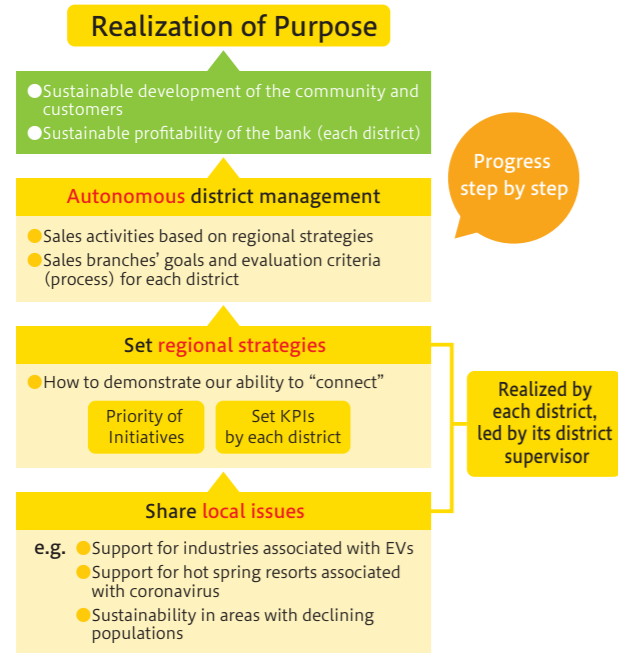


Sales Process Reform

Enhance our strengths to “connect” with customers by building an effective sales force

Establish “District Governance Structure”

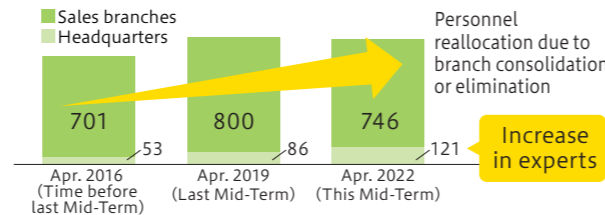
We assigned four District Supervisors for each area to strengthen our District Governance Structure. By engaging in bottom-up autonomous district management, in which districts are delegated a certain level of authority to develop regional strategies, set goals, etc., we aim to ensure sustainable growth of the region and customers and the sustainable profitability of the Bank in each district.



Effective division of functions between branches and headquarters

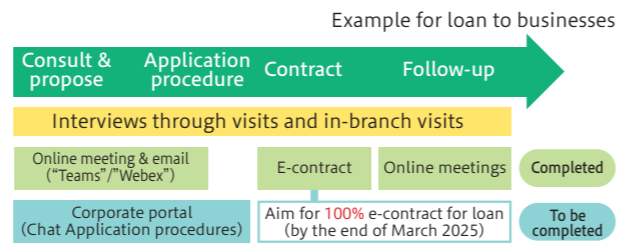
We are responding to customers' increasingly diversified, specialized, and long-term needs by strengthening cooperation between branches and headquarters. In order to further increase the expertise of headquarters, we are increasing the number of specialized personnel at headquarters by reassigning personnel whose branches have been consolidated, closed, etc. to headquarters.

[Changes in the number of sales person]



Establish a new sales style based on the New Normal

By conducting effective sales activities utilizing tools such as online meeting and E-contracts, we are responding to the needs of more customers.



Business process reform

Invest management resources for our strengths to “connect” by streamlining process

Branch administrative reforms

We are implementing administrative reforms centered on in-branch tablets to be introduced in 2023. Functions such as account creation and various notifications will be incorporated into the in-branch tablets in stages. In the future, we plan to link them with the digital channel.



Optimize systems

We will classify the system into priority areas and areas that do not require differentiation from other financial institutions in order to build a more balanced system. While aiming to reduce the cost of existing systems by 40% on a cumulative basis over the next 10 years, we will make proactive investments in apps, the corporate portal, and other systems in areas such as strengthening contact with customers and information utilization.

Business reform project

As part of the Business Reform Project implemented during the previous mid-term business plan period, we solicited 6,096 suggestions about the abolition and revision of bank operations. 1,306 of their suggestions were adopted, saving 670,000 work hours over the course of a year.

We will continue the Business Reform Project during the current mid-term business plan period. A cross-divisional working group at headquarters will take the lead in working on business reforms. In the current mid-term business plan period, we will further improve operational efficiency by working to deepen two themes: zeroing out reporting work and eliminating operational waste.

Accounting system	For renewal in 2029, expect to streamline business with a view to cloud computing
Informational system	Maximize data utilization for marketing and business management
Sub system	Consolidation and elimination of non-focus areas

Channel innovation

Enhance our strengths to “connect” by reconstructing the existing branch network and expanding consultation centers and digital channels

Branch strategy

Even as the number of customers who visit bank service counters declines, the number of customers using internet banking is increasing each year. In addition, there is a growing need for more specialized consultation in areas such as inheritance and asset formation. In order to respond to these changes in the business environment, we are restructuring our branch network and expanding our consultation centers and digital channels.

As to the restructuring of our branch network, we have consolidated or eliminated 37 branches since 2016. In the current mid-term business plan, we plan to consolidate or eliminate another 10-15 branches. As for consultation centers, we currently have four Individual Consulting Plazas, which are open on holidays, and plan to establish another two or so in the future.

Restructuring of branch functions

Flagship branches, which are the core branches in each region, and satellite branches, which have a lighter operation load, are working together to provide optimal financial services to customers by leveraging the regional branch network.

Selection and consolidation of bank network

We are promoting branch consolidation and elimination (branch-in-branch) while making a comprehensive assessment of trends in the number of customers visiting our banks, the need to renovate existing neighboring banks, and other factors.

Newly built banking outlets in recent years



Evolution of DigiCal Strategy

We are working to link banking services with non-financial services to provide a unique customer experience that effectively mixes the digital and the physical.

In April 2022, we launched the Gungin App, a smartphone app for personal customers. In the future,

we plan to add functions such as receipt of notices, payment of taxes and other public funds, and mutual fund transactions. As for corporate customers, we plan to introduce a corporate portal some time in FY2023.

