



Sustainability Report 2026

The Shoko Chukin Bank, Ltd.



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Message from the President

We will realize a society resilient to change and grow together with SMEs

I would like to express my sincere appreciation for your continued support of the Shoko Chukin Bank.

Since its establishment approximately 90 years ago, the Shoko Chukin Bank Group has developed as a financial institution specializing in SMEs. Under our PURPOSE of "Supporting the future of companies. Making Japan more resilient to change," we walk together with SMEs as a partner bringing security and prosperity to realize sustainable growth.

The Shoko Chukin Bank was born from SMEs' aspirations. We will continue to undergo transformation to ensure we can make the aspirations of our SME customers a reality. We look forward to your continued support for the Shoko Chukin Bank's future growth.

President (Representative Director) Masahiro Sekine



Our History of Sustainability

2010s

2020s

Climate change		Climate change	Natural capital	Overall	
2019	Announced support for TCFD recommendations	2021	Established Climate Change Risk working group	2021	Commenced ESG diagnostic services
		2022	Set carbon neutrality targets	2022	Formulated Sustainability Basic Guidelines
		2023	Commenced consulting service for decarbonization management		Commenced handling sustainable finance
		2024	Commenced handling GX finance	2023	Commenced partnerships with regional financial institutions
			Commenced handling blue loans		Commenced handling impact deposits
			Commenced handling J-Credit deposits	2024	Commenced handling DX finance
			Introduced offsite solar PPAs		
		Introduced renewable energy from wind power			
		2025	Participated in TNFD forum		
		Respect for human rights			
		2020	Commenced Happiness Design Surveys		
		2022	Established Human Capital Management Working Group		
		2023	Established Business and Human Rights Working Group		
		2024	Formulated the Shoko Chukin Bank Group Human Rights Policy		



Key Updates for FY2025

Key Updates for FY2025

<h3>Overall</h3>	<ul style="list-style-type: none"> • Joined Impact Consortium, signed the Japan Impact-driven Financing Initiative • Set target for sustainable finance Cumulative balance of sustainable finance for SMEs of ¥500 billion by FY2030 (incl. ¥150 billion in environmental finance)
<h3>Climate change Natural capital</h3>	<ul style="list-style-type: none"> • Renamed Climate Change Risk Working Group to Climate Change Risk and Natural Capital Working Group • Received Sustainable Finance award (Sustainability Support Award)
<h3>Respect for human rights</h3>	<ul style="list-style-type: none"> • Established Shoko Chukin MIRAI Harvest
<h3>Governance</h3>	<ul style="list-style-type: none"> • Introduced Group Chief Officer (CxO) system

Topic

Received Sustainable Finance award

- We received the Sustainability Support Award for our J-credit Deposits, the first of their type for Japan, in recognition for supporting the creation of forest-derived credits, supporting decarbonization management at companies and contributing to enhanced sustainability.

Introduced Group Chief Officer System

- Under the overall supervision of the Group CEO, we have appointed a CTRo and CDIO, who are responsible for corporate and digital transformation, a CCO and CRO, who are responsible for compliance and risk management, which are prerequisites for the steady implementation of these reforms. As such, we have built a system for enhancing the corporate value of the entire Shoko Chukin Bank Group and for vigorously driving initiatives for sustainability, climate change, natural capital, and respect for human rights.



Topic Gratitude for 90 Years and Co-Creation with Local Communities

The Shoko Chukin Bank will celebrate its 90th anniversary in December 2026.

We would like to express our sincere thanks to the many SME customers and various other stakeholders that have supported our operations to date.

Initiatives for our 90th anniversary

90th Anniversary Walking Event

- The Shoko Chukin Bank believes that the mental and physical health of our officers and employees, our most important management capital, is key to realizing our PURPOSE of “Supporting the future of companies. Making Japan more resilient to change.” As such, we will work to raise the health awareness of each officer and employee, promote physical and mental health, and create a comfortable workplace.
- To mark our 90th anniversary, we are planning an even greater variety of events in which Group officers and employees can participate together with our stakeholders to contribute to healthy and vibrant regional development.
- As part of these events, we will host seminars on DE&I and health literacy as well as promote health in a fun way with our 90th Anniversary Walking Event, where teams come together to hit step targets.



Promoting Social Contribution Activities by all Employees

- As we approach our 90th anniversary, we are promoting social contribution activities by all our employees as concrete action to express our gratitude to stakeholders who have supported our company to date.
- By deepening ties with local communities and increasing trust from all our stakeholders through this initiative, we will demonstrate we are a sustainable company for the future.
- Additionally, through these social contribution activities, we will reconfirm our significance as well as strive to improve employee engagement and foster a healthy corporate culture.
- Specifically, Shoko Chukin Group officers and employees will run environmental conservation, natural disaster support, child support and other activities. We will donate to organizations and businesses that are helping to solve social issues based on the number of participants in these activities.



01 | Our Approach to Sustainability



Corporate Philosophy

PURPOSE

***Supporting the future of companies.
Making Japan more resilient to change.***

MISSION

We will continue to think together, create together, and change together, as a partner in creating security and prosperity.

Statement

The Shoko Chukin Bank will continue to deepen and develop its DNA as a financial institution specializing in SMEs and support the future by resolving issues faced by many companies.

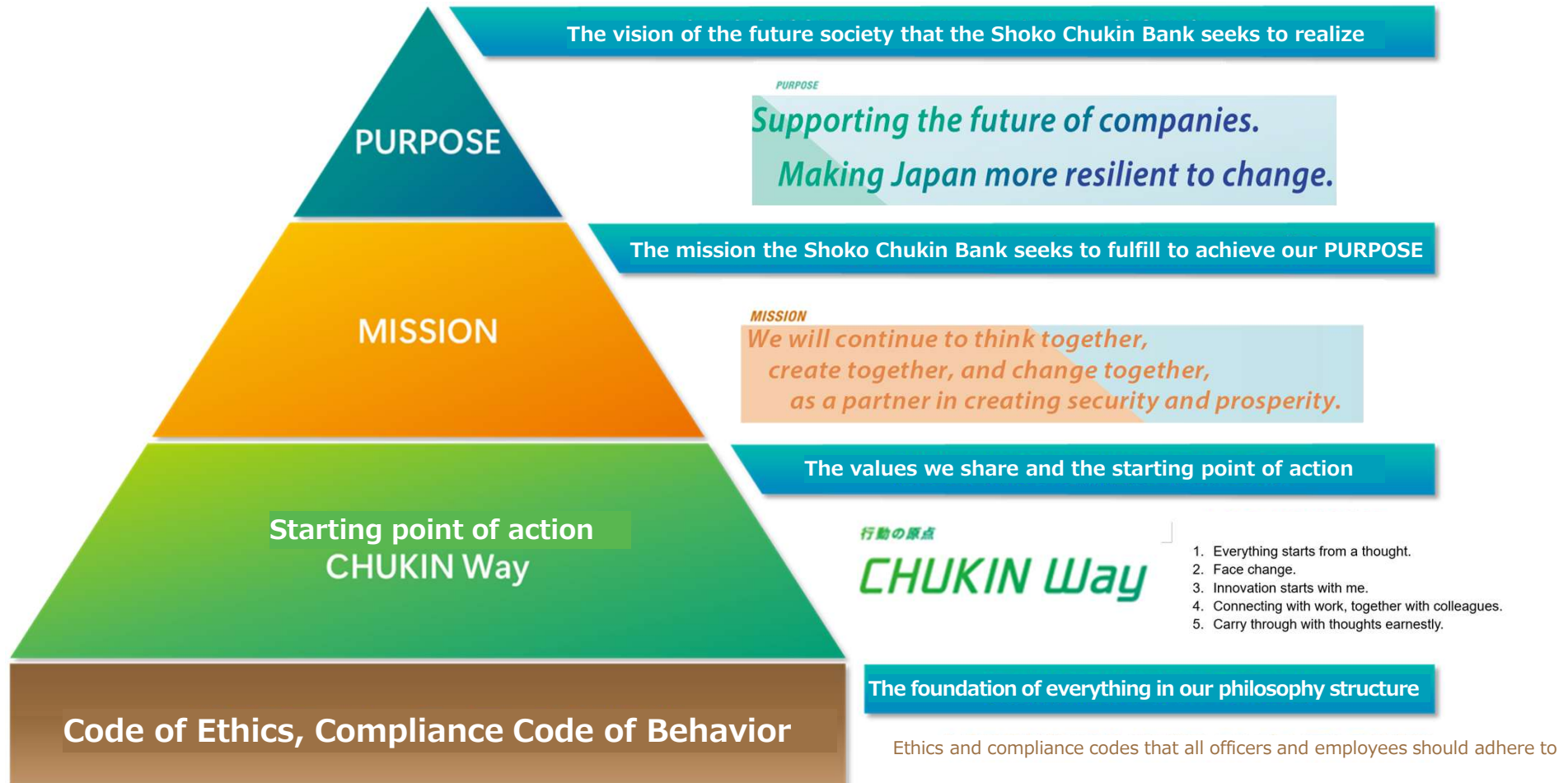
In an ever-changing world, we will create a society where people can take on challenges without hesitation and boldly change themselves. A society where people can calmly look at the current situation and take the right step forward, even when security and safety are undermined.

A society in which people in every region can demonstrate their unique strengths and feel affluent and fulfilled. At the Shoko Chukin Bank, we are your partners in taking on the challenges of change, aiming for the hope that lies ahead.

Starting Point of Action (CHUKIN Way)

In order to achieve our PURPOSE of “Supporting the future of companies. Making Japan more resilient to change,” we have revised our corporate philosophy structure as well as established “Chukin Way,” which is the starting point of action and is the set of values shared with all officers and employees.






Revised Corporate Philosophy Structure Compliance based on our Code of Ethics and Compliance Code of Behavior is at the foundation of all that we do. We seek to realize our PURPOSE by pursuing our MISSION based on CHUKIN Way, the starting point of action



Basic Policy

- We aim to contribute to the achievement of a sustainable society through our duties with an awareness that various environmental and social issues are issues for each and every employee.
- We strive to engage in constructive dialogue and promote mutual understanding with all stakeholders, including SME customers, starting from the perspective of SPEED.
- We will not be uniformly reluctant to support SMEs in a manner that is inconsistent with the facilitation of the financing of SMEs.

Perspective of SPEED~Shoko Chukin Bank’s unique basic perspective on the sustainability efforts of our organization and employees

	Sustainability	Productivity	Empathy	Ecology	Digital
Perspective of SPEED	 <p>Enrich the present without compromising the future</p>	 <p>Produce more with less</p>	 <p>Gain the empathy of stakeholders and build a fan base</p>	 <p>Do not harm others including non-stakeholders, or take measures to prevent harm</p>	 <p>Create added value by using more information</p>
Objectives	Contribute to the revitalization of the local economy through employment stability	Sustainably increase the results of business activities within limited resources	Pursue social responsibility as a company that is a member of society	Contribute to the stability of the global environment, including weather, oceans, and forests, which are the foundation of all socio-economic activities	Provide services that meet the needs of consumers with diverse backgrounds without material constraints or consumption of environmental resources
Action	Continuously secure management resources necessary for business activities Improve business activities in response to changes in the external environment	Accumulate and utilize know-how related to business activities Reduce resources consumed by production facilities	Act in an ethically correct manner, including respect for human rights, such as the health and appropriate treatment of employees and fair dealings with business partners	Actively engage in environmentally friendly activities Implement risk management for natural disasters, etc.	Utilize digital technologies Create added value through data

Sustainability Basic Guidelines

1. Environmental Consideration

Actively work to reduce environmental impact including the climate, while taking into consideration the stability of the global environment, which is the foundation of all our activities

Environmental Policy

Policy on environmentally friendly activities in light of the recognition that conserving and protecting the global environment is a common responsibility to be shared by all humankind

① Compliance with laws and regulations

Comply with all laws and regulations related to the environment as well as other requirements to which the Shoko Chukin Bank agrees

② Environmental conservation through financial services

Actively support business and other activities of SME cooperatives and SMEs that engage in environmental conservation and protection through the provision of financial products and services, and other business activities while making the most of the Shoko Chukin Bank's nationwide network as well as coordinating with policies of the national government and measures of the local government, to work to reduce risks related to the environment of the entire society

③ Reduction of environmental impact in the Shoko Chukin Bank's own business activities

Recognize the environmental impact of the Shoko Chukin Bank's business activities in terms of resource consumption and waste emissions, and work to conserve the environment through resource circulation initiatives and effective use of energy and resources

④ Awareness-raising among officers and employees

Promote environmental awareness-raising so that each and every officer and employee can deepen their correct understanding and awareness of environmental issues

2. Respect for Human Rights

Respect human rights, which is the basis of a fair social order, and engage in fair and appropriate business with all stakeholders

Human Rights Policy

Policy on engaging in socially-conscious activities, given that respect for human rights is an important management issue that should be actively addressed in fulfilling the Shoko Chukin Bank's social responsibilities

① Respect for international norms

Respect international norms, including the Universal Declaration of Human Rights and the United Nations Global Compact

② Elimination of discrimination

The Shoko Chukin Bank will not discriminate or violate human rights on the grounds of race, nationality, gender, sexual orientation, gender identity, origin, social status, creed, religion, disability, physical characteristics, etc. Furthermore, the Shoko Chukin Bank strives not to be complicit, even indirectly, in discrimination or human rights violations.

③ Fair and appropriate business with stakeholders

As a member of financial institutions, social public institutions that are required to be transparent, as well as a member of the local community, always be aware of the social responsibilities of the Shoko Chukin Bank, and strive to engage in fair and appropriate business with stakeholders

④ Consideration for employee health and working environment

Respect the human rights and diversity of all people, and strive to establish an open work environment that is free from harassment and discrimination

⑤ Conduct human rights due diligence and remedies

Conduct human rights due diligence to prevent and mitigate negative human rights impacts on an ongoing basis, and strive to remedy any human rights violations that become apparent

⑥ Awareness-raising among officers and employees

Promote human rights awareness training so that each and every officer and employee can deepen their correct understanding and awareness of human rights issues

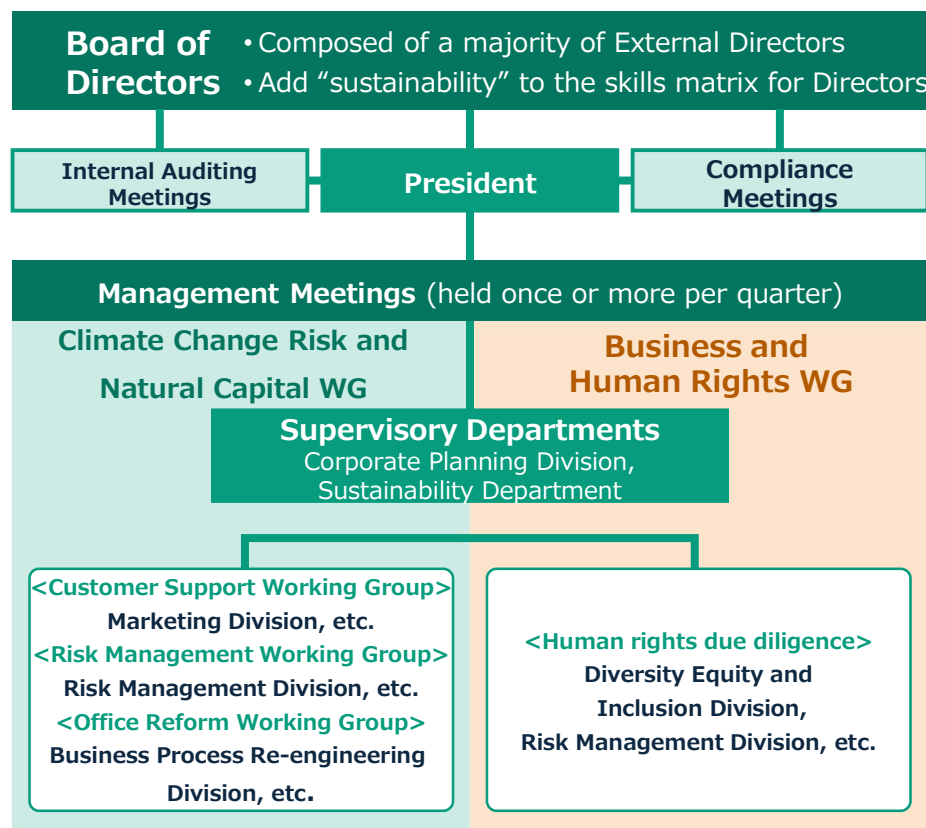
3. Improving Governance for SMEs

Contribute to improving governance of SMEs through investments and loans, with business prospects evaluations as a starting point, and customer support including the dispatch of human resources

Governance Structure

- At Management Meetings, chaired by the president (representative director), sustainability-related opportunities and risks are identified and matters for evaluation and management are discussed about six times per year, and then reported to the Board of Directors. The Board of Directors deliberates and decides on important matters pertaining to the Bank’s activities and supervises the duties of directors and executive officers, ensuring that overall operations function in an appropriate and efficient manner.
- Related initiatives are continuously considered by the Climate Change Risk and Natural Capital Working Group (established in June 2021 and renamed in April 2025), the Human Capital Management Working Group (established in October 2022), and the Business and Human Rights Working Group (established in September 2023).

Sustainability-related governance chart



Main discussion topics

In fiscal 2025, the main topics of discussion in Board of Directors meetings and Management Meetings were as follows. Matters related to climate change risks were discussed in Management Meetings once per quarter or more and reported sequentially to the Board of Directors.

Meeting body		Main discussion topics
Supervision	Board of Directors	<ul style="list-style-type: none"> • Status of initiatives related to climate change risks (roughly twice per year) • Reports on DE&I promotion, human rights awareness activities, human capital management (roughly twice per year) • Top risks in fiscal 2025 (roughly five times per year) • Publication of sustainability report
		<ul style="list-style-type: none"> • Status of initiatives related to climate change risks (roughly four times per year) • Reports on DE&I promotion, human rights awareness activities, human capital management (roughly twice per year) • Top risks in fiscal 2025 (roughly six times per year) • Formulation and publication of net-zero targets and transition plan • Establishment and publication of sustainable finance target • Publication of sustainability report
Execution	Management Meetings, etc.	

(Reference) ESG Information

In addition to continuously advancing internal initiatives for the spread of sustainable management, the Shoko Chukin Bank has contributed to broadening the base of companies engaging in sustainable management. In recognition of these efforts, we have received awards from multiple external organizations.

External Recognition



Acquired the Platinum Kurumin Plus certification



Tokyo Financial Award 2024 Sustainability Category Winner



Eruboshi certification (two stars)



2025 Sustainable Finance Award Received Sustainability Support Award



Recognized as a 2025 Outstanding Organization of KENKO Investment for Health Large enterprise category



J-Win Diversity Award 2025 Received Semi-Grand Award, Basic Category



Gold rating in PRIDE Index



(Happiness Design Survey) Hataraku Well-being Awards 2025 FR Category

02 | Initiatives for Climate Change and Natural Capital



Overview Initiatives based on TCFD and TNFD (Overview)

Considering the stability of the global environment, which is fundamental to all our business activities, we actively work towards reducing our impact on the environment, including the climate.

	Climate Change	Natural Capital
Governance	<ul style="list-style-type: none"> Any matters that relate to the identification, evaluation, and management of climate change- and natural capital-related opportunities and risks are regularly discussed at our Management Meeting, which is attended by the President and Executive Officer. We also submit reports sequentially to the Board of Directors. We have formulated our Sustainability Basic Guidelines (see P. 11) in order to play an active role in resolving material issues for society and to help realize a sustainable society, and they have been approved by the Board of Directors. 	
Strategy	<ul style="list-style-type: none"> We recognize demand for funds and opportunities for providing solution proposals concerning customers' transitions to decarbonization and technology development as well as conservation and preservation of natural capital. We will contribute to the realization of a sustainable society by engaging in dialogue with our customers and supporting the implementation of necessary measures, starting from a business prospects evaluation from the perspective of SPEED (see P.10). 	<ul style="list-style-type: none"> We analyze the opportunities and risks climate change risk poses to the management of the Shoko Chukin Bank. Specifically, we analyze the dependency and impact risks for each sector in our financing portfolio.
	<ul style="list-style-type: none"> We analyze qualitative and quantitative scenarios regarding the opportunities and risks that climate change poses to management of the Shoko Chukin Bank. Specifically, we analyze physical and transition risks for the financing portfolio. 	
Risk Management	<ul style="list-style-type: none"> We recognize addressing climate change risk and changes in the industrial structure as top management risks. Transactions with businesses that are likely to have a negative impact on the environment and society will be handled in accordance with the Environmental and Social Considerations Policy (see P.40). We appropriately recognize risks caused by climate change and natural capital, and are working to build a risk management approach. 	
Metrics and Targets	<ul style="list-style-type: none"> CO2 emissions (Scope 1 and 2) Targets: 50% reduction in fiscal 2030*, Carbon neutrality by fiscal 2050 Results: 46% reduction in fiscal 2024* <p>*From fiscal 2013. Reduction targets are due to be revised in fiscal 2026.</p>	

Strategy Risk — Climate Change Risk

Climate change risks (transition risks, physical risks) impact many customers, and we recognize the subsequent risk of rising credit costs for the Shoko Chukin Bank. Together with customers, the Shoko Chukin Bank will overcome climate change risks and contribute to realize a sustainable society.

Risk identification

We identify risks based on our assumptions of future social and environmental changes brought about by climate change. The following is an overview of the climate change risks assumed by the Shoko Chukin Bank.

Transition risks

Risks that arise in the process of transitioning to a low-carbon society

- ! Strengthening of policies and regulations**
 - Introduction of carbon tax
 - Strengthened regulations related to greenhouse gas emission targets
- ! Market and technology changes**
 - Development, selection, and spread of new technologies such as renewable energy and EVs
 - Obsolescence of existing products, changes in supply and demand

Risk of increased credit costs for the Shoko Chukin Bank due to impact on customers' business models and business performance

- ! Growing social demands**
 - Growing public interest in climate change issues
 - Demands for corporate initiatives and disclosures

Risk of reputational damage and difficulty in obtaining financing if the Shoko Chukin Bank's climate change initiatives and disclosures are deemed insufficient

Physical risks

Risks that arise from increasingly severe natural disasters and climate change

- ! Acute risks**
 - Occurrence of typhoons, torrential rains, floods, or other wind or water disasters

Risk of customers' business performance being affected and credit costs increasing if a customer is affected by a disaster
Risk that business continuity may be difficult, or costs for countermeasures and recovery increasing if the Shoko Chukin Bank is affected by a disaster

- ! Chronic risks**
 - Gradual increase in average temperature and sea level

Risk of increase in heat strokes and infectious diseases, ecological changes, etc., resulting in macroeconomic deterioration and an increase in the Shoko Chukin Bank's credit costs

In particular, we consider credit risk*1 and reputational risk*2 to be important risks with significant management impact. We will seek to reduce these risks by providing customer support through engagement with customers and other means, and strengthening risk management through scenario analysis, etc.

*1 Risk of an increase in the Shoko Chukin Bank's credit costs due to the negative impact on customers' business models and businesses caused by the transition to a low-carbon society or climate change

*2 Risk of damage to the Shoko Chukin Bank's reputation due to efforts and disclosures on climate change issues being deemed insufficient

Strategy Risk — Climate Change Risk

In an effort to identify climate change risks, the Shoko Chukin Bank has defined the industries that were identified as being significantly impacted by climate change as carbon-related sectors^(*1) and monitors them.

Carbon-related assets

Four sectors were selected for analysis (P.19): automobiles and components, land transport, metals and mining, and marine transport, based on the climate change impact (transition risks) of each sector and the balance of the Shoko Chukin Bank’s investments, loans and other factors.

Sector	Transition risk	Percentage of outstanding loans (%) ^{*2}	
Energy	Oil and gas	High	1.6
	Electricity	High	0.4
	(Subtotal)	—	2.0
Transport	Land transport P.20	Medium	8.1
	Automobiles and components P.20	High	2.9
	Marine transport	Medium	2.2
	Air transport	Medium	0.1
	(Subtotal)	—	13.3
Materials and buildings	Construction materials and capital goods	Low	8.3
	Property management services and development	Low	6.8
	Metals and mining	High	4.7
	Chemicals	Medium	3.1
	(Subtotal)	—	23.0
Agriculture, foodstuffs, and forestry	Food and beverage	Medium	4.2
	Papermaking and forestry	Low	2.0
	Agriculture	Low	0.3
	(Subtotal)	—	6.5
Total	—	44.8	

Topic

Ship Financing

- We established the Ship Financing Promotion Team and are working to accumulate ship-specific expertise and strengthen our support.
- We are working to provide smooth financing for new ship building for the marine transport sector, in part by forging collaborative support with other financial institutions.
- Given that the sector is likely to be impacted by environmental regulations, we are enhancing our support structure and responding to eco-friendly vessels and the like.



※1 Applicable industries in the non-financial sector identified based on GICS codes. The methods used to categorize these sectors are subject to review in the future.

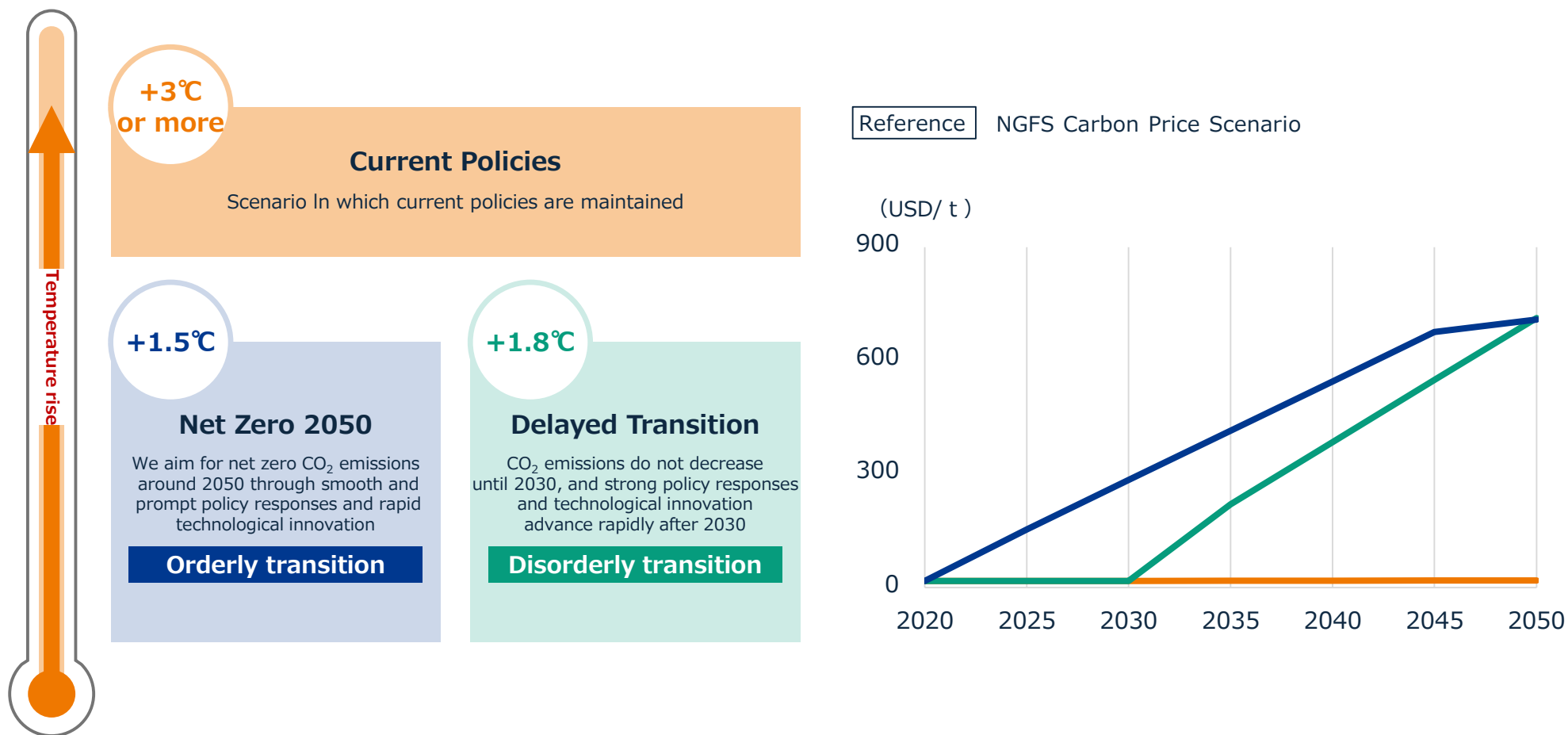
※2 As of March 31, 2025.

Strategy Risk — Climate Change Risk

With a view to enhancing the organization’s resilience to climate change, we use scenarios (hypotheses) to analyze how the business environment will change and how management will be affected if transition risks and physical risks materialize.

Conducting scenario analysis ① Scenarios used

Three scenarios (net zero 2050, delayed transition, and current policies) formulated by NGFS (Network for Greening the Financial System) are used in the scenario analyses of transition risks and physical risks. The worldview of each scenario is as shown in the figure.



Strategy Risk — Climate Change Risk

Conducting scenario analysis ② Transition risks

The increase in credit-related expenses associated with transition risk is estimated by sectors selected in consideration of climate change impact and the size of exposure in the portfolio. The following four sectors were selected for transition risk analysis based on the climate change impact (transition risks) of each sector and the balance of investments, loans and other factors.

Qualitative assessment of sectors in scope of analysis

Sector	Main transition risks
Automobiles and components	Downsizing of engine parts, etc. associated with conversion to electric vehicles
Metals and mining	Introduction of carbon tax Carbon tax on CO ₂ emissions, etc. in the production and transportation process
Land transportation	The metals and mining sector also includes any automobile-related companies, such as casting and manufacture of stamped press metal products, and abovementioned impact is taken into consideration Modal shift toward low-carbon conversion, etc. Conversion to electric trucks (higher vehicle prices)
Marine transportation	Decrease in haulage due to a decrease in fossil fuels in main haulage Conversion to vessels compatible to stricter environmental regulations (higher ship prices)

Results of transition risk analysis

Based on the transition scenario for each sector, we estimate the financial condition of each loan recipient covered by the sector analyzed, and the increase in credit-related expenses is calculated based on changes in the borrower category. We take into consideration transition risks associated with the conversion of loan recipients' main products (internal combustion engines, drives, etc.) to electric vehicles (EVs) for automobiles and components and metals and mining.

Scope of analysis	Loan recipients in the automobiles and components, metals and mining, land transportation, and marine transportation sectors, with the most recent borrower category
Scenarios used	Net zero 2050 of the NGFS scenarios
Period of analysis	By 2050
Analysis results	Credit-related expenses: cumulative amount of approximately ¥60.0 billion

Topic Initiatives of the Industrial Strategy Division

- In order to expand our support to SMEs facing sharp changes in the business environment, we newly established the Industrial Strategy Division in April 2024 to address issues regarding industrial restructuring as well as environmental and social sustainability.
- For SMEs facing changes in the industrial structure, we will provide innovative financial support and hands-on support for initiatives, such as promoting DX and GX, tailoring our approach to industry-specific challenges.

Key support areas

Automotive parts



Support for automotive suppliers adapting to major environmental changes, such as EV adoption

Logistics



Support for transportation companies adapting to structural challenges, such as labor shortages and regulatory compliance

Industry DX



Various DX support for enhancing productivity and responding to changes in the business environment

GX



Support for decarbonization management to help enhance corporate value through reduced CO₂ emissions

See P.33 for GX details

Main Initiatives for FY2025

Automotive parts manufacturers

- We held discussions about business strategy with an eye to business restructuring for suppliers and offered hypotheticals for business strategy as part of transition support.
- To support suppliers' international business expansion, we offered individual matching with Indian companies and hosted business meetings. We also held multiple discussions based on market conditions in North America, China, and elsewhere.
- The Automobile Industry Support Team (Finance Division) has built a database comprising over 600 customers from the automotive parts industry. The gathered information is also utilized in analyzing transition risks (P.19).



ロジックシュブ

Logistics × Industry DX

- We provided LogiPush, a cloud-based vehicle and profitability control service, developed as a Shoko Chukin Bank proprietary solution to promote improved terms of trade and wage hikes in the transportation industry.

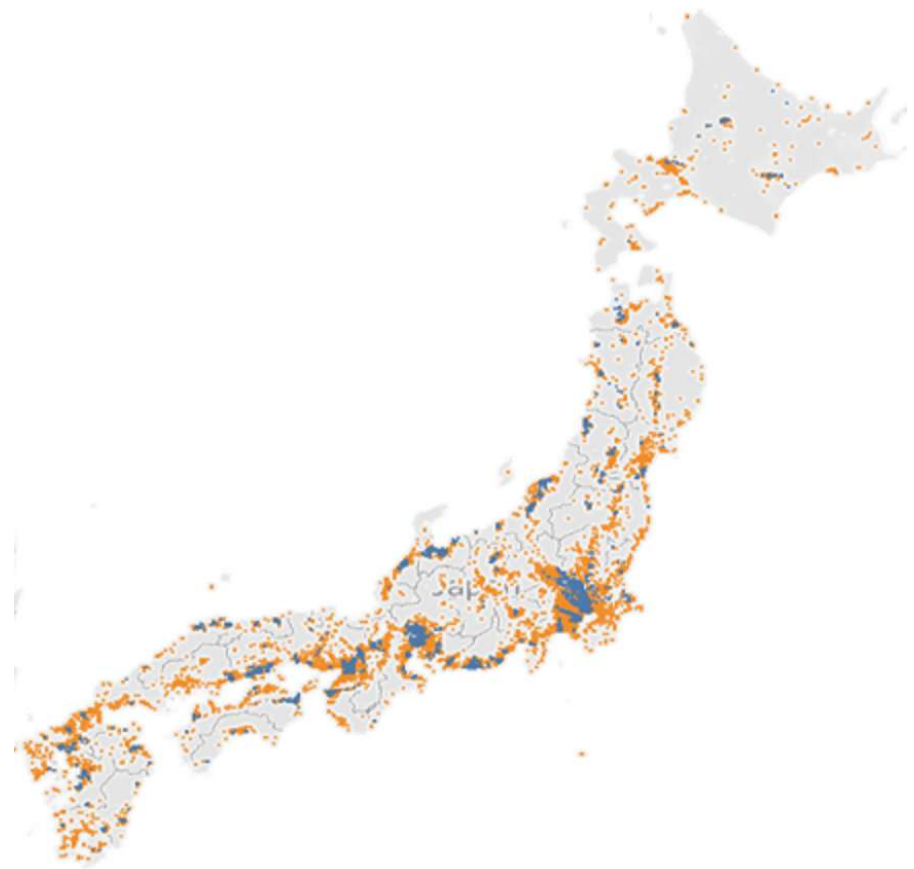
Strategy Risk — Climate Change Risk

Scenario Analysis ③ Physical risks

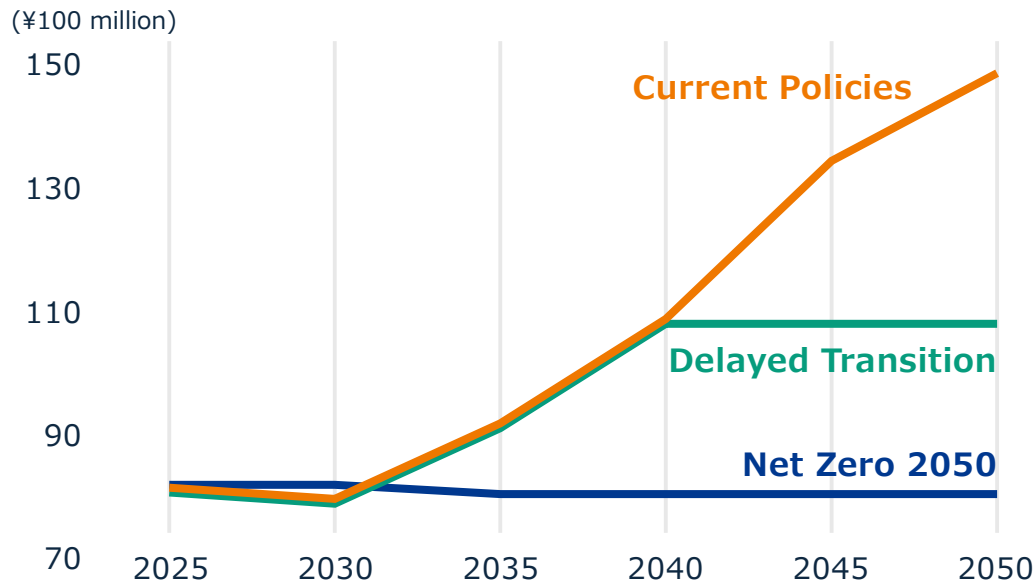
We identify potential inundation points due to water-related disasters caused by typhoons, etc., based on location information for all loan recipients. For each loan recipient that could be flooded, financial condition is estimated based on the probability of a water related disaster, and the increase in credit-related expenses is calculated based on changes in borrower category and the impact of building collateral damage amount .

Scope of analysis	Loan recipients among those who could be flooded and who have collateral pledged on buildings, with the most recent category
Scenarios used	Current policies of the NGFS scenarios
Period of analysis	By 2050
Analysis results	Credit-related expenses: cumulative amount of approximately ¥70.0 billion

Reference Distribution of loan recipients that could be affected by flood damage



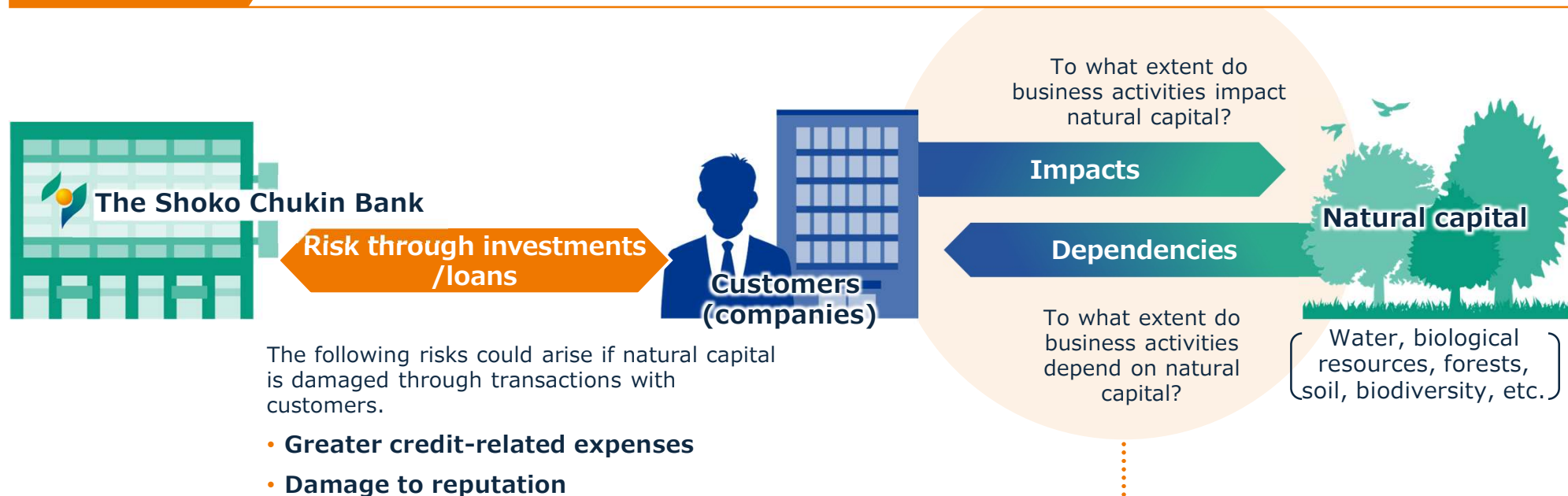
Reference Results of collateral damage amount estimation



Strategy Risk — Approach to Natural Capital

The Shoko Chukin Bank recognizes that in addition to our dependency and impact on natural capital through our business activities, our customers, in which we invest and provide financing to, also have a dependency and impact on natural capital, and as such, recognize we have the risk of rising credit-related expenses for the Shoko Chukin Bank.

Risk identification We recognize both the risk from dependency on natural capital and the risk of impact on natural capital. The following is an overview of natural capital-related risks envisioned by the Shoko Chukin Bank.



Examples of Risks

<p>Dependency risk</p>	<p>If natural capital is lost, business continuity risk heightens the larger the dependency on natural capital</p> <p>Examples of dependency Dependency on provisioning services, including water supply and biological resources Dependency on regulating and maintenance services, including flood mitigation and soil retention</p>
<p>Impact risk</p>	<p>If the negative impact on natural capital is considerable, transition risk for mitigating negative impacts increases</p> <p>Examples of impact GHG emissions, emissions of air pollutants, emissions of pollutants to water and soil Use of terrestrial ecosystems, use of freshwater ecosystems</p>

Strategy Risk — Approach to Natural Capital

- Leveraging nature-related risk analysis tool ENCORE, we analyzed natural capital-related dependency/impact risks for each sector.
- For dependency, the results showed high dependency on water resources overall. Among sectors with high dependency risk, loan balances are considerable for the food and beverage, construction, and restaurants and lodging sectors.
- For impact, the results show an impact across broad sectors. Among sectors with high impact risks, loan balances are considerable for chemical, metals and mining, construction, and marine transport sectors.

Dependency Heat Map

Sector	Loan balance ※	Specific subject industries	Provisioning services		Regulating and maintenance services						
			Bioresource supply	Water supply	Water purification	Water flow regulation	Rainfall pattern regulation	Global climate regulation	Water damage mitigation	Soil retention	
Manufacturing industries	Food and beverage	Large	Overall food production		H	VH	H				
	Printing		Overall printing-related		H		H				
	Chemicals		Mainly pharmaceutical production, medical device/equipment manufacturing		H	VH	H				
	Metals and mining		Steel rolling, re-rolled steel, cold-drawn bars production		H		H				
Non-manufacturing industries	Construction	Large	Overall construction					VH			H
	Marine transport	Large	Overall marine transport							H	
	Restaurants and lodging	Large	Overall restaurant and lodging			VH					
	Hospitals and nursing care		Overall hospitals and nursing care			VH					
	Agriculture, forestry, fishery		Overall agriculture, forestry, and fishery	VH	H	VH	H	VH	H		VH
	Mining and quarrying		Mainly mining and quarrying of stone and gravel		H	VH	H	VH	H	H	H
Electricity		Mainly solar power, biomass, hydropower, wind power						VH	H		

Impact Heat Map

Sector	Loan balance ※	Specific subject industries	GHG emissions	Non-GHG air pollutants	Toxic pollutants emitted in water/soil	Nutrient pollutants emitted in water/soil	Solid waste disposal and generation	Disturbances (noise, light pollution, etc.)	Use of terrestrial ecosystems	Water use
Food and beverage		Meat, dairy, seafood, soft drink manufacturing				VH				
Wood and paper	Large	Overall timber and wood products manufacturing (mostly paper related)		H			H	H		
Chemicals	Large	Mainly plastic products, other chemical products			VH			VH		
Ceramics		Ready-mixed concrete, cement manufacturing, etc.	H	H	VH					
Metals and mining	Large	Mostly fabricated steel products and steel making			VH			H		
Electrical machinery	Large	Production of electrical machinery/equipment/supplies, etc.			H					
Non-manufacturing industries	Construction	Large	Overall construction			H		VH		
	Marine transport	Large	Overall marine transport	H	H			VH		
	Agriculture, forestry, fishery		Overall agriculture, forestry and fishery	H	H	H	H	H		H
	Mining and quarrying		Mainly mining and quarrying of stone and gravel	H	H	H			H	
	Electricity		Mainly solar power, biomass, hydropower, wind power						H	H
	Waste disposal		Waste disposal industries	H		H	H		H	

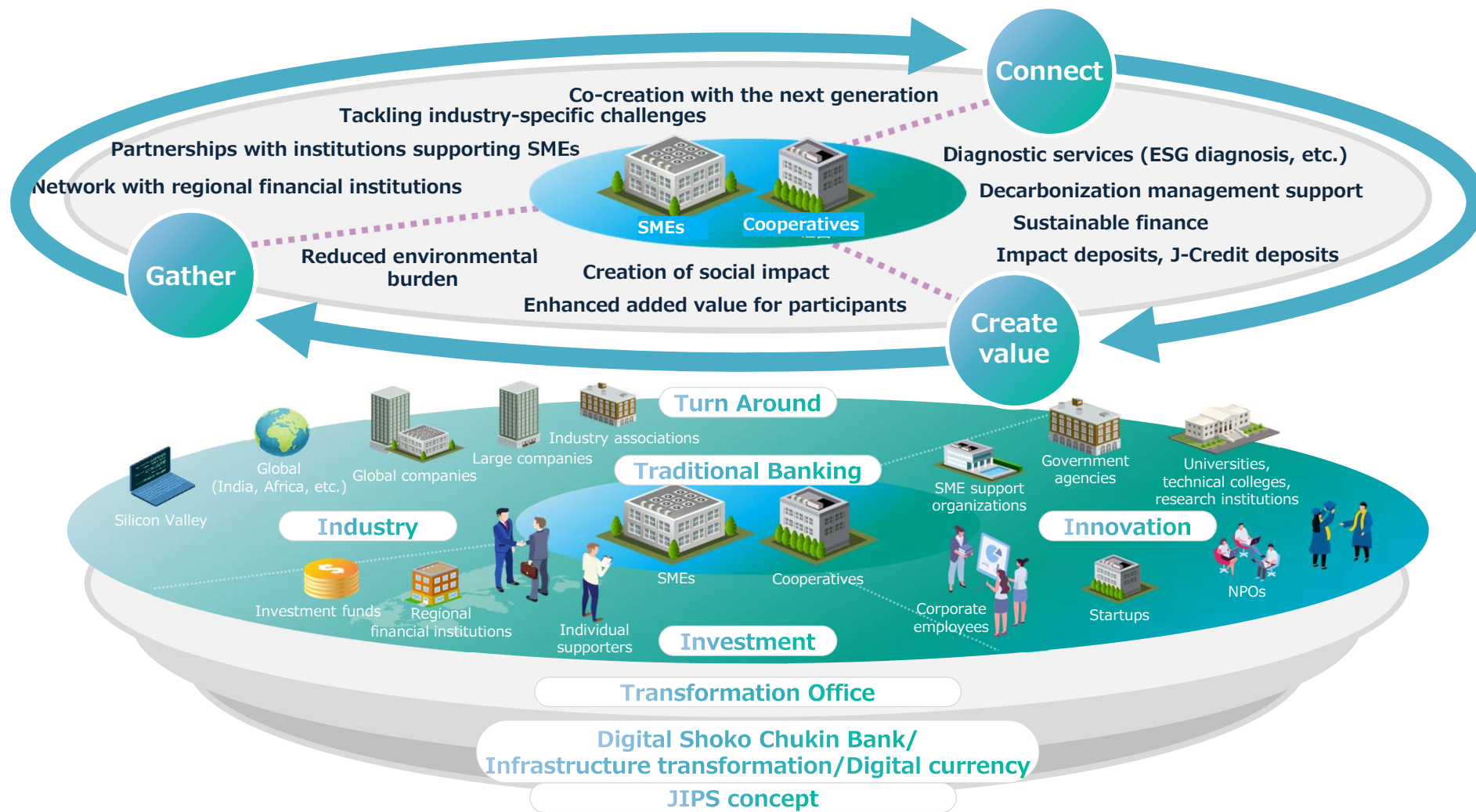
※As risk assessment focuses on industries with “VH” and “H” risks, there are cases of differing loan balance assessments for “dependency” and “impact” within the same sector.

Strategy Opportunity — Sustainable Management Support

The Shoko Chukin Bank recognizes the “realization of a sustainable society” as a key management issue, and is contributing to the realization of a sustainable society by “gathering” and “connecting” with participants in the SME economic sphere* to contribute to the realization of a sustainable society.

*The SME Economic Sphere refers to an ecosystem designed to gather and connect all stakeholders involved with SMEs to create value.

Sustainable management support We will continue contributing to enhancing the value of participants in the SME economic sphere through its establishment and revitalization by addressing the changes in the external environment and managerial challenges facing our customers.



Strategy Opportunity — Diagnostic Services

We are engaging in dialogue with customers to enhance corporate value by providing diagnosis tools unique to the Shoko Chukin Bank.

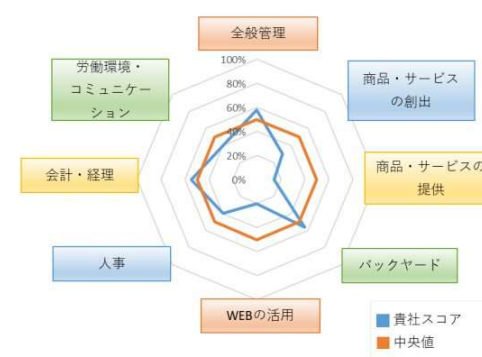
ESG Diagnosis

Free diagnosis tool to visualize the status of ESG initiatives and extract issues



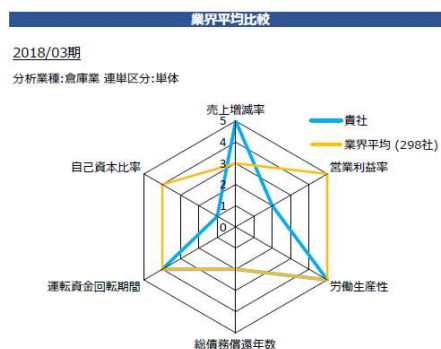
DX・IT Surveys

Free diagnosis tools for clarifying the status of DX and the IT shift and for engaging in dialogue for resolutions



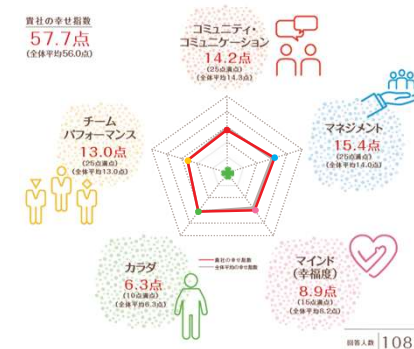
Financial Diagnosis Service

Free diagnosis tool to understand features and issues with finances



Happiness Design Surveys

A fee-based survey enabling visualization of the ties between employees and the organization, as the overall happiness of the company



Provide various support, including formation of post-survey action plans and follow-up workshops

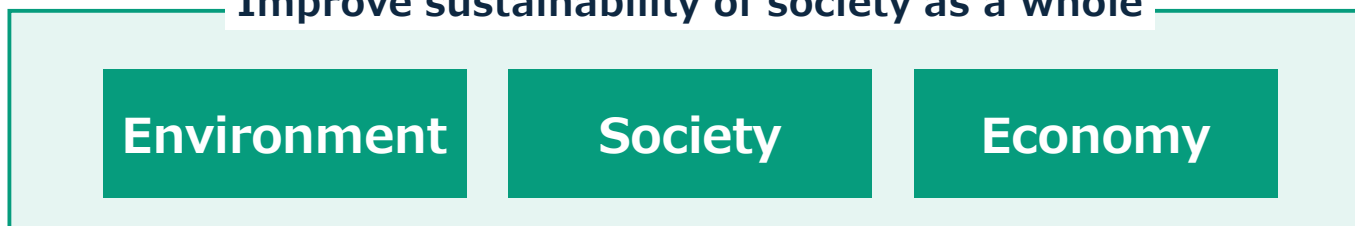
Strategy Opportunity — **Sustainable Finance ①**

The Shoko Chukin Bank is actively engaged in sustainable finance as investments for contributing to a sustainable society.

**Sustainable finance results
(Cumulative balance)**

¥257 billion (from 2022 through 1H FY2025)

Improve sustainability of society as a whole



- Management support for customers
- Contribute to the achievement of a sustainable society

- Strengthen sustainability management and enhance corporate value
- Strengthen empathy and relationships with stakeholders

Strategy Opportunity — Sustainable Finance ②

Main forms of sustainable finance

	Positive Impact Finance (PIF)	Green Loans, Social Loans, Blue Loans	Sustainability-linked Loans (SLL)	Disaster-response Commitment line*
Overview	<p>Financing that provides hands-on support designed to achieve comprehensive and sustained improvement in corporate value by comprehensively analyzing/evaluating the impact of corporate activities on the environment, society, and economy (positive or negative), setting and monitoring sustainability targets, and providing funds.</p>	<p>Financing to support green projects, social projects, and blue projects (business or capital investments that have clear environmental benefits or help solve social issues).</p>	<p>Financing that provides hands-on support through the setting of sustainability performance targets (SPTs), which are key targets in aiming for sustainable management, and providing consulting services to achieve the targets.</p>	<p>A commitment line that ensures stable funds raising in the event of a major natural disaster. Financing is to support improved business sustainability by ensuring smooth funds-raising means as a BCP measure in the event of a major natural disaster.</p>
External evaluations	<p>Compliant with the Principles of Positive Impact Finance of the UN Environment Programme Finance Initiative. The Shoko Chukin Bank and Shoko Chukin Bank Institute Of Commerce, Industry & Economics, Ltd. compile impact evaluation reports and obtain third-party opinion from Japan Credit Rating Agency, Ltd.</p>	<p>The Shoko Chukin Bank has established frameworks, and obtains a third-party opinion from Japan Credit Rating Agency, Ltd. as to whether finance to be extended in accordance with the frameworks is compliant with various international regulations and the like.</p>	<p>The Shoko Chukin Bank has established a sustainability-linked framework and obtains a third-party opinion from Japan Credit Rating Agency, Ltd. as to whether the finance to be extended in accordance with this framework is compliant with various international regulations and the like.</p>	<p>—</p>

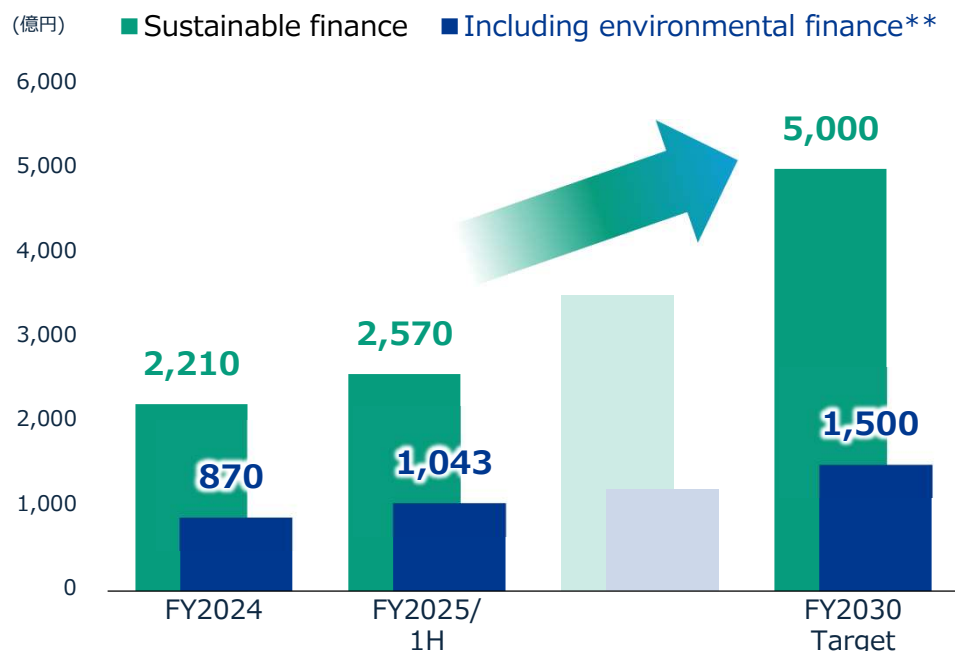
*With typical commitment lines, companies may face difficulties in securing funds in the aftermath of a major disaster due to an inability by financial institutions to pay loans following an earthquake or other major disaster. However, a disaster-response commitment line is an agreement that excludes the financial institution’s inability to pay loans following earthquakes of a certain scale, thereby enabling swift funds raising under predetermined terms and if within the scope of the credit line, in times of earthquakes or other irregular situations.

Strategy Opportunity — Sustainable Finance ③

We provide hands-on support from the perspective of sustainability, and support our customers' sustainable efforts

Sustainable finance* Results and Targets (cumulative amount)

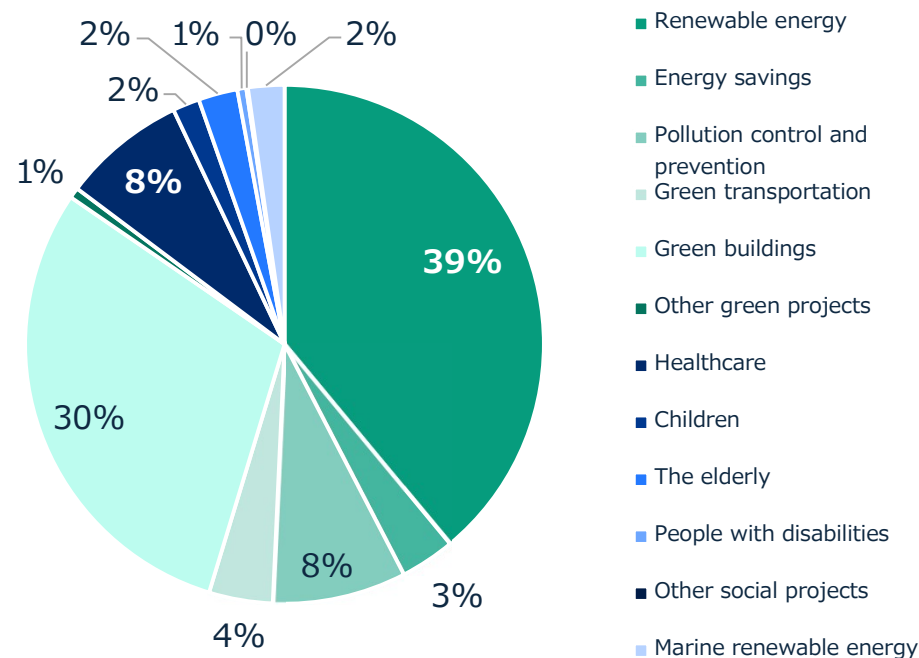
We aim to play a leading role in realizing a sustainable society by actively supporting the business activities of customers that consider the environment and society. We will continue to work toward achieving our target.



*Includes green loans, social loans, blue loans, sustainability-linked loans, transition finance, positive impact finance, funds for capital expenditure aligned with sustainable finance, and disaster-response commitment lines.
 **Green loans, sustainability-linked loans (with environmental KPI set), positive impact finance (with environmental KPI set), funds for capital expenditure aligned with sustainable finance (for green purposes)

Green Loans, Social Loans and Blue Loans by Use

Breakdown of financing to date (as of September 30, 2025)





- By project, renewable energy accounts for the largest proportion of green loans.
- Healthcare projects account for the largest proportion of social loans.

* For project details, please refer to the Shoko Chukin Bank website.

Strategy Opportunity — Sustainable Finance ④

。 We are expanding sustainable finance in order to respond to the various themes being addressed by SMEs.

		Environment			Society			Economy	
Major impact areas		Carbon neutral	Circular economy	Marine/ freshwater	DE&I	Social infrastructure	Job security	Regional economy	Labor productivity
Finance type	PIF	Positive impact finance (PIF)							
	Purpose-Driven loans	Green loans		Blue loans	Social loans				
	SLL	GX finance						DX finance	
	Disaster-response commitment line				Disaster-response commitment line				









2025 Support case example		
	<p>Blue loan</p> <p>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.</p>	<p>DX finance</p> <p>HOKURIKU KAMOTSU UNYU Co., Ltd. (Ishikawa) is engaged in transporting general cargo, cement, and LPG and is based in Ishikawa Prefecture. The Shoko Chukin Bank has supported the company, with DX finance used for the funds necessary for business. By setting obtainment of METI DX Certification as an SPT, this project is utilizing digital technology to enhance business sustainability and realize increased social value.</p>










Strategy Opportunity — Sustainable Finance ④

By working with our customers to achieve the KPIs set by PIF, we are working to create an impact on the environment and society throughout Japan.

KPIs established through PIF

374 companies, more than 4,800 KPIs (as of December 31, 2025)

	Number of KPIs established	Examples of KPIs establishment
	2	Global fairtrade initiatives
	90	Expand warehouse for food storage, increase sales at new sites for food transportation
	262	Zero occupational accidents, acquire Certified KENKO Investment for Health Outstanding Organizations Recognition, increase the number of paid leaves taken, increase the number of group home sites
	207	Make employees multi-skilled, expand qualification acquisition support system, increase the number of qualified employees
	153	Increase the ratio of female managers, increase the ratio of female employees, increase employment of people with disabilities, accept foreign trainees
	43	Cleaning and management of fish tank (aquaculture), proper management of regulating reservoirs and implementation of water quality test
	267	Introduce solar power generation equipment, increase LED usage ratio, increase the ratio of battery forklift truck
	1,754	Happiness design survey, increase sales in new sites/new businesses, create local employment, reduce annual overtime work, etc.

	Number of KPIs established	Examples of KPIs establishment
	368	Improve yield rate, new entry into the semiconductor precision processing business and increase sales, entry into biogas power generation business
	477	Increase the ratio of female employees, obtain public certification such as P (privacy) mark, hold study sessions on human rights DD (due diligence)
	217	Develop new products for housing equipment, increase orders for EV and automated driving-related parts
	447	Reduce waste generation, increase sales of eco-friendly products, reuse food residues, increase the volume of waste accepted (recycling companies), etc.
	435	Visualize and reduce CO2 emissions, formulate BCP (Business Continuity Plan), obtain ISO14001
	21	Change the floating materials (prevent marine pollution – aquaculture)
	23	Increase sales of printed materials using FSC (Forest Stewardship Council) certified paper
	17	Global fairtrade initiatives, public access to information, data privacy
	19	Research and development of measures against marine plastic litter through public-private partnerships

(as of December 31, 2025)



KPIs related to Happiness Design Surveys Over 140



KPIs for CO₂ emissions Over 75

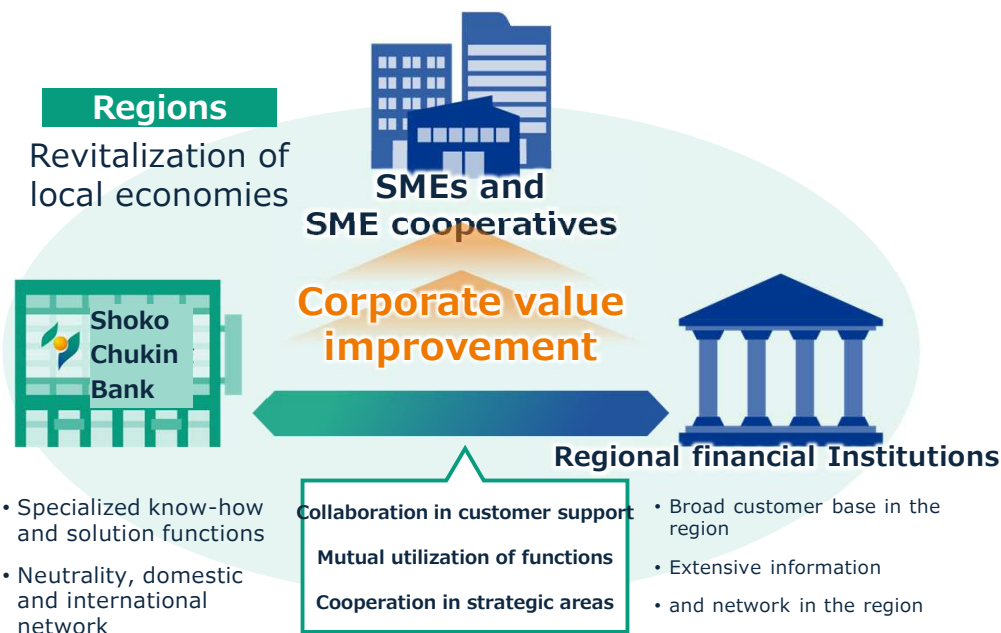
Strategy Opportunity — Network of Regional Financial Institutions ①

To contribute to regional economic revitalization and help create new jobs, we collaborate and partner with regional financial institutions in our sustainable financing operations.

Cooperation and collaboration for sustainable finance → We have concluded partnership agreements with 14 financial institutions nationwide (as of December 31, 2025).

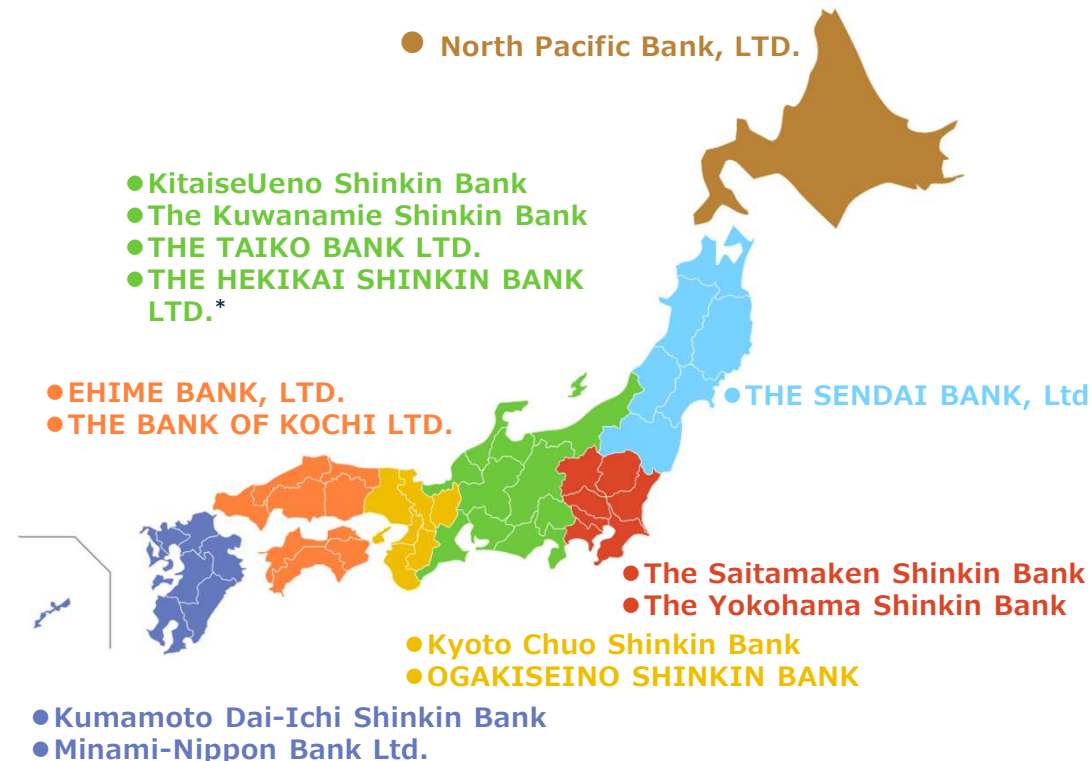
Vision for Cooperation

We will leverage the synergies of our respective functions and characteristics to meet the financial needs of SMEs in the region, thereby contributing to the improvement of the value of SMEs.



Partner Financial Institutions

(as of December 31, 2025; Japanese alphabetical order)



*Agreement for cooperation and collaboration for PIF.

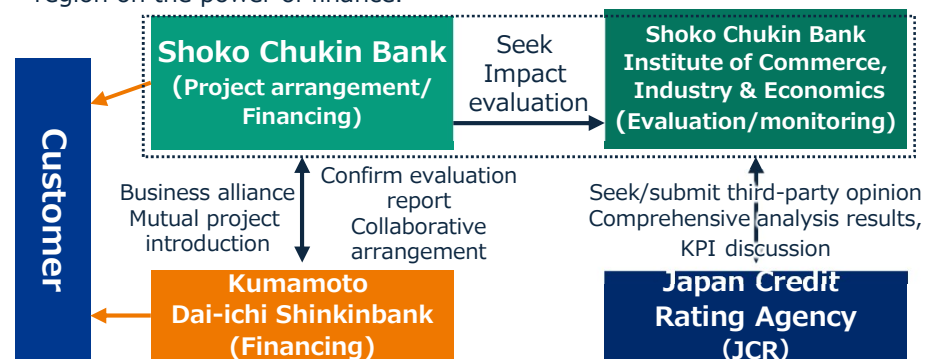
Strategy Opportunity — Network of Regional Financial Institutions ②

While utilizing our mutual networks, we support initiatives by SMEs for sustainable management and smooth fundraising.

Examples

Partnership with Kumamoto Dai-ichi Shinkinbank

- 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 in order to support the sustainable growth of SMEs.
- Under the partnership, we are sharing about the needs and challenges faced by the region and are working toward solutions through regular talks with not only the management of regional financial institutions but also employees.
- Specific initiatives include sharing sustainable finance knowledge through study sessions for approximately 100 staff members of Kumamoto Dai-ichi Shinkinbank.
- Additionally, we provided three loans applying Positive Impact Finance, after joint analysis and evaluations of initiatives by the customers for the “environment, society, and economy” and setting KPIs.
- Even after providing financing, both banks together regularly monitor progress toward KPIs and continuously provide hands-on support toward meeting targets. We seek to contribute to the sustainable growth of the region on the power of finance.



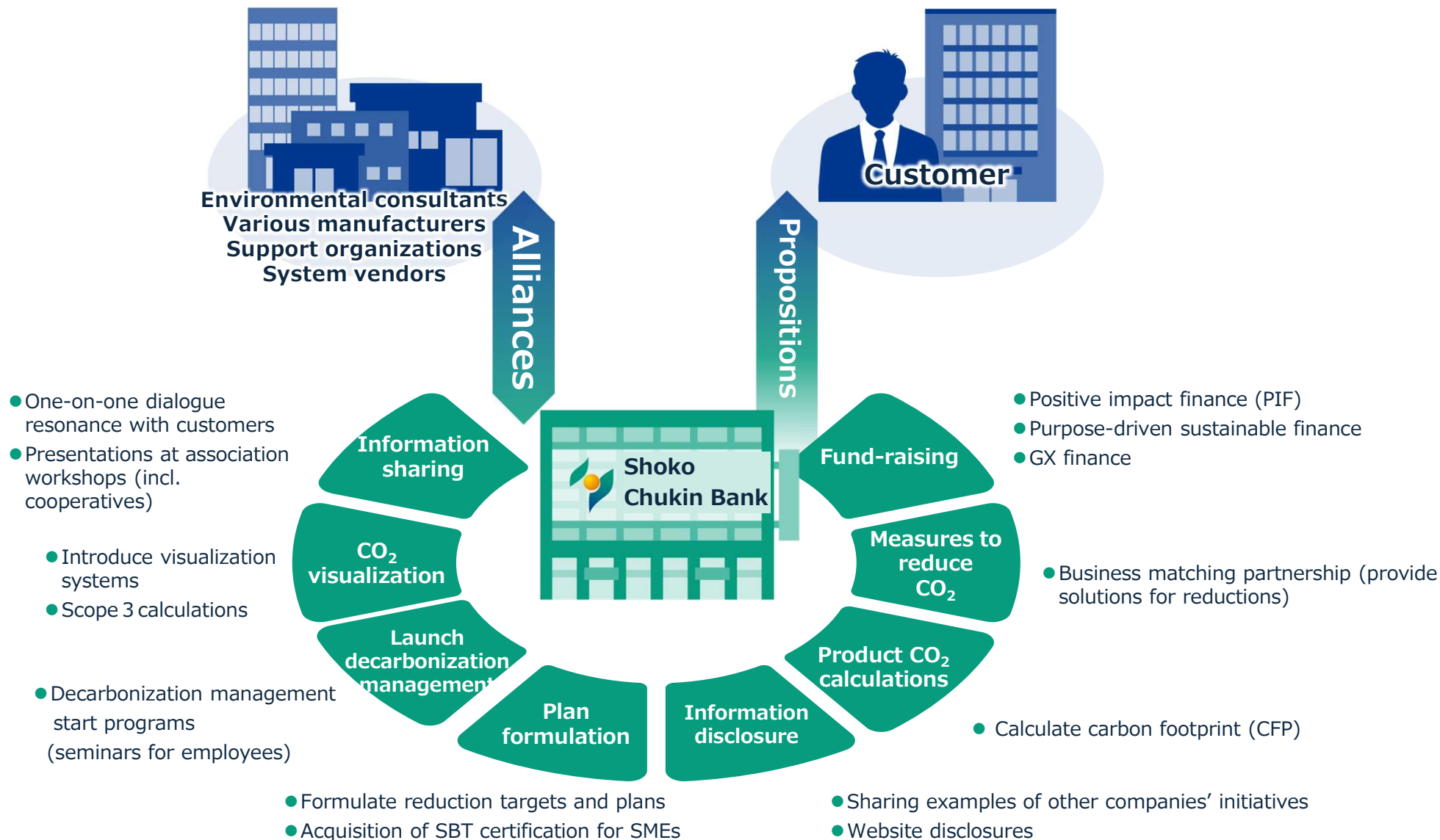
Seminar for regional financial institutions

- The Shoko Chukin Bank sponsored and spoke at an online seminar for regional institutional investors hosted by the Japan Financial News Co., Ltd.
- The seminar comprised of two parts. In the first half, we discussed our basic policy and track record for our brand of sustainable finance as well as our policy for collaboration with regional financial institutions.
- In the second half, we engaged in an exchange of opinions discussing the background to our collaboration and specific examples of collaborate assistance provided to customers after the partnership in a panel discussion comprising Kumamoto Dai-ichi Shinkinbank, the Kumamoto branch of the Shoko Chukin Bank, and the Shoko Chukin Bank Business Planning Division.



Strategy Opportunity — Initiatives to Support Decarbonization Management ①

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



Strategy Opportunity — Initiatives to Support Decarbonization Management ②

We actively support initiatives for promoting carbon neutrality among SMEs.

Examples

Kawasaki Gifu Cooperative Association (Gifu)

- The Shoko Chukin Bank holds carbon neutrality seminars for customers to support decarbonization by SMEs on both the financial and knowledge fronts.
- For the Kawasaki Gifu Cooperative Association, which was formed mainly by Kawasaki Heavy Industries Ltd. partner companies for aircraft equipment and parts, there is a growing necessity for carbon neutrality efforts as parts suppliers. Against this backdrop, we planned a seminar for association members within its carbon neutrality working group in order to advance environmental initiatives by association members.
- The Shoko Chukin Bank supported the holding of this seminar. In addition to explaining the carbon neutrality trend, external certification systems, including SBT, and application procedures, we also held a discussion with partners about specific examples for energy savings initiatives.
- These efforts are an opportunity for association members to consider their carbon neutrality responses.



Keity Co., Ltd. (Fukuoka)

- Keity Co., Ltd., which transports beverages and household goods in Kyushu and Kansai, learned about decarbonization efforts at other companies at an industry seminar and began to collate information.
- Keity realized that its own environmental response could contribute to the environmental responses of shipper companies, leading to enhanced corporate value, and commenced decarbonization initiatives.
- The Shoko Chukin Bank conducted a thorough business feasibility evaluation through conversations with management and analyzed strengths and challenges. We provided financing through GX finance for funds necessary to enhance corporate value and also supported SBT certification for SMEs.
- Specifically, we provided hands-on support for decarbonization by analyzing CO₂ emissions data, formulating emissions reduction targets, and assisting with application procedures for SBT certification, in turn contributing to enhanced corporate value.
- Going forward, we will actively provide information regarding measures to reduce Scope 1 emissions, which comprise multiple items.

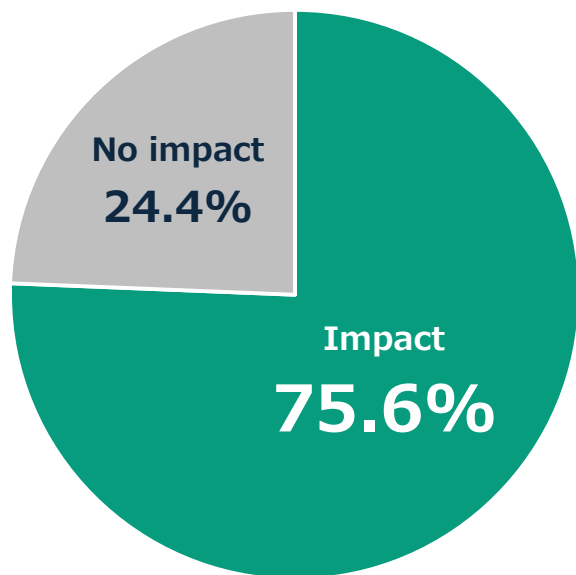


Topic Awareness Survey on Carbon Neutrality of SMEs

We conducted a questionnaire survey of our customer SMEs (approximately 4,100 companies) nationwide regarding the impact, specific countermeasures, and issues related to individual events associated with carbon neutrality. We will identify the impact toward carbon neutrality and continue to engage in dialogue with our customers.

Status of impact from carbon neutrality

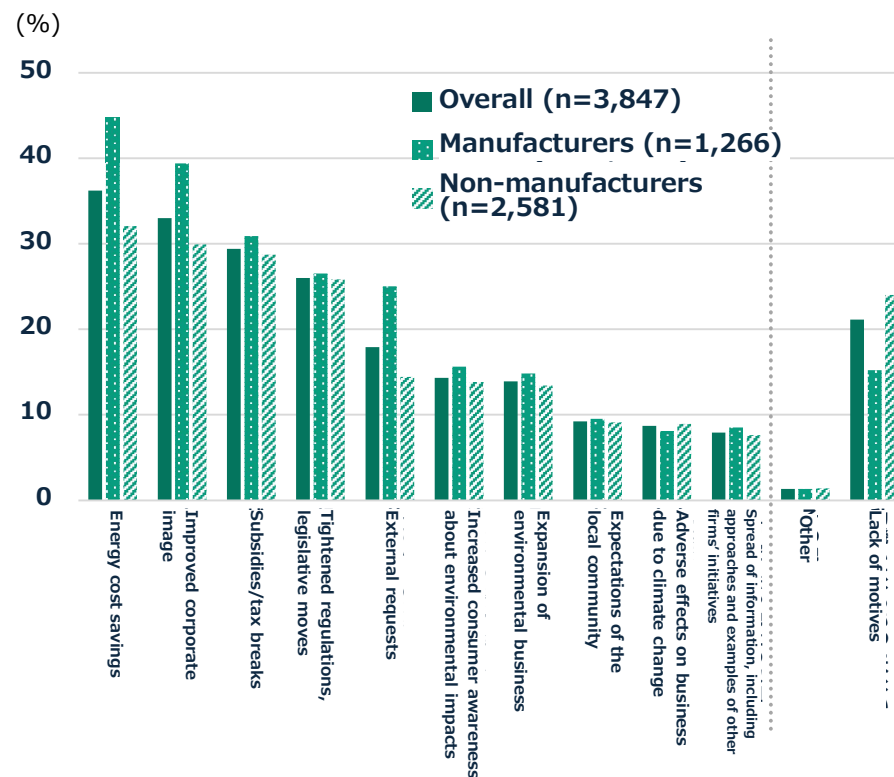
- A total 75.6% of companies are feeling an impact from carbon neutrality.
- Compared with previous surveys (conducted in 2021 and 2023), the percentage of companies reporting a positive impact from carbon neutrality has increased and those reporting a negative impact has decreased.



For details of the survey, please click [here](#)

Motives for considering or implementing countermeasures against the impact of carbon neutrality

- Energy cost savings was the top answer as a motive for considering or implementing carbon neutrality countermeasures.
- Among manufacturers, external requests accounted for a relatively high percentage of responses.



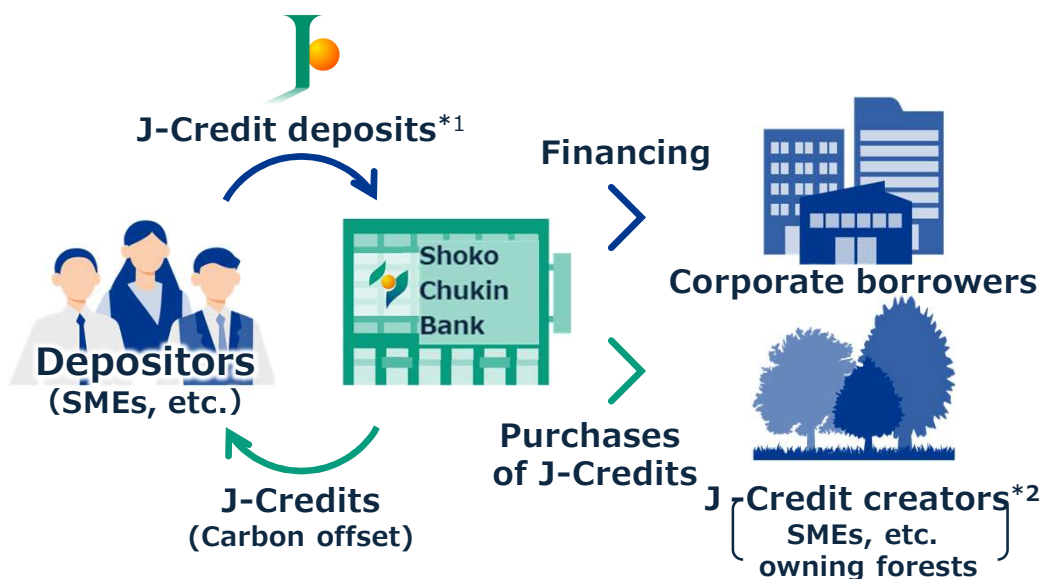
Strategy Opportunity — **Creating Impact through Deposits ①**

We seek to improve the sustainability of society as a whole through financing.

Impact deposits, J-Credit deposits Applications: Cumulative total of over **¥66.8 billion** (as of December 31, 2025)

Japan’s first J-Credit Deposits

- Time deposits for corporations awarded carbon offsets through the J-Credit scheme (forest-derived credits) in accordance with the principal at maturity.
- Depositors are able to indirectly contribute to domestic forestry management through deposits.
- Through these deposits, we aim to contribute to the spread of J-Credits and maintenance of Japan’s forests.



(Note) For the latest on offerings, please check the Shoko Chukin Bank website.

*** 1 Logo creation**

The “J” represents the trunk and shadow of a tree, symbolizing a tree growing while bathed in sunlight. We pour our hopes into nurturing the future by increasing forests through deposits.



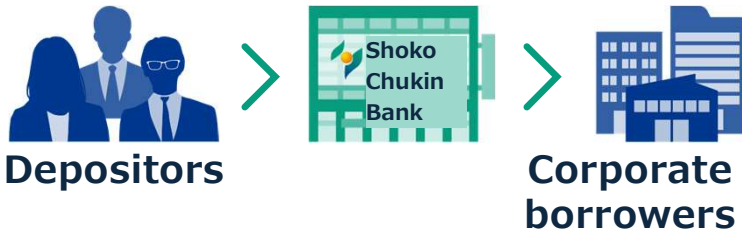
*** 2 J-Credit creators**

We acquired a total of 1,000 MT of forest-derived credits created by the Hokkaido Government, Akita Prefectural Forestry Public Interest Incorporated Foundation, Tochimou Lumber Industry Co.,Ltd. (Tochigi), Emachu Holdings Co., Ltd. (Tokyo), Nakae Sangyo Co., Ltd. (Osaka), Suyama Lumber Co., Ltd. (Fukushima), and Chugoku Lumber Co.,Ltd. (Hiroshima) as J-Credits for utilizing in J-Credit deposits (for 2024 subscriptions).

Strategy Opportunity — Creating Impact through Deposits ②

Impact Deposits

- Time deposits for businesses for allocation to PIF (positive impact finance).
- By allocating the impact deposits to PIF (positive impact financing), we will provide the appropriate financing to business operators throughout Japan that engage in sustainable management, aiming to improve the sustainability of society as a whole.



Customers deposited funds to impact deposits (2025 offering)

For the 2025 offering, a total of ¥14.75 billion has been deposited by 144 companies.

- The Shoko Chukin Bank will use impact deposits as a source to further support the sustainability efforts of SMEs and work to create environment and society impacts.
- Please check the Shoko Chukin Bank website for the latest on impact deposits.

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Topic Initiatives for Future Generations

We support learning with the aim of a sustainable world for students who will lead the future.

Project with university students think about branch strategy

- The Shoko Chukin Bank provides opportunities to learn together with students, who will become leaders of the future, by exploring the future shape that management strategy should take for the bank and business companies and branch strategy, with an eye to solving social and regional issues.
- We commenced a joint project for thinking about bank branch strategy with Oita University's Faculty of Economics (Oita Prefecture) from June 2025.
- As part of this initiative, students analyzed the social and regional environment, employees delivered lectures about the bank business and industry environment and conducted branch tours, and students continuously shared their opinions with employees.
- The project culminated in students giving presentations of their own thoughts about Shoko Chukin Bank management and branch strategies, with lively discussions about the content of presentations held with employees.



Opinions of participant students

- I have a better understanding of financing and the banking industry thanks to a deep delve into the bank industry, including the banking business, industry research, and market analysis.
- When considering bank strategy, I gained an understanding of the importance of the issue of what type of value can be provided to society.
- I had an image of banks being conservative, but through branch visits and the project, my impression is that the atmosphere is more relaxed than I had thought.

Financial education initiatives

- The Shoko Chukin Bank provides financial learning opportunities to students who will lead the future.
- Prompted by the era of a shift from savings to investing and revisions to National Curriculum Standards, we have been visiting schools to provide financial literacy lessons to elementary school students amid the growing necessity for financial literacy education.
- In November 2025, we visited Onta Elementary School (Tokyo) to provide hands-on lessons about the value of things and how to manage money as part of our economic and social initiatives.



Introducing the functions of the Shoko Chukin Bank as a financial institution



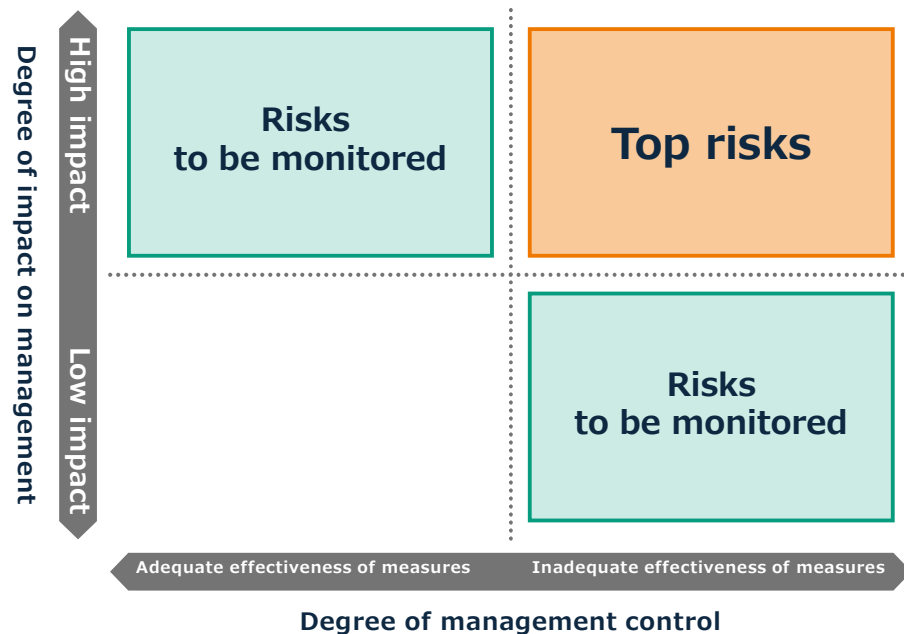
A boardgame used to experience money management

Risk Management **Top Risk Management**

- The Bank has adopted “Top risk management,” which, based on the discussions of senior management, recognizes risk events thought to have a particularly significant impact on management as top risks. For the top risks determined, risk management is conducted that allows for flexible responses in preparing for the materialization of risks, by determining the management policy and monitoring the risks, among others.
- The Bank has identified “responses against climate change risks” and “changes in industrial structure” as top risks and is taking efforts.

Determining Top Risks

Every half-year period, the Board of Directors selects risk events surrounding the Bank and determines top risks by utilizing a risk map, which takes into account the degree of impact of such risks on management and the adequacy of the countermeasures.



Top Risks

- Risks related to the Shoko Chukin Bank Group’s business strategies
- Risks related to DX
- Securing and developing human resources
- Changes in industrial structure**
- Responses against climate change risks**
- Occurrence of large-scale natural disasters
- Risks related to cyber attacks
- Inadequate measures against money laundering and terrorist financing
- Geopolitical risks and economic security

(As of December 31, 2025)

The Shoko Chukin Bank has established a policy for businesses that are likely to have a negative impact on the environment (including climate change, natural capital, biodiversity) and society (including respect for human rights).

Environmental and social considerations policy

- The Shoko Chukin Bank has established a policy for transactions with businesses that are likely to have a negative impact on the environment and society as a result of our verification, and will take action in accordance with the policy.
- Specifically, we will not engage in transactions with the businesses ① to ③ listed on the right that are likely to have a material negative impact on the environment and society.
- Regarding “coal-fired power generation business,” “deforestation business,” and “palm oil plantation development business” that have a negative impact on the environment and society, we will fully verify the details of the business, and engage in dialogue and approach, based on which we will consider our responses.

Businesses in which the Shoko Chukin Bank will not engage in investments and loans or other transactions

① Businesses that produce inhumane weapons

Cluster munitions are recognized as inhumane weapons by the international community. In addition, we recognize that nuclear weapons, biological and chemical weapons, and antipersonnel landmines present as great a humanitarian problem as cluster munitions. Based on such recognition, we will not make any investments and loans or conduct other transactions in the manufacture of these inhumane weapons.

② Businesses that engage in child labor, forced labor, or human trafficking

The Shoko Chukin Bank respects the Universal Declaration of Human Rights and other international norms. From the perspective of promoting responsible corporate activities and contributing to the protection of human rights throughout society including the international community, we recognize that we should not be complicit particularly in exploitative labor practices. Based on such recognition, we will not make any investments and loans or conduct other transactions in businesses that engage in child labor, forced labor, or human trafficking.

③ Businesses that are problematic from the perspective of maintaining ecosystem and protecting World Heritage, etc.

We are blessed with food, water, climate stability, and other benefits as a result of complex and diverse ecosystems supporting each other. The Shoko Chukin Bank recognizes that it is important to work to maintain and conserve the natural environment, etc. while taking into consideration the biodiversity that supports ecosystems. Based on such recognition, we will not make any investments and loans or conduct other transactions in businesses that fall under the following.

- Businesses that have a negative impact on Ramsar Convention-designated wetlands
- Businesses that have a negative impact on UNESCO-designated World Heritage (*1)
- Businesses that violate the Convention on International Trade in Endangered Species of Wild Fauna and Flora (or the Act on Conservation of Endangered Species of Wild Fauna and Flora of Japan) (*2)

(*1) Except where prior consent is obtained from the government of the country concerned and UNESCO.

(*2) Matters reserved for each country are taken into consideration.

Metrics and Targets CO₂ Emissions

We have established CO₂ reduction targets and are working to reduce our environmental impact. We calculate Scope 1 and 2 and Scope 3 category 1, 2, 3, 6, 7, and 15 emissions. Calculated results for FY2024 underwent third-party verification by the Japan Quality Assurance Organization.

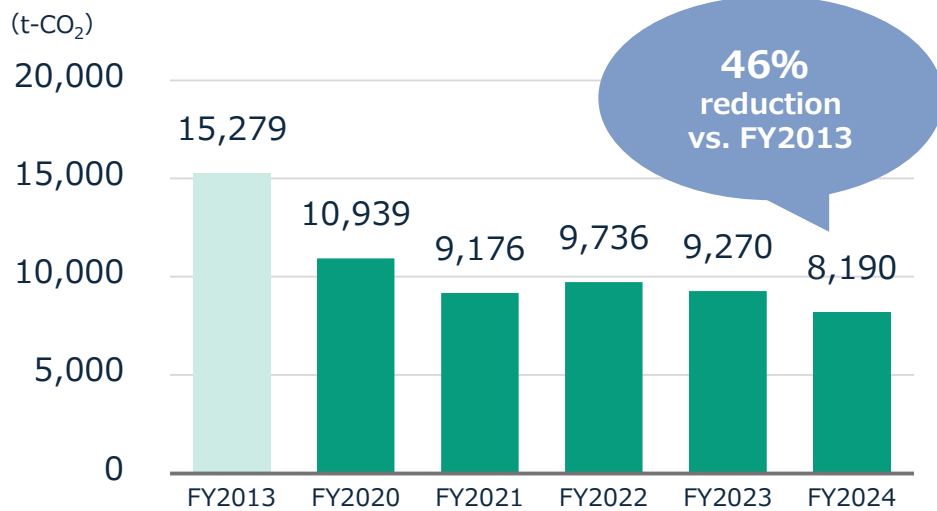
CO₂ emissions reductions target (Scope 1, 2)

50% reduction in FY2030*, Carbon neutral by FY2050

*Compared with FY2013

CO₂ Emissions (Scope 1, 2)

- We have curbed purchases of electricity through branch consolidation and relocations and switches to LED lighting.
- In FY2024, we curbed CO₂ emissions by adopting offsite solar PPAs and renewable energy from wind power. Going forward, we will continue to work toward achieving our target.



• Prior to FY2023, we calculated and reported our Scope 1 (direct) and Scope 2 (indirect) CO₂ emissions in periodic reports mandated by the Act on Rationalization of Energy Use and Shift to Non-fossil Energy (Ministry of the Environment). From FY2024, our calculations are based on the GHG Protocol, with Scope 2 (electricity) emissions calculated using market-based standards.

Scope 3 Emissions

- We will continue to work to expand and refine the scope of calculation.
- As the discussion over international standards progresses, the current calculation method may change in the future.

(t-CO ₂)		
Cat1	Purchased goods and services	25,631
Cat2	Capital goods	63,179
Cat3	Energy-related activities	1,623
Cat6	Business travel	604
Cat7	Employee commuting	1,069
Cat15	Investments	6,715,758

- For cat 1-3, 6, and 7, we estimated CO₂ emissions based on the activity volume in FY2024, in accordance with the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain Ver. 2.7 (Ministry of the Environment and Ministry of Economy, Trade and Industry).
- For Cat15, calculation was made for business loans, in accordance with the Global GHG Accounting & Reporting Standard of PCAF (Partnership for Carbon Accounting Financials). The numerator of the equity ratio is the loan balance as of March 31, 2025 and the denominator is calculated using financial information, etc. held by the Shoko Chukin Bank.
- For the business loan recipients subject to the Ministry of Environment's publication system based on the Act on Promotion of Global Warming Countermeasures (approximately 11%*), estimation was made using data published under the system. For the business loan recipients other than the above (approximately 77%*), estimation was made by estimating emissions per sale by industry based on publicly available data and information held by the Shoko Chukin Bank, and setting emission intensity, and multiplying by the equity ratio of the Shoko Chukin Bank. * Balance as a percentage of total investments and loans

03 | Initiatives for Respect for Human Rights



Initiatives for Respecting Human Rights (Overview)

We respect human rights, which are the basis of a fair social order, and engage in fair and appropriate business with all stakeholders.

Initiatives for Respecting Human Rights (Overview)

Our Views and Commitment to Respecting Human Rights (P. 44)

The Shoko Chukin Bank Group has established the Group Human Rights Policy (P.45) to prevent and mitigate the negative impact of our business activities on human rights, and strives to conduct appropriate human rights due diligence.



Our Approach to Human Rights

Among initiatives for human rights due diligence, we take the following actions as part of our response to and monitoring of specific negative impacts.

Respect for human rights of officers and employees (P.46)

- DE&I promotion
- Compliance, harassment prevention
- Periodic awareness-training for human rights (strengthen awareness among employees for reasonable accommodations for people with disabilities)

Respect of customers' human rights and cooperation (P.49)

- Initiatives through financial services
- Initiatives to protect personal information
- Response based on environmental and social considerations policy (P.40)

Cooperation with suppliers (vendors, contractors) (P.50)

- Fair and appropriate business
- Understanding and cooperation for respecting human rights
- Screening utilizing external data



Establish Redress Mechanism (P.51)

Provide consultation services, take action

Our Approach and Commitment to Respecting Human Rights

The Shoko Chukin Bank Group recognizes that respect for human rights is an important management issue that should be actively addressed in engaging in socially conscious activities, and promises to fulfill its responsibility to respect human rights in all our business activities.

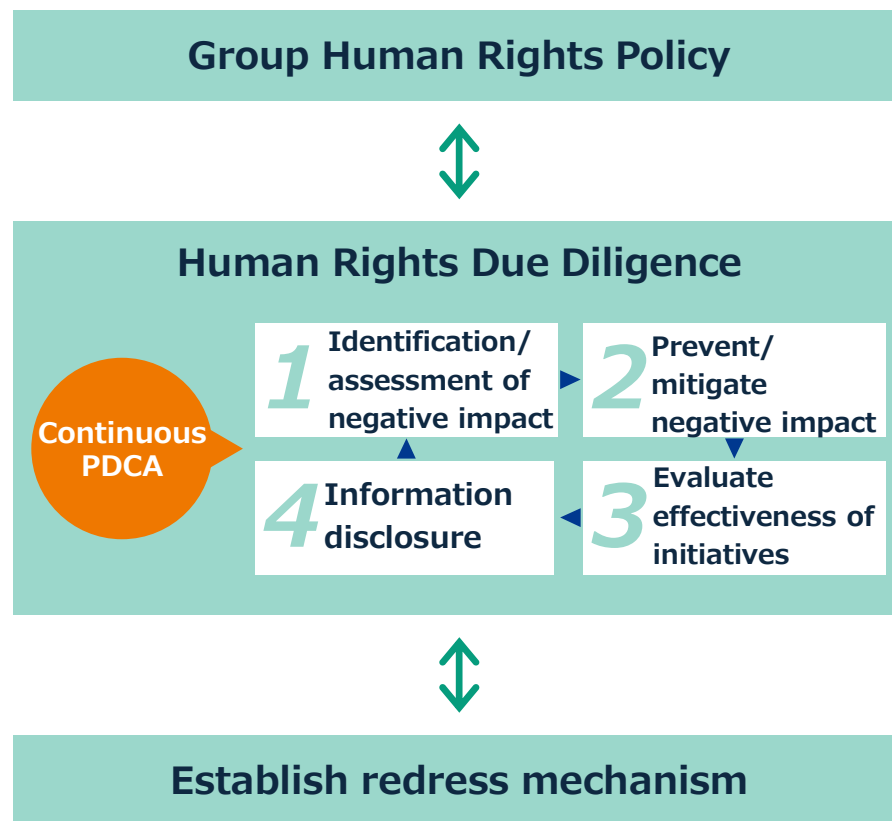
Establishment of Group Human Rights Policy

- In April 2024, we established the “Shoko Chukin Bank Group Human Rights Policy,” in alignment with international norms. It was decided after reviews by outside experts and deliberation by the Management Meeting and Board of Directors.

Respect for human rights	<ul style="list-style-type: none"> • Respect international norms on human rights, including the Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights. • We respect the laws and regulations of the countries and regions in which we operate, and in cases where there is conflict between internationally recognized human rights principles and the laws and regulations of that country or region, we will seek ways to honor the international principles.
Scope of application	<ul style="list-style-type: none"> • This Policy applies to all officers and employees of the Shoko Chukin Bank Group. This Policy is shared with our stakeholders, including our customers and suppliers, and we work to ensure an understanding of the spirit of the Policy.
Governance	<ul style="list-style-type: none"> • Initiatives for respecting human rights are periodically determined at Management Meetings, then reported to the Board of Directors for oversight. • In light of changes in the internal and external environment, revisions are made as necessary.

Human Rights Due Diligence Process

- We strive to conduct appropriate human rights due diligence to prevent and mitigate negative impacts on human rights from our business activities.
- We take appropriate initiatives to prevent and mitigate the negative impacts that are identified and assessed.



Group Human Rights Policy (Full Text)

The Shoko Chukin Bank Group recognizes that respect for human rights is an important management issue that should be actively addressed in engaging in socially conscious activities, and promises to fulfill its responsibility to respect human rights in all our business activities.

1. Policy

The Shoko Chukin Bank Group respects international norms on human rights, including the Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights. We respect the laws and regulations of the countries and regions in which we operate, and in cases where there is conflict between internationally recognized human rights principles and the laws and regulations of that country or region, we will seek ways to honor the international principles.

2. Scope of application

This Policy applies to all officers and employees of the Shoko Chukin Bank Group. This Policy is shared with our stakeholders, including our customers and suppliers, and we work to ensure an understanding of the spirit of this Policy.

3. Respect for human rights of all officers and employees

The Shoko Chukin Bank Group respects the diverse values of each individual and works to build equal relationships of mutual trust and free expression of opinions, and create rewarding workplaces and foster a comfortable organizational culture. Furthermore, it does not tolerate any discrimination or harassment that harms human dignity based on race, ethnicity, religion, nationality, origin, creed, age, disability, gender, sexual orientation, gender identity, or the like in its business activities.

The Shoko Chukin Bank Group strives to remove and eliminate all forms of discrimination in employment and work, and respects freedom of association and rights to collective bargaining. In addition, it works to curb excessive workloads and create workplaces where all officers and employees can work safely and in good health, in accordance with the Labor Standards Act.

4. Cooperation with customers

The Shoko Chukin Bank Group respects the human rights of all customers and we provide fair and responsible services.

The Shoko Chukin Bank Group is constantly aware of its role to facilitate smooth financing for SMEs as a financial institution. We strive to confirm negative impacts on human rights and encourage action to reduce such impacts, based on constructive dialogue with customers and mutual understanding.

The Group will not be uniformly reluctant to support SMEs in a manner that is inconsistent with the facilitation of the financing of SMEs and will provide solutions appropriate to customers' managerial resources, business specifics as well as changes in the business environment they face.

5. Cooperation with suppliers (vendors, contractors, etc.)

The Shoko Chukin Bank Group's business activities are supported through the cooperation of suppliers.

The Shoko Chukin Bank Group respects the human rights of all suppliers and strives for fair and appropriate transactions. It shares this Policy with key suppliers and seeks understanding and cooperation with respect of human rights. If human rights are violated, or there is risk of violation, through dealings with suppliers, the Group seeks to respond appropriately, based on constructive dialogue and mutual understanding as well as cooperation.

6. Human rights due diligence

The Shoko Chukin Bank Group strives to conduct appropriate human rights due diligence to prevent and mitigate negative impacts on human rights from our business activities.

7. Redress mechanisms

If it comes to light that officers and employees, or the products and services provided have caused a negative impact on human rights or have contributed to a negative impact, the Shoko Chukin Bank Group will take appropriate responses and work to provide remedies.

Furthermore, if a negative impact on human rights is directly related to the Shoko Chukin Bank Group's businesses and services, we will work to prevent and mitigate the negative impact by taking appropriate actions based on constructive dialogue with customers and suppliers and mutual understanding.

We receive consultation from customers and other stakeholders by such means as at branches, by phone and online, and from employees through internal and external consultation services, and strive to take the appropriate response.

8. Governance

At the Shoko Chukin Bank Group, initiatives for respecting human rights are periodically determined at Management Meetings, then reported to the Board of Directors for oversight.

9. Dialogue with stakeholders

For initiatives based on this Policy, the Shoko Chukin Bank Group strives to enhance and improve efforts for the respect of human rights through dialogue and cooperation with related stakeholders.

10. Awareness-raising

The Shoko Chukin Bank Group engages in human rights awareness training so that each and every officer and employee can deepen their correct understanding and awareness of human rights issues.

11. Periodic reviews

In light of internal and external changes in the environment for the Group, and in order to strengthen initiatives for the respect of human rights, the necessity of changes to this Policy is studied periodically, and revisions are made as necessary.

Respect for Human Rights of Officers and Employees

The Shoko Chukin Bank respects the human rights of all officers and employees, and strives to foster a rewarding and comfortable organizational culture.

Harassment Prevention

- The Shoko Chukin Bank does not tolerate any discrimination or harassment that harms human dignity based on race, ethnicity, religion, nationality, origin, creed, age, disability, gender, sexual orientation, gender identity, or the like in its business activity.
- We have established a harassment consultation service within the Shoko Chukin Bank and take the appropriate responses.

Training to Raise Awareness of Human Rights

- The Shoko Chukin Bank Group engages in human rights awareness training so that each and every officer and employee can deepen their correct understanding and awareness of human rights issues.

Training content

- We conduct various types of training, including the need to respect human rights in corporate activities, human rights issues, consideration for LGBTQ+ and other training required in the workplace.
- In FY2025, we strengthened awareness about reasonable accommodations for people with disabilities.

Track record

- Once a year for all employees
- Twice a year for officers and branch managers
- Twice a year for newly appointed branch managers and newly appointed managers at each level
- Once a year for new employees

Promotion of DE&I

- The Shoko Chukin Bank actively promotes Diversity, Equity and Inclusion (DE&I).
- We strive to provide an environment where all employees, with diverse perspectives, capabilities and values, can be active though fair and equal opportunities, regardless of background, and can demonstrate their capabilities, as well as to improve their happiness.

Active participation of women

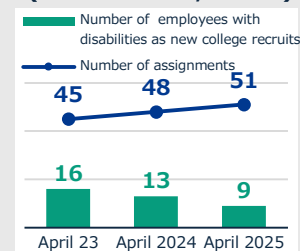
	Results	FY2026 (Targets)
Ratio of women as new college recruits	46.1% (FY2025)	50%
Ratio of women in managerial positions	13.2% (FY2025)	20%

The active participation of women is recognized as a managerial issue, and we are actively working on this front.

Employees with disabilities

We support activities at each place of work by continuously engaging in dialogue with employees with disabilities and creating workplaces where they can work comfortably and demonstrate their capabilities.

2.87% of Employees with Disabilities (as of Jun. 1, 2025)



Topic Established Shoko Chukin MIRAI Harvest

We established wholly owned subsidiary Shoko Chukin MIRAI Harvest to promote employment of people with disabilities.

The Shoko Chukin Bank strives to foster an inclusive environment where individuals with disabilities can fully utilize their talents and abilities, work with passion, and feel empowered to continue working. Shoko Chukin MIRAI Harvest will support the Group, mainly with administrative tasks, and contribute to the realization of our PURPOSE.

Company Outline

Company name	Shoko Chukin MIRAI Harvest Co., Ltd.
Location	2-10-1, Misumicho, Higashi Murayama-shi, Tokyo
Representative	Yasuo Funabiki
Capital	15 million yen
Business activities	Administrative agency services for the Group
Establishment	April 1, 2025

We intend to file for approval as a special subsidiary* based on the Act to Facilitate the Employment of Persons with Disabilities in line with future employment status.

(*) A special subsidiary is a company that makes special accommodations for hiring people with disabilities and has been certified by the Minister of Health, Labour and Welfare after meeting certain criteria established in Article 44 of the Act to Facilitate the Employment of Persons with Disabilities. As a special subsidiary, it is treated as the same business establishment as the parent company for calculating the employment rate of people with disabilities.

The Shoko Chukin Bank has been employing people with disabilities and plans to continue to proactively do so in the future. Together with our newly established subsidiary, we are creating a workplace where diverse people can prosper.



The head office of Shoko Chukin MIRAI Harvest is located in the Shoko Chukin Misumi Building in Higashi Murayama-shi in Tokyo, with full-fledged operations due to commence from April 2026.

It will be responsible for preparing materials to be sent to customers and data entry for the Shoko Chukin Bank under an administrative agency services agreement. We will continue to consider new undertakings to gradually expand its operations.

Team mission of Shoko Chukin MIRAI Harvest

Doing our best.
Harvesting our future.

[Reference] Employment of People with Disabilities

	FY2023	FY2024	FY2025
Employment rate	2.44%	2.73%	2.87%

The employment rate is calculated based on a non-consolidated basis for the Shoko Chukin Bank as of 1 June each year (legally mandated rate of 2.5% as of June 1, 2025)

DE&I Top Statement

The Shoko Chukin Bank promotes Diversity Equity & Inclusion in order to be an organization where all officers and employees, our most important managerial resource, are healthy in both mind and body and work with enthusiasm and a sense of purpose.

The organization we aspire to through the promotion of DE&I

1. Officers and employees will respect each individual's characteristics and diversity (including race, ethnicity, religion, nationality, origin, creed, age, disability, gender, sexual orientation, gender identity, career, work style, and mindset), strive to provide equal and fair opportunities, regardless of background, and create a workplace where employees can maximize their capabilities
Among such initiatives, we seek the active participation of women, and in particular, seek to expand appointments to managerial roles
2. We will foster an openness within and between headquarters and all branches and an organizational culture where everyone is comfortable voicing their opinions freely, helps each other and collaborates to grow together

Our expectations of all Shoko Chukin Bank employees through the promotion of DE&I

1. Believe in your own abilities, work for self-improvement and take on challenges without setting limits for yourself
2. Have a flexible mindset to work without being bound by precedent
3. Proactively express opinions, regardless of title or experience, and listen to those of others'
4. Treat those you work with everyday with consideration and respect
5. Actively engage with stakeholders internally and externally, and expose yourself to diverse values

We encourage all employees to proactively take on challenges, and in order to create a rewarding organization, management actively listens to everyone's opinion and with all its efforts, supports the growth of all.



**Diversity
Equity
&Inclusion**

- In order to create a workplace where all officers and employees can demonstrate their capabilities, the Shoko Chukin Bank has formulated a DE&I Statement as our policy for ensuring diversity.
- Based on the DE&I Statement, a DE&I pledge is established for all employees and locations. The details of the pledge are published internally and personnel appointed to be in charge of DE&I promotion at each location, as we work for corporate transformation through company-wide integrated DE&I promotion.

DE&I Logo

We have formulated the logo for the penetration of the philosophy of our statement. It is an expression of an open organization where opinions can be expressed, with the diverse colours and shapes, an embodiment of each individual's characteristics and thinking.

Respect for Customers' Human Rights and Cooperation

We respect the human rights of all customers and provide fair and responsible services.

We are constantly aware of our role to facilitate smooth financing for SMEs as a financial institution. We strive to confirm negative impacts on human rights and encourage action to reduce such impacts, based on constructive dialogue with customers and a mutual understanding.

Providing Reasonable Accommodations to Customers

- In providing reasonable accommodations when serving customers with disabilities, we are strengthening training and awareness for employees and continuously seek to ensure that all employees are receiving the necessary workplace training.

【Example】

- When serving customers with impaired hearing, we utilize the UD Talk business smartphone app, which uses voice recognition and speech transcription, to achieve smooth communication.



Initiatives for Personal Information Protection

- In keeping with the purpose of the Act on the Protection of Personal Information, we announced our declaration regarding initiatives, etc. toward the personal information protection ("Personal Information Protection Declaration" on our website and other materials and we are striving to protect personal information under a rigorous safety management system and make continuous improvements. In addition, at the personal information protection contact, we offer consultation regarding personal information protection, provide information on disclosure requests and other procedures, and accept various requests.

Dialogue with Customers

- The Shoko Chukin Bank is constantly aware of our role as a financial institution whose purpose is to provide smooth financing to SMEs. We strive to confirm negative impacts on human rights and encourage action to reduce such impacts, based on constructive dialogue with customers and mutual understanding.
- We have an established policy and take action in the event of businesses and transactions likely to have a negative impact on the environment and society (P.40).

Topic Surveys using external data

Using external data,
conduct surveys of
borrower clients (approx. 70,000 companies)



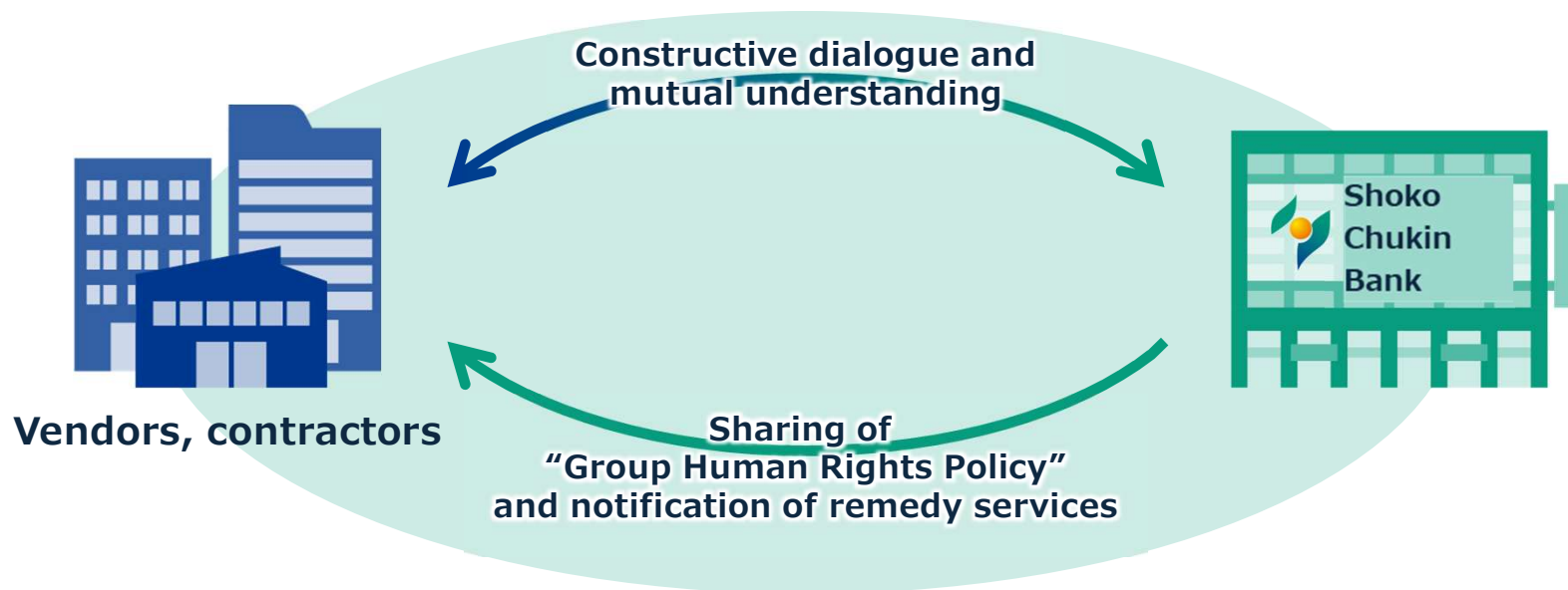
Recognize customers' managerial risks
related to employment and labor

Cooperation with Suppliers (Vendors, Contractors)

The business activities of the Shoko Chukin Bank Group are supported through the cooperation of suppliers. We respect the human rights of all suppliers and strive for fair and appropriate transactions.

Cooperation with Suppliers

- We share the Group Human Rights Policy with our core suppliers and seek their understanding and cooperation with respect of human rights.
- If human rights are violated, or there is risk of violation, through dealings with suppliers, the Group seeks to respond appropriately, based on constructive dialogue and mutual understanding as well as cooperation.



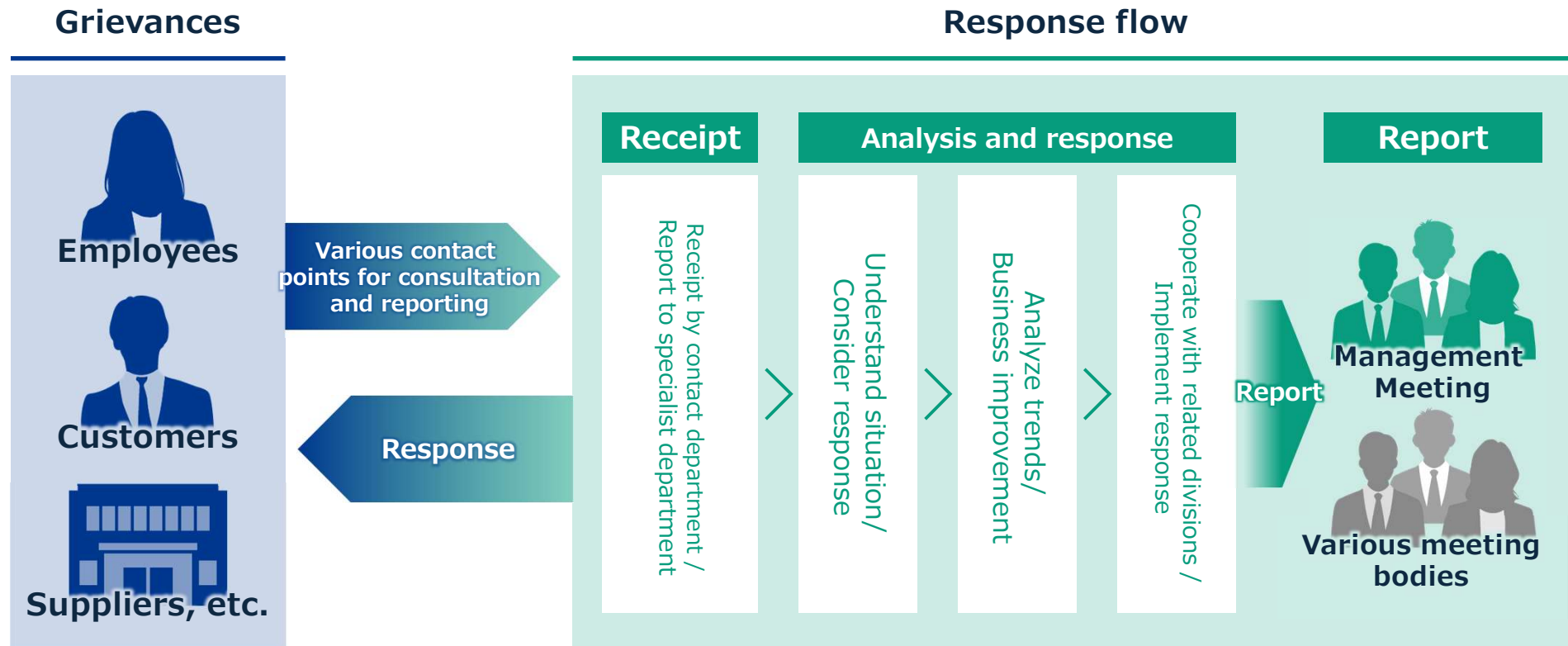
Specific initiatives

- We have shared the "Group Human Rights Policy" with **around 200** core suppliers and have notified about remedy services.
- We have conducted screening surveys of **more than 400** of our suppliers, utilizing external data.

Redress Mechanism

If it comes to light that officers and employees, or the products and services provided have caused a negative impact on human rights or have contributed to a negative impact, the Shoko Chukin Bank Group will take appropriate responses and work to provide remedies.

Consultation System



※When falling under the scope of the Whistleblower Protection Act, response is in line with the law.

(Topic) LGBTQ+ initiatives

The Shoko Chukin Bank respects the human rights of sexual minorities, including LGBTQ+. The Group's human rights policy states that discrimination based on sexual orientation or gender identity in any business activity will not be tolerated, and we have established consultation services related to sexual orientation and gender identity for members of the LGBTQ+ community and other sexual minorities for themselves and others. In November 2025, we were awarded the highest Gold rating in PRIDE Index 2025 in recognition of our LGBTQ+ initiatives.

Inquiries

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- This material contains forward-looking statements. The forward-looking statements present matters only as of the date they are made (or as of the date separately stated), and use premises, plans, expectations, judgments, and assumptions based on information available at that time. In addition, they are based on the content and interpretation of laws and regulations or guidelines at that time.
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*Supporting the future of companies.
Making Japan more resilient to change.*

**The Shoko Chukin Bank, Ltd.
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