

## ESG/SDGs Initiatives

The Bank proactively embraces Environmental, Social, and Governance (ESG) perspectives in regard to its management, and focuses on initiatives that take sustainability into consideration. With a view to embedding these initiatives more deeply and making an even greater contribution to the region, we have formulated the Musashino Bank Sustainable Development Goals Declaration. Guided by this declaration, we will continue to make efforts towards realizing sustainable local communities while responding to our stakeholders.

### Musashino Bank Sustainable Development Goals Declaration

The Musashino Bank Group declares that all of its officers and employees will strive to contribute to achieving the objectives of the Sustainable Development Goals (SDGs).

- To contribute to the sustainable development of the regional economy, the Bank always exercises its financial intermediary functions and commitment to customer-oriented business operations.
- To contribute to the creation of a sustainable community including industry and employment, urban development and livability, the Bank engages in partnerships with various bodies, including municipal governments, companies and NPOs.
- The Bank regards issues such as climate change and human rights as having a direct effect on it, and seeks global sustainability.



### Vision for the Bank (Key Areas)

#### Corporate Governance as the Source of Sustainable Growth

The Bank positions corporate governance as the source of sustainable growth, and aims to conduct steadfast bank management grounded on its management philosophy, which has remained unchanged since its founding.



#### A Society in Which People Can Live Their Own Way for as Long as They Wish

The Bank will actively work to create a society in which all people can live in their own way, healthily and happily.



#### Sustainable Regional Economy

The Bank will promote innovation in local industry and local production for local consumption, as well as contributing to the development of comfortable, strong towns and working to realize sustainable economic growth.



#### Responding to Climate Change, Maintaining and Improving Biodiversity

The Bank will respond to global climate change and make efforts to maintain and improve the rich local biodiversity.



### Initiatives to Promote Sustainable Management

To achieve sustainable management, the Bank is working to improve the effectiveness of its initiatives and to enhance communication with stakeholders by systematically engaging in various measures that include global issues such as climate change and human rights.

- Established the Sustainability Promotion Committee chaired by the president
- Issued a statement endorsing the proposals by the Task Force on Climate-related Financial Disclosures (TCFD)



## Initiatives for Regional Revitalization

As a regional financial institution, the Bank recognizes initiatives for regional revitalization to be one of the most important tasks, and not only supports the initiatives of local public entities but also collaborates with government administrations, private-sector companies, NPOs, educational institutions and other bodies to solve a variety of regional issues and to create regional value as one leader in regional creation.

### Alliance with Ogano Town

We dispatched one employee to Ogano Town in October 2020 in response to the signing of a comprehensive alliance agreement. We have cooperated on creating policies in order to revitalize the town's economy and slow the population decline and on initiatives to promote the use of public facilities.

### Alliances with Kounosu City and Kitamoto City

Since October 2021, we have supported a demonstration project for community bicycles in both cities which have signed a comprehensive alliance agreement. This was proposed and coordinated by the Bank as a demonstration project for community bicycles over a wide area that will help energize regional tourism and improve convenience for residents.

## Initiatives for Growing Fields

In 2005, we were the first ones in Saitama Prefecture to establish a specialized team to solve issues in the medical and welfare fields. In addition to offering financing products specifically geared toward medical institutions, we hold various seminars for people from medical institutions and social welfare corporations based on various topics such as key points for systematic reform and business succession.

We have also established a specialized team dedicated to agricultural fields, and support new entries by companies from different industries, business matching for expanding sales channels, and new product development using locally produced goods.

### • Activities in Agricultural Fields

We utilize a network and information that only a regional bank could attain, and carry out a wide range of initiatives such as projects that will lead to matching with different industries and regional revitalization.



Supporting participation in smart rice farming using drones



Supporting tomato cultivation by local businesses using abandoned farmland

### • Support through an industry-Academia-Government Alliance

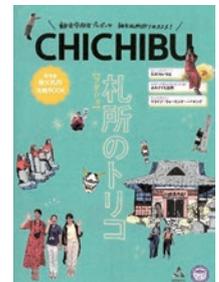
We help to solve corporate clients' managerial issues such as research development and management reorganization through an alliance with eight universities located within the prefecture.

### Collaborating Universities and their Main Specialist Field

Toyo University (Kawagoe City)	Manufacturing and industry fields
Rikkyo University (Niiza City)	Tourism industry
Bunri University of Hospitality (Sayama City)	Service industry
Saitama Prefectural University (Koshigaya City)	Nursing care and welfare fields
Saitama Institute of Technology (Fukaya City)	Electronics field
Nippon Institute of Technology (Miyashiro Town)	Advanced engineering such as AI, IoT, etc.
Saitama University (Saitama City)	A wide range from the humanities to the sciences
Heisei International University (Kazo City)	Health and sports fields

### • Cooperation with Rikkyo University College of Tourism

Since 2007, we have been engaged in the "Bratte-Saitama Project" for regional revitalization through tourism in Saitama Prefecture in an alliance with Rikkyo University. The "Bratte Series," a regional guidebook created under this project, has been published in 10 volumes.



The "Bratte Series"

## Environmental Initiatives

The Bank has declared that it will respond to global climate change and make efforts to maintain and improve the rich biodiversity of the region based on the awareness that a sustainable environment is a requirement for the sustainable development of the regional economy, society, and the Bank itself.

### Initiatives to Preserve the Environment through Our Main Business

As the Bank promotes environmental finance more than ever before, we are actively carrying out investment and finance in projects that contribute to sustainability. Looking ahead, we are working to assess the environmental risks in our loan portfolio and encourage companies to realize decarbonization in order to achieve carbon neutrality in 2050. Additionally, we are working on promoting the use of fuel cell electric vehicles, the purchase of items with low environmental loads, and the elimination of paper.

### Handling Biodiversity

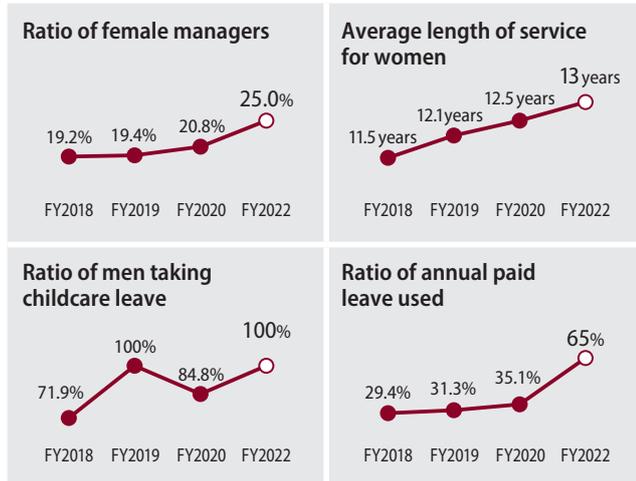
The Bank has focused on maintaining and improving biodiversity through initiatives aimed at promoting further greenery in the region, including the utilization of a public trust scheme.

The Musashino Green Fund public trust was established in July 1992 with the goal of contributing to the creation of beautiful and comfortable living environments by subsidizing activity funds for businesses that aid the preservation and creation of natural environments within Saitama Prefecture.

Over 29 years, we have contributed approximately ¥74.1 million to 314 organizations.

## Diversity Initiatives

In 2016, the Bank formulated a long-term vision to promote the active participation of human resources, setting numerical targets including a ratio of female managers and a ratio of annual paid leave used with the aim of creating a workplace where diverse human resources could flourish. In addition, we are engaged in various initiatives to improve customer satisfaction by utilizing the viewpoints and mindsets of diverse human resources to improve customer services.



## Responses for LGBT Individuals

In July 2021, we began offering special LGBT provision home loans that can be used by same-sex partners.

In order to increase options for LGBT individuals to obtain housing, loans can now be offered by calculating the borrowings and earnings of both partners based on set conditions in home loans.

## Special Subsidiary The Musashino Harmony Co., Ltd.

The Musashino Harmony Co., Ltd. was established with the goal of increasing opportunities for people with disabilities to play a role. The company currently has six employees and its operations include printing business cards and making novelty items.

We strive to create a workplace that is motivating for all employees by enabling them to use their special talents and providing solid support.

## Initiatives for Health Management

We support health management through routine check-ups and health guidance conducted by a resident nurse and introducing a working-hour interval system so that executives and employees can work healthily and comfortably in both mind and body.

In April 2021, the Bank was recognized as a 2021 Certified Health & Productivity Management Outstanding Organization (in the large enterprise category) in the Certified Health & Productivity Management Outstanding Organizations Recognition Program which is operated by the Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi.

## Other Initiatives

### Grand Opening of New Head Office

Our new Head Office, which will have its grand opening on December 13, 2021, will serve as a base of regional communication and co-creation. It will also realize new workstyle reforms to help improve productivity and job satisfaction, further consideration toward the environment and biodiversity, and enhanced resilience in anticipation of large-scale disasters. In this way, it aims to become a symbol of sustainable growth for both Saitama Prefecture and the Musashino Bank.



### Regional Communication and Co-Creation

In the regional revitalization space located on the 2nd floor, we will hold seminars and symposiums centered on various topics, while conveying the appeal of the local Saitama region on multi-displays. We will also newly establish areas in which to experience the digital transformation of smartphone apps and support local sports teams. In addition to this, we will open a coworking space and a cafe in an aim to create a place of regional communication and co-creation.

### Contributing to Sustainability

The Head Office is the first head office of a financial institution to receive certification from the Japan Habitat Evaluation and Certification Program (JHEP) for planting vegetation in consideration of local ecosystems.

The office also features equipment to properly control lights, air conditioning and sewage, and is equipped with solar panels on its roof, granting it functions equivalent to an A rank in CASBEE (Comprehensive Assessment System for Built Environment Efficiency).

## Initiatives to Improve Financial Literacy

The Bank proactively carries out activities to improve financial literacy. In addition to a tour of branch locations using virtual reality (VR) (the Musashino virtual bank tour), the homepage features content called the Musashino money school which makes it possible to have fun learning about money and banks, both of which can be used for financial education at home.

## Promoting Culture, Art, and Sports

We work on promoting culture and art such as music and theater for regional revitalization and the healthy development of children. For sports promotion, we support professional soccer team Omiya Ardija Ventus, professional baseball team Saitama Seibu Lions, professional basketball team Koshigaya Alphas, as well as professional table tennis team T.T Saitama, and provide support for sports teams and local athletes with roots in the region.

## Responses to COVID-19

In order to cooperate with steady vaccination against COVID-19 in the region, Musashino Bank conducted workplace vaccinations for all Musashino Bank Group employees (including temporary employees), as well as their families, who opted to be vaccinated.

Additionally, to alleviate the shortage of protective gear on medical frontlines, we contributed 200 pieces of protective gear to Saitama Prefecture and donated ¥3 million to Saitama Prefecture's COVID-19 countermeasure promotion fund.