



MUSASHINOBANK
INTEGRATED
R E P O R T 2025

Disclosure

Toward a more prosperous Saitama through the power of co-creation

Corporate Philosophy

Working in harmony with the local community it serves

To contribute to the prosperity of the local community and to secure growth and development in partnership with the region.

Maintaining a deep respect toward customers

To engage in bold management that anticipates change while providing the highest-quality services throughout the organization as a whole.

We will listen attentively to the aspirations of each stakeholder and together take on the challenge of protecting Saitama's existing value while creating new value.

Bringing together diverse value to create Saitama's future with the region's number one solutions

The Musashino Bank Group will evolve into an organization that attracts diverse human resources who actively seek challenges – one that relentlessly pursues services that exceed expectations from both regional and customer perspectives. Furthermore, by continuing to provide the region's finely honed number one solutions, we will work together with our stakeholders to co-create a prosperous future for Saitama.

Editorial Policy

This integrated report has been edited with the aim of clearly communicating to stakeholders the Musashino Bank Group's initiatives to enhance its sustainability. It presents our Corporate Philosophy, management policies, and financial information, together with non-financial information such as ESG and SDGs information. In the editing process, the Bank referred to guidelines including the International Integrated Reporting Framework by the IFRS Foundation, and Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation by the Ministry of Economy, Trade and Industry. This integrated report also serves as a disclosure report prepared in accordance with Article 21 of the Banking Act. Please note that this report contains forward-looking statements about future business performance. These statements do not constitute a guarantee of future business performance, and actual results may differ from forecasts due to changes in economic conditions and other factors.



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History of Musashino Bank

In April 1952, Musashino Bank commenced business with its Head Office in Omiya City (currently Saitama City) and 8 branches. The Bank was founded amid Japan's full-scale post-war recovery as the "one bank, one prefecture" principle was being reexamined, and momentum was building for the establishment of new banks to meet companies' expanding demand for finance. Since then, by expanding its branch network centered on Saitama Prefecture and establishing subsidiaries and affiliates, the Bank has worked to enhance customer services while contributing to the development of the regional economy.

In March 2023, the Bank formulated the Long-term Vision "MCP (Musashino mirai-Creation Plan)" – "Bringing together diverse value to create Saitama's future with the region's number one solutions" – to serve as a management guideline for the next 10 years.

Guided by its unwavering Corporate Philosophy of "working in harmony with the local community it serves" and "maintaining a deep respect toward customers," all officers and employees will continue to work together to further enhance services and help revitalize the regional economy and society.

1952

(April)

Established with its Head Office in Omiya City (currently Saitama City) and eight branches



Head Office at establishment

1969

(August)

The former Head Office building completed



(October)
Listed on the Second Section of the Tokyo Stock Exchange

1970

(August)

Listed on the First Section of the Tokyo Stock Exchange

1974

(April)

The administrative center completed



1975

(April)

Established The Bugin General Lease Co., Ltd.

1982

(April)

Established The Bugin Guarantee Co., Ltd.

1985

(November)

Established The Musashino Card Co., Ltd.

1989

(August)

Established The Bugin System Service Co., Ltd.

1992

(April)

Established The Bugin Economic Research Institute Co., Ltd.

1997

(April)

Established The Bugin Capital Co., Ltd.

2012

(September)

The new administrative center completed



(October)
The new administrative center acquired JHEP Certification, a first for a financial institution

2015

(July)

Formulated the brand message "More For You – More for your town, life, and happiness"

2016

(March)

Signed the Chiba-Musashino Alliance

2017

(May)

Established The Musashino Harmony Co., Ltd. (special subsidiary)

2018

(August)

Opened new representative office in Singapore

2019

(March)

Entered into the TSUBASA Alliance


(March)

Acquired a trust business license, a first for a financial institution headquartered in Saitama Prefecture

2021

(December)

Grand opening of the new Head Office building



2022

(June)

Established The Musashino Mirai Partners Co., Ltd.

2023

(March)

Formulated the Long-term Vision "MCP"

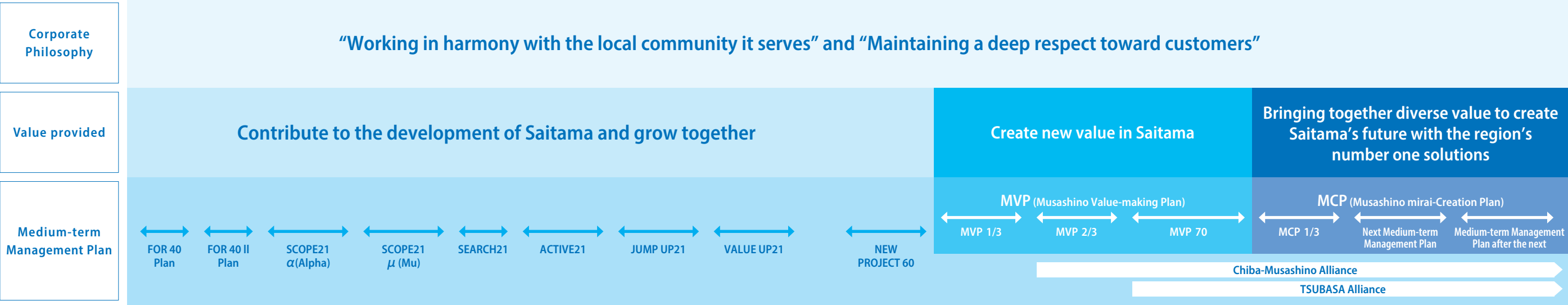
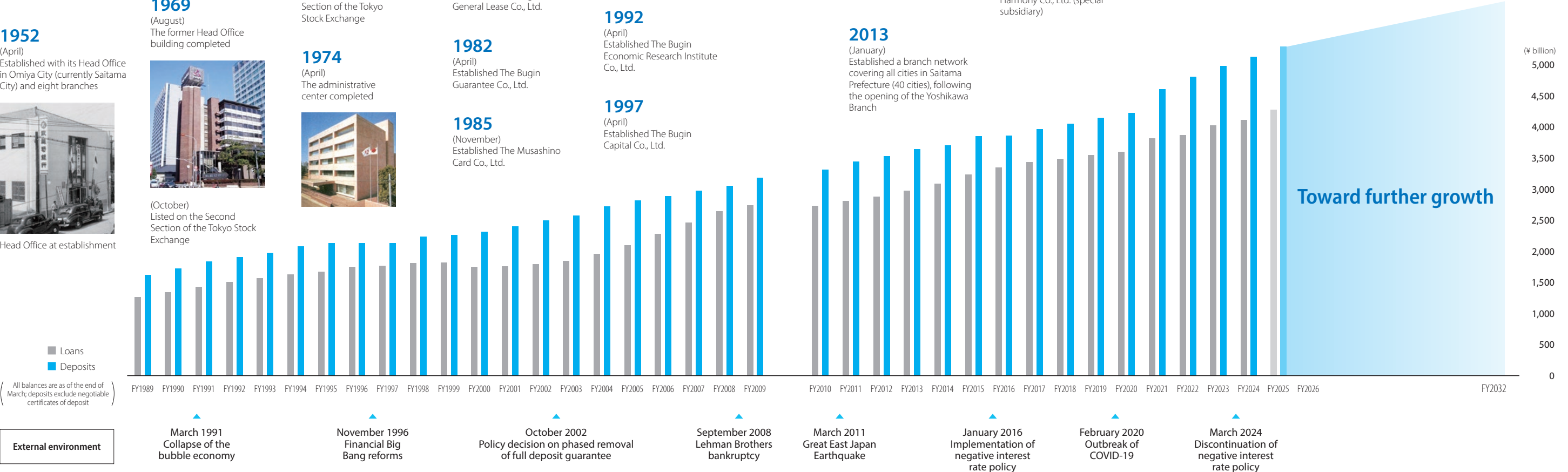
(April)

Started the Medium-term Management Plan "MCP 1/3"

2024

(July)

Opened the Hamamatsucho Branch, bringing the total number of branches to 100



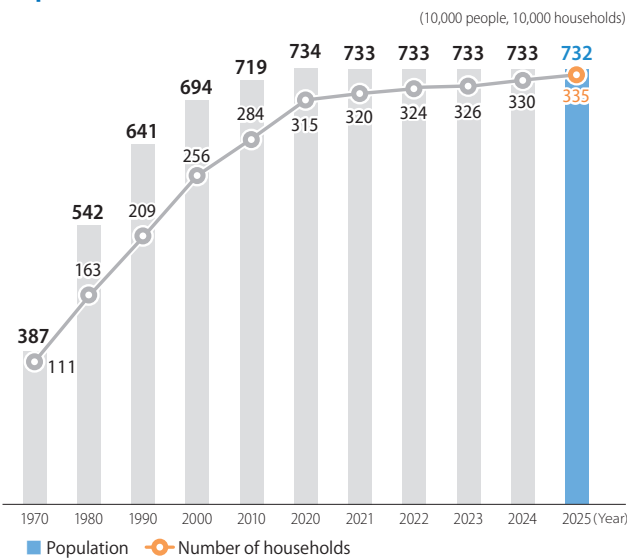
Features and Growth Potential of Saitama Prefecture, the Bank's Home Market

Saitama Prefecture, the Bank's operating base, has a vibrant economy. The prefecture is blessed with a favorable climate and topography, has a well-developed transportation infrastructure, including expressway and railway networks, and has a highly concentrated population and industry.

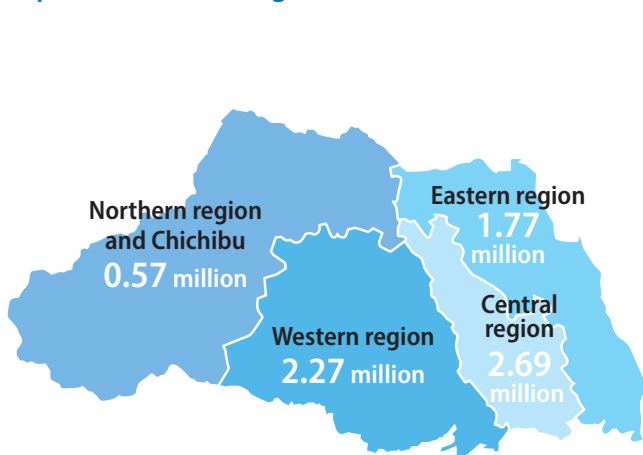
Demographics – Japan's fifth most populous prefecture

Saitama Prefecture has a population of 7.32 million (estimated as of May 2025), the fifth largest in the country. Despite its proximity to central Tokyo, it is surrounded by abundant nature and offers an excellent living environment. The population is concentrated fairly evenly across the prefecture's various regions.

Population and number of households



Population in each region of Saitama Prefecture



Topography and Infrastructure

– a favorable topography and well-developed transportation infrastructure

Saitama Prefecture is located in the heart of the huge market comprising the Tokyo metropolitan area, in which lives one-third (approximately 40 million people) of the population of Japan.

Bordering Tokyo and six prefectures, Saitama Prefecture is an inland prefecture on the Kanto Plain, and all parts are less than 100 km from central Tokyo. The prefecture has extensive expressway and railway networks.

The Kan-Etsu, Tohoku, and Joban expressways run north to south through the prefecture, while the Ken-O Expressway and the Tokyo Gaikan Expressway run east to west.

Notably, the Ken-O Expressway provides access to the Tomei and Chuo expressways and connects with the Higashi-Kanto Expressway, which extends to Narita Airport, east Japan's gateway to the sky. This has attracted logistics and production bases to the surrounding areas.

With Omiya as its hub, Saitama Prefecture's railway network directly connects Omiya to both Tokyo and other major cities via all six Shinkansen lines, namely the Hokkaido, Tohoku, Akita, Yamagata, Joetsu, and Hokuriku Shinkansen.

An expressway and railway network that extends all over Japan



Economic and Corporate Activities

– Fifth largest prefectural economy in Japan with a collection of diverse industries

Saitama Prefecture has a collection of diverse industries centered on the automotive-related industry. It is home to approximately 200,000 business sites, which is the fifth largest number of such sites in Japan.

Moreover, the private and public sectors have been making joint efforts to attract companies to Saitama Prefecture. Over the 10-year period from 2015 to 2024, there was a net influx (the difference between inflow and outflow) of 514 companies* into the prefecture, which was the second highest level in the country.

(* Based on Teikoku Databank Survey)

Track record of attracting companies (January 2005–March 2025)

Number of companies attracted **1,398**
New jobs created **42,615** people
Total investment approx. **¥2,408.2** billion

Saitama Prefecture's gross prefectural domestic product amounts to ¥23.7 trillion, the fifth largest in Japan. The prefecture also ranks among the top in annual merchandise sales, including shipments of manufactured goods.

Gross prefectural domestic product (nominal)

Fifth largest in Japan
¥23.7 trillion

Ranking	Prefecture
1	Tokyo
2	Osaka
3	Aichi
4	Kanagawa
5	Saitama
6	Hyogo
7	Chiba
8	Hokkaido
9	Fukuoka
10	Shizuoka

Shipments of manufactured goods, etc.

Eighth largest in Japan **¥14.7** trillion

Annual merchandise sales

Seventh largest in Japan **¥17.2** trillion

Source: Saitama Prefecture

Local Communities

Saitama Prefecture: home to 40 cities, the largest number in Japan

Saitama Prefecture has the largest number of municipal cities in Japan. The prefecture is home to Saitama City, a government ordinance-designated city with a population of over 1.3 million, as well as other cities with large populations, such as Kawaguchi City, Kawagoe City, and Tokorozawa City. The concentration of these large-scale cities has led to high-quality local government services that address various regional issues and needs, with many municipalities increasingly being recognized as places that are easy and comfortable to live in.

Vacant housing problems

The vacant housing ratio in the prefecture is 9.3%*, which is low even on a national scale. However, the number of abandoned vacant houses (vacant houses without a specific use) is trending upward, and responses suited to the actual situation, such as promoting their use and supporting smooth asset succession, are needed. (* Housing and Land Survey (2023), Ministry of Internal Affairs and Communications)

Preparedness for natural disasters

Situated on the Omiya Plateau and Musashino Plateau, Saitama Prefecture has long been regarded as relatively resilient to natural disasters such as earthquakes. However, floods, heavy rainfall, and other such events have been intensifying in recent years due to the impact of climate change, making preparations for these types of disasters increasingly necessary.

The Bank's Growth Story Reflecting Environmental Changes in Saitama Prefecture

Promoting industry and accelerating corporate growth

- Creating and strengthening of the industrial base leveraging the prefecture's advantages
- Economic revitalization through entrepreneurship and new business creation
- Realization of productivity improvement through digital transformation (DX)
- Resolution of diverse management issues, such as labor shortages and business succession issues

Realization of residents' well-being and prosperous living

- Provision of loan products and digital services that meet the needs of younger people and child-raising generations
- Support for asset formation and management that leads to prosperity
- Provision of services that support the lives of the elderly
- Contribution to smooth inheritance and asset succession

Creating a more sustainable society

- Creation of a "connected" population of people with ties to the region by enhancing regional attractiveness
- Contribution to the development of urban infrastructure and neighborhood creation
- Creation of a resilient region resistant to disasters and other risks
- Strengthening community ties

Execution of growth strategy based on the Long-term Vision and Medium-term Management Plan

Creating new economic and social value by capitalizing on Saitama Prefecture's growth through agile management

President **Kazumasa Nagahori**



Business Environment in Fiscal 2024

Net income on a non-consolidated basis reached a record high due to the smooth supply of funds and provision of optimal consulting

Looking back at fiscal 2024, the year ended March 31, 2025, the Bank of Japan made progress on the normalization of monetary policy, notably increasing the policy interest rate twice. At the same time, companies remained committed to raising wages by more than 5% for a second consecutive year. As a result, a trend toward creating a virtuous cycle of rising wages and prices showed signs of spreading across the economy.

The regional economy stayed on a gradual recovery trend driven by consumer spending, with land prices continuing to rise against the backdrop of redevelopment and other projects.

Corporate performance presented a mixed picture. The service sector and related industries have benefited from the recovery in consumer spending, while the manufacturing sector has been negatively affected by weakening overseas demand.

In this environment, the second U.S. Trump administration, formed in January 2025, has revised trade and tariff policies, and security arrangements. These and other measures have cast a shadow over the domestic and global economy.

In addition, the outlook remains uncertain due to rising geopolitical risk, including the protracted Russia-Ukraine war and escalating and broadening tensions in the Middle East.

Guided by the Medium-term Management Plan "MCP 1/3 (One-Third)," which is the first stage for realizing the Long-term Vision "MCP (Musashino mirai-Creation Plan)" – "Bringing together diverse value to create Saitama's future with the region's number one solutions" –, we have fully served our customers and local communities as a reliable partner. We have been rapidly and vigorously implementing various strategies, such as focusing on supporting the core

businesses of each local company and striving to identify needs and solve issues in support of the life planning of every customer.

In this environment, in the fiscal year ended March 31, 2025, the balance of deposits and loans grew steadily. On the profit front, net income on a non-consolidated basis totaled ¥12.7 billion, marking 6 consecutive years of profit growth and reaching a record high.

Progress on the Medium-term Management Plan (2023–2025)

Advances in strengthening the lending-centered core business and expanding problem-solving fee businesses

Under the Medium-term Management Plan "MCP 1/3," we aim to maximize customer satisfaction by improving our level of service and further strengthening our touchpoints with customers while building a sustainable management foundation through intensive investment in digital and human capital, based on two themes: "Grow together with communities and customers by integrating the real and digital" and "Empower diverse human resources to flourish based on mutual acceptance of many and varied values."

For individual customers, we will thoroughly practice our fiduciary duty. We are also working to enhance new NISA funds and hold worksite seminars in order to contribute to long-term, stable asset formation.

Furthermore, we are focusing on making seamless proposals spanning asset management to inheritance and asset succession leveraging trust functions. These efforts are being led by wealth managers at the Head Office.

Channel strategy

Under the premise of maintaining its branch network, the Bank aims to implement optimal branch management tailored to local characteristics. This will be achieved through measures such as reviewing branch roles, conducting branch relocations and renovations, and converting to a branch-in-branch format in order to accommodate customer convenience.

In July 2024, as part of our efforts to strengthen our presence in central Tokyo, we opened the Hamamatsucho Branch, bringing our network to 100 branches.

In other initiatives, particularly in the direct channel, we have continuously upgraded and expanded transaction functions on our smartphone app, including investment trusts, NISA, and foreign currency deposits. The number of customers who use our digital channel, including the smartphone app, has reached 370,000. The ratio of service applications via this channel reached our initial target of 30% 1 year ahead of schedule.

Sales promotion system

In April 2024, we implemented measures such as reorganizing the Head Office business units from customer-oriented perspectives, along with clearly defining the roles of each responsible branch staff member and newly appointing and reinforcing Head Office staff, with the aim of establishing a sales promotion system that provides even higher quality consulting services.

Initiatives for corporate clients and individual customers

The Bank provides optimal problem-solving proposals with a diverse lineup of products and services and a high level of specialization premised on a thorough understanding of customers.

For corporate clients, we are working to enhance our consulting menu, which promotes digitalization and human capital management to improve productivity. Furthermore, we are providing support based on the growth stage of each corporate client, through such means as seamless business succession and M&A.

Building a Platform for Accelerating the Bank's Growth Strategy

Aiming not only to improve productivity but also to enhance customer touchpoints and services, while further expanding our business domains through active digital investments

As part of building a platform to accelerate the Bank's growth strategy, we are actively investing in the digital field, with total 3-year investments expected to exceed the initial plan of ¥4.0 billion.

Alongside these investments, we are advancing the implementation of cutting-edge digital technologies led by the Digital Promotion Division, which was newly established in 2023. To further improve customer convenience and satisfaction, we are working to enhance our smartphone app and digital services for corporate clients.

In addition to improving productivity and operational efficiency, initiatives to enhance customer touchpoints

and services, and to expand new business domains, are underway. As a first step, we fully updated the Bank's digital communication platform by implementing Microsoft 365 at all branches in November 2024.

Looking ahead, the Bank will continue to actively adopt emerging digital technologies and work to strengthen its sustainable management foundation. At the same time, we will strive to raise the level of digital investment and develop the talent needed to lead these initiatives, while utilizing various management resources, knowledge, and platforms through collaborations, including with other industries.

Practicing Human Capital Management

Bringing together diverse value and enhancing corporate value

The Bank is working to practice human capital management. Based on the recognition that human capital is the source of corporate value, the Bank will develop human resources capable of working autonomously with a spirit of challenge to solve customer issues. At the same time, it will build an organization in which diverse human resources can thrive through understanding and embracing different values and mutual acceptance.

In July 2024, we completely overhauled our personnel system with a focus on three pillars: creating multi-track career paths that allow employees to select diverse careers, establishing job ranks based on roles and responsibilities and clear-cut personnel treatment practices, and establishing an evaluation system that reflects contribution to the organization.

The personnel system promotes employees' autonomous career building through eight newly established career routes according to business domain. It also creates an environment in which seniors and others can be treated appropriately according to their abilities. At the same time, the system will address priorities such as appointing young individuals to higher-level positions at an early stage. Under this system, we will also strive to cultivate human resources that actively take on challenges through upskilling and reskilling.

In addition, to further enhance engagement and secure human resources, we have been continuously increasing base pay and starting salaries.

Furthermore, we are strengthening investments in human capital in terms of both quality and quantity. As part of these efforts, we are focused on systematically developing professionals with advanced public qualifications who can lead the way in providing the region's number one solutions.

In other initiatives, we continuously hold the Musashino mirai-Creation Project, a business idea contest open to participation by all employees. The aim of the contest is to foster a corporate culture that nurtures flexible thinking and creativity.



With the finalists in the final selection round of a business idea contest

Sustainability Management

Creating new value for the regional economy and society and growing together with them

The Bank's growth is inseparable from the sustainable development of Saitama Prefecture. We recognize that it is the mission of regional financial institutions to create new value for the economy and society while strengthening sustainability and resilience.

Based on this recognition, we are working to continuously strengthen sustainability management that will contribute to the creation of a sustainable regional economy and society under guidelines such as the Musashino Bank SDGs Declaration and the Basic Policy on Sustainability.

Regional revitalization initiatives

We are focusing on city promotion in partnership with local governments to create a connected population of those who have a long-term connection with a region but do not reside there and an interacting population of those who temporarily visit or interact with a region. In addition, we are pursuing pioneering initiatives in collaboration with local governments, universities, and local companies to address issues that have become prominent in recent years, such as vacant housing, the digital divide, and wellness-related challenges.

As part of the Musashino Agri-Innovation Project, we are tackling the challenges of solving agricultural issues through rice cultivation and the development of processed agricultural products. In addition, we continue to concentrate our efforts on discovering and creating local resources, such as the Minuma Tambo "Wheat" Senary (Sixth-Order) Industry Creation Project.

Furthermore, the wholly owned regionally trading company Musashino Mirai Partners contributes to the revitalization of the regional economy and society through a commercial value chain support platform for businesses and a fee-based membership service for individuals.

Furthermore, we have consistently carried out a wide range of initiatives in fields such as financial and economic education, as well as support for cafeterias providing meal assistance for children, and support for child-raising generations.

Decarbonization and biodiversity initiatives

We are also strengthening our efforts to address themes such as decarbonization and biodiversity. We encourage local companies to implement sustainability management. To do so, we are focusing on providing financing and consulting that are appropriate for each company's current level of activity, as well as its business scale and industry.

Moreover, the Bank continuously works to develop environmentally friendly branches and offices. We are working to reduce Group-wide CO₂ emissions through initiatives such as converting all of the electricity used at the Head Office and administrative center to renewable energy, as well as the planned introduction of EVs and charging stations at branches. Musashino Forest, a planted garden in front of the Head Office building, features native tree species unique to the Musashino region and natural stone from the Chichibu region. The Bank became the first head office of a financial institution to receive certification from the Japan Habitat Evaluation and Certification Program (JHEP).

Furthermore, in recent years we have aimed to maintain green infrastructure across Saitama Prefecture. Under a comprehensive alliance agreement with Ecosystem Conservation Society—Saitama, an environmental NGO, we actively support efforts toward nature positive of local governments and companies.



At Musashino Forest with President Hobun Ikeya of Ecosystem Conservation Society—Saitama

Toward Increasing Corporate Value

Build a strong management platform, with the aim of increasing corporate value from a medium- to long-term perspective

Consolidated ROE was 4.85% in the fiscal year ended March 31, 2025, achieving ahead of schedule the 4.5% target set in our Medium-term Management Plan. In light of this result, we have raised the target to 5% or more and will continue striving to further increase ROE.

PBR is currently around 0.5, and we do not believe it sufficiently reflects our profit growth or the market advantages of Saitama Prefecture, which are the source of this growth. Alongside further increasing ROE, we plan to strengthen initiatives to raise PER by enhancing the expected profit growth rate and reducing the cost of shareholders' equity.

Overall, to strengthen our earning power, we aim to capitalize on the growth of Saitama Prefecture, our home market, as we bolster core businesses such as lending to small and medium-sized enterprises and housing loans. Concurrently, we plan to enhance and expand fee businesses, particularly consulting.

To improve return on risk-weighted assets (RORA), we are continuously embedding its use in business activities. We are introducing RORA into performance evaluations across all branches, enhancing training, and increasing the sophistication of tools that lead to comprehensive proposals.

Regarding capital management, we aim to create a virtuous cycle in which risk-taking to support regional economic growth, growth-supporting investments, and shareholder returns mutually expand and reinforce one other. In particular, regarding risk-taking, we strive to demonstrate financial intermediary functions that capitalize on Saitama's

growth, while maintaining soundness to prepare for risk events through consistent profit growth every fiscal period.

In terms of shareholder returns, we have been steadily increasing dividends since the fiscal year ended March 31, 2022. We are forecasting an annual dividend of ¥160 per share for the fiscal year ending March 31, 2026, following an upward revision to the previous dividend forecast of ¥140 per share, which was originally announced in May 2025*. Going forward, under our progressive dividend policy, we will continue striving to further enhance shareholder returns.

* Announced in the "Notice Concerning Dividends of Surplus (Increase), Revision of Dividend Forecast, and Revision of Shareholder Return Policy" dated November 7, 2025

Moreover, to increase the expected profit growth rate, the Bank will steadily execute various strategies laid out in the Medium-term Management Plan to capitalize on the growth of Saitama Prefecture, which has great market potential. Concurrently, we will accelerate growth investments in the digital sector and other areas that underpin those efforts.

Additionally, we newly established the Investor and Public Relations Office in June to improve disclosure of non-financial information, which can lead to a decrease in the cost of shareholders' equity, and to enhance communication with stakeholders.

Furthermore, by continuing our efforts to strengthen corporate governance and compliance, we will strive to build appropriate operational management systems and foster a sound organizational culture.

In Closing

Toward the next Medium-term Management Plan

Under the Medium-term Management Plan "MCP 1/3," we achieved the final fiscal year's targets for profit attributable to owners of parent and ROE 1 year ahead of schedule. In addition, in light of financial results forecasts for the current fiscal year, we have raised the ROE target from 4.5% or more to 5% or more. For net earnings from core business, the achievement of our ¥20.0 billion target is within reach. We will step up our initiatives to successfully complete the plan.

Currently, we are discussing the next Medium-term Management Plan, which will start in April 2026. Our discussions cover analysis and review of various factors within and outside the Bank, top-line and bottom-line profit levels, and the vision we aim to achieve, including ROE.

We would like to explain the overview of the plan and its specific targets once they are finalized. For profit levels, we

are deepening our discussions while setting our sights on net earnings from core business of ¥35.0 billion, profit attributable to owners of parent of ¥25.0 billion, and ROE of 8% or more.

Going forward, we will continue to steadily implement growth strategies by capitalizing on the growth of Saitama Prefecture, a vibrant market. By doing so, we aim to further enhance our corporate value.

Guided by the Bank's Corporate Philosophy of "working in harmony with the local community it serves" and "maintaining a deep respect toward customers," all of the Group's officers and employees will redouble their efforts in their duties to meet the expectations of all our stakeholders, including customers, shareholders, and the local community.

We ask for your continued support for and understanding of the Bank from the bottom of our hearts.

**Guided by the Corporate Philosophy of
"working in harmony with the local community it serves" and
"maintaining a deep respect toward customers,"
which has been in place since the Bank's foundation,
we will fully demonstrate our value more than ever as a bank that is essential to the region,
aiming for lasting development together with all of our stakeholders.**



Initiatives to Enhance Corporate Value

Under the Medium-term Management Plan “MCP 1/3” (April 2023 to March 2026), the Bank had aimed for ROE of 4.5% or more as a targeted management indicator. However, recently, ROE for the fiscal year ended March 31, 2025 was 4.85%, achieving the target 1 year ahead of schedule. In light of this result, we have raised the ROE target for the Medium-term Management Plan period to 5% or more and are working to further strengthen our earning power by executing our growth strategies. Alongside these efforts, we are implementing a capital policy in which risk-taking to support regional economic growth, growth investments, and shareholder returns mutually expand and reinforce one other, with the aim of further enhancing corporate value.

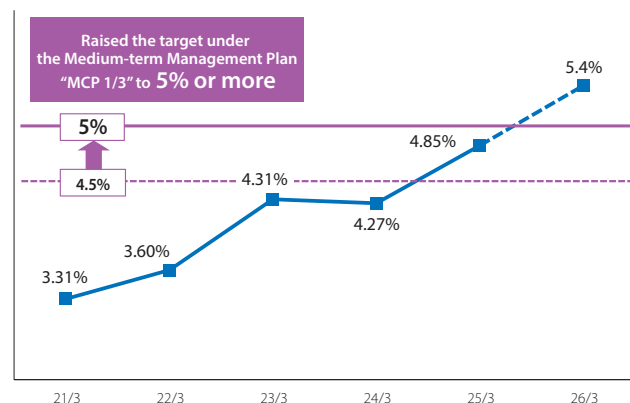
Current Awareness of Corporate Value and Direction for Improvement

PBR is currently around 0.5, and the Bank does not believe it sufficiently reflects its profit growth or the market advantages of Saitama Prefecture, which are the source of this growth. Alongside increasing ROE, the Bank plans to continue implementing initiatives that pave the way for enhancing the expected profit growth rate and reducing the cost of shareholders’ equity.

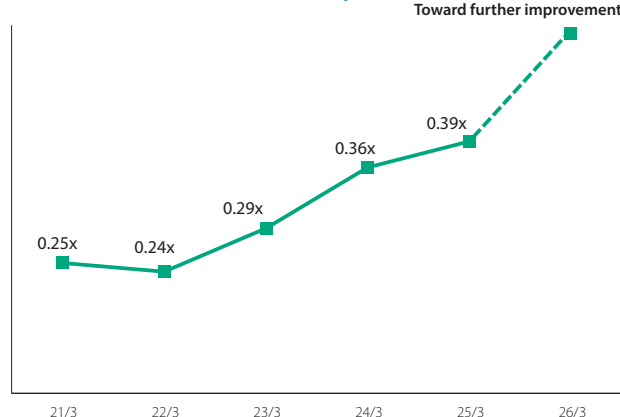
To improve ROE, the Bank will strengthen core businesses such as lending to small and medium-sized enterprises and personal loans, while expanding fee businesses that do not use assets and enhancing cost controls. At the same time, the Bank is working to increase the sophistication of risk-weighted asset (RWA) control and strengthen growth investments and shareholder returns.

➤ Trend in ROE and PBR

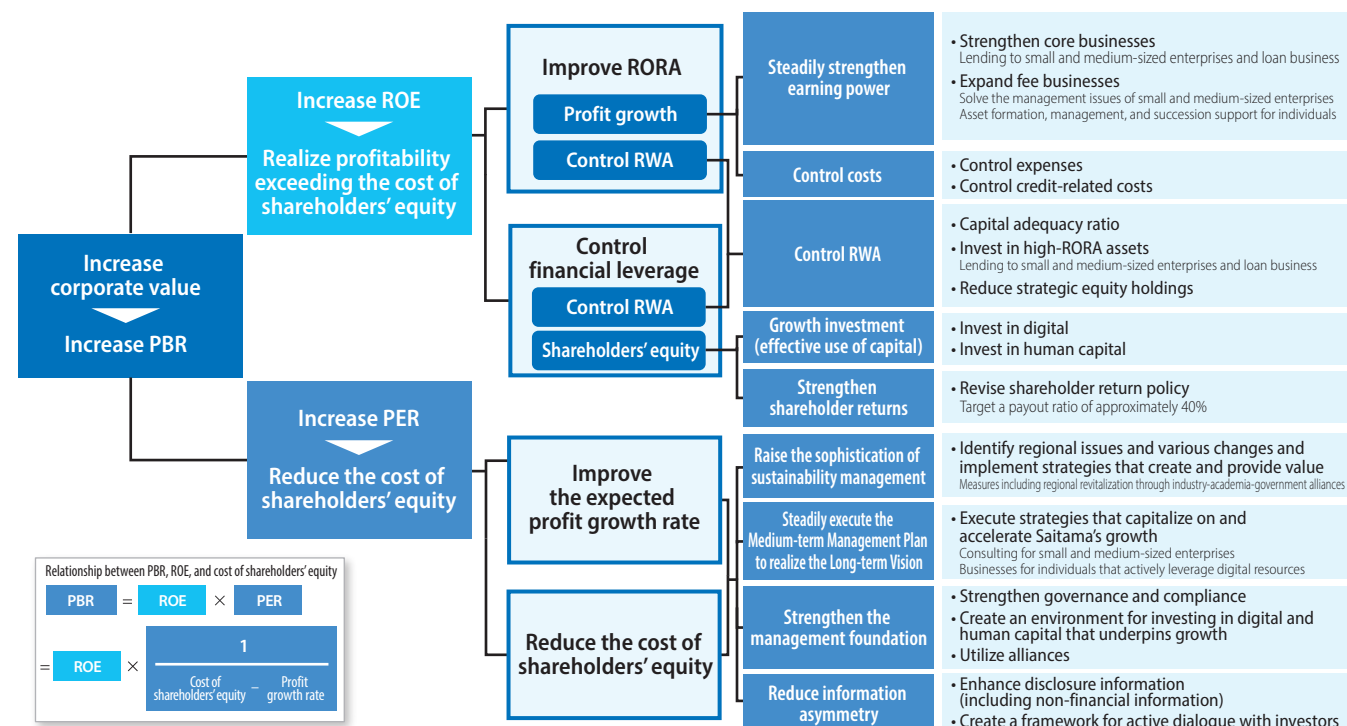
ROE (TSE basis)



PBR (based on March-end stock price)



➤ Logic tree for increasing PBR



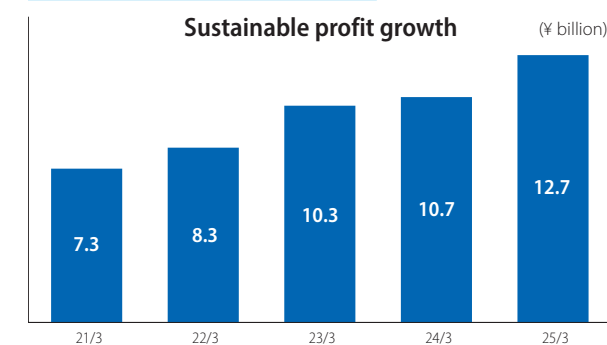
➤ Strengthen earning power

To strengthen our earning power, we aim to capitalize on the growth of Saitama Prefecture, our home market, as we bolster core businesses such as lending to small and medium-sized enterprises and housing loans, while planning to enhance and expand fee businesses through consulting.

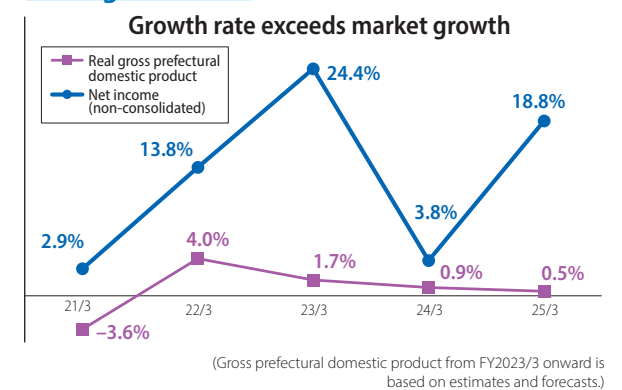
The Bank believes that its earning power has been steadily strengthened, as its profit growth rate has consistently exceeded the growth rate of real gross prefectural domestic product.



Net income (non-consolidated)



Profit growth rate

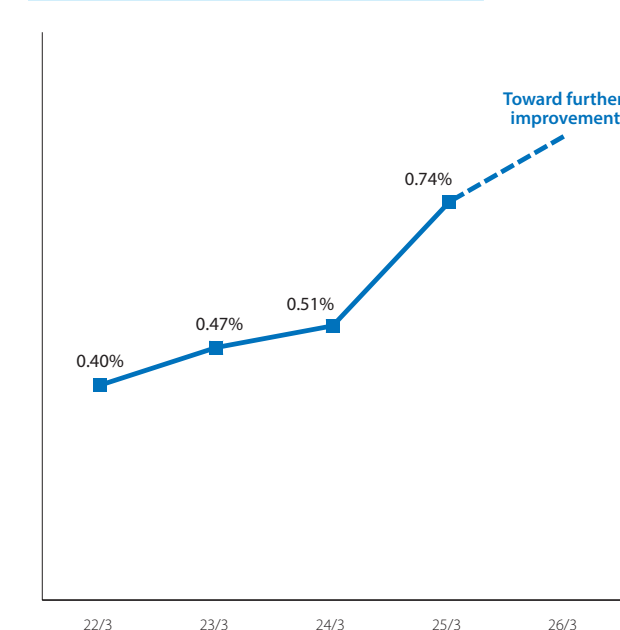


➤ Initiatives to improve RORA

The Bank has been continuously working to improve return on risk-weighted assets (RORA), which currently stands at 0.74%. Since 2022, it has carried out ongoing initiatives to promote business activities focused on RORA. These include introducing RORA into performance evaluations across all branches, enhancing training, and increasing the sophistication of tools that lead to comprehensive proposals.

Moreover, as part of its investments in high-RORA assets, the Bank will further enhance its core businesses of lending to small and medium-sized enterprises and housing loans, thereby contributing to further improvement in RORA.

Trend in RORA (consolidated, FIRB basis)



Promotion of business activities focused on RORA

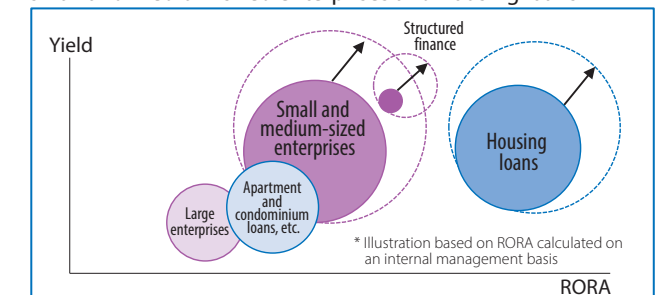
Implementing ongoing initiatives since 2022

- Strengthen incentives by introducing RORA into performance evaluations across all branches
- Enhance training to improve the understanding of each employee
- Increase the sophistication of tools that lead to comprehensive proposals such as deposits and consulting

Further improving profitability by enhancing client-focused proposals

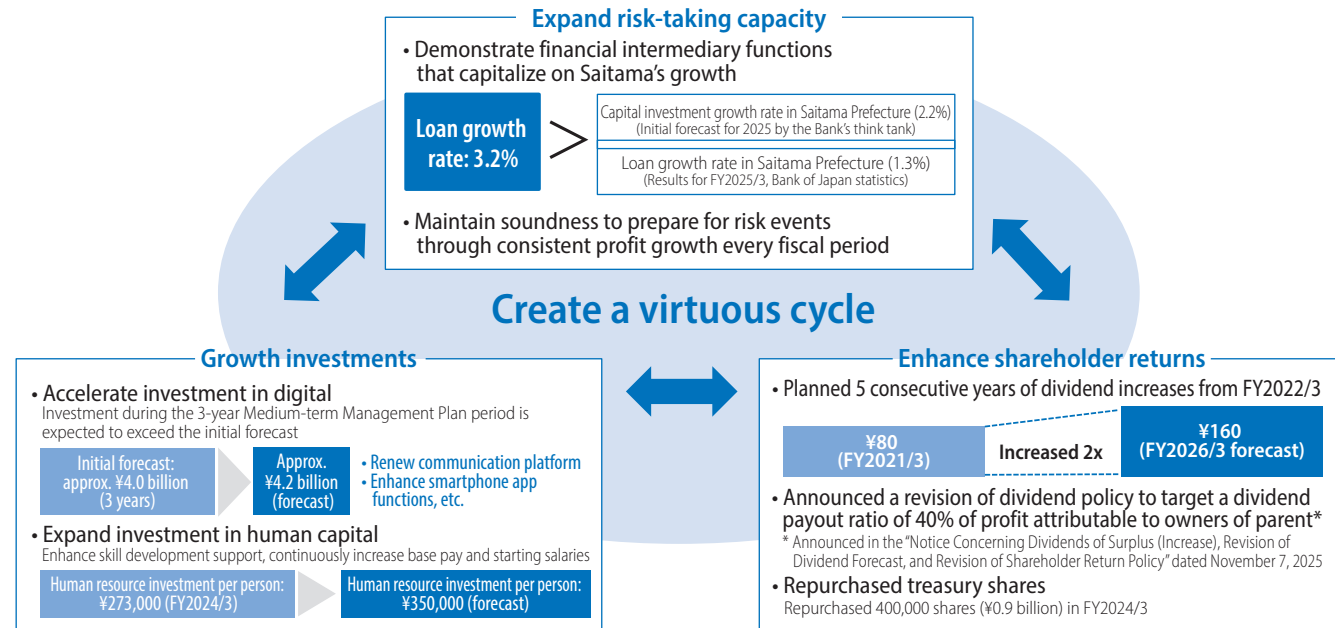
Investing in high-RORA assets = strengthening core businesses

Further expand the Bank's strengths in lending to small and medium-sized enterprises and housing loans



Approach to Capital Management

Regarding capital management, we aim to create a virtuous cycle in which risk-taking to support regional economic growth, growth-supporting investments, and shareholder returns mutually expand and reinforce one other. With risk-taking, we strive to demonstrate financial intermediary functions that capitalize on Saitama's growth, while maintaining soundness to prepare for risk events through consistent profit growth every fiscal period.

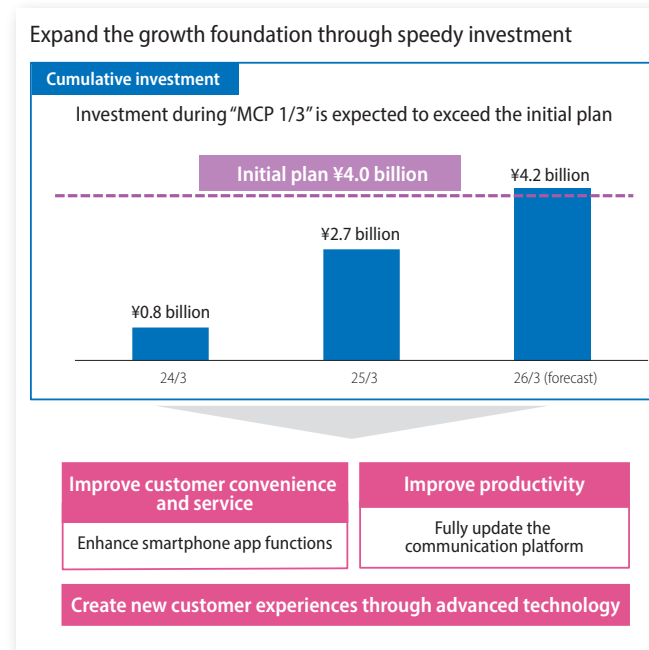


Investment to accelerate growth strategies

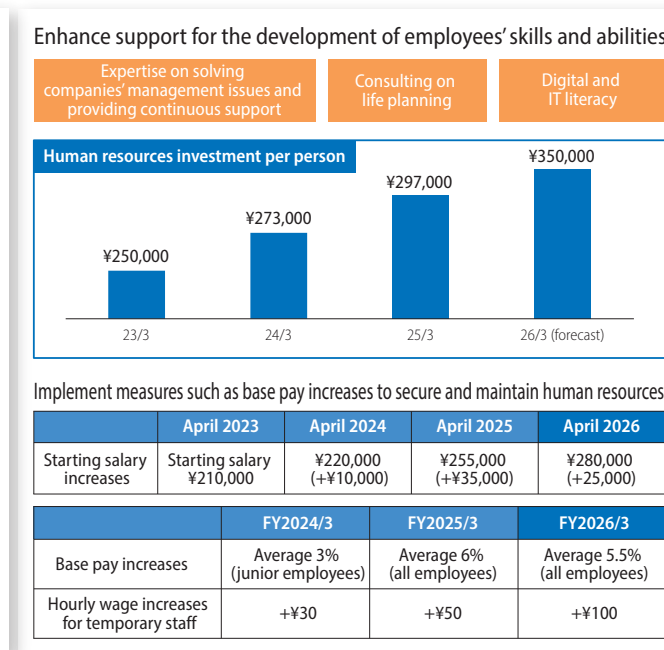
As part of investment to accelerate growth strategies, the Bank plans to actively invest in digital and human capital. In the digital field, the Bank is expanding its growth foundation through speedy investment, with investment expected to exceed the initial ¥4.0 billion plan for the 3-year period of the Medium-term Management Plan.

Additionally, regarding human capital, the Bank is enhancing training to promote the development of consulting and digital skills and capabilities and has increased human resources investment per person. Furthermore, the Bank continues to increase base pay and starting salaries to secure and retain human resources and improve engagement.

Investment in the digital field



Investment in human capital



Capital adequacy ratio

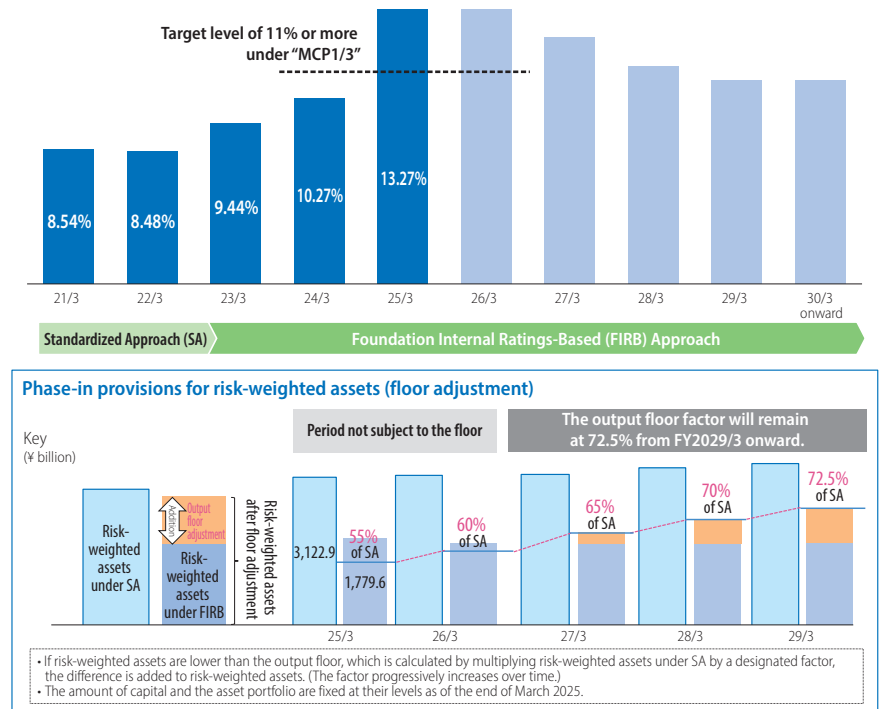
Since the fiscal year ended March 31, 2024, the Bank has been subject to the final implementation of Basel III, and the capital adequacy ratio under this standard was 13.27%.

The capital adequacy ratio increased by 3 percentage points year on year, mainly because the impact of Basel III phase-in provisions on risk-weighted assets, the denominator of the ratio, was greatest in the fiscal year ended March 31, 2025.

Going forward, assuming a constant amount of capital, the capital adequacy ratio is expected to decline through the fiscal year ending March 31, 2029, and remain at a level not significantly above 11%.

The Bank's target for a capital adequacy ratio of 11% or more under the Medium-term Management Plan "MCP1/3" has been set at a level that allows sufficient risk-taking, including boosting lending for growth, while maintaining financial soundness.

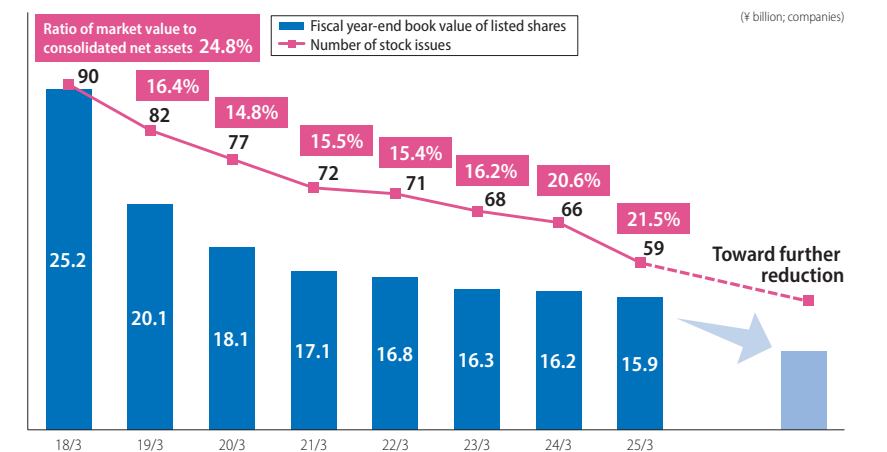
Going forward, the Bank will continue working to exercise control, considering priorities such as expanding risk-weighted assets and enhancing shareholder returns.



Strategic shareholdings

Over the 7 years from the fiscal year ended March 31, 2018, the Bank has reduced strategic shareholdings in 31 companies, by a total of approximately ¥9.3 billion.

The Bank will continue to hold strategic shareholdings on a limited basis following thorough dialogue with each company, only when the purpose of holding such as maintaining stable, medium- to long-term business relationships or contributing to regional economic development, is recognized. The Bank will also strive to reduce strategic shareholdings, setting its sights on a target ratio of 20% in the market value of strategic shareholdings to net assets.



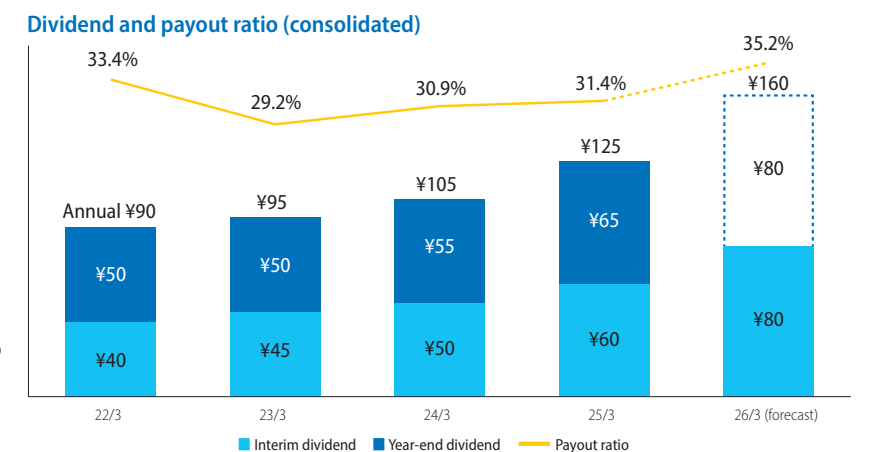
Shareholder returns

The Bank has consistently increased dividends since the fiscal year ended March 31, 2022, and paid a dividend of ¥125 per share for the fiscal year ended March 31, 2025.

For the fiscal year ending March 31, 2026, the Bank plans to pay a dividend of ¥160 per share, marking the fifth consecutive year of dividend increases. This represents an upward revision to the previous dividend forecast of ¥140 per share, which was originally announced in May 2025.

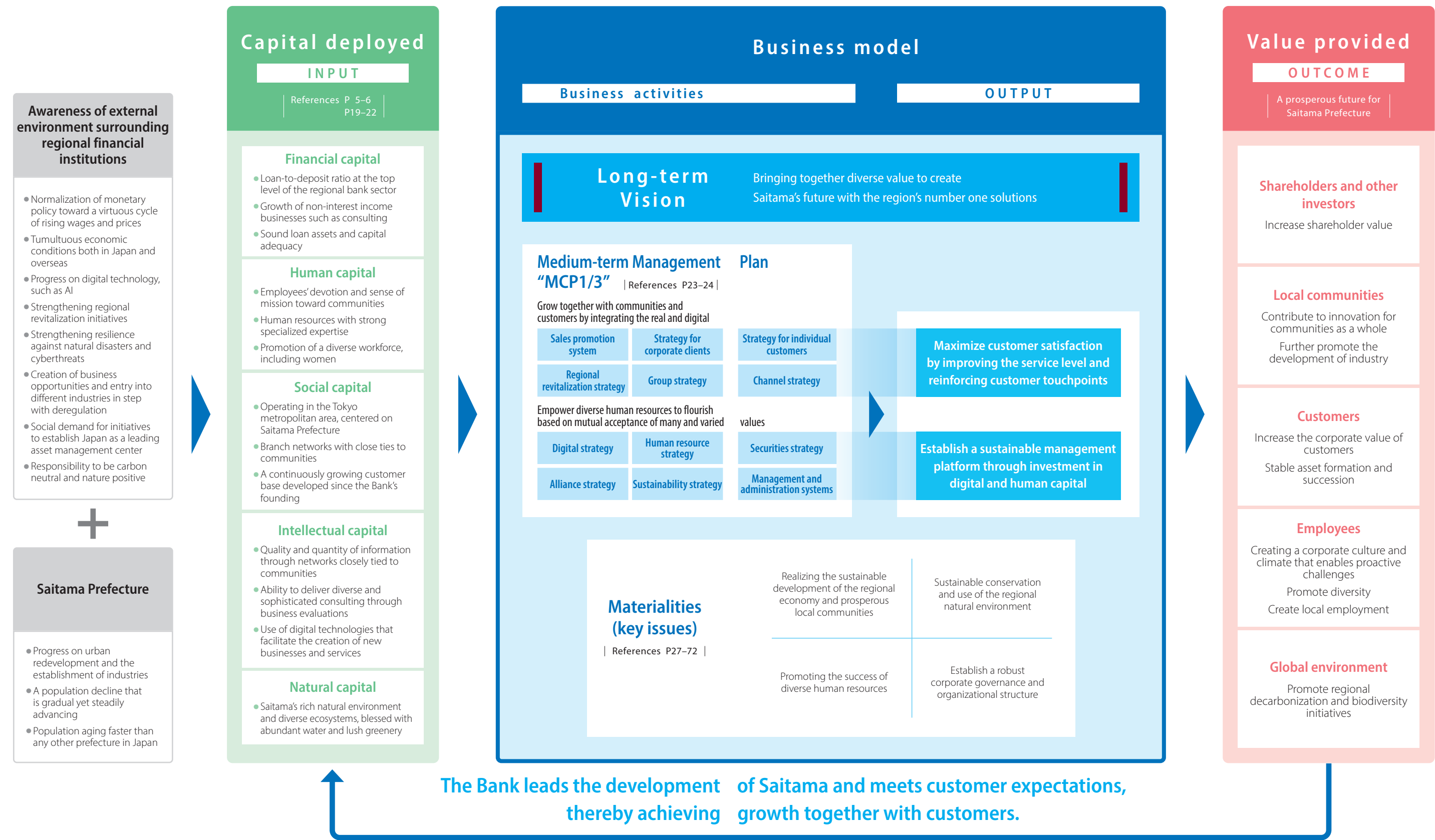
The Bank's basic policy is to pay progressive dividends, targeting a dividend payout ratio of approximately 40% of profit attributable to owners of parent. In addition, the Bank will flexibly repurchase its treasury shares. *

* Announced in the "Notice Concerning Dividends of Surplus (Increase), Revision of Dividend Forecast, and Revision of Shareholder Return Policy" dated November 7, 2025



Musashino Bank's Value Creation Process

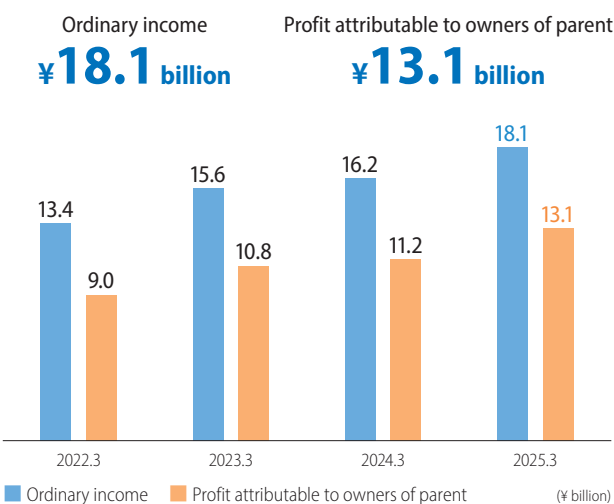
As the environment both in Japan and overseas changes significantly, the Bank will strive to capture the full potential of the Tokyo metropolitan area, centered on Saitama Prefecture, which is the Bank's operational base. Guided by the Long-term Vision of "Bringing together diverse value to create Saitama's future with the region's number one solutions," we will establish a sustainable management platform through investment in digital and human capital, with the goal of continuing to grow as a bank that is essential to customers and communities.



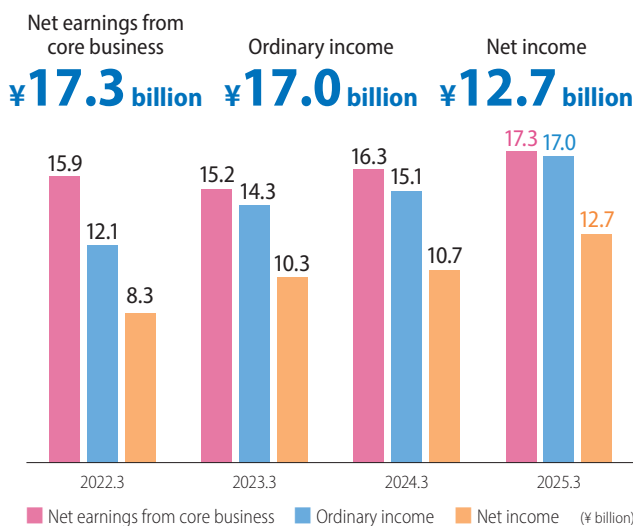
Financial Highlights

Key profit and loss items

Consolidated

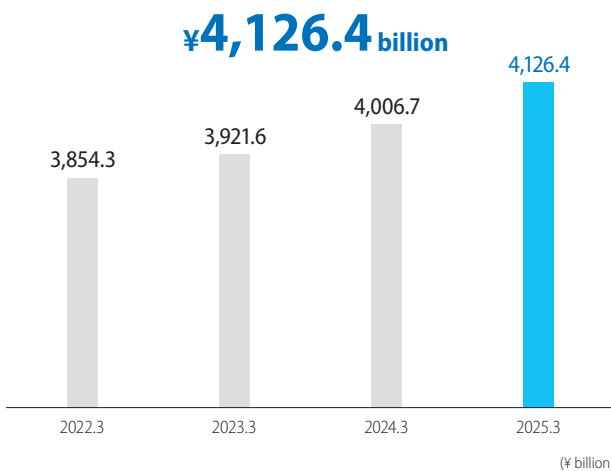


Non-consolidated

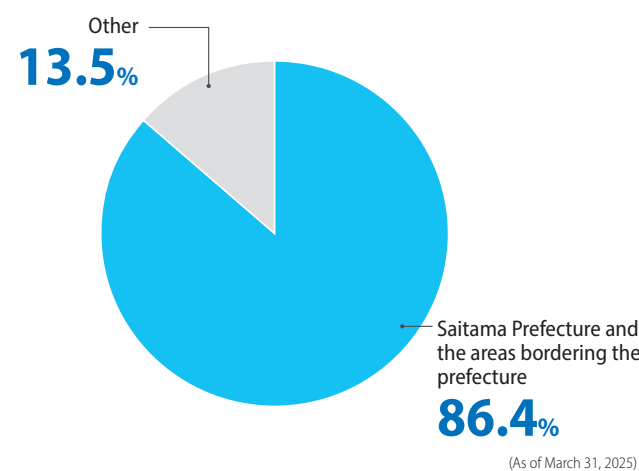


Main accounts

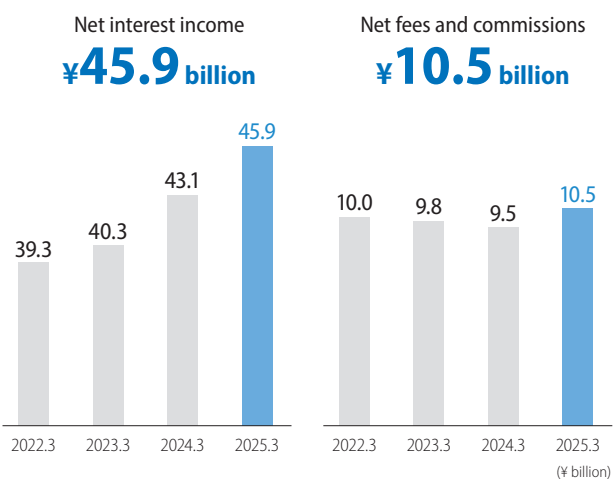
Balance of loans and bills discounted (non-consolidated)



Loans to region

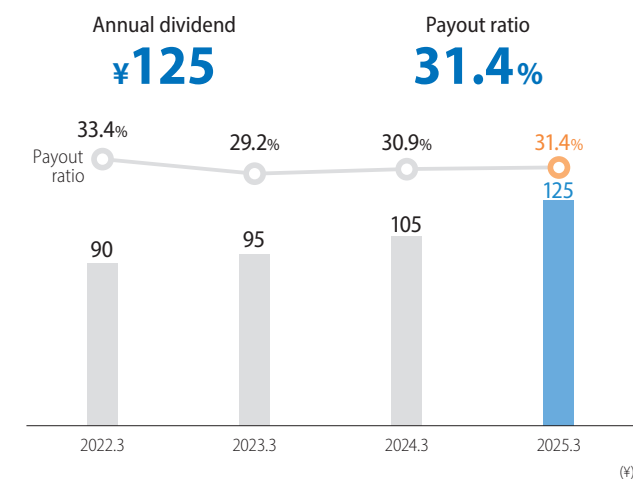


Net interest income and net fees and commissions (non-consolidated)

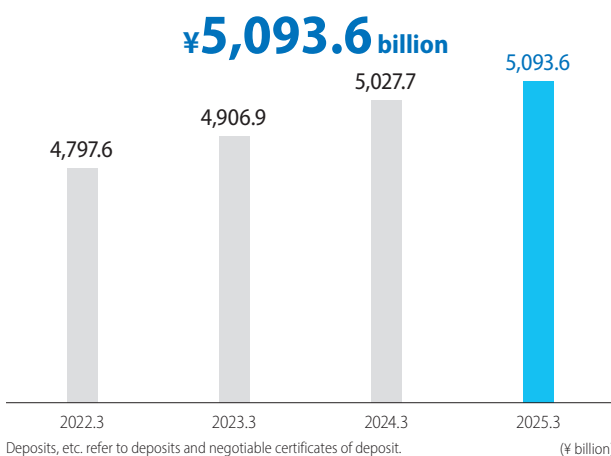


Shareholder returns

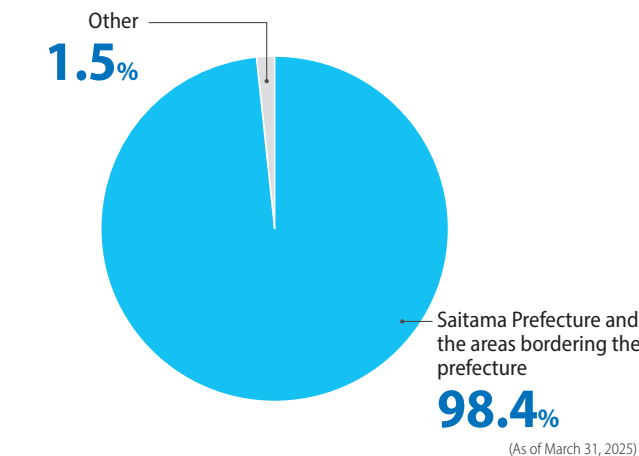
Annual dividend (consolidated)



Balance of deposits, etc. (non-consolidated)



Deposits from region

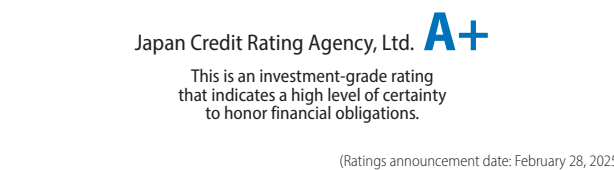


Financial security and soundness

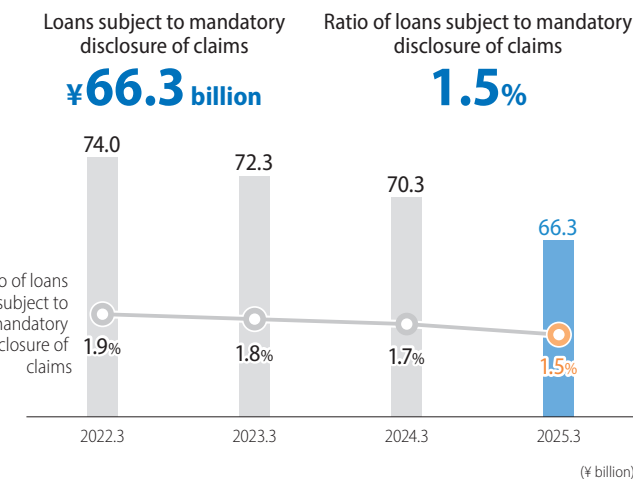
Capital adequacy ratio



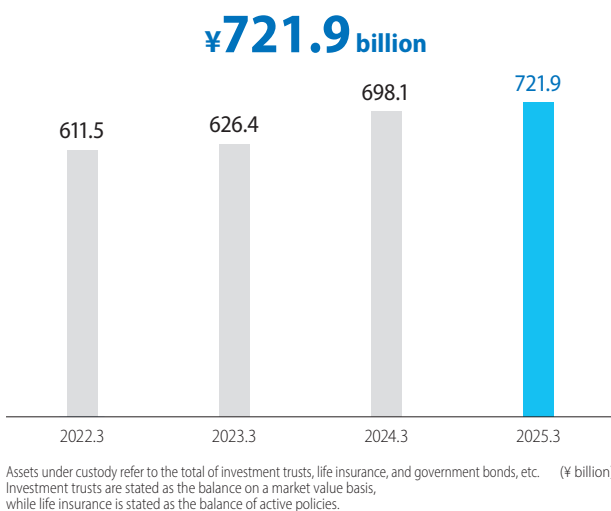
Rating (long-term issuer rating)



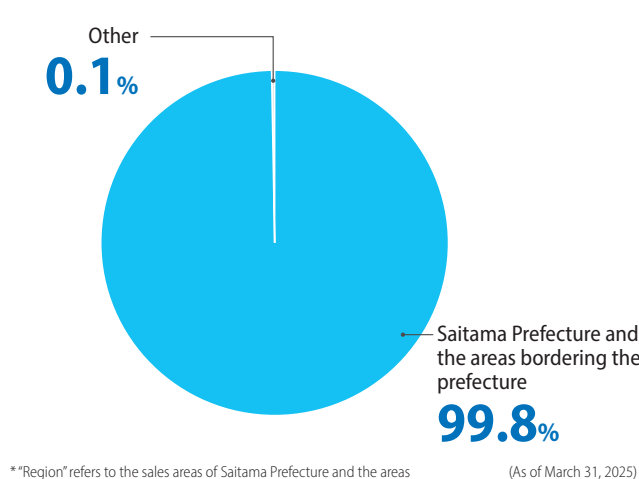
Loans subject to mandatory disclosure of claims under the Financial Reconstruction Law (non-consolidated)



Balance of assets under custody (non-consolidated)



Assets under custody from region

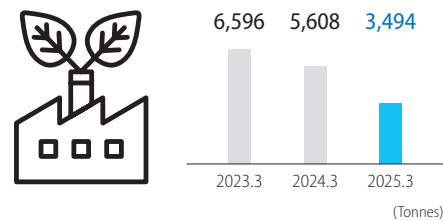


* "Region" refers to the sales areas of Saitama Prefecture and the areas bordering the prefecture (the Kumegawa Branch, Itabashi Branch, Ikebukuro Branch, and Goka Branch).

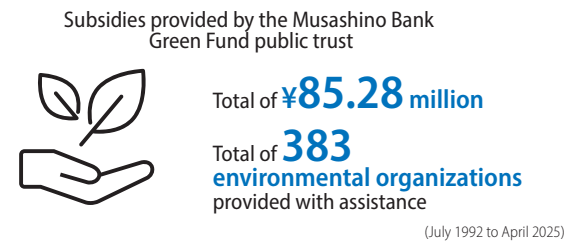
Non-financial Highlights

Environment – Sustainable conservation and use of the regional natural environment –

Greenhouse gas (CO₂) emissions

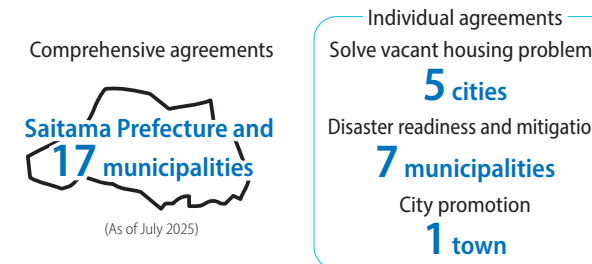


Greening activities



– Realizing the sustainable development of the regional economy and prosperous local communities –

Agreements with local governments



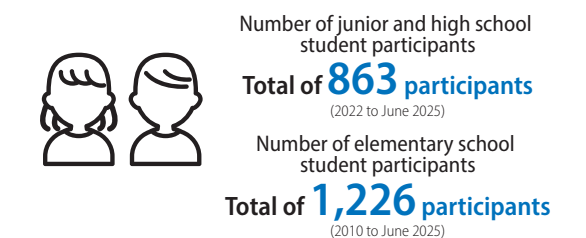
Promoting local attractions



Regional communication and co-creation

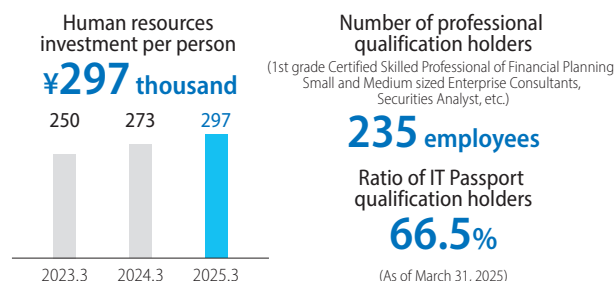


Financial and economic education through “Musashino Mirai Academy”

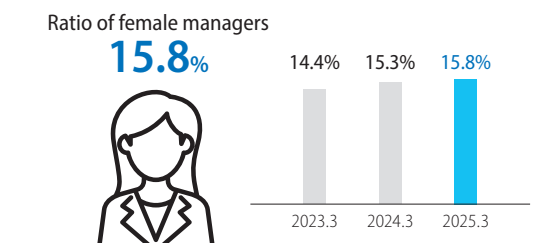


– Promoting the success of diverse human resources –

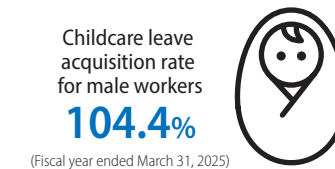
Developing specialized human resources



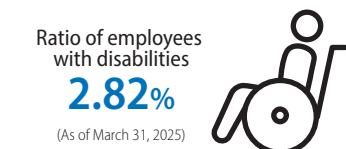
Promoting active roles for women



Creating a childcare-friendly environment

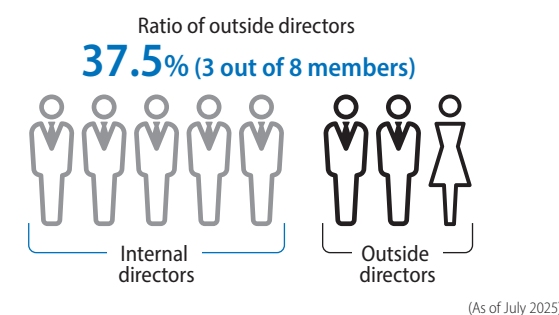


Creating work opportunities for people with disabilities

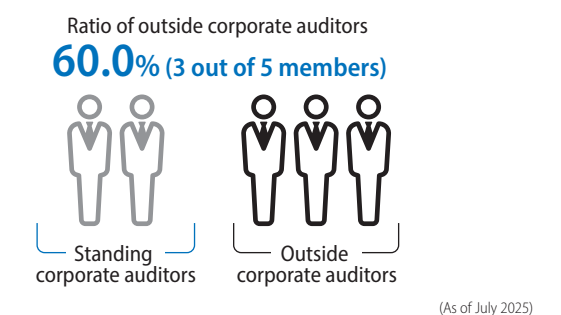


Governance – Establish a robust corporate governance and organizational structure –

Composition of the Board of Directors

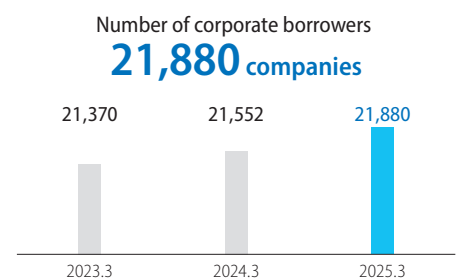


Composition of the Board of Corporate Auditors

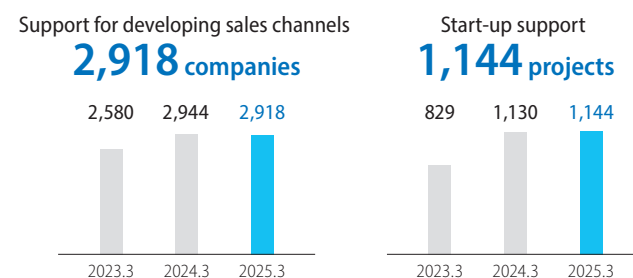


Social – Realizing the sustainable development of the regional economy and prosperous local communities –

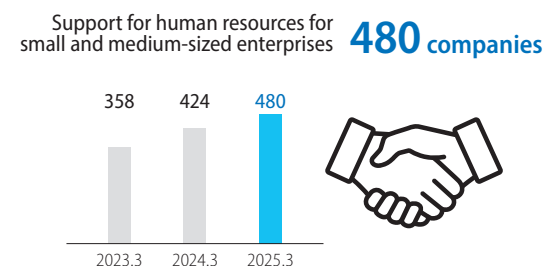
An expanding customer base



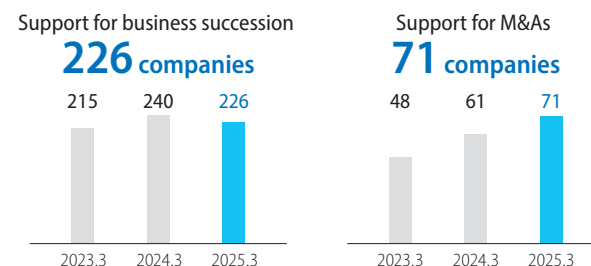
Support for customers' core business activities



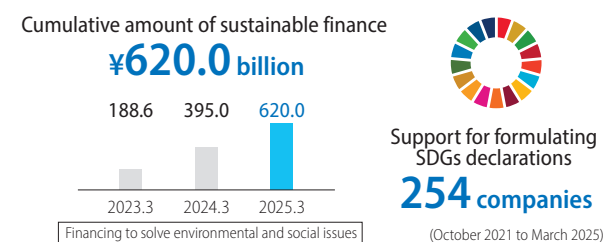
Providing optimal solutions according to growth stage



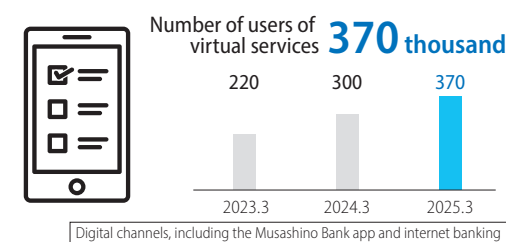
Solving issues such as business succession



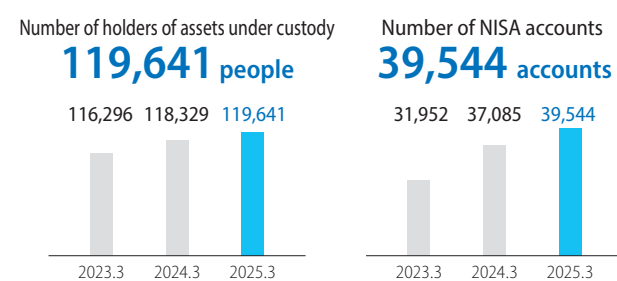
Support for sustainable management



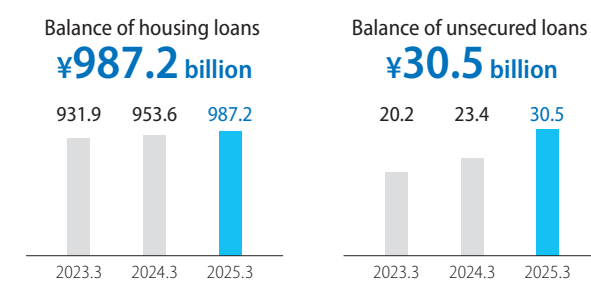
Enhancing customer convenience



Support for long-term, stable asset formation



Provision of loans according to life stage



Long-term Vision and Medium-term Management Plan

In 2023, the Bank formulated its Long-term Vision “MCP (Musashino mirai-Creation Plan)” – “Bringing together diverse value to create Saitama’s future with the region’s number one solutions” – as a management guideline for the next 10 years, and in April 2023 it started the Medium-term Management Plan “MCP 1/3 (One-Third),” which marks the first stage toward realizing the vision. While further accelerating digitalization initiatives, the Bank is working to practice human capital management, including the development of professionals who have strong problem-solving abilities.

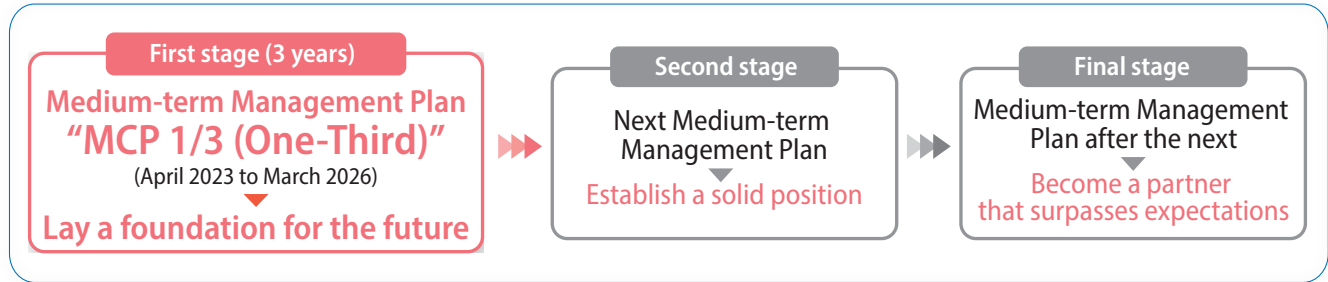
Long-term Vision “MCP (Musashino mirai-Creation Plan)”

Bringing together diverse value to create Saitama’s future with the region’s number one solutions

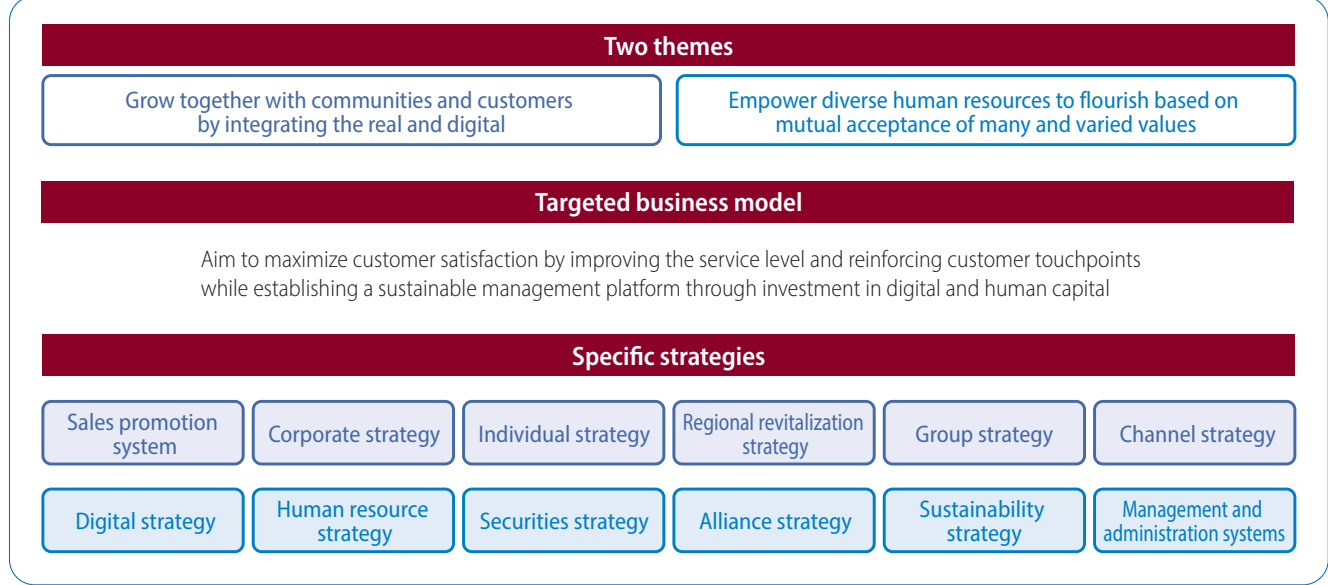
Two basic policies to realize the vision

Basic Policy I	Evolve into a partner that surpasses the expectations of communities and customers	Basic Policy II	Maximize the capabilities of the organization and employees
	<ul style="list-style-type: none">Provide value that exceeds expectations by deeply engaging with customers’ lives and businesses from both financial and non-financial perspectives, and remaining committed to solving their issuesRealize a prosperous future by contributing to the resolution of underlying issues in the community, and supporting the creation and growth of attractive communities		<ul style="list-style-type: none">Establish a highly resilient organization that can address environmental changes as a financial institution essential to communitiesProvide a high level of specialization and diverse work styles in order to enable all employees to share in the joy of working at a banking group and maximize the abilities of individuals

Ten years to realize the vision



Medium-term Management Plan “MCP 1/3 (One-Third)” (April 2023 to March 2026)



► Main measures of the Medium-term Management Plan “MCP 1/3”

Strategy	Main measures
Corporate strategy	<ul style="list-style-type: none">Raise the sophistication of solution-based sales by demonstrating financial intermediary functions and consulting functionsExpand the support menu, such as by beginning the handling of Musashino Human Resource ConsultingRigorously provide continuous support according to business stage, from start-up to business successionSupport venture and start-up companies through initiatives such as the Musashino Fund to Promote Regional CreationStrengthen support for companies seeking to enter overseas markets, primarily the ASEAN region (measures include organizing business meetings in Thailand)
Individual strategy	<ul style="list-style-type: none">Provide optimal consulting based on life planningProactively disseminate information through various seminars, including asset management fairsOffer deposit products and other services tailored to customer needsConduct a loan business that harnesses the market advantages of Saitama PrefectureExpand the lineup of products to meet customer needs, such as Joint Credit Life Insurance with Cancer Cover for users of pair loans (two separate loans for the same property)
Regional revitalization strategy	<ul style="list-style-type: none">Promote regional revitalization in partnership with local governments, companies and othersExpand city promotion initiatives (initiatives include an agreement with Goka Town in Ibaraki Prefecture and holding promotional events in the regional revitalization space at Head Office)Collaboration with local governments to promote the use and increase awareness of the hometown tax donation programConduct unique activities to solve regional issuesCultivate rice and develop and sell processed products through the Agri-Innovation ProjectBuild up the track record of the Bank’s Senary (Sixth-Order) Industry Creation Project
Group strategy	<ul style="list-style-type: none">Demonstrate Group functions leveraging financial and non-financial strengths
Channel strategy	<ul style="list-style-type: none">Expand the staffed branch networkExpand our network to 100 branches by opening the Hamamatsucho BranchImprove the convenience of the virtual channelContinually enhance smartphone app functions, including the implementation of trading functions for investment trusts, NISA, and foreign currency deposits, as well as information distribution services
Digital strategy	<ul style="list-style-type: none">Expand digital investment to create new servicesEnhance productivity and efficiency through digitalization of banking operationsExpand the digital communication platform to all branches to enhance productivity and customer touchpoints
Human resource strategy	<ul style="list-style-type: none">Measures to improve employee engagement and secure human resourcesFully implement the new personnel systemIncrease base pay and the starting salary of new graduate recruitsDevelop human resources that contribute to the growth of customers and communitiesSystematically foster professionalsCreate a corporate culture and climate that nurtures flexible thinking and imaginationHold business idea contests open to participation by all employees to discover new businesses
Sustainability strategy	<ul style="list-style-type: none">Build up measures to realize a sustainable local communityExpand EVs and charging stations and deploy CO₂ offsets through Non-Fossil Fuel CertificatesSupport the sustainability management of local companiesProvide the CO₂ emission measurement tool “C-checker” free of chargeBegan offering green time deposits (investment and financing for renewable energy and ZEH projects)Efforts toward nature positive in collaboration with Ecosystem Conservation Society—Saitama

► Targeted management indicators

	Results for FY2024/3	Results for FY2025/3	Targets for FY2026/3
Net earnings from core business	¥16.3 billion	¥17.3 billion	¥21.7 billion
Profit attributable to owners of parent	¥11.2 billion	¥13.1 billion	¥15.0 billion
Core OHR (consolidated)	69.01%	68.60%	65% or less
Capital adequacy ratio (consolidated)	10.27%	13.27%	11% or more
ROE (consolidated)	4.27%	4.85%	5% or more

Sustainability Management Initiatives

Formulation of the Basic Policy on Sustainability, etc.

In March 2019, the Group formulated and announced the Musashino Bank Sustainable Development Goals Declaration to contribute to achieving the Sustainable Development Goals (SDGs). We have been working to build a system for promoting sustainability management, including endorsing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in September 2021, while also striving to develop sustainable regions through our core business and improve understanding among officers and employees, among other priorities.

Based on the four policies formulated in December 2021 in light of factors such as the revision of Japan's Corporate Governance Code and endorsement of the TCFD recommendations, the Group addresses global issues such as climate change and human rights, as well as responding to decarbonization trends in the domestic and global financial economy. At the same time, we aim to implement even more effective sustainability management.

Name	Overview
Basic Policy on Sustainability	Under its Corporate Philosophy, "working in harmony with the local community it serves" and "maintaining a deep respect toward customers," the Bank aims to achieve stimulation of the local economy and to provide both economic and social value from a medium- to long-term perspective.
Environmental Policy	All of our officers and employees are engaging with the issues of climate change, decarbonization, and biodiversity through business activities, adopting a global perspective while also giving consideration to the local characteristics of the Saitama region.
Investment and Financing Policy	We will avoid financing industrial and corporate sectors that have a negative impact on environmental, social, and economic sustainability.
Human Rights Policy	In all of our business activities, and provision of products and services, we will respect the human rights and diversity of all of our stakeholders.

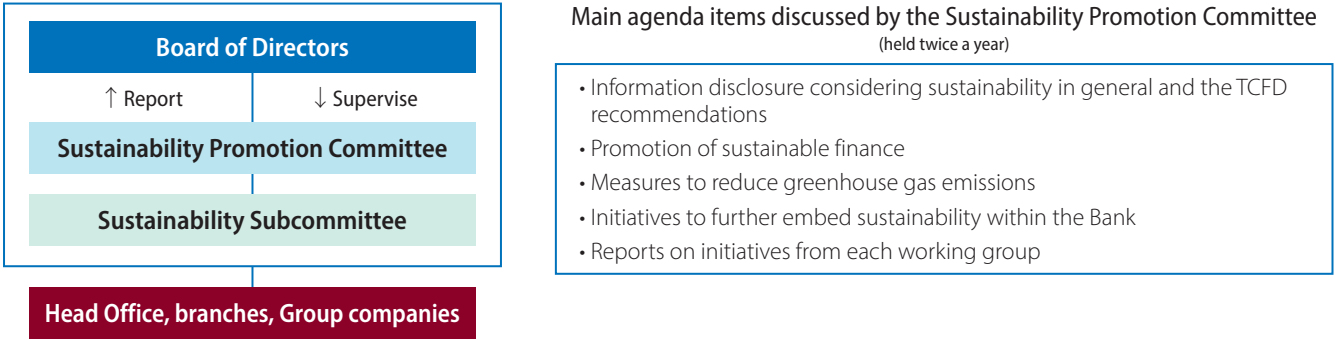
* Please see the Bank's website for the full text of each policy.
<https://www.musashinobank.co.jp/company/sustainability/basic> (Japanese language only)

System for Sustainability Promotion

Governance

The Sustainability Promotion Committee, chaired by the Bank's president, is responsible for the roles of formulating and executing sustainability-related initiatives for the entire Group. The Committee discusses and deliberates the overall direction of sustainability management, specific initiatives, the identification and evaluation of risks and opportunities, and related matters.

In addition, the Sustainability Subcommittee, a subordinate body of the Sustainability Promotion Committee, carries out activities such as formulating plans and managing progress. It reports regularly to the Board of Directors, thereby establishing a framework for the Board of Directors to supervise sustainability-related initiatives.



Management and promotion of cross-departmental initiatives

We have established the Sustainability Promotion Office as a dedicated department responsible for managing and promoting initiatives across the Musashino Bank Group. In addition, three working groups have been formed for each type of sustainability-related issue in an effort to enhance the effectiveness of initiatives.

Revitalization of regional economies <ul style="list-style-type: none">• Support for business partners• Development of products and services, among other initiatives	Revitalization of local communities <ul style="list-style-type: none">• Collaboration with local governments, NPOs, and other partners• Financial and economic education initiatives, among other activities	Environmental and diversity initiatives <ul style="list-style-type: none">• Biodiversity initiatives• Health and productivity management initiatives, among other activities
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Overview of Initiatives

We recognize that the matters to address under the Long-term Vision "MCP (Musashino mirai-Creation Plan)" include maintaining and revitalizing regional industries and employment; responding to the fastest aging society in Japan; supporting the creation of an attractive region and its growth; and strengthening human capital and the management foundation that supports the implementation of management and business strategies. Accordingly, we have established the following Materialities (key issues): 1. Realizing the sustainable development of the regional economy and prosperous local communities; 2. Sustainable conservation and use of the regional natural environment; 3. Promoting the success of diverse human resources; and, 4. Establish a robust corporate governance and organizational structure.

Going forward, while responding to environmental changes, the Bank will continue to enhance its competitive advantages and the value of its presence, building a sustainable management foundation. Concurrently, it aims both to enhance its corporate value and raise the sophistication of sustainability management.

Materialities (key issues)	Initiatives	
Realizing the sustainable development of the regional economy and prosperous local communities	Promoting Locally Rooted Finance P27	Initiatives for Regional Revitalization P33
	• Initiatives related to SME management assistance P27	• Alliances and partnerships with local public entities P33
	• Specific initiatives in the start-up phase P28	• Toward solving regional issues P34
	• Specific initiatives in the growth and stable phases P28	• Initiatives in agricultural fields P35
	• Specific initiatives during periods of transformation P31	Providing Services Closely Attuned to Daily Life P37
	• Track record of promoting locally rooted finance initiatives P32	Further Enhance Services Through Alliances P39
Sustainable conservation and use of the regional natural environment	Initiatives to Address the TCFD Recommendations P40	Reducing Environmental Burden Through Corporate Business Activities P45
	Addressing Biodiversity P44	
Promoting the success of diverse human resources	Practicing Human Capital Management P46	Human Rights P53
	• Long-term Vision "SOU (Sustainable, Only, Unite)" for Promoting the Success of Human Resources P49	
	• Overhaul of Personnel System P49	
	• Human Resources Development Initiatives P50	
	• Initiatives to Develop the Bank's Internal Environment P51	
	• Diversity, Equity, and Inclusion Initiatives P52	
Establish a robust corporate governance and organizational structure	• Employee Engagement Initiatives P52	
	Corporate Governance Structure P54	Risk Management System P63
	Directors, Corporate Auditors, and Executive Officers P59	Compliance Framework P66
	Status of Establishment of Internal Control System P63	Management System for Customer Protection, etc. P67

Realizing the Sustainable Development of the Regional Economy and Prosperous Local Communities

Promoting Locally Rooted Finance

The Bank recognizes the promotion of locally rooted finance as its mission and works to implement the smooth supply of funds to its customers and to provide core business support. In addition, the status of these initiatives is periodically disclosed on the Bank's website and other channels.

Initiatives related to SME management assistance

Policy on initiatives

We recognize that locally rooted finance is our core mission as a bank and have been working to carry it out through initiatives such as implementing the smooth supply of funds and management support.

Furthermore, amid major changes in the economic environment and other conditions, and rising social demands to demonstrate financial intermediary functions, we strive to follow the basic policies shown on the right to provide more appropriate and finely tuned support in line with customers' growth stage.

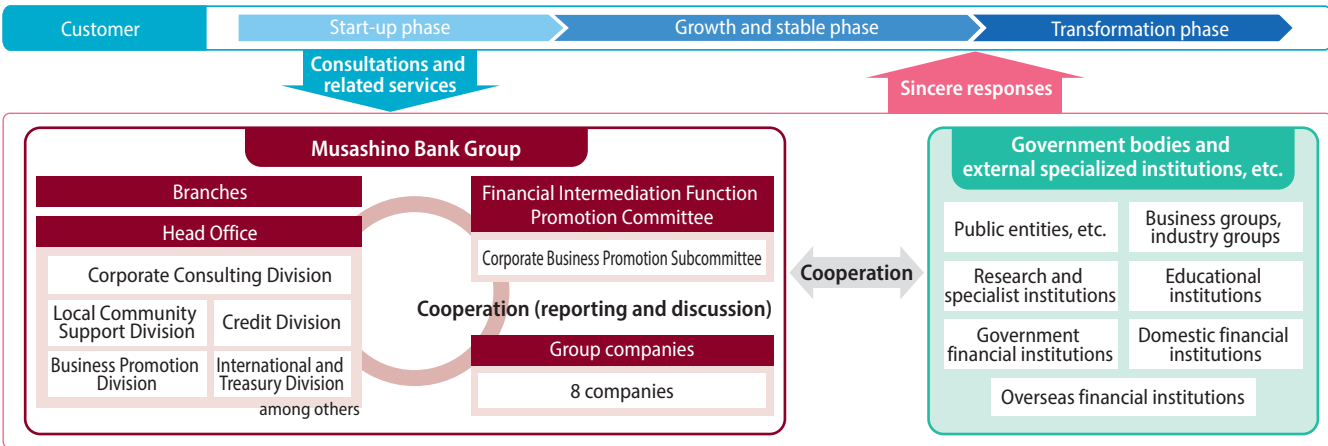
Guided by these policies, we are systematically and continuously promoting a variety of initiatives to support customers' business management.

Basic policies

1. Demonstrate financial intermediary functions
 - Ensure the smooth supply of funds to the region
 - Support the growth of client companies
2. Demonstrate consulting functions
 - Solution-based sales tailored to customers' life stage
 - Lending approach not overly reliant on collateral and guarantees
 - Continuous initiatives to streamline financing
3. Actively engage in regional creation and revitalization
4. Actively share information with the region

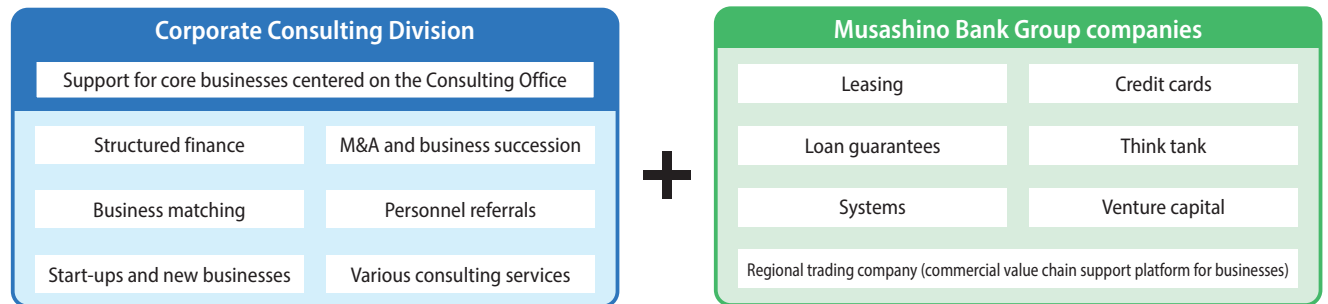
System development status

The Bank provides solutions tailored to customers' overall management issues in line with their growth stage. At the same time, it demonstrates consulting functions while cooperating with external specialized institutions and other partners as needed, thereby providing finely tuned support.



Strengthening consulting functions

The Bank has long worked as one with its branches, Head Office and Group companies to demonstrate consulting functions in both financial and non-financial fields. To further strengthen these functions, the Bank realigned its Head Office organization in April 2024, establishing a system centered on the Corporate Consulting Division, and is working to solve a variety of issues faced by companies and business owners.



Specific initiatives in the start-up phase

Support for start-ups and new entries

The Bank provides detailed support through close cooperation between our support team for start-ups and new entries in our Head Office and branches to assist start-ups and newly established companies.

Moreover, the Bank regularly holds consultation sessions in cooperation with Saitama Yorozu Support Center (one of a nationwide network of government-established management consulting offices to address various management concerns of small and medium-sized enterprises) where dedicated staff provide support for issues faced at the time of founding or when starting a business, such as formulating business plans and expanding sales channels. Furthermore, in collaboration with Japan Finance Corporation, the Bank also holds seminars that provide hints for business expansion and networking events for business owners.

Offering the Musashino Business Start-Up Support Loan and the Musashino Business Start-Up Support Service Pack

Support for various subsidy applications

Collaboration with Credit Guarantee Corporation of Saitama and Japan Finance Corporation

Collaboration with Saitama Yorozu Support Center

Referrals to support services provided by public institutions

We have established a Start-Up Support Desk to respond to consultations and inquiries.

TOPICS Start-up and innovation support in collaboration with Saitama Prefecture

The Bank actively supports the operation and activities of Shibusawa MIX, an innovation hub that opened in July 2025. In March, the Bank invested in the Saitama Prefecture Shibusawa MIX Innovation Creation Support Fund in collaboration with Saitama Prefecture and financial institutions in the prefecture. The Bank is also engaged in initiatives such as holding Shibusawa MIX-related events at its Head Office and supporting Shibusawa MIX through SDGs private placement bonds.



Specific initiatives in the growth and stable phases

Strengthening the system for core business support

The Bank's Head Office, centered on the Consulting Office, which is a specialized organization for supporting core business, and branches work together to share customer needs through dialogue with business owners and provide comprehensive support to solve various management issues.

Using business evaluation charts and business evaluation tools in conjunction with i Connect Partners, Inc., the Bank accurately grasps the management issues and potential needs of individual companies in order to further enhance core business support.

Offering a variety of financing methods

The Bank proposes various financing methods, including project financing that provides funding with a focus on the cash flow of a business, private placement bonds that result in improving the corporate image of a company conducting fund procurement, and Asset-Based Lending (ABL) that makes use of the customers' product inventory, accounts receivable, and other assets.

• Syndicated loans

We are working to supply funds using the syndicated loan method, which seeks to diversify procurement methods and implement financial rationalization through a cooperative financing group formed by several financial institutions.

We are also working to arrange syndicated loans that leverage regional bank alliance networks based on the Chiba-Musashino Alliance and the TSUBASA Alliance.

• SDGs private placement bonds

We are offering the SDGs Private Placement Bond "Mirai no Chikara," which, in conjunction with the issuance of private placement bonds, allows the equivalent of 0.2% of the issue amount to be donated or gifted to local schools, social welfare facilities, environmental funds, and other recipients.

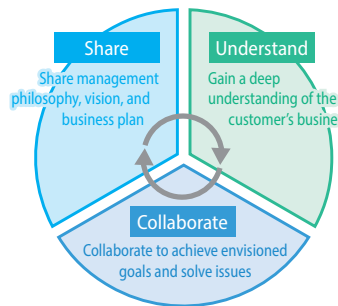
Consulting services to help solve issues

We have arranged a variety of consulting services to assist corporate clients in solving management issues and undertaking new business development.

Development of business plan

Preparation of business continuity plan

Use of subsidies



Helping to solve human resources issues

● Personnel referral service

We provide optimal personnel referrals that contribute to corporate clients' priorities such as business expansion and new business development initiatives. We have expanded operations to support job seekers, and have created a system for fulfilling the needs of both corporate clients and job seekers on a one-stop basis.

● Employee satisfaction (ES) diagnosis service

We offer consulting services that diagnose employee satisfaction (ES) at client companies and help enhance engagement and corporate value.

● Human resource system consulting

We provide tailored support for the establishment of systems suited to the characteristics of each company's corporate culture, business, and job categories, including job grade systems, wage systems, personnel evaluation systems, and target management systems.

Business matching

We introduce optimal business partners in response to client companies' needs by leveraging our proprietary network. (business alliances with 238 companies as of June 2025)

Commercial value chain support platform



The Bank's wholly owned regional trading company Musashino Mirai Partners provides continuous support across the entire commercial value chain, from planning and development to branding and sales, using crowdfunding and an e-commerce site, with the aim of raising awareness of client companies' outstanding products and other offerings among many more people.

IBUSHIGIN purchase-type crowd funding service

As a platform that connects businesses and supporters, IBUSHIGIN provides opportunities for test marketing of new products and services, promotion, and building a fan base.



E-commerce site: IBUSHIGIN official store

This e-commerce site conducts year-round sales of popular products and services previously offered on IBUSHIGIN. It also arranges gift catalogs featuring carefully selected store products for gift-giving.



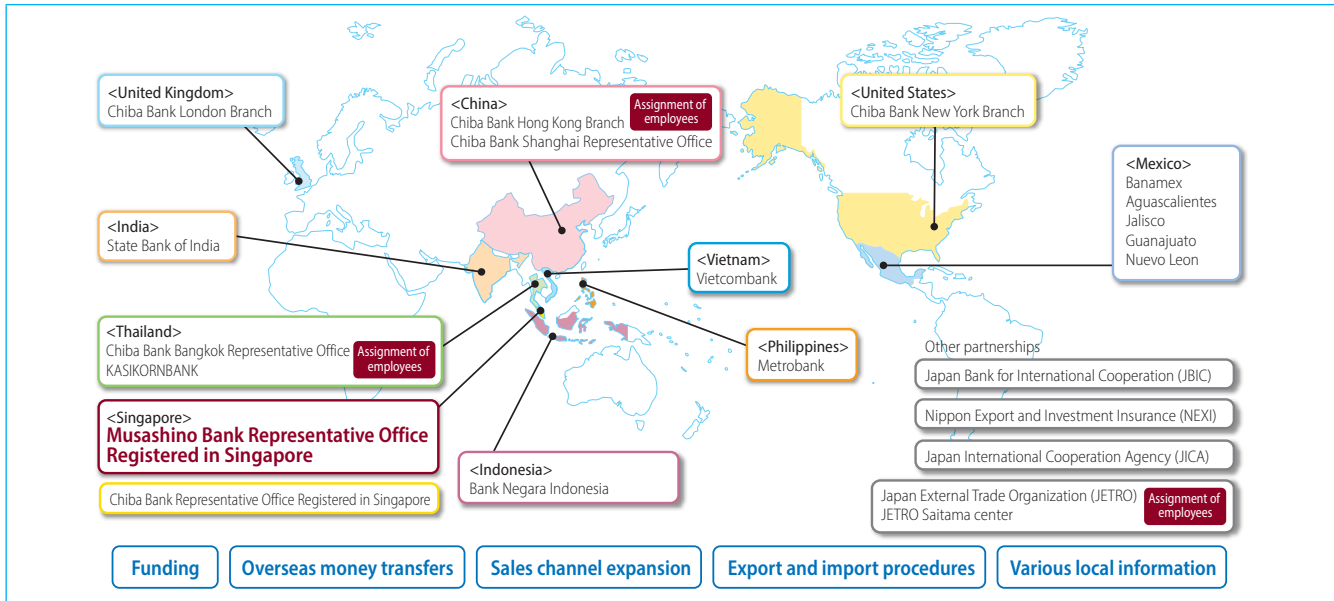
Using public assistance systems

As a "Management Innovation Support Institution" certified by the Kanto Local Finance Bureau and the Kanto Bureau of Economy, Trade and Industry, the Bank provides support in collaboration with government agencies and related organizations to help solve management issues faced by small and medium-sized enterprises and others. In addition, under the Price Pass-Through Supporter System established by Saitama Prefecture, more than 1,000 Bank employees work to provide effective assistance as supporters, including ongoing information sharing and efforts to promote price pass-throughs.

Support for overseas expansion

● Collaboration and cooperation network

We set up a Representative Office Registered in Singapore to support corporate clients' overseas expansion and business development and address local demands in a flexible manner. Moreover, we provide detailed support through our overseas network based on collaboration and cooperation.



Collaboration with public institutions

In collaboration with Japan External Trade Organization (JETRO), Japan International Cooperation Agency (JICA), and other organizations, the Bank supports corporate clients in overseas expansion and sales channel development and jointly holds seminars for clients to introduce overseas market trends and successful case studies.

Initiatives in the medical and welfare field

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 Musashino Medical Partner, a lending product for medical institutions, the Bank holds seminars for medical institutions and social welfare corporations on themes such as responding to regulatory changes and business transformation through the introduction of ICT.

In addition, the Bank actively provides support by utilizing various consulting functions, including business succession, M&A, and personnel referrals.

Support for productivity enhancement using digital technology

● ICT consulting

The Bank offers consulting services that help client companies address management issues, such as productivity enhancement, through digitalization and the deployment of IT tools.



● Digital Engineering Academy

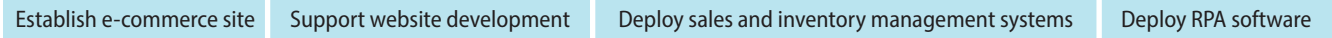
In collaboration with the Research Institute of Industrial Technology at Toyo University, we continuously hold the Digital Engineering Academy, a series of courses providing continuous support for digitalization in the manufacturing sector.

We offer hands-on training using M5Stack, an intelligent device gaining attention for enabling low-cost IoT implementation, along with courses on low-code tools, integration with communication apps, and other topics. We also hold events such as tours of factories that have achieved productivity enhancements, helping participants to solve production-site issues using digital technology.



● Business matching with digital solution providers

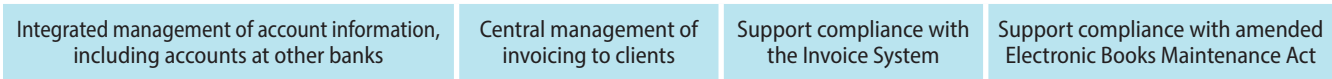
We provide referrals to digital solution providers that are well suited to the management issues faced by client companies.



Provide services that lead to improved operational efficiency

● Cloud service Mikatano Series

We provide the Mikatano Series, a cloud service that supports compliance with the Invoice System, the amended Electronic Books Maintenance Act, and other related regulations.



Mikatano Series is a service offered by Money Forward, Inc.

● Cashless merchant services

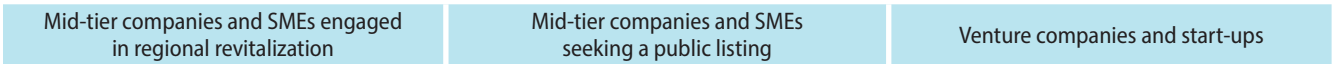
The Bank supports improved operational efficiency by providing multi-payment terminals capable of handling various types of cashless payments with a single device, and by building systems integrated with POS registers.



Investment-based funding support: Musashino Fund to Promote Regional Creation

Since 2024, we have established the Musashino Fund to Promote Regional Creation No. 2 Investment Business Limited Partnership, a fund totaling ¥0.5 billion. By offering investment-based funding, the Bank provides continuous support to local companies that aim to list their shares over the medium to long term.

● Main companies targeted for investment



● Track record of support

The Bank provides support to venture companies and start-ups that offer innovative services that help to solve social issues.

Main supported companies

Legmin inc.
(Fukaya City)

Development and sale of agricultural robots using cutting-edge technology

SPACER Co., Ltd.
(Chuo-ku, Tokyo)

Development, manufacturing, and sale of SPACER smart lockers

CoCooking Co., Ltd.
(Higashimatsuyama City)

Development and operation of the TABETE food sharing app

Terra Charge Corporation
(Minato-ku, Tokyo)

Installation, operation and maintenance of EV charging stations

BYWILL Inc.
(Chuo-ku, Tokyo)

Creation support and trading of environmental value (J-Credits, etc.)

➤ Specific initiatives during periods of transformation

Support for business succession

We have arranged unique consulting services to offer comprehensive support to address concerns such as succession issues, business succession, and diversification. We also provide support in coordination with specialist institutions.

● Musashino Business Succession Support

We formulate plans in line with the intentions and circumstances of each company to resolve important issues such as concerns regarding successors and the timing and method of share transfers, and to ensure smooth business succession.

Absence of successor	Expansion of business fields	Transfer of company shares	Business succession measures
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● Joint funds that support smooth business succession

The Chiba-Musashino Alliance No. 2 Investment Business Limited Partnership, a joint fund established in 2022 with Chiba Bank with a total of ¥2.0 billion, supports client companies in ensuring smooth business succession by temporarily holding shares.

Secure funds for stock buybacks by successors	Secure funds for paying inheritance tax	Provide ample time for preparations such as selling the business to third parties through M&A	Secure funds for share acquisition other than borrowing from financial institutions
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Support for M&A

We offer corporate clients optimal proposals for their future in collaboration with Nihon M&A Center Inc., the Saitama Prefectural Business Succession Support and Transfer Center, and others.

● M&A support services

We have arranged a menu of services including collecting information on M&A, matching with counterpart companies and coordinating interests, providing negotiation support, and giving advice on practical aspects.

● Placement of M&A Senior Expert qualification holders at all branches

To properly address issues such as the aging of business owners and the shortage of successors, the Bank has placed M&A Senior Expert qualification holders, the highest qualification in business succession and M&A, at all branches.

Other support services

The Bank provides specialized support, including the formulation of management improvement plans, for the management improvement and business revitalization of client companies.

Management improvement support and business revitalization support – plan formulation, etc. –	Support through funds • Chiba-Musashino Partner Fund • Wide-area restoration support fund	Support in cooperation with external institutions and experts
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➤ Initiatives to address business owner guarantee guidelines

To actively contribute to the further growth of small and medium-sized enterprises, smooth business succession, and related goals, the Bank works to ensure compliance with and promote the use of business owner guarantee guidelines. In addition, the Bank strives to enhance each employee's understanding of the guidelines to help embed and firmly establish them in lending practices as part of its implementation of locally rooted finance.

➤ Track record of promoting locally rooted finance initiatives (data collection)

Strengthening relations with customers

While making the most of face-to-face relationships with customers, the Bank is working on solving a variety of issues.

	March 2023	March 2024	March 2025
Number of solution proposals based on business evaluations	10,760 cases	14,165 cases	14,532 cases
Number of corporate borrowers	21,370 companies	21,552 companies	21,880 companies
Loan balance for mid-tier companies and SMEs	¥1,686.2 billion	¥1,735.2 billion	¥1,755.9 billion
Number of digitalization support recipients	57 companies	52 companies	145 companies

Providing optimal solutions in line with the corporate lifecycle stage

The Bank provides optimal solutions in a finely tuned manner in line with the growth stage of each company.

	March 2023	March 2024	March 2025
Number of start-ups the Bank was involved in	829 cases	1,130 cases	1,144 cases
Number of recipients of sales channel development support	2,580 companies	2,944 companies	2,918 companies
Number of recipients of human resources support for SMEs	358 companies	424 companies	480 companies
Number of recipients of business succession support	215 companies	240 companies	226 companies
Number of M&A support recipients	48 companies	61 companies	71 companies

Strengthening consulting using business evaluations

Along with using business evaluations, the Bank strives to promote lending that does not overly rely on collateral and guarantees and to strengthen management support, while complying with business owner guarantee guidelines.

	March 2023	March 2024	March 2025
Number of borrowers based on business evaluations	8,879 companies	9,389 companies	9,685 companies
Share of loans using business owner guarantee guidelines (Share of new loans not relying on business owner guarantees)	46.7%	57.6%	66.8%

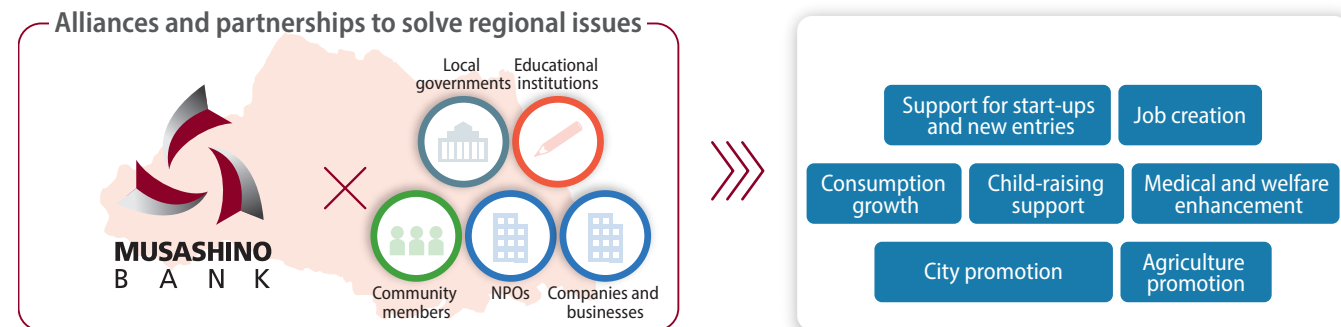
Support for sustainability management

The Bank supports client companies' sustainability management through finance and consulting.

	March 2023	March 2024	March 2025
Amount of sustainability-related loans executed	¥165.2 billion	¥206.4 billion	¥213.1 billion

Initiatives for Regional Revitalization

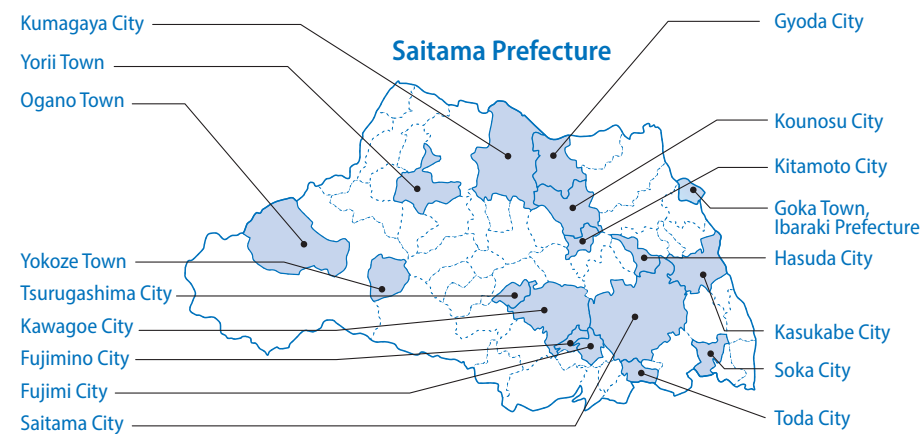
Recognizing that initiatives for regional revitalization are one of its top priorities, the Bank not only supports the initiatives of local public entities, but also, as a proactive participant, will continue to actively strive to collaborate with government agencies, companies, NPOs, educational institutions and others to solve a variety of regional issues and create new value.



► Alliances and partnerships with local public entities

The Bank is promoting alliances and partnerships with local public entities to promote regional revitalization and enhance services for residents, carrying out a variety of initiatives.

Signing of comprehensive alliance agreements
Saitama Prefecture and 17 cities and towns
(As of July 2025)



TOPICS Signing of Comprehensive Alliance Agreement with Goka Town in Ibaraki Prefecture

Goka Town in Ibaraki Prefecture, adjacent to Saitama Prefecture, is a municipality with overlapping economic and living spheres in both prefectures and other shared aspects. The Bank has served as the town's designated financial institution since 1994. Under a comprehensive alliance agreement signed in April 2025, the Bank is working on promoting tourism, enhancing services for residents, and other initiatives. Currently, it is aiming to commercialize the town's local gourmet products.



Shin Ibaraki fried soba

► Promoting transactions with local public entities

The Bank works on promoting transactions with local public entities and other groups, and on enhancing consulting activities, conducting transactions with all municipalities in Saitama Prefecture.

Designated financial institution	Yokoze Town; Asaka area partly administrative association; Asaka Wako Resource Recycling Association; Soka Yashio Koiki Fire Department; Goka Town, Ibaraki Prefecture
Designated financial institution managing overall public fund receipt and payment operations	Handling of public funds administration entrusted by the Saitama Prefecture Sewerage Bureau
Designated agent financial institution	Saitama Prefecture, Saitama City, Asaka City, Hidaka City, Satte City

► Regional revitalization consortium

The Bugin Regional Revitalization Consortium was established to promote regional revitalization through collaboration among industry, academia, government, and finance. The consortium strives to exchange information and share expertise to solve a variety of issues and create new businesses.

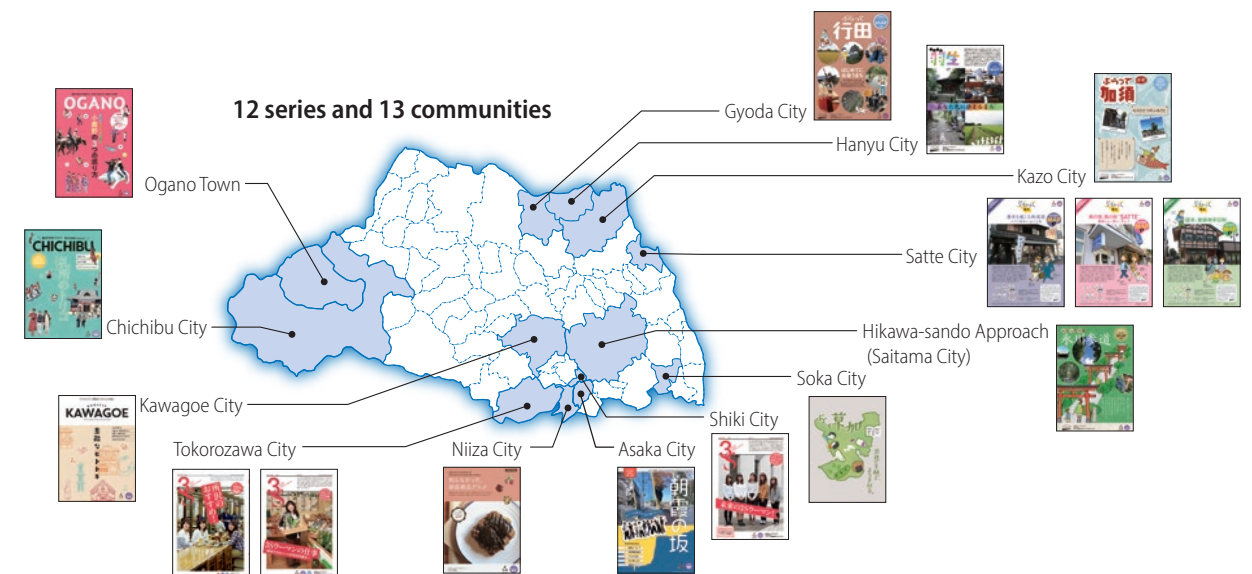
► City promotion initiatives

The Bank is working to communicate the appeal of various regions in order to address the challenges faced by local public entities in increasing an interacting population of those who temporarily visit or interact with a region; a connected population of those who have a long-term connection with a region but do not reside there; and the resident population, along with contributing to sustainable regional development and revitalization.

In 2024, the Bank signed an alliance agreement on city promotion with Ranzan Town. Under the agreement, we have been taking steps such as sharing information about the town nationwide.

Local newsletter "Bratte Series"

Since 2007, in collaboration with Rikkyo University, the Bank has regularly produced the "Bratte Series" of town walking maps that reflect students' perspectives and ideas, with a view to achieving regional revitalization through tourism.



Initiatives related to the hometown tax donation program

The Bank regularly holds the Hometown Tax Donation Program Study Group for staff of Saitama Prefecture and its municipalities to promote the use of the hometown tax donation program and strengthen related initiatives, thereby helping to highlight local appeal and increase recognition. In addition, the Bank organizes events to share information on attractive return gifts from within the prefecture.

Furthermore, under the corporate version of the hometown tax donation program, the Bank is also pursuing initiatives such as matching municipalities and companies.



A seminar on utilizing the corporate version of the hometown tax donation program

► Toward solving regional issues

Support for solving vacant housing problems

To solve vacant housing problems, the Bank holds seminars for residents in collaboration with local governments in Saitama Prefecture and Crassone Co., Ltd. and provides funding support through a special loan for utilizing vacant housing.

Local government partners

Asaka City, Hanno City, Kumagaya City, Saitama City, Sakado City (listed in alphabetical order)

Partnership with NPOs

To provide comprehensive support to NPOs that play an important role in building vibrant regional communities, the Bank is working with Saitama Prefecture under the Agreement on Cooperation on the Creation of Mutual-help Communities to solve various issues.

Support for crisis response to events such as natural disasters

Support for disaster readiness initiatives

- In collaboration with local governments in Saitama Prefecture, the Bank supports efforts such as providing information to residents in order to help create safe and secure communities.
- In addition, the Bank provides rescue hotels during natural disasters in collaboration with DEVELOP Co., Ltd.

Local government partners

Higashimatsuyama City, Kawaguchi City, Kazo City, Soka City, Sugito Town, Toda City, Yoshimi Town (listed in alphabetical order)

Providing the Head Office building as a temporary accommodation facility for people who have difficulty returning home

Based on an agreement with Saitama City, the Bank is to accept 200 people who have difficulty returning home in the event of a major disaster. It is working on initiatives to improve its response capabilities in emergencies, including conducting joint training exercises with Saitama City and businesses around Omiya Station.

- Provide supplies such as food, drink, and blankets
- Provide access to facilities such as toilets and running water

Initiatives in collaboration with community groups

The Bank regularly shares information on the importance and potential of the roles of cafeterias providing meal assistance for children as community hubs during disasters. These initiatives include assisting with events focused on the theme of food and community bonds during disasters.



Rescue hotel serving as temporary accommodation during disasters (mobile container rooms)



Large conference hall for accepting people having difficulty returning home



Joint training exercise



Disaster readiness awareness event in collaboration with a cafeteria providing meal assistance for children

Initiatives in agricultural fields

We offer solutions that are unique to a regional bank, such as supporting new entrants into agriculture from other industries, with efforts led by a dedicated team specialized in the agriculture sector.

Support for new agriculture businesses and entrants from other industries	Funding (specialized loan products)	Support for management innovation through seminars and other events
Business matching to expand sales channels	Support for new product development using locally produced goods	Implementation of projects to solve agricultural issues in the prefecture

Musashino Agri-Innovation Project

Since 2023, the Bank has launched the Musashino Agri-Innovation Project as a new initiative in the agriculture sector. We aim to solve a variety of issues around agriculture in Saitama Prefecture based on the expertise and knowledge we gain from activities such as rice cultivation and the development of processed products.



Regional issues	
• Reduce fallow land • Introduce smart agriculture • Increase the number of people working in agriculture • Encourage the spread of organic farming	• Promote local production for local consumption • Create local specialty products • Develop brands • Promote corporate entry into agriculture



Rice cultivation

Through rice cultivation in collaboration with local producers, we take on challenges such as cultivating climate change-resilient varieties and utilizing new technologies, with the aim of cross-applying problem-solving methods across the sector.



Drone utilization

Development of processed products

The Bank aims to develop a variety of processed products while feeding back the insights and knowledge gained in the process to the production sites.



Musashino junmai ginjo sake (premium pure-rice sake), made from a rice variety resilient to hot weather

Toward the creation of new industries: the Minuma Tambo “Wheat” Senary (Sixth-Order) Industry Creation Project

We started the Minuma Tambo “Wheat” Senary (Sixth-Order) Industry Creation Project, aiming to create a new industry and revitalize wheat production at Minuma Tambo in Saitama City. The project has been working in collaboration with businesses, government, and educational institutions, steadily building up a track record in “sixth-order” industrialization, where producers create new value by combining farming, processing, and distribution. To date, products developed using the project’s harvested wheat include craft beer, bagels, and udon noodles.



TOPICS Toward promoting local production for local consumption

The wheat and rice harvested in the Minuma Tambo “Wheat” Senary (Sixth-Order) Industry Creation Project and the Musashino Agri-Innovation Project are also donated to cafeterias providing meal assistance for children and used in hands-on cooking classes. The harvested wheat and rice help to expand food support for children and create opportunities for food education, where participants learn about the importance of local production for local consumption.



Boxed lunches made with harvested rice were supplied at an event held by a cafeteria providing meal assistance for children.

Support for the elderly (active seniors) by a regional trading company

Musashino Mirai Partners, a regional trading company, is engaged in non-financial activities that extend beyond the scope of traditional banking operations, with the aim of addressing challenges and problems faced by community members and contributing to the revitalization of the economy and society.

The Sai Hakken fee-based membership service is designed to address the problems that the elderly, including active seniors, encounter in their daily lives and to offer them experiences that are enriching and meaningful to their lives.



Use

- Everyday problems are solved through such means as housework services and garden care.
- Experiences that enrich daily lives are offered, such as food-related activities and hobbies.

Receive

Carefully selected premium items are delivered from Saitama Prefecture twice a year.



Participate

Events are held for members.

- Healthy exercise class
- Smartphone class
- Healthy mah-jongg class
- Photo contest

Initiatives to support manufacturing

For clients in the manufacturing sector who have management issues such as improving operational efficiency and responding to carbon neutrality, the Bank supports solving these issues through collaboration with external institutions. It also regularly holds programs such as the Bugin Monozukuri Management Course, which aims to strengthen the competitiveness of Saitama Prefecture’s manufacturing sector, and the Digital Engineering Academy, whose theme is the digitalization of production sites.

Main institutional partners

- IT Coordinators Association
- Saitama Industrial Promotion Public Corporation
- Saitama Prefecture DX Promotion Support Network
- Saitama Yorozu Support Center, among others

Support through an industry-academia-government alliance

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

University partners and their main specialist fields

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

Providing Services Closely Attuned to Daily Life

Support for the era of 100-year life expectancy

As a lifelong partner for customers, we arrange services tailored to their life stages, including loans, asset formation, and asset succession.

Enhancing the lineup of loan products

We offer a full lineup of loan products, including housing loans and loans tailored to specific purposes, such as car purchases and educational funds.

In addition, we also arrange products that contribute to building sustainable local communities, including the sustainable housing support plan for buyers of eco-friendly homes, and a special loan for utilizing vacant housing, which can be used to fund purchases, renovation, and dismantlement of vacant homes and other related activities.

Home purchase	Home renovation	Vacant house utilization	Car purchase	Educational funds	Multi-purpose funds
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Support for sustainable housing

Sustainable housing support plan

We provide housing loan plans for customers purchasing and building eco-friendly homes.

Extensive group credit life insurance plans

Joint Credit Life Insurance with Cancer Cover

In addition to Group Credit Life Insurance with Cancer Cover and Group Credit Life Insurance with Eight Specified Diseases Cover, we offer a new plan for customers using pair loans (two separate loans for the same property).

Supporting stable asset formation

We support long-term, stable asset formation for customers.

To realize the best interests of our customers, we make every effort to propose products and services suited to each customer's life plan. At the same time, we provide ongoing follow-up, including information sharing, so that customers can continue to keep their products with peace of mind after purchase.

Investment trust	Fund wrap	Life insurance	Foreign-currency deposit	iDeCo (individual-type defined contribution pension plan)
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Providing timely information through seminars

We hold seminars to support long-term, stable asset formation for a wide range of customers.



The Bank held Asset Management Fair in Saitama.

Connecting customers' aspirations to the next generation

We support the appropriate management of customers' valuable assets and their smooth succession to the next generation.

Use of lifetime gifts ▶▶▶ **Calendar-year gift type trust**

Preparation for dementia and long-term care certification, etc. ▶▶▶ **Monetary trust** **Family trust**

Preparation for smooth inheritance and asset succession ▶▶▶ **Testamentary trust** **Estate settlement services**

Safe and secure management of bank accounts using the adult guardianship system ▶▶▶ **Guardianship support trust**

TOPICS Aiming to provide services even more closely attuned to the elderly

In May 2025, the Bank became a member of the Japan Financial Gerontology Institute. In Japan's aging society, aging-related cognitive decline and other such conditions have become an issue in financial transactions. The Institute is a neutral general incorporated association that aims to solve these issues by promoting and establishing services grounded in scientifically backed financial gerontology*.

The Bank will work to enhance employees' understanding of financial gerontology, including promoting the acquisition of the Institute's qualifications through seminars and related activities.

* Financial gerontology is an academic field that studies the impact of longevity on economic and other activities from multiple perspectives, including medicine, economics, and psychology.



Expanding virtual services

We are leveraging digital technology to expand services accessible to customers anywhere, anytime.

Musashino Bank app

The Musashino Bank app can be used to easily perform major banking procedures with a smartphone.

In addition, security is further enhanced through fingerprint and facial authentication for login.

Balance and transaction history inquiry

Fund transfers

Investment trusts and NISA transactions

Tax and bill payments

Notifications

Foreign-currency deposit transactions



Scan here to download



TOPICS Musashino Life information delivery service

By simply downloading the Musashino Bank App, customers can use a free service that delivers useful information on money and daily living.

Topics



- Asset management basics
- Quiz to learn about money wisely
- Differences between NISA and iDeCo



Life planning

- Various simulations (life planning, NISA, savings, inheritance, gifting)
- iDeCo member assessment
- Financial calculators



Transactions that can be performed without visiting a branch

Opening accounts

Customers using the Web Account Opening Service can apply 24 hours a day, 365 days a year, and accounts can be opened as early as the next business day.

Housing loans

Customers using the Housing Loan Web Acceptance System can complete various housing loan procedures online 24 hours a day, 365 days a year.

Unsecured loans

All procedures for auto loans, general-purpose personal loans, and similar products, from application to contract, can be completed on a smartphone.

Loan contracts

Contract procedures for business loans and housing loans can be completed by electronically signing electronic contracts online.

Further Enhance Services Through Alliances

► Chiba-Musashino Alliance

As part of the Chiba-Musashino Alliance, the Bank is implementing partnership and collaboration initiatives with The Chiba Bank, Ltd. in a variety of areas, including the establishment of joint offices and the handling of syndicated loans and joint financing.



Support for individual customers

Establish joint ATMs

Inheritance-related services

Asset management services

Support for corporate customers

Business matching

Syndicated loans and joint financing

International services

Other initiatives

Establish joint offices

Exchange personnel

Hold joint seminars

Joint office: Hamamatsucho Branch

In July 2024, we upgraded the Hamamatsucho Office to branch status and opened the Hamamatsucho Branch in the Minato-ku/Shinagawa-ku area, where many middle-tier and small and medium-sized enterprises with high growth potential are concentrated. The new branch was opened to respond to the diverse needs of each individual company. We are focusing on supporting customers by leveraging the information and proposal capabilities of both banks.

Address: 10F Hamamatsucho Square, 1-30-5 Hamamatsucho, Minato-ku, Tokyo
(1-minute walk from the North Exit of JR Hamamatsucho Station)
Phone: 03-3433-0351
Business hours / Counter: Weekdays 9:00-11:30, 12:30-15:00
ATM: Weekdays 9:00-17:00 (Coin transactions and cash-funded transfers are not available.)



► TSUBASA Alliance

The TSUBASA Alliance is the largest alliance among regional banks with participation from 10 banks from Hokkaido to Okinawa. While utilizing the strengths of this wide-area alliance, the Bank is working to address issues such as increasing the sophistication of financial services and cashless banking.

Main collaborative initiatives

Expand cashless services

Jointly develop apps

Offer M&A matching over a wide area

Utilize overseas networks

Enhance anti-money laundering measures

SDGs-related initiatives

Diversity, equity, and inclusion initiatives

Conduct joint seminars and business meetings



TOPICS Joint purchase of FIT Non-Fossil Fuel Certificates

In March 2025, the 10 participating banks in the TSUBASA Alliance jointly purchased Non-Fossil Fuel Certificates to offset CO₂. Through this initiative, the Bank has offset approximately 100 tonnes of its CO₂ emissions.

Non-Fossil Fuel Certificates

Non-Fossil Fuel Certificates are documents that certify the "environmental value" of electricity generated from power sources that do not produce CO₂ during generation. They can be used to reduce CO₂ resulting from electricity use.

Sustainable Conservation and Use of the Regional Natural Environment

Initiatives to Address the TCFD Recommendations

► Governance

The Group's governance related to addressing climate change is integrated into its governance related to overall sustainability. Under its overall sustainability governance structure, the Group implements various measures related to addressing climate change and identifies and manages associated risks and opportunities. (For details, please see System for Sustainability Promotion under Sustainability Management Initiatives on page 25.)

► Strategy

The Group conducts analysis of risks (transition risks and physical risks) and opportunities associated with climate change, considering short-term (around 5 years), medium-term (around 10 years) and long-term (around 30 years) time horizons.

Risks and opportunities

Based on an awareness of the risks and opportunities associated with climate change, the Group will work together to address these risks and opportunities together with numerous customers.

Type		Description of specific risks and opportunities	Time horizon	Response policy
Transition risks	Policy and legal	• Credit risk arising from the impact on customers' businesses of changes in regulations and tax systems related to climate change	Medium to long term	• We calculate the impact on the Bank from factors such as strengthened regulations and tax system changes during the transition to a decarbonized society. • By introducing the GHG (greenhouse gas) measurement tool "C-checker" in October 2024, visualizing and analyzing emissions, and supporting customers' sustainability management, we work to reduce the Bank's transition risks.
	Technology	• Risk of supply chain realignment associated with advances in decarbonization technology	Medium to long term	
	Market	• Withdrawal from business due to the failure of decarbonization-related technology or market changes		
	Reputation	• Risk of reputational deterioration in the event of insufficient climate change response or lack of appropriate information disclosure	Medium to long term	
Physical risks	Acute	• Deterioration of real estate collateral caused by flooding from events such as storm and flood disasters • Credit risk due to business stagnation resulting from damage to customers' business sites	Short to long term	• Because Saitama Prefecture, the Bank's main operational base, has a relatively large proportion of river area and flat land compared with other prefectures in Japan, we calculate the impact of business loans and housing loans on the Bank in the event of flooding. • We will continue analyzing the impact of climate change going forward.
	Chronic	• Risk of business stagnation due to lower labor productivity at investees and borrowers, caused by increased heat illness and rising average temperatures	Short to long term	
Opportunities	Resource efficiency	• Increase in funding demand related to cost reductions at companies and the transition to a decarbonized society resulting from initiatives aimed at the transition	Short to long term	• We are introducing eco-friendly sales vehicles and energy-efficient facilities at branches and will continue these initiatives. • To address the increase in funding demand related to the transition to a decarbonized society and rising environmental awareness, we have added various loan products and services for corporate and individual customers. • In addition, we support customers' decarbonization management initiatives through consulting based on the GHG measurement tool "C-checker."
	Energy source			
	Products and services	• Increase in funding demand for the development and expansion of decarbonization-related products and services	Short to long term	
	Markets	• Increase in business opportunities arising from customers' SDGs initiatives and from the transition to a decarbonized society in connection with climate change	Short to long term	
	Resilience	• Increase in opportunities for lending for infrastructure related to renewable energy and disaster countermeasures	Short to long term	

Scenario analysis

As shown below, the Bank has analyzed transition risks and physical risks. As a result, the increase in credit-related costs due to transition risks is approximately ¥0.8 billion, and for physical risks it is approximately ¥2.5 billion. Given the Bank's profit levels, we believe that impact on its financial position is limited.

Going forward, to further enhance risk analysis for both transition and physical risks, we will consider conducting analysis based on multiple scenarios.

Scenario analysis	Transition risks	Physical risks
Scenario	International Energy Agency (IEA)'s Net Zero Emissions (NZE) Scenario	IPCC's SSP5-8.5 scenario (4°C rise scenario)
Scope of analysis	• Real estate • Auto components • Land transportation • Electric power	• Business loans • Housing loans
Reason for selecting the scope of analysis	Considering the impact of the transition to a decarbonized society on the Bank and Saitama Prefecture, including loan transaction volume (number and amount) and the level of transition risk, we have analyzed four industries: real estate, auto components, land transportation, and electric power.	Because Saitama Prefecture, the Bank's main operational base, has a relatively large proportion of river area and flat land compared with other prefectures in Japan, we conducted an analysis assuming flooding across all areas in Saitama Prefecture due to storm and flood disasters, such as typhoons and torrential rains.
Analysis method	For the target industries, the increase in tax payments from the introduction of a carbon tax has been reflected in the statement of income and balance sheet. In addition, for the electric power sector, we have reflected the increase in depreciation from capital investment and calculated the resulting increase in credit costs.	We assessed the impact on the Bank's customers by analyzing both business loans and housing loans. In the analysis, we surveyed the level of inundation at the locations of head offices and properties using hazard maps and estimated the number of business non-operating days for each level of inundation, based on the Manual for Economic Evaluation of Flood Control Investment of the River Bureau of the Ministry of Land, Infrastructure, Transport and Tourism.
Analysis result	As a result of this analysis, the increase in credit-related costs was estimated at approximately ¥0.8 billion.	As a result of this analysis, the increase in credit-related costs was estimated at approximately ¥2.5 billion.

Carbon-related assets Ratio of carbon-related assets* to the Bank's loans and other assets: approximately 34.37%

We had previously disclosed carbon-related assets classified into 14 sectors. Based on the Ministry of the Environment's announcement in the previous fiscal year, we have revised the classification to tie them to the 18 TCFD sectors. As a result of this change, carbon-related assets have increased.

* Carbon-related assets: the total of loans, acceptances and guarantees, foreign exchange, and private placement bonds, etc. outstanding as of the end of March 2025 for the four sectors defined under the TCFD recommendations revised in October 2021 ((1) energy, (2) transportation, (3) materials and buildings, and (4) agriculture, food, and forest products). However, the total excludes water utilities and renewable energy generation businesses.

Opportunities

In the course of promoting environmental finance, the Bank has long been actively carrying out investment and finance in projects that contribute to sustainability. Looking ahead, we will work to assess the environmental risks in our loan portfolio and encourage companies to realize decarbonization in order to achieve carbon neutrality by 2050.

Supporting the sustainability management of business operators

The ESG Evaluation Sheet has been implemented as a dialogue tool to assist business operators in their ESG and decarbonization activities. Additionally, we have established a lineup of various financial and consulting products that facilitate processes ranging from visualizing each company's activities to conducting environmental impact assessments.

Furthermore, we also offer green time deposits, under which deposited funds are allocated to investment and financing in green projects, including renewable energy.



Offering environmental products to individual customers

We offer a wide range of environmental products, such as online-only bank accounts that do not issue passbooks, and housing loans that support the purchase of sustainable housing, such as Net Zero Energy Houses (ZEHs).



Investment in green bonds and sustainability bonds

We are investing in projects that contribute to sustainability, including green bonds and sustainability bonds issued by companies as well as social bonds issued by local governments.

Risk management

Identification and management system for climate change risk

The Bank recognizes that transition risks and physical risks arising from climate change have a significant impact on its business management, strategy, and financial plans.

Based on the results of qualitative and quantitative analysis of transition risks and physical risks associated with climate change, the Bank is working to establish a system to manage them as credit risks affecting customers' business activities, within the framework of integrated risk management.

Announcement of an investment and financing policy that takes climate change risk into consideration, among other measures

In its investment and financing policy, the Bank has clearly documented its approach to credit management, which includes tightening credit for coal-fired thermal power plants that directly impact global warming.

Indicators and targets

Sustainable finance targets

The Bank has set a target of ¥1 trillion for the cumulative amount of sustainable finance* over the 10 years from FY2021 to FY2030, aimed at contributing to the decarbonization of local communities.

The cumulative amount of sustainable finance through FY2024 was **¥620.0 billion**.

Furthermore, from February 2024, the Bank has invested in GX Economy Transition Bonds, which facilitate decarbonization investments, thereby helping to strengthen Japan's industrial competitiveness and contributing to sustainable growth.

* Sustainable finance is finance in which the funds are used for resolving environmental or social issues, and includes finance to support customers' ESG or SDGs initiatives.

Trend in CO2 emissions (Scope 1 + Scope 2)

The Group's overall CO2 emissions for FY2024 (Scope 1 + Scope 2) were **down 57.3%** from FY2013.

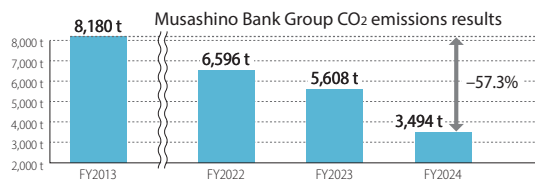
From May 2024, the Bank has converted all of the electricity used at the Head Office and administrative center to electricity effectively sourced from renewable energy with Non-Fossil Fuel Certificates. As a result, the Bank has reduced 2,255 t-CO2 emissions annually.

The Bank has also introduced 6 EVs, bringing their total to 10. In addition, the Bank is working to reduce CO2 emissions by adopting LEDs at branches, converting to energy-efficient air conditioning, and reducing electricity consumption. The Bank will continue working to reduce electricity consumption and convert to energy-efficient facilities. We will endeavor to achieve our CO2 emissions target for FY2030, which is a reduction of 70% from FY2013 levels.

Emissions by scope for past years

	FY2013	FY2022	FY2023	FY2024
Scope 1	1,049	806	684	620
Scope 2	7,131	5,790	4,924	2,874
Total CO2 emissions	8,180	6,596	5,608	3,494

(Scope 3 is discussed later.)



Breakdown of CO2 emissions (Scope 3)

The Bank is working to expand the scope of calculation for greenhouse gas emissions. In the current fiscal year, we calculated anew the Bank's Scope 3 emissions for categories 1 through 5.

Scope 3	Details	GHG emissions (t-CO2)		Calculation method
		FY2023	FY2024	
Category 1	Purchased goods and services	–	13,968	Value of purchased goods and services × emissions intensity per monetary unit, based on input-output tables
Category 2	Capital goods	–	7,974	Increase in fixed assets × emissions intensity per monetary unit of capital goods
Category 3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	–	828	Amount of energy purchased × emissions intensity per unit of energy purchased
Category 4	Upstream transportation and distribution	–	1,121	Transportation costs × emissions intensity per monetary unit
Category 5	Waste generated in operations	–	195	Waste disposal costs × emissions intensity per monetary unit
Category 6	Business travel	247	243	Number of employees × emissions intensity per employee
Category 7	Employee commuting	559	574	Number of work days × emissions intensity per work day
Category 8	Upstream leased assets	Not applicable	Not applicable	—
Category 9	Downstream transportation and distribution			
Category 10	Processing of sold products			
Category 11	Use of sold products			
Category 12	End-of-life treatment of sold products			
Category 13	Downstream leased assets			
Category 14	Franchises			
Category 15	Investments (to business borrowers only)	6,113,689	6,422,785	Included in the Scope 3 category 15 calculation on the next page.
Total		6,114,495	6,447,691	

[Supplementary note on calculation]

The Bank uses the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (Ver. 2.7)" by the Ministry of the Environment and the Ministry of Economy, Trade and Industry, and the "Emission Intensity Database for Calculating Greenhouse Gas Emissions of Organizations through Supply Chains (Ver. 3.5)" by the Ministry of the Environment.

● Estimates of category 15: emissions from business lending

The amount of indirect greenhouse gas emissions through investees and borrowers accounts for a large proportion of the Scope 3 emissions (CO₂ emissions in the supply chain) of financial institutions. For this reason, the Bank has estimated the emissions from its loans to domestic business corporations, referring to the PCAF Standard* measurement methodology. The estimated emissions are presented below.

* The Partnership for Carbon Accounting Financials (PCAF) is an international initiative to develop methodologies for measuring and disclosing greenhouse gas emissions associated with the investment and finance portfolios of financial institutions.

Estimated emissions by sector based on classification of the Bank's borrowers into the TCFD's 18 sectors
(Of the 18 sectors, coal and passenger air transportation are not currently applicable)

Carbon-intensive sectors	Sector	Emissions (t-CO ₂)
Energy	Oil and gas	61,078
	Electric utilities	145,107
Transportation	Maritime transportation	14,288
	Rail transportation	22,310
	Air freight	26,478
	Automobiles and components	114,114
	Trucking services	242,566
Materials and buildings	Chemicals	251,447
	Metals and mining	443,325
	Construction materials	56,669
	Capital goods	2,693,069
Agriculture, food, and forest products	Real estate management and development	280,735
	Beverages	20,775
	Agriculture	24,027
	Packaged food and meats	253,192
	Paper and forest products	180,869
Others		1,592,735
	Total	6,422,785

- Methodology for calculating emissions
- (1) Bottom-up analysis

* Formula when there is emissions data from borrowers

Borrowers' emissions (disclosure data, measurement data, such as "C-checker") × amount of loans to borrowers ÷ (borrowers' total liabilities + net assets)
- (2) Top-down analysis

* Formula when there is no emissions data from borrowers

Borrowers' net sales × sector-specific emissions factor (based on Ministry of the Environment standards) × amount of loans to borrowers ÷ (borrowers' total liabilities + net assets)
- Time
- Loan balance: as of the end of March 2025
- Financial indicators such as borrowers' net sales: from the latest financial information for each borrower obtained by the Bank as of the end of March 2025, when the calculations were determined
- The Bank will continue to successively expand the scope of calculations.

● Data quality score

PCAF has defined a data quality score to assess the quality of calculated emissions. To provide more reliable disclosure, the Bank began calculating its data quality score in the current fiscal year. The Bank's weighted average data quality score was 3.48.

The Bank will continue working to improve its score by supporting its client companies' decarbonization management efforts, starting with the GHG measurement tool "C-checker."

The basic approach to the data quality score is as follows.

High ↑ Low ↓	Data quality	Description	Source of emissions data
	Score 1	Reported emissions	Emissions data reported by companies (with verification by a third party)
	Score 2		Emissions data reported by companies (without verification by a third party)
	Score 3	Physical activity-based	Estimated data based on energy consumption and emission factors
	Score 4		Estimated data based on each company's production and emission factors
	Score 5	Economic activity-based	Estimated data based on each company's net sales and emission factors
			Estimated data based on each company's investment and finance balance and emission factors

Addressing Biodiversity

The Bank has long focused on maintaining and improving regional biodiversity through such means as the utilization of a public trust scheme. Social demands related to addressing biodiversity are set to increase going forward, and the Bank aims to enhance its initiatives in this area further.

➤ Subsidies provided by Musashino Bank Green Fund public trust

The Musashino Bank 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 organizations that aid the preservation and creation of natural environments within Saitama Prefecture.

In April 2025, we provided a total of ¥2.92 million in subsidies to 19 organizations. As a result, we have provided approximately ¥85.28 million in subsidies to a total of 383 organizations over the 33 years since the founding of the Musashino Bank Green Fund public trust.

➤ Alliance with Ecosystem Conservation Society—Saitama

In May 2024, the Bank signed a comprehensive alliance agreement on biodiversity preservation with Ecosystem Conservation Society—Saitama. Under this agreement, we will preserve and nurture Saitama's rich natural environment through such measures as encouraging client companies and local governments to pursue biodiversity preservation efforts.

Activities eligible for subsidies

- 1 Activities that contribute to the preservation or creation of natural environments
- 2 Activities related to the spread of awareness considered necessary for the preservation and creation of natural environments
- 3 Investigative research necessary for promoting natural environment preservation and creation activities

Main alliance activities

- Referring experts and other specialists to client companies as well as organizing seminars and information exchange meetings
- Providing advice and business proposals to local governments that contribute to the realization of nature positive and related priorities
- Support for enhancing the health of the Bank's employees by leveraging the benefits of the natural environment

➤ Developing environmentally friendly offices and branches

The Bank has been continuously working to develop environmentally friendly offices and branches, with efforts including planting greenery in support of biodiversity.

Musashino Forest

The planted garden in front of the Head Office building features native tree species unique to the Musashino region and natural stone from the Chichibu region.



The Bank became the first head office of a financial institution to acquire certification from the Japan Habitat Evaluation and Certification Program (JHEP)*.

*JHEP A certification program that recognizes businesses committed to enhancing biodiversity operated by Ecosystem Conservation Society—Japan



Katsura tree



Rhododendron dilatatum (mitsuba-tsutsuji)

We are enhancing the local character of plant life by planting shrubs native to the Kanto region and plants collected from mixed forests in the Arakawa River basin.

➤ Environmental education for employees

Through Ecology College, an original course offered by the Bank in collaboration with the Ecosystem Conservation Society—Saitama, we provide a program in which trainees can learn about the natural environment and biodiversity from various perspectives, including corporate activities and neighborhood creation.

Furthermore, we conduct activities to remove invasive plant species along the Arakawa River as part of sustainability training for new employees.



Bugin Ecology College



Sustainability training for new employees

➤ Participating in the Hojin no Mori system

In cooperation with the Forestry Agency's forest maintenance program, the Bank has participated in the Hojin-no-Mori (corporate forests) system since 1993, becoming the owner of 2.74 hectares of national forest in Tokigawa Town, Hiki District, Saitama Prefecture. The Bank's environmental contribution through the Hojin-no-Mori system is as follows.

● Water yield benefit

Drainage basin water storage

Water purification amount

Equivalent of 534,000 2-liter PET bottles (1,068 m³ per year)

● Mountain ecosystem conservation benefit

Sediment runoff prevention

Equivalent of 6 10-tonne dump trucks (31 m³ per year)

● Environmental conservation benefit

CO₂ absorption and fixation

Equivalent to 37 people's worth of CO₂ emissions from one person over one year (11.9 t/year)

Reducing Environmental Burden Through Corporate Business Activities

Recognizing that companies have a responsibility toward the environment, the Bank has been introducing renewable energy and eco-friendly vehicles, as well as implementing measures to reduce energy and CO₂ emissions. The Bank will continue to promote initiatives to reduce its environmental burden, with the aim of realizing a decarbonized society.

► Use of electricity sourced from renewable energy at the Head Office and administrative center

From 2024, the Bank has converted all of the electricity used at the Head Office and administrative center to electricity effectively sourced from renewable energy with Non-Fossil Fuel Certificates designated for renewable energy. As a result, the Bank has reduced at least 2,000 tonnes of CO₂ emissions annually.

► Use of eco-friendly vehicles

Since November 2023, the Bank has introduced the Nissan SAKURA EV to its sales vehicle fleet as part of its efforts to realize a decarbonized society. It has been successively replacing vehicles in its fleet with this EV.

In addition, the Bank has been enhancing the convenience of EVs in Saitama Prefecture by increasing the number of charging station locations.

• Number of regular charging station locations for EVs (20 locations)

Locations previously established	Head Office building, Chichibu Branch, Higashimatsuyama Branch, Shiki Branch, Nanasato Branch, Matsubushi Branch, Hidaka Branch, Toda Nishi Branch, Yashio Branch, Sakuragicho Building
Locations established in FY2025/3	Urawa Branch, Warabi Branch, Omiya Branch, Yono Branch, Asaka Branch, Kita Urawa Branch, Miyahara Branch, Toda Branch, Minami Urawa Branch, Hatogaya Branch



► Use of recycled materials

As part of efforts to reduce its environmental burden, the Bank is promoting the use of recycled materials. We use business cards and cash envelopes made from a special material containing eggshells developed by a local company. In addition, ballpoint pens made from marine plastic waste and empty plastic packs for disposable contact lenses are distributed as novelty items.



► Paperless initiatives

The Bank is promoting paperless initiatives in both customer services and internal operations, while also undertaking a fundamental review of business processes based on paper documents.

• Customer service initiatives

Deposits	• Offering online-only bank accounts that do not issue passbooks • Using tablets to reduce handwritten documents
Lending	• Moving housing loan document exchange online • Digitization of contract procedures
Other	• Digitization of applications procedures for investment trusts and insurance products • Using tablets and smartphones for proposals and explanations

• Initiatives related to other internal operations

- Digitization of internal documents (circular approval request documents and reports) and establishment of workflows for circulation procedures and other processes
- Digitization of certificates of acceptance when receiving properties from customers
- Shifting to paperless management of conferences
- Introducing cloud-based electronic contract services in Head Office contract operations

► Promotion of green purchasing

The Bank purchases supplies, consumables, and other items based on the Musashino Bank Green Purchasing Policy.

Musashino Bank Green Purchasing Policy

- When purchasing supplies, consumables, sales vehicles, and other items, the Bank shall adhere to the following basic principles, considering the impact on the natural environment.
- (1) Keep purchases to a minimum and absolutely avoid purchasing unnecessary items.
 - (2) Give priority to purchasing the following:
 - Items that can be used for a long time
 - Items that are reusable or made of recyclable materials
 - Items that use recycled materials or components
 - Items supplied by companies working to reduce the environmental burden
 - Other items with a low environmental burden
 - (3) Consider the cost of use and disposal when making purchases.

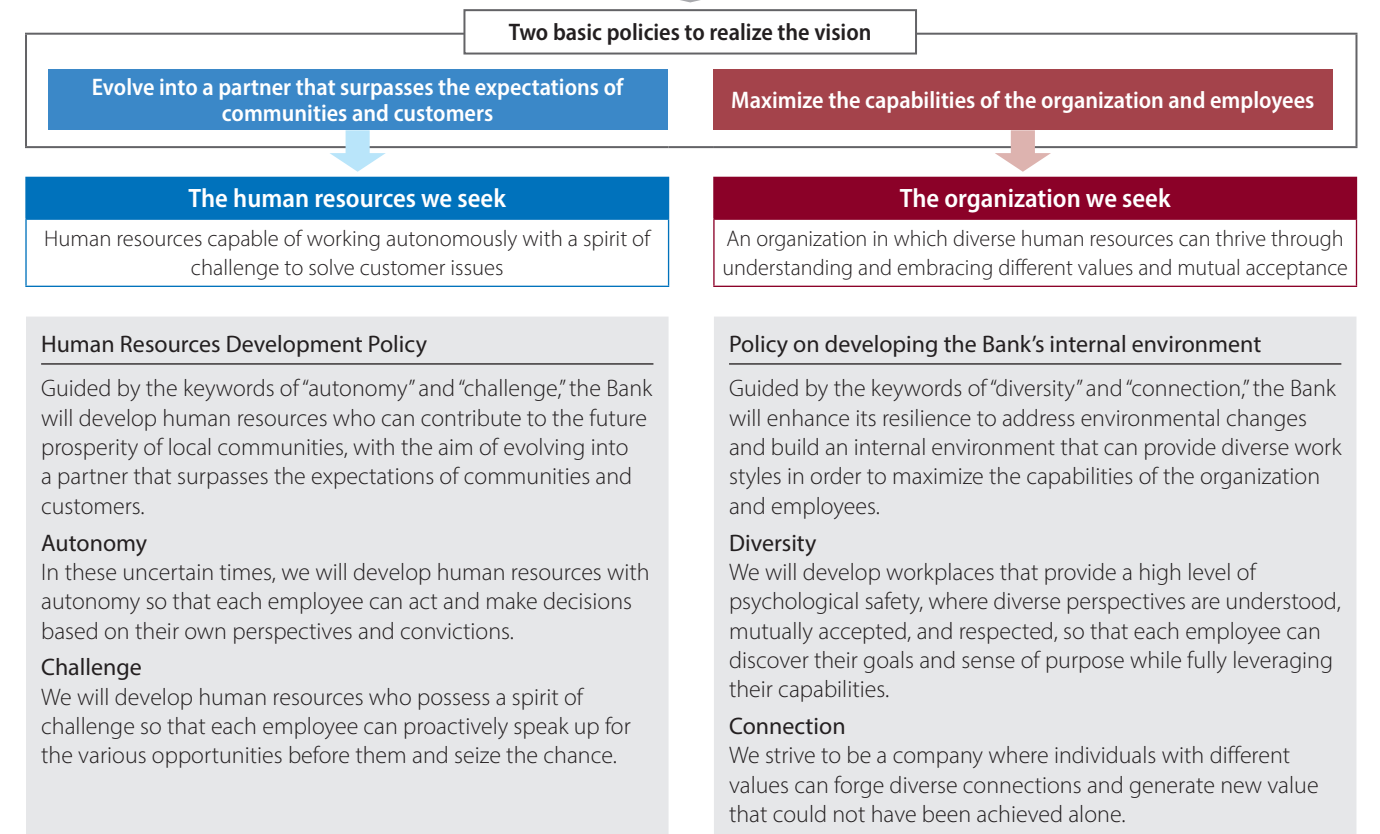
Promoting the Success of Diverse Human Resources

Practicing Human Capital Management

The Bank recognizes the importance of developing human resources capable of working autonomously with a spirit of challenge to solve customer issues and building an organization in which diverse human resources can thrive through understanding and embracing different values and mutual acceptance. With this understanding, it strives to practice human capital management in order to realize its Long-term Vision of bringing together diverse value to create Saitama's future with the region's number one solutions.

Long-term Vision “MCP (Musashino mirai-Creation Plan)”

—“Bringing together diverse value to create Saitama's future with the region's number one solutions”—



In its human capital management, the Bank has established its Long-term Vision “SOU (Sustainable, Only, Unite)” for promoting the success of human resources. It covers the same 10-year period as the Long-term Vision “MCP (Musashino mirai-Creation Plan)” established in March 2023 and is based on the Corporate Philosophy of working in harmony with the local community it serves and maintaining a deep respect toward customers.

In order to achieve the Long-term Vision “MCP,” the Bank recognizes the importance of developing human resources capable of working autonomously with a spirit of challenge to solve customer issues and building an organization in which diverse human resources can thrive through understanding and embracing different values and mutual acceptance. With this understanding, the Bank has established indicators and targets as the necessary actions for developing these human resources and the organization.

For the development of human resources, the Bank has set the indicators and targets of “support for employees to thrive,” “support for autonomous career building,” and “enhance each employee's specialized expertise.” For the development of its internal environment, the Bank has set the indicators and targets of “promote DE&I,” “improve well-being,” and “promote health and productivity management.”

► Indicators and targets

Human resources development

Support for employees to thrive

We will actively promote investment in human resources and bolster efforts to increase corporate value by fostering the success of employees with diverse strengths from their backgrounds in order to achieve the goal stated in our Human Resources Development Policy: “We will develop human resources who possess a spirit of challenge so that each employee can proactively speak up for the various opportunities before them and seize the chance.”

	Results for FY2025/3	Targets for FY2026/3
Human resources investment per person (Note 1)	¥297,391	¥300,000
Training hours per person	36 hours 9 minutes	45 hours
Number of mid-career recruits (Note 2)	41 individuals	60 individuals

(Notes) 1. Human resources investment per person includes training expenses, teaching materials and transportation expenses for training, etc., self-development incentives, examination fees for mandatory certification tests, OFF-JT opportunity cost, OJT opportunity cost, and other expenses.
2. For the number of mid-career recruits, results for FY2025/3 represent the cumulative total over 2 years, while the targets for FY2026/3 represent the cumulative total over 3 years.

Human resources investment per person
We have actively held diverse training programs to enhance each employee's skills. This fiscal year, as the COVID-19 pandemic has ended, we expanded our training offerings, including holding overseas study visits for the first time in 5 years. Moving forward, we will continue providing opportunities to acquire various skills—not only operational skills, but also fundamental business skills—to develop human resources capable of meeting our customers' expectations.

Training hours per person
To accelerate the development of young employees into productive contributors, we have enhanced the content of our training programs. In addition to our conventional job training, we have also expanded follow-up training, such as incorporating the use of web conferencing systems. Going forward, we will also hold training sessions for higher-level grades as needed and broaden the range of participants as we strive to enhance the skills of our employees to boost productivity and cultivate key personnel that can deliver the region's number one solutions.

Number of mid-career recruits
We are actively pursuing talent acquisition that goes beyond the traditional simultaneous hiring of new graduates and instead seeks to bring together individuals with diverse values. Going forward, we will continue to strengthen our outreach to all types of talent by leveraging the alumni network launched under our current Medium-term Management Plan, as well as referral recruitment.

Support for autonomous career building

Based on our Human Resources Development Policy, in order to develop human resources that can act and make decisions based on their own perspectives and convictions, we will offer opportunities for all employees working at the Bank to autonomously take action to attain their desired careers, and we will support and encourage these actions.

We are continually appointing partners (non-regular workers) as regular employees (conversion to regular employees). We strive to provide the same level of assistance to partners as we do to regular employees, so that they can achieve their personal career goals.

	Results for FY2025/3	Targets for FY2026/3
Number of employees assigned through the voluntary job entry process (Note)	44 individuals	100 individuals
Number of partner-to-employee conversions (Note)	16 individuals	30 individuals

(Note) For the number of employees assigned through the voluntary job entry process and the number of partner-to-employee conversions, results for FY2025/3 represent the cumulative total over 2 years, while the targets for FY2026/3 represent the cumulative total over 3 years.

Number of employees assigned through the voluntary job entry process
We have traditionally promoted a voluntary job entry process as an opportunity for employees to attain their desired careers. During the period of the current Medium-term Management Plan, we have achieved a cumulative total of 44 such placements. Under the personnel system revised in July 2024, we have established 8 new career routes and are working to create an environment where employees can easily envision their careers within the bank, as well as working to develop training plans. Moving forward, we will continue to expand job entry opportunities to strengthen support for employees' autonomous endeavors and work to build a framework that facilitates the attainment of their career goals.

Number of partner-to-employee conversions
One of our established practices for securing regular staff has been to proactively support the conversion of non-regular employees (temporary staff, etc.) into regular employees. We will actively work to secure stable numbers of regular employees by providing ample opportunities for highly experienced non-regular employees to take the initiative in transitioning into regular employees, along with robust career support following their conversion.

Enhance each employee's specialized expertise

In order to achieve the Long-term Vision of “bringing together diverse value to create Saitama's future with the region's number one solutions,” we will focus on enhancing each individual's problem-solving capabilities.

	Results for FY2025/3	Targets for FY2026/3
Percentage of IT Passport qualification holders	66.5%	80%
Number of professional qualification holders (Note)	235 individuals	300 individuals

(Note) In the number of professional qualification holders, the main qualifications included are highly specialized, with a particular focus on official qualifications such as 1st Grade Certified Skilled Professional of Financial Planning, CFP, Small and Medium Enterprise Management Consultant, and Securities Analyst.

Percentage of IT Passport qualification holders
As a foundation for company-wide DX advancement, we focus on enhancing employee IT literacy. As part of this effort, we encourage them to obtain the IT Passport qualification and have incorporated it into our new employee training curriculum. In doing so, we aim to raise the baseline of employee IT literacy from the outset of hiring, increase their ability to adapt to the digitalization of business, and establish a foundation for developing highly skilled IT personnel in the future. Going forward, we will continue to expand practical digital education to cultivate human resources that can adapt to change.

Number of professional qualification holders
Regarding professional qualifications such as the 1st Grade Certified Skilled Professional of Financial Planning, in addition to supporting the costs of obtaining and maintaining qualifications, we have established new required qualifications that are career route-specific. This has led to an increase in employees proactively pursuing qualifications to advance their career goals.
As for our MCP Academy, which cultivates highly specialized human resources and management personnel, we are actively working to improve the learning environment through measures such as revising admission requirements and increasing the enrollment capacity. This creates a system in which employees can continue learning while performing their duties, helping them to obtain qualifications. Moving forward, we will further strengthen the operational side, including staffing, to ensure that employees can upgrade their specialized skills as bankers and apply them for the benefit of our customers.

Development of the Bank's internal environment

Promote DE&I

The Bank recognizes that realizing an organization in which each member can express their individuality, accept one another's differences, and mutually cooperate will contribute to the organization's sustainable development. Based on this understanding, the Bank will strive to establish an environment that enables respect for values and exhibits diversity, regardless of gender or personal circumstances.

	Results for FY2025/3	Targets for FY2026/3
Ratio of female managers (Note 1)	15.8%	20%
Childcare leave acquisition rate for male workers (Note 2)	104.4%	100 or more
Gender wage gap	Overall 54.7% Regular 68.4% Non-regular 63.8%	—
Ratio of employees with disabilities	2.82%	2.8%

(Notes) 1. For the ratio of female managers, we have set a target for 20% representation of women in section chief positions and above by March 2026. We will provide support and promotions to advance active roles for women and expand opportunities for their advancement.
2. The childcare leave acquisition rate for male workers has now reached 100% or more, but extending the relatively low number of days taken remains a challenge. To extend the duration of leave taken, we are implementing the following initiatives.
(1) Holding regular prenatal seminars for spouses every three months (launched in November 2023, with 15 participants enrolled in FY2024)
(2) Promoting prompt submission of a form confirming the intent to take childcare leave upon learning of spouse's pregnancy and thorough completion of subsequent application procedures
(3) Introducing examples of men taking childcare leave and adding a housework division tool for couples in the “Work-Life Balance Handbook”

Ratio of female managers
We recognize the development and appointment of female managers as a particularly important initiative, and we are working on both building the pool of female managerial candidates and appointing them to management positions.
More specifically, in FY2024, we conducted training aimed at female leaders to improve their leadership and management skills. In addition, we began management-led mentoring to alleviate their concerns about career building and foster the right mindsets.
Going forward, in addition to the initiatives we have taken thus far, we will also strengthen support to supplement operational experience and actively appoint women to positions where they can maximize their potential. We will continue striving to create an organization in which every employee, regardless of gender, can leverage their capabilities and thrive.

Childcare leave acquisition rate for male workers
We have maintained a childcare leave acquisition rate for male workers that is over 100%. We will continue to encourage men to take childcare leave because it helps improve employees' work-life balance while also fostering a workplace culture that is understanding of childcare and contributing to the increase of the Bank's corporate value.

Gender wage gap
In the overhaul of our personnel system that was conducted in July 2024, we integrated the categories of generalist and specific track and eliminated the wage gap between the two career courses. Besides expanding the opportunities for female employees, who had previously occupied a larger proportion of specialist positions, we are also working to correct the wage gap.

Ratio of employees with disabilities
We have maintained a ratio of employees with disabilities that is equal to or exceeds the legal requirement. Going forward, we will continue working to promote understanding of employees with disabilities to create a workplace that is more comfortable for them, while also expanding the range of settings in which they can perform active roles.

Improve well-being

The Bank recognizes that when employees, who are important stakeholders, feel fulfilled in their work at the Bank, this sense of fulfillment maximizes both the capabilities of the organization and employees. Based on this understanding, the Bank is working to realize diverse work styles and enhance employee benefits.

	Results for FY2025/3	Targets for FY2026/3
Average number of paid leave days taken per person	13.1 days	15 days
Overtime hours per person	11 hours 40 minutes	11 hours
Employee satisfaction	73.2%	Consistently improve, with a target of 100%

Average number of paid leave days taken per person
We are strengthening communication to employees to encourage full use of their paid leave, with the current average number of paid leave days taken per person at 13.1 days (an approximately 70% ratio). Going forward, we will continue efforts to enhance internal communication to foster a workplace atmosphere in which employees can easily take not only paid leave but all other types of leave according to their individual circumstances.

Overtime hours per person
We are working to reduce overtime hours per person by improving business efficiency and practicing strict time management. Moving forward, we will continue to improve further business efficiency while strengthening monitoring to address excessive working hours.

Employee satisfaction
In FY2024, we worked to revise our personnel system, including the abolition of career course categories and reviewing personnel treatment. To support employees in pursuing their desired careers and enhancing their expertise and personal growth, we have newly established multiple career routes that reflect the Bank's various business domains. Going forward, we will work to ensure these are managed appropriately.
Furthermore, by diversifying work styles and improving treatment, including wages, we will promote the creation of an environment where diverse human resources can continuously leverage their strengths, thereby enhancing employee satisfaction.

Promote health and productivity management

The Bank recognizes that practicing health and productivity management is an important activity that leads to improved employee engagement. Based on this understanding, the Bank will strengthen efforts to improve employee productivity in order to achieve enduring corporate growth.

	Results for FY2025/3	Targets for FY2026/3
Stress check participation rate	95.8%	100%
Number of employees on long-term leave due to illness or related reasons	29 individuals	Reduce in stages

Stress check participation rate
We use stress checks to identify employees suffering from mental health issues at an early stage and to improve the workplace environment. We view these checks as important opportunities to understand the stress levels of our employees.
In recent years, the participation rate has been around 95%, but we strive to achieve 100% participation by raising awareness of the importance of stress checks and exploring methods to make them easier to take, including the examination period.

Number of employees on long-term leave due to illness or related reasons
Absences due to physical and mental health issues significantly impact workplace productivity. For this reason, we are striving to curb the number of employees on long-term leave due to illness or related reasons by strengthening preventive measures such as managerial support and self-care training. Going forward, we will continue to promote employee health and foster a vibrant workplace while strengthening mental health support to curb new cases. We will also support employees on leave to enable them to return to work more quickly.

Long-term Vision “SOU (Sustainable, Only, Unite)” for Promoting the Success of Human Resources (FY2023–FY2032)

Under the Long-term Vision “SOU (Sustainable, Only, Unite)” for promoting the success of human resources, which was established in April 2023, we continue to strive to build an organization that values the expression of diverse capabilities and diverse values.

S (Sustainable) O (Only) U (Unite)

“SOU” expresses the Bank’s desire for each member to demonstrate their unique individuality and for employees to mutually embrace their differences, cooperate, and pull together in the same direction, thereby contributing to the organization’s sustained development. In Japanese, “SOU” also means harmony, accord, and solidarity, embodying our ambition to create a bank that values diversity and provides a thriving environment for all employees.

► Basic policies

Autonomy and ambition	Diversity and connections
Develop autonomous and ambitious human resources who are committed to personal growth	Develop an organization in which diverse human resources can thrive through understanding and embracing different values and mutual acceptance

► Goals at each stage

Period	Stage 1. “Accept one another” FY2023–FY2025	Stage 2. “Connect with one another” Next Medium-term Management Plan	Stage 3. “Expand” and “Deepen” Medium-term Management Plan after the next
Goals	<ul style="list-style-type: none">Develop systems for autonomous learning and opportunities for taking on challengesFoster a culture that understands and embraces different values and mutual acceptance	<ul style="list-style-type: none">Promote further growth through autonomous challengesStrengthen connections with new people, things, and experiences	<ul style="list-style-type: none">Diverse human resources that are highly confident and maximizing their capabilities

Overhaul of Personnel System

In July 2024, we completely overhauled our personnel system to further strengthen human capital management. The new system is now fully operational.

Purpose of the overhaul

As digitalization and other trends significantly reshape banking operations, human resources will require highly specialized expertise and business execution capabilities tailored to diversifying customer needs, services, and business activities, in addition to the traditional broad-based knowledge and skills expected of bank employees. In light of this situation, we aim to create a corporate culture in which every employee can autonomously build their career and actively seek challenges.

Overview of the system

The new personnel system is built on three pillars: creating multi-track career paths that allow employees to select diverse careers, establishing job ranks based on roles and responsibilities and clear-cut personnel treatment practices, and establishing an evaluation system that reflects contribution to the organization. More specifically, the personnel system has abolished the generalist and specialist career course categories and has newly established eight career routes based on business domains in order to promote employees’ autonomous career building. The system is designed in such a way that creates an environment where seniors and others can be treated according to their abilities and young employees can be appointed to higher-level positions at an early stage.

Additionally, to enhance engagement, we are reviewing various systems such as family allowances and housing allowances to ensure they align with the current work styles and lifestyles.

Creating multi-track career paths that allow employees to select diverse careers	Establishing job ranks based on roles and responsibilities and clear-cut personnel treatment practices	Establishing an evaluation system that reflects contribution to the organization
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Key points of the personnel system overhaul

Item	Description
Course-based structure	<ul style="list-style-type: none">Abolish the categories of generalist and specific trackEstablish eight career routes according to business domain (Corporate/Retail Sales, Planning, Market, Risk Management, Digital, etc.)
Job rank structure	<ul style="list-style-type: none">Clearly define the roles and expected behaviors required at each job rankPrimarily appoint young employees to senior positions at an earlier stage (advance to leadership positions 3 years early, with appointment as branch manager possible from the upper 30s)
Compensation structure	<ul style="list-style-type: none">Revise the salary table, including base salary raisesRevise the treatment of seniors (review of the practice of uniformly reducing wages upon reaching a certain age)

Human Resources Development Initiatives

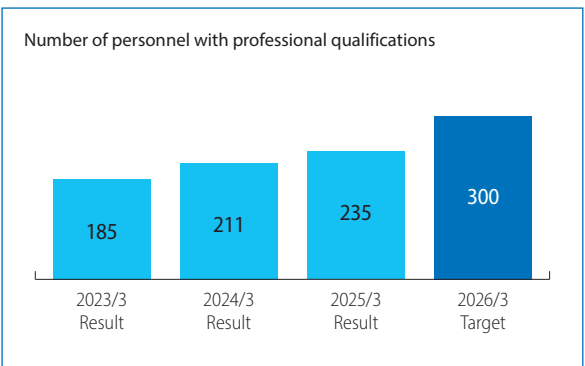
As the issues confronting customers and communities become more diversified, employees must have a broad range of knowledge and skills. In this environment, the Bank encourages employees to acquire a broad range of knowledge and skills, including in fields that are not an extension of traditional banking operations, such as digital technology and IT. In addition to increasing the sophistication of training programs, the Bank is developing its educational environment through e-learning and other programs, as part of efforts to enhance support for each individual to take the initiative to meet challenges.

► Fostering professional human resources

The Bank has long worked to encourage employees to acquire qualifications that aid in financial planning and problem-solving for companies. Under the Medium-term Management Plan “MCP 1/3,” the Bank is strengthening these efforts, along with focusing anew on developing human resources with knowledge and skills in fields such as digital technology and IT.

Financial planning and problem-solving for companies	1st Grade Certified Skilled Professional of Financial Planning, Small and Medium Enterprise Management Consultant
Digital technology and IT	IT Coordinator, Fundamental Information Technology Engineer
Others	Securities Analyst, Certified Internal Auditor, Career Consultant, MBA, etc.

Expansion of support for obtaining qualifications	Optimization of personnel assignment and utilization
Financial support for maintaining qualifications	Cultivation of a career vision



► Raising the sophistication of human resources development

The Bank is focused on employee development and is working to establish a corporate culture that develops people in order to contribute to the sustained growth of the regional economy. The Bank actively supports each employee’s career building by enhancing operational training, level-based training, and on-the-job training, among other initiatives.

Under the Medium-term Management Plan “MCP 1/3,” the Bank is increasing human resources investment per person and focusing on developing professional human resources and personnel in the digital field, etc.

MCP Academy

The Bank is working to develop human resources who will serve as its future leaders and possess advanced consulting skills and specialized knowledge.

Musashino MBA	Identifying and nurturing human resources who have the potential to serve as future leaders of the organization	Consulting skills enhancement course	Systematically nurturing employees in a short period of time, equipping them with the capabilities and skills necessary to perform their duties
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Main courses

Musashino MBA	Through initiatives such as supporting advancement to graduate schools of business administration, we identify and nurture human resources who have the potential to serve as future leaders of the organization.	
Consulting skills enhancement course	1st Grade Certified Skilled Professional of Financial Planning, CFP training course	We train those with advanced knowledge of financial planning, aiming for them to obtain 1st Grade Certified Skilled Professional of Financial Planning or CFP qualifications.
	Small and Medium Enterprise Management Consultant training course	We train human resources that excel in SME consulting, aiming for them to obtain Small and Medium Enterprise Management Consultant qualification.
	IT Coordinator course	We aim for our employees, as specialists supporting corporate IT initiatives, to obtain the IT Coordinator qualification promoted by the Ministry of Economy, Trade and Industry and administered and supported through training by the IT Coordinators Association.
	Fundamental Information Technology Engineer course, Applied Information Technology Engineer course	We aim for our employees, as engineers driving DX within the organization, to obtain the national qualifications of Fundamental Information Technology Engineer and Applied Information Technology Engineer administered by the Information-technology Promotion Agency, Japan.
	Certified Internal Auditor training course	We train human resources with knowledge related to internal control and internal auditing, aiming for them to obtain Certified Internal Auditor qualification.
	Agricultural Management Advisor training course	We train human resources with skills related to supporting agricultural business operators, aiming for them to obtain Agricultural Management Advisor qualification.
	Real Estate Transaction Specialist training course	We train human resources with advanced real estate knowledge, aiming for them to obtain Real Estate Transaction Specialist qualification.

Challenge Support Program

The Challenge Support Program provides financial assistance to cover the costs of acquiring professional qualifications through courses not offered by MCP Academy, as well as the costs of attending external courses, such as university adult education programs and MBA programs.

By applying the national education and training benefits, we are reducing employees’ out-of-pocket costs and encouraging them to pursue more advanced qualifications.

Head office work experience program

We provide opportunities for employees to engage in actual work within various Head Office departments, enabling each employee to discover the work they truly wish to pursue and form a vision of their future aspirations.

Support for young employees

We have established a career counseling system where young employees build trust through dialogue with branch and department managers while cultivating and sharing their future career visions. We also have established a mentoring system that pairs new employees with senior employees as someone who can provide everyday guidance.

We provide various other forms of support as well, such as consultation services for young employees to seek advice on various work tasks.

Other initiatives

Various job entry opportunities	We offer internal job postings where employees can take on new challenges in roles such as M&A support and other types of corporate consulting, overseas support, and digital or systems-related jobs.
Bugin Business School	Our voluntary training program, the Bugin Business School, supports employees in acquiring the knowledge and skills necessary for career building. Offered on non-working days and weekday evenings, it provides a comprehensive lineup of courses for everyone from young employees to branch managers.
E-learning	We have launched the dedicated website “NEXT STAGE” to enable employees to view office manuals and other materials from home and take e-learning courses on finance. In this way, we actively support employees’ self-development needs.
Self-declaration system	As a system for employees to proactively design their own career plans, we have established a self-declaration system where employees submit their desired future roles directly to the HR department using the Bank’s LAN.
Trainee dispatch program	Through internal job postings for assignments at external organizations, we support the acquisition of specialized knowledge and skills across various fields, systematically cultivating the specialized human resources that the Bank needs.
Powerful Project	To enhance the capabilities and motivation of individuals, we conduct the “Powerful Project,” which selects participants for various training programs hosted by the Regional Banks Association of Japan through open recruitment.

Initiatives to Develop the Bank’s Internal Environment

The Bank is working to develop an internal environment that allows all employees to demonstrate their diverse individuality and abilities.

Creating workplaces where employees can work energetically over the long term

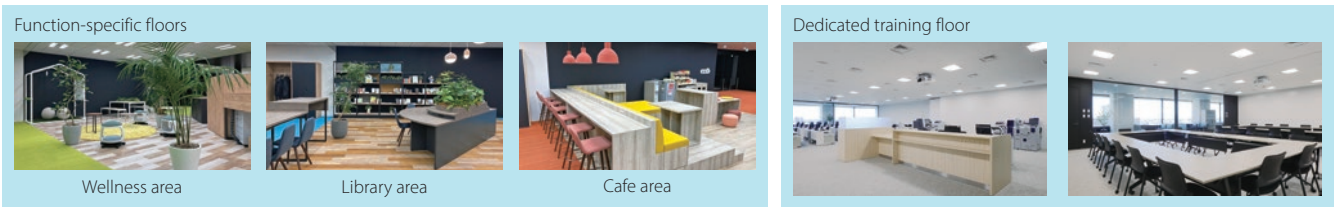
The Bank is working to develop workplaces that allow all employees to work energetically and in good health over the long term while fulfilling their roles in their private lives, including family and the local community.

Support for balancing work and family (post-reinstatement training, reduced working hours, etc.)	Various types of support for childbirth and childcare (childbirth support leave and reinstatement support program)	Childcare leave comprising five days of paid leave	Holding regular prenatal seminars for spouses
Senior partner program	Bugin Return System	Work-Life Balance Handbook	Special leave program for encouraging community activities (community leave)

Work style reform initiatives

Work style reform and training environment enhancement at the Head Office building

The office floors feature an open-plan layout without partitions, with internal staircases connecting each level. This design is intended to enhance communication and further stimulate creativity through both horizontal and vertical interactions. In addition, each floor includes function-specific zones that support employees’ physical and mental well-being as well as self-development. A dedicated training floor has also been established, where a variety of training programs are conducted daily.



Additionally, to foster an organizational culture that embraces diverse values, we have relaxed the dress code for Head Office departments starting in 2022.

Diversity, Equity, and Inclusion Initiatives

Recognizing that respecting employees’ diverse values contributes to the Bank’s organizational resilience, we are focusing on implementing diversity, equity, and inclusion initiatives.

Action Plan based on the Women’s Advancement Promotion Act (April 2023 to March 2026)

In April 2023, the Bank formulated its Phase 3 Action Plan for developing employment conditions that will enable a diverse array of human resources to be successful in the workplace regardless of gender. This Action Plan was formulated in accordance with the Women’s Advancement Promotion Act (Act on Promotion of Women’s Participation and Advancement in the Workplace).

Awareness of issues

- The ratio of female managers is lower than the ratio of male managers
- Men and those around them have a limited awareness of the significance of their participation in childcare

Description of targets and activities

Target 1 Increase the ratio of female managers (section chief positions and above) to 20% or more

- Provide fair remuneration according to expected roles, regardless of age or gender
- Conduct a training program that will lead to career advancement and expanded job duties

Target 2 Increase the ratio of men taking childcare leave to at least 100%

- Ensure that all personnel eligible for childcare leave are aware of the program and rigorously enforce the systematic acquisition of leave
- Foster an organizational culture that encourages personnel to take childcare leave

Ratio of female managers

Period	Ratio of female managers
2023/3	14.4%
2024/3	15.3%
2025/3	15.8%

Alumni recruitment and referral recruitment

In an effort to promote the success of diverse human resources, we have implemented alumni recruitment, which reemploys the Bank’s former employees, and referral recruitment, which recruits individuals who wish to join the Bank through referrals from its employees.

Alumni recruitment	<ul style="list-style-type: none">• We have significantly relaxed the requirements such as reasons for resignation, length of service, and the length of time since resignation• We leverage the skills and insights that employees gained after resignation and connect them to the cultivation of a corporate culture where new perspectives emerge among diverse values
Referral recruitment	<ul style="list-style-type: none">• Using employee connections, we directly and concretely convey our corporate culture and the rewarding and appealing aspects of the work to prospective hires• We aim to recruit personnel better suited to the Bank to strengthen our organizational capabilities

Special subsidiary The Musashino Harmony

The Musashino Harmony Co., Ltd. was established with the goal of increasing opportunities for people with disabilities to thrive. The company currently has 14 employees, and its operations include printing business cards and making novelty items.

Main business activities

- Making novelty items (coasters, towels, T-shirts, etc.)
- Creating office supplies such as rubber stamps
- Printing business cards
- Contracted office work including PC data entry

Novelty item created (coaster)

Health and productivity management initiatives

To help strengthen and enhance each employee’s health, the Bank conducts regular stress checks and arranges for a public health nurse to conduct routine consultations and health counseling at all branches, and it makes efforts such as strengthening measures against passive smoking and promoting participation in walking events and other health-related activities. As a result of these efforts, the Nippon Kenko Kaigi has recognized the Bank as a 2025 Health and Productivity Management Outstanding Organization (under the large enterprise category).

Employee Engagement Initiatives

In the course of implementing human resources and other measures, the Bank puts emphasis on dialogue by, for example, conducting employee awareness surveys and various questionnaires.

In addition, we are striving to improve our operations by proactively reflecting employee feedback via the “Renovation Board” proposal system. Furthermore, the branch working group, whose members are selected through open recruitment, enables us to solicit and listen to candid feedback on a variety of strategies and initiatives in a flat hierarchical setting.

Job preference survey (questionnaire)	<ul style="list-style-type: none">• A system enabling employees to communicate their career aspirations to the HR department to support their autonomous career building• Questionnaires are also conducted for temporary staff, including job preference survey
Branch working group	<ul style="list-style-type: none">• A working group that reflects feedback from branch employees on various initiatives and projects• Members are selected through open recruitment, and the group meets once a month in principle (in FY2024, discussions focused on “challenges perceived in achieving the Long-term Vision”)

Human Rights

The Bank recognizes respect for human rights as an important issue that must be addressed in order to create sustainable local communities. Based on its Human Rights Policy, the Bank strives to provide opportunities for all employees to view various human rights issues as matters close to home and to reflect on the importance of respecting one another's human rights. The Bank is also working to make its branches accessible for everyone.

► Conducting various training

In addition to conducting human rights training through videos and other media, we use e-learning to check our employees' level of understanding of human rights issues.

► Aiming for branches accessible to all

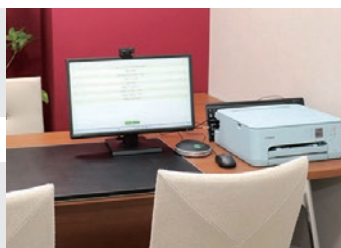
Making branches comfortable and convenient for customers

• We strive to provide services that prioritize communication with customers.

- Improve proposals and services through tablet devices and digital transaction kiosks
- Install remote consultation booths where customers can consult with specialized staff on matters such as inheritance and taxes

• We implement initiatives to improve customer satisfaction with a sense of urgency.

- Enhance smartphone app functions
- Introduce an account opening service entirely within the smartphone app
- Digitalize the procedures for personal loans such as housing loans
- Introduce electronic contract service available 24 hours a day, 365 days a year



Remote consultation booths

Training and initiatives to enhance disability awareness

We are conducting training for Head Office staff and holding seminars at branches to enhance employees' disability awareness so that all employees will be better equipped to provide optimal support for each customer.

Enhancing branch facilities and barrier-free accessibility

In order to make our branches more comfortable and convenient for customers, we are working to enhance branch facilities and barrier-free accessibility.

In addition to providing hearing aids and simple writing boards at teller counters to help customers conduct transactions and procedures with peace of mind, we also use signage and tablets to support communication with foreign customers.

Establish a Robust Corporate Governance and Organizational Structure

Corporate Governance Structure

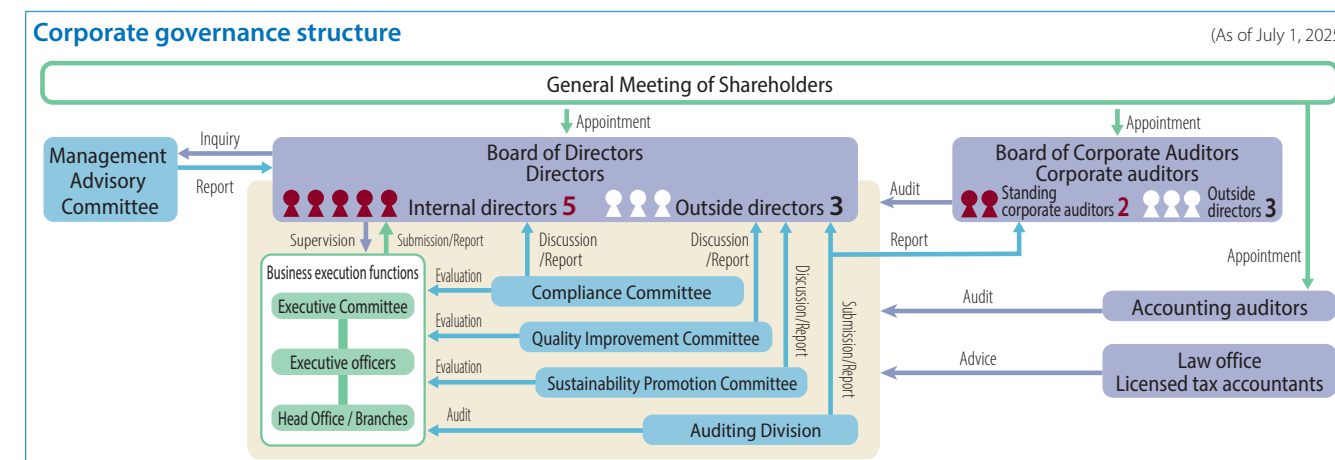
Musashino Bank recognizes that the enhancement of corporate governance is a key issue in management. While complying with laws and regulations and in-house rules, we stringently monitor directors in the execution of their duties in the Board of Directors and the Board of Corporate Auditors.

Three outside directors and three outside corporate auditors who pose no risk of any conflict of interests with ordinary shareholders have been selected to monitor and audit directors in the execution of their duties. They also take part in meetings of the Board of Directors where they are able to proactively voice their opinions and offer advice on management from a broad, independent and neutral perspective. This ensures that the management monitoring function is both objective and impartial. Furthermore, the Bank has established a framework that allows it to adapt rapidly to changes in the business environment by setting directors' terms to one year.

In addition, the introduction of an executive officer system has reduced the number of directors, allowing for rapid management decision-making. The directors have delegated authority to the executive officers. The executive officers' principal responsibility as leaders of the primary departments is to execute business operations in a timely and efficient manner.

► Implementation status of initiatives

Details on the corporate governance structure

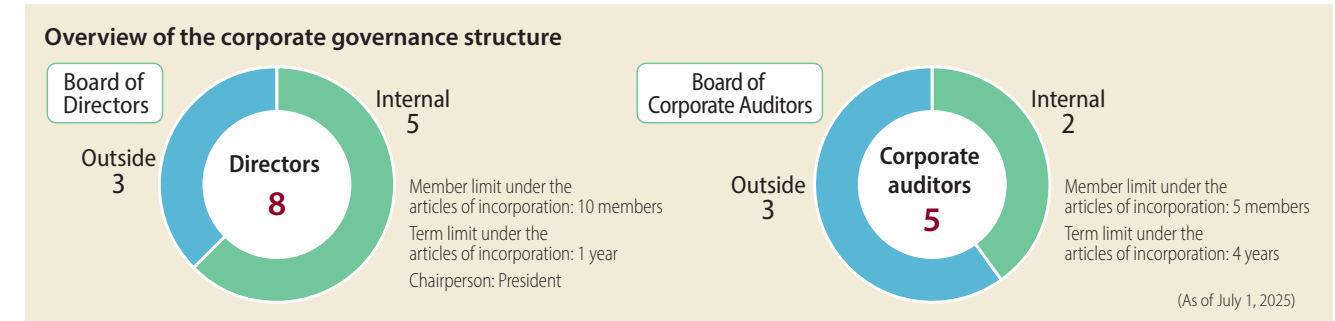


At Musashino Bank, the Board of Directors serves as the highest authority in corporate governance, while strictly enforcing various in-house rules. At the same time, we have introduced an executive officer system that clarifies the division of roles between management and business execution. This has created a structure in which directors and executive officers are each responsible for their own respective duties.

The Bank's management framework for decision-making, execution, and supervision is as follows.

- Board of Directors:** The Board consists of 8 directors, including 3 outside directors (as of July 1, 2025). It has regular meetings once a month and holds additional meetings as needed on an extraordinary or ad hoc basis. It makes decisions on important matters, policies, and business execution related to management, and directors regularly report to the Board of Directors on matters such as compliance and risk management. **The Board met 13 times** in FY2025/3.
- Executive Committee:** The committee consists of the representative director and directors designated by the Board of Directors. In principle, it meets two to four times per month, with additional extraordinary meetings held as necessary. Based on the basic policies set by the Board of Directors, the committee deliberates and holds discussions on all important matters concerning plans and methods of implementation related to the Bank's overall operations. **The committee met 52 times** in FY2025/3.
- Corporate auditors / Board of Corporate Auditors:** The Bank has adopted a Board of Corporate Auditors system. The Board consists of 5 corporate auditors, including 3 outside corporate auditors (as of July 1, 2025). In principle, it meets once a month, with additional extraordinary meetings held as necessary. Based on the audit policies and audit plans set by the Board of Corporate Auditors, the corporate auditors conduct regular audits of branches and Head Office departments to verify the appropriateness of their business operations. They also attend important meetings and express their opinions at the Board of Directors and the Executive Committee, and hold regular meetings with the representative director to exchange views on audit-related issues. **The Board met 13 times** in FY2025/3.
- Management Advisory Committee:** The committee serves as an advisory body to the Board of Directors, deliberating on matters such as the appointment and dismissal of directors and their remuneration. The Board of Directors reflects the committee's deliberations in its decision-making. The committee consists of 5 members: 3 outside directors, including the chairperson, and 2 internal directors. **The committee met twice** in FY2025/3.

- E. Compliance Committee:** The committee is chaired by the president of the Bank, and its members include directors, general managers of Head Office departments, and standing corporate auditors. The committee evaluates overall compliance from a management perspective, not only ensuring adherence to laws and regulations and in-house rules, but also promoting corporate activities that are honest, fair, and transparent, and in line with social norms. **The committee met twice** in FY2025/3.
- F. Quality Improvement Committee:** The committee is chaired by the president of the Bank, and its members include directors, general managers of Head Office departments, and standing corporate auditors. The committee manages initiatives by discussing and reviewing the status of integrating and establishing the Bank's fiduciary duty, with a view to building appropriate operational management systems and cultivating a sound organizational culture. **The committee met 12 times** in FY2025/3.
- G. Lawyers, accounting auditors, and other third parties:** The Bank's accounting auditor is Ernst & Young ShinNihon LLC. In addition, the Bank has advisory contracts with law firms and certified tax accountant corporations, establishing a system to receive advice as needed.
- H. Internal Audit System:** The Bank's dedicated department for internal audit, the Auditing Division, conducts regular internal audits of its branches, Head Office departments, and consolidated subsidiaries to verify the appropriateness of business operations, and reports the results to the Board of Directors.



➤ **Appointment and dismissal of directors and corporate auditors and the nomination policy**

<Criteria for selection as a director>

- Candidates for director (excluding outside directors; the same applies hereinafter) must have a deep understanding of the Bank's Corporate Philosophy and be capable of making every effort to actualize it.
- Candidates for director must gather sufficient information regarding the execution of their duties and be able to actively express their opinions at Board of Directors meetings.
- Candidates for director must exercise their rights concerning the Board of Directors in a timely and appropriate manner and be capable of addressing the Bank's management issues.
- Candidates for director must demonstrate the capabilities expected of them and dedicate sufficient time to execute their duties as directors in order to meet the trust placed in them by shareholders.
- Candidates for director must recognize their fiduciary responsibility to shareholders, ensure appropriate collaboration with stakeholders, and act in the interests of both the Bank and its shareholders.
- Candidates for outside director must have the qualities to supervise management's execution of duties from an independent and objective standpoint, leveraging their high level of insight and extensive experience in fields such as corporate management, finance, financial accounting, and law.

<Criteria for selection as a corporate auditor>

- Candidates for corporate auditor must recognize their fiduciary responsibility to shareholders, ensure appropriate collaboration with stakeholders, and be capable of striving to establish a high-quality corporate governance structure.
- Candidates for corporate auditor must be able to actively and assertively exercise their authority, including during meetings, and offer their opinions to directors and others as appropriate.
- Candidates for outside corporate auditor must have the qualities to supervise management's execution of duties from an independent and objective standpoint, leveraging their high level of insight and extensive experience in fields such as corporate management, finance, financial accounting, and law.

<Criteria for the considerations of dismissal>

- If there are objective and reasonable grounds to determine that a director (including outside directors) or corporate auditor (including outside corporate auditors) has committed a significant violation of laws, regulations, or the Bank's articles of incorporation, or is significantly lacking in the qualifications outlined in the selection criteria, hindering their ability to perform their duties, dismissal may be considered if it is determined that they can no longer be entrusted with the execution of their duties.

➤ **Policy for determining officer remuneration amounts and calculation methods**

Basic salary, performance-linked bonuses, share-based compensation, and other forms of remuneration are set within the remuneration limits determined by the resolution of the General Meeting of Shareholders. For directors, remuneration is decided by the Board of Directors based on the deliberations of the Management Advisory Committee. For auditors, remuneration is decided through discussions at the Board of Corporate Auditors.

The remuneration limits established by the resolution at the 88th Annual General Meeting of Shareholders, held on June 29, 2011, are as follows: for directors, ¥350 million per annum (for 7 members at the time of the resolution), and for corporate auditors, ¥60 million per annum (for 5 members at the time of the resolution).

In addition to the director remuneration limits, the limit for share-based compensation and other forms of remuneration for directors (excluding outside directors) was set by the resolution at the 93rd Annual General Meeting of Shareholders, held on June 28, 2016, as ¥300 million for 3 business years (for 7 members at the time of the resolution).

(a) Directors

The basic policy regarding remuneration for directors (excluding outside directors) is to boost their motivation to contribute to the medium- to long-term improvement of performance and the growth of corporate value. Remuneration consists of a fixed portion, which is the base salary, and a variable portion including performance-linked bonuses and share-based compensation partly linked to performance. Remuneration for outside directors, on the other hand, consists only of a base salary. The base salary is determined comprehensively based on factors such as the level of responsibility of the position and years of service while also considering the standards of other companies, the Bank's performance, and the salary levels of employees.

The ratio of performance-linked remuneration to other types of remuneration is considered by examining the standards of other companies that have a similar scale of business and are in related industries.

The target values for performance-linked bonuses and share-based compensation are set as annual goals in the Medium-term Management Plan. Of the share-based compensation, 67% is non-performance-linked and determined by position, while 33% is performance-linked and based on performance targets (annual goals set in the Medium-term Management Plan). The number of the shares of the Bank to be granted is determined based on points assigned during a fixed period each year within the trust period. Upon the director's retirement, 50% of the points will be exchanged for the shares of the Bank, and the remaining points will be liquidated within the trust, with cash equivalent to the value of proceeds from sale of the shares of the Bank paid out.

(b) Corporate auditors

Corporate auditors are broadly classified into standing and non-standing, with remuneration determined through discussions at the Board of Corporate Auditors.

There is no bonus system for corporate auditors.

<Total amount of remuneration for directors and corporate auditors>

(From April 1, 2024 to March 31, 2025)

Officer classification	Number	Total remuneration (¥ million)	Total remuneration (¥ million)		
			Base salary	Performance-linked bonus	Non-monetary remuneration, etc.
Directors (excluding outside directors)	6	205	160	26	19
Corporate auditors (excluding outside corporate auditors)	2	31	31	—	—
Outside officers	6	43	43	—	—

(Note) Non-monetary remuneration, etc. refers to share-based compensation and other compensation utilizing a system called the Board Incentive Plan Trust (hereinafter, the "BIP Trust"), which aims to further boost the motivation of directors to contribute to the medium- to long-term improvement of the Bank's performance and the growth of corporate value. The BIP Trust is a system where points are awarded to the Bank's directors (excluding outside directors) based on factors such as their position and achievement of performance targets. Based on the points they have accumulated, shares of the Bank, along with the cash equivalent to the value of proceeds from sale of the shares of the Bank, are granted to directors upon their retirement. In addition, non-monetary remuneration, etc. also includes expenses associated with share award points granted under this system during the current fiscal year.

➤ **Support system for outside directors (outside corporate auditors)**

For the outside directors and outside corporate auditors, materials are distributed approximately one week before Board of Directors meetings and a pre-meeting briefing is held to ensure they can provide feedback and suggestions from a monitoring perspective at Board meetings.

Outside directors attend meetings of the Board of Directors and Executive Committee, as well as other meetings, and important information is communicated to them in a timely and appropriate manner.

Outside corporate auditors attend Board of Directors meetings and important information is also communicated to them in a timely and appropriate manner.

One corporate auditor assistant is assigned to assist the duties of the corporate auditors, including the outside corporate auditors. Additionally, the meeting minutes from important meetings are circulated to outside directors and outside corporate auditors to ensure a high level of transparency in the decision-making process. Information is also provided individually when necessary, ensuring a flexible support system.

➤ **Effectiveness evaluation of the Board of Directors**

The Bank analyzes and evaluates the effectiveness of the Board of Directors, considering factors such as its composition, operations, and functions, which are deemed important for fulfilling its roles and responsibilities. This is based on self-assessments conducted through questionnaires distributed to each director and corporate auditor, and the Bank works to share the identified issues. The summary of the results is as follows:

Evaluation method

In FY2024, the Bank conducted analysis and evaluation while referring to external expertise, covering 34 questions across 8 categories, including: “composition, operation, and function of the Board of Directors,” “initiatives by directors and corporate auditors,” “support systems for directors and corporate auditors,” “Management Advisory Committee,” “relationships with stakeholders,” and “overall condition.”

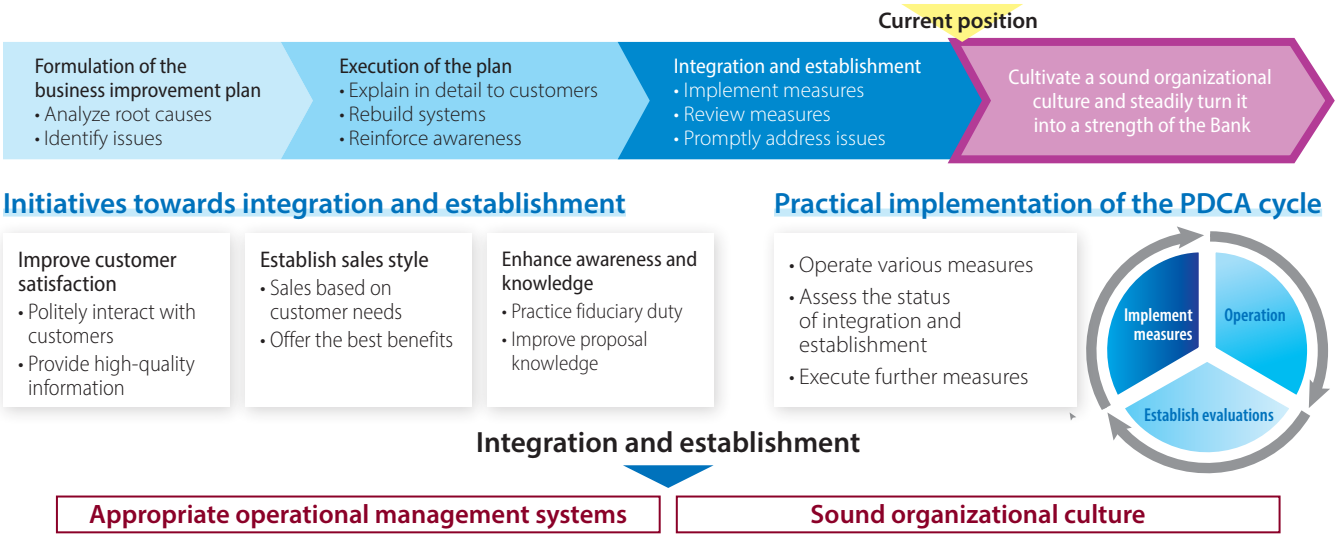
Evaluation results

The Board of Directors has been evaluated to be functioning effectively, and going forward, we will continue efforts to further enhance its effectiveness, taking into account changes in the business environment and industry trends.

- We ensure a high level of transparency in the decision-making process, not only by holding pre-briefing sessions for outside officers ahead of Board of Directors meetings, but also through measures such as the participation of outside directors in Executive Committee meetings and access to meeting minutes. By enabling outside directors to independently verify the appropriateness and objectivity of the decision-making process and offer opinions from a monitoring perspective at Board meetings, we strive to exercise highly effective governance.
- We continuously provide training and development opportunities to members of the Board of Directors, including outside officers, to help them understand the environment surrounding the Bank and the Bank’s current situation, and to consider and discuss responses to future changes in the business environment. These efforts are aimed at strengthening the functions of the Board of Directors and creating an environment conducive to more dynamic discussions.
- When determining the direction of management strategy, thorough discussions are held and mutual oversight and monitoring are carried out appropriately while respecting each member’s expertise.
- The Management Advisory Committee functions effectively by operating independently from the Board of Directors; ensuring the rationality of decisions on important matters such as nominations and remuneration and the objectivity and transparency of the process; and receiving the appropriate involvement and advice of independent outside directors.
- Based on the results of the effectiveness evaluation held in FY2023, the Board of Directors shared information on the environment surrounding the Bank and its current situation. It also thoroughly discussed human capital management initiatives (including overhaul of personnel system) aimed at improving employee engagement, as well as the promotion of DX and strengthening of cybersecurity measures. These discussions have been reflected in the management strategy.
- From the perspective of conduct risk, the Board of Directors strives to fully understand the Bank’s current situation, including customer satisfaction regarding the Bank’s practice of fiduciary duty. It aims to enhance internal audits and build autonomous operational management systems both at the branches and the Head Office, while exercising its supervisory functions to foster a sound organizational culture. The Board will assess the degree to which its initiatives have been integrated and established, and will continue to pursue further improvements.
- We believe that sustainability initiatives will remain one of our key management issues going forward, and we have a shared understanding that, in order to achieve sustainable business operations, we will continue promoting the development of next-generation executives and specialists, as well as the active participation of women. We also shared that we will continue to hold strategic discussions factoring in environmental changes surrounding the Bank, including the transition to a decarbonized society, advances in digitalization, and economic conditions aimed at overcoming a deflationary economy, and to hold discussions guided by risk considerations such as addressing cybersecurity and other risks. To enhance corporate value, we will strengthen internal audits in these key issues and deepen discussions at the Board of Directors, ensuring that the outcomes are reflected in our medium- to long-term management plans.
- To further strengthen governance across the Group, we will enhance the structure, operation, and functions of the Board of Directors, as well as the provision of information necessary for decision-making, auditing, and oversight. In addition, to engage more closely with stakeholders, we will share the status of ongoing dialogues, identify areas for improvement, and take action as needed. At the same time, we will continue working to instill the practice of fiduciary duty into the Bank’s organizational culture and further enhance the effectiveness of the Board of Directors.

➤ **Initiatives to integrate and establish our fiduciary duty**

Based on the business improvement plan established in August 2023, and under the leadership of the Board of Directors, the Bank has worked to enhance its management and administration systems (governance) and internal management system. As a result of these efforts, progress has been made towards integrating and establishing our fiduciary duty, with certain positive outcomes seen in customer satisfaction indicators from external organizations. While reporting on the progress of the business improvement plan has concluded, moving forward, every officer and employee will remain fully committed to implementing these initiatives, and both the Head Office and branches will work as one to build appropriate operational management systems and further cultivate a sound organizational culture.



Basic policies

- Realize the greatest benefit for customers by properly grasping customer needs and intentions, and continuously working to provide high-quality products and services
- The Bank’s ethical position was more clearly defined, as follows: “The Bank will not sell products that we would not buy if we were in the customer’s position; products that we cannot recommend to our friends or acquaintances, or products that bank employees themselves do not understand.”

Directors, Corporate Auditors, and Executive Officers

Directors

Kazumasa Nagahori President



Apr. 1984 Joined the Bank
Apr. 2006 General Manager, Todanishi Branch, the Bank
Jun. 2008 General Manager, Koshigaya Branch, the Bank
Jun. 2010 General Manager, General Planning and Management Division, the Bank
Jul. 2011 Executive Officer and General Manager, General Planning and Management Division, the Bank
Jun. 2014 Managing Director, the Bank
Jun. 2017 Senior Managing Director, the Bank
Jun. 2019 President, the Bank (current position)

Ken Otomo Senior Managing Director



Apr. 1988 Joined the Bank
Apr. 2010 General Manager, Niiza Branch, the Bank
Jun. 2012 General Manager, Oi Branch, the Bank
Apr. 2014 General Manager, Koshigaya Branch, the Bank
Apr. 2016 General Manager, Business Management Division, the Bank
Jul. 2016 Executive Officer and General Manager, Business Management Division, the Bank
Jun. 2018 Executive Officer and General Manager, General Planning and Management Division, the Bank
Jul. 2018 Managing Executive Officer and General Manager, General Planning and Management Division, the Bank
Apr. 2020 Managing Executive Officer, the Bank
Jun. 2020 Managing Director, the Bank
Jun. 2025 Senior Managing Director, the Bank (current position)

Kiyoshi Takizawa Managing Director



Apr. 1992 Joined the Bank
Apr. 2017 General Manager, Iwatsuki Branch, the Bank
Oct. 2019 Deputy General Manager, Business Management Division, the Bank
Apr. 2021 General Manager, Kita-Urawa Branch, the Bank
Jun. 2022 Executive Officer and General Manager, Kita-Urawa Branch, the Bank
Oct. 2022 Executive Officer and General Manager, Business Management Division, the Bank
Apr. 2024 Executive Officer, the Bank
Jun. 2024 Managing Director, the Bank (current position)

Toshiyuki Shirai Vice President



Apr. 1985 Joined the Bank
Apr. 2007 General Manager, Ina Branch, the Bank
Jun. 2009 General Manager, Shiki Branch, the Bank
Jun. 2011 General Manager, Business Planning Division, the Bank
Jul. 2013 Executive Officer and General Manager, Business Planning Division, the Bank
Apr. 2014 Executive Officer and General Manager, Personnel Division, the Bank
Jun. 2015 Managing Director, the Bank
Jun. 2020 Senior Managing Director, the Bank
Jun. 2025 Vice President, the Bank (current position)

Takao Miyazaki Managing Director



Apr. 1987 Joined the Bank
Apr. 2010 General Manager, Miyahara West Exit Branch, the Bank
Jun. 2012 General Manager, Higashi Kawaguchi Branch, the Bank
Jan. 2014 Deputy General Manager, Main Branch Business Division, the Bank
Apr. 2016 General Manager, Koshigaya Branch, the Bank
Apr. 2019 General Manager, Credit Division, the Bank
Jun. 2020 Executive Officer and General Manager, Credit Division, the Bank
Jan. 2021 Executive Officer and General Manager, Personnel Division, the Bank
Jun. 2022 Managing Executive Officer, the Bank
Jun. 2023 Managing Director, the Bank (current position)

We believe the enhancement of corporate governance is the driving force behind our sustainable growth and improvement of corporate value, and are further strengthening our initiatives in this area.

In addition, to further enhance the soundness of management, we are focusing on advancing our risk management system, while also continuously working to strengthen our compliance framework and management system for customer protection in order to fulfill the Bank's social responsibility and public mission.

Ryuichi Mitsuoka Outside Director



Apr. 1982 Joined Diesel Kiki Co., Ltd. (currently Bosch Corporation)
Mar. 2005 Executive Officer, Bosch Corporation
Jan. 2007 Managing Executive Officer, Bosch Corporation
Apr. 2009 Managing Director, Bosch Corporation
Jul. 2011 Senior Managing Director, Bosch Corporation
Nov. 2011 President and Representative Director, Fuji Aitac Co., Ltd. (concurrent position)
President and Representative Director, F.A. Niigata Co., Ltd. (concurrent position)
Jul. 2013 Retired from President and Representative Director, Fuji Aitac Co., Ltd. Retired from President and Representative Director, F.A. Niigata Co., Ltd.
Aug. 2013 Senior Managing Director, Bosch Corporation
Apr. 2016 Director and Senior Managing Executive Officer, Bosch Corporation
Dec. 2018 Retired from Director and Senior Managing Executive Officer, Bosch Corporation
Jun. 2019 Outside Director, the Bank (current position)

Yukimitsu Sanada Outside Director



Apr. 1981 Joined the Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)
Aug. 1984 Studied at Yonsei University in Republic of Korea
May 1997 Acting Branch Manager, The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.)
Dec. 1997 General Manager, Corporate Credit Department, Tokyo Branch, Dresdner Bank AG
Nov. 1998 Associate Professor, Business Communication Institute, Aichi Shukutoku University
Apr. 2002 Professor, Department of Communication, Aichi Shukutoku University
Apr. 2004 Professor, Department of Business, Aichi Shukutoku University
Jun. 2014 Outside Auditor, The Tama Shinkin Bank (current position)
Jun. 2021 Outside Director, the Bank (current position)
Oct. 2024 Vice President and Professor, Kaetsu University (current position)
Oct. 2024 Professor Emeritus, Aichi Shukutoku University (current position)

Ayako Kobayashi Outside Director



Oct. 2000 Registered as an attorney at law
Joined Kataoka & Kobayashi (currently KATAOKA & KOBAYASHI LPC)
Jan. 2009 Partner, KATAOKA & KOBAYASHI LPC (current position)
Sep. 2013 Part-time Instructor, Keio University Law School
Jun. 2019 Outside Audit & Supervisory Board Member, KITZ Corporation
Apr. 2020 Practicing-attorney-professor for civil advocacy, The Legal Training and Research Institute of Japan
Jun. 2021 Outside Director, the Bank (current position)
Apr. 2023 Professor, Keio University Law School (current position)
Mar. 2024 Outside Director, KITZ Corporation (current position)

Corporate Auditors

Susumu Kurosawa Standing Corporate Auditor



Apr. 1984 Joined the Bank
Apr. 2006 General Manager, Misato Branch, the Bank
Apr. 2008 Assistant General Manager, General Planning and Management Division, the Bank
Apr. 2011 Deputy General Manager, General Planning and Management Division, the Bank
Jun. 2011 Deputy General Manager, Capital Markets Division, the Bank
Oct. 2011 General Manager, Capital Markets Division, the Bank
Jun. 2012 General Manager, Risk Management Division, the Bank
Jun. 2014 General Manager, General Planning and Management Division, and General Manager, Strategic Planning Office, the Bank
Jul. 2015 Executive Officer and General Manager, General Planning and Management Division, the Bank
Jun. 2017 Managing Director, the Bank
Jun. 2022 Standing Corporate Auditor, the Bank (current position)

Kazuhiro Wakabayashi Standing Corporate Auditor



Apr. 1985 Joined the Bank
Apr. 2008 Assistant General Manager, Auditing Division, the Bank
Apr. 2014 Deputy General Manager, Auditing Division, the Bank
Apr. 2015 General Manager, Hanno Branch, the Bank
Jun. 2016 General Manager, Central Administration Division, the Bank
Jun. 2017 General Manager, Administration Division, the Bank
Jul. 2018 Executive Officer and General Manager, Administration Division, the Bank
Jun. 2020 Executive Officer and General Manager, Auditing Division, the Bank
Jun. 2021 Managing Executive Officer and General Manager, General Planning and Management Division, the Bank
Jun. 2022 Managing Executive Officer, the Bank
Jun. 2023 Standing Corporate Auditor, the Bank (current position)

Tomio Kezuka Outside Corporate Auditor



Apr. 1972 Joined Nomura Securities Co., Ltd.
Jun. 1993 Director, Nomura Securities Co., Ltd.
May 1997 Senior Corporate Managing Director, Nomura Securities Co., Ltd.
Apr. 2000 Executive Vice President, Nomura Securities Co., Ltd.
Jun. 2000 Retired from Executive Vice President, Nomura Securities Co., Ltd.
Apr. 2002 Executive Managing Director, JAFECO Co., Ltd.
Jan. 2010 Director and Vice President, JAFECO Co., Ltd.
Jun. 2010 Vice Chairman, JAFECO Co., Ltd.
Jun. 2010 Corporate Auditor, JAFECO Co., Ltd.
Jun. 2012 Retired from Corporate Auditor, JAFECO Co., Ltd.
Jun. 2013 Outside Corporate Auditor, the Bank (current position)

Hayato Yoshida Outside Corporate Auditor



Apr. 1983 Joined Nissan Motor Co., Ltd.
Oct. 1988 Joined Chuo Shinko Audit Corporation (later, MISUZU Audit Corporation)
Mar. 1992 Registered as a certified public accountant
Nov. 1993 Seconded overseas to Germany-based Coopers & Lybrand Certified Public Accountants' Office
Aug. 2000 Became employee of Chuo Shinko Audit Corporation
Sep. 2006 Became Representative Employee of Chuo Shinko Audit Corporation
Aug. 2007 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)
Aug. 2007 Became Partner of Deloitte Touche Tohmatsu
Jun. 2021 Resigned from Deloitte Touche Tohmatsu LLC
Jul. 2021 Opened Hayato Yoshida Certified Public Accountant's Office and became Representative (current position)
Jun. 2022 Director, Audit & Supervisory Committee Member (Outside Director), Nippon Soda Co., Ltd. (current position)
Jun. 2022 Outside Corporate Auditor, the Bank (current position)

Akira Nakano Outside Corporate Auditor



Apr. 1979 Joined Saitama Prefectural Government
Apr. 2004 Chief, Management Division, Hospital Bureau, Saitama Prefectural Government
Apr. 2006 Chief, Public Relations and Public Hearing Division, Department of General Affairs, Saitama Prefectural Government
Apr. 2008 Chief, Finance Division, Planning and Finance Department, Saitama Prefectural Government
Apr. 2010 Deputy Director-General, Department of Planning and Finance, Saitama Prefectural Government
Apr. 2012 Counselor and Deputy Director-General, Department of Planning and Finance, Saitama Prefectural Government
Apr. 2013 Director-General, Department of Planning and Finance, Saitama Prefectural Government
Apr. 2015 Administrator of Public Enterprise, Saitama Prefectural Government
Apr. 2016 Planning Advisor, Saitama Prefectural Government
Apr. 2017 Full-time Director, Saitama Credit Guarantee Corporation
May 2017 Senior Managing Director, Saitama Credit Guarantee Corporation
May 2019 Chairperson, Saitama Credit Guarantee Corporation
Jun. 2022 Auditor, Saitama Housing Inspection Center (current position)
Sep. 2022 Auditor, Public University Corporation Saitama Prefectural University (current position)
Jun. 2023 Outside Corporate Auditor, the Bank (current position)

Executive Officers

Managing Executive Officer Toshitaka Matsuura
Managing Executive Officer Kazuhide Kusao
Executive Officer Noboru Iijima
Executive Officer Kenichi Komoriya
Executive Officer Yukinori Watanabe

Executive Officer Hiroshi Takeuchi
Executive Officer Masahiro Koyama
Executive Officer Masayuki Kaneko
Executive Officer Taiei Morita
Executive Officer Katsuya Isonaka

Executive Officer Junko Kitamori
Executive Officer Yoshio Watanabe

(As of July 2025)

Expertise and Experience of Directors and Corporate Auditors (Skills Matrix)

[Internal directors and corporate auditors]			Skill category					
Name	Title	Gender	Corporate strategy (Sustainability)	Sales	Markets/ International	Personnel affairs	Compliance/ Risk management	Systems/IT
Kazumasa Nagahori	President	Male	○	○	○	○	○	○
Toshiyuki Shirai	Vice President	Male	○	○		○	○	○
Ken Otomo	Senior Managing Director	Male	○	○	○	○		○
Takao Miyazaki	Managing Director	Male	○	○	○	○	○	
Kiyoshi Takizawa	Managing Director	Male	○	○			○	○
Susumu Kurosawa	Standing Corporate Auditor	Male	○	○	○		○	○
Kazuhiro Wakabayashi	Standing Corporate Auditor	Male	○	○			○	○

Details of each item

Corporate strategy (Sustainability)	Possesses knowledge, experience, and capabilities related to corporate management and sustainable organizational operation
Sales	Possesses knowledge, experience, and capabilities related to sales activities and sales planning
Markets/International	Possesses knowledge, experience, and capabilities related to investment securities trading and international business
Personnel affairs	Possesses knowledge, experience, and capabilities related to human resource planning and human resource development
Compliance/Risk management	Possesses knowledge, experience, and capabilities related to compliance and risk management
Systems/IT	Possesses knowledge, experience, and capabilities related to system planning and operation, as well as IT

[Outside directors and corporate auditors]				Skill category						
Name	Title	Independence	Gender	Corporate management	Finance	International experience	Legal affairs	Finance/ Accounting	IT/Digital	Regional economy/ Administration
Ryuichi Mitsuoka	Outside Director	○	Male	○		○			○	
Yukimitsu Sanada	Outside Director	○	Male		○	○		○		○
Ayako Kobayashi	Outside Director	○	Female		○		○		○	
Tomio Kezuka	Outside Corporate Auditor	○	Male	○	○			○		
Hayato Yoshida	Outside Corporate Auditor	○	Male	○		○		○		
Akira Nakano	Outside Corporate Auditor	○	Male	○	○					○

Details of each item

Corporate management	Possesses a broad range of knowledge about corporate management in order to anticipate changes in the business environment and reflect them in management strategies
Finance	Possesses advanced expertise in finance
International experience	Possesses extensive knowledge of overseas markets through international business experience
Legal affairs	Possesses advanced expertise in legal affairs
Finance/Accounting	Possesses advanced expertise in finance and/or accounting
IT/Digital	Possesses advanced expertise in IT and digital fields
Regional economy/Administration	Possesses familiarity with regional economies and extensive knowledge of government administration

Message from Outside Director



Ryuichi Mitsuoka
Chairperson of the Management Advisory Committee

▶ Looking back on FY2024

FY2024 marks the second year of the Medium-term Management Plan “MCP 1/3.” We have closely monitored and overseen whether steady progress is being made toward building a sustainable management foundation through investment in digital and human capital, as set forth in the plan, and whether appropriate management decisions are being made in executing the strategies to achieve it.

Human capital management

With regard to human capital management, we believe it is important to firmly encourage employees’ autonomy and willingness to take on challenges, and to promote varied values, that is, diversity in terms of a wide range of perspectives. In our view, the personnel system overhaul implemented in July 2024 has established the necessary foundations for this.

We have long emphasized that creating female role models is essential to advancing gender diversity, and we commend the progress achieved, including the promotion of female executive officers from within the Bank.

In addition, as a leading financial institution in the region, the Bank is proactively implementing measures such as base salary increases and higher starting salaries to enhance engagement and secure human resources, taking the lead in fostering a virtuous cycle of rising wages and prices, which we believe is necessary in these times.

While human capital investments such as development and training are steadily increasing, we have continued to emphasize at the Board of Directors and other meetings the need to consistently raise standards, given that human capital is the source of the Bank’s value creation.

Initiatives in the digital field

In the digital field, the Bank’s total investment over three years is expected to exceed the initial plan. However, given the rapid pace of technology change, further investments will need to be made more swiftly.

Proposals for renewing services and systems are being brought forward at various meetings. I have expressed my view that, while factors such as the impact on management and the scale of investment should be carefully assessed, decisions should be made more quickly through proper delegation of authority.

▶ Toward increasing corporate value

Communication with stakeholders is essential to increasing corporate value. It should not be one-way, and we must continuously strive to convey our messages clearly to stakeholders, with this approach emphasized even more in our disclosure practices.

The Bank has made an effort to strengthen its framework for investor relations, but to increase PBR, we expect the Bank will communicate its growth story more clearly and persuasively to a wider range of shareholders and investors. We the outside directors also would like to actively participate in these dialogues.

At the Board of Directors, we will continue to listen attentively to shareholders and investors on matters such as capital management and strategic shareholdings, and deepen our discussions accordingly.

▶ Reducing information gaps with executives

In addition to holding pre-briefings for outside directors on important proposals, our evaluation is that participation in Executive Committee meetings and general manager meetings, circulation of minutes from key meetings, and ongoing communication outside of formal meetings have enabled the Board of Directors to conduct more in-depth deliberations.

We believe that the monitoring and oversight functions exercised by outside directors contribute to more appropriate management decisions. While drawing on examples from other companies, we will continue to work towards reducing information gaps with executives.

▶ Looking ahead

Discussions are currently underway for the next Medium-term Management Plan, which will begin in April 2026. Amid a rapidly changing economy and society, the Board of Directors has a critical responsibility to address various challenges, including how to articulate and execute the Bank’s future growth story and how to foster mutual understanding of that story with stakeholders.

In addition, at the Management Advisory Committee, which I chair, we are having in-depth discussions on more appropriate nominations and remuneration from the perspective of realizing the growth story. We also aim to actively discuss initiatives to enhance employee motivation and topics such as succession planning.

Going forward, while remaining guided by the Bank’s purpose, as expressed in its Corporate Philosophy of “working in harmony with the local community it serves” while “maintaining a deep respect toward customers,” we will engage in constructive discussions with management on strategies for the future. Through these efforts, we will strive to ensure that Musashino Bank continues to be a bank that is essential to customers and communities, growing together with our stakeholders.

Status of Establishment of Internal Control System

The Bank is working to develop and strengthen its internal control system based on the basic policy on the development of internal control systems, and has established the following framework.

Basic policy on the development of internal control systems

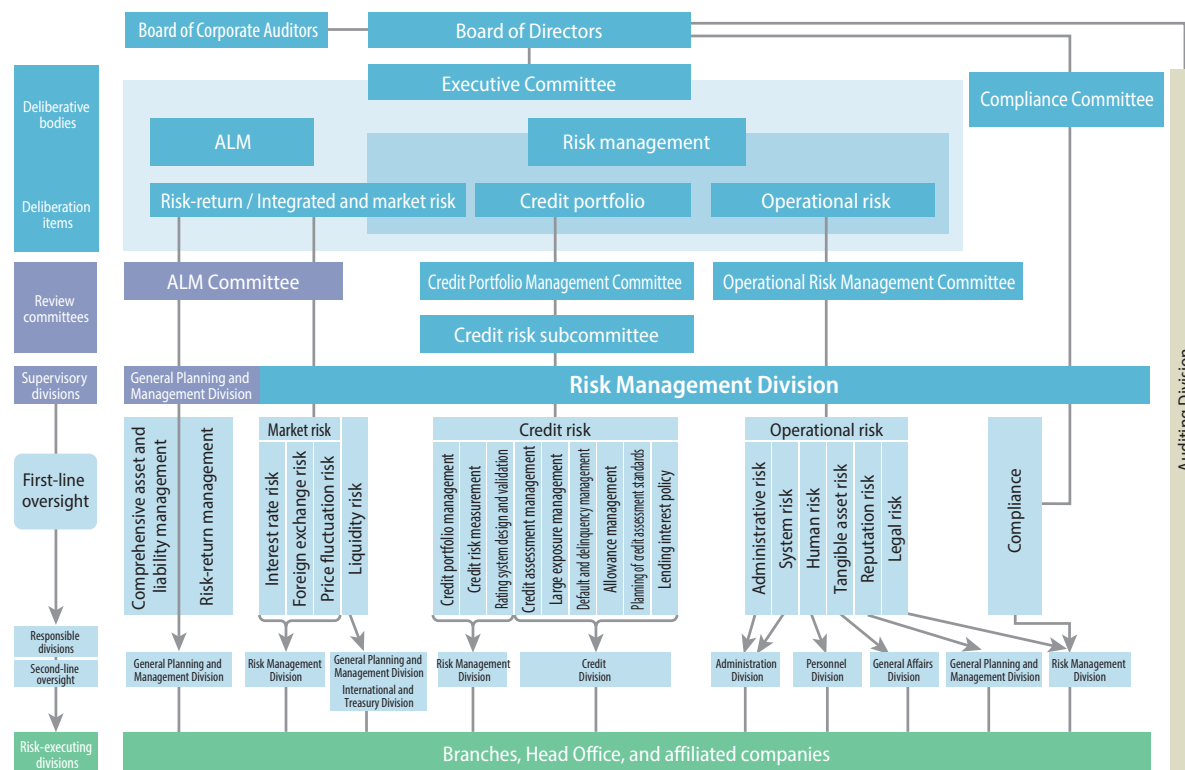
1. Systems to ensure that the execution of duties by directors and employees complies with laws, regulations, and the articles of incorporation
2. Rules and other frameworks for managing the risk of loss
3. Systems to ensure that directors' duties are executed efficiently
4. Systems to ensure the retention and management of information related to the execution of directors' duties
5. Systems to ensure proper business activities in a business group comprised of the Bank and its subsidiaries
6. Systems to ensure that audits by corporate auditors are conducted effectively

Risk Management System

With the liberalization and globalization of finance and the development of financial and information technologies, customer needs are becoming increasingly sophisticated year by year, and the various risks associated with banking operations are becoming more diverse and complex.

In this environment, strengthening the risk management system is essential to maintaining and enhancing sound management. From this perspective, the Bank manages various risks related to operations individually while also working toward the realization of integrated risk management that enables comprehensive identification, management, and control of these risks.

Organization and operation of risk management (Risk management system)

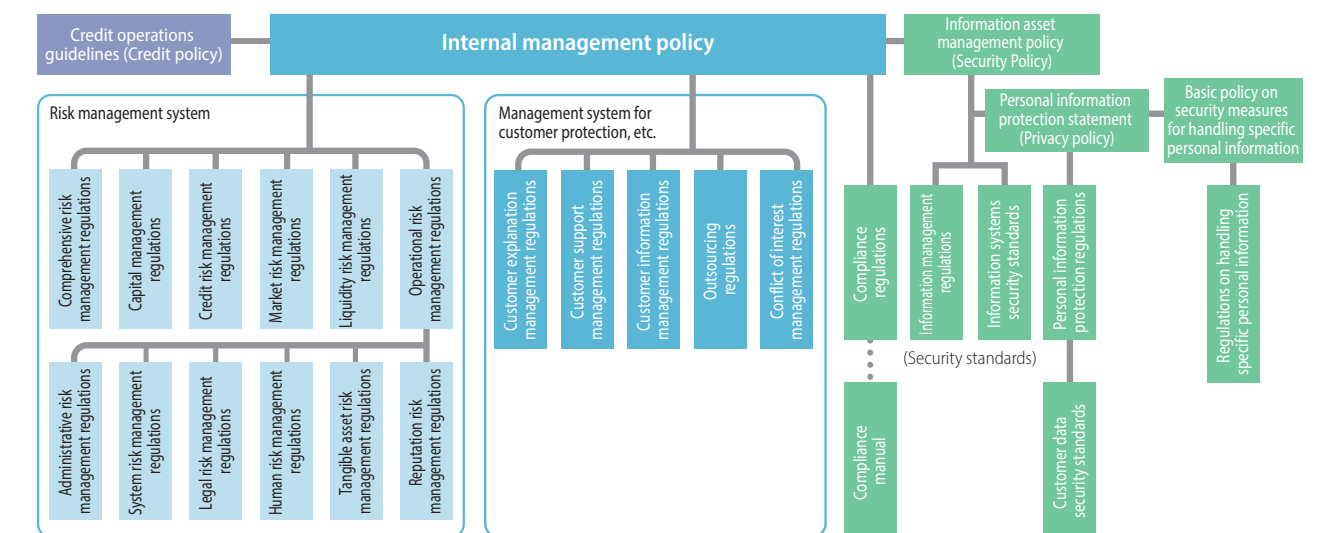


Risk management policy

As the risks associated with banking operations become increasingly varied and complex, the Bank has formulated a set of internal management policies that take into consideration the Bank's strategic targets in order to ensure that the manner in which it manages its business is both sound and pertinent. Guided by these policies, the Bank works diligently to manage risk.

In specific terms, the Bank classifies the risks it should manage as (1) comprehensive risks; (2) credit risks; (3) market risks; (4) liquidity risks; and (5) operational risks (including administrative and system risks). The Bank conducts appropriate risk management according to risk characteristics.

Policies and regulations framework



Risk management methods

For comprehensive risk, credit risk, and market risk, the Bank quantitatively monitors risks and manages them at levels appropriate to its scale, ensuring stable earnings while maintaining a balance with its capital. Management of liquidity risk and operational risk is conducted by strengthening regulations and manuals and by thoroughly managing business processes to prevent risk occurrences. The Bank has designated management departments for each type of risk according to their characteristics, and the Risk Management Division, which operates independently from other business divisions, comprehensively and systematically oversees all risks.

➤ Crisis management and development of BCP framework

Banking operations, such as deposit and foreign exchange services, involve a high degree of social and public responsibility. Ensuring the continuity of these operations is therefore a critical management priority, reflecting the Bank's social obligations.

The Bank has established a Business Continuity Plan (BCP) as part of its contingency planning to ensure operations will continue in case of events such as a major earthquake, system disruption, or outbreak of pandemic influenza. The Bank has compiled manuals that establish concrete codes of behavior and countermeasures. In parallel, the Bank holds systematic drills to improve the responsiveness and awareness of all officers and employees. Additionally, the Bank makes improvements to address issues it identifies and related matters, as part of efforts to further increase the effectiveness of the BCP.

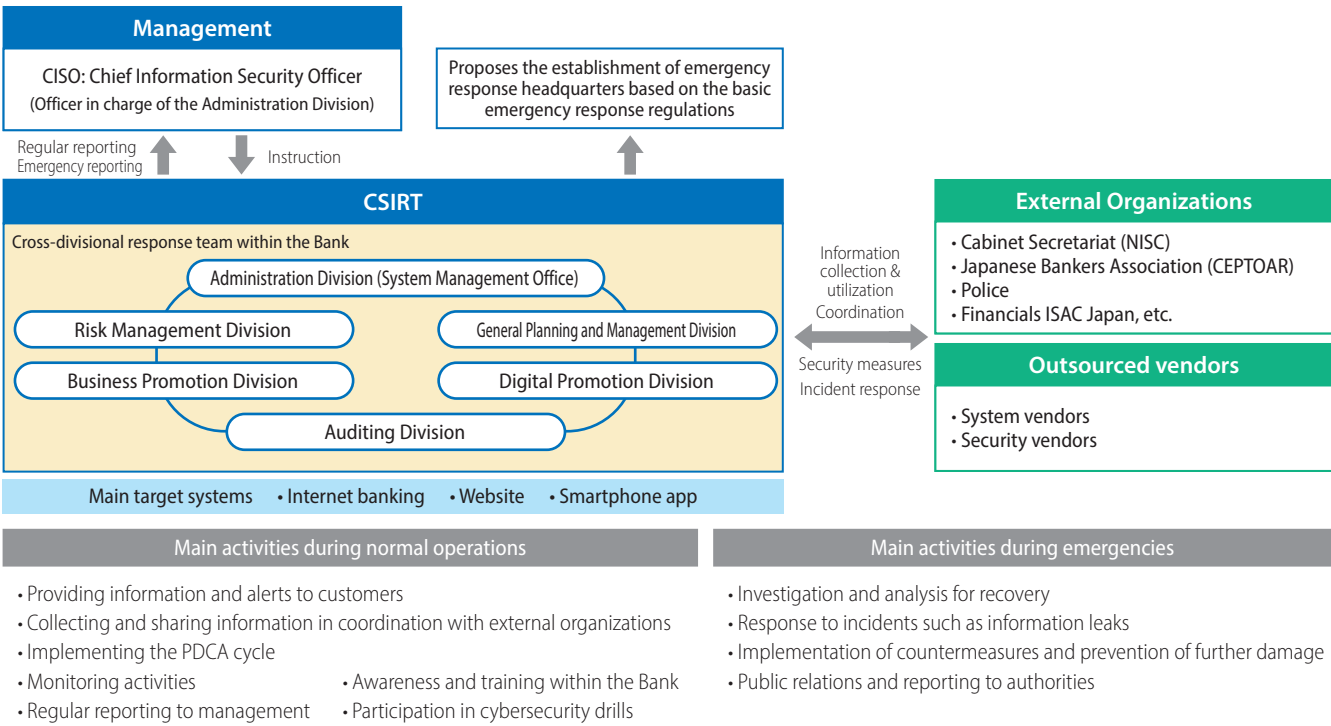
● Mutual support with other financial institutions in the event of a disaster

In the event of a large-scale disaster in our business area, the Bank has concluded agreements with financial institutions both within and outside the prefecture to ensure the continuity and rapid restoration of financial functions through mutual support and cooperation.

	Name	Participating banks	Agreement date
Financial institutions outside Saitama Prefecture	Agreement on Mutual Support in the Event of Disasters	Yamagata Bank, Tsukuba Bank, Hachijuni Bank, Awa Bank, Miyazaki Bank, Bank of the Ryukyus ("Juudankai" participating banks)	December 2014
Financial institutions inside Saitama Prefecture	Agreement on Mutual Support in the Event of Large-Scale Disasters	Saitama Resona Bank, Saitamaken Shinkin Bank, Hanno-Shinkin Bank, Kawaguchi-Shinkin Bank, Aoki Shinkin Bank	January 2016

➤ Building a cyber security management framework

We have established the Cyber Security Management Subcommittee as a CSIRT within the Bank, with the aim of ensuring a highly effective cyber security management framework that includes efforts to prevent cyberattacks and minimizing the damage and achieving an early-stage recovery if there are any such incidents. This subcommittee promotes cross-divisional cooperation among the Bank's divisions that are responsible for systems, risk management, and other areas. Concurrently, the subcommittee remains in close contact with external entities such as the National Center of Incident Readiness and Strategy for Cybersecurity (NISC) and police, as well as system providers, via information sharing, discussions, and other means. The subcommittee carries out diverse activities for normal times and for emergencies (should any incident occur).



● CSIRT: Computer Security Incident Response Team

A general term for teams responsible for cyber security management within an organization. At the Bank, the Cyber Security Management Subcommittee and its secretariat are CSIRTs.

Compliance Framework

The social and public mission of the banking business makes high demands for operations based on fair and transparent corporate activities in compliance with laws, regulations, and social norms and in accordance with the principles of self-discipline and self-responsibility.

Accordingly, the Bank considers the thorough compliance of its officers and employees in business operations to be a key issue of top priority, and to this end management is actively involved in the fulfillment of the Bank's social responsibility and public mission as the Bank works to strengthen its compliance framework through steps such as system improvements and the establishment of instruction methods.

In the future, the Bank will further strengthen its corporate activities based on a strong sense of ethics and integrity and its management approach in accordance with principles of self-responsibility as it further strengthens the compliance framework so that the Bank's daily business activities and actions ensure compliance with laws and regulations, rules, and social norms.

➤ Basic compliance policy

Musashino Bank's basic compliance policy entails that officers and employees go about their daily duties in accordance with the Bank's two fundamental management guidelines, namely its Corporate Philosophy and Code of Behavior.

Under its unwavering Corporate Philosophy, the Bank strives to work in harmony with the local community it serves while maintaining a deep respect toward customers. As a local bank in Saitama Prefecture, we continue to contribute to the regional economy and society. Furthermore, the Code of Behavior is founded on "the public mission of the Bank" and stipulates "provision of high-quality financial services," "compliance with laws, regulations, rules, etc.," "open business management through communication with society," "respecting the personalities of employees," "tackling environmental problems," "implementing social contribution activities," and "resolute responses to anti-social forces," and officers and employees go about their daily duties guided by these basic policies.

➤ Compliance management structure

The Legal Affairs Office of the Risk Management Division serves as the compliance management department for the Bank. This office undertakes the uniform management of all legal issues relating to compliance and conducts related investigations, research, and provides guidance. At the same time, the office coordinates with officers responsible for legal compliance appointed to all departments and branches while working to strengthen the compliance structure. Regular meetings are held with the officers responsible for legal compliance appointed to each branch in order to improve the level of compliance through the sharing of information and training, and meetings are held each month with the officers responsible for legal compliance in each Head Office department. These meetings serve as a forum to deliberate on compliance issues and to share information.

In addition to the aforementioned, the employees of all departments and branches are made to conduct periodic self-compliance checks. In this manner, the compliance management department has adopted a mechanism that enables it to grasp the status of compliance management.

Furthermore, Musashino Bank has established the Compliance Committee with the president of the Bank serving as the chairperson, which serves as the organization that checks the status of compliance on a Bank-wide basis while considering any and all other important matters through regular meetings. In addition, the committee evaluates and checks on the progress and implementation status of the Compliance Program approved by the Board of Directors. The Compliance Program sets forth a specific action plan for realizing compliance, and it is reviewed every year by the Compliance Committee.

➤ Compliance manual

To ensure the compliance of its officers and employees, the Bank uses a compliance manual that has been approved by the Board of Directors to instill awareness in all of its officers and employees.

The compliance manual contains sections on the Bank's Corporate Philosophy, Code of Behavior, and basic policies. It contains a section on compliance standards that stipulates the matters officers and employees should comply with, a section on the compliance framework that provides an explanation on various structures at the Bank including education and verification structures, and a section that provides an explanation of the laws and regulations that Bank employees are required to be knowledgeable of. The compliance manual serves as a standard for making decisions and taking actions in everyday business activities.

➤ Efforts to protect personal information

The Bank has established a "Personal Information Protection Statement (Privacy Policy)" that sets out our basic approach when handling personal information and the purposes for which such information is used. We strictly manage and administer personal information in accordance with this statement and other relevant rules. In addition, regarding the My Number system, which came into effect in January 2016, we have formulated the "Basic Policy on Security Measures for Handling Specific Personal Information," which clarifies our basic approach when handling specific personal information and ensures its strict management and administration. The contents of the Bank's Personal Information Protection Statement and the Basic Policy on Security Measures for Handling Specific Personal Information are publicly available on our website.

➤ **Efforts regarding anti-money laundering and countering the financing of terrorism**

The Bank has positioned anti-money laundering and countering the financing of terrorism (hereinafter, “AML/CFT”) as important issues in its management strategy. We are working to build control structures for AML/CFT in accordance with our basic policies.

In addition, we provide ongoing training for all officers and employees as part of our efforts to increase their understanding of the importance of AML/CFT, with a view to helping ensure that everyone is aware of relevant laws and regulations, and takes appropriate operational measures.

➤ **Elimination of anti-social forces**

The Bank has established a basic policy on the elimination of anti-social forces and is committed to completely severing any ties with such entities. In line with the basic policy, we have also created a manual that outlines specific measures for severing ties with anti-social forces, and we actively promote employee awareness through training and other initiatives.

Basic policy on the elimination of anti-social forces

1. The Bank and the Musashino Bank Group shall completely sever all ties with anti-social forces and organizations that threaten the order or safety of civil society (hereinafter, “anti-social forces”) and shall eliminate any such connections.
2. In view of the public nature of its operations as a financial institution, the Bank and the Musashino Bank Group shall, in order to maintain public trust, protect depositors and other stakeholders, ensure the smooth functioning of financial services, and secure the appropriateness and soundness of operations, completely sever and eliminate all ties with anti-social forces and respond to them in a firm and resolute manner.

Management System for Customer Protection, etc.

➤ **Initiatives for customer protection**

The Bank places the highest priority on earning customer trust and fully recognizes the importance of managing and safeguarding customers’ assets, information, and other interests, as well as the importance of customer protection and related management aimed at improving convenience. We are committed to establishing and maintaining an appropriate framework and executing the following measures.

- A. Customer explanation management:** When engaging in transactions with customers or providing explanations or information about products, we ensure that explanations and information are appropriate and sufficient, taking into account the customer’s knowledge, experience, financial situation, and the purpose or intentions of their investment in financial products.
- B. Customer support management:** We respond promptly and appropriately to customer consultations and complaints, striving to prevent recurrence of issues and improve our services.
- C. Customer information management:** Customer information is appropriately collected, used, and safeguarded in accordance with laws, regulations, and in-house rules.
- D. Outsourcing management:** When outsourcing operations related to customer transactions, we appropriately manage customer information and other interests to ensure they are not compromised.
- E. Conflict of interest management:** In transactions with customers, we properly manage any transactions that could unjustly harm customer interests, protecting those interests and working to enhance customer trust.

Financial ADR System

The Financial ADR System is a framework for resolving disputes without going to court (out-of-court), through mediation, conciliation, or facilitation conducted by an ADR (Alternative Dispute Resolution) organization.

When it is difficult to reach a resolution between the parties, either the customer or the financial institution can file a request. The designated bank dispute resolution organization contracted by the Bank—the Japanese Bankers Association—will provide a resolution process that is faster, simpler, less costly, and more flexible than court proceedings.

<Designated bank dispute resolution organization contracted by the Bank>
Japanese Bankers Association
Contact: JBA Customer Relations Center
Phone: 0570-017109 (domestic calls only) or +81-3-5252-3772

➤ **Protecting our customers’ valuable assets**

Preventing unauthorized use of internet banking and smartphone apps

To ensure our customers can use our services safely, we implement a variety of security measures and provide guidance and alerts through our website and other channels.

Security measures for internet banking

- For personal internet banking via Musashino Direct, we provide free tools such as the Musashino Direct App, which is a smartphone app that can be used with enhanced security features, and a One-Time Password App for one-time use during transfers.
- For corporate internet banking via Musashino Business Direct, we use one-time passwords with transaction authentication* functions to prevent unauthorized access. We also provide free access to PhishWall Premium, which protects customers from fraudulent pop-ups, phishing attempts, and other types of attacks that could result in unauthorized transfers. In addition, to strengthen security and enable early detection of unauthorized transactions, transaction results are immediately sent to registered email addresses.

* Transaction authentication is a robust security measure that generates a password using customer information, such as the recipient’s account number. This helps prevent crimes in which a malicious third party alters the transfer destination and causes funds to be sent to an unintended account.



Smartphone app security measures

- Internet communications between the customer’s smartphone and the Bank are encrypted to prevent eavesdropping and tampering.
- The app allows login using fingerprint or facial recognition, further strengthening security.
- For transactions such as transfers, an authentication code is sent via SMS (Short Message Services) to the registered phone number or via automated voice call, providing an additional layer of identity verification.
- If a first-time registration is made from an unfamiliar device, the customer is notified by email.
- The app undergoes third-party security evaluations conducted by external security assessment companies.

Conclusion of an agreement on the prevention of special fraud, etc. with the Saitama Prefectural Police

In October 2024, aiming to further enhance the effectiveness of initiatives to prevent special fraud, etc., we signed an agreement together with other banks, shinkin banks, and credit unions headquartered in Saitama Prefecture. Under this agreement, monitoring is conducted using data on fraudulent accounts held by the Saitama Prefectural Police, and training sessions are held to learn about the actual cases and methods of fraud.

Prevention of special fraud, including transfer scams

We actively raise awareness among customers at bank branches, ATMs, and on our website. In addition, based on requests from the Saitama Prefectural Police, we implement preventive measures using “deposit checks.” This involves recommending named deposit checks, which are difficult for third parties to cash, to elderly customers who wish to withdraw large amounts of cash, helping prevent potential fraud.

To further minimize transfer scams that trick people into using ATMs and fraud involving handover of cash cards, we impose restrictions on cash card transfer functions, lowering the daily usage limits for accounts held by elderly customers who meet certain conditions.

Prevention of cash card theft and forgery

We provide IC cash cards and IC cash cards with biometric authentication using finger vein recognition. In addition, we implement measures such as setting daily payment limits at ATMs, offering PIN change services at ATMs, and applying polarized seals to ATM screens.

All our branches are equipped with ATMs that support IC cash cards with biometric authentication.



IC cash card with biometric authentication using finger vein recognition

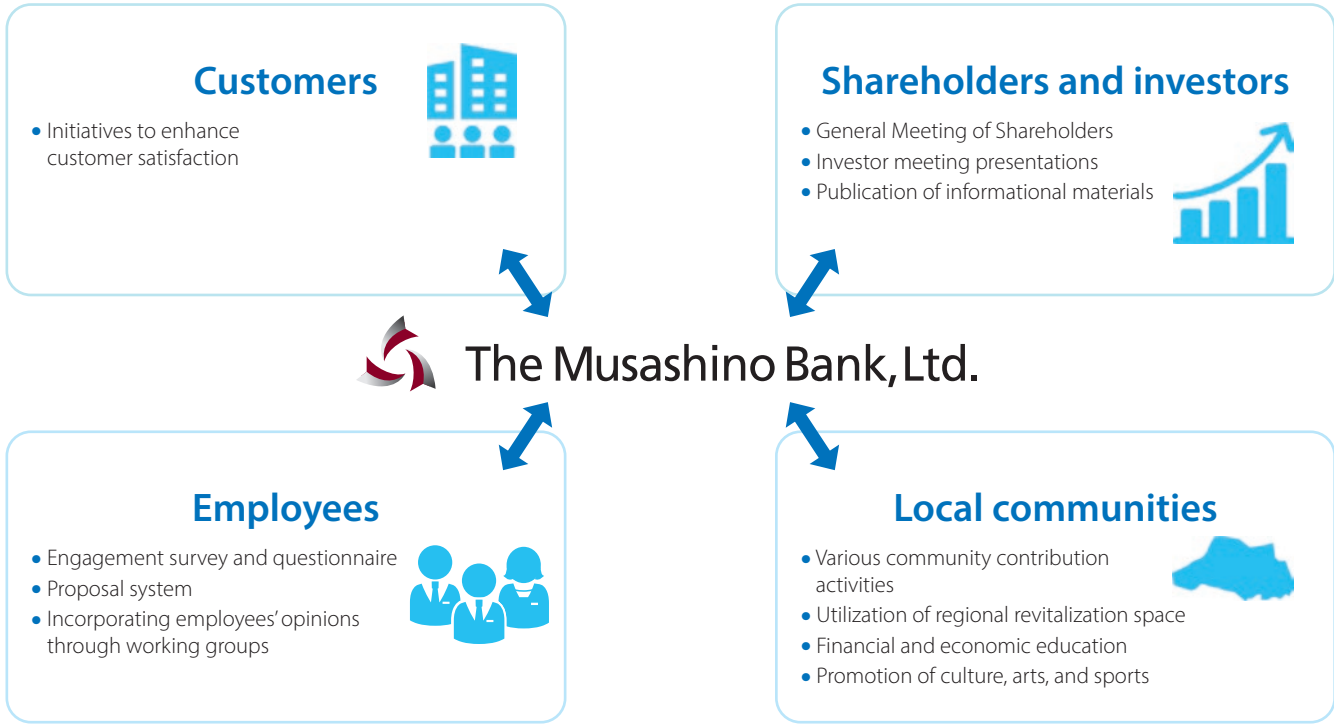
Preventing fraudulent use of electronic payment services

When customers register their bank accounts to electronic payment services, we verify their identity not only using personal information such as date of birth and cash card PIN, but also through a one-time password.

Communication with Stakeholders

Communication with Stakeholders

Musashino Bank aims to promote higher quality business operations and corporate activities, and to increase its corporate value through communication with various stakeholders, including customers, shareholders and investors, employees, and local communities.



Customers

We are focusing on initiatives to enable all customers to use our services with greater confidence and comfort. By listening to customer feedback, we are striving to enhance our services and develop our human resources with a view to enhancing customer satisfaction.

Shareholders and investors

We value the dialogue we have at the General Meeting of Shareholders and investor meeting presentations. We also publish an integrated report and mini-disclosure booklet, as well as provide a website and other informational materials, in order to promote deeper understanding of the Bank and to disclose information appropriately.

Employees

We are working to improve our operations by reflecting feedback from our employees through measures such as conducting engagement surveys and questionnaires, as well as provide operating a proposal system and so forth. We also continually organize working group meetings, calling for participation by employees in those meetings. In this way, we are actively incorporating employees' opinions in management.

Local communities

We are directing efforts to various community contribution activities while also using the regional revitalization space, M's SQUARE, at our Head Office building to focus on regional communication and co-creation. Moreover, we are also actively engaged in initiatives such as financial and economic education and promotion of culture, arts, and sports.

Communication with Customers

The Bank strives to improve customer convenience and implements various initiatives to further enhance customer satisfaction.

Initiatives to increase customer satisfaction

Aiming to become the bank that is chosen first by customers in the region, the Bank is strengthening initiatives that provide customers with satisfaction that exceeds their expectations.

In addition, the Bank has assigned a staff member responsible for improving customer satisfaction at the Head Office. This staff member undertakes various initiatives to improve branch services and related operations.

- Enhance products, services, and channels
- Enhance Head Office training and in-branch study sessions to improve customer service capabilities
- Identify issues, implement improvements, and conduct regular reviews through monitoring surveys and customer questionnaires
- Share information on best practices, complaints, and other cases

Communication with Shareholders and Investors

Under a policy of valuing communication with shareholders and investors, the Bank holds the Annual General Meeting of Shareholders, as well as investor meeting presentations for institutional investors, analysts, and individual investors.

When holding the Annual General Meeting of Shareholders, the Bank implements the following measures.

- Send convocation notices early
- Post convocation notices (including English translations) on the Bank's website
- Introduce paper-based and electronic methods of exercising voting rights (including exercising voting rights using QR codes)
- Stream video of the General Meeting of Shareholders after the meeting

Going forward, the Bank will actively seek opinions and other feedback from a broad range of shareholders and investors and reflect them in its management.

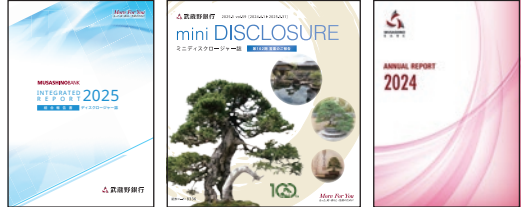


Investor meeting presentation in June 2025

Publication of informational materials

The Bank actively works to disclose information on its financial results, community contribution activities, and other initiatives, through such means as publishing an integrated report, mini-disclosure booklet (shareholder newsletter), and other informational materials.

We also publish an English-language annual report for overseas stakeholders.



Integrated report Mini-disclosure booklet Annual report

Communication with Local Communities

Through a variety of community contribution activities, the Bank contributes to realizing prosperous local communities and a harmonious society in which all individuals can thrive while acknowledging each other's individuality.

Networking with community members

Regional revitalization space M's SQUARE

At the regional revitalization space, M's SQUARE, located on the second floor of the Head Office building, we disseminate information about the attractions of the region and challenges to be addressed, as well as host events that serve as networking forums for community members, in coordination with local governments, companies, organizations, and other partners.

- 30th founding anniversary ceremony of the All Japan Guide Dog Users' Association



In cooperation with local companies, we held the 30th founding anniversary ceremony of the All Japan Guide Dog Users' Association, Japan's only nationwide organization for guide dog users.

- Enhancing management skills: Saitama Women's Café



We held a networking meeting with Saitama Prefecture and the Saitama Ladies Management Club for female entrepreneurs and business owners seeking to enhance their skills.

- Food export business and networking meeting



We held a business and networking meeting with the JETRO Saitama center to expand business opportunities for food businesses in Saitama Prefecture.

- Exhibition to promote Kazo City's attractions



We held a promotional exhibition featuring items such as hand-painted koi streamers to support Kazo City's city promotion.

Participating in local events

With gratitude for the patronage and support of community members over many years, the Bank contributes to further enhancing the appeal and sustained growth of Saitama Prefecture, its local area, through active participation in and sponsorship of local events.

Participating in walking events

We participate in and sponsor the Japan 3-Day March, which is organized by Higashimatsuyama City, and Saita-March, an event held in Saitama City.



Initiatives for the 75th National Tree-Planting Festival

The Bank undertook a variety of initiatives to commemorate the 75th National Tree-Planting Festival, held in Saitama Prefecture for the first time in 66 years.

- Created a special tumbler product using upcycled Japanese cypress offcuts from Ogano Town
- Held promotional event at M's SQUARE, the regional revitalization space in the Head Office building



Supporting children, who are the future

Toward improving understanding of finance

The “Musashino Mirai Academy,” a financial and economic education program, offers workplace experiences, workshops, and other events for elementary to high school students. In addition, the Bank has posted content on its website that allows users to enjoyably learn about money and banking, so that families can use it to pursue financial and economic education at home.

● Workplace experience at a bank

● Various workshops

● Educational courses on finance, economics, and business

● Website content

Toward solving social issues

The Bank conducts a Food Drive Movement in which unused food is collected and donated to cafeterias providing meal assistance for children in Saitama Prefecture in order to support the healthy development of local children. Furthermore, young carers who act as caregivers to family members have become a social concern. Working closely with Saitama Prefecture, support organizations, and other partners, the Bank actively provides support by holding networking meetings for young carers, and seminars for supporters.



“Musashino Rice” grown by the Bank and other items were donated.



Networking meeting for young carers

Supporting growth through music

With the cooperation of professional violinist Kyoko Yoshida, we have been holding concerts in music rooms and gymnasiums of local elementary schools since 2009, to provide opportunities for children to experience outstanding music performed by professional musicians.



Toward promoting local sports

The Bank supports local sports teams to help revitalize the community through the promotion of sports.



Saitama Seibu Lions

In addition to hosting special games, the Bank offers cash cards featuring Lions designs.

RB Omiya Ardija

As a top partner, the Bank sponsors special matches and offers cash cards featuring RB Omiya Ardija designs.

Koshigaya Alphas

The Bank supports the professional basketball team, the Koshigaya Alphas, of the JAPAN PROFESSIONAL BASKETBALL LEAGUE (B.LEAGUE).



A special T-shirt distributed at a Bank-sponsored match

T.T. Saitama

The Bank supports the professional table tennis team, T.T. Saitama, of Japan's professional table tennis T.LEAGUE.

RB Omiya Ardija

The Bank has set up a support booth in M's SQUARE and runs a time-deposit campaign to support the team.

Saitama Seibu Lions

TOPICS

Supporting the Saitama Ageo Medics

In December 2024, the Bank signed an official sponsor agreement and supports the activities of the Saitama Ageo Medics, a team dedicated to revitalizing the community through volleyball.

Toward safer and more comfortable communities

Contributing to community clean-up initiatives and creating safe and secure communities

To help create more pleasant communities for residents, the Bank has registered with community clean-up groups in Saitama Prefecture and Saitama City and conducts clean-up activities. The Bank has also signed cooperation agreements with Saitama Prefecture and related organizations on crime prevention and disaster readiness, as a means of contributing to community priorities such as crime prevention and responses to major disasters.

Wishing for community members to lead healthy lives

Fostering dementia supporters	As a Saitama Prefecture “dementia supporting enterprise,” we are working to train “dementia supporters,” as we move forward with creating neighborhoods that support people with dementia and their families.
Installing AEDs	The Bank has installed AEDs (Automated External Defibrillators) at all branches so that life-saving care can be provided quickly if a customer suffers a sudden medical emergency (ventricular fibrillation).

Promoting regional employment

Recruitment of new high school graduates in Saitama Prefecture

As a local company, the Bank seeks to contribute to the community through employment, and to this end, restarted recruitment of new high school graduates in Saitama Prefecture in April 2006. By April 2025, the Bank had recruited a total of 491 new high school graduates.

About the Musashino Bank Group

The Musashino Bank Group, which comprises the Bank and eight consolidated subsidiaries, conducts operations centered on the banking business, as well as financial services-related operations such as leasing and credit guarantee businesses.

The positioning of each Group company in relation to these businesses is as follows.

Banking business

The Bank conducts operations including deposits, loans, trading securities transactions, securities investment, domestic and foreign exchange, as well as trust services, debt guarantees (acceptances and guarantees), and sales of public bonds such as government bonds over the bank counter.

Leasing business

Consolidated subsidiary The Bugin General Lease Co., Ltd. conducts the leasing business.

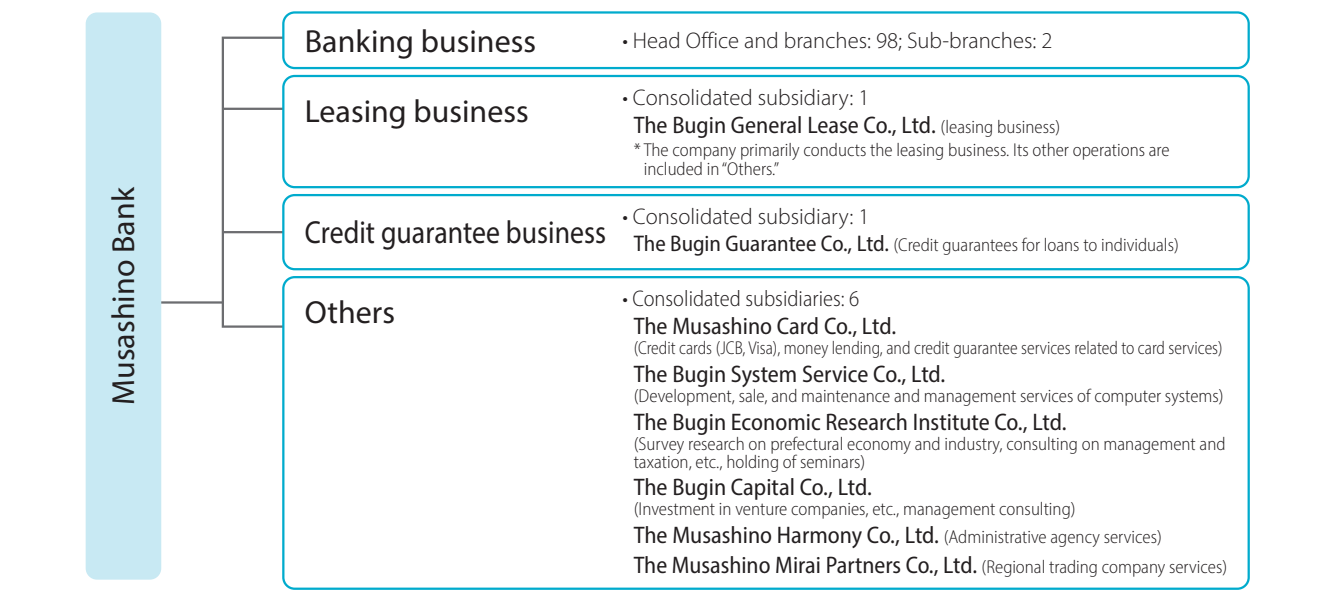
Credit guarantee business

Consolidated subsidiary The Bugin Guarantee Co., Ltd. conducts the credit guarantee business.

Others

Consolidated subsidiaries The Musashino Card Co., Ltd., The Bugin System Service Co., Ltd., The Bugin Economic Research Institute Co., Ltd., The Bugin Capital Co., Ltd., The Musashino Harmony Co., Ltd., and The Musashino Mirai Partners Co., Ltd. conduct credit card business, money lending, development and sale of computer systems, survey research on prefectural economy, management support for venture companies, etc., administrative agency services, and regional trading company services.

Business structure chart



Consolidated subsidiaries

(As of March 31, 2025)

Company name	Address and telephone number	Share capital (¥ million)	Established	Bank's ownership ratio of total shareholder voting rights (%)	Subsidiaries' ownership ratio of total shareholder voting rights (%)
The Bugin General Lease Co., Ltd.	10-8, Sakuragi-cho 1-chome, Omiya-ku, Saitama City 7th floor of the Bank's Head Office building +81-48-642-1231	120	April 1, 1975	50.0	50.0
The Bugin Guarantee Co., Ltd.	265-1, Sakuragi-cho 4-chome, Omiya-ku, Saitama City 3rd floor of Sakuragi-cho Building +81-48-647-3811	90	April 2, 1982	99.4	0.6
The Musashino Card Co., Ltd.	10-8, Sakuragi-cho 1-chome, Omiya-ku, Saitama City 7th floor of the Bank's Head Office building +81-48-643-5081	40	November 25, 1985	62.3	37.7
The Bugin System Service Co., Ltd.	307, Kitabukuro-cho 1-chome, Omiya-ku, Saitama City Inside the Bank's administrative center +81-48-644-8510	20	August 1, 1989	45.0	55.0
The Bugin Economic Research Institute Co., Ltd.	10-8, Sakuragi-cho 1-chome, Omiya-ku, Saitama City 7th floor of the Bank's Head Office building +81-48-647-8484	20	April 20, 1992	42.5	57.5
The Bugin Capital Co., Ltd.	10-8, Sakuragi-cho 1-chome, Omiya-ku, Saitama City 7th floor of the Bank's Head Office building +81-48-657-0931	20	April 1, 1997	5.0	42.0
The Musashino Harmony Co., Ltd.	307, Kitabukuro-cho 1-chome, Omiya-ku, Saitama City Inside the Bank's administrative center +81-48-645-5571	10	May 1, 2017	100.0	—
The Musashino Mirai Partners Co., Ltd.	10-8, Sakuragi-cho 1-chome, Omiya-ku, Saitama City 7th floor of the Bank's Head Office building +81-48-641-8150	100	June 1, 2022	100.0	—