

Efforts to Revitalize Local Communities

■ Revitalization of local industries

A bird's-eye view of the industrial structure of Nara prefecture and its surrounding region reveals that each of its industries, from primary to tertiary, faces its own challenges.

Nanto prefecture, in particular, which is the main base of operations of the Nanto Bank Group, is experiencing an aging population, a shortage of business leaders, and increases in abandoned farmland and abandoned forests.

Besides providing third-party support to customers engaged in businesses in various industries, the Nanto Bank Group is itself taking the initiative to resolve local issues as a business operator.

Efforts to revitalize agriculture (primary industry)

Nara Mirai Design, a member of the Nanto Bank Group, is engaged in smart agriculture, a farming approach aimed at establishing sustainable agriculture and attracting more newcomers to the field. Smart agriculture increases the value of agricultural products through initiatives such as organic farming and application of Japan's 6th industrialization policy, while reducing labor and production costs through the use of robotics and ICT.

We obtained JAS organic certification with the cooperation of local farmers in just two years. Among successes, a sake brand we planned and developed in collaboration with local businesses using sake rice we cultivated ourselves has already been adopted by department stores, hotels in Nara prefecture, and Michelin-star restaurants. Collaboration with the local community is advancing steadily through the likes of agricultural and welfare cooperation and arable-livestock cooperation.

Nara Mirai Design Agribusiness Department initiatives

Organic agriculture

**High profitability due to relative scarcity
Consideration for the environment**




Sales channels
Participation in organic rice business meetings organized by the Kinki Regional Agricultural Administration Office, FOOD EX JAPAN, and other organizations aimed at expanding the sales channels and raising sales prices.

Demonstration experiment to promote the use of organic rice
Organic farming is practiced in a collaborative venture by four neighboring farmers. A model case is being formulated as a means of spreading organic farming.

6th industrialization

**Agricultural product branding
Sales channel expansion**



Sake brewing
Sake produced from the rice harvested on local farms is served in luxury hotels and major airlines and sold at over 40 retail outlets including department stores.

Developing new products using soybeans
New products using locally harvested soybeans, such as miso, soy sauce, and soybean meat, are under development.

Agriculture and welfare cooperation

**Resolving labor shortages in the agricultural sector
Creation of employment opportunities**



Cooperation with welfare facilities
Cooperation initiated between the farm and nearby welfare facilities Outsourcing of soybean and green onion harvesting, etc., to help alleviate labor shortages and support the independence of people with disabilities.

Cooperation between arable and livestock farming

**Promotion of recycling-oriented agriculture
Effective use of local resources**



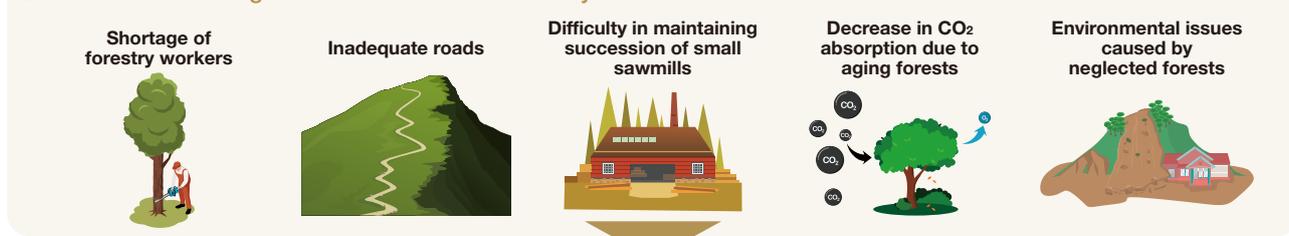

Pelletizing of livestock manure
Cattle manure, formerly treated as waste, can now be converted into a resource, and a system has been developed to circulate compost derived from cattle manure within the region, contributing to cultivation of high-quality soil.
A prototype was completed in December 2023, and a demonstration experiment was conducted at the Nara Mirai Design Field this year.



Initiatives to revitalize the forestry and lumber industries (primary & secondary industries)

In another effort to increase Nara prefecture's GDP, we are applying the resources of the Nanto Bank Group to revitalize the forestry and lumber industries, major industries in the prefecture, through Nara Mirai Forestry.

Local issues stemming from the decline of the forestry and lumber industries



Achieving sustainable growth of local economies Responding to the problem of intensifying climate change

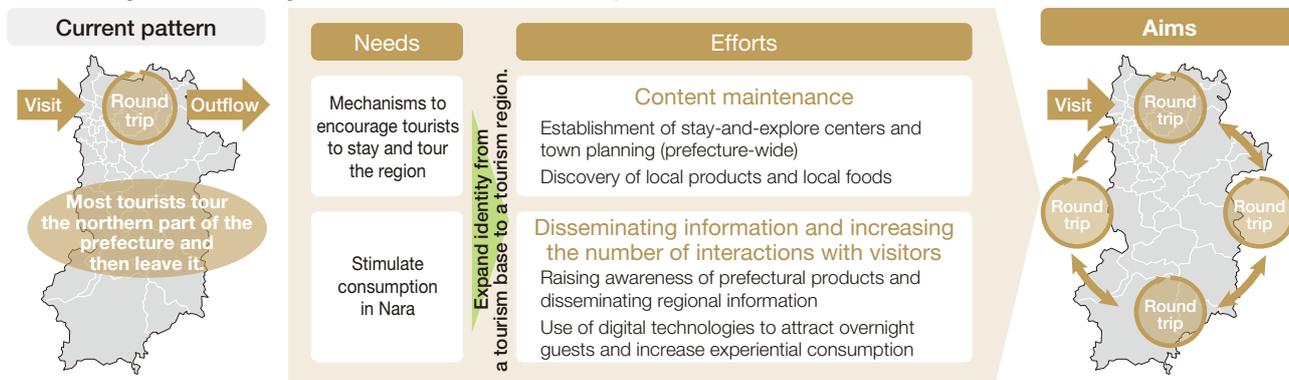
[Initiatives of Nara Mirai Forestry] (Established August 2023 as a preparatory company)

Nara Mirai Forestry is considering projects based on the following three issues as it prepares to take the lead in solving regional issues:

- Promoting revitalization of the forestry and timber industries in Nara prefecture
- Establishment of a platform for cooperation with local governments and companies (in the timber industry and other fields) in areas such as human resources exchange and know-how
- Increasing CO₂ absorption and disaster prevention/mitigation through appropriate forest management activities

Efforts to revitalize the tourism industry (tertiary industry)

We are working to transform Nara prefecture from a “day-trip tourist destination” to a “stay-and-explore tourist destination,” with the aim of raising the GDP through an increase in tourism consumption.



[Nara Mirai Design Tourism Division]

Maintenance of stay-and-explore tourist facilities

- Support for the opening of tourist facilities using the Nara Old Private Houses Fund (actual results: Naramachi, Tawaramoto-cho, Gose City, etc.)

*Plans for FY2024: Accommodation facilities (Mt. Wakakusa, Nara City), dining facilities (Imai-cho, Kashihara City), beer brewery (Goi-cho, Kashihara City)

- Creation of high value-added tourist attractions throughout the Kii Peninsula

Dissemination of information via the Web and increasing interactions among more people

- Operating the “Narawashi” (Japanese customs) e-commerce site and participating in events within and outside the region to disseminate information and increase awareness of prefectural products
- Dissemination of tourism information through the “Ee Koto Nara” information media

Tourism DX Initiatives

“Nara Sightseeing DX” project to promote tours and local economic circulation

In July 2024, a proposal made by the Nara Visitors Bureau, Mitsubishi Research Institute, and Nanto Bank Group for a “Demonstration Project for the Creation of Advanced Tourist Attractions to Revitalize Local Economies through Tourism DX” was adopted by the Japan Tourism Agency for fiscal 2024.

By maximizing the effects of the Tourism DX platform, we are working to promote visitor tours, enhance regional tourism business management, and improve the earning power of the region.

Business Creation Initiatives

Impact funds

The Nanto Bank Group is committed to cultivating entrepreneurs to support local business startups.

One such initiative, the Yamato Social Impact Fund, was established in October 2022 with the aim of fostering large numbers of developers and practitioners of local issue solutions through formation and management of a fund dedicated to solving problems facing Nara prefecture and the surrounding region.

Initially established with 500 million yen, the fund has invested in four companies that are working to improve automobile drivers' safety and extend the healthy life expectancy of the elderly. In April of this fiscal year, the fund's total endowment was increased to 1 billion yen.

Besides providing financial support for developers, we focus on acceleration programs organized to nurture entrepreneurs.

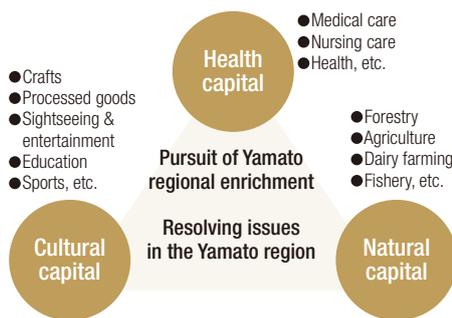
In the course of a six-month program, the Bank serves as a companion providing active support for entrepreneurs aimed at creating as many solutions to local issues as possible and effecting social impact.

Role of impact funds in resolving local issues

Yamato Social Impact Fund

A fund designed to foster more practitioners of solutions to local issues by establishing and managing impact funds for solving issues in the Yamato region.

(Yamato region: Nara prefecture and surrounding areas)



Investment commitment	1 billion yen
Unlimited liability partner	Nanto Capital Partners Co., Ltd., Capital Medica Ventures Co., Ltd.
Investment target	Startup companies that solve problems in the Yamato region
Date of establishment	October 1, 2022
Investment period	10 years (investment eligibility period 5 years)

Image of impact fund process



Nanto Success Road

The Nanto Success Road Business Plan Commercialization Support Project, which invites individuals and corporations seeking to start or develop new businesses to submit business plans that contribute to the local economy and society, has convened a total of 10 times.

The project's New Business Development Category invites business plans from individuals and corporations seeking to develop new businesses in the Bank's business areas. In addition, a new Start-up Category has been organized recently to accept business plans formulated by entrepreneurs nationwide to solve social issues in Nara Prefecture and its surrounding region (Yamato region) for the 10th edition of the program.

Startup creation initiatives

The Yamato Social Impact Acceleration Program offered by the <Nanto>Success Road Startup Division fosters impact-oriented entrepreneurs desiring to contribute to solving regional issues.

Number of award-winning plans (Cumulative total)

