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.

Awareness of external environment surrounding regional financial institutions

- Accelerating economic and social activities in the post-pandemic era
- Tumultuous economic conditions both in Japan and overseas
- Business model transformation through digital technology
- Accelerating initiatives for regional revitalization
- Creation of business opportunities and entry into different industries in step with deregulation
- Social demand for practicing fiduciary duty
- Responsibility to be carbon neutral and nature positive



Saitama Prefecture

- Progress on urban redevelopment and the establishment of industries
- Arrival of a society with a declining population
- Population aging faster than any other prefecture in Japan

Capital deployed

INPUT

Financial capital

- Loan-to-deposit ratio at the top level of the regional bank sector
- Growth of non-interest income businesses such as consulting
- Sound loan assets and capital adequacy

Human capital

- Employees' devotion and sense of mission toward communities
- Human resources with strong specialized expertise
- Promotion of a diverse workforce, including women

Social capital

- Operating in the Tokyo metropolitan area, centered on Saitama Prefecture
- Branch networks with close ties to communities
- A continuously growing customer base developed since the Bank's founding

Intellectual capital

- Quality and quantity of information through networks closely tied to communities
- Ability to deliver diverse and sophisticated consulting through business evaluations
- Use of digital technologies that facilitate the creation of new businesses and services

Natural capital

 Saitama's rich natural environment and diverse ecosystems, blessed with abundant water and lush greenery **Business**

Long-term Vision

Medium-term Management Plan

Grow together with communities and customers by

Sales promotion system

Strategy for individual customers

Group strategy

Empower diverse human resources to flourish based

Digital strategy

Securities strategy

Sustainability strategy

Musashino Bank
Sustainable Development
Goals Declaration
Vision for the Bank
(Key Areas)

The Bank remains close to customers and

Business model

activities

OUTPUT

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

"MCP 1/3"

integrating the real and digital

Strategy for corporate clients

Regional revitalization strategy

Channel strategy

on mutual acceptance of many and varied values

Human resource strategy

Alliance strategy

Management and administration systems

Maximize customer satisfaction by improving the service level and reinforcing customer touchpoints

Establish a sustainable management platform through investment in digital and human capital

Corporate Governance as the Source of Sustainable Growth















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





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



Value provided

OUTCOME

A prosperous future for Saitama Prefecture

Shareholders and other investors

• Increase shareholder value

Local communities

- Contribute to innovation for communities as a whole
- Further promote the development of industry

Customers

- Increase the corporate value of customers
- Stable asset formation and succession

Employees

- Diverse and highly fulfilling work styles
- Promote diversity
- Create local employment

Global environment

· Promote regional decarbonization and biodiversity initiatives

solves their issues, thereby achieving growth together with its customers.