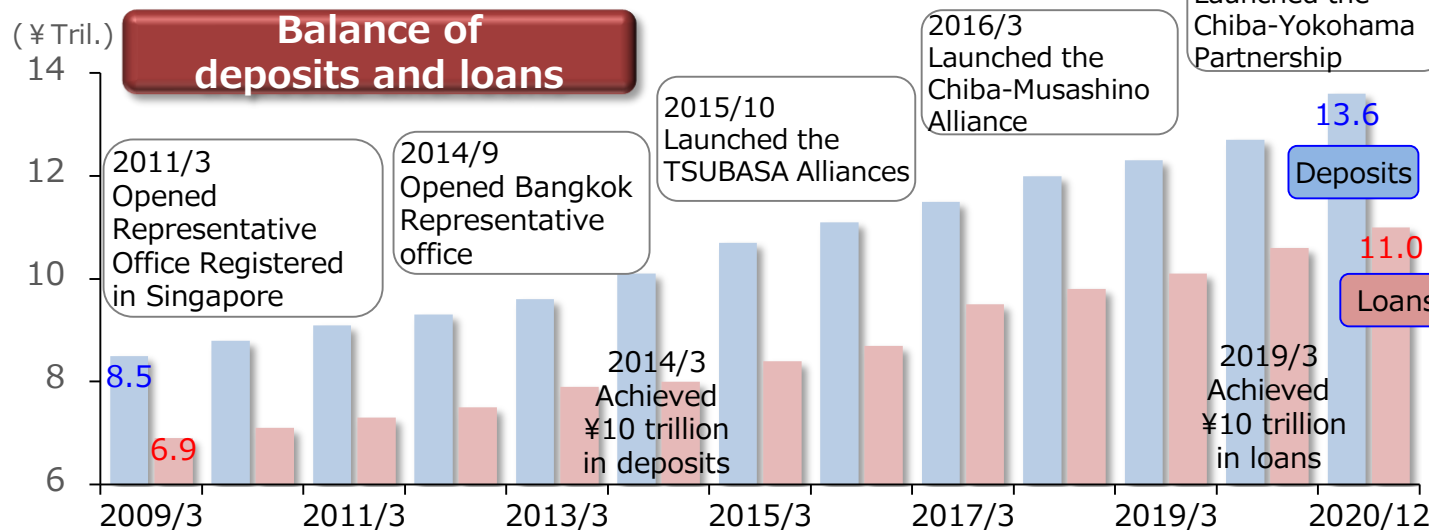
Jun. 2019 Senior Executive Officer (Group CSO*)

Apr. 2020 Senior Executive Officer (Group CSO and CDTO*)

Scheduled to be appointed President in June 2021 (Group COO*)

* Group CEO: Group Chief Executive Officer

* Group COO: Group Chief Operating Officer
Group CSO: Group Chief Strategy Officer
Group CBO: Group Chief Business Officer
Group CDTO: Group Chief Digital Transformation Officer



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