Realizing Sustainable Growth of Our Regional Economy
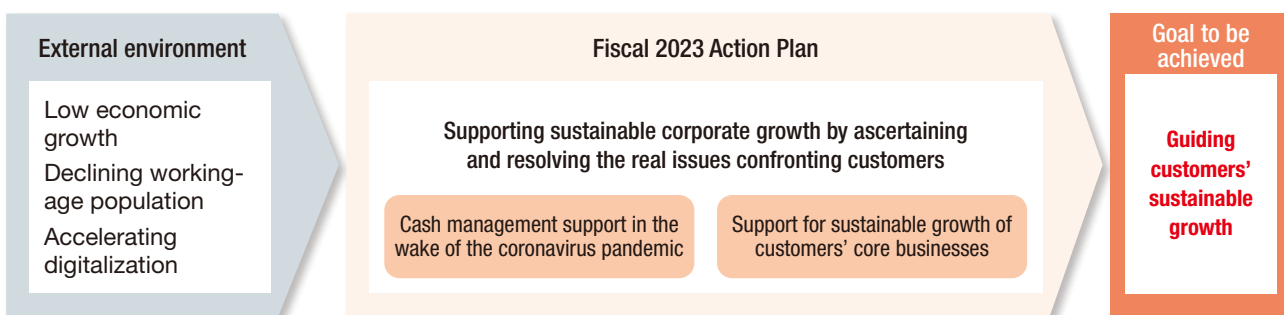
Enhancement of Customers' Corporate Value

■Basic Policy

Nanto Bank's customers face a variety of challenges today, including a shrinking working-age population and a need to deal with the pandemic's aftermath and high resources prices. We uncover the real, underlying problems confronting our customers and commit ourselves to resolving them.

■Fiscal 2023 Action Plan

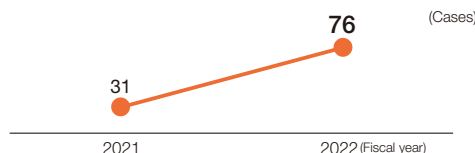| External environment	Fiscal 2023 Action Plan	Goal to be achieved
Low economic growth Declining working-age population Accelerating digitalization	**Supporting sustainable corporate growth by ascertaining and resolving the real issues confronting customers** Cash management support in the wake of the coronavirus pandemic / Support for sustainable growth of customers' core businesses	**Guiding customers' sustainable growth**

■Cash management support in the wake of the coronavirus pandemic

We are further enhancing the quality of our consulting functions to revitalize businesses in the post-pandemic era by proposing ambitious management strategies designed by a cross-organizational project team that brings together our branch offices, headquarters, and Group companies. We continue to accumulate a record of successes in handling these issues.

■Cross-organizational project team

Branch offices / Block headquarters

Examination Department (Business Revitalization Office)
- Corporate Solutions Dept.
- Nanto Consulting Co., Ltd.
- Regional Business Creation Division

⇄ Enhanced cooperation with external organizations
SME Revitalization Council REVIC, Business Succession and Transition Support Center, etc.

■Cases handled (cumulative total)

(Cases)

31 — 2021
76 — 2022 (Fiscal year)

VOICE

Strong Group-wide support for customers' renewed growth

We provide strong support for businesses that are struggling to achieve profitability in the wake of the coronavirus pandemic, which caused a reduction in their scale of business, an increase in borrowings, and soaring prices, among other factors. To achieve our objective, we launched a cross-organizational project team in July 2021 that brought together personnel with specialized knowledge in various fields to discuss a grand design for the renewed growth of our business partners. We are now engaging in strategy discussions with our customers' management to encourage them to adopt this grand design to build a larger and stronger earnings base than they enjoyed before the pandemic.

To support customers' efforts to improve their management further, meanwhile, we have established the Nanto Business Planning Support subsidy that provides up to 500,000 yen per customer to encourage the growth of our business partners.

Managing Executive Officer Manager, Examination Department
Koushi Okamoto

| About Nanto Bank | Our Shared Vision | Developing Human Resources for Value Creation | Value Creation by the Group's Human Resources | Governance Supporting Our Proactive Human Resources | Consolidated Financial Statements |

Business model   Strategies and resources allocation   Outlook

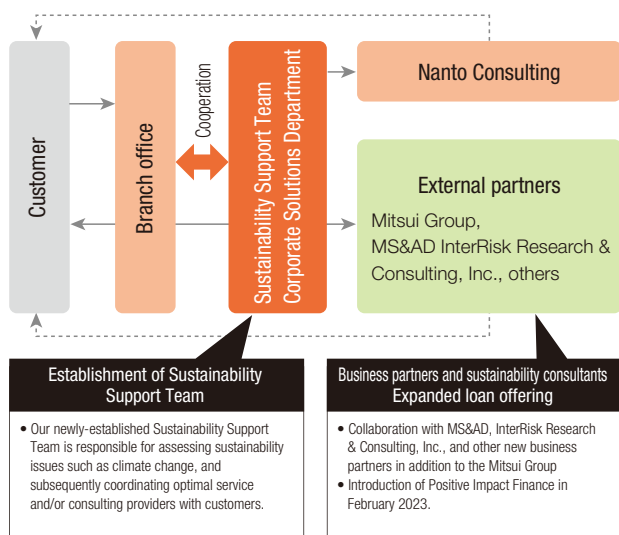# ■ Support for sustainable growth of customers' core businesses

As part of efforts to support the growth of our customers' core businesses, we established a specialized IT introduction and sustainability support team in April 2023 to address their needs for the introduction of IT to raise their productivity and for sustainable management to respond to the SDGs and related issues.

We also promote customers' efforts toward sustainable growth by providing comprehensive support tailored to issues such as HR sourcing, business succession, and M&A as well as to the need to hedge against risks such as exchange rate fluctuations.
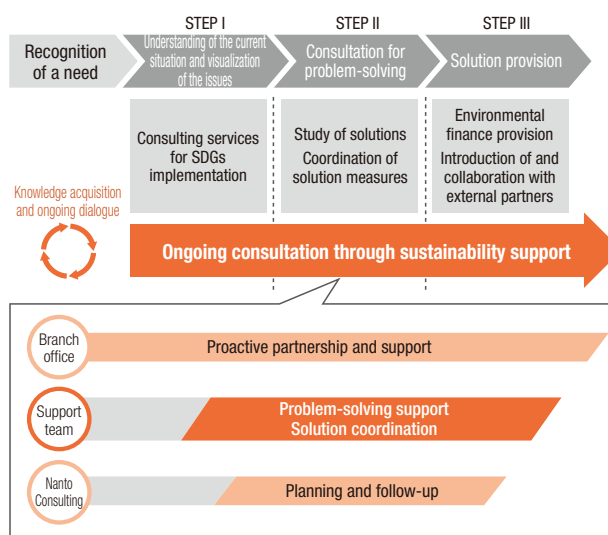
Support for customers' IT introduction and efforts toward sustainability

We support customers' sustainable growth by providing in-depth consulting services to help them introduce IT and attain sustainable management.

Sustainability support system

Establishment of Sustainability Support Team

• Our newly-established Sustainability Support Team is responsible for assessing sustainability issues such as climate change, and subsequently coordinating optimal service and/or consulting providers with customers.

Business partners and sustainability consultants Expanded loan offering

• Collaboration with MS&AD, InterRisk Research & Consulting, Inc., and other new business partners in addition to the Mitsui Group
• Introduction of Positive Impact Finance in February 2023.

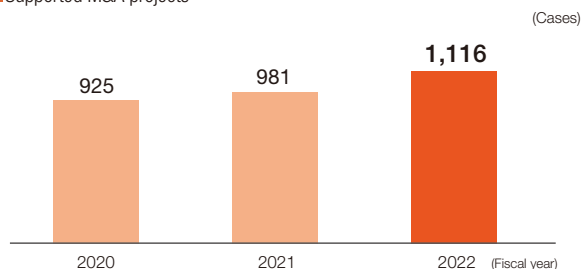### Sustainability support process

Business succession and M&A

Business succession and M&A services for maintaining and expanding local businesses and employment.

Human resources services   See page 28 for details. »

The Group is prepared to introduce optimal management personnel, highly qualified experts, and skilled foreign personnel with the necessary knowledge and knowhow to solve the issues confronting our regional corporate customers. We provide our consulting customers with follow-up services for a certain time after a new employee has joined their company to ensure that the new employee is contributing successful to the company's growth and improvement of its business structure.

■ Supported M&A projects

(Cases)

2020	2021	2022 (Fiscal year)
925	981	1,116

■ Number of successful staff introductions

(Cases)

2020	2021	2022 (Fiscal year)
4	14	19