



山梨から豊かな未来をきりひらく

山梨中央銀行

The 46th Analyst Meeting

May 30, 2024 (Thu)

Prime Market of the Tokyo
Stock Exchange: 8360

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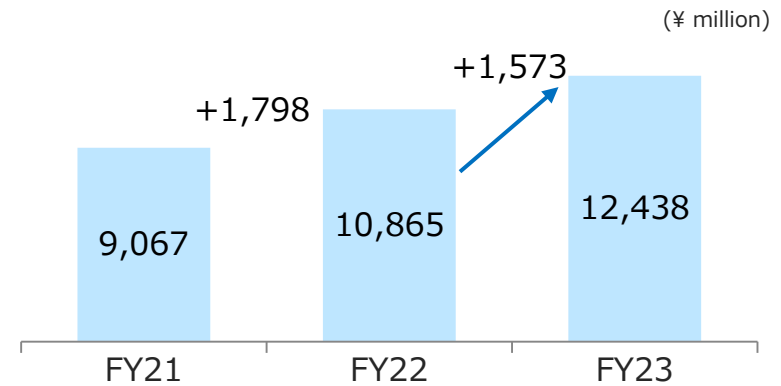
Summary of Business Results



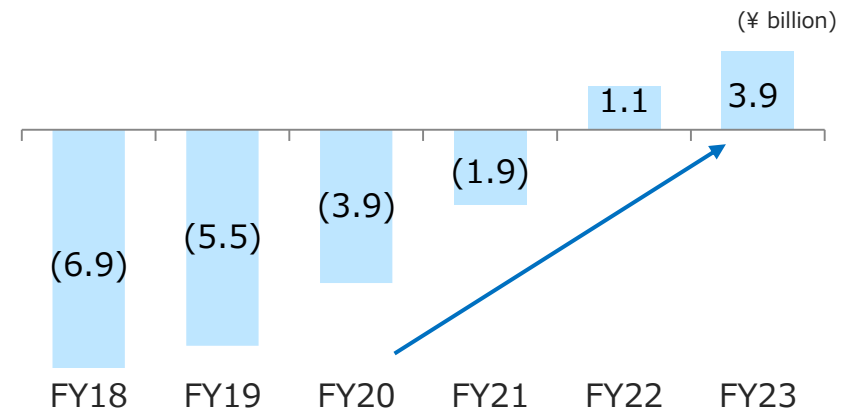
Main profit and loss items were positive YoY due to growth in customer service business profit.

Non-consolidated (¥ billion)	FY22	FY23	YoY
Gross business profit	26.3	27.5	1.2
Interest income	30.9	30.7	(0.1)
Fees and commissions	7.0	7.7	0.6
Other operating income	(2.4)	(1.1)	1.2
Core gross business profit	35.5	37.2	1.7
JGBs and other bond transactions	(9.1)	(9.6)	(0.5)
Expenses	24.0	24.8	0.7
General provision to loan loss reserve	0.9	0.0	(0.9)
Net business profit	1.3	2.7	1.3
Core net business profit	11.4	12.4	0.9
(Excluding gain on cancellation of investment trusts)	10.8	12.4	1.5
Non-operating gains (losses)	5.4	4.3	(1.0)
Disposal of non-performing loans	0.3	0.0	(0.2)
Stock and other related income	6.1	4.5	(1.6)
Ordinary profits	6.7	7.0	0.3
Extraordinary income (losses)	0.0	(0.0)	(0.0)
Total corporate taxes, etc.	2.2	1.3	(0.8)
Net income	4.5	5.6	1.0
Credit-related costs	1.2	(0.0)	(1.3)
Consolidated (¥ billion)	FY22	FY23	YoY
Consolidated ordinary profits	7.7	7.6	(0.1)
Profit attributable to shareholders of the parent	5.0	5.6	0.5

Core net business profit (excluding gain on cancellation of investment trusts)



Customer service business profit*



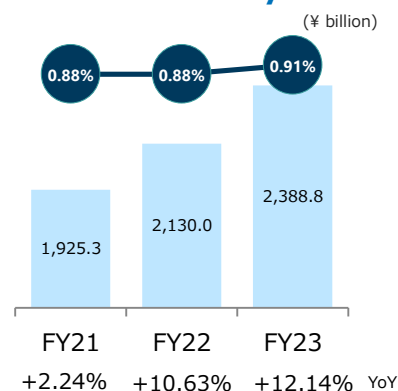
* Customer service business profit
Average loan balance × Yield difference on loans and deposits + Fees and commissions – Operating expenses

Interest on loans increased steadily.

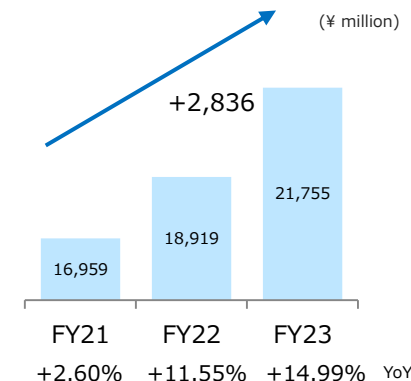
Interest on securities decreased due to the reduction of positions for future profit improvement.

	(¥ billion)	FY22	FY23	YoY
Interest income		30.9	30.7	(0.1)
Net interest margin		18.6	21.4	2.8
Interest on loans		18.9	21.7	2.8
Domestic operations		17.9	20.2	2.3
International operations		0.9	1.5	0.5
Interest on deposits		0.2	0.2	0.0
Domestic operations		0.2	0.2	(0.0)
International operations		0.0	0.0	0.0
Interest on securities		12.5	8.5	(4.0)
(Excluding gain on cancellation of investment trusts)		11.9	8.5	(3.4)
Bonds		5.8	2.2	(3.6)
Domestic operations		3.4	2.0	(1.4)
International operations		2.3	0.1	(2.1)
Stock		1.1	1.1	(0.0)
Distributions on investment trusts		5.5	5.1	(0.3)
Gain on cancellation of investment trusts (gain surplus)		0.5	0.0	(0.5)
Capital market investment and procurement		(0.3)	0.7	1.0
Domestic operations		28.7	29.1	0.4
International operations		2.1	1.5	(0.5)

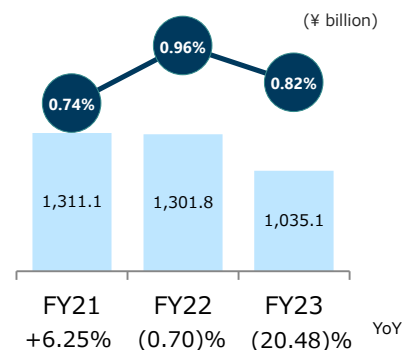
Average loan balance and yield



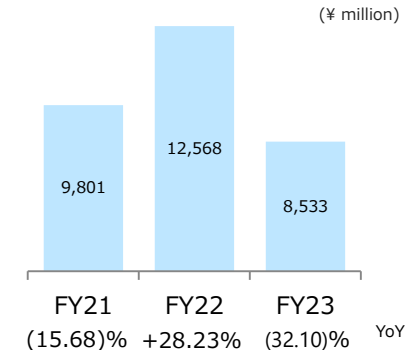
Interest on loans



Average security balance and yield



Interest on securities



Both balances of deposits and loans increased steadily.

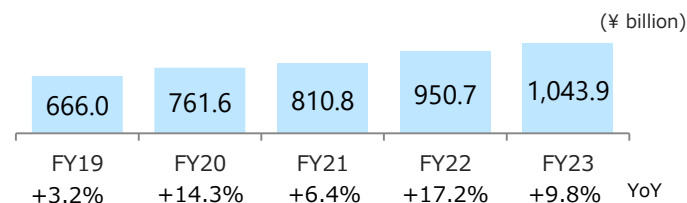
Average balance

	FY22	FY23	YoY (% change)	
(¥ billion)				
Deposits	3,548.1	3,630.1	+81.9	(+2.3%)
Yamanashi Pref.	3,139.7	3,213.4	+73.7	(+2.3%)
Outside of Yamanashi Pref.	408.4	416.7	+8.2	(+2.0%)
Deposits shares in Yamanashi Pref. (term-end)	51.5%	51.7%	+0.2	-

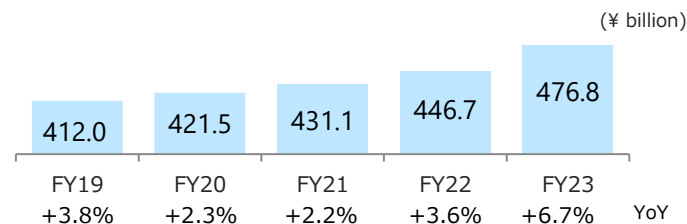
(Excluding Japan Post Bank)

	FY22	FY23	YoY (% change)	
(¥ billion)				
Loans	2,130.0	2,388.8	+258.7	(+12.1%)
By area				
Yamanashi Pref.	1,002.9	1,073.4	+70.4	(+7.0%)
Outside of Yamanashi Pref.	969.2	1,132.7	+163.5	(+16.8%)
Loan assets under the control of head office	157.8	182.6	+24.7	(+15.7%)
By market				
General funds	1,447.9	1,662.0	+214.1	(+14.7%)
Non-commercial for individuals	415.4	437.1	+21.6	(+5.2%)
Local government bodies	266.7	289.6	+22.9	(+8.6%)
Loan shares in Yamanashi Pref. (term-end)	47.3%	48.0%	+0.7	-

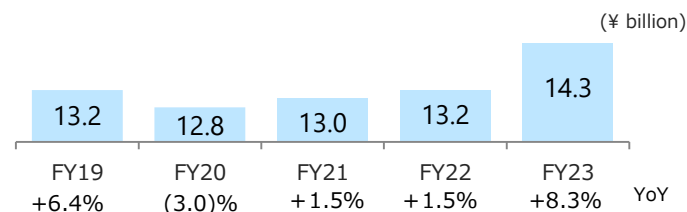
Balance of loans to SMEs (term-end)



Housing loans (term-end)

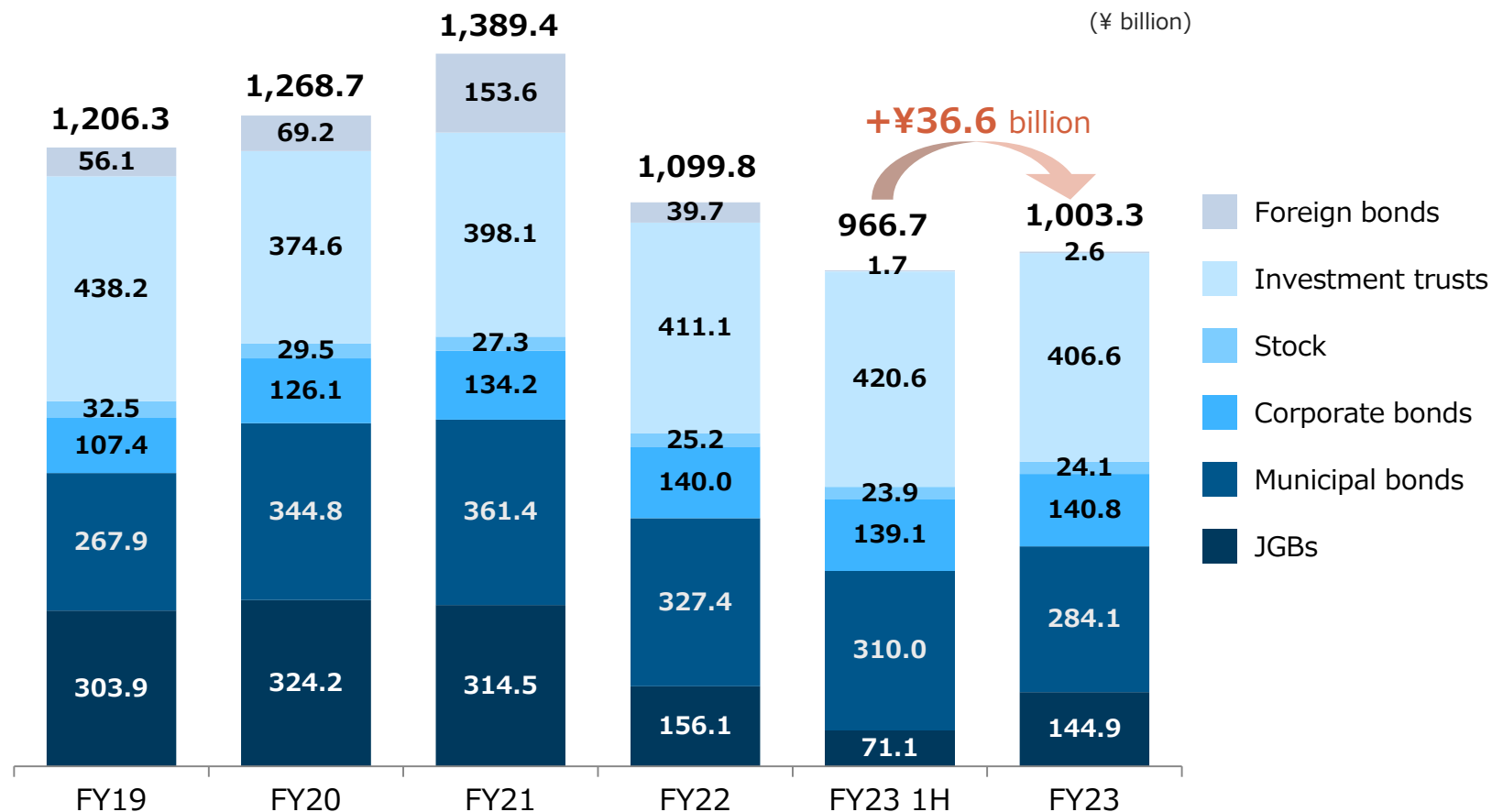


Unsecured loans (term-end)



Restored the portfolio that has been reduced to reduce risk.

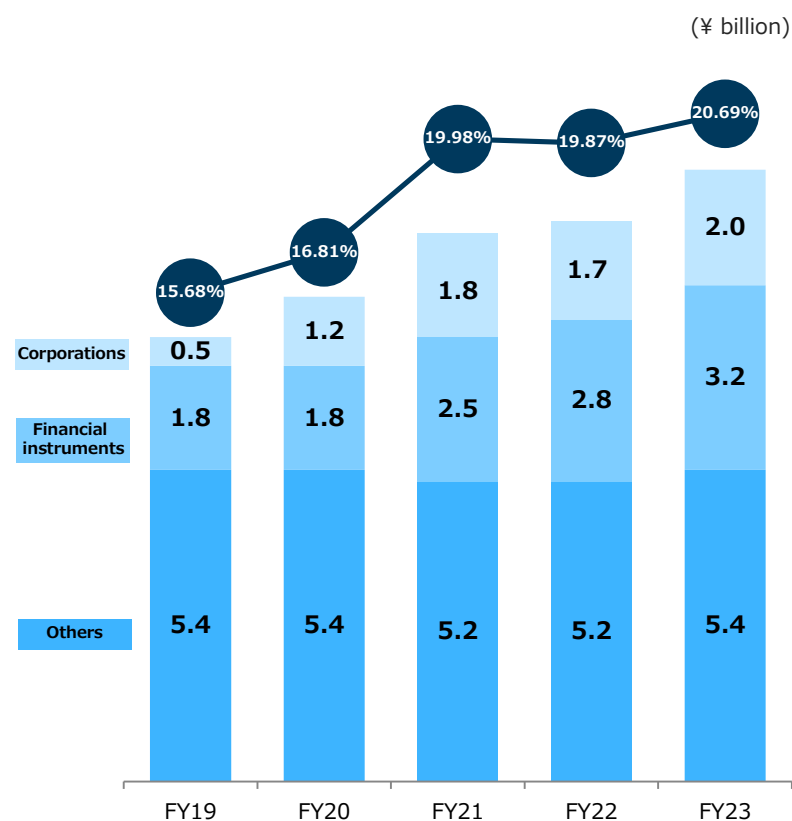
Balance of securities (subject to mark-to-market valuation)



Strengthening of consulting sales for both corporations and individuals was successful, resulting in an increase in fees and commissions.

(¥ million)	FY22	FY23	YoY
Fees and commissions	7,056	7,712	656
Fees and commissions	9,788	10,634	846
Fees and commissions expenses	2,732	2,921	189
<Main breakdown>			
Fees and commissions income from financial products (excluding insurance for corporate customers)	2,829	3,277	448
Fees and commissions for life insurance (excluding the corporate portion)	1,628	1,898	270
Fees and commissions for investment trusts	1,035	1,234	199
Brokerage fees and commissions for financial products	151	126	(25)
Fees and commissions for public bonds	11	14	3
Fees and commissions income from corporations	1,772	2,045	273
Fees and commissions for structured finance	973	1,038	65
Fees and commissions for life insurance for corporate customers	118	272	154
Fees and commissions for business matching	204	230	26
Fees and commissions for consulting	250	221	(29)
Fees and commissions received related to foreign exchange (domestic)	1,523	1,479	(44)
Loan payment premiums and guarantees	2,024	2,156	132

Trends in fees and commissions and service profit ratios



* Service profit ratio = Fees and commissions / Core gross business profit

Accelerate management reform by aggressive strategic investments.

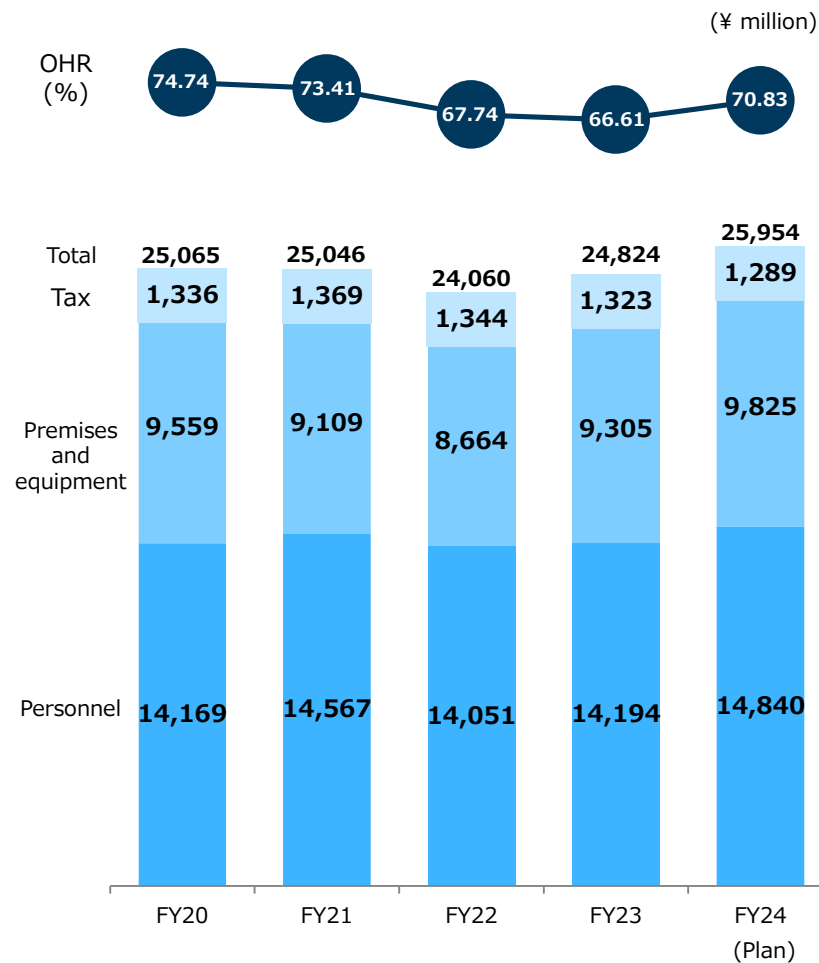
Expenses (¥ billion)	FY22	FY23	YoY	FY24 (Plan)	YoY
	Expenses	24.0	24.8	0.7	25.9
Personnel	14.0	14.1	0.1	14.8	0.6
Premises and equipment	8.6	9.3	0.6	9.8	0.5
Tax	1.3	1.3	(0.0)	1.2	(0.0)

OHR	67.74%	66.61%	(1.13)P
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Main factors behind changes in expenses

(¥ billion)	FY23		FY24 (Plan)	
Personnel	0.1	Wage increases +0.1	0.6	Wage increases +0.6
Premises and equipment	0.6	IT investments +0.6	0.5	IT investments +0.5
Tax	(0.0)	-	(0.0)	-

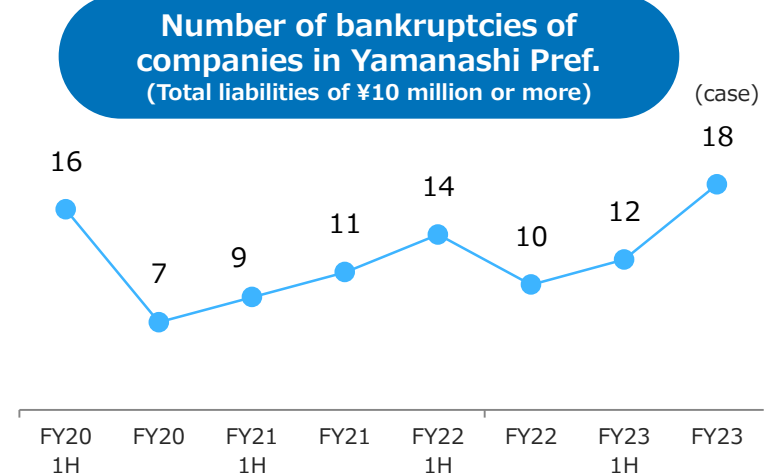
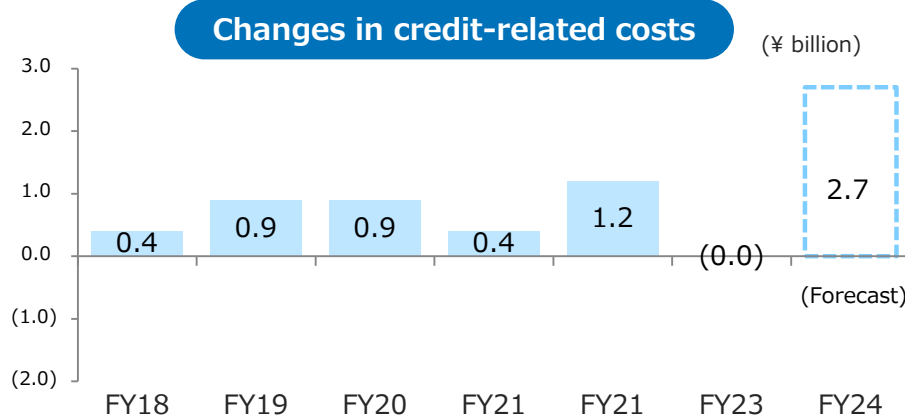
Changes in expenses and OHR



Credit-related costs are expected to increase from a precautionary viewpoint.

(¥ billion)	FY22	FY23	YoY	FY24 (Forecast)	YoY
Credit-Related Costs	1.2	(0.0)	(1.3)	2.7	2.8
Net provision to general loan loss reserve	0.9	(0.6)	(1.6)	0.1	0.8
Disposal of non-performing loans (Non-operating gains (losses))	0.3	0.6	0.2	2.5	1.9
Net provision to specific loan loss reserve	0.2	0.5	0.3	2.4	1.9
Provision to reserve for contingent losses	0.0	0.0	(0.0)	0.0	(0.0)
Loans written-off and loss on sale of claims	0.0	0.0	(0.0)	0.0	(0.0)
Recoveries of written-off claims	0.0	0.0	0.0	0.0	(0.0)
Credit cost ratio	5.91bp	(0.34)bp	(6.26)bp	10.59bp	10.94bp

(Note)
In the table on the left, for the purpose of comparison with the past, reversal of allowance for loan losses is divided into net provision to general loan loss reserve and provision of specific loan loss reserve.



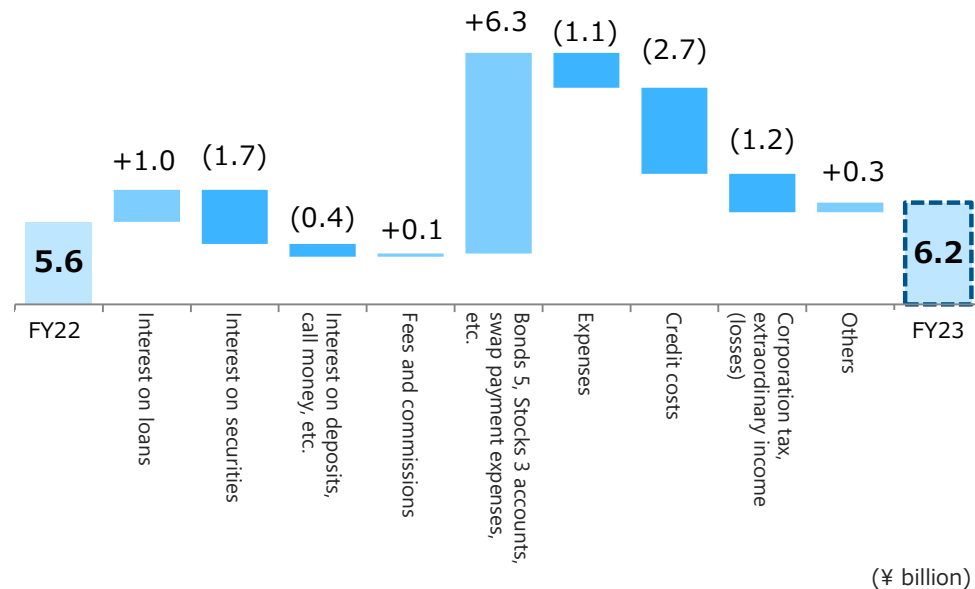
Non-consolidated (¥ billion)	FY23	FY24 (Plan)	YoY
Gross business profit	27.5	35.1	7.5
Interest income	30.7	29.6	(1.1)
Interest on loans	21.7	22.7	1.0
Interest on securities	8.5	6.7	(1.7)
Fees and commissions	7.7	7.8	0.1
Other operating income	(1.1)	(0.8)	0.3
Core gross business profit	37.2	36.6	(0.6)
JGBs and other bond transactions	(9.6)	(1.5)	8.1
Expenses	24.8	25.9	1.1
General provision to loan loss reserve	0.0	0.1	0.1
Net business profit	2.7	9.0	6.2
Core net business profit	12.4	10.6	(1.8)
Core net business profit (excluding gain on cancellation of investment trusts)	12.4	10.6	(1.8)
Non-operating losses	4.3	(0.0)	(4.4)
Disposal of non-performing loans	0.0	2.5	2.4
Stock and other related income	4.5	1.9	(2.5)
Ordinary profits	7.0	8.9	1.8
Net income	5.6	6.2	0.5

Consolidated (¥ billion)	FY23	FY24 (Plan)	YoY
Consolidated ordinary profits	7.6	9.3	1.6
Profit attributable to shareholders of the parent	5.6	6.4	0.7

Net income is expected to exceed that of the previous year.

- Interest and dividends on securities are expected to decrease due to the ongoing reconstruction of securities portfolio. As such, while core net business profit is expected to decrease, net income is expected to exceed the previous year's level.

Factors contributing to the change in net income



Initiatives to Improve Corporate Value

Realization of sustainable growth and medium- to long-term improvement of corporate value

Capital-cost and stock-price conscious management practices

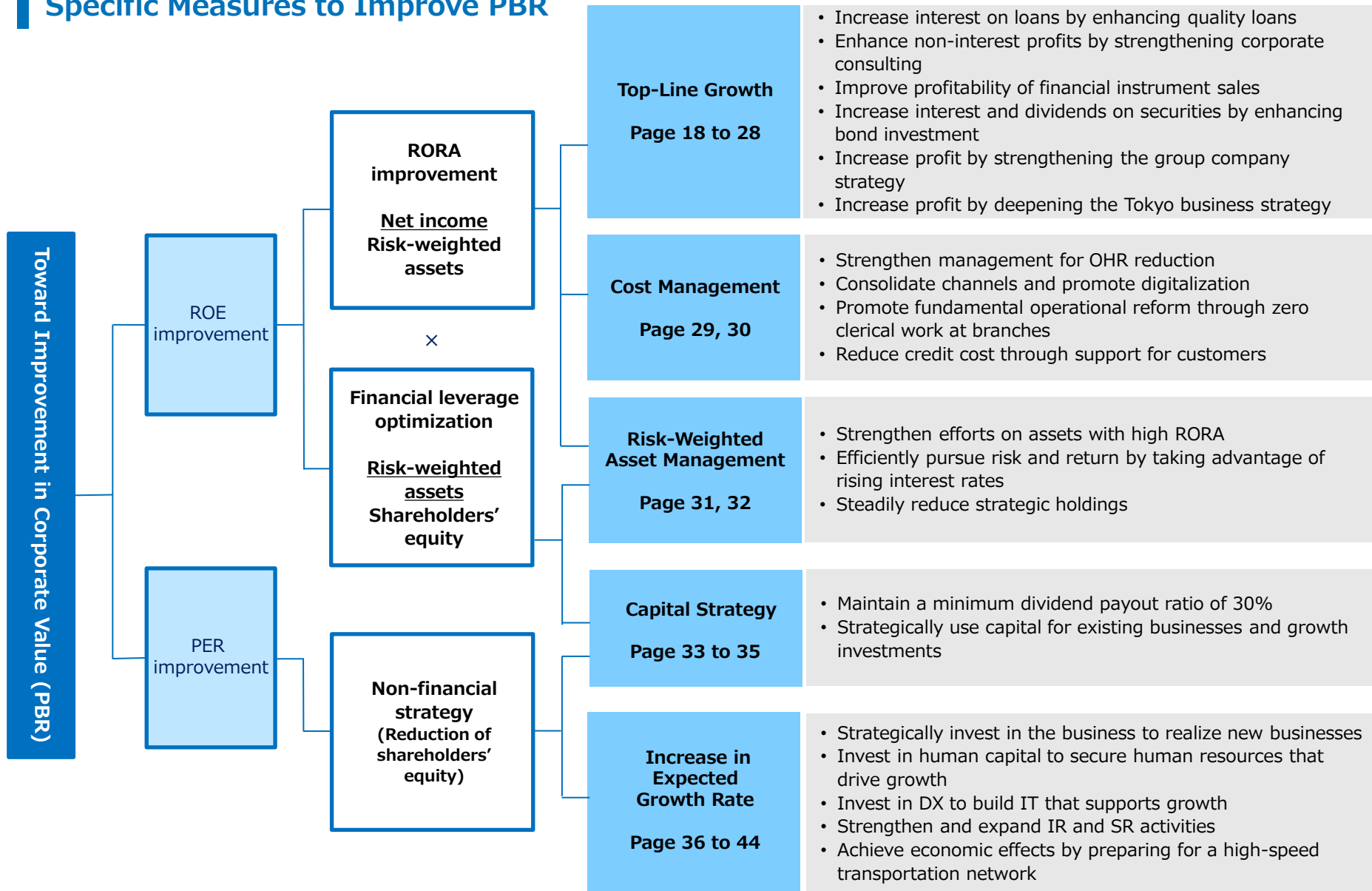
Board of Directors



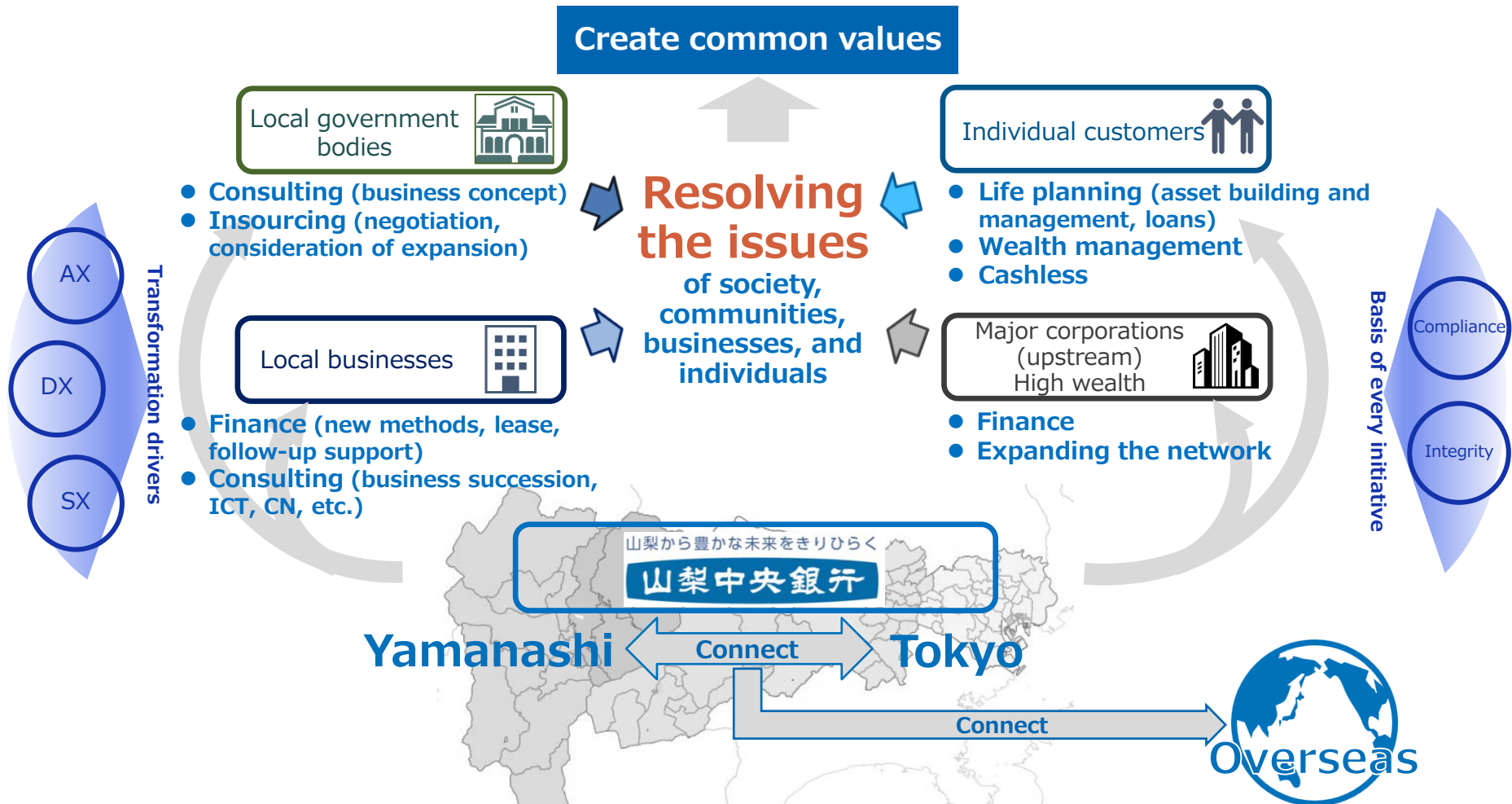
Executive Members

Growth Strategy (Profitability Improvement)	Capital Strategy	Sustainable Strategy
<ul style="list-style-type: none"> ● Deepening and Expanding Core Businesses <ul style="list-style-type: none"> • Strengthen risk-taking particularly in relation to loans and expand associated corporate-related fees • Reconstruction of securities portfolio • Shizuoka-Yamanashi Alliance initiatives ● Exploring New Businesses <ul style="list-style-type: none"> • Establishment of various business operation methods • Finding new revenue sources by helping to resolve regional issues ● Strategic Investment <ul style="list-style-type: none"> • DX investment (digital foundation reform and next-generation channel reform) • Investment to improve productivity ● Group Company Strategy <ul style="list-style-type: none"> • Strengthen group management capability 	<ul style="list-style-type: none"> ● Effective Use of Capital <ul style="list-style-type: none"> • Capital allocation that focuses on a balance between soundness, profitability, and shareholder returns ● Shareholder Return <ul style="list-style-type: none"> • Maintain the payout ratio on profit attributable to owners of parent roughly at 30% • Take a flexible approach to acquisition of own shares ● Reduction of Strategic Shareholdings <ul style="list-style-type: none"> • Establish a strategic shareholdings reduction policy • Plan to reduce the balance by roughly 10.0 billion yen in fair-value terms during the medium-term plan period ● Enhancement of Dialogue with Shareholders and Institutional Investors <ul style="list-style-type: none"> • Appropriate information disclosure based on constructive dialogue 	<ul style="list-style-type: none"> ● Initiatives for Sustainable Management <ul style="list-style-type: none"> • Develop a structure to achieve sustainable management ● Responses to TCFD Recommendations <ul style="list-style-type: none"> • Strengthen efforts to resolve climate-related issues ● CO₂ Emission Reduction <ul style="list-style-type: none"> • Activities for reducing CO₂ emissions ● Human Capital Management Initiatives <ul style="list-style-type: none"> • Expand human capital investment • Human resource development policy and internal environment improvement policy • Diversity, Equity & Inclusion (DE&I) policy • Engagement survey

Specific Measures to Improve PBR



Vision for growth that effectively uses Yamanashi and Tokyo, as well as overseas networks



■ Deepening + Exploring new businesses → Strengthen the growth strategy

■ Invoke empathy and involvement

Medium- to Long-Term Targets

- Aim to achieve ROE of 3% or more during the period of the Medium-Term Management Plan “TRANS³ 2025.”
- Aim to achieve, by FY2027, quantitative goals of “consolidated net income of 10.0 billion yen or more” and “ROE of 5% or more” set forth as “ideal” toward closing the gap from the assumed cost of capital of 7%.
- Allocate capital in a well-balanced manner to growth investment, shareholder return, etc., while maintaining consolidated regulatory capital ratio roughly at 10%.

Long-term vision: Be a Value Creation Bank

Medium-Term Management Plan	[Value+ 2022] From FY19 to FY21	[TRANS ³ 2025] From FY22 to FY24			Ideal From FY25 to FY27
Fiscal year	FY2021 results	FY2022 results	FY2023 results	By FY2024	By FY2027
Consolidated net income	4.2 billion yen	5.0 billion yen	5.6 billion yen	6.0 billion yen or more	10.0 billion yen or more
Consolidated dividend payout ratio	30.1%	27.8%	30.1%	Maintain the consolidated dividend payout ratio at approx. 30% Take a flexible approach to acquiring the Bank's own shares	
Consolidated regulatory capital ratio	11.71%	10.72%	10.05%	Approx. 10%	
EPS	132.73 yen	161.78 yen	185.79 yen	200 yen or more	330 yen or more
ROE	1.98%	2.53%	2.77%	3% or more	5% or more
PBR	0.14 times	0.18 times	0.26 times	0.3 times or more	0.5 times or more
Cost of capital	-	Assumed to be 7% (calculated based on CAPM, using Rp of 6.5%)			

Roadmap toward achieving consolidated net income of 10.0 billion yen

Toward achieving the Medium-Term Management Plan

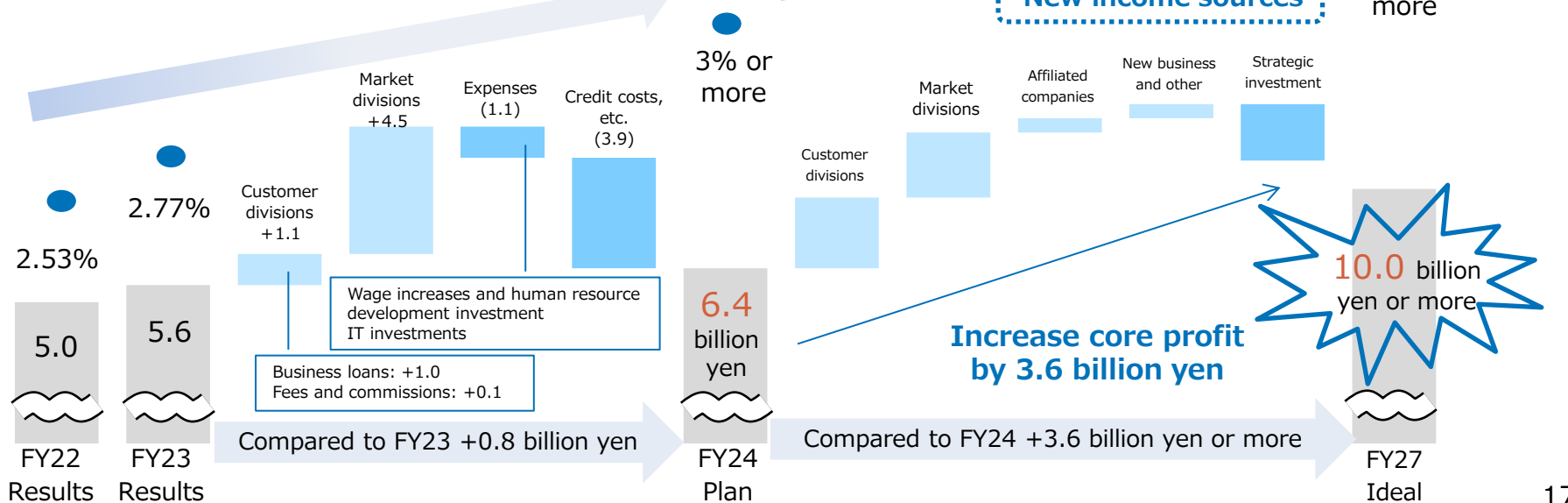
- Increase interest mainly on business loans
- Strengthen market investment capability through portfolio reconstruction
- Invest in growth fields to boost profit

Schematic illustration of increases in profit toward the ideal results

- Strengthen personal loan strategy as well as business loan strategy
- Expand non-financial earnings in the field of consulting services
- Upgrade securities portfolio management
- Strengthen group functions, expand business domains, and use idle real estate effectively
- Accelerate strategic investment

● : Consolidated ROE

■ : Consolidated net income (¥ billion)

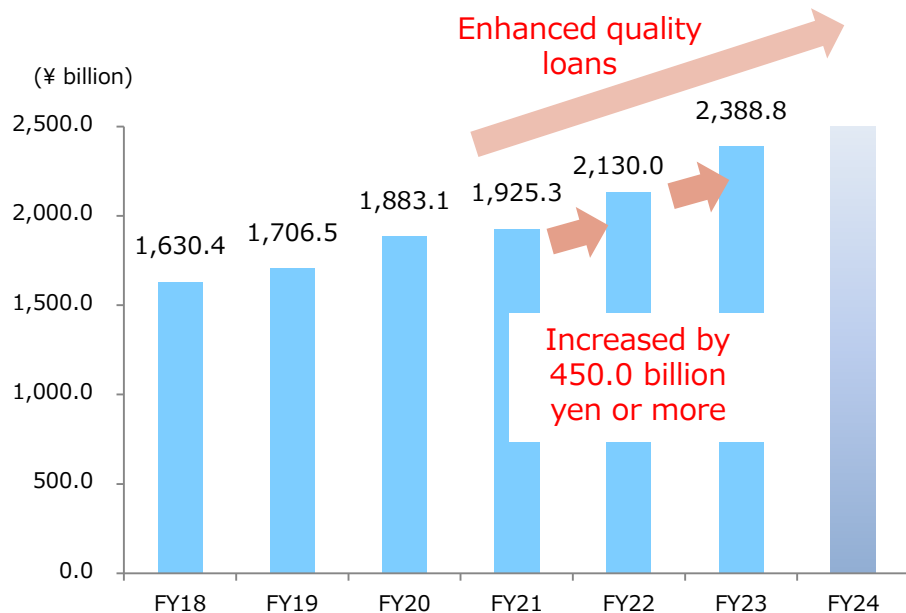


Top-line growth through increases in interest on loans drives Bank growth.

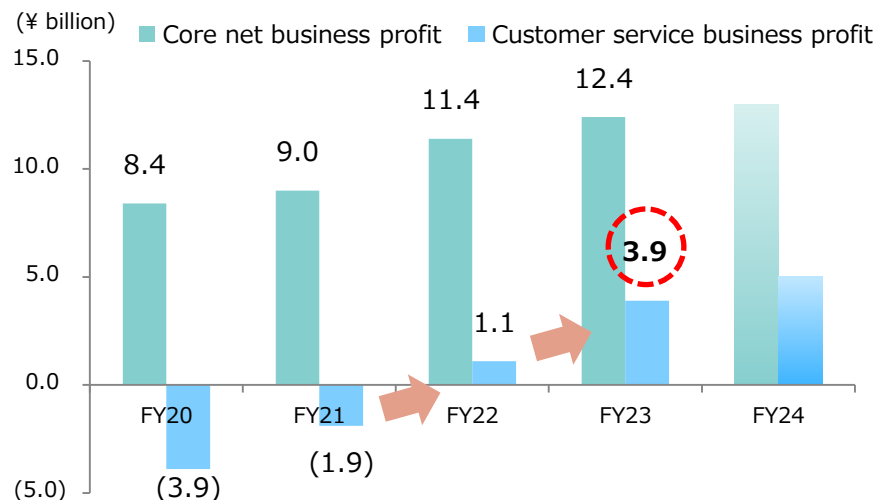
**Average loan balance target for FY2024:
+500.0 billion yen or more compared with FY2021**

- Transformation into an organization focused on increasing profitability by balancing profit, risk-taking, and regulatory capital.
- **Reconstruction of the loan portfolio by increasing high-quality loans with RORA in mind.**
- We officially introduced return on risk assets (RORA), a return-on-capital indicator, as a basis for loan interest rate judgments and decision-making.

Average loan balance

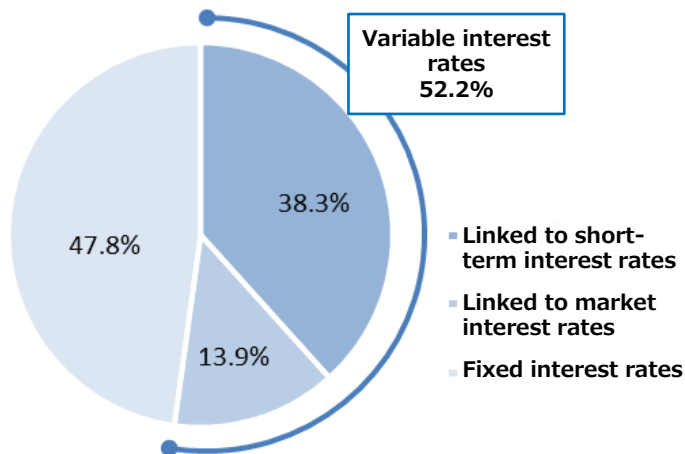


Earned customer service business profit of 3.9 billion yen in the FY23

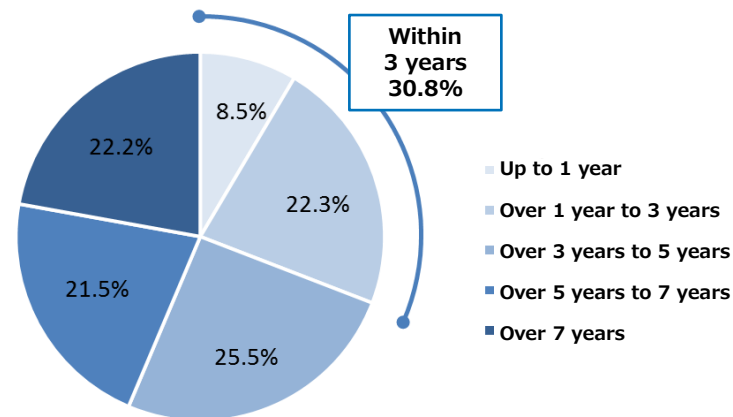


Loans with variable interest rates: 52%; fixed interest rates loans within 3 years: 30%

Composition by base rate



Fixed interest rate breakdown



Impact of rising interest rates on the top line

- The annual impact on interest on loans is **approximately 2.7 billion yen**(*)
- The annual impact on interest on deposits is **approximately 1.7 billion yen**(*)
- Interest on loans is expected to increase more than interest on deposits, so higher interest rates will have a positive impact on the top line.



Increase in interest income
Approx. 1.0 billion yen
per year

(*) Annual increase in interest if the policy interest rate increases by 50 bp
(25 bp × 2 times)

Increase fees and commissions revenue by strengthening consulting support to customers.

Change in revenue from corporate and financial instrument-related fees and commissions

- Record-high revenue from corporate-related fees and commissions

Corporate-related services increased steadily mainly in the areas of structured finance, M&A, and fee-based consulting services.

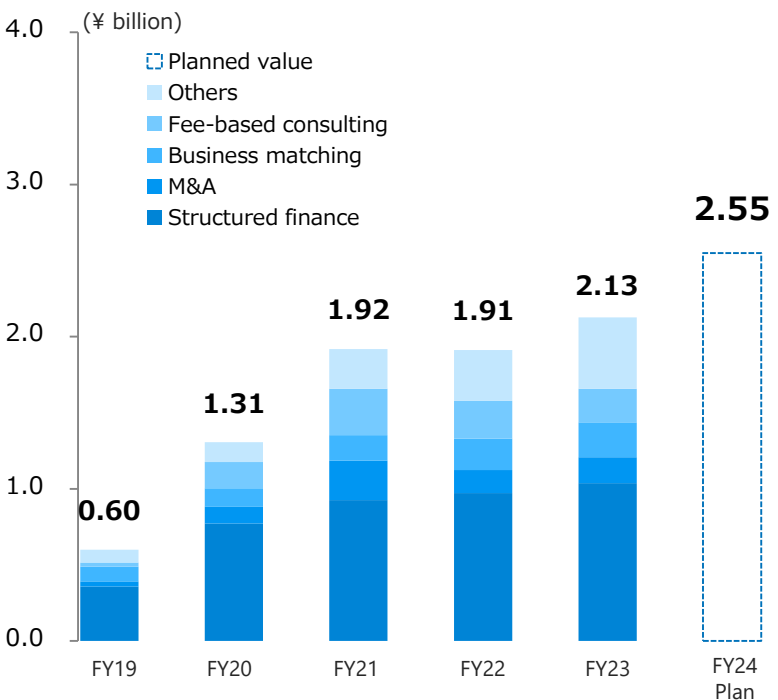
In addition to strengthening each service item, we aim to establish sustainability-related and other consulting services.

- Record-high revenue from financial instrument-related fees and commissions

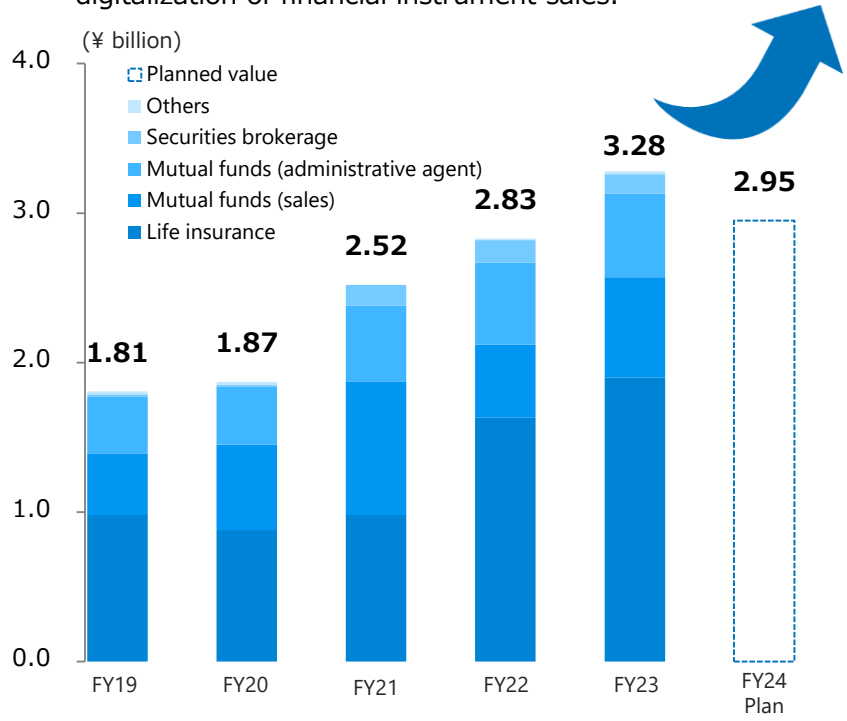
Record-high financial instrument services through sales of mutual funds and insurance.

Further strengthen wealth management with a new reskilling program for individual consultants.

We aim to further improve productivity by shifting to digitalization of financial instrument sales.



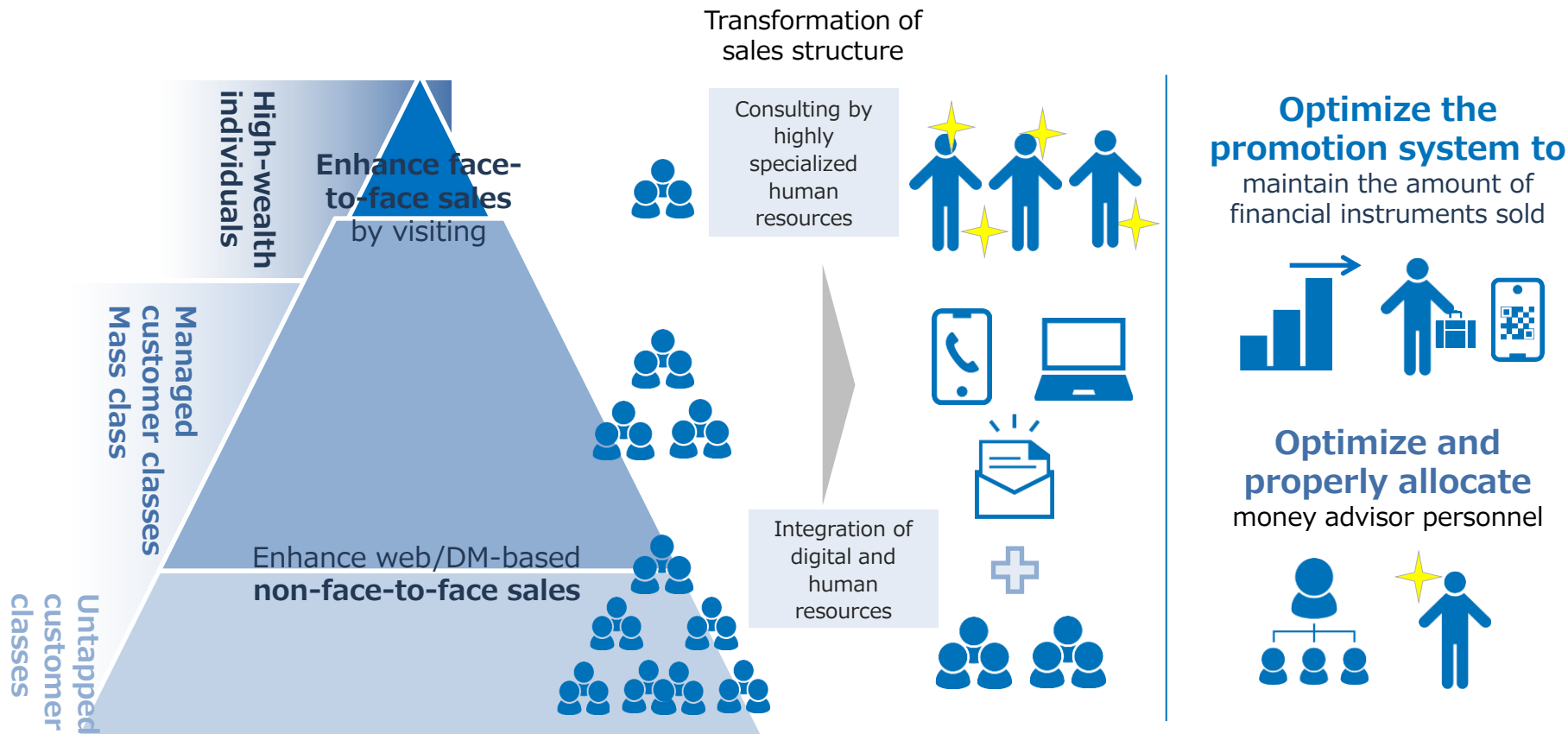
* Including the results of derivative transactions, etc.



Increase revenue from corporate-related fees and commissions

Initiatives to increase revenue from financial instrument-related fees and commissions

- We will optimize promotion methods and personnel allocation to develop a system to maximize revenue.



Aiming to achieve a stable total profit of 12.0 billion yen or more (1% yield) every year

- Total profit of 25.3 billion yen was recorded in FY2023, a significant improvement in the portfolio.
- Effectively use 200.0 to 300.0 billion yen in cash that has been held back from investment.

Upgrading portfolio management



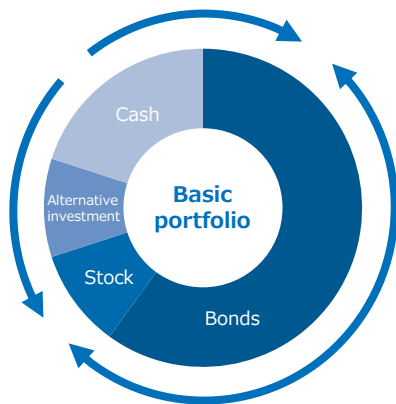
- Management focused on the basic portfolio
- Using advice from Yamanashi Mirai Investment

Investing 100.0 billion yen or more annually



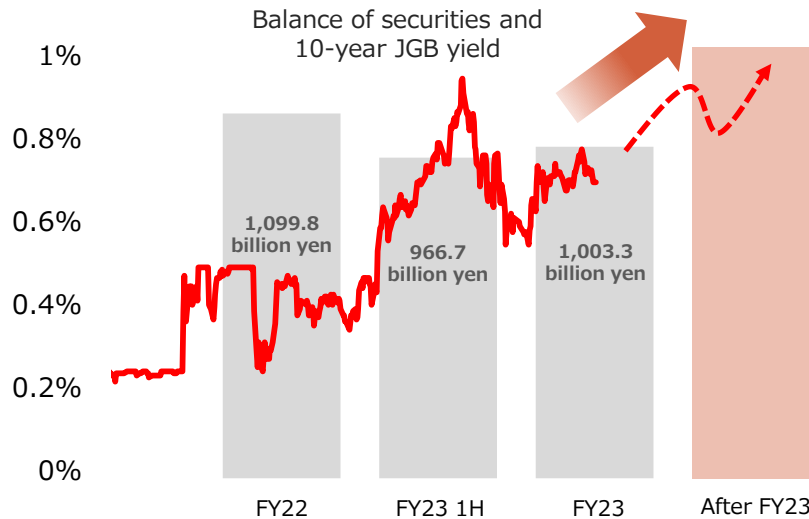
- First interest rate increase in 17 years makes yen bonds investment attractive
- Restore the portfolio based on market trends

Take on challenges in new business!

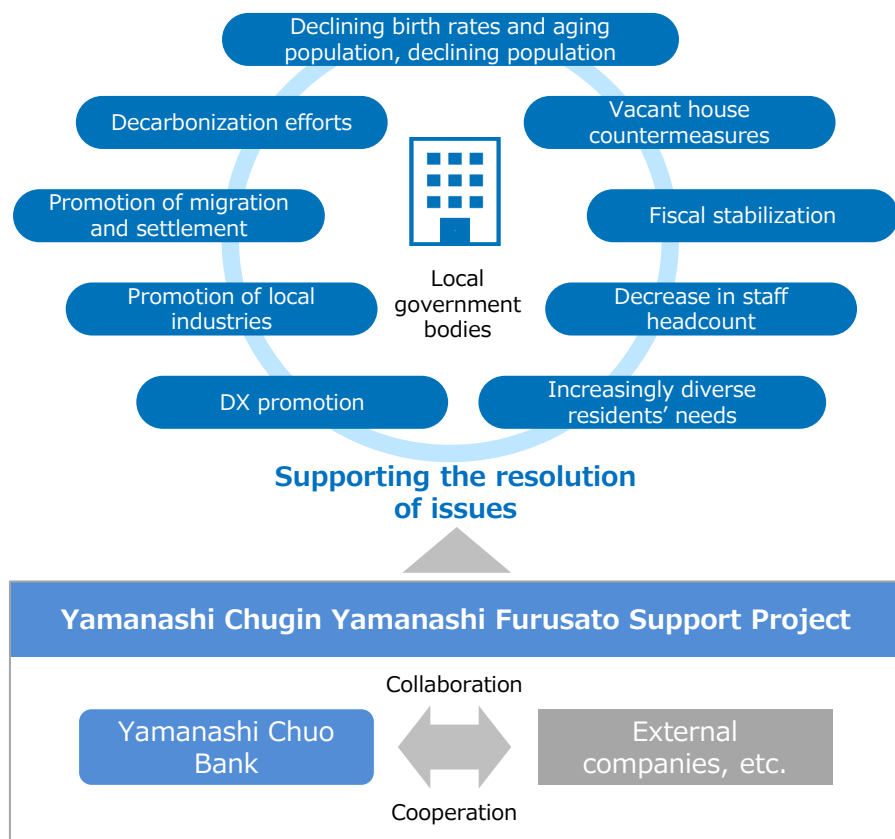


Allocation adjustment

- Establishing a basic portfolio from a medium- to long-term perspective.
- Adjusting allocations based on advice from YMI.



Realization of resolutions to regional issues and acquisition of new revenue opportunities through administrative measures promotion support.



Switching to a fee-based service and rationalization of the collection and payment agent service

- After agreeing with Yamanashi Prefecture to switch to a fee-based service in April 2023, all municipalities in the prefecture have also agreed to implement the fee-based handling of payment slips from April 2024.
- The 2023 slip-less and cashless payment promotion project implemented at the same time in Yamanashi Prefecture to reduce the number of payment slips.
- Approximately 140 million yen in revenue is expected from switching to a fee-based service, and streamlining of collection and payment agent service will be achieved.



Switching to a fee-based bank transfer service

- Agreement with Yamanashi Prefecture on switching to fee-based services from October 2024.
- Discussions are underway with 23 municipalities in the prefecture to appoint the Bank as the designated financial institution.

• As the only regional bank in the prefecture, we will work to support administrative and financial operations, revitalize the local economy, and create sustainable communities by providing a variety of consulting and outsourcing services to local government bodies.

Aiming for sustainable development with the local community through an alliance with Shizuoka Bank.

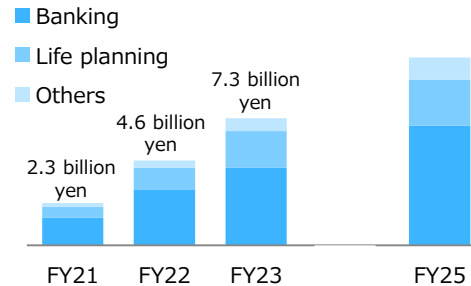
- Promptly implemented measures to collaborate with Shizuoka Bank and realized earnings benefits significantly exceeding initial plans

We aim to realize KPI = **12.0 billion yen** in synergies from the alliance (**total of both banks, 5-year cumulative total**) and accelerate initiatives that contribute to vitalizing local economy.

FY2023 results

Earnings benefits
 Approx. **2.76 billion yen**
 Compared with the single-year target: **125.9%**

5-year equivalent (forecast)



Earnings benefits (expected)
 Approx. **10.9 billion yen**
 Compared with 5-year target: **90.9%**

Major results through FY2023

Finance field

Structured finance

Syndicated loans
87.2 billion yen

Syndicate loans, etc.

Co-formation
38.9 billion yen

Life planning field

Establishment of Shizugin TM Securities Yamanashi Head Office (April 2021 or later)

Sales of assets under custody
50.2 billion yen

Balance of assets under custody
27.5 billion yen

Local economy vitalization field

Jointly invested business succession fund

Portfolio companies: **6**
 Execution amount: **0.75 billion yen**

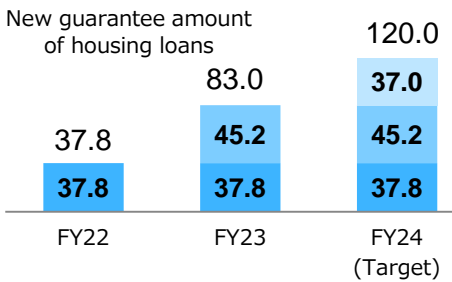
Individual business meetings to connect companies in Yamanashi and Shizuoka

Meeting held: **27 times**
 Successful deals: **187**

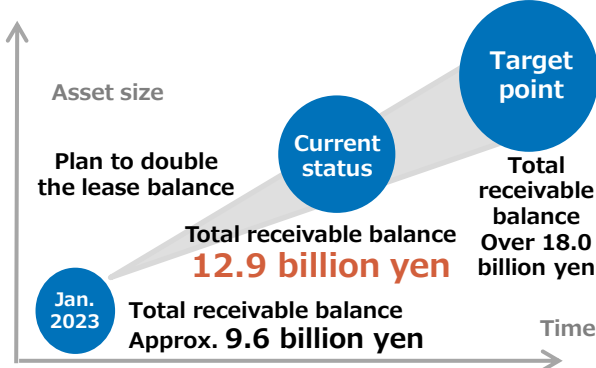
Offering comprehensive financial services by leveraging group functions.

Yamanashi Chuo Guarantee

Increase through cooperation with banks



Yamanashi Chugin Lease



Yamanashi Chugin DC Card

Strengthen the JiMOCA brand

JiMOCA partners	FY21	FY22	FY23
Number of businesses	156	188	202
Number of branches	459	519	527

Yamanashi Chugin Management Consulting

Feb. 2024

Establishment of Yamanashi Sustainable Investment Business Limited Partnership (1.0 billion yen)

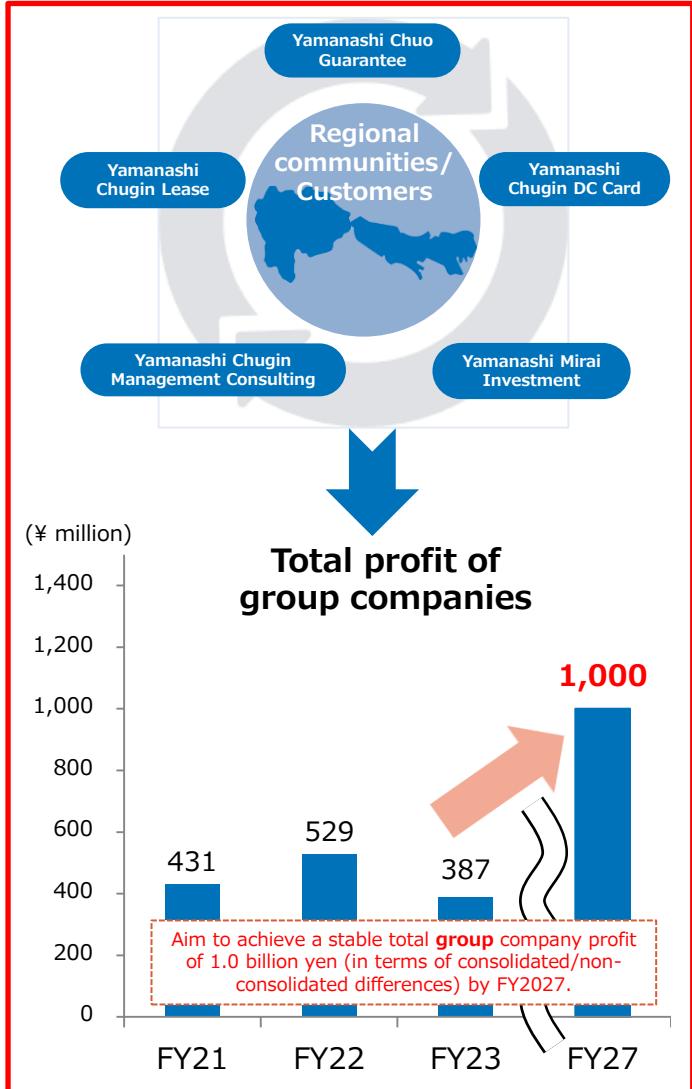
Yamanashi Mirai Investment

Dec. 1, 2023: Established

Mar. 1, 2024: Start of business

Final profit target as of Mar. 31, 2025: 18 million yen

Final profit target as of Mar. 31, 2028: **75 million yen**



* Figures for FY2023 are approximate and exclude gains on intergroup share transactions.

Encourage behavioral change to solve existing issues and create a new future by enabling cashless transactions.

Yamanashi Chuo Bank Group

Enhancement of product and service lineup

Shift to cashless operations in communities

Cooperation with other players

Enhancement of promotions



Ideal results

Number of accounts for settlement of accounts (individuals)
200,000 accounts

Number of corporate card members
6,700 members

Corporate card transaction volume
5.0 billion yen

Number of member branches
3,300 branches

Member branch transaction volume (annual)
54.0 billion yen

Problem solving
Creating the future

Expected Effects

Improved consumer convenience



Streamlined operations
Reduction of labor shortage



Creation of diverse consumption styles



Reduced infrastructure costs



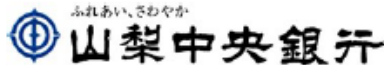
Data linkage
Digitization



Deterring fraud and crime related to cash



Consideration of establishing a new company to secure a new source of revenue by helping to resolve regional issues.



100% owned by the Bank



Regional general trading company

Tourism value creation project

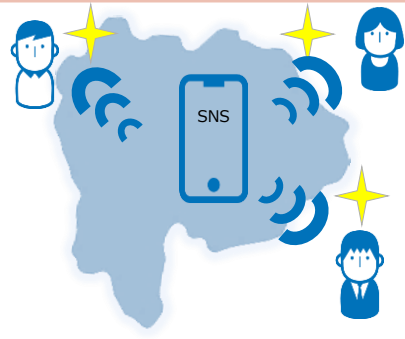
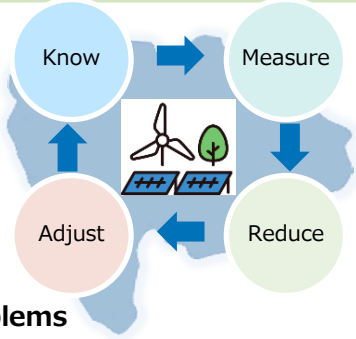
- Discover attractive local tourism resources and local products
- Create new tourism value
- Transmit (sell) to domestic and foreign tourists

Decarbonization-related business

- One-stop support for local decarbonization from four perspectives: Know, Measure, Reduce, and Adjust.

Social media advertisement business

- Disseminate information to expand awareness and enhance brand value
- Strengthening points of contact with customers
- Support for the use of social media



Solving regional problems

Expanding the Bank's revenue

Prosperity of local communities
 Development of the local economy

**Open Up a Bright Future
 from Yamanashi**

Strengthening efforts in collaboration with VC funds

- We will focus on various aspects such as fostering new industries, working on new business areas for the Bank, and revitalizing local communities by connecting local communities and ventures.

Yamanashi Chuo Bank Group

Investment in VC funds

- Improved knowledge of fintech companies
- Collaboration with new businesses and ventures
- Introduction of Japanese and U.S. ventures to the region
- Collaboration in venture business
- Human resource development of bank employees
- Collaboration in venture business
- Startup support in cooperation with Yamanashi Prefecture



Investment commitment amount: approx. 1.0 billion yen



Dispatch one person to a start-up support company

Yamanashi Chugin Management Consulting

- Fostering businesses that will play a key role in the region's future
- Support for growth and start-up areas

Knowledge and expertise
Networking and relationship building



New Business Areas



The Bank's own innovations



Fostering new industries



Community revitalization

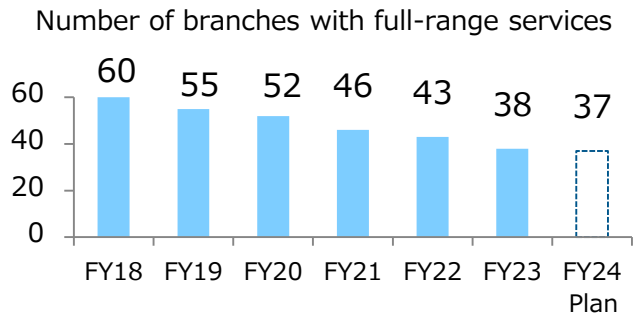


Creation of significant revenue opportunities

Strategic personnel allocation associated with branch consolidation.

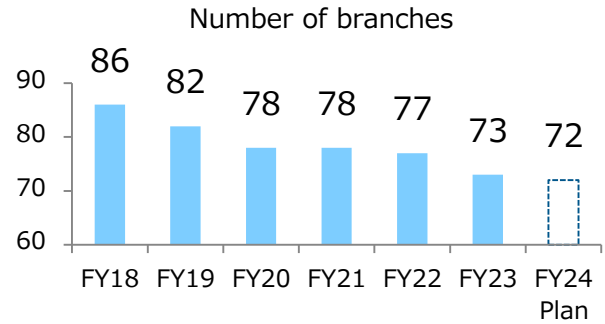
Consolidation of branches with full-range services

- Change the Hino, Koganei, Fuchu, Obuchizawa, and Yamanakako branches to function specific branches.



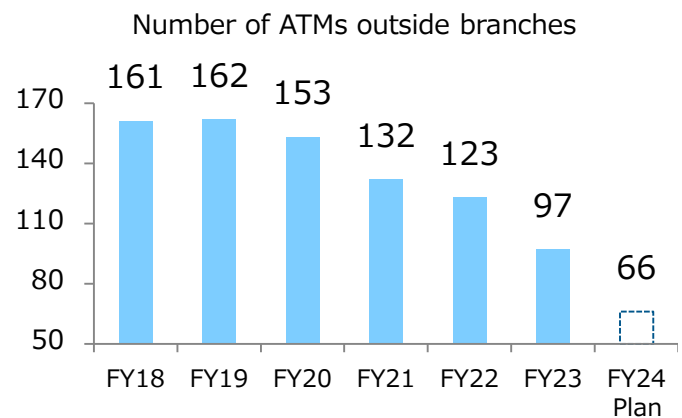
Consolidation of branches

- Move the Koganei, Fuchu, and Ryutsu Center Branches, and the Community Hall Sub-branch system.



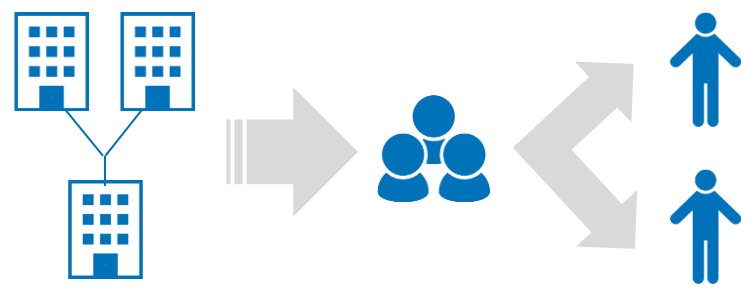
Reduction of ATMs outside branches

- Reduce mainly in low-utilization ATMs



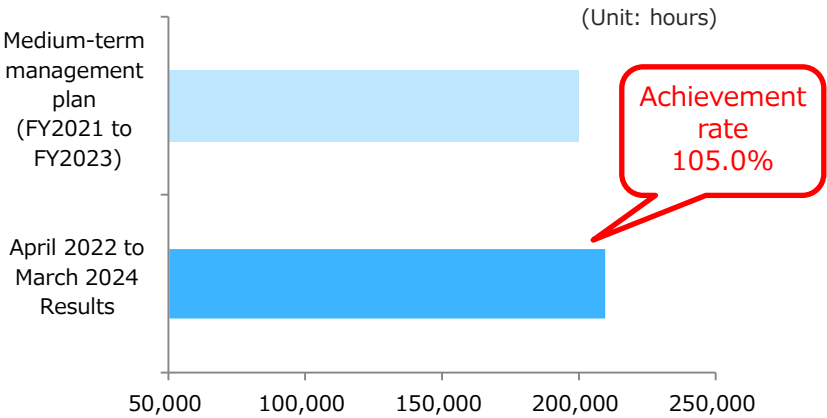
Strategic personnel allocation

- Strategically reallocate 19 employees made available by the change of branch functions and the relocation of branches through the branch-within-a-branch method.



Achieve zero clerical work at branches through implementation of various measures.

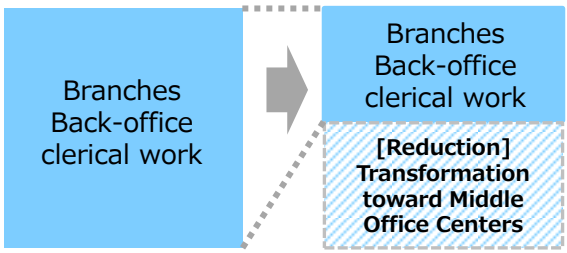
Reduction of clerical work load (hours)



Major initiatives

Simplification	<ul style="list-style-type: none"> Review of verification operations for back-office clerical work at branches Simplification of documents received for inheritance procedures, etc.
Centralization	<ul style="list-style-type: none"> Centralize branch back-office operations for high-variety low volume lots in the head office. (Development of middle office center) Centralize business loan execution processes in the head office, etc.
Systemization	<ul style="list-style-type: none"> Introduction of semi-self-service terminals to improve the efficiency of high counter operations Improve the efficiency of low counter operations through functional improvement of the dedicated tablet terminal for counter services, etc.

Development of Middle Office Centers



Development in all branches completed in August 2023

Introduction of semi-self-service terminals



Installed branches: 71 (as of March 31, 2024)

Development in all branches to be completed in the first half of FY2024

Improve features of dedicated tablet terminal for counter services



Functional improvement operations: 11 operations

Functional improvement through agile development

Initiatives to Improve RORA

Accumulation of high RORA deals

- Establish a system to share RORA simulations between branches and head office when considering corporate loans, and start full operations. (from April 2024)
- Launch an initiative to calculate RORA for each category at the time of semiannual budgeting and review with the ALM Committee. (from July 2023)

Initiatives to improve low RORA

- System development is underway to link the risk-weighted asset calculation system with the revenue management system to analyze RORA data. (Scheduled to begin operation in July 2024)
- RORA is used as a priority indicator in efforts to reduce policy investment.

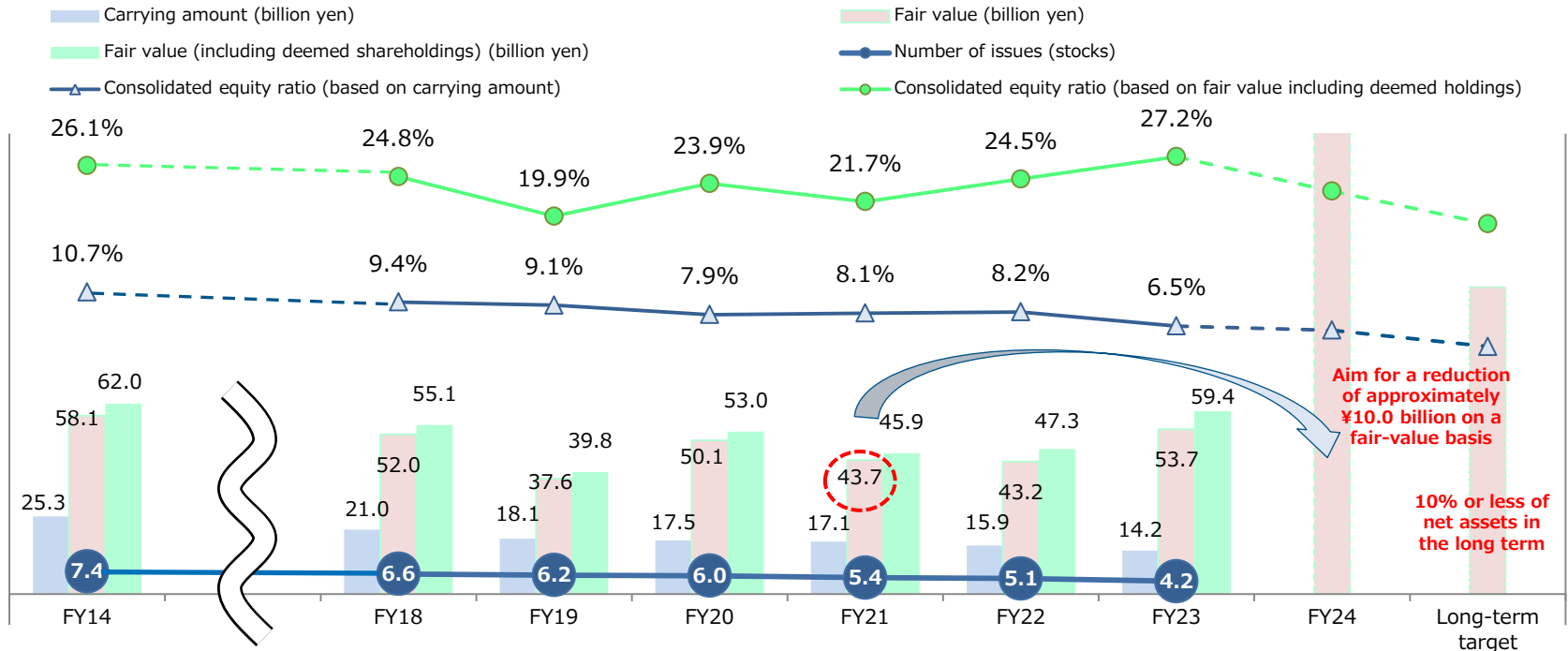
Strengthening non-asset business

- Increase non-interest operating income through consulting support and other services to meet the needs of all types of customers, including corporations, individuals, and local government bodies.
- Increase group profit, including the newly established Yamanashi Mirai Investment.

Promote the reduction of strategic shareholdings to improve capital efficiency.

- Reduce listed strategic shareholdings by approximately 10.0 billion yen* on a fair-value basis by FY2024.
(* Compared to FY2021, excluding changes in fair value)
- **Reduce 12 companies for 6.5 billion yen (on a fair-value basis)** by FY2023.
- On the other hand, the consolidated equity ratio is on an upward trend due to market value fluctuation factors associated with rising stock market prices, so we will continue to accelerate dialogue with our business partners to reduce shareholdings and consider measures to reduce **the consolidated equity ratio (on a fair-value basis) to 10% or less**.

<Changes in strategic holdings of listed shares>

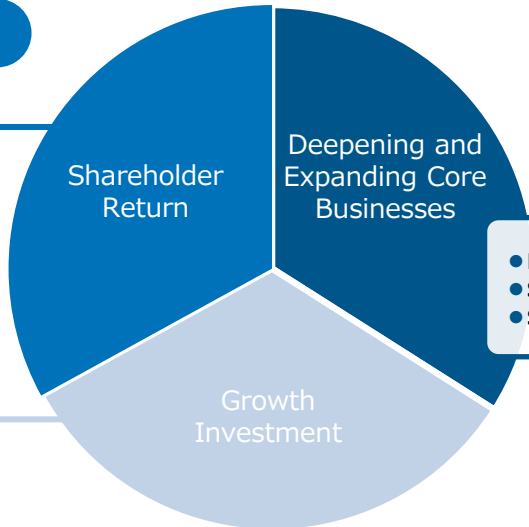


Capital allocation

Well-balanced capital allocation

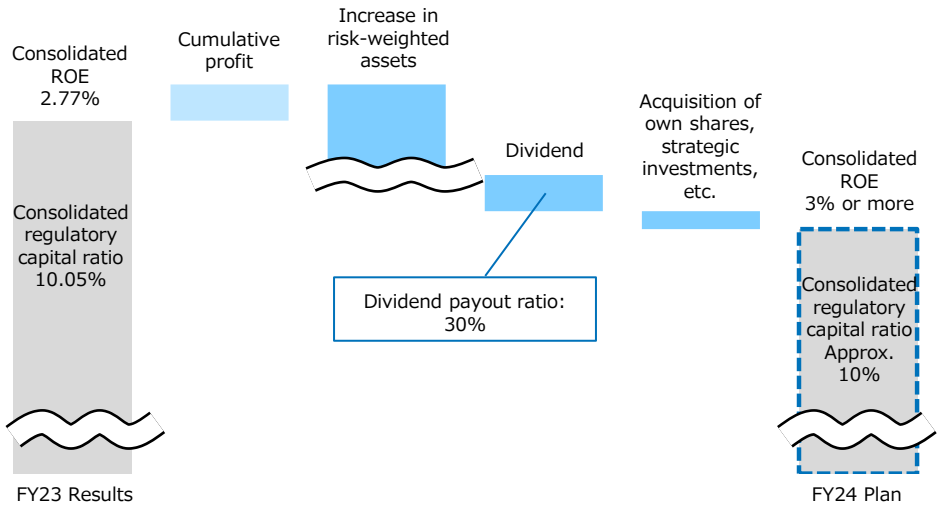
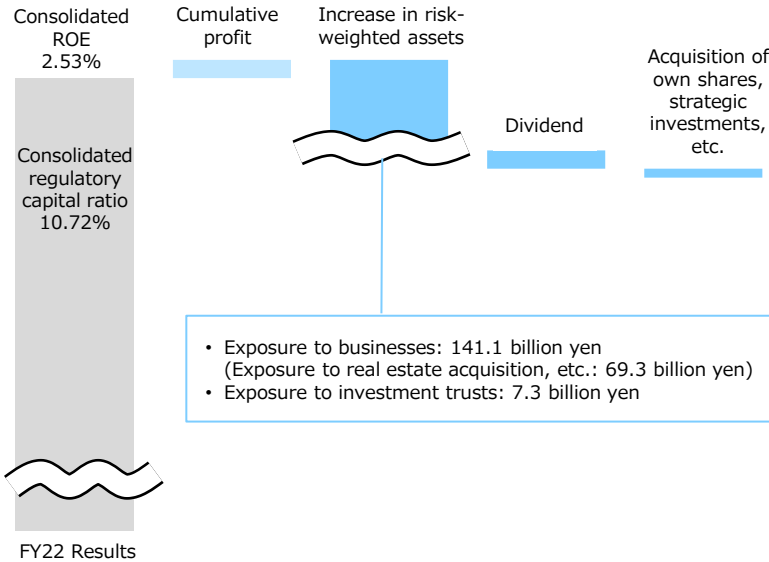
- We aim to maintain dividends at approximately 30% of profit attributable to owners of the parent.
- We will take a flexible and agile approach to acquiring the Bank's own shares.

- New business investments (Yamanashi Mirai Investment, regional trading companies (under consideration for establishment), etc.)
- Investment in human capital (improving employment terms and conditions, reskilling, development of experts, hiring mid-career professionals, etc.)
- Investment in DX promotion (building data analysis infrastructure, zero trust security, expanding digital services, operational reform support, etc.)



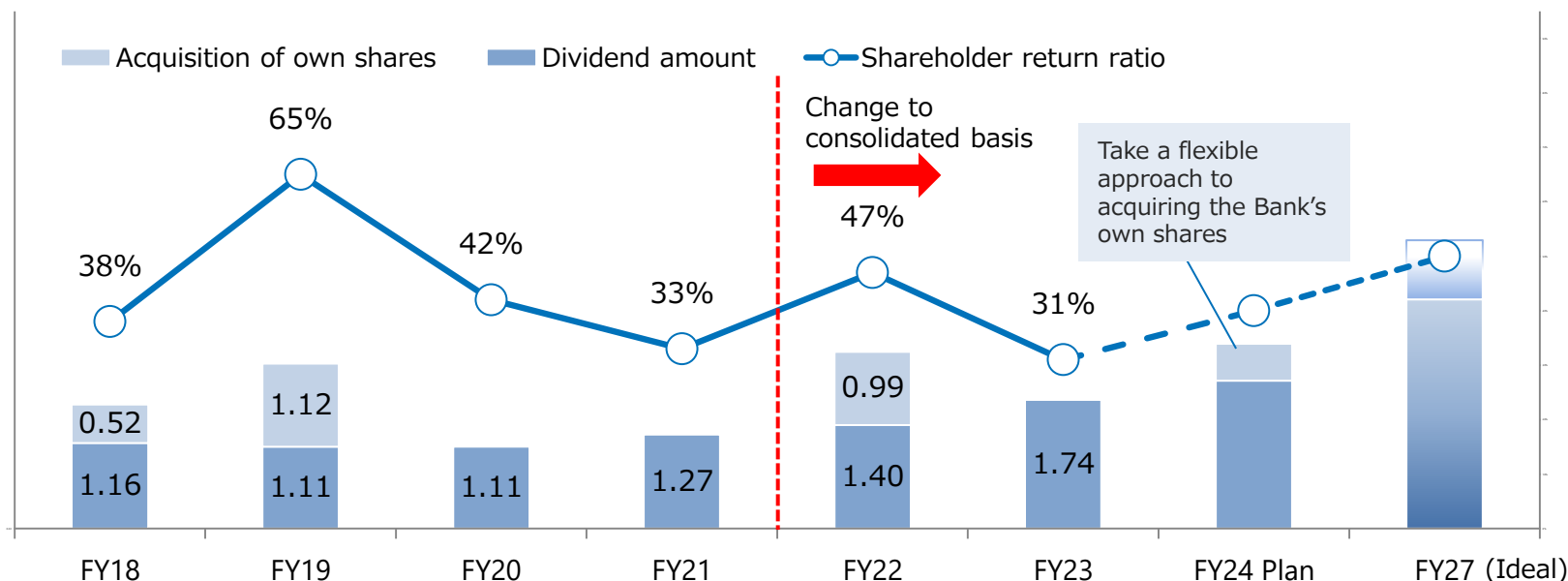
- Preparation for a smooth supply of funds
- Strengthening of loans and securities
- Strategic investment in subsidiaries

Example of capital allocation



Consecutive dividend increases are also planned for FY2024.

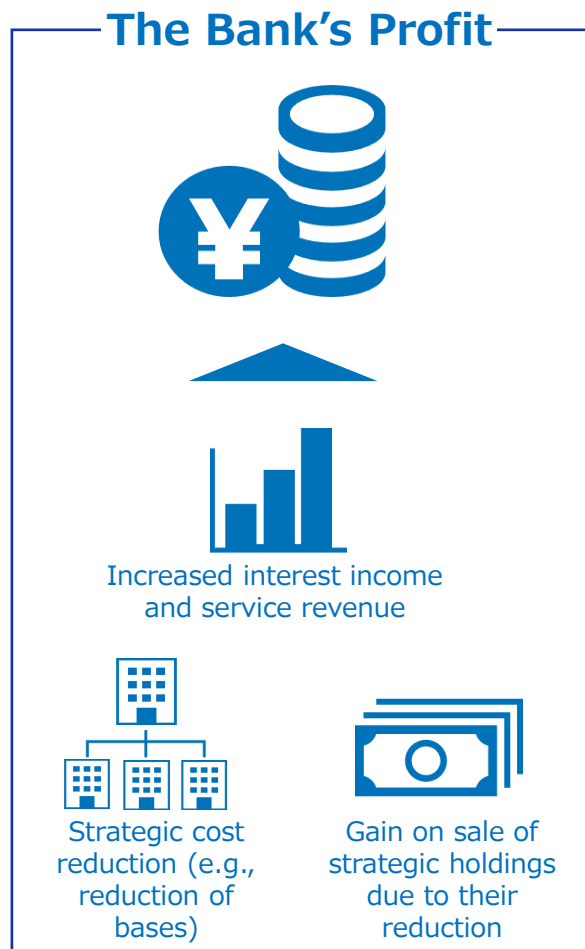
(Unit: ¥ billion)



Dividend per share	¥35	¥35	¥35	¥40	¥45	¥56	¥64	¥100
Non-consolidated net income	¥4.4 bn	¥3.4 bn	¥2.6 bn	¥3.8 bn	¥4.5 bn	¥5.6 bn	¥6.2 bn	-
Consolidated net income	¥4.9 bn	¥3.7 bn	¥3.0 bn	¥4.2 bn	¥5.0 bn	¥5.6 bn	¥6.4 bn	¥10.0 bn
Consolidated dividend payout ratio	23.7%	30.0%	36.1%	30.1%	27.8%	30.1%	30.4%	-
EPS	¥147.15	¥116.43	¥96.92	¥132.73	¥161.78	¥185.79	-	-
BPS	¥6,652.04	¥6,183.83	¥6,849.57	¥6,515.85	¥6,129.98	¥7,143.86	-	-

Increase corporate value through growth investments based on the capital strategy.

- Funds generated from profit accumulation and the sale of strategic shareholdings will be allocated for growth investment, etc., with a view to increasing corporate value over the medium- to long-term.



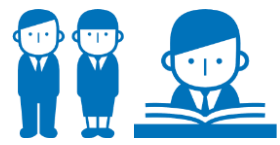
For investment in growth that leads to increased corporate value (future)

DX investment



- Expansion of digital channels
- Building next-generation IT infrastructure
- Upgrading of the data analysis structure

Investing in human capital



- Increasing consulting human resources
- Upgrading head office's expert human resources
- Preparation for the realization of D&I

Sustainability investment

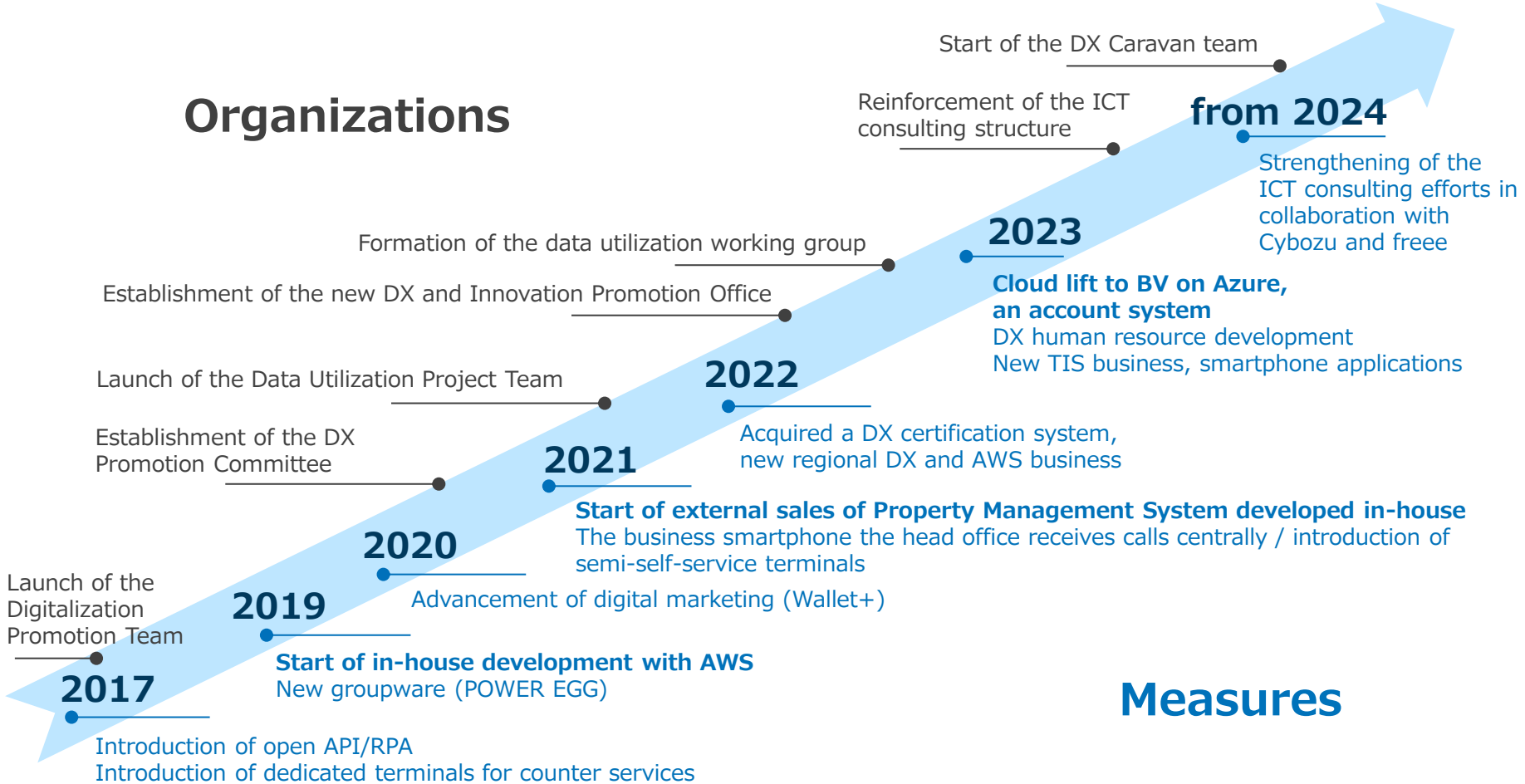


- Investment to resolve regional issues
- Investment related to environmental improvement

Returning expertise and knowledge, obtained through the Bank's DX activities, to regional society and customers.

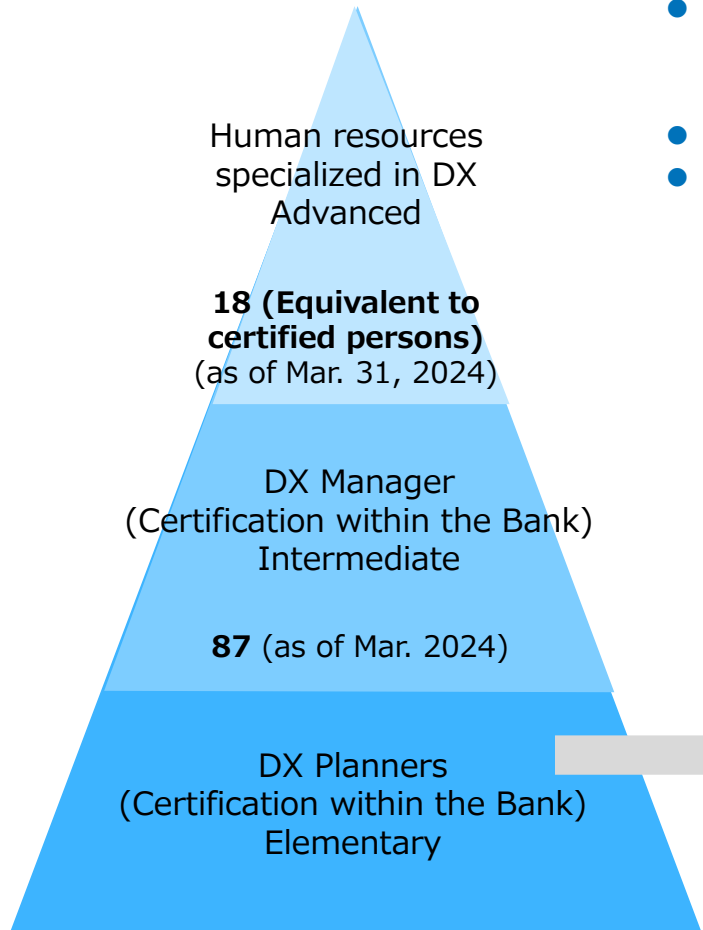


Organizations



Measures

Strengthening DX human resource development through reskilling.



- The DX Planner is an entry-level certification within the Bank.
- In collaboration with personnel qualified for higher certification, they take the initiative in utilizing digital tools to drive the digitalization of the organization.
- The training up to FY2023 is progressing almost in line with the plan.
- Satisfying qualifications certified within the Bank is part of requirements for open calls related to internal DX-related measures, and various initiatives that link such qualifications to various measures were implemented.

Personnel redeployment through reskilling is also being expanded gradually

- DX professional human resources have been engaged in ICT consulting for local SMEs, contributing to the digitalization of local communities.

	FY22	FY23	FY24	Total
Target for no. of people developed (KPI)	150	200	150	500
Results	171	166	-	-
Achievement rate	114%	83%	-	-

Respect for human rights initiatives based on the Yamanashi Chuo Bank Group Human Rights Policy —To all stakeholders through our business activities—

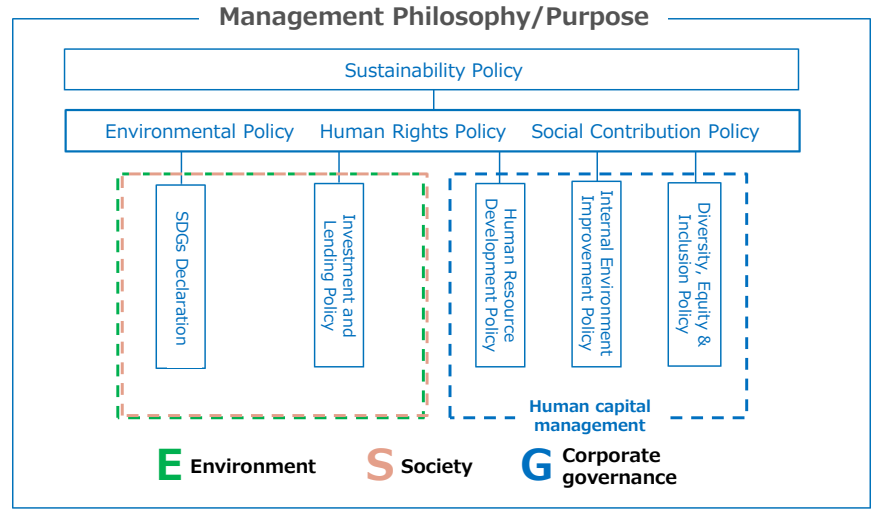
Yamanashi Chuo Bank Group Human Rights Policy

The Yamanashi Chuo Bank Group, recognizing that respect for human rights is one of the most important responsibilities for the realization of sustainable local communities and the sustainable enhancement of corporate value, established a policy in May 2024 to work to respect the human rights of all stakeholders through our business activities.



Relationship with various policies

The following chart shows the system of various policies, declarations, etc. established by the Yamanashi Chuo Bank Group.



Initiative toward realizing human capital management based on various policies

Human Resource Development Policy

Improving skills

- **Self-study support system**

A system whereby the Bank subsidizes half the cost of courses taken for personal development and career advancement.

Users in FY2023 (Amount): 12 (316,000 yen)

Exploring New Businesses

- **Development of new businesses and services**

Initiatives aiming to develop new businesses with support from outside professional organizations on how to come up with new business ideas, build business models, etc.

[Participants] 20

(Newly hired employees to managers)

[Ongoing projects]
2 projects



Internal Environment Improvement Policy

Career design

- **My Career Coordination Program**

1. Post challenge (Transfer to the head office)
Strategic personnel reallocation through open recruitment: 7 employees

2. Side job (Participation in projects inside the Bank)

* New business development projects, etc.

Total participants: 87

3. Job trials (Experience in the head office operations)

* Support for newly hired employee training, sales for Group companies, etc.

Total participants: 107

Financial wellness

- **Review of incentives for the Employee Stock Ownership Plan from March 2023**

Contributions increased approximately 30% YoY due to increased incentive payments and the introduction of the Trust-based Employee Shareholding Incentive Plan.

Ratio of employees joining the Employee Stock Ownership Plan in FY2023
84.9%

Diversity, Equity and Inclusion Policy

Hiring mid-career professionals

- **Strengthening mid-career recruitment**

	FY2023
Mid-career recruitment	17
Welcome Back system* ¹	3
Referral recruitment** ²	1

*1... System for employees who have resigned from the Bank to rejoin the Bank.

*2... Staff referral system.

Support for women's empowerment

- **Demonstration of the capabilities of diverse human resources**

The ratio of female managers and supervisors has steadily increased every fiscal year as we support the career development of women and improve the environment in which diverse human resources can play an active role.

	FY2021	FY2022	FY2023
Ratio of female managers and supervisors	13.1%	14.8%	17.2%

Conducting an engagement survey for initiatives to improve the work environment

[October 2023: Conducted engagement survey]

- Surveyed employees on their “expectations” and “actual feelings” in 16 areas, including job performance and corporate culture, and visualized the difference (gap) as an EX score.
It is expected that the survey will clarify areas where large gaps exist and highlight problems.


[February 2024: Shared analysis results and discussed improvement measures]

- Based on the results of the survey, the personnel system has been reviewed and training for its operation has been planned.
We also engage in environmental improvement activities to address issues at each workplace.

[Future initiatives]

- Going forward, we will respond flexibly to changes in issue areas while taking effective measures through the Pulse Survey*¹ and this annual survey.

Average of all industries* ²	Yamanashi Chuo Bank
72.5	74.9



*1 A method of repeating a simple survey in a short period of time. It enables us to quickly identify organizational responses and changes.

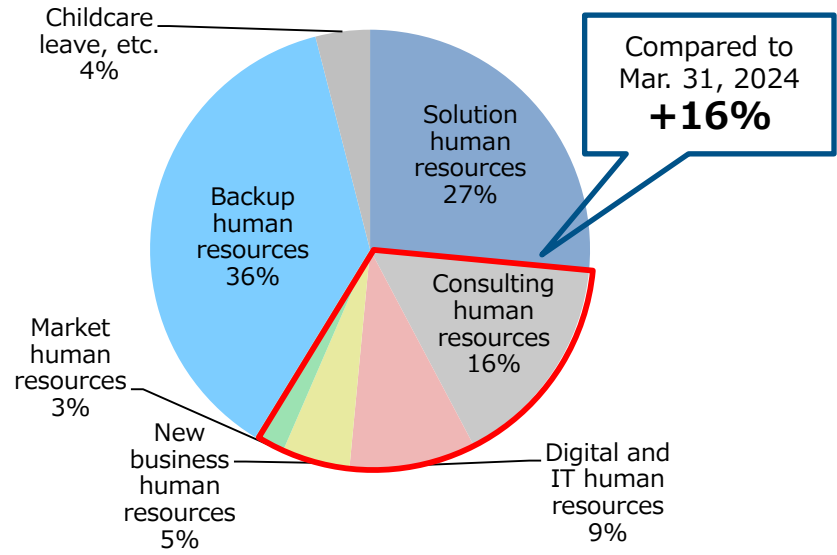
*2 Average for companies with 1,000 employees or more.

Transition toward the target human resource portfolio

Current portfolio (as of March 31, 2024)

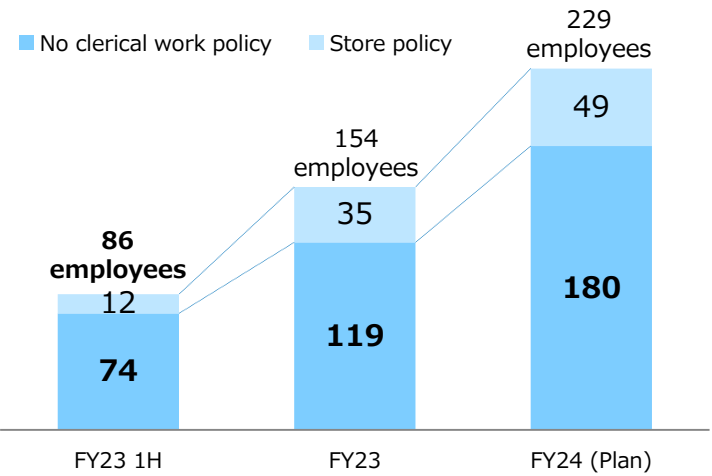
	As of Mar. 31, 2023	As of Mar. 31, 2024
Solution human resources	38%	37%
Consulting human resources	7%	10%
Digital and IT human resources	3%	5%
New business human resources	0.5%	0.5%
Market human resources	1.5%	1.5%
Backup human resources	46%	42%
Childcare leave, etc.	4%	4%

Target Human Resource Portfolio

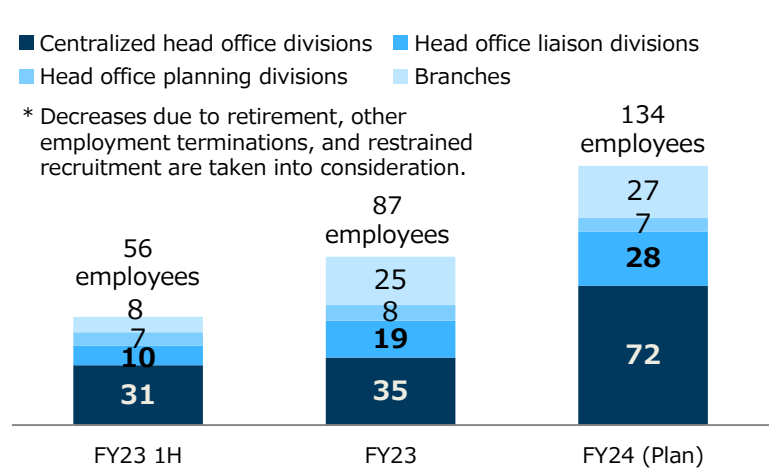


Strategic personnel allocation during the period of the Medium-Term Management Plan

Creation of human resources (headcount)



Deployment of human capital (headcount)



Raising sustainable finance goals

Transition risk related to TCFD recommendations and calculation of Scope 3 Category 15

Indicators and targets

● Raising sustainable finance goals

Current sustainable finance goal amount

Medium-term target (FY2024)	250.0 billion yen or more
-----------------------------	---------------------------



Increased sustainable finance goal amount

Medium-term target (FY2024)	Total 350.0 billion yen or more
-----------------------------	--

● Calculation of Scope 3 emissions

[FY2023, unit: t-CO₂]

Category 15 (Investment and lending)	3,034,281
---	-----------

<Calculation method>

- Measured loan balances are as of December 31, 2023, and financial data are the latest financial results data through December 31, 2023.
- CO₂ emissions are calculated by multiplying the companies' disclosed or estimated emissions by the ratio of the Bank's loan balance to its amount of asset financed.

Strategy

● Scenario analysis of transition risks

Among the sectors considered vulnerable to climate change, the energy and transport sectors were selected for analysis based on their impact on climate change and the Bank's loan portfolio.

Introduction of a carbon price is assumed



Impact on the financial condition of business corporations

Reduced profits due to the introduction of carbon pricing



Scenario	1.5°C scenario
Scope of analysis	Energy sector (oil, gas, electricity), transportation sector
Analysis technique	Based on the transition risk, the financial changes of the target business partners are estimated, taking into account the impact of the introduction of carbon pricing, etc., and the increase in credit costs is calculated from the transition in debtor classification.
Analysis period	By 2050
Analysis results	Credit-related costs are expected to increase by 2.0 billion yen

* Energy sector excludes renewable energy related industries

Improvement of communication gap through dialogue with shareholders and institutional investors.

- We started an active dialogue (SR interviews) with shareholders and institutional investors in the second half of FY2022.
- The number of active dialogues (SR interviews) increased in the second half of FY2023 to include a wider range of opinions.
- We share with management issues identified through dialogues (SR interviews) and reflect them in future measures in order to achieve medium- to long-term enhancement of corporate value.

Status of dialogue

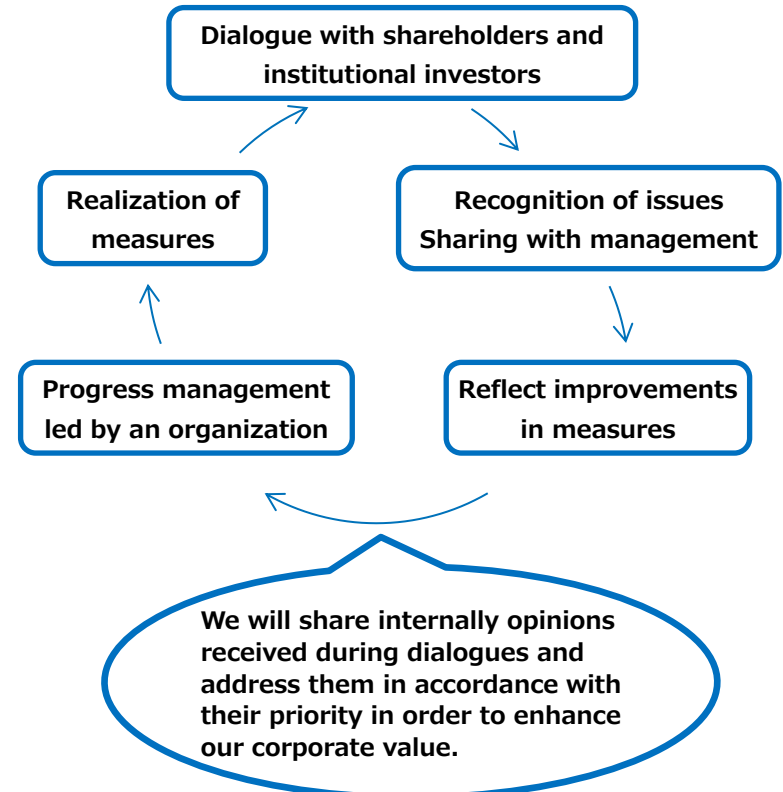
We have engaged in intensive dialogue with major shareholders and institutional investors (SR interviews).

		FY2022 (Second half)	FY2023 (Second half)
Institutional investors		12	18
Investors holding more than a certain number of shares	Business corporations	35	47
	Individuals	29	31

Main discussions during dialogues

Governance	Skill matrix	Capital policy	Measures to improve ROE
	Remuneration system		Specific clarification of the growth strategy
Capital policy	Reduction of strategic shareholdings	Sustainability	Response to climate change
	Effective Use of Capital		Employee engagement
			Preparation of a human rights policy

PDCA after the dialogue



Expectations for regional economic revitalization through the opening of the Shinkansen Maglev Train (Linear Chuo Shinkansen) and expansion of the high-speed transportation network.

- Expansion of the high-speed transportation network
- Full opening of the Chubu-Odan Expressway
- Improvement of the Chuo Expressway
- Opening of the Shinkansen Maglev Train



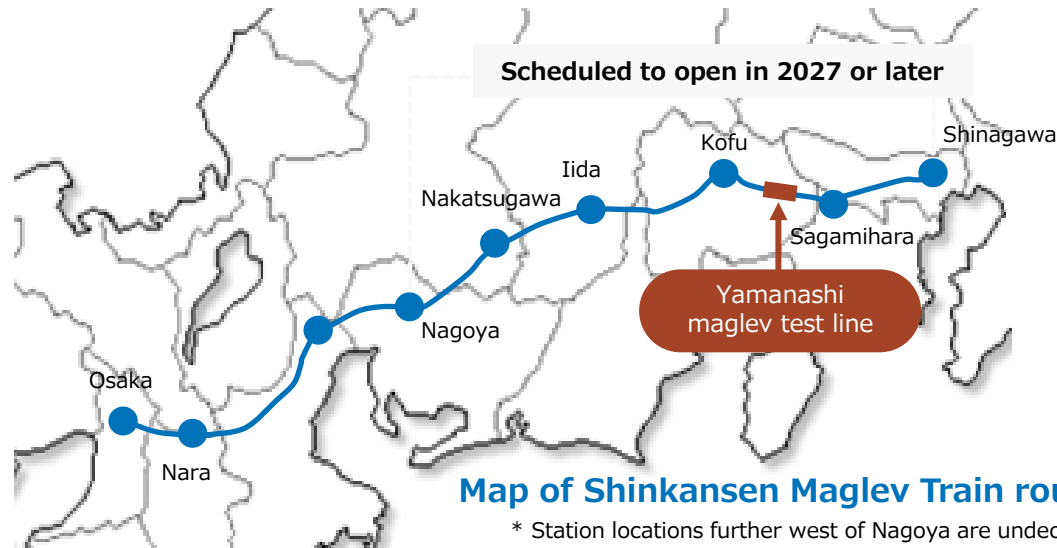
Expected effects

- Increase in the number of residents settling in the area due to dual residency and relocation
- Revitalization of the local economy through the expansion of business hubs
- Establishment of new logistics and commercial facilities in conjunction with the expansion of the high-speed transportation network



Travel time

- Shinagawa – Kofu: **25 min.**
- Shinagawa – Nagoya: **40 min.**
- Shinagawa – Osaka: **67 min.**

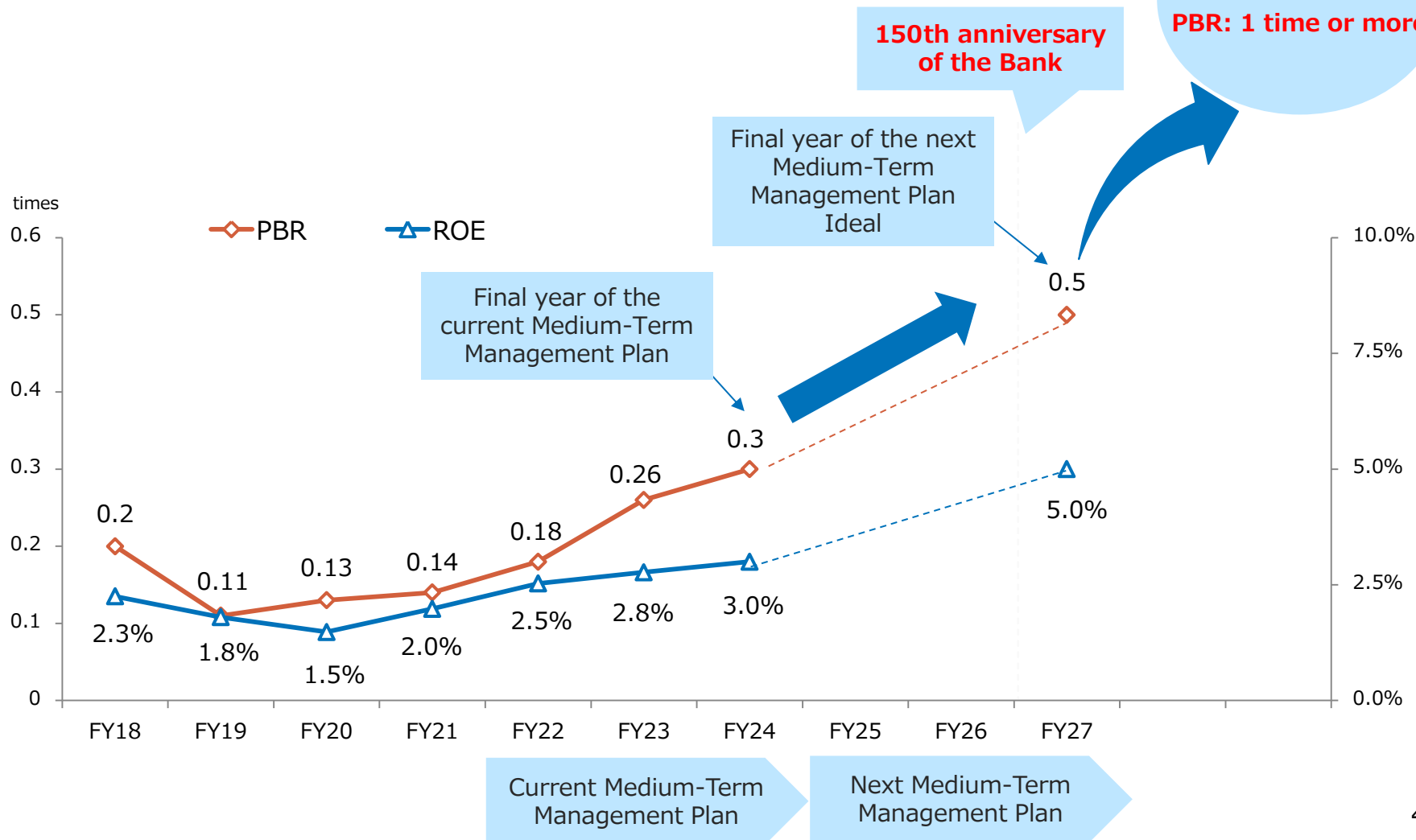


Achieve ROE of 5% or more as soon as possible and strive for even higher goals.

- We will accelerate efforts to achieve ROE and PBR, considering the 150th anniversary of the Bank's founding in April 2027 as one of the growth drivers.

Going further beyond

ROE: 8% or more
PBR: 1 time or more



Appendix

Current Progress of the Medium-Term Management Plan

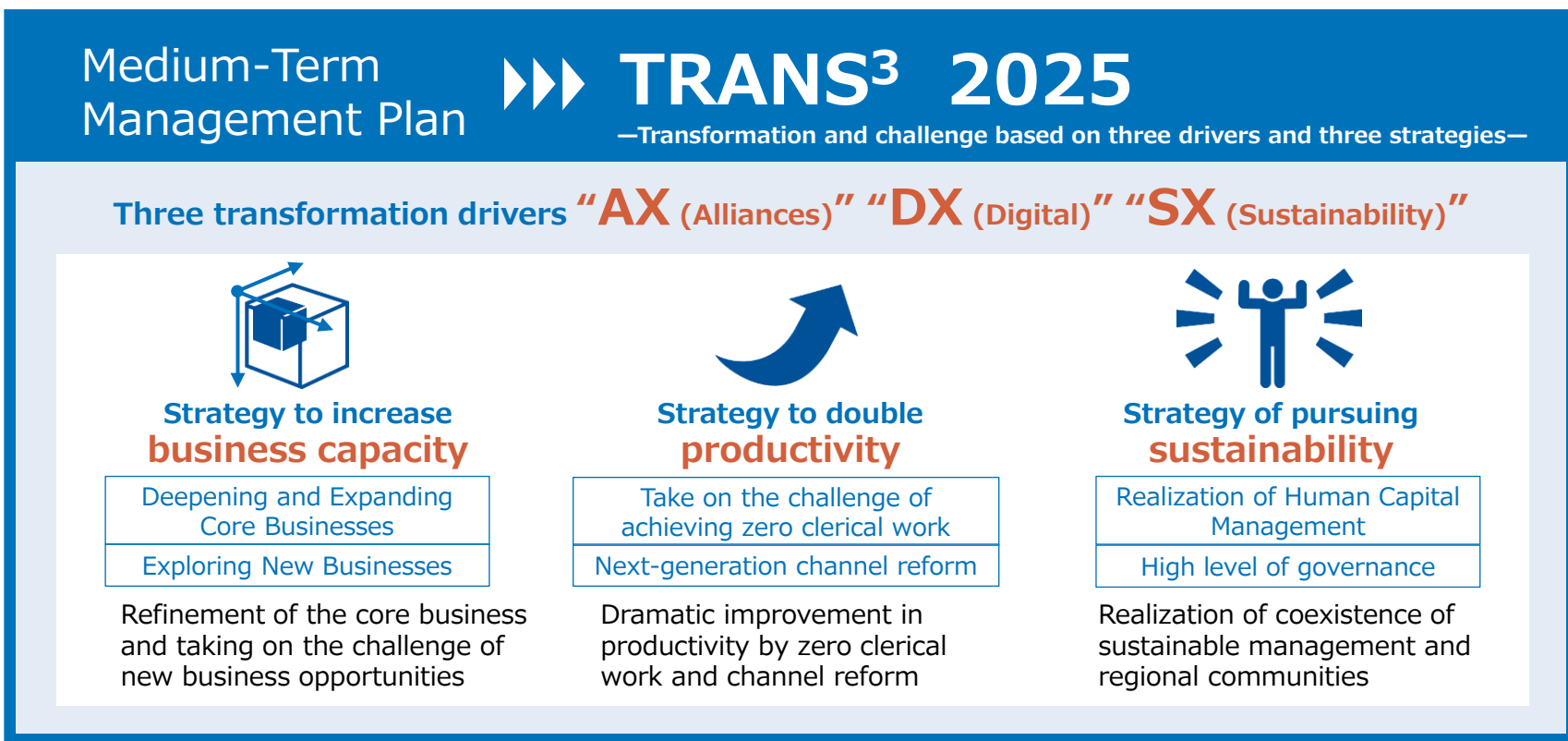
Structural diagram

Management philosophy

Region-based operations and sound management

Long-term vision

Value Creation Bank



Purpose (significance of existence)

▶▶ **“Open up a bright future from Yamanashi”**

Steady progress toward the targets of the Medium-Term Management Plan.

KPI	FY22 (Results)	FY23 (Results)	FY24 (Final year of the Medium-Term Management Plan)	Ideal
OHR (Operating expenses/ Core gross business profit)	67.74%	66.61%	73.5% or less	60% level
ROE (Current net income basis)	2.34%	2.89%	3% or more	5% or more
Ratio of female managers and supervisors	14.81%	17.2%	20% or more ^{*3}	40% or more
Rate of reskilling-based reallocation of clerical workers	5.01%	16.7%	30% or more	70% or more
Sustainable finance^{*1} investment and loan amount (total)	118.0 billion yen	247.3 billion yen	350.0 billion yen or more	800.0 billion yen or more
Reduction rate of greenhouse gas (CO₂) emissions^{*2}	52.66%	60.47%	70% or more	Carbon neutrality
KGI				
Profit attributable to shareholders of the parent	5.0 billion yen	5.6 billion yen	6.0 billion yen or more	10.0 billion yen or more

* 1. Investment and loan that contribute to creating sustainable regional society (environment, education, start of business, succession of business, etc.)

* 2. Comparison with FY2013; target scope: Scope 1 + Scope 2 (including emissions from the use of gasoline since FY2022.)

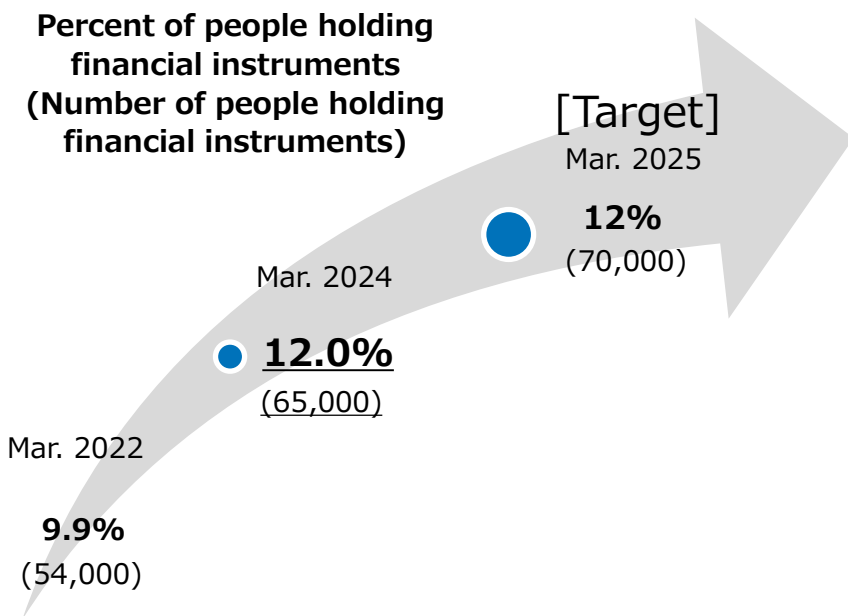
* 3. After achieving the initial target in FY2023, we have raised the target for the ratio of female managers and supervisors at the Bank from "15% or more" to "20% or more."

The number of holders of financial instruments is steadily increasing due to information provided at various seminars, etc.

Percent of people holding financial instruments (number) (Yamanashi)

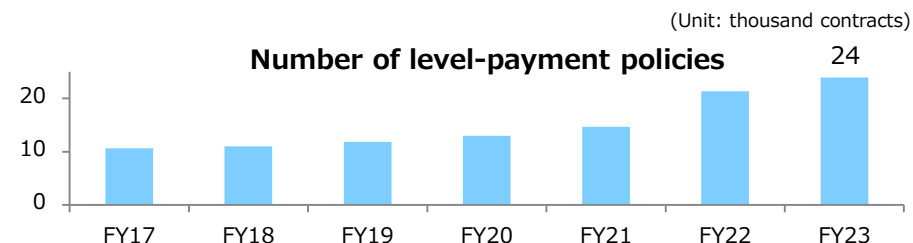
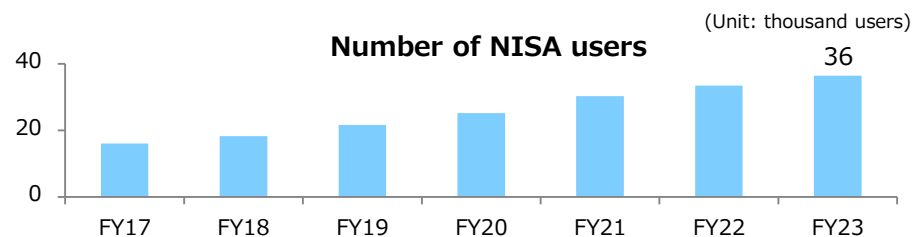
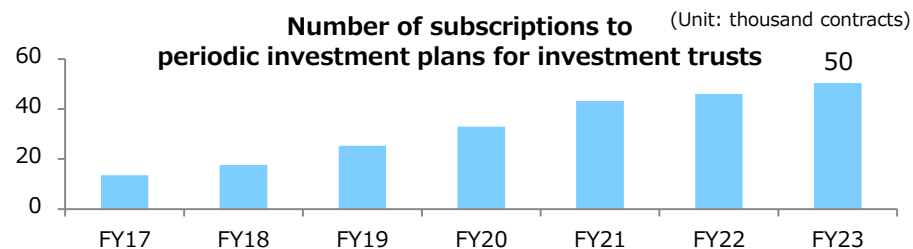
As of Mar. 31, 2024: 12.0% (65,000 customers), +0.5 pt YoY (+2,600 customers)

- In FY2023, growth is outpacing the plan through the following measures. We will continue to upgrade our efforts.
- Expanded the range of dealings by developing an environment for a non-face-to-face communication channel in light of the revision of the NISA system and by providing information at various seminars, etc.
- In addition to insurance review proposals through face-to-face consultations, DM and telemarketing contributed to the expansion of opportunities to purchase insurance.



Population of Yamanashi Prefecture: The population of people aged 20–75, from the national population index by sex (population by age group in 5-year increments) for each prefecture in the 2020 census.

* 540,000 as of October 1, 2020



Business loan balance grows steadily as a result of commitment to each policy.

Average business loan balance target for FY2024: +450.0 billion yen or more compared with FY2021

Yamanashi Policy

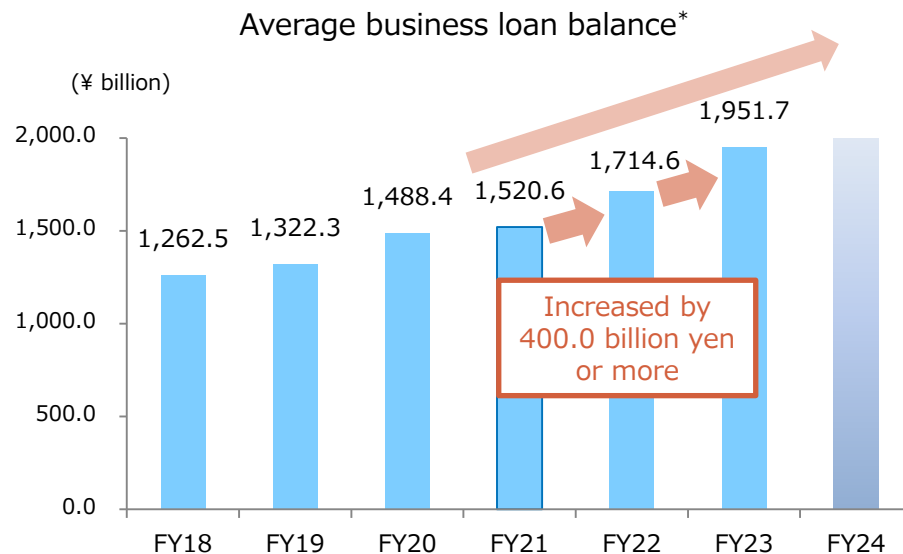
- Provide one-stop support for each life stage by strengthening, improving, and expanding consulting functions

Tokyo Policy

- Increase the topline by utilizing commercial distribution and interpersonal networks
- Roll out the wealth management business
- Develop lasting relationships with new business partners

Common Policy

- Solve regional issues and acquire revenue opportunities by utilizing structured finance and techniques



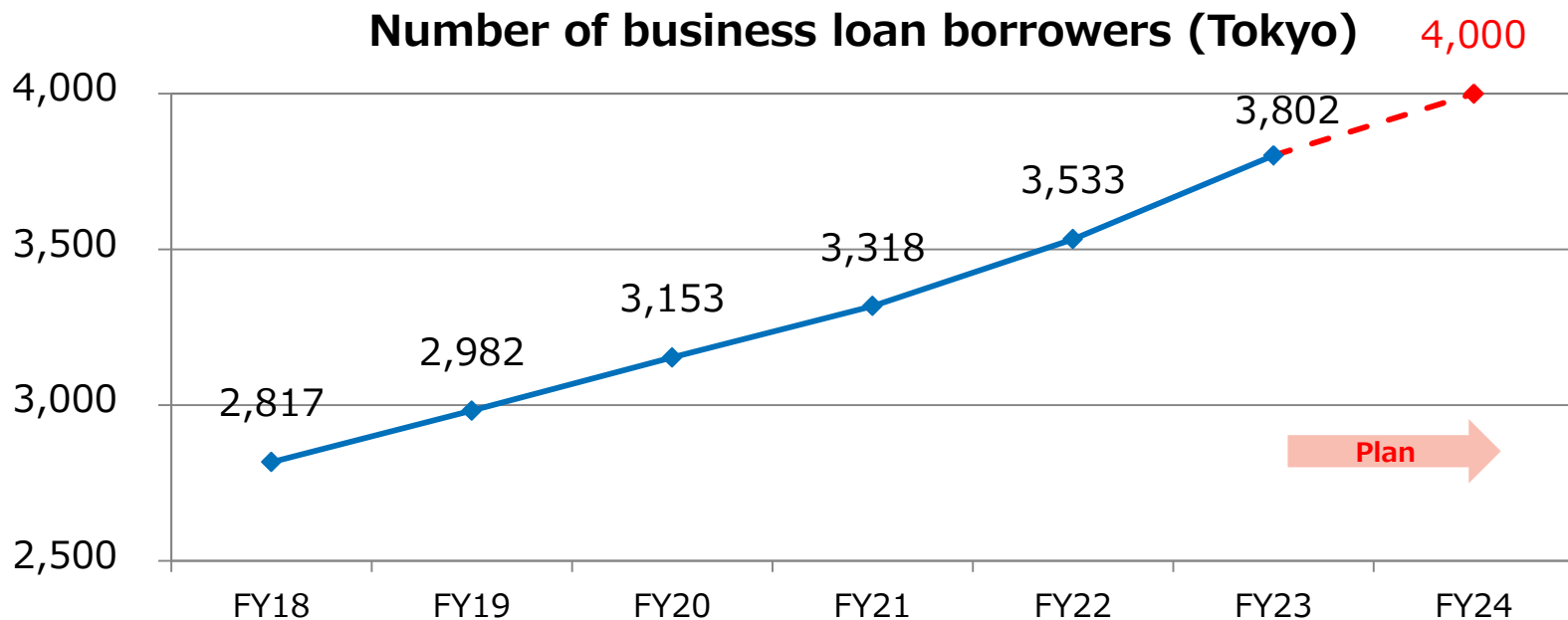
* Includes loans to financial institutions and local government bodies.

Average personal loan balance target for FY2024: +50.0 billion yen or more compared with FY2021

- Increase and strengthen the balance of housing loans by enhancing their product features, strengthening sales to business operators at housing loan bases, and forming alliances with housing-related companies.
- Strategically strengthen unsecured loans, such as consumer finance, in order to strengthen the overall profitability of personal loans.
⇒ Strengthen the digital channel and improve UI/UX by introducing a bank app, revise products, and review promotion.
- As a result of these efforts, the average personal loan balance increased by 32.4 billion yen from FY2021.

Measures to increase the number of business loan customers in Tokyo

- The number of business loan customers in Tokyo is steadily increasing.
- 14 sales branches and the Tokyo Promotion Department, the head office organization, work together to develop clients in Tokyo.
- Creating customers through collaboration with tax accountants, management consultants, family offices, and existing business partners, etc., and actively responding to the needs of wealthy customers and asset management firms.
- Focusing on activities to contribute to our customers by connecting the businesses and information of our customers in Tokyo and Yamanashi Pref. in both directions.



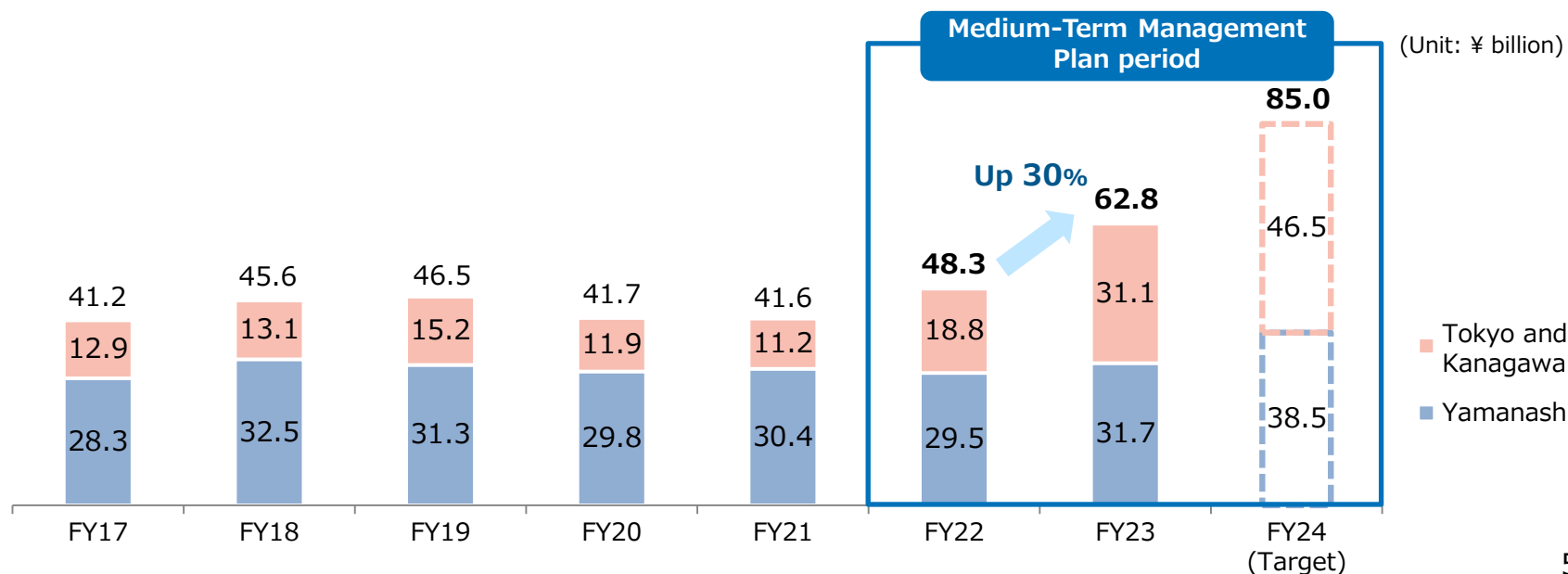
Significant increase in the amount of housing-related loans due to the implementation of various measures to acquire them.

Execution amount for FY2023: **62.8** billion yen (+14.5 billion yen, up +30% YoY)

The execution amount of new loans increased significantly as we implemented the following measures in FY2023.

- Strengthen market-based interest rate appeals and measures against dealers.
- Realize rational and efficient screening and improvement of transaction usability for customers by reviewing the validity period of screening.
- ▶ **We will actively promote these loans while responding to customer needs by improving product features, etc. in order to achieve the KPI (new loan execution target of 200.0 billion yen) during the period of the Medium-Term Management Plan.**

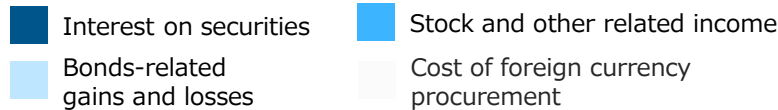
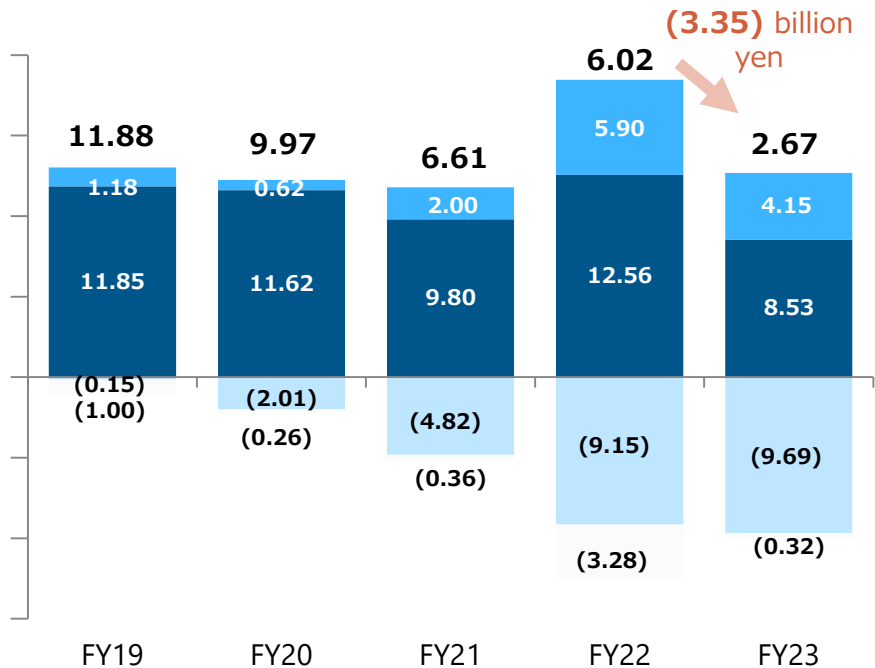
Change in amount newly executed



Portfolio improved by leveraging capital gains from dynamic trading.

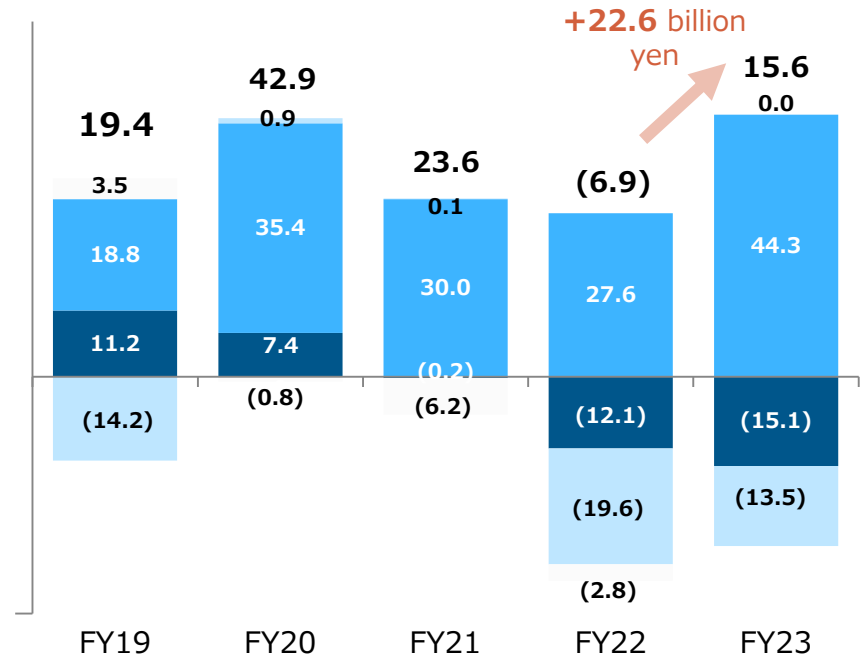
Securities gains and losses

(¥ billion)



Appraisal gains (losses)

(¥ billion)

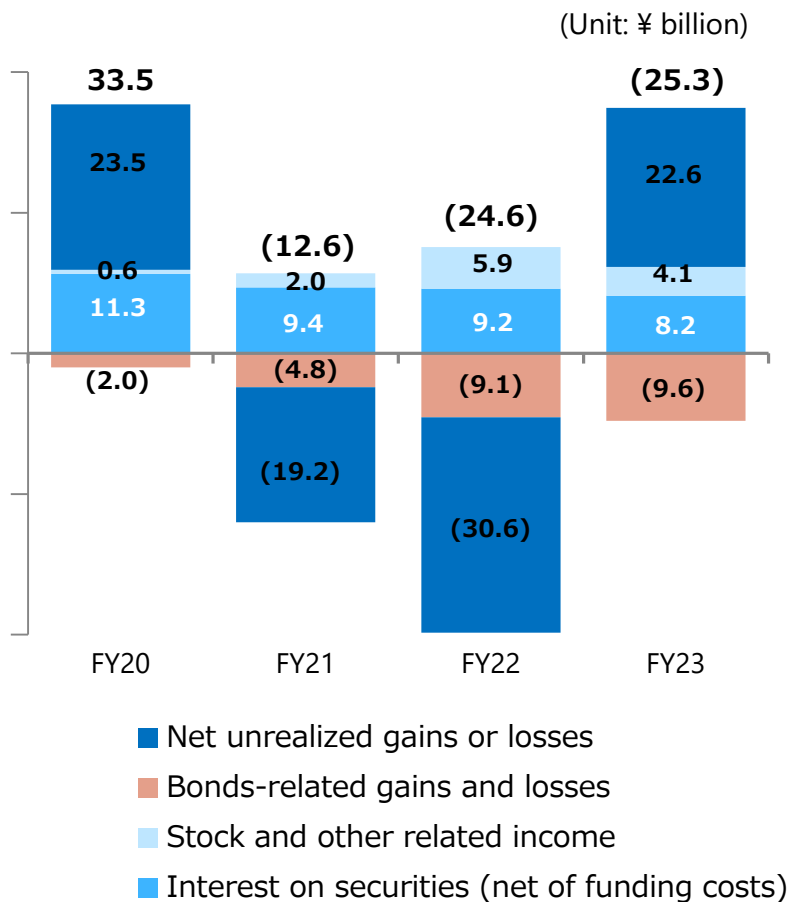


* Stock and other related income above includes gains and losses on investments in limited partnerships and money trusts.

* Includes valuation gains and losses on investments in limited partnerships

Rising stock market prices and flexible trading, etc. led to significant improvement in total profit.

Total profit (loss) for the FY2023: +25.3 billion yen



(Breakdown)

Interest and dividends (net of funding costs):
8.2 billion yen

Gain (loss) on marketable securities:
(5.5) billion yen

Increase (decrease) in unrealized gains/losses:
+22.6 billion yen

- The balances of yen bonds, foreign bonds, and foreign bond asset balanced investment trusts have been reduced in anticipation of the risk of rising interest rates in Japan and overseas.
- Yen bond balance has partially restored following the Bank of Japan's lifting of its negative interest rate policy.
- Total profit improved significantly due to an increase in appraisal gains from rising stock market prices and the recognition of capital gains from flexible trading.

* Stock and other related income above includes gains and losses on investments in limited partnerships and money trusts.

Specific initiatives of the tourism value creation project.

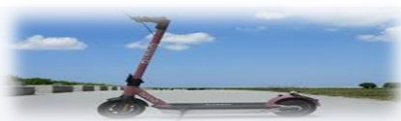
Tourism content sales business for inbound tourists

Name of the company	Tourist Base Kawaguchiko (operated by JTB)
Location	Marumune Building 3F, Funatsu 3636, Fujikawaguchiko-machi, Minamitsuru-Gun, Yamanashi Prefecture (1 minute walk from Kawaguchiko Station)
Business start date	November 8, 2023 (Wed)
Description	The Bank's employees participate in projects conducted by JTB at its newly established tourism exchange centers, and they sell tourism content, etc. created by the Bank through JTB.

Cafe and product sales business



Mobility business



Optional tour business



Experience-based content business



Present

Concentration of
inbound tourists

After
implementation

Decentration of
inbound tourists



Educational tour sales business for domestic groups (students)

Tour of the Financial Museum



Financial education seminar



Game-based learning



Yamanashi
Chuo Bank



JTB



Middle and high schools



Expanding needs for out-of-school learning
and financial education

[The Bank's strengths]

Own resources necessary for educational tours (Financial Museum, know-how on financial education, etc.)

[Benefits for the Bank]

Effective use of the Financial Museum and improvement of reputation of the Bank

[JTB's strengths]

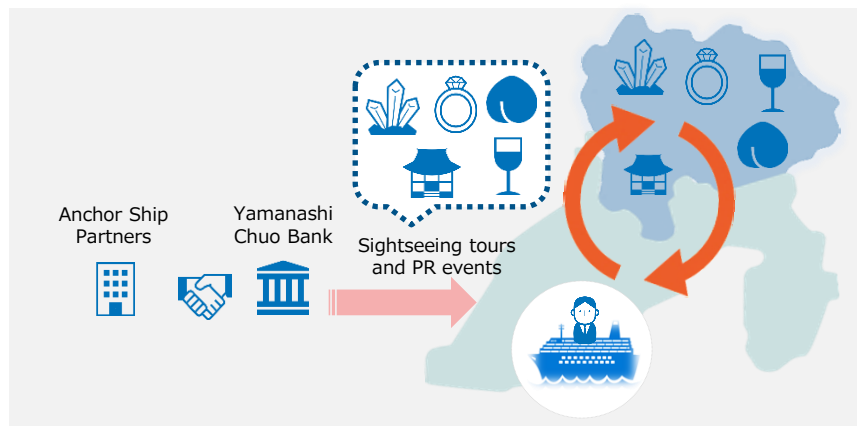
Strong connection with schools

[Benefits for JTB]

Provide new products that meet the needs of schools (currently there are no travel products on financial education, and this is the first of its kind in Japan)

Specific initiatives of the tourism value creation project and the social media advertisement business.

Cooperation with the luxury cruise ship Asuka II



Overview	In cooperation with Anchor Ship Partners Co. Ltd., we planned a one-day shore excursion to Yamanashi for passengers of the Asuka II, a luxury cruise ship that docked at Shimizu Port.
Tour name	Visit to Kuonji Temple on Mt. Minobu in the springtime (lunch included)
Date	March 20, 2024 (Wed)
Participants	15



Launch of an Instagram account linked to the tourism value creation project

Account	A "little trip" from Mt. Fuji
Account ID	@from_mt_fuji_to_s2
Meaning of ID	The "s2" in the ID is the square of the English word Surround, meaning "from the surroundings of Mt. Fuji and going beyond." In addition, the overlapping part of "s2" looks like a heart, indicating that the content is a nice sightseeing content.
Concept	With Mt. Fuji as the starting point, the site provides information on transportation and time required to reach tourist resources throughout the prefecture from Mt. Fuji.
Posting start date	April 23, 2024 (Tue)



Takeda Shinto Shrine



Lake Yamanaka

Public-private partnership initiatives toward the resolution of regional issues.

Collaboration agreement with W TOKYO

- We concluded a Collaboration Agreement on Regional Development with W TOKYO Inc. for the purpose of creating new business areas by expanding contacts with young people and strengthening regional branding and information dissemination.
- Through this initiative, we will create synergies not seen in the financial industry to date by developing a business that combines and multiplies financial and non-financial management resources, while broadening contact with the younger generation.



© W TOKYO joint press conference on the conclusion of the collaboration agreement

Collaboration to promote measures that address the declining population

- Dispatched one staff member to the Population Decline Crisis Headquarters Secretariat, newly established by Yamanashi Prefecture, to support the prefecture's initiatives for various measures to address the declining population.
- Contribute to the revitalization of the local economy as a leading bank by actively participating in the planning and promotion of measures to address the declining population in Yamanashi Prefecture through the dispatch of staff.



Joint investment in Centennial Solar

- Conducted joint investment (policy investment) in Centennial Solar Inc., which is responsible for the consolidation of solar power plants in Yamanashi Prefecture, streamlining operation and management through digitalization, and extending the service life of facilities, etc.
- In collaboration with Centennial Solar and other local stakeholders, we will contribute to the creation of a sustainable community by promoting the decarbonization of the region through the encouragement of local production and local consumption of electricity.



Strategy to Double Productivity (Strengthening of Digital Channels)

Endeavors to make the app the main channel for customers following its introduction.

Introduction of Yamanashi Chugin App

- Started usage of Yamanashi Chugin App, a banking application for individual customers, on April 18, 2023.
- Equipped with account opening functionality through eKYC, allowing customers to open savings and other accounts at all branches by applying online.

Improvement of functions of Yamanashi Chugin App, Yamanashi Chugin Direct

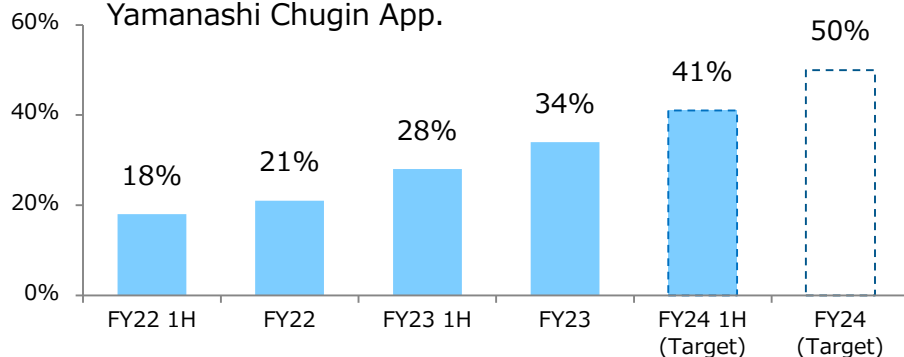
- We will make further improvements to features of the Yamanashi Chugin App, by adopting mortgage balance inquiries to the app in the first half of 2024, with the aim of making it the main channel for individual customers.
- We are also working on UI/UX improvements by leveraging the knowledge of external advisors.

<Home screen of the Yamanashi Chugin App>



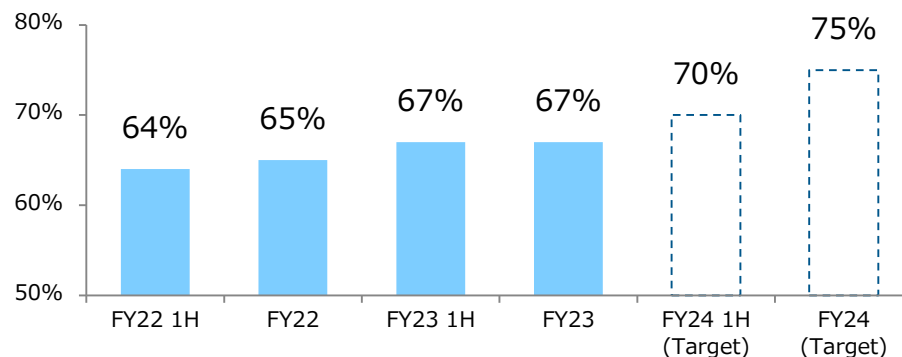
Penetration rate of the bank app

- Accelerate promotion focusing mainly on Yamanashi Chugin App.



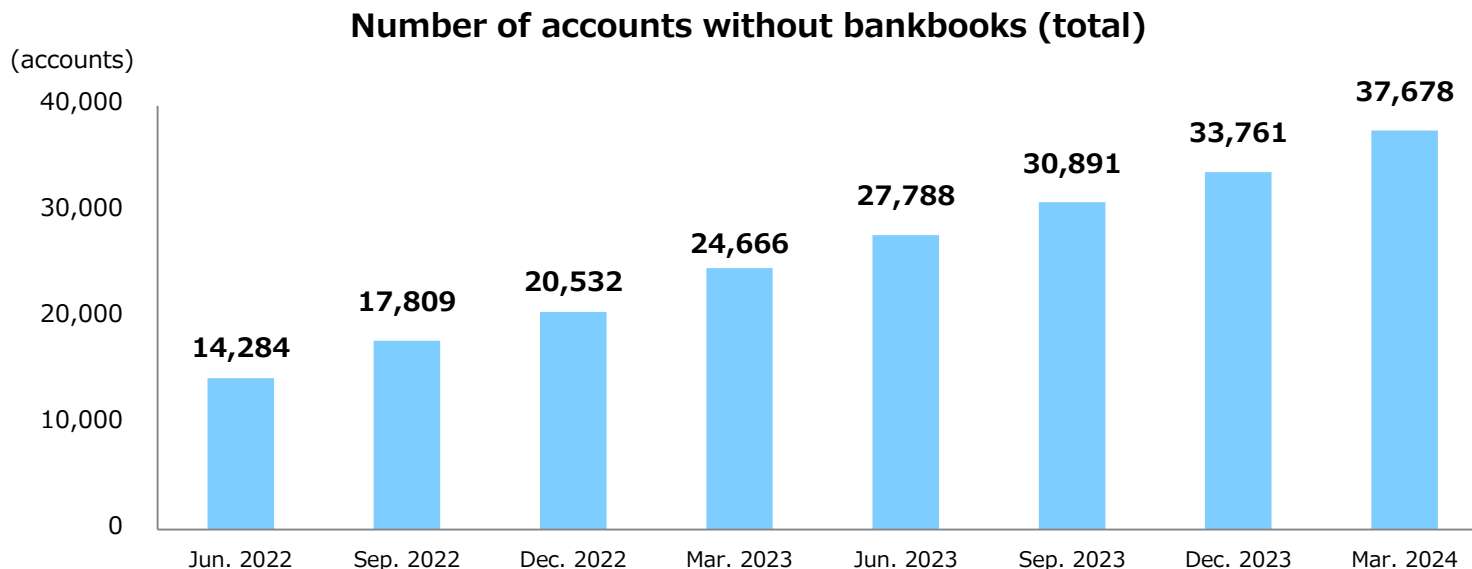
Acquisition rate of e-mail address

- Increase number of e-mail and SMS recipients.



Accounts without bankbooks are increasing steadily.

Promoting accounts without bankbooks



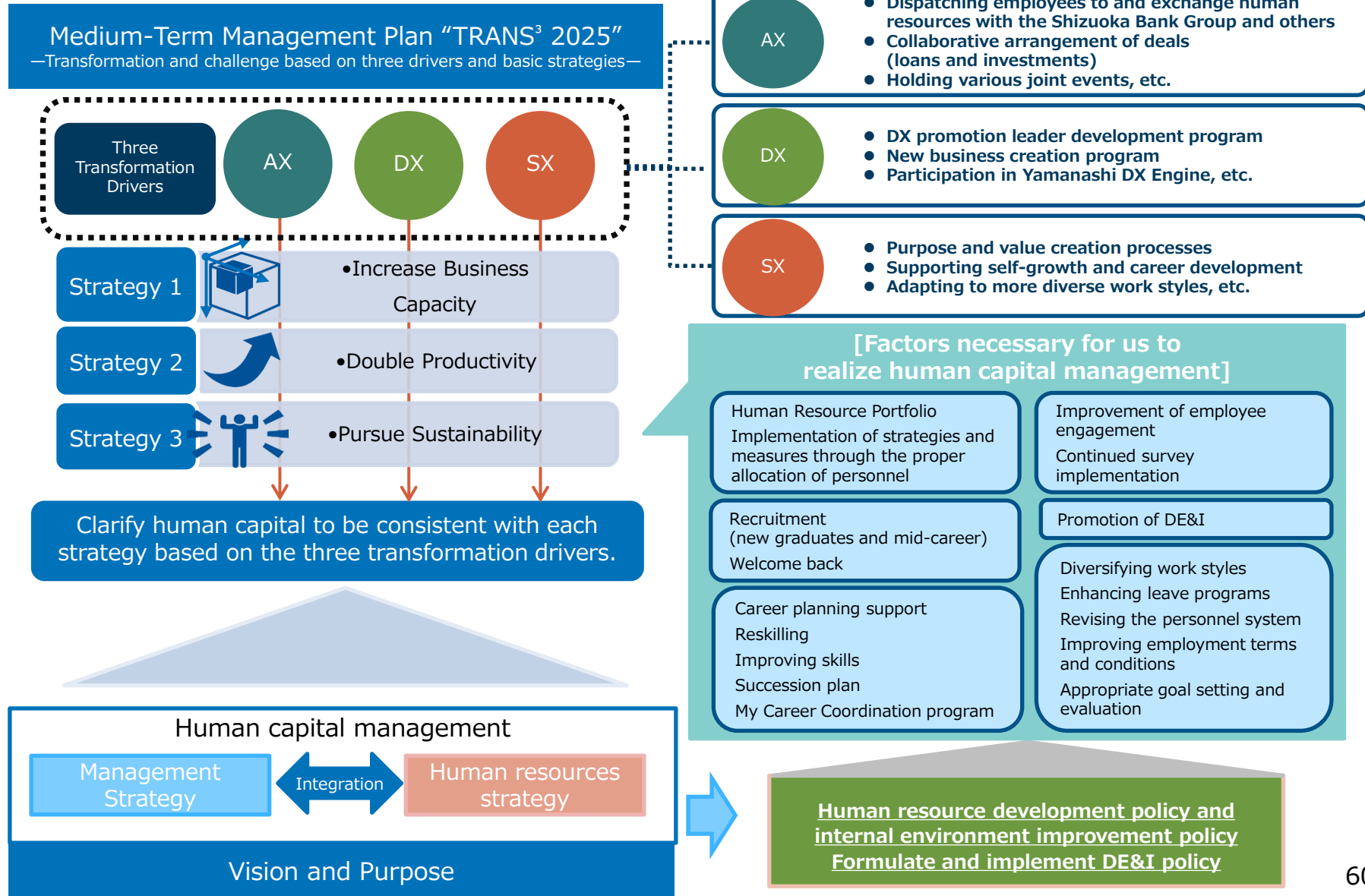
Status of initiatives

- Promoted the opening of new accounts without bankbooks at the counter, etc.
- Conducted campaigns to promote switching to no-bankbook accounts (July to September 2023).
- Promoted new no-bankbook accounts through LINE messages.
- FY2023 2H results: 6,787 accounts

Future development

- Implement information dissemination through web advertisements, emails, etc.
- Conduct campaigns to promote switching bankbook accounts to no-bankbook accounts.
- Consider corporate accounts without bankbooks.

Human capital management practices for medium- to long-term improvement of corporate value

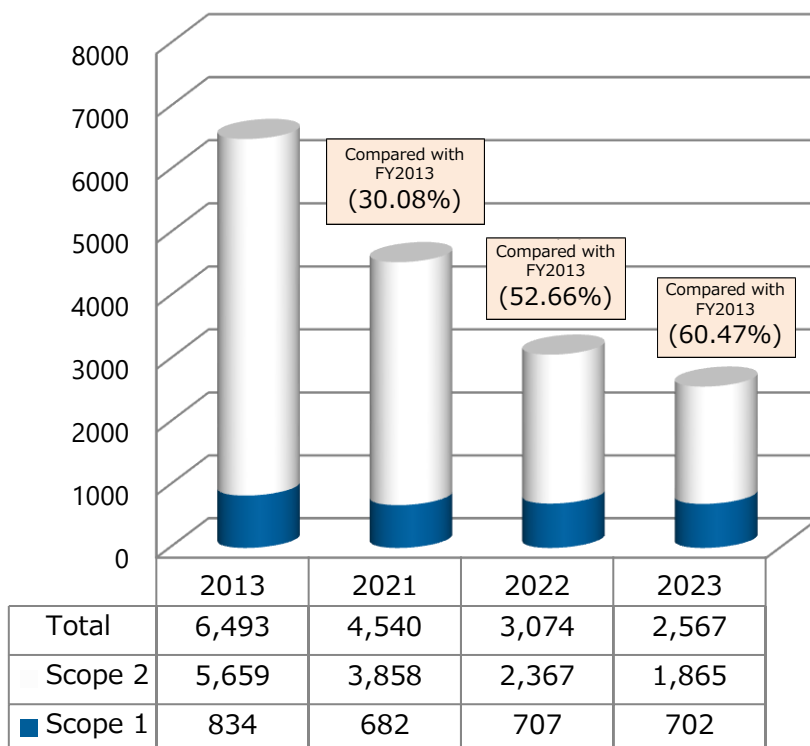


The reduction of CO₂ emissions is well under way.

Set CO₂ emission reduction targets in order to achieve a decarbonized society and sustainable development of society by actively working to solve local environmental issues.

Medium-term target (FY2024)	Decrease of 70% or more by FY2024 compared with FY2013
Long-term target (FY2030)	Achieve carbon neutrality by FY2030

Changes in the Bank's CO₂ emissions



Scope 3 (FY2022)		Emissions (t-CO ₂)
Category 1	Products and services purchased	4,642
Category 2	Capital goods	1,803
Category 3	Fuel and related activities not included in Scope 1 and Scope 2	517
Category 4	Transportation, shipping (upstream)	896
Category 5	Waste generated by businesses	253
Category 6	Business travel	313
Category 7	Employee commuting	928
* Categories 8–14 are calculated to have zero emissions.		

Activities for reducing CO₂ emissions

Fiscal year		2013	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Scope 1	Gasoline					(1) Replace gasoline-powered company vehicles with electric or other eco-friendly vehicles								
Scope 2	Electricity		Switch to electric air conditioning equipment		Completed									
			Switch lighting equipment to LEDs											
			(2) Switch to renewable energy-based electricity services											
			Reduce energy consumption (paperless operations, thorough power saving, etc.)											
							Switch to environmentally-friendly branches (ZEB branches)							
						Use PPA (*) (on-site and off-site)								
Others	Offset				(3) Purchase J-VER prefectural forests									
					Various efforts through participating in the GX League									

(*) PPA: Power Purchase Agreement

(1) Introduction of electric vehicles



(2) Introduction of electricity from renewable energy sources



(3) Yamanashi Prefectural Forest J-VER Carbon Offset ATM



(3) Carbon offset sponsorship of TGC FES YAMANASHI 2023

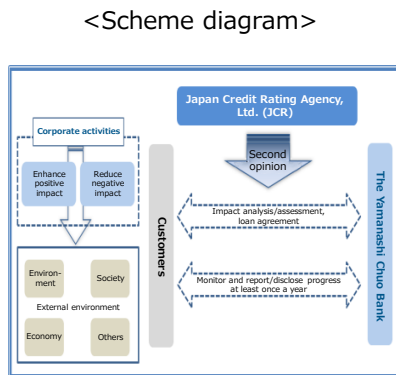


Increase sustainable finance by strengthening consulting support.

Sustainable finance

Loans

In addition to developing a system to support customers' SDGs/ESG initiatives from a financial perspective, sales branches and the head office worked together to actively provide support through consulting sales, resulting in an increase in the number of SDGs support loans and PIFs handled.



Investment

Based on "Yamanashi Chuo Bank Group Investment and Loan Policy," actively invest in projects that help solve environmental and social problems. Specifically, green bonds, sustainability-linked bonds, transaction finance, social bonds, etc.

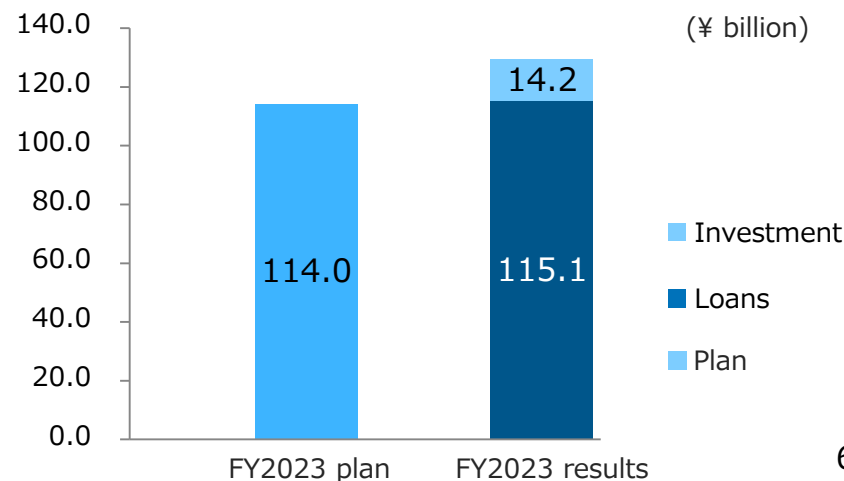
Target

Raise the medium-term target from 250.0 billion yen or more to 350.0 billion yen or more.

Item	Contents
Medium-term target	350.0 billion yen or more
Long-term target	800.0 billion yen or more (including environmental finance of 400.0 billion yen or more)
Period	From FY2022 to FY2030
Target	Investment and lending to solve social or environmental problems toward the creation of sustainable regional society

Results

The amount of execution of sustainable finance has been increasing steadily.



Consulting support

- Actively engaged in SDGs consultation for customers, including target selection, materiality selection, support for booklet preparation, and holding study sessions.
- To stimulate SDGs initiatives among our customers, we started an "SDGs Declaration Support Service" and focused on supporting customers in preparing their "SDGs Declarations" and the number of cases handled grew steadily.

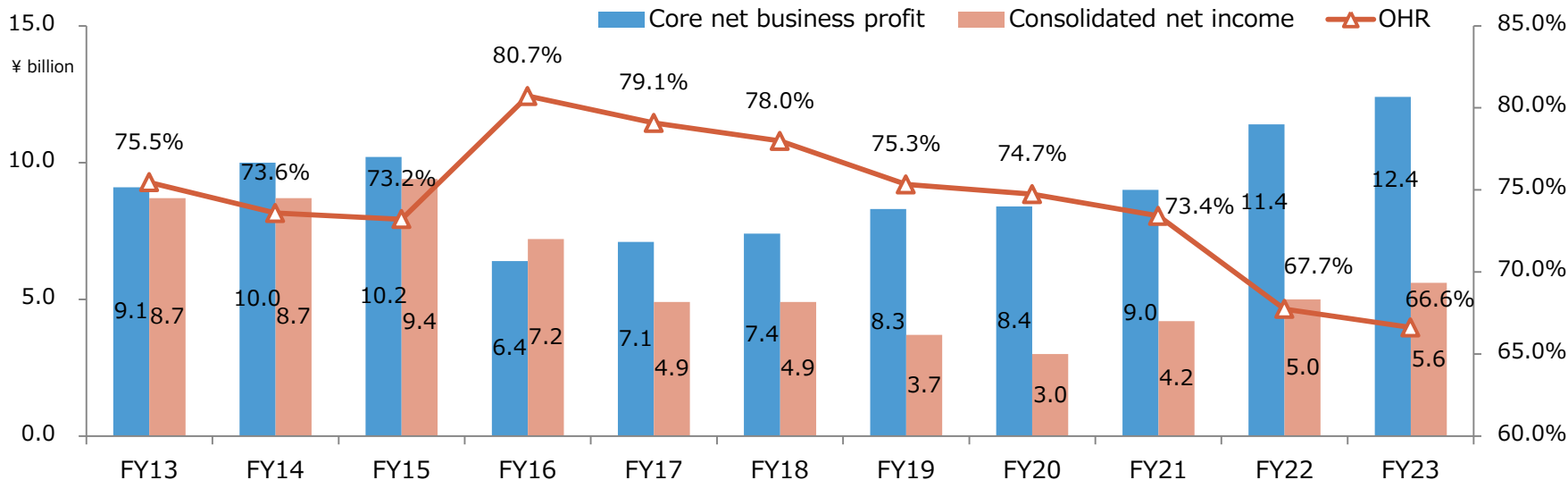
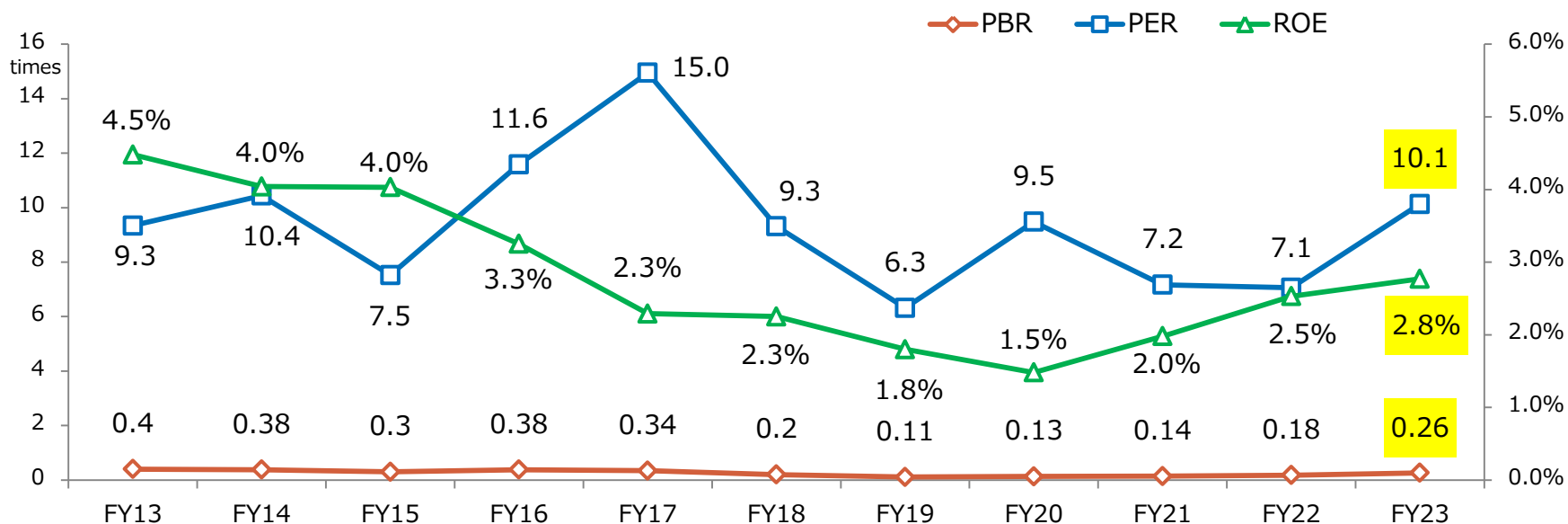


Appendix

Others



Trends in the Bank's Profit, ROE, and PBR



Thank you for attending our analyst meeting.

If you have any further questions, please do not hesitate to contact us at the following telephone number, e-mail address, or website.

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