

“Being strong in Networks”

The Bank is utilizing its networks to create “business distribution flow” by connecting our customers. We will help the development of new businesses going forward and work to expand sales channels for local products.

We held the Shigagin Eco Business Matching Fair 2015 this year as well. With 89 companies and organizations presenting exhibits and 1,725 visitors at the fair, 702 enthusiastic business discussions were held at the lively event.



The Bank is using “crowdfunding” methods to increase the attractiveness of regional brands and offer new products and services using regional resources. The Bank is the first financial institution to work with Music Securities, Inc. So far, it has created 11 small funds.



Enzyme extracts from organic vegetables (Otsu City)



Hachiman Shoes (Omihachiman City)



Omi beef and matsutake wild feast (Koka City)

The Bank was proactively involved in the planning of regional comprehensive strategies and the implementation of their measures, primarily through the Regional Promotion Office in Business Promotion Dept. established in April 2013. The Bank is involved in regional revitalization through related policies and adjusting its internal stance as a whole.



The Year for Shigagin Initiatives for Relationship Banking

“Being strong in Asia”

As the only regional bank in the Kinki region having a branch overseas, we've provided support for our customers' overseas business in Asia by building a tight network between our domestic branches, the International Department, and our overseas sites including the Hong Kong Branch and representative offices in Shanghai (China) and Bangkok (Thailand).

In December 2014, we formed a business relationship with Canadia Bank Plc. in Cambodia, currently watched as a “Thai Plus 1” country.



Bank President Michael Lor of Canadia Bank (left), which a business partnership has been entered into with, and Mr. Aoyama, head of the Bank's International Department.

In August 2014, a cooperation agreement with the Japan Bank for International Cooperation was formed, and at Shigagin Asia Seminar held in January 2015, Governor Hiroshi Watanabe of the same bank gave a speech.



A business relationship has been formed with Halal Japan Business Association in May 2015 as the market's attention points in the direction of the roughly 1.6 billion Muslims in the world, allowing the Bank to strengthen its support structure for customers seeking to develop the Halal market.

“Being highly CSR-conscious”

We have positioned the pursuit of CSR (corporate social responsibility) with an environmental focus as the “essence of bank management.” Under our motto “Clean Bank Shigagin,” and based on “environmental management,” which incorporates the environment in management, we have developed “environmental finance,” which embeds the environment in finance as an initiative to preserve the environment through our core business, and “environmental volunteer” activities.

Our Ritto Branch, opened in June 2015, uses the latest energy-saving equipment whenever possible, and has been reborn as a “carbon neutral store” with zero practical CO₂ emissions. It also won an award of merit in the first “Low Carbon Town and Buildings’ Contest.”



Through “Tsunagari” CSR private placement bonds first offered in November 2014, the Bank is contributing materials to schools that lead to the healthy education of the children who will carry the next generation.



By pursuing CSR based around “environmental management,” we received many awards this year as well.

Examples:



We have adopted “a bank journeying into the future together with our customers and region” as our vision for the next ten years, and we started the 5th Medium-Term Business Plan in April 2013 as the first stage in this vision.

In order to promote relationship banking, we have set concrete numerical targets for the Bank’s unique “providing expertise and care under three brand-building strategies” (Being strong in Networks, Being strong in Asia, Being highly CSR-conscious), and we are working to achieve them. We are aiming to achieve further mutual prosperity with the regional community for the sustainable growth of our customers and our region.

Numerical Targets and Performance in Our Commitment to Relationship Banking (April 2013 – March 2015)

Specific initiatives	Targets for the year ending March 31, 2016	Results as of March 31, 2015	Progress toward goal as of March 31, 2015 (%)
● Numerical targets in the 5th Medium-Term Business Plan			
ROE (consolidated)	3.0% or higher	4.32%	
OHR (non-consolidated)	Below 70%	72.36%	
Common equity Tier 1 ratio (consolidated) *1	10% or higher	11.82%	
Greenhouse gas emissions reduction *2	20% cut	29.64% cut	
● Initiatives for “providing expertise and care under three brand-building strategies”			
1. Initiatives for “Being strong in Networks”			
Number of times setting up business matching meetings ★	3,000	2,663	88.7%
Number of times providing new business support acting as coordinator	150	174	116.0%
Number of customers with business loans	18,000	18,691	103.8%
Number of times providing “Ratings Communications Services” (cumulative total) ★	3,200	2,953	92.2%
Number of customers supporting formulation of business improvement plans (cumulative total) *3	3,000	3,096	103.2%
2. Initiatives for “Being strong in Asia”			
Number of times providing overseas business support *4 ★	4,300 cases	4,215 cases	98.0%
Number of times holding overseas business meetings, seminars and overseas study tours	30	33	110.0%
3. Initiatives for “Being high CSR-conscious”			
Total number of loans under the PLB Fund / Eco-Clean Loan Program *5	600	431	71.8%
Total Eco-plus Time Deposit and Internet banking service agreements (total)	500,000	299,511	59.9%
Total number of people taking part in volunteer activities ★	7,500	5,354	71.3%

★ indicates an initiative established as a regional contribution target in the 5th Medium-Term Business Plan.

*1 Common Equity Tier 1 ratio (consolidated) Figures on a Basel III basis are presented.

*2 Greenhouse gas emissions reduction Three year average reduction of 20% compared with fiscal 2006 for fiscal 2013 to fiscal 2015

*3 Business improvement plans include simplified plans based on the Bank’s specified “Consultation Sheet”

*4 Support provided by Asia Desk in the International Department and the Bank’s overseas sites (Hong Kong Branch, Shanghai Representative Office and Bangkok Representative Office)

*5 PLB Fund Principles for Lake Biwa Support Fund