

Community-based Finance

— Contributing to the Sustainable Development of the Regional Community —

Our Approach to Social Contribution

At the Bank of Kyoto, the concept of doing our part for the local community has been one of our guiding corporate principles ever since our establishment. We have made it our business to be involved in various aspects of community work, including the development of industry and environmental issues.

Customer needs are diversifying in tandem with changing financial and social conditions. At the Bank, we are aware that the original purpose of regional financial institutions is to contribute to the development of the regional economy and society through our main line of business,

which is, of course, banking. Working together with local communities, we strive to achieve ongoing development for everyone.

Further, to earn the trust and understanding of local communities, our policy is to publicly disclose the details of our activities.

Our communities

The Bank's business is deeply rooted in the community in five prefectures: Kyoto, where our headquarters is located, as well as the neighboring Shiga, Osaka, Nara, and Hyogo Prefectures.

Our Policy on Promoting Community-based Finance

Basic Policy on Community-based Finance and Positioning of the Medium-term Management Plan

The Bank has stipulated that its basic policy on community-based finance is to "aggressively harness the Bank's consulting function to support the stable management and development of small and medium-sized corporations while contributing to the revitalization of the regional economy." Therefore, we have actively promoted community-based finance.

In our 6th Medium-Term Management Plan "Timely & Speedy" (FY2017–2019), which started in fiscal 2017, the main theme is "Fully Leverage Consulting Capabilities: Connect," and under the key concept of "Connecting Customers to Each Other, and to Business Growth, to Overseas, and to the Next Generation," we will continue working to promote community-based finance.

Approach to Initiatives

The Bank has systems that allow us to actively demonstrate consulting capabilities in coordination with branches and head office divisions in response to the various management issues and needs of customers.

In addition, in June 2017, based on the strategy for raising productivity in our "Timely & Speedy" management plan, we consolidated the Business Promotion Division, Business Support Division, Retail Banking Division, and Securities Business Section of Securities & International Division, established the new Business Headquarters and conducted other measures to reorganize the head office in order to more speedily provide the services that customers need.

The Regional Regeneration and Revitalization Network is a collaborative effort among the nine regional banks (including the Bank of Kyoto) with different management bases and sales areas. Leveraging this network, the Bank of Kyoto will provide services with higher added value that would not have been possible as a single bank.

Initiatives for Regional Revitalization

We recognize that revitalization of the regional economy is an extremely important mission for the Bank as a regional financial institution. The Bank is actively working to revitalize regions by cooperating on government policy and providing assistance to local tourist sites and growth industries.

Tourism Industry Initiatives

Multilingual translation system—First for a financial institution

In July 2016, partnering with the National Institute of Information and Communications Technology, we equipped 17 branches within the city of Kyoto with iPads containing the "VoiceTra" multilingual translation app, a first for a financial institution.

Going forward, we will continue working to raise service levels and provide support for regional revitalization through increased inbound tourism.



Agriculture Industry Initiatives

We formed the Kyoto Agriculture, Forestry and Fisheries Growth Support Fund to provide comprehensive support, through investment, management assistance and other measures, for businesses primarily in the Kyoto area working to make agriculture, forestry and fisheries a sixth-order industry.

The fund supports the construction of sixth-order industrialization business, an initiative being promoted through coordination by agriculture, forestry and fishery providers and other businesses. Specifically, investment has been made by the fund and financing provided by the Bank for the newly established Musubino, Inc.

Financial Intermediary Function Benchmark Results (March 2017)

Utilization of Funds (Start-Up, Business Restructuring, Regional Revitalization, etc.) (Unit: Instances)

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