

**Value Creation Process**

# Sustainable management developed together with the community

The Nanto Bank Group has been continuously implementing its Management Plan for the 10-year period that began in 2020 in pursuance of our declared missions to facilitate “pursuit of regional development,” “fostering of vitality-creating human resources,” and “enhancement of profitability,” setting our “Dynamic Creative Bank” management vision as the pillar of Group operations.

Realizing development of sustainable management in cooperation with the community requires the Group to deploy its management capital, including “unconventional” human resources, to address the issues faced by our customers, the community, and society at large.



**Materialities**

**Business activities**

**Responding to the Effects of Accelerating Climate Change**



**Realizing Sustainable Growth of Our Regional Economy**



**Realizing a Convenient, Prosperous Society**



**Cultivating a Healthy Corporate Culture with Participation of Diverse Human Resources**



**Preparing for Increasingly Varied and Complex Risks**



**Management capital**

**Fiscal 2023 Action Plan**

**Customer base**

- Large share of deposits and loans in Nara prefecture

Deposits **50.0%**

Loans **50.6%**

- Chosen as the main bank by businesses operating in Nara Prefecture

**61.20%**

(Teikoku Databank National Corporate “Main Bank” Trend Survey 2022)

**Human resources base**

- Number of employees supporting the Bank’s management philosophy

**2,275**

- Number of employees with qualifications related to vitality creation

**601**

**Financial base**

- Strong capital adequacy ratio

Capital adequacy ratio

Consolidated **9.25%**

Non-consolidated **8.95%**

(End March 2023)

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Support for Customers’ Asset Formation  
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Regional Business Creation  
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Ensuring Greater Convenience  
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Furthering Sophisticated Market Management  
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Organizational overview and external environment



Governance



Business model



Risks and opportunities



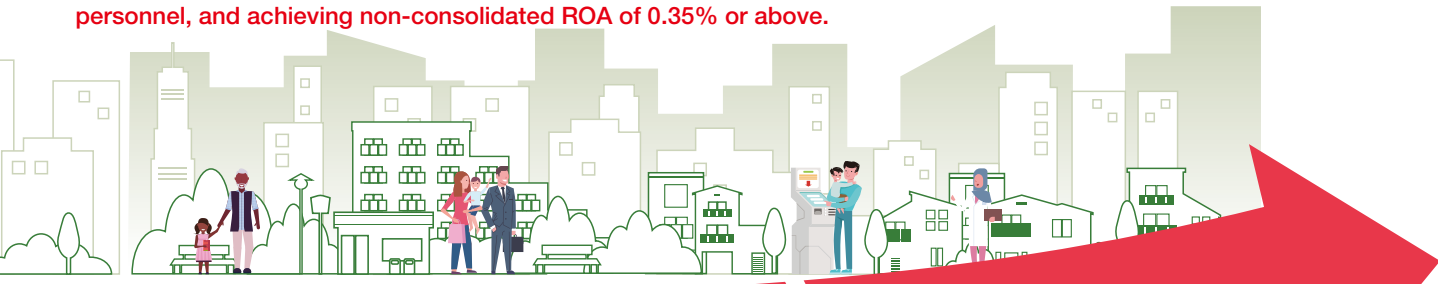
Strategies and resources allocation



Performance

Our “unconventional” human resources resolve issues faced by our customers and the community, and tackle social issues by commercialization and other means.

Through these problem-solving undertakings, we provide our stakeholders with added value and contribute to development of our operating region. We believe that repetition of this cycle will eventually lead to achievement of Nanto Bank’s goals for 2030: **increasing Nara prefecture’s GDP by approximately 350 billion yen, cultivating 350 management personnel, and achieving non-consolidated ROA of 0.35% or above.**



Value we are offering all our stakeholders

Goals to be achieved by 2030

**Customers**

- Supply of funds in accordance with the borrower’s business characteristics
- Financial products and services to support affluent living
- Provision of management personnel
- Creation of new business opportunities

**Local community**

- Collaboration as a leader in regional development with local governments, businesses and educational institutions
- Lively town development and business creation

**Employees**

- Realizing flexible workstyles
- Providing opportunities for active engagement outside the business of banking

**Shareholders**

- High market rating
- Continuing stable dividends



**Nara prefecture GDP\*1**  
**Increase of approx.**  
**¥350 billion**



**Management personnel**  
**cultivation\*2**  
**350**



**ROA (non-consolidated)**  
**0.35% or above**

\*1 To be achieved by the end of fiscal 2026, so that the achievement will be announced in 2029 (Nara prefecture’s GDP is usually announced approximately two-and-a-half years after the relevant fiscal year-end).

\*2 Human resources who can share management decision-making with local customers