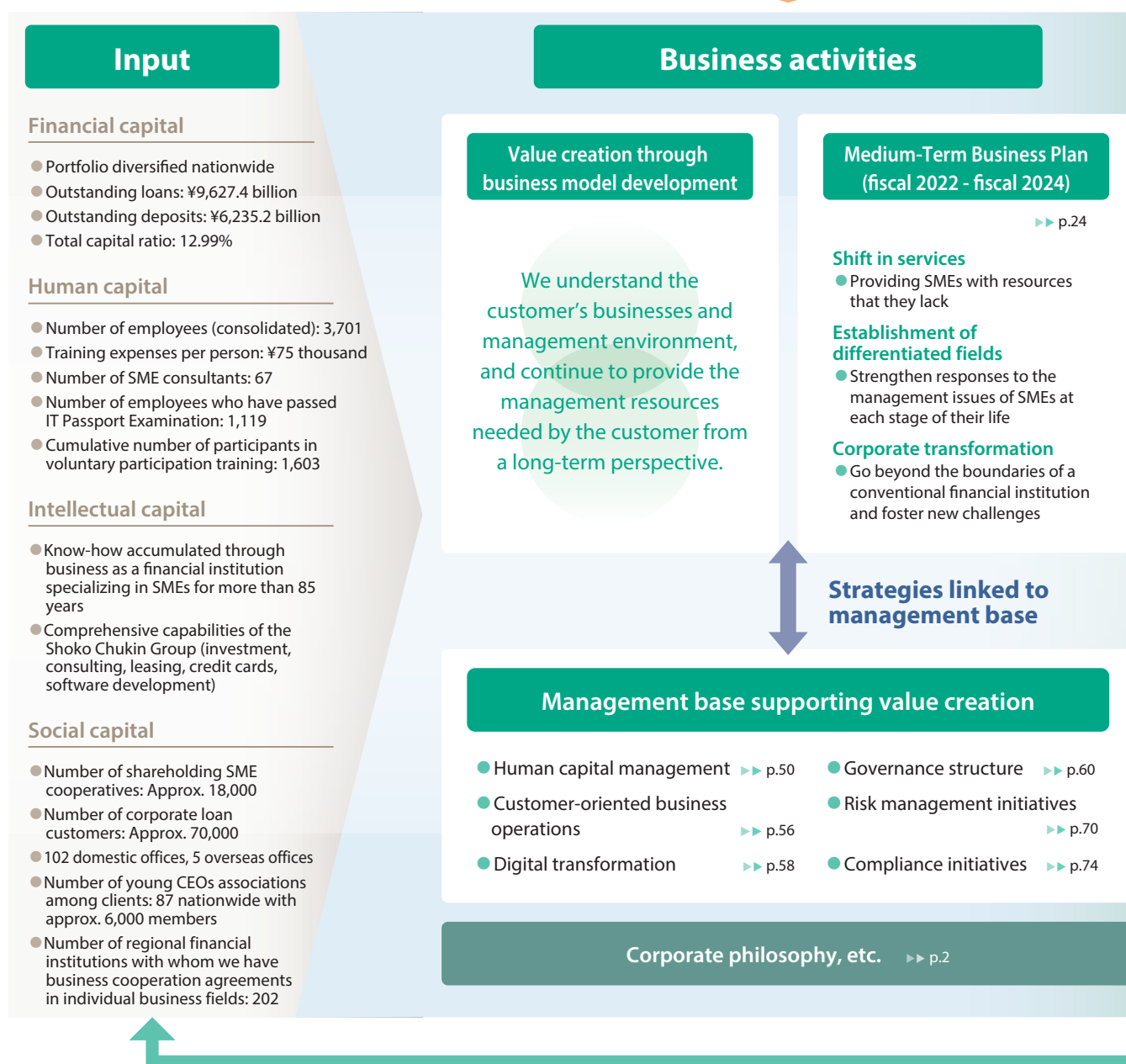


Value Creation Process

At the Shoko Chukin Bank, based on our Purpose: "Supporting the future of companies. Making Japan more resilient to change," we have developed a business model to help us address material issues for society. Through this model, in addition to creating economic value, we also seek to create social value and the happiness of workers, and become a partner for customers that goes beyond conventional financial services.



Management strategies in line with material issues



● Stagnant regional economies

Revitalization of local economies

▶▶ p.40

Creation of innovation

▶▶ p.44

Diversity, equity and inclusion

▶▶ p.46

Resolution of material issues

Output

Management indicators

Mar. 31/'24

ESG diagnosis	Approx. 450 cases
Sustainable finance (number of cases and balance as of March 31, 2024)	142 cases, ¥55.1 billion
CO2 emissions reduction FY2022)	36% reduction compared to FY2013
DX and IT survey	Approx. 350 cases
Support for business revitalization and management improvement	Allowance reversals for support recipients approx. ¥2.3 billion Percentage of increase in rank of support recipients Approx. 13.6%
Business succession and M&A support	174 cases
Financing for startup companies	Approx. 280 cases Approx. ¥33.0 billion
Business matching arrangement for startup companies	1,050 cases or more
eNPS SM	(42.5)
Employee engagement survey items "I want to continue to work for my current employer"	81.1%
Happiness design survey	Approx. 350 cases

Outcome

(common value to be created in collaboration with stakeholders)

Social value

- Realization of a sustainable society
- Regional revitalization
- Improvement of corporate value of SMEs
- Number of KPIs* set with customers based on positive impact financing: 1,600 or more

*Number set for each SDG item

(KPI)

FY2030: 50% reduction in CO2 emissions compared to FY2013

FY2050: Achievement of carbon neutrality

*For Scope 1 and 2

Economic value

- Improvement of the Shoko Chukin Bank's corporate value

FY2024 targets (Medium-Term Business Plan)

Operating income: Approx. ¥50.0 billion

Net income: Approx. ¥25.0 billion

ROA: Approx. 0.2%

ROE: High 2% range

Total Capital Ratio: 12% or more

OHR: Approx. 60%

Happiness of workers

- Fulfillment of work, individual fulfillment, and fulfillment of family and society

(KPI) FY2026 targets

Percentage of female managers: 20%

Percentage of employees taking paid leave: 90%

Percentage of male employees taking

childcare leave: 100%

Become a partner for customers that goes beyond conventional financial services