

## Responding to Global Warming and Climate Change

We recognize that global warming and climate change are important social issues that affect the future of our approximately 70,000 customers in Japan, and we are working to resolve these issues through core business support and financial support.

We provide support to respond to changes in the external environment and management issues surrounding customers and to enhance the sustainability of their businesses.

**[Customer support policy]**

Sustainability	Productivity	Empathy	Ecology	Digital
 将来を損なわず 現在を豊かにする	 少ない資源で より多くを産み出す	 関係者から共感され ファンを作る	 関係者以外も害さず 又は対策する	 多くの情報を使い 付加価値を創る

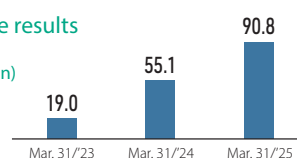
We strive to engage in constructive dialogue and promote mutual understanding with all stakeholders, including customers, from the perspective of SPEED\*.

\*The basic perspective on sustainability initiatives of the organization and its officers and employees, as defined independently by the Shoko Chukin Bank

### ■ Sustainable finance

Through sustainable finance, we support our customers' sustainability initiatives. We are working to expand sustainable finance in order to respond to the various themes being addressed by SMEs.

**Sustainable finance results**  
(balance as of end of fiscal year, billions of yen)



		Environment			Society			Economy	
Major impact areas		Carbon neutrality	Circular economy	Marine/freshwater	Social infrastructure	DE&I	Job security	Labor productivity	Regional economy
Finance type	PIF	Positive Impact Finance (PIF) >> p.49							
	Purpose-driven loans	Green loans		Blue loans >> p.50	Social loans				
	SLL	GX finance >> p.50						DX finance >> p.41	

### ■ Cooperation with regional financial institutions

To contribute to regional revitalization and help create new jobs, we also collaborate and partner with regional financial institutions in our sustainable financing operations. With them, we meet the financing needs of local SMEs and leverage their functions and features to create synergistic effects, thereby increasing the value of SMEs.

**Operational partnerships and collaborations with 13 financial institutions nationwide**

**List of financial institutions we partner and collaborate with** (as of March 31, 2025)

Hokkaido, Tohoku: North Pacific Bank, Ltd., THE SENDAI BANK LTD.

Kanto: The Saitamaken Shinkin Bank, The Yokohama Shinkin Bank

Chubu: KitaiseUeno Shinkin Bank, The Kuwanamie Shinkin Bank, THE TAIKO BANK, LTD., THE HEKIKAI SHINKIN BANK, LTD.

Kansai: The Kyoto Chuo Shinkin Bank

Chugoku, Shikoku: The Ehime Bank, Ltd., THE BANK OF KOCHI, LTD.

Kyushu, Okinawa: KUMAMOTO DAI-ICHI SHINKINBANK, MINAMI NIPPON BANK, LTD.

### TOPIC

#### Partnerships and collaborations with regional financial institutions in sustainable finance operations




In March 2024, the Shoko Chukin Bank entered a memorandum of understanding with KUMAMOTO DAI-ICHI SHINKINBANK regarding partnership and collaboration in sustainable finance operations. Through this partnership, we conducted regular opinion exchanges and shared sustainable finance know-how with approximately 100 staff members through study sessions, and in fiscal 2024, we provided three loans applying Positive Impact Finance.






■ Positive Impact Finance

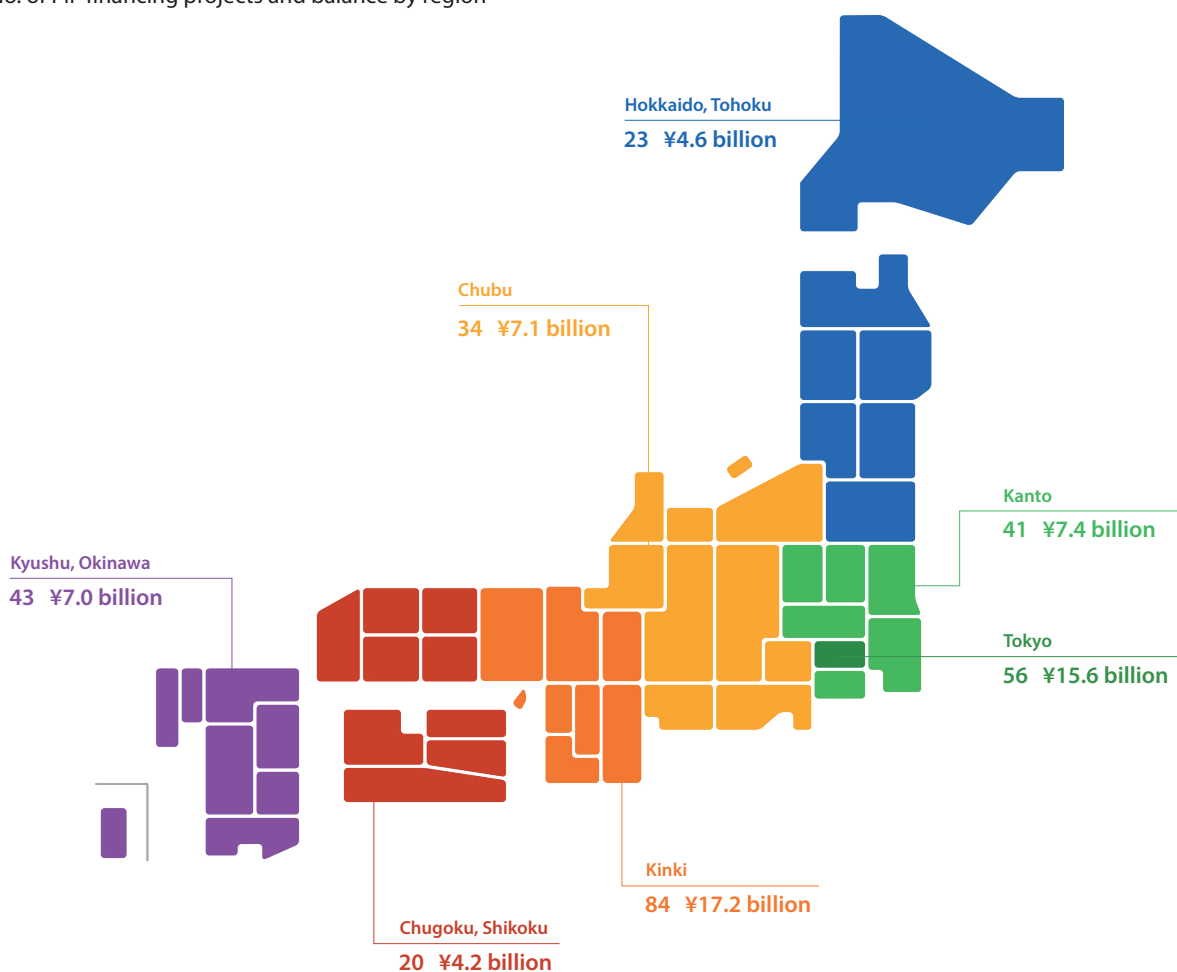
Through Positive Impact Finance (PIF), we set KPIs with customers and support initiatives to achieve these KPIs in an effort to create positive impacts on the environment and society throughout Japan. Customers in a wide range of industries and regions have used Positive Impact Finance, and as of March 31, 2025, we have executed a cumulative total of 301 PIF loans and set more than 3,400 KPIs.

[Main KPIs set through PIF (examples for each SDGs item)]

	No. of KPI set	Examples of KPI
<b>7</b> AFFORDABLE AND CLEAN ENERGY 	202	Introduction of solar power generators, increase in LED usage rate, increase in percentage of battery-powered forklifts
<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	1,163	Use of Happy Design Surveys, increase in sales from new sites/new businesses, creation of local jobs, reduction in overtime hours
<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE 	296	Yield improvements, participation in new semiconductor precision processing business, increase in sales, entry into biogas power generation business

	No. of KPI set	Examples of KPI
<b>10</b> REDUCED INEQUALITIES 	373	Increase in percentage of female employees, acquisition of public certifications such as PrivacyMark certifications, workshops on human rights DD
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	335	Reduction in amount of waste generated, increase in eco product sales, reuse of food waste, increase in amount of waste accepted
<b>13</b> CLIMATE ACTION 	259	Visualization and reduction of CO2 emissions, BCP plan formulation, acquisition of ISO14001 certification

■ No. of PIF financing projects and balance by region



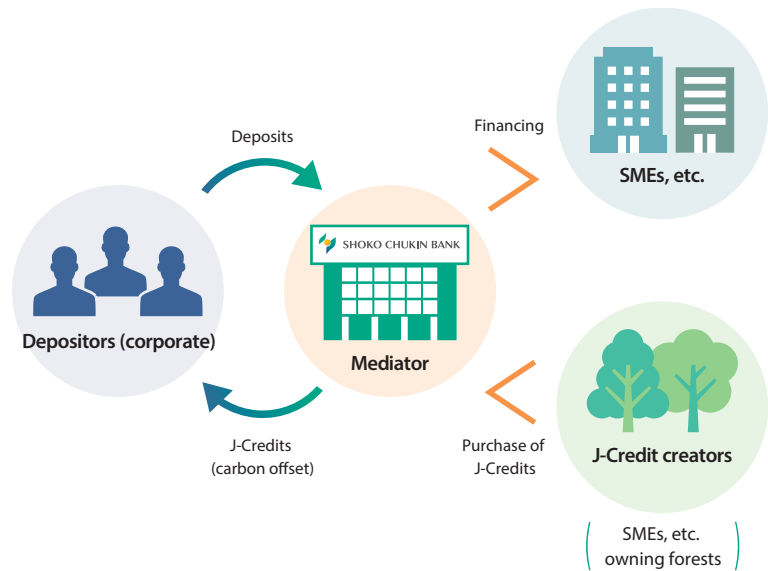
We aim to play a leading role in realizing a sustainable society by actively supporting the business activities of customers that consider the environment and society.

We will also address natural capital, which is closely related to climate change.

■ **New!** Japan's first J-Credit deposits

From December 2024, we started handling the corporate term deposits, J-Credit deposits, which grant carbon offsets using forest-derived J-Credits. Up until now, a total of ¥20.0 billion has been deposited, and we plan to grant carbon offsets equivalent to 2,000 tons.

Forest-derived J-Credits are credits certified by the Japanese government for the amount of CO<sub>2</sub> absorption obtained through proper forest management such as thinning, and by purchasing and utilizing them, we support proper forest management that entails an economic burden. This deposit contributes to the promotion of sustainable environmental conservation.



■ **New!** Blue loans

We started handling blue loans in December 2024 to support sustainable marine economies and efforts to improve the environment in marine and freshwater areas. We are committed to environmental conservation through our financial services, based on the belief that the stability of the global environment is the foundation of all our business activities.



**Support case example**

KOJIMAGUMI Co., Ltd. (Aichi) is engaged in dredging and other marine civil engineering work based in Aichi Prefecture. The Shoko Chukin Bank supported the introduction of specialized equipment such as underwater drones mounted on vessels that lay offshore wind power cables on the seabed using blue loans. The introduction of this equipment will encourage the construction of offshore wind power generation and contribute to the creation of renewable energy.

■ **New!** GX finance

We started handling GX finance as a sustainability-linked loan from October 2024 to support decarbonization management. We set sustainability performance targets as goals and support their achievement when customers work on decarbonization management.



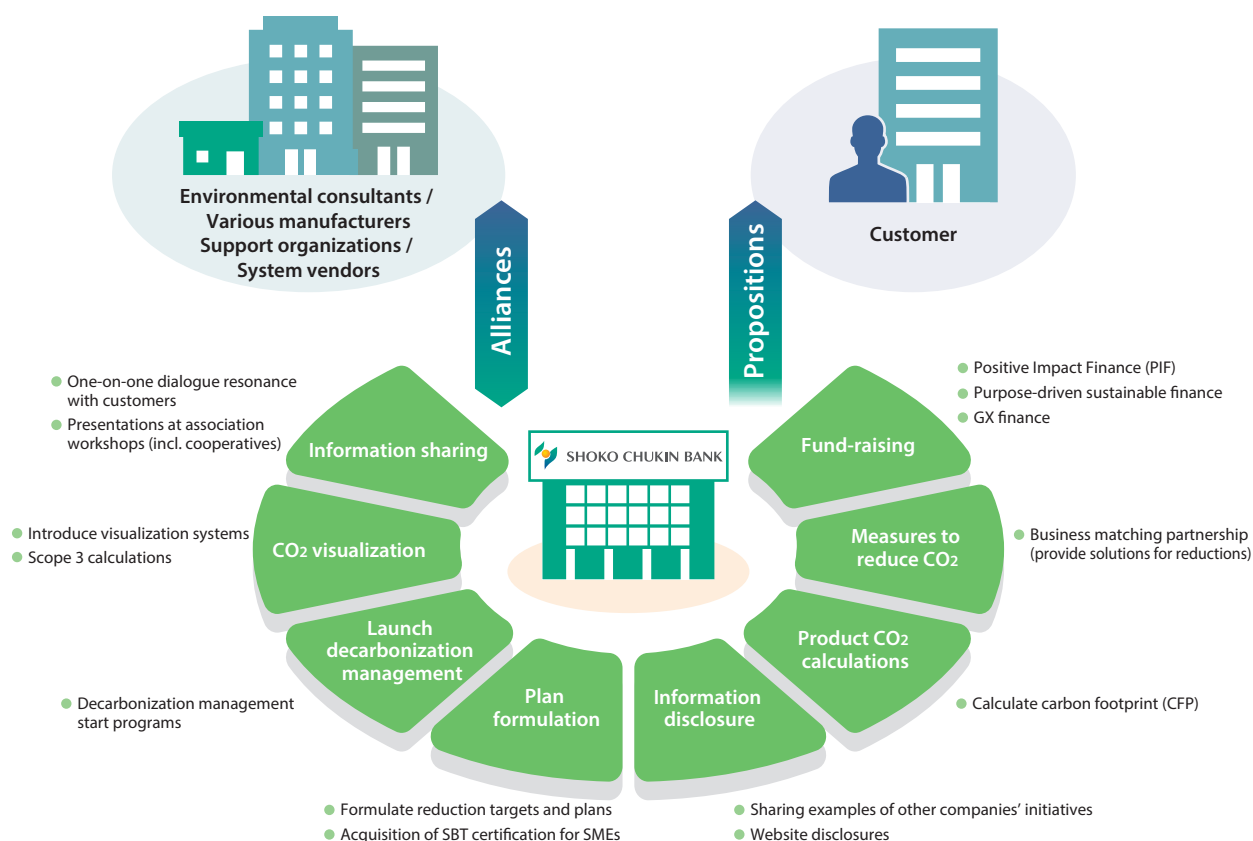
**Support case example**

Keity Co., Ltd. (Fukuoka) transports beverages and household goods in Kyushu and Kansai. The Shoko Chukin Bank provided financing through GX finance for funds necessary to enhance corporate value, and also supported decarbonization by assisting with the formulation of CO<sub>2</sub> emission reduction targets toward 2030, as well as application procedures for SBT certification for SMEs.

■ Supporting decarbonization management

To increase our customers' corporate value over the medium to long term and help bring about a sustainable society, we comprehensively support SMEs in their efforts to promote carbon neutrality.

We provide support for visualization of customers' CO2 emissions, formulation of reduction targets and plans, acquisition of SBT certification, calculation of carbon footprint (CFP), business matching related to renewable energy and energy conservation, and provision of sustainable finance.



Support case example

Supporting the formulation of plans for decarbonization management

PROGRESS Corp. (Yamanashi) manufactures aluminum die castings mainly for automotive parts.

The company planned to formulate a decarbonization plan toward 2030 in response to demands from society and the supply chain.

The Shoko Chukin Bank organized the data necessary for visualization of CO2 emissions and plan formulation, and supported the setting of 2030 reduction targets and the creation of a roadmap for achievement. We identified business processes with particularly high CO2 emissions and formulated effective CO2 emission reduction measures.

» For details of the case examples, please click here to watch the video.  
<https://www.youtube.com/watch?v=u8IE5OUZWUE>



[Thoughts from members of the Shoko Chukin Bank] Sasuke Oda, Omori Office

We believed that initiatives toward carbon neutrality would help differentiate the company from competitors in the same industry and strengthen its advantages. We provided extensive support ranging from the formulation of CO2 emission reduction targets and a roadmap to the introduction of carbon footprint.