

Only one

**Annual Report
2026**



SHINKIN CENTRAL BANK



Shinkin Central Bank, the Central Bank for Shinkin Banks

As the central financial institution for the cooperative regional financial institutions in Japan, known as Shinkin Banks, the Shinkin Central Bank (hereinafter the SCB) occupies a well-established position in Japan's financial services industry. Shinkin Banks hold funds totaling some ¥161 trillion (around US\$1,012 billion).

Management Philosophy and Operational Policies

Management Philosophy

As the central bank for all Shinkin Banks, the SCB supports the growth of the Shinkin Bank industry, thereby contributing to economic development throughout Japan.

Operational Policies

1. Strengthen the corporate base, broaden operational functions, and enhance the credit standing of Shinkin Banks.
2. Attract stable funds from Shinkin Banks and diversify funding sources.
3. Upgrade market operations and develop financial services.
4. Pursue new business to reflect changing financial circumstances.
5. Contribute to regional development and revitalization hand in hand with Shinkin Banks.
6. Achieve sound management through efficiency, capital adequacy, and strengthened risk management.
7. Nurture professionals and create an attractive workplace.
8. Enhance public trust in the SCB.

Corporate Data (as of March 31, 2026)

Name:	Shinkin Central Bank (SCB)	Number of member Shinkin Banks:	254
Established:	June 1, 1950	Long-term credit ratings:	A1 (Moody's)
Number of employees:	1,324	(as of July 31, 2026)	A (S&P)
Domestic network:	14		A+ (R&I)
Overseas network:	5		AA (JCR)
Total assets:	¥46,559 billion (\$291 billion)		
Total funds:	¥43,411 billion (\$271 billion)		
Paid-in capital:	¥890 billion (\$5,573 million)		
Preferred shares:	¥90 billion (\$569 million)		
Capital adequacy ratio (consolidated):	21.95%		

* The number of employees includes full-time Directors and Corporate Auditors. Our overseas network includes Shinkin International Ltd., a subsidiary in London and Shinkin Singapore Pte. Ltd., a subsidiary in Singapore.



Shinkin Central Bank

Total assets: ¥46,559 billion (\$291 billion)
Domestic network: 14
Overseas network: 5
Number of employees: 1,324
Number of member Shinkin Banks: 254

Scope of Reporting
Reporting Period: April 2025 to March 2026
(Including certain activities conducted on or after April 2026)
Reporting Scope: Shinkin Central Bank and its Group companies

Shinkin Banks

Number of member Shinkin Banks: 254
Total assets: ¥174,072 billion (\$1,088 billion)
Number of branches: 7,054
Number of employees: 95,592
Number of members: 8,570,581
(As of March 31, 2026)

Financial Highlights

(Non-consolidated Financial Summary)

For the years ended March 31	Millions of Yen			Millions of US Dollars*		
	2026	2025	2024	2026	2025	2024
For the Fiscal Year						
Total income	¥ 636,312	¥ 447,134	¥ 393,317	\$ 3,980	\$ 2,991	\$ 2,598
Total expenses	572,780	392,319	351,278	3,583	2,624	2,320
Net income (loss)	48,671	40,579	30,959	304	271	204
Net business profit (loss)	57,921	51,835	17,809	362	346	117
At the Year-end						
Total assets	¥ 46,559,619	¥ 47,991,933	¥ 47,421,113	\$ 291,270	\$ 321,080	\$ 313,279
Loans and bills discounted	12,234,550	9,287,100	8,860,804	76,537	62,133	58,537
Securities	18,187,065	17,076,706	16,039,471	113,775	114,248	105,962
Total liabilities	44,978,492	46,536,768	45,912,152	281,379	311,345	303,310
Deposits	29,503,506	31,334,531	33,102,046	184,569	209,637	218,683
Debentures	1,229,810	1,250,410	1,302,170	7,693	8,365	8,602
Net assets	1,581,127	1,455,164	1,508,961	9,891	9,735	9,968

* US dollar amounts are given for convenience only, converted at the rate of ¥151.37, ¥149.47 and ¥159.85 per US\$1.00, the prevailing rate as of March 31, 2024, 2025 and 2026 respectively.

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This material contains certain forward-looking statements. They are not guarantees of future performance and involve risks and uncertainties, while actual results may materially differ from those contained in the forward-looking statements due to various factors.

US dollar amounts are converted for convenience only, at ¥159.85 per US\$1.00, the prevailing rate on March 31, 2026.



Message from the President and CEO

Working with Shinkin Banks to Create Shared Value with Local Communities

President and Chief Executive Officer Hiroshi Sudo





Message from the President and CEO

Introduction

The business environment surrounding us, including finance and the economy, politics and society, and international affairs, is becoming more uncertain than ever before, and is changing at an unprecedented pace, driven in part by the rapid advancement of generative AI.

In this uncertain and rapidly changing business environment, as President and CEO of the SCB, I am acutely aware of the “great responsibility” I bear in working with our various stakeholders to shape a new future for local communities, the SCB, and the Shinkin Bank industry. At the same time, I am filled with great “dreams” and “hopes.”

Role of Shinkin Banks and the SCB

Shinkin Banks are cooperative financial institutions in which local residents serve as members and users, supporting local development based on the principle of mutual aid. Rooted in specific local communities, they provide a diverse range of products and services to SMEs and individual customers in those areas.

As a result, they have a strong sense of commitment to their communities and, through “Face to Face” interactions with their customers, have long supported the unique industries, cultures, and lifestyles of those communities.

There are 254 Shinkin Banks nationwide with a total deposit volume of ¥161 trillion, forming a network of approximately 7,000 branches. The SCB, as the central financial institution established through capital contributions from these Shinkin Banks, works alongside them to address increasingly diverse and complex challenges facing local communities, while leveraging the nationwide network of Shinkin Banks.

My Vision for the SCB as Its Leader

If I were to describe my vision for the SCB in a single sentence, it would be this: “We want to be an organization that works with Shinkin Banks to create shared value with local communities.”

In other words, we will work side by side with the 254 Shinkin Banks across Japan, putting in the hard work to tackle the various challenges facing local communities. And we aim to achieve both the creation of prosperous local communities and the sustainable growth of the Shinkin Bank industry. Through the realization of this vision, I hope that in ten years’ time, Shinkin Banks will go beyond simply offering financial products and services to become an integral part of every aspect of our customers’ lives, as essential as air or water. I want to create a world where customers think, “Shinkin Banks are always with us,” “It’s only natural that they’re by our side,” or “I’d be in trouble without them.”

Japan is facing many challenges, including population decline and an aging society with a low birth rate; however, these are challenges that many countries will face in the future. By taking the lead in addressing them, Japan has the potential to become a “pioneer in addressing challenges” and a “model for the future” for the world. We aim for Shinkin Banks and the SCB to play a leading role in addressing these challenges.

For example, one of Japan’s major issues is the “overconcentration in Tokyo.” As a solution to this, there are high expectations for the realization of a “regionally decentralized society,” or a society in which each region creates its own value and is interconnected with others.

Shinkin Banks, which are deeply rooted in their respective communities, have long been engaged in various initiatives as key drivers of local value creation. With the support of technological innovations across multiple fields and improved environments, we expect these efforts to further accelerate in the future.

The SCB will support these efforts by Shinkin Banks and, by connecting the unique value created in each region through its nationwide network of Shinkin Banks, contribute to the realization of a “regionally decentralized society.”

In this way, we aim for Shinkin Banks and the SCB to serve as the “drivers and pillars supporting Japan’s next decentralized system,” working to create shared value with local communities.



Message from the President and CEO

Four core growth strategies

To bring our vision of becoming an “organization that creates shared value with local communities” into reality, we intend to first focus our efforts on the following four areas.



1 Business Transformation Through Strategic Application of AI

In order for Shinkin Banks to strengthen their “Face to Face” relationships with customers and further advance the development of the management base for addressing local challenges, it is necessary to proactively utilize AI to consolidate and streamline back-office operations and routine tasks.

By exploring digital technologies that are evolving day by day, such as AI, and introducing and promoting them throughout the Shinkin Bank industry, the SCB aims to “strengthen the bonds between Shinkin Banks, their customers, and local communities” and “realize a highly efficient internal operational structure for Shinkin Banks.”



2 Ambidextrous Management of Offense and Defense

On the defensive front, amid growing risks such as disasters, money laundering, and cyberattacks, we will focus even more on enhancing the crisis response capabilities of the entire Shinkin Bank industry so that Shinkin Banks can continue to function as infrastructure for their local communities.

On the offensive front, we will pursue “strategic growth investments” in new business areas that not only enhance the SCB's own profitability and growth potential but also contribute to solving the challenges faced by Shinkin Banks, SMEs, and local communities.



3 Enhancing the Brand Value of the SCB and the Shinkin Bank Industry

Leveraging the Shinkin Bank industry's network across Japan, we will contribute to the sustainable growth of SMEs and local communities through initiatives such as supporting SMEs in expanding their sales channels and providing regional revitalization consulting to local governments. Furthermore, we will foster in-depth collaboration with diverse domestic and international stakeholders, including industry, academia, government, and the financial sector, to strengthen the competitiveness and enhance the brand power of the SCB Group and the Shinkin Bank industry.



4 Strengthening Human Resources at SCB

In addition to enhancing the expertise of our staff, we will work to create a workplace environment where each employee can experience a sense of fulfillment and personal growth. At the same time, we will foster a shared understanding among our staff of the values that make us “one and only,” including the significance of cooperative organizations, the spirit of mutual aid, and our role as the central financial institution. By building an open organization where each employee can more freely express their ideas, we seek to enhance both individual capabilities and organizational strength.

Review of Performance for Fiscal Year Ended March 2026

For the fiscal year ended March 2026, while Japan saw a continued trend of moderate economic recovery, including improvements in the employment and income environment, the year was marked by uncertainty, from the imposition of reciprocal tariffs early in the fiscal year to the deterioration of the situation in the Middle East toward the end of the fiscal year, with global supply chain disruptions and accompanying inflation concerns.



Message from the President and CEO



Under these circumstances, we observed significant changes, including a sharp rise in the Nikkei Stock Average, progress in the normalization of monetary policy, such as the Bank of Japan's policy rate hike and the rise in domestic long-term interest rates, and a widespread expectation of higher interest rates in the future. At the SCB, we have been strengthening our efforts to build an investment and lending portfolio that is resilient to interest rate risk, as well as a revenue and financial base that is less susceptible to market fluctuations. For the fiscal year ended March 2026, we improved the quality of our securities portfolio by replacing bonds with deteriorating profitability and investing in foreign currency-denominated floating-rate

bonds, among other measures, while further promoting floating-rate loans to corporate clients and project finance.

In particular, regarding loans to corporate clients, by leveraging our strength as one of Japan's most financially robust institutions to strengthen relationships with existing clients and expand our client base, we achieved record highs in both loan balances and earnings, thereby reinforcing our revenue base. Combined with our securities portfolio management, this led to a steady accumulation of interest income. As a result, for the fiscal year ended March 2026, we reported an increase in profit compared to the previous fiscal year and results that exceeded our earnings forecast. We believe that steadily enhancing our profitability as an individual financial institution is important to continuing to effectively fulfill our function as the central financial institution for Shinkin Banks.

Review of the Medium-Term Management Plan “SCB Strategy 2025”

Under the Medium-Term Management Plan “SCB Strategy 2025,” which covers fiscal 2025 through fiscal 2027, we are committed to implementing various initiatives under the three strategies related to “Shinkin Banks,” “local communities,” and “the SCB.”

In fiscal 2025, the first year of the Medium-Term Management Plan, we got off to a solid start, with progress on many non-financial targets (representative KPIs) exceeding plan projections.

In particular, regarding the expansion of operational efficiency initiatives for Shinkin Banks through shared use schemes, a key measure for strengthening the management base, the number of Shinkin Banks utilizing the existing shared use schemes has been steadily increasing. As a result of their use exceeding expectations in areas such as deposit assessment operations, the industry-wide reduction in working hours for fiscal 2025 reached 1,598,000 hours, surpassing the fiscal 2027 reduction target of 1,200,000 hours. Although we were able to exceed our target in the first year of the Medium-Term Management Plan, to further promote operational efficiency and productivity improvements at Shinkin Banks, we launched two new initiatives in June 2026: the “shared use scheme for year-end tax adjustment operations and the management of loan documents and records” and “support for centralizing inheritance-related operations,” in addition to our existing shared use schemes.





Message from the President and CEO

Next, as part of our initiatives to enhance the sustainability of local communities, in March 2026, we partnered with Shinkin Capital to establish the “Shinkin Disaster Prevention Support Fund” and the “Shinkin Reconstruction Support Fund.” These funds aim to strengthen the local safety net in the event of a disaster by providing financing to businesses that contribute to enhancing local resilience and to those affected by severe disasters. Both funds have already begun investments in Shinkin Bank clients, and we will continue to make investments aimed at strengthening the local safety net.

Furthermore, in order to support Shinkin Bank clients expanding into Vietnam, we opened a representative office in Ho Chi Minh City in May 2026. Working in collaboration with staff seconded to Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV)’s Japan desk (Hanoi), we have established a support system for Shinkin Bank clients from both our northern and southern bases in Vietnam. With regard to support measures for expanding overseas sales channels, our overseas representative offices collect real-time information on local market characteristics and buyer needs and provide this to Shinkin Bank clients, thereby contributing to a greater number of successful contracts at local business matchmaking events. We are working to ensure that the overseas network established by the SCB is widely utilized by Shinkin Bank clients.

Furthermore, as for the growth of the SCB, in order to enhance our profitability and further solidify our “function as the central financial institution for Shinkin Banks,” we announced the “Initiatives for Sustainable Enhancement of Corporate Value” for the SCB Group in May 2026.

Initiatives for Sustainable Enhancement of Corporate Value

During the planning period of the Medium-Term Management Plan “SCB Strategy 2025,” in addition to promoting the “enhancement and expansion of a revenue and financial base that is less susceptible to market fluctuations,” we will prioritize the allocation of management resources to areas such as “growth strategy investments” and the “DX and AI strategy.”

In regard to the “enhancement and expansion of a revenue and financial base that is less susceptible to market fluctuations,” we are advancing initiatives such as loans and alternative investments. Through strategic staffing, including the recruitment of mid-career professionals, we aim to increase loan revenue by 65% by fiscal 2030 compared to fiscal 2025.

For “growth strategy investments” and the “DX and AI strategy,” we established respective dedicated teams in April 2026 to build a framework for further strengthening these initiatives. “Growth strategy investments” aim to strategically capture external growth while simultaneously creating new revenue streams and strengthening and expanding our business foundation. The “DX and AI strategy” seeks to go beyond simply improving operational efficiency and productivity through the strategic use of generative AI and other technologies; it also aims to revolutionize business operations and realize digital and AI-driven business operations.

To Our Preferred Shareholders

The SCB possesses the unique characteristics of being the “central financial institution for Shinkin Banks,” a “cooperative financial institution,” and a “listed company”; its capital consists of common shares held by member Shinkin Banks and preferred shares issued through the capital markets.

We have revised our “Basic Policy on Profit Distribution” to pursue growth investments and other means of returning profits to our shareholders, while adhering to our fundamental approach of balancing the enhancement of internal reserves to maintain financial soundness with the payment of stable dividends.

As a measure to expand profit distribution, in addition to the expansion of the special benefit program announced in October 2025, we have decided to partially repurchase and retire our own preferred shares, up to a maximum of 10,000 shares and a total repurchase amount of ¥1.0 billion.

Under the special benefit program, we present catalog gifts and QUO Cards based on the number of shares held. The catalog gifts feature local specialties of Shinkin Banks’ customers, and as they have been received well every year, we hope that you will discover the attractive features of various regions.

▶ Initiatives for Sustainable Enhancement of Corporate Value P.20

▶ Strategy 2 P.26

▶ Strategy 3 P.28

▶ Preferred Shares P.49



Message from the President and CEO

In Conclusion

The other day, I had the opportunity to learn about the tea ceremony from the chief priest of a temple in Kyoto. A tea room is often described as a “small space of peace” where people set aside differences in social status, leave their weapons behind, and face one another. It is a noble culture focused not on efficiency or winning and losing, but on nurturing relationships with others and creating a shared space together.

What is interesting is that tea ceremony places its core value on “deliberate inefficiencies,” such as the time and effort involved, the use of negative space, and stillness, or things that modern society has been trying to let go of. Precisely because we live in an era that pursues speed and efficiency, these “deliberate inefficiencies” become extremely important for deepening relationships between people and fostering trust.

When I heard this story, the first thing that came to mind was Shinkin Banks. Couldn't the initiatives of Shinkin Banks in local communities also be described, in a sense, as a series of “deliberate inefficiencies”?

They handle even small loans with care. They go the extra mile to help with personal concerns. They attend local festivals and carry the portable shrine with local residents. While these activities might be labeled “inefficient” if judged solely by economic rationality, I believe it is precisely these efforts that have fostered unwavering trust in Shinkin Banks from local communities and made them “indispensable to their communities.”

As I mentioned in the first priority area, we will thoroughly streamline back-office operations and routine tasks. However, the goal beyond that is not simply a “more efficient industry.” Channeling the time and energy freed up by streamlining into the “deliberate inefficiencies” we have always valued is what will lead us toward our vision.

There is a saying by the haiku poet Matsuo Basho: “Fueki Ryuko.” This means “cherishing the essence that must never change, while actively changing what should evolve with the times,” and it can be described as “universal wisdom” that applies equally to modern corporate management and organizational operations. At

the SCB as well, we must firmly preserve our fine traditions and culture while accurately anticipating changes in the business environment and driving transformation forward. And such transformation requires thinking that is not bound by conventional wisdom. Maintaining the status quo without taking on challenges leads only to decline.

I have made it clear to the SCB's officers and employees that I want them to take on challenges boldly without fear of failure, and as the head of the organization, I will continue to lead by example, clearly charting the course forward and taking on new challenges.

We sincerely look forward to your continued understanding and support.



President and CEO

Hirashi Sudo

About Shinkin Banks

Shinkin Banks are cooperative financial institutions. Their membership comprises local residents and SMEs. Shinkin Banks' distinctive characteristics are that they are conveniently located; offer fine-tuned, personalized services; and have a strong relationship of mutual trust with their customers and communities. Cooperative financial institutions are organizations that operate under the fundamental principle of mutual support.

Shinkin Banks limit their lending, in principle, to members. However, their functions are almost the same as those of commercial banks, and they also deal with many people who are not members, accepting deposits, providing exchange services, accepting payments, including those for public utilities, and engaging in over-the-counter sales of public bonds, investment trust funds, and insurance.

Shinkin Banks not only provide deposit-taking, lending and payment and clearing services, but also offer a diverse range of services to customers and other members of the local community in such areas as support for management improvement and business turnaround, business succession support, business start-up support, and local-area revitalization.

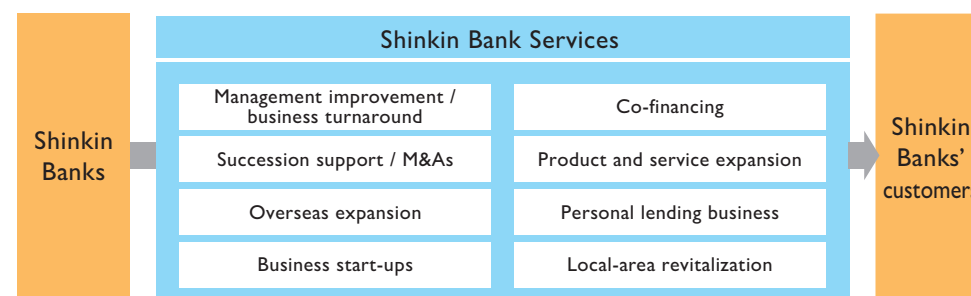
Outline of Shinkin Banks

254 Shinkin Banks form an extensive network, with approximately 7,000 offices across the country, from Hokkaido in the north to Kyushu and Okinawa in the south.

Shinkin Banks dedicate themselves to providing high-quality services to local residents, as financial institutions deeply rooted in their respective regions, and contribute to regional development.

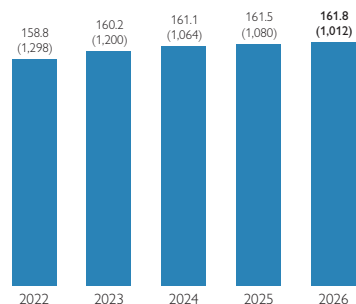
Total deposits outstanding at 254 Shinkin Banks as of March 31, 2026, reached approximately ¥161 trillion (\$1,012 billion), which ranks it in third place after Japan's city and regional banks, and gives Shinkin Banks an important position in Japanese financial services markets.

Shinkin Banks continue to further deepen their presence and roles as important infrastructure for economies and societies in regions.



Deposits Outstanding at Shinkin Banks

(Trillions of yen / billions of US dollars)

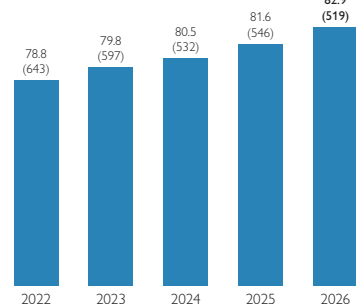


Note: Items in parentheses are US dollar amounts. They are given for convenience only, with conversion at ¥122.37, ¥133.50, ¥151.37, ¥149.47 and ¥159.85 per US\$1.00, the prevailing rate on March 31, 2022, 2023, 2024, 2025 and 2026, respectively.

Source: The SCB.

Loan and Bills Discounted Outstanding at Shinkin Banks

(Trillions of yen / billions of US dollars)



Note: Items in parentheses are US dollar amounts. They are given for convenience only, with conversion at ¥122.37, ¥133.50, ¥151.37, ¥149.47 and ¥159.85 per US\$1.00, the prevailing rate on March 31, 2022, 2023, 2024, 2025 and 2026, respectively.

Source: The SCB.

Deposits¹ Outstanding by Bank Segment (As of March 31, 2026)

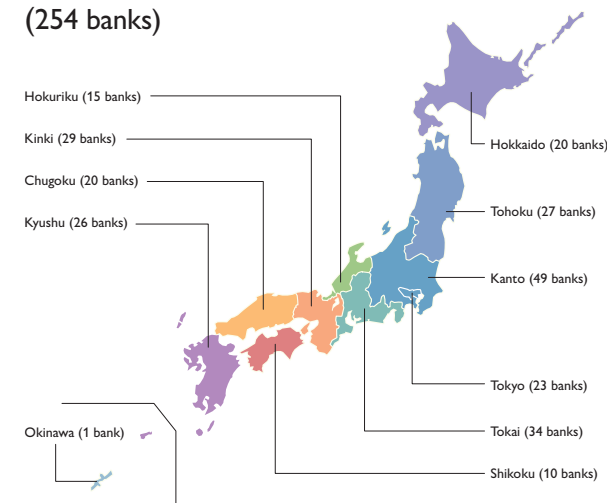
(Billions of US dollars)

City Banks ²	\$3,100
Regional Banks ²	2,130
Shinkin Banks	1,012
Agricultural Cooperatives	668
Second-tier Regional Banks ²	448
Credit Cooperatives	151
Labor Credit Associations	144

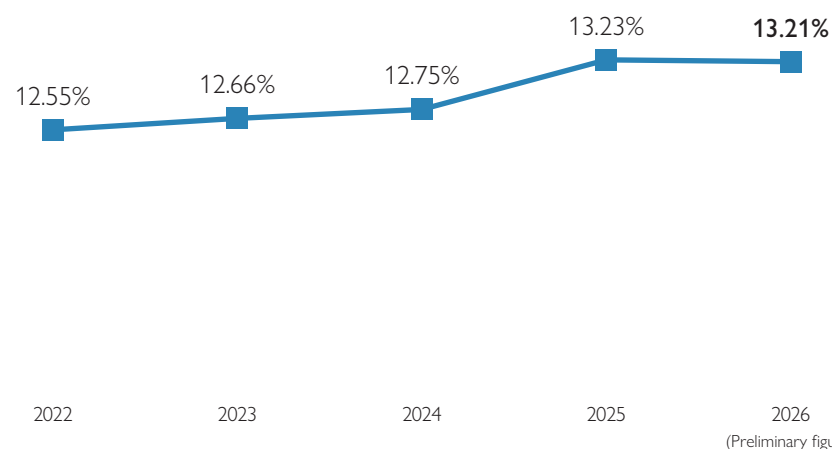
Notes: 1. Deposit includes domestic operations.
2. City banks, regional banks and second-tier regional banks do not include the special international financial transactions account.

Sources: Japanese Bankers Association, the Norinchukin Bank, National Central Society of Credit Cooperatives, National Association of Labour Banks and the SCB.

Nationwide Network of Shinkin Banks (254 banks)



Capital Adequacy Ratio of Shinkin Banks

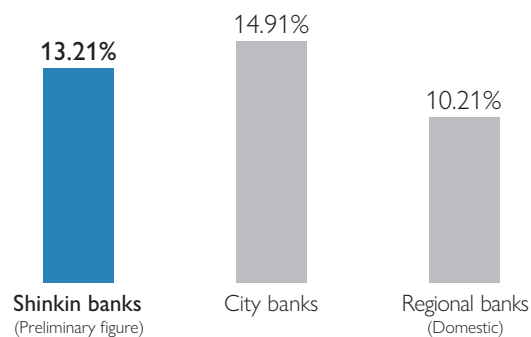


Source: The SCB.

Difference between Shinkin Banks and Commercial Banks

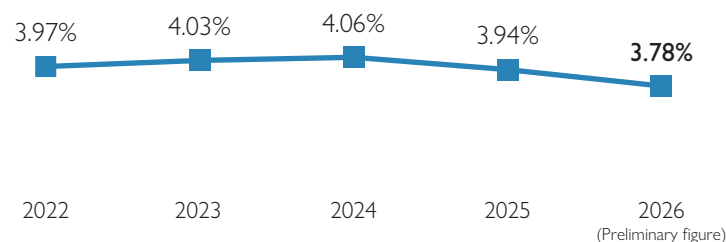
Category	Shinkin Banks	Commercial Banks
Legal foundation	Shinkin Bank Act	Banking Act
Organization	Non-profit cooperative organization financed by its members	For-profit joint stock corporations
Membership qualifications	(1) Those who have an address or office in the region (2) Those who have a business office in the region (3) Those who work in the region (4) Executive officers of companies that have a business office in the region (In the case of businesses) Businesses with no more than 300 employees or with less than 900 million yen in capital	None

Non-consolidated Capital Adequacy Ratio by Bank Segment (%) (as of March, 31, 2026)



Sources: Bank disclosure document, Regional Banks Association of Japan.

Nonperforming-loan Ratio of Shinkin Banks (%)



Source: The SCB.

The capital adequacy ratio of Shinkin Banks fell to 13.21% (preliminary figure) as of March 31 2026, from 13.23% at the end of the previous fiscal period.

The ratio maintains a level that is not inferior to that of domestic citybanks (14.91%), and is outperforming other domestic regional banks (10.21%).



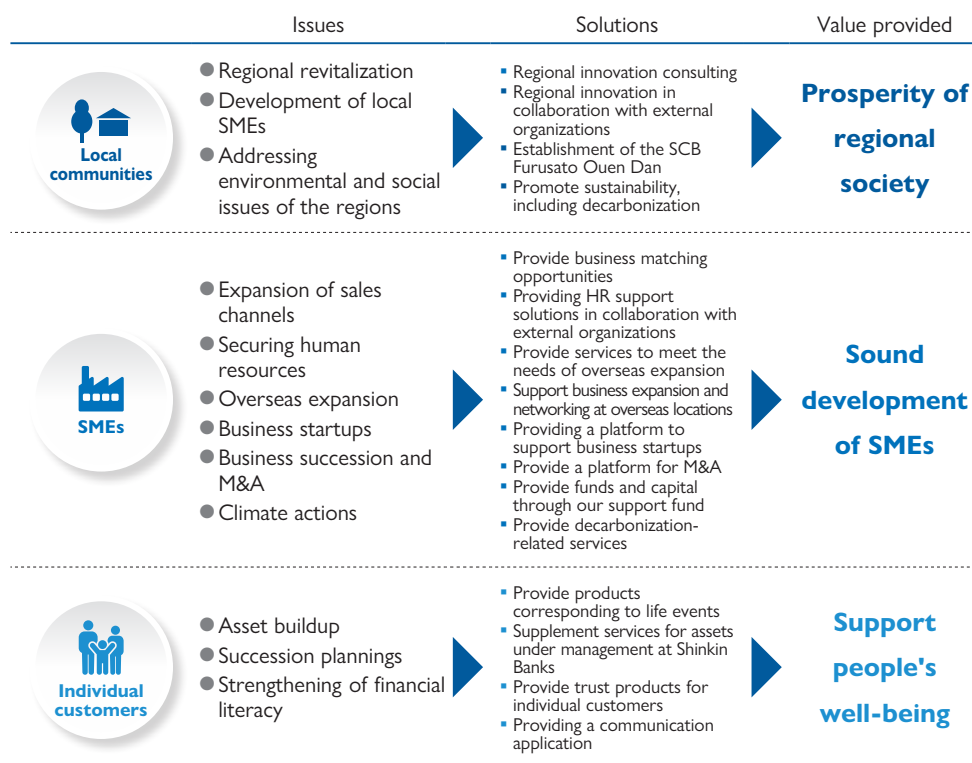
About Shinkin Central Bank

The SCB was established as a cooperative financial institution funded by the Shinkin Banks, and serves as the central bank for Shinkin Banks throughout Japan, which are also its members. Here we will explain the two major functions performed by the SCB in the Shinkin Bank community.

Functions as a central financial institution

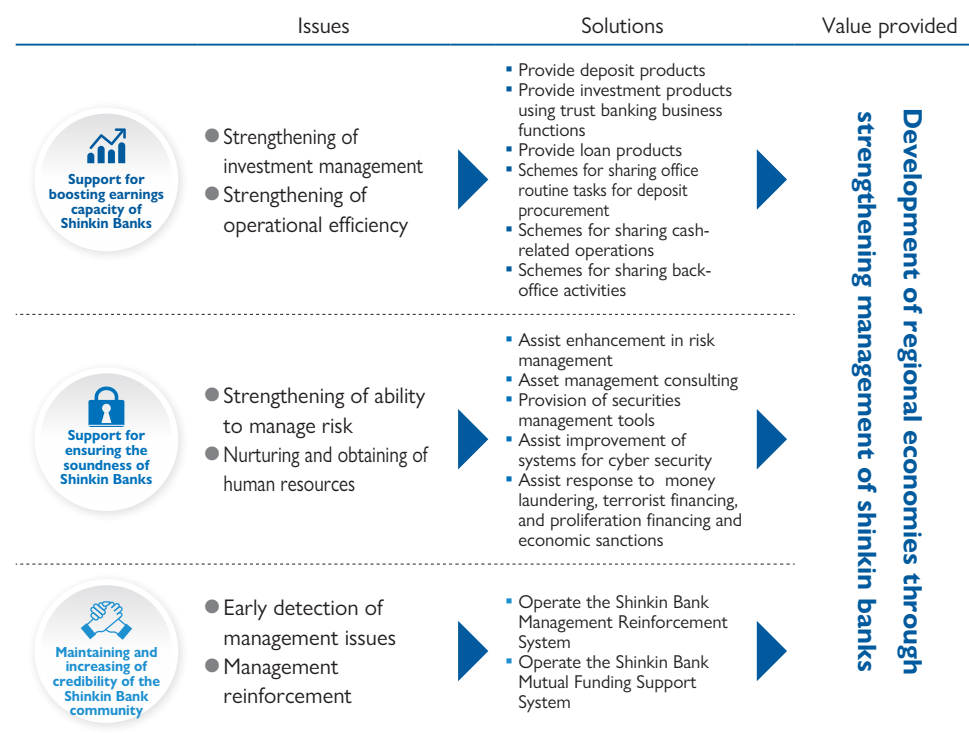
◆ Functions to realize a sustainable society

Shinkin Banks play a key role in supporting regional economies by lending to local organizations and SMEs in Japan. The SCB serves a complementary role in assisting with operations that are difficult or inefficient for individual Shinkin Banks to perform. We provide various support to ensure that Shinkin Banks can quickly respond to the diversification and complexity of their customer needs, as well as the intensifying competition with other business formats.



◆ Central bank functions for Shinkin Banks

The SCB makes every effort to maintain an orderly financial system within the Shinkin Bank community through the further strengthening of consulting functions, and cyber security measures in the Shinkin Bank community, as well as timely and appropriate operations of the Shinkin Bank Management Reinforcement System, etc.



Functions as an individual financial institution

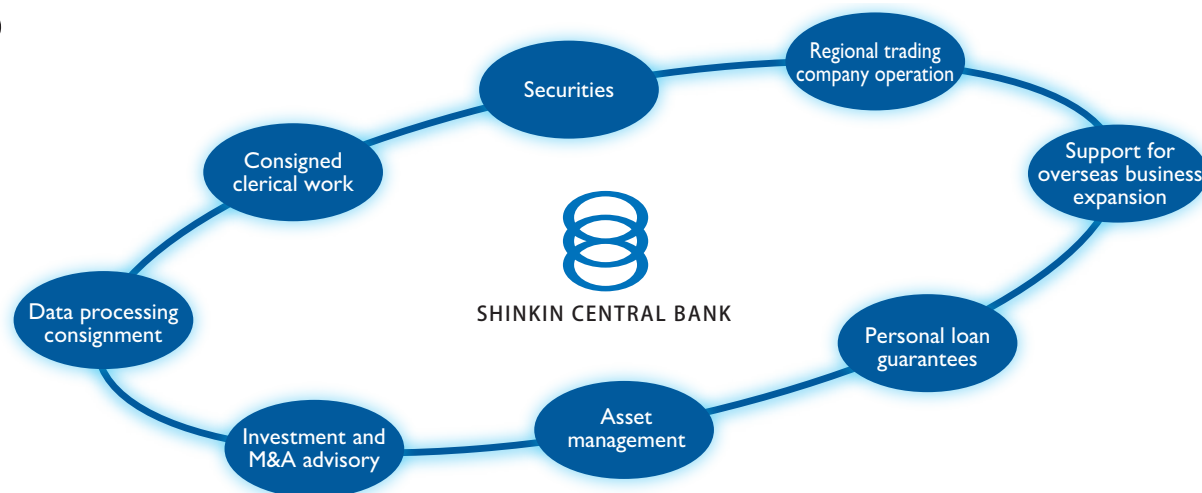
The SCB is constructing a stable funding base through deposit taking operations and bond issuing. With the funds procured with this base, the SCB makes investments and loans for various products, etc. in money markets in Japan and overseas as one of the leading institutional investors in Japan.

Furthermore, as a financial group that conducts investments and loans globally, the SCB is engaged in sustainable finance that takes ESG (environment, social and governance) factors into consideration to achieve a sustainable society.



The SCB Group

(As of July 31, 2026)



Securities

Shinkin Securities

¥20bn in capital (100% ownership);
¥10bn capital reserve

- Dealing
- Brokerage
- Underwriting

Shinkin International

£30mn in capital (100% ownership)
(London local securities entity)

- Underwriting new bonds and agency business in the euro market
- Dealing and brokering for existing euro bonds
- Foreign securities investment and consulting

Regional trading company operation

Shinkin Regional Innovation

¥100mn in capital (100% ownership)
¥100mn capital reserve

- Regional trading company business
- Regional innovation consulting business

Support for overseas business expansion

Shinkin Singapore

\$9mn in capital (100% ownership)
(Singapore local entity)

- Supporting the overseas expansion of Shinkin Banks' customers
- Supporting investments and loans of SCB
- Conducting surveys and research for financial innovation
- Nurturing human resources of the shinkin bank community

Personal loan guarantees

Shinkin Guarantee

¥1.0bn in capital (100% ownership)
¥0.8bn capital reserve

- Debt guarantee business (guarantees for unsecured personal loans provided by Shinkin Banks)

Asset management

Shinkin Asset Management

¥200mn in capital (100% ownership)

- Management services for discretionary investment contract assets
- Management services for investment trust assets

Investment and M&A advisory

Shinkin Capital

¥490mn in capital (100% ownership)

- Investment banking
- M&A advisory services
- Corporate business consulting

Data processing services

The Shinkin Banks Information System Center

¥4.5bn in capital (50.7% stake; 49.2% owned by Shinkin Banks);
¥1.5bn capital reserve

- Data processing consignment
- Software development
- Computer consulting and training

Business operations services

Shinkin Chukin Business

¥70mn in capital (100% ownership)

- (handles SCB back office operations)
- Computing
- Bill clearing
- Branch, dormitory, and other property management



Our Purpose

Connecting the “Stories” of Local Communities to the Future

Shinkin Banks, born from the ideas of each local community, have worked closely with the communities through “Face to Face” interactions. As weavers of the “stories” that shape Japan’s identity, comprising SMEs, which are the driving force of Japan, the lives of its people, as well as the industries, cultures and traditions unique to each community, Shinkin Banks have collaborated with local stakeholders to contribute to the development of local economies and societies.

We, the SCB, are the one and only financial institution born from the ideas of Shinkin Banks. Serving as the central bank of the industry, we have grown together with Shinkin Banks, contributing to the development of Japan.

Today, Japan faces various challenges, including a severe decline in population and the number of SMEs, as well as climate change. We stand at a critical juncture where the cherished “stories” of local communities passed down through generations may be lost.

Shinkin Banks grow together with the local community and must confront the imminent crises to create a brighter future for communities and safeguard Japan’s future.

To this end, we will take on new challenges quickly and boldly without being confined to preconceived notions, and by working together with Shinkin Banks as “one banking group” to drive the growth of local economies that support Japan.

To become an indispensable organization (the most trusted financial institution) in the region, we will continue to strive forward, connecting the “stories” of the communities and Japan to the future.



“One Banking Group” We Aim to Become

The SCB will promote the construction of an operational base that enables Shinkin Banks to further specialize in front-office operations by driving the consolidation and efficiency of the middle- and back-office operations of Shinkin Banks. This effort will lead to the SCB and Shinkin Banks joining forces to drive the growth of local economies and societies, by enabling Shinkin Banks to promote sales activities in a sustainable manner, leveraging their unique characteristics.

Drive the growth of local economies and societies as “one banking group” together with Shinkin Banks.

Local stakeholders (SMEs, individuals, local governments, etc.)

Promote sales activities in a sustainable manner leveraging the unique characteristics of Shinkin Banks.

- “Face to Face” (closely tied with the local community and approachability)
- Customer-centric (mutual support, non-profit)
- Agility and flexibility



By collaborating with industry associations and other organizations, establish an organic operational base that enables Shinkin Banks to leverage their unique characteristics.

- Shared use
- DX/Digitalization
- Knowledge sharing
- Management consulting
- Human assets development
- Provision of financial instruments and services

Key data of the SCB (as of March 31, 2026)

Number of member Shinkin Banks

254 banks

Funds

¥30 trillion

Total amount of loans and bills discounted

¥12.2 trillion

Number of locations

14 in Japan
5 outside Japan

Number of officers and employees

1,324

Key data of Shinkin Banks (as of March 31, 2026)

Number of members

8,570,581

Deposit amount

¥161 trillion

Total amount of loans and bills discounted

¥82 trillion

Number of shinkin banks/branches

254 banks
7,054 branches

Number of officers and employees

95,592

The Social Issues We Address

The SCB has identified key social issues (materiality) for the SCB Group and will work together as a group to enhance corporate value through its business activities while striving to achieve positive social impacts.

For the seven identified issues of materiality, we have outlined the direction of our specific initiatives and set the positive social impacts we aim to achieve through solving these issues. These impacts are reflected in key goal indicators (KGIs) for related business activities in the business plans of each company within the SCB Group.

By identifying the materiality and setting the impacts, we will clarify the priorities for initiatives aimed at achieving the “Vision by 2030” and strive to enhance the effectiveness of our actions.

As part of verifying the appropriateness of materiality, we will review changes in the environment surrounding the SCB Group, as appropriate.

Process for identifying materiality

STEP 1 Identification and screening of issues

- Created an exhaustive list of 363 social issues inside and outside Japan, chosen from the evaluation criteria of the SDGs, GRI Standards, SASB Standards and those provided by ESG evaluation bodies
- Screened the list of issues and identified 22 candidate material issues

STEP 2 Evaluation and prioritization

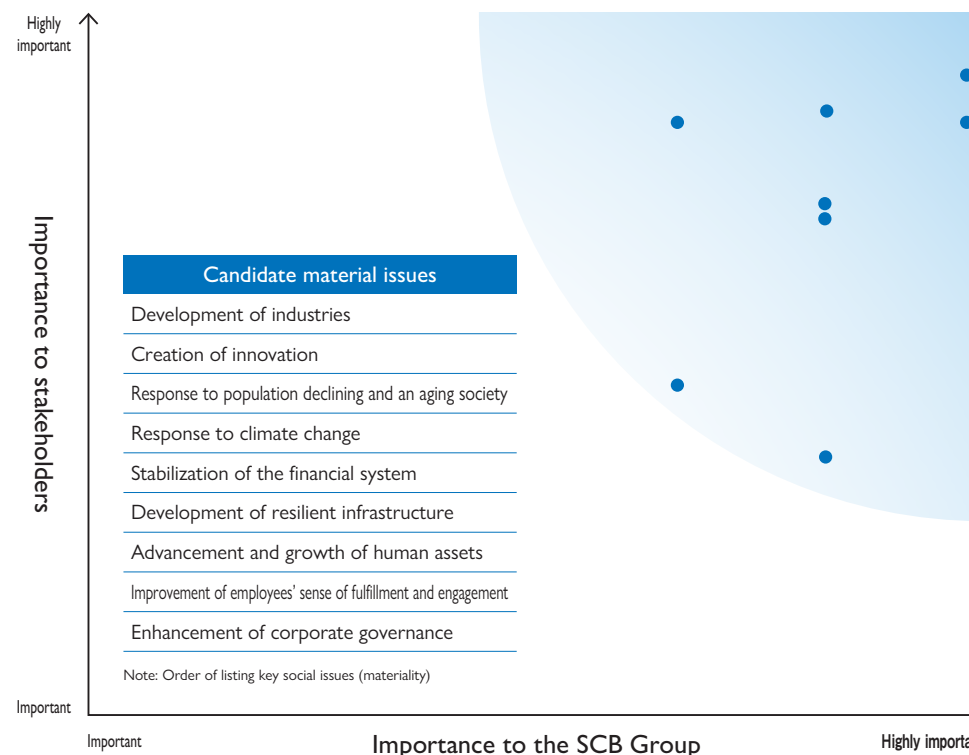
- Conducted interviews and/or opinion surveys with Shinkin Banks, employees of the SCB Group, preferred shareholders and business partners in order to confirm the important matters for the stakeholders
- To confirm the important matters for the SCB Group, officers and directors of the SCB and its group companies verified the opportunities and risks for each candidate
- Mapped 22 issues in a two-axis framework in terms of important matters for the stakeholders and that for the SCB Group. Evaluated and prioritized them to identify proposed materiality

STEP 3 Identification of materiality

- Discussed the proposed materiality with the Group Sustainability Promotion Committee and Executive Committee. Conducted discussions with external experts
- Resolved and identified the materiality along with the Medium-Term Management Plan at the Board of Directors meeting

Evaluating and prioritizing candidate material issues

- Evaluated the importance of each candidate material issue by plotting the importance to the SCB Group on the horizontal axis and the importance to stakeholders, such as Shinkin Banks and SCB Group employees, on the vertical axis.
- Based on the evaluation results, considered the items within the upper-right circular frame, which are rated as having higher importance, as candidates for key social issues (materiality)





The Social Issues We Address

Reflected them in the key goal indicators (KGIs) for related business activities

Linked them to the Medium-Term Management Plan

	Key social issues (materiality)	Course of action to take	Impact	
Matters related to the sustainable growth of local communities and Japan's growth	Development of local industries and Japan's growth	- Work with Shinkin Banks and local stakeholders to address challenges faced by the community and SMEs - Promote finance that contribute to industrial development and solutions to environmental and social issues	- Strengthening the earning power of SMEs - Contributing to a sustainable society through finance	Non-financial targets (representative KPIs) * Extracted from KPIs of related operations Number of support cases for expanding sales channels for SMEs 11,000 cases (cumulative total during the Medium-Term Management Plan period) Number of users of financial instruments and services related to asset formation and succession by individuals 800,000 users (as of the end of fiscal 2027) Industry-wide reduction in working hours through digital transformation and shared use 1.2 million hours (fiscal 2027) Number of Shinkin Bank officers and employees attending training 80,000 officers and employees (cumulative total during the Medium-Term Management Plan period) Engagement evaluation index Improvement from fiscal 2025 (fiscal 2027) Cumulative amount of sustainable finance executed ¥5 trillion (fiscal 2021–fiscal 2030) Greenhouse gas emissions (Scope 1, 2) Achieving net zero greenhouse gas (GHG) emissions/carbon neutrality (by the end of fiscal 2030)
	Addressing the needs arising from the declining population and an aging society	Collaborate with Shinkin Banks and local stakeholders to provide services that enrich people's lives	- Stepping up efforts to address the shortage of successors and labor in SMEs - Strengthening asset formation and succession by individuals	
	Collaborating with local communities on environmental issues	- Work with Shinkin Banks and local stakeholders to promote decarbonization in local communities and SMEs - Reduce environmental impact associated with business activities	- Promoting the decarbonization of local communities and SMEs - Contributing to carbon neutrality	
	Initiatives for financial stabilization as the central bank for Shinkin Banks	- Support the financial brokerage and payment functions of Shinkin Banks that play a key role in promoting financial inclusion in the community - Complement the business functions of Shinkin Banks toward industry-wide productivity improvement - Support the management of Shinkin Banks to maintain and enhance their creditworthiness	- Strengthening the business continuity capabilities of Shinkin Banks - Promoting DX and operational efficiency in Shinkin Banks - Solidifying the management base of Shinkin Banks	
	Success and growth of human assets	- Support the development of human assets at Shinkin Banks - Develop human assets with specialized expertise and the flexibility to adapt to changes in society	- Expanding training and development opportunities for staff at Shinkin Banks - Creating human assets that succeed	
Matters related to the sustainable growth of the Shinkin Bank industry	Creating a workplace where employees feel fulfilled	Create an organizational culture and workplace environment that encourages taking on challenges proactively	Improving engagement	Strategy 2 Enhancing the sustainability of local communities Strategy 3 Growth of the SCB Strategy 1 Solidifying the management base of Shinkin Banks Strategy 3 Growth of the SCB Governance reform tailored to the unique characteristics of a cooperative financial institution
	Enhancing governance	Practice disciplined management as a financial group with a cooperative financial institution at its core	- Ensuring fairness and transparency in management - Strengthening the group management system	



Message from the Director in Charge of Finance

MESSAGE

We Are Committed to Transforming Our Revenue Structure to Achieve Sustainable Enhancement of Corporate Value

Managing Director **Ikuo Sekiguchi**



As the central financial institution for Shinkin Banks which are cooperative financial institutions, the SCB is responsible for upholding public interest and stability. At the same time, as a listed company, it is the one and only financial institution that operates under market discipline and transparency; therefore, it must manage its operations in a way that fulfills both of these roles. Consequently, while the SCB's roles are wide-ranging, in terms of financial management, we place particular emphasis on our role in supporting the management base of Shinkin Banks and the local economy, as well as our role as one of Japan's leading institutional investors engaged in global investment and lending.

To enhance corporate value while sustainably fulfilling these roles into the future, it is crucial to secure stable earnings over the medium to long term, rather than pursuing only short-term profit maximization. To this end, we must make comprehensive decisions from a medium- to long-term perspective regarding capital allocation and other measures aimed at strengthening future profitability, while maintaining financial soundness.

Based on such understanding, under the “enhancement and expansion of a revenue and financial base” initiative outlined in our Medium-Term Management Plan “SCB Strategy 2025,” we are working to build a revenue structure that is less susceptible to market fluctuations. Specifically, we will diversify our revenue sources in both investments and lending, continue to enhance risk management, including portfolio maintenance and hedging,

and live up to the trust of our shareholders through capital management that takes into account the balance among soundness, profitability, and returns.

Furthermore, the SCB is committed not only to enhancing its own corporate value but also to contributing to the sustainable growth of local communities through the development of the Shinkin Bank industry. While we have implemented numerous measures to address challenges and foster growth for “SMEs,” “individuals,” and “local communities,” we established dedicated teams in April 2026 to further accelerate efforts to strengthen and expand the SCB Group's business domains, focusing specifically on growth strategy investments and the utilization of DX and AI. We will support the sustainable growth of the SCB Group and the Shinkin Bank industry from a financial perspective through these new initiatives and investments in human assets aimed at advancing human capital management.

● Financial results for the fiscal year ended March 2026

Making Progress in Laying the Groundwork to Enhance Future Earnings Stability

Profit attributable to owners of parent for the fiscal year ended March 2026 was ¥43.0 billion, marking a 1.3% year-on-year increase.

In fiscal 2025, as the transition to a “world with interest rates” progressed, we recognized that it would become difficult to secure stable profits over the medium to long term while maintaining our existing portfolio composition; consequently, this was a year in which we made concrete progress in laying the groundwork for the future.

We enhanced our resilience against rising interest rates by replacing bonds with declining profitability, reducing positions, and increasing investments in floating-rate assets. We recognize that our ability to build a portfolio geared toward future growth, while remaining mindful of single-year profits, contributes significantly to enhancing corporate value.

Consolidated ordinary income totaled ¥56.1 billion, exceeding the forecast of ¥55.0 billion but representing a 4.1% year-on-year decrease. This was primarily due to a ¥31.9 billion increase in securities maintenance expenses. On the other hand, core net operating income, excluding these maintenance costs and other costs, rose 48.8% to ¥117.0 billion, indicating a steady improvement in the profitability of our core business.

Furthermore, the consolidated capital adequacy ratio as of the end of

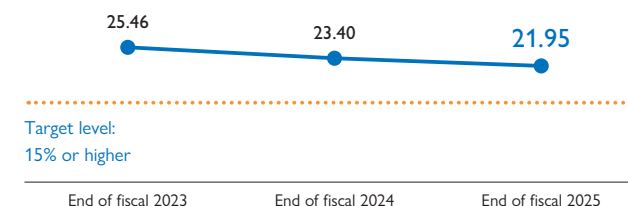
Consolidated statement of income

(¥ billion)

Items	Fiscal 2023	Fiscal 2024	Fiscal 2025	Changes
Operating income	427.4	482.5	662.6	180.0
Operating expenses	383.2	423.9	606.4	182.4
Ordinary income	44.2	58.5	56.1	△2.4
Profit attributable to owners of parent	32.1	42.4	43.0	0.5

Consolidated capital adequacy ratio

(%)





Message from the Director in Charge of Finance

March 2026 stood at 21.95%, meeting the target of 15% or higher set forth in our Medium-Term Management Plan.

Portfolio strategy

Transforming Our Revenue Structure to Adapt to a “World with Interest Rates”

While we have been working to diversify our revenue sources and disperse risks, in accordance with the “enhancement and expansion of a revenue and financial base” outlined in our Medium-Term Management Plan, we are prioritizing lending and alternative investments, which are less susceptible to market fluctuations.

For corporate lending within our lending operations, we are focusing primarily on listed companies with high creditworthiness. Building on the strong relationships we have cultivated, our loan balance, number of clients, and earnings are all on an upward trend. Regarding project finance, we established a dedicated “Project Finance Division” last fiscal year to strengthen and enhance our operational framework. While the loan balance is on the rise, the non-performing loan ratio, an indicator of the soundness of our loan portfolio, remains low at 0.17%.

In the area of alternative investments, the results of our efforts to improve systems and develop talent are steadily becoming apparent. By utilizing top-tier domestic and international asset managers selected through rigorous screening criteria, including due diligence, and making investments over time to diversify risk, we have contributed to improving the risk-return efficiency of the overall portfolio.

Although yen interest rates rose significantly in fiscal 2025, the SCB, anticipating the subsequent rise in interest rates from fiscal 2022, when the

lifting of the Bank of Japan's negative interest rate policy came into view, significantly reduced interest rate risk through measures such as selling Japanese government bonds it held and conducting hedging transactions utilizing interest rate swaps*, while simultaneously increasing the proportion of floating-rate assets in its portfolio.

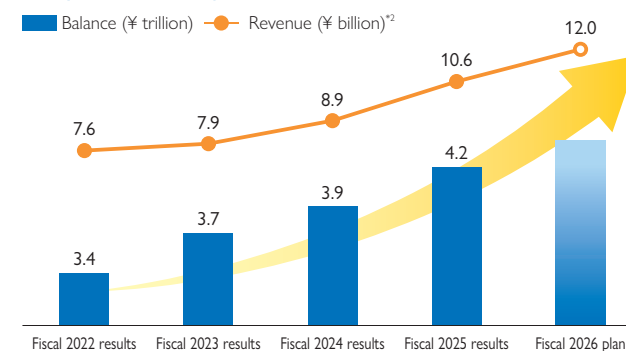
As a result, as of the end of March 2026, the duration (after accounting for hedges) and the valuation difference on other securities stood at 2.09 years and -¥162.9 billion, respectively. This represents a shortening of 0.12 years and an improvement of ¥99.5 billion compared to the 2.21 years and -¥262.4 billion recorded at the end of the previous fiscal year.

In Japan, while the transition from an era of negative interest rates to a “world with interest rates” is progressing and becoming established, the market environment continues to be characterized by greater volatility than ever before, as evidenced by the significant rise in the Nikkei Stock Average. Even in such an environment, our fundamental policy of diversified investment aimed at securing stable returns over the medium to long term remains unchanged.

Based on this, we will continue to manage our portfolio to enhance its quality by reviewing asset allocation and risk levels in response to changes in the environment, as well as by reducing holdings of assets whose performance has deteriorated or is expected to deteriorate, and replacing them with assets that are expected to generate higher returns. Through such management, we will enhance the consistency of our revenue and our resilience to downturns, transitioning to a structure

* Hedging using interest rate swaps converts fixed-rate cash flows into floating-rate cash flows and is used as an effective means of significantly mitigating the risk of price declines resulting from subsequent interest rate increases.

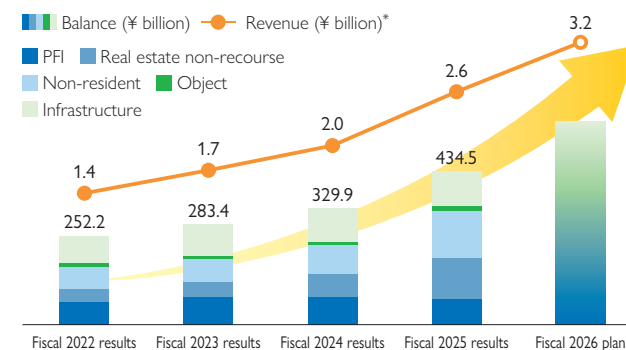
Corporate lending*1 <Trends in outstanding loans and revenue>



*1 Total of four corporate business divisions

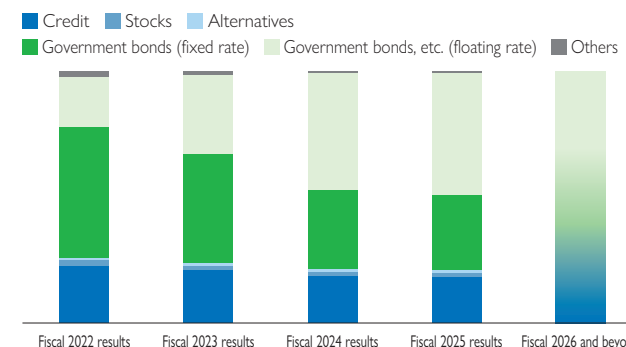
*2 Management accounting basis

Project finance <Trends in outstanding loans and revenue>



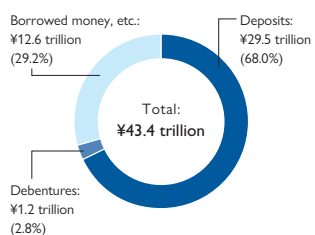
* Management accounting basis

Securities portfolio <Trends in the composition of assets under management>



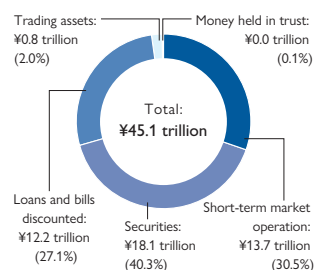
Funding

Breakdown (As of March 31, 2026)

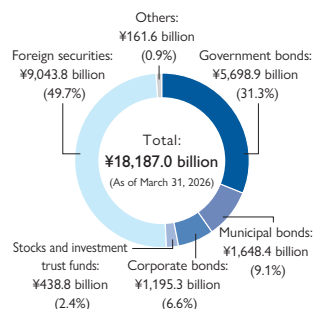


Asset management

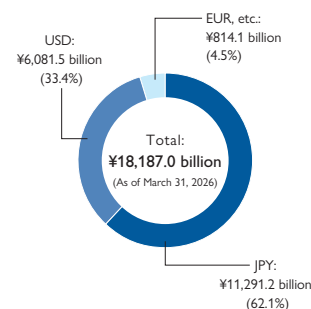
Breakdown (As of March 31, 2026)



Breakdown of securities



Breakdown of securities by currency





Message from the Director in Charge of Finance

capable of steadily generating revenue even amid changing market conditions.

Furthermore, in an environment where the transition to and establishment of a “world with interest rates” is progressing, the ALM perspective, including funding and liquidity, will become more important than ever. Taking into account interest rate fluctuations, changes in the foreign currency funding environment, and the need to secure liquidity during times of market stress, we will continue to build a structure that enables the entire balance sheet to achieve both stable earnings and sufficient liquidity.

● Capital management

Balancing Financial Soundness, Profitability, and Return to Shareholders as the Central Financial Institution

Capital management is an extremely important management issue for the SCB to sustainably fulfill its role.

The SCB's common and preferred shares, which are equivalent to the capital stock of ordinary companies, consist of approximately 90% common shares from Shinkin Banks and just over 10% preferred shares from general investors, totaling ¥890.9 billion. When capital surplus and retained earnings are added to this, the total shareholders' equity amounts to ¥1,669.6 billion.

As a result of our ongoing efforts, the SCB continues to maintain a high level of financial soundness. Furthermore, we have secured ¥431.5

billion as the maximum amount available for dividends, ensuring we possess sufficient headroom. What is important is not simply accumulating capital headroom, but utilizing it in a balanced manner to support financial soundness, profitability, and returns to shareholders.

In terms of profit distribution, we have paid stable dividends since our listing in December 2000, with the exception of fiscal 2008. However, in May 2026, we revised our Basic Policy on Profit Distribution to clarify our approach toward strategic use of capital for growth investments and stable dividends, in addition to maintaining financial soundness through the enhancement of retained earnings. Moreover, we have announced the partial acquisition and retirement of our own preferred shares, and we will continue to utilize our capital more effectively.

● Fiscal 2026 earnings forecast

Toward Achieving Our Medium-Term Target Earnings Level

Going forward, amid rising interest rates in Japan, coupled with factors such as the situation in the Middle East and inflation trends, we anticipate a market environment with greater volatility than ever before.

In light of the expected rise in fundraising costs and expenses under these conditions, we will promote investment and financing activities that contribute to expanding the interest margin and improving risk-return efficiency, while continuing to maintain our portfolio to enhance its quality. We forecast profit attributable to owners of parent for fiscal 2026 to be

¥44.0 billion, and we will continue to make steady progress toward achieving our medium-term target earnings level of approximately ¥45.0 billion.

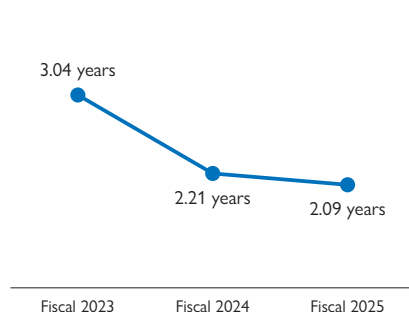
Dialogue with Stakeholders

The SCB believes it is important to communicate its business performance and strategies in a clear and detailed manner so that its stakeholders can understand its role as a “one and only financial institution” that combines the functions of both an “individual financial institution” and the “central financial institution.”

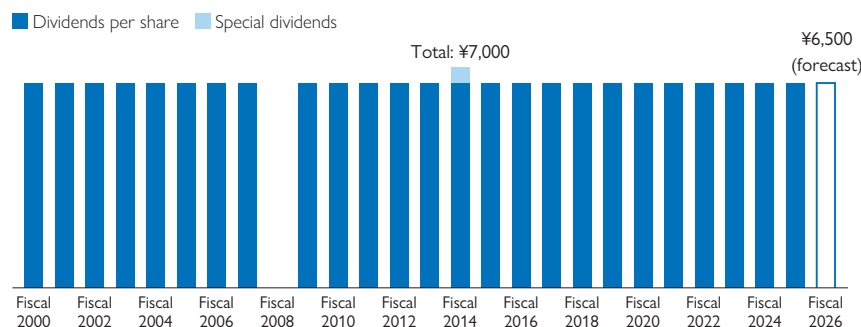
In fiscal 2025, we worked to expand briefings for individual investors and engage in ongoing dialogue with our member Shinkin Banks, while also striving to improve our communication methods to convey our business results and strategies in an easier-to-understand manner. Furthermore, with regard to capital management, in May 2026, we decided for the first time to acquire and retire a portion of our own preferred shares, equivalent to a corporate share buyback, and are moving forward with initiatives to improve capital efficiency and enhance returns to our preferred shareholders.

Going forward, we intend to deepen our dialogue with all of you to foster further growth in local economies and societies as well as the Shinkin Bank industry, and to enhance the SCB's corporate value. We would therefore appreciate your continued candid feedback.

Duration after hedging

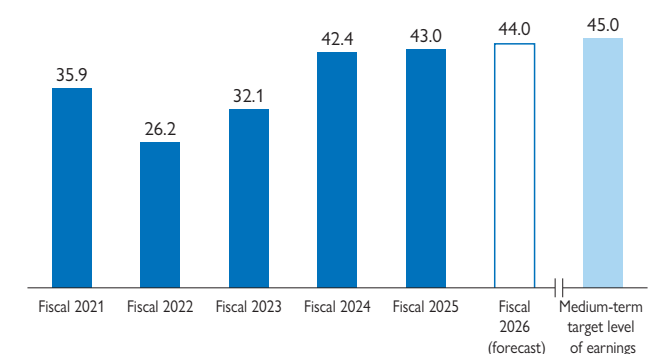


Trends in dividends



* Adjusted for stock splits for fiscal years prior to fiscal 2008

Profit attributable to owners of parent

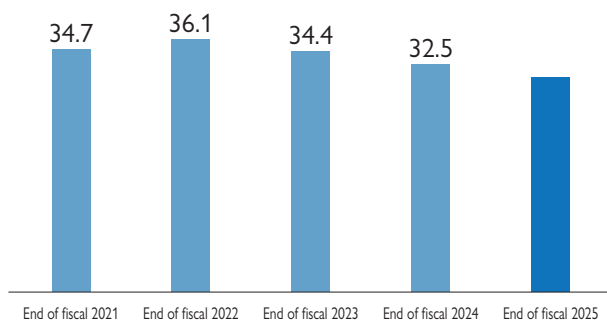




Financial Highlights

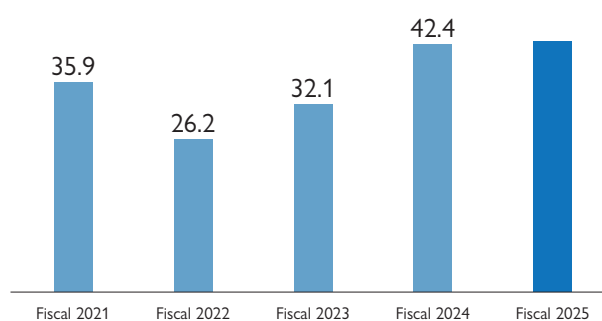
Funds

¥30.7 trillion



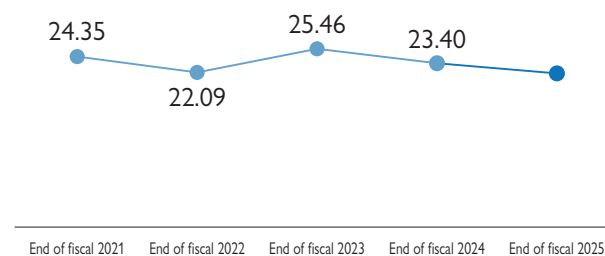
Profit attributable to owners of parent

¥43.0 billion

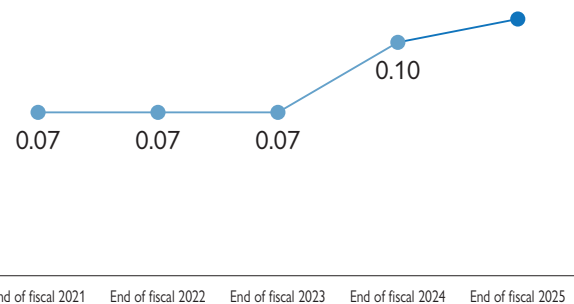


Consolidated capital adequacy ratio

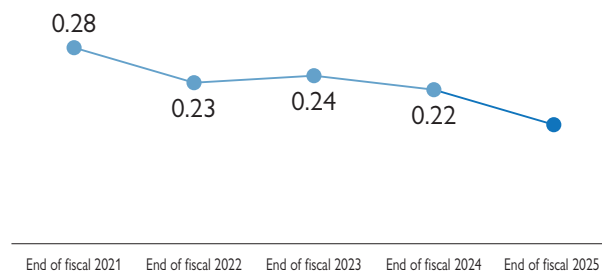
21.95%



Expense ratio

0.11%
(Non-consolidated)

Non-performing loan ratio

0.17%
(Non-consolidated)

Rating status

(As of June 30, 2026)

Rating agency	Long-term	Outlook		Short-term
Moody's	A1	Stable		P-1
S&P Global Ratings	A	Stable		A-1
Rating and Investment Information	A+	Positive		—
Japan Credit Rating Agency	AA	Stable		—

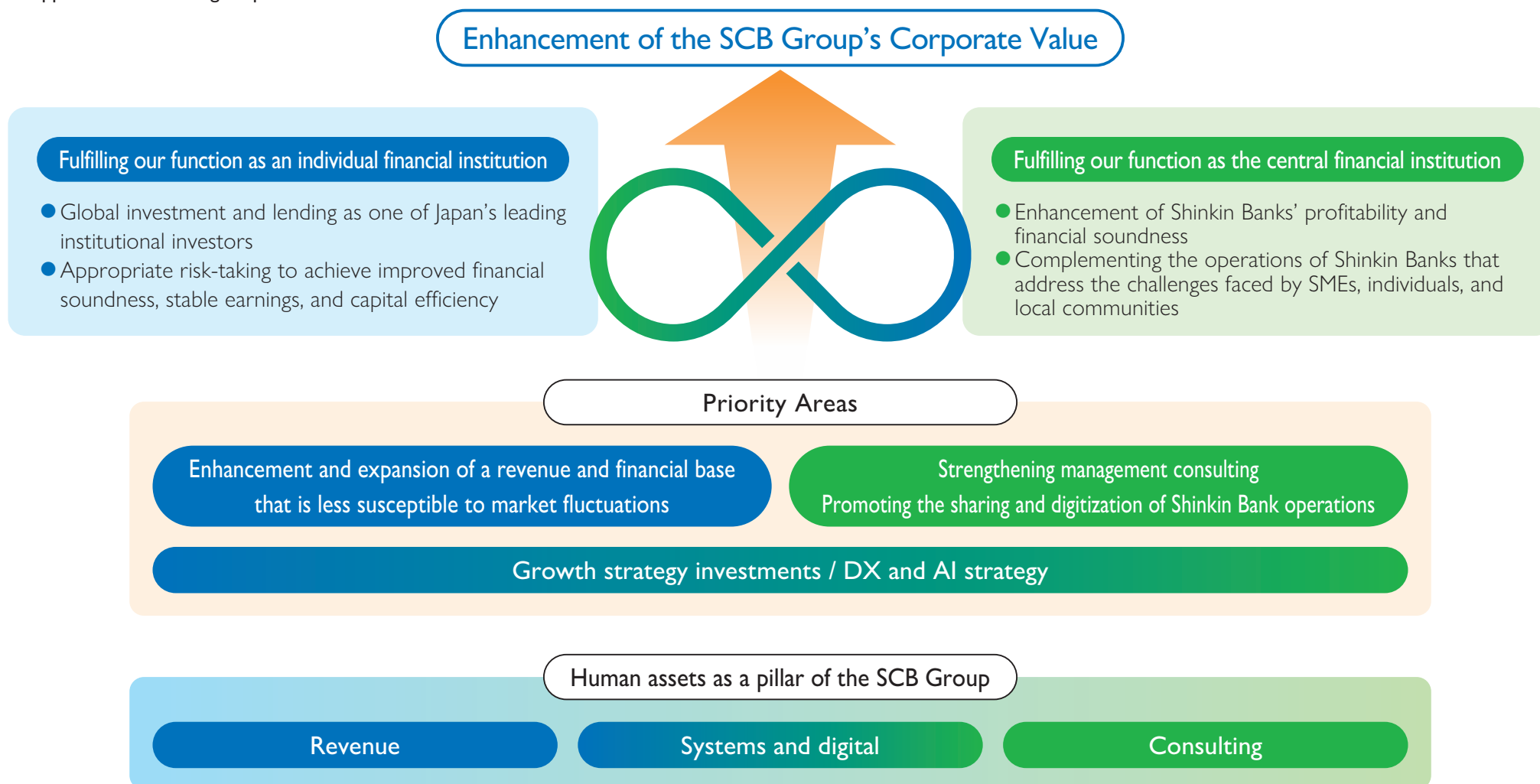


Initiatives for Sustainable Enhancement of Corporate Value

The SCB will meet the expectations of its stakeholders and achieve sustainable enhancement of the SCB Group's corporate value by fully leveraging its "function as the central financial institution for Shinkin Banks," which promotes the growth of the Shinkin Bank industry, and its "function as an individual financial institution," which focuses on strengthening profitability through global investment and lending activities.

During the planning period of the Medium-Term Management Plan "SCB Strategy 2025," in order to enhance the SCB's profitability and further solidify its "function as the central financial institution for Shinkin Banks," we will focus particularly on the "enhancement and expansion of a revenue and financial base that is less susceptible to market fluctuations," "growth strategy investments," and the "DX and AI strategy," and will prioritize the allocation of management resources to these areas.

■ Approach to enhancing corporate value





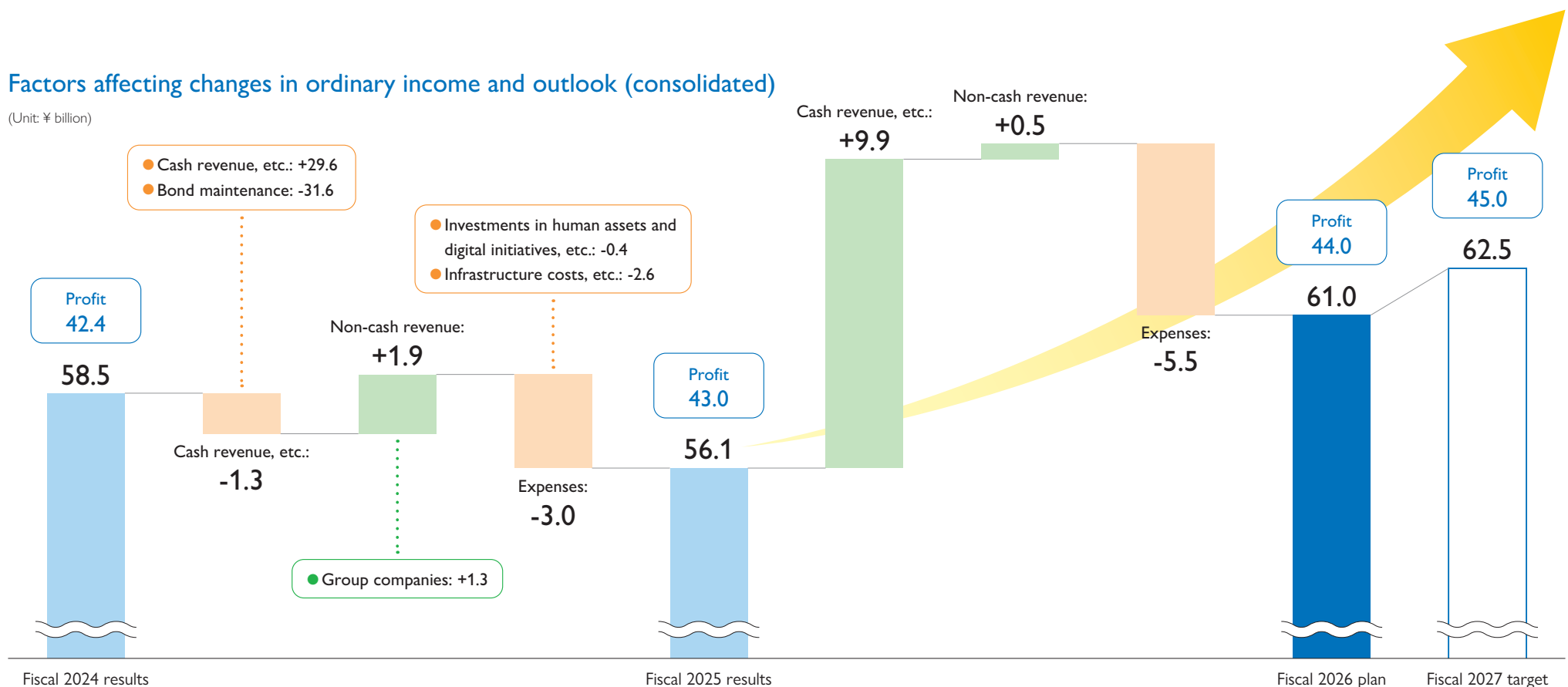
Initiatives for Sustainable Enhancement of Corporate Value

To achieve the target earnings levels set forth in the fiscal 2026 plan and the Medium-Term Management Plan, we are working to achieve the “enhancement and expansion of a revenue and financial base that is less susceptible to market fluctuations” across the following categories: “Cash revenue, etc.,” which consists of profits from investments and financing; “Non-cash revenue,” which primarily consists of profits from our group companies; and “Expenses,” which represent expenditures supporting future growth.

- **Cash revenue, etc.:** Strengthening initiatives in lending (loans to corporate clients, project finance, etc.) and alternative investments
- **Non-cash revenue:** Securing stable earnings through the provision of high-quality solutions, including those from our group companies
- **Expenses:** Investments in human assets, digital initiatives, and other areas that contribute to strengthening group functions, based on disciplined spending

Factors affecting changes in ordinary income and outlook (consolidated)

(Unit: ¥ billion)



* Cash revenue, etc.: Cash revenue, gains/losses on government bonds and other debt securities, gains/losses on stocks, income and expenses from financial derivatives, gains/losses on trading assets, etc.
Non-cash revenues: Trust fees, gains/losses on fees and commissions
Profit: Profit attributable to owners of parent



Overview of the Medium-Term Management Plan “SCB Strategy 2025”

The SCB Group has defined its Vision by 2030 as “driving the growth of local economies and societies as ‘one banking group’ together with Shinkin Banks” and has established a three-year Medium-Term Management Plan covering the fiscal years 2025 to 2027 to achieve this vision. The SCB and Shinkin Banks aim to leverage their respective strengths and characteristics and enhance the overall competitiveness of the industry.

The Plan establishes three strategies centered on “Shinkin Banks,” “local communities” and “the SCB.” Through our commitment to “practicing Try & Learn,” all officers and employees will make their best endeavors as one to fully implement various initiatives.

Medium-Term Management Plan “SCB Strategy 2025”

(Plan Period: Fiscal 2025–Fiscal 2027)



The principle of “practicing Try & Learn” we embrace

Vision by 2030

Drive the growth of local economies and societies as “one banking group” together with Shinkin Banks.





Financial and non-financial targets (representative Key Performance Indicators)

We will strive to achieve the following financial and non-financial targets (representative KPIs) in order to sustainably and stably fulfill our role and functions as the central financial institution for Shinkin Banks and to achieve positive impact on key social issues.

Progress and results against financial targets

Financial targets		Results for the fiscal year ended March 2026
Medium-term target level of earnings	Profit attributable to owners of parent Around ¥45.0 billion	¥43.0 billion
(Reference) Levels of management indices that should be maintained	Consolidated capital adequacy ratio (domestic standard)	At least 15% 21.95%
	Maximum amount available for dividend	At least ¥200.0 billion ¥431.5 billion

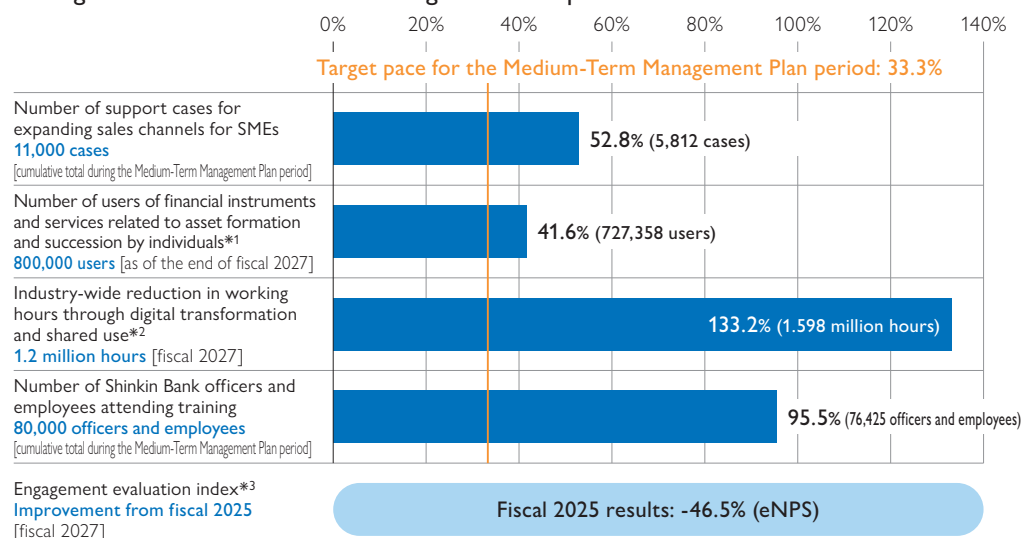
Key social issues (materiality)

Impact

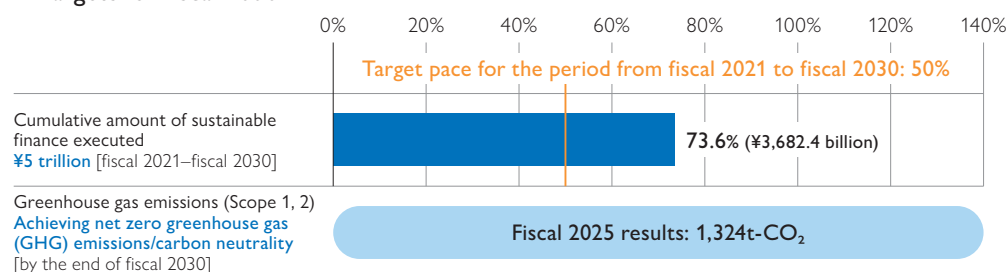
Development of local industries and Japan's growth	- Strengthening the earning power of SMEs - Contributing to a sustainable society through finance
Addressing the needs arising from the declining population and an aging society	- Stepping up efforts to address the shortage of successors and labor in SMEs - Strengthening asset formation and succession by individuals
Collaborating with local communities on environmental issues	- Promoting the decarbonization of local communities and SMEs - Contributing to carbon neutrality
Efforts to achieve stable financing as a central bank for Shinkin Banks	- Solidifying the management base of Shinkin Banks - Strengthening the business continuity capabilities of Shinkin Banks - Promoting DX and operational efficiency in Shinkin Banks
Success and growth of human assets	- Expanding training and development opportunities for staff at Shinkin Banks - Creating human assets that succeed
Creating a workplace where employees feel fulfilled	Improving engagement
Enhancing governance	- Ensuring fairness and transparency in management - Strengthening the group management system

Progress and results against non-financial targets (representative KPIs)

Targets for the Medium-Term Management Plan period



Targets for fiscal 2030



*1 Since the KPI is the number of users as of the end of fiscal 2027, the figures in the table are for reference only.

Progress rate: (Results as of the end of fiscal 2025 – Results as of the end of fiscal 2024) / (Target – Results as of the end of fiscal 2024)

*2 Since the KPI is the reduction in working hours for fiscal 2027, the figures in the table are for reference only

*3 eNPS: Calculated using employees' ratings of their "willingness to recommend working at the company" (0–10 points) as follows: "Percentage of promoters (9–10 points) – Percentage of detractors (0–6 points)"



Medium-Term Management Plan “SCB Strategy 2025”



Strategy 1

Solidifying the management base of Shinkin Banks

MESSAGE

Working Closely with Shinkin Banks to Address Their Management Challenges and Build a Shared Future

Managing Director **Tomoaki Itabashi**



As the central financial institution for Shinkin Banks, the SCB plays a vital role in supporting the sustainable development of local economies and societies. In particular, as monetary policy normalization progresses, with the Bank of Japan raising its policy rate and domestic long-term interest rates rising, and as expectations for higher interest rates become widespread, Shinkin Banks are now required more than ever to take an integrated approach to deposits, lending, asset management, and risk management in order to sustain their financial brokerage functions in their respective regions.

Under these circumstances, the SCB has presented “solidifying the management base of Shinkin Banks” as Strategy 1 and is steadily advancing various initiatives aimed at building a stronger and more solid management foundation (finance, revenue, and human assets) for Shinkin Banks.

Specifically, by leveraging our domestic and international networks and specialized expertise, we provide a wide

range of consulting services to Shinkin Banks, from promoting deposits and loans in response to changes in the interest rate environment, to asset management, branch strategies, sales structures, and even the development of ALM and risk management systems. Furthermore, recognizing human assets as the foundation of Shinkin Bank management, measures are needed to address labor shortages and the diversification of employees’ values; therefore, we are working to support the sophistication of human resources strategies, the enhancement of staff expertise, and organizational revitalization.

In June 2026, in order to further promote the sharing of middle- and back-office operations within the Shinkin Bank industry, we began offering shared use schemes for year-end tax adjustment operations and the management of loan documents and related records as well as support for centralizing inheritance-related operations. In addition to the shared use and centralization schemes we have

■ Related non-financial targets (representative KPIs)

Industry-wide reduction in working hours through digital transformation and shared use

1.2 million hours [fiscal 2027]

Number of Shinkin Bank officers and employees attending training

80,000 officers and employees

[cumulative total during the Medium-Term Management Plan period]

provided to date, we will continue to advance initiatives aimed at improving productivity so that Shinkin Banks can concentrate their management resources on their respective areas of focus.

Amid intensifying competition among financial institutions, for Shinkin Banks to remain the preferred choice over the long term, it is essential not only to enhance financial services but also to refine their strengths, such as their history of being deeply rooted in local communities and their face-to-face relationships with members and clients, as sources of differentiation. The SCB will support each Shinkin Bank in leveraging its connections with local communities to demonstrate its unique value in each community through hands-on support and problem-solving sales approaches. To achieve this, building on the expertise we have cultivated alongside Shinkin Banks thus far, we will work as a unified team comprising the SCB’s sales branches, relevant headquarters, group companies, and external partner organizations that have direct contact with Shinkin Banks, to strengthen Shinkin Banks’ management base in response to increasingly diverse and complex challenges.



Medium-Term Management Plan “SCB Strategy 2025”



Strategy 1

Solidifying the management base of Shinkin Banks

2025~
2027

Approach

- To support the sustainable growth of local communities, Shinkin Banks, which play a crucial role in local finance, must build a stronger and more stable management base (finance, revenue, and human assets).
- The SCB will collaborate with industry associations and other organizations to establish a highly productive operational base that enables the best use of the unique characteristics of Shinkin Banks. Additionally, through tailored management consulting activities that consider the individual characteristics of each Shinkin Bank and the development of human assets of officers and employees of Shinkin Banks, the SCB will work as one group to strengthen the management base of Shinkin Banks.

[Recognition of environment and issues]

- The arrival of a “world with interest rates”
- Increased mobility in the labor market
- Increase in the number of SMEs shutting down or going bankrupt
- Diversification and sophistication of customer needs
- Intensifying competition with online banks, etc.
- Sluggish growth in deposits and loans of Shinkin Banks, etc.

~2025

[To-be]

2030~

A future in which Shinkin Banks sustainably conduct sales activities that leverage their unique characteristics, which are their strengths, and establish a strong presence as the most trusted financial institution in the local community by solving issues.

Key initiatives


Strengthen the consulting services to support the management of Shinkin Banks


Build a highly productive operational base for Shinkin Banks


Step up human assets development at Shinkin Banks

Key action items

- Strengthen consulting functions related to asset management, market risk management, credit risk management, and human resources strategy
- Provide financial instruments and services to expand revenue opportunities
- Strengthen the capabilities to provide consulting services

Key action items

- Drive the shared use and centralization of new middle- and back-office operations such as human resources, general affairs, securities settlement, and inheritance
- Expand opportunities for sharing expertise and other resources among Shinkin Banks
- Effective support for business operations utilizing industry data

Key action items

- Expand the opportunities for practical training for officers and employees of Shinkin Banks
- Enhance the functions of Sels to support the autonomous career development of employees of Shinkin Banks
- Development of human assets with expertise in DX to drive business reform at Shinkin Banks



Medium-Term Management Plan “SCB Strategy 2025”



Strategy 2

Enhancing the sustainability of local communities

MESSAGE

Working with Shinkin Banks to Support SMEs, Individuals, and Local Communities

Managing Director **Toshihiro Kodaira**



The environment surrounding local economies and societies is undergoing significant changes. For SMEs, management challenges such as expanding sales channels, securing talent, and business succession are becoming increasingly complex. In the meantime, among individual customers, the need for consultation regarding life planning, including asset formation and inheritance, is steadily growing. Preparedness for natural disasters is also crucial to realizing sustainable local economies and societies.

To enable community-based Shinkin Banks, as key actors in solving the challenges facing local economies and societies, to play an even greater role, the SCB is strengthening its support functions by collaborating with its domestic and international offices, group companies, and external specialized organizations.

In April 2026, we consolidated operations previously handled by various departments, including startup support, sales channel expansion, business succession,

decarbonization, and overseas expansion, to establish a one-stop system capable of offering support tailored to the diverse challenges and needs faced by SMEs.

To further fulfill our role in supporting the growth of SMEs, we will focus more than ever on business matching utilizing the nationwide network of the Shinkin Bank industry, fund investments, and M&A, as well as support for overseas expansion. In May 2026, we opened a representative office in Ho Chi Minh City with the aim of strengthening support for expansion into Vietnam. Working in collaboration with staff seconded to Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV)'s Japan desk (Hanoi), we will support Shinkin Bank clients in pursuing their overseas expansion from both locations.

Moreover, for individual customers, amid a declining birthrate and aging population, coupled with entrenched inflation, consultations regarding asset formation have become increasingly relevant and pressing. The SCB is

■ Related non-financial targets (representative KPIs)

Number of support cases for expanding sales channels for SMEs

11,000 cases

[cumulative total during the Medium-Term Management Plan period]

Number of users of financial instruments and services related to asset formation and succession by individuals

800,000 users

[as of the end of fiscal 2027]

Greenhouse gas emissions (Scope 1, 2)

Achieving net zero greenhouse gas (GHG) emissions/carbon neutrality

[by the end of fiscal 2030]

working to expand the functionality of “Custody Asset Navigator,” a tool that supports sales operations, and to enhance proposal expertise, so that Shinkin Banks can offer proposals tailored to each customer’s life plan.

Additionally, in addressing local challenges, we have collaborated with group companies such as Shinkin Capital Co., Ltd. to establish the “Shinkin Decarbonization Support Fund,” the “Shinkin Disaster Prevention Support Fund,” and the “Shinkin Reconstruction Support Fund.” Through investment in SMEs, the SCB Group is working as one to build sustainable communities.

The SCB, together with Shinkin Banks as “one banking group,” is committed to realizing resilient local economies and societies by addressing the diverse challenges faced by SMEs, individuals, and local communities.



Medium-Term Management Plan “SCB Strategy 2025”



Strategy 2

Enhancing the sustainability of local communities

2025~
2027

Approach

- To build resilient and sustainable communities, it is essential to leverage the domestic and international networks of the Shinkin Bank industry to solve diverse and complex issues faced by SMEs, individuals and communities in a steady and effective manner.
- The SCB will strengthen its support for Shinkin Banks to promote the utilization of financial instruments and services, and through collaboration with external specialized institutions, provide high-quality financial instruments and services that deserve appropriate consideration, thereby solving issues in the local communities and achieving positive social impacts.

[Recognition of environment and issues]

- Declining population and an aging society
- Widening disparities between regions
- Expanding needs for asset formation of individuals
- Increasing frequency and intensity of natural disasters
- Deterioration of operations at SMEs (labor shortages, rising raw material costs, delay in digitalization, etc.)

~2025

[To-be]

2030~

A future in which Shinkin Banks, serving as hubs for solving issues along with local stakeholders, help to build up resilient and sustainable communities, where the preservation of industries, culture, and traditions unique to the region is realized while creating new value and appeal.

Key initiatives



Strengthen support for
problem-solving by
individuals



Strengthen support for
solving issues faced by SMEs



Strengthen support for
solving issues in the local
communities

Key action items

- Strengthen support for effective and efficient business operations utilizing Shinkin DB, Custody Asset Navigator, and other tools

Key action items

- Enhance financial instruments and services to solve issues of labor shortages and promote DX
- Expand the network of overseas offices tailored to the needs of Shinkin Banks
- Strengthen support for starting up a new business and growth

Key action items

- Strengthen efforts to build communities resilient to natural disasters and the declining population
- Promote energy conservation and decarbonization in local communities and SMEs

Common directions and policies for major initiatives

Strengthen the framework for evaluating, verifying the effectiveness of, and reviewing financial instruments and services to enhance effectiveness



Medium-Term Management Plan “SCB Strategy 2025”

Strategy 3



Growth of
the SCB



Governance reform tailored to
the unique characteristics of a
cooperative financial institution

MESSAGE

Contributing to the Development of the Shinkin
Bank Industry and Local Economies and
Communities through the Growth of the SCB

Senior Managing Director **Yuji Takahashi**



To sustainably and stably fulfill our role and functions as the central financial institution for Shinkin Banks, the SCB must continue to achieve “growth” more than ever before.

Strategy 3 identifies the following as key initiatives: “enhancing and expanding revenue and financial base,” “strengthening human assets strategy,” and “establishing a highly productive operational structure.” It is crucial that the effects of these initiatives reinforce one another, creating a virtuous cycle.

We view “strengthening human assets strategy” as the foundation for the SCB’s sustainable growth. Based on the “Human Assets Policy” formulated in April 2025, we are actively investing in human capital and building a human assets portfolio aligned with our management strategy. We have already been progressively implementing measures such as reviewing human resources systems, developing training programs, improving the work environment, and reforming work styles; moving forward,

we will further enhance these initiatives to strengthen the human assets strategy that will drive the SCB and the Shinkin Bank industry.

Furthermore, “establishing a highly productive operational structure” is an essential initiative for the SCB to continue actively allocating management resources to priority areas. In addition to further advancing the efficiency improvements and centralization efforts we have undertaken to date, we established a DX strategy promotion team in April 2026 to further strengthen the promotion of DX and AI utilization within the SCB Group. At the same time, we launched a new growth strategy investment team to strategically capture external growth through growth strategy investments, aiming to balance securing financial returns with creating business synergies.

While implementing these measures will require certain expenses, we will actively make necessary investments in areas that accelerate sustainable growth, such as human

■ Related non-financial targets (representative KPIs)

Engagement evaluation index

Improvement from fiscal 2025

[fiscal 2027]

Fiscal 2025 results: **-46.5% (eNPS)***

Cumulative amount of sustainable finance executed

¥5 trillion [fiscal 2021–fiscal 2030]

* eNPS: Calculated using employees’ ratings of their “willingness to recommend working at the company” (0–10 points) as follows: “Percentage of promoters (9–10 points) – Percentage of detractors (0–6 points)”

assets and digital initiatives, based on the premise of disciplined management.

Furthermore, in order to support the execution of the above measures and enable the SCB to sustainably enhance its corporate value, we are working to “enhance and expand a revenue and financial base that is less susceptible to market fluctuations.” In particular, under a policy of prioritizing the allocation of management resources to alternative investments, corporate lending, and project finance, we will expand our workforce in fiscal 2026 and further advance these initiatives while strengthening risk management.

We will steadily advance these various measures with a three-pronged approach to ensure that each of our key initiatives operates in a virtuous cycle.



Medium-Term Management Plan “SCB Strategy 2025”

Strategy 3



Growth of the SCB



Governance reform tailored to the unique characteristics of a cooperative financial institution

2025~
2027

Approach

- To sustainably and stably fulfill the role and functions as the central financial institution for Shinkin Banks, the SCB must continue to grow more than ever before.
- The SCB will use governance reforms tailored to the characteristics of a cooperative financial institution as a growth driver, and will work to strengthen its human assets strategy, enhance and expand revenue and financial base, and establish a highly productive operational structure to accelerate the growth of the SCB.

[Recognition of environment and issues]

- Shift in domestic and international monetary policy
- Diversification and sophistication of Shinkin Banks' needs
- Expansion of the business scope of the SCB
- Increasing geopolitical risks
- Developing and retaining specialized and diverse human assets at the SCB

~2025

[To-be]

2030~

A future in which diverse human assets, driven by pride and a sense of mission, do their best to achieve a robust revenue and financial base as well as stable business and system operations, enabling the SCB to earn high trust and recognition from both within and outside the industry, and sustainably grow.

Key initiatives



Enhance and expand revenue and financial base



Strengthen human assets strategy



Establish a highly productive operational structure

Key action items

- Build an investment and lending portfolio that takes into account an agile ALM operation and resilience against interest rate risks
- Expansion of sustainable finance

Key action items

- Clarification of core skills, expansion of opportunities for skill development and establishment of systems to enable diverse human assets to be successful
- Strengthen the development of specialized human assets in core areas of business that are the pillars of SCB

Key action items

- Further utilization of generative AI
- Increase business efficiency through process improvement and streamlining, and revise system strategies from a mid- to long-term perspective



Governance reform tailored to the unique characteristics of a cooperative financial institution

Business portfolio Management centering on human capital RAF Group governance

Toward the Realization of Sustainable Management

Toward the realization of sustainable management of the group as a whole, the SCB is working to address environmental and social issues.

Strengthening Sustainable Management as a Group

The SCB had previously set a medium- to long-term target of “¥3 trillion in cumulative ESG investments and financing by the SCB” for the period from fiscal 2021 to fiscal 2030; however, in April 2025, it revised this target to “¥5 trillion in cumulative sustainable finance by the SCB Group.”

We are making steady progress toward this target, with the cumulative amount of sustainable finance reaching ¥3,682.4 billion as of the end of fiscal 2025.

The SCB Group is committed to ramping up its efforts to provide financing that is aimed at addressing environmental and social challenges, including climate change.

The medium- to long-term targets for sustainable finance:

cumulative total of ¥5 trillion

(Total amount from fiscal 2021 to fiscal 2030)

ESG-related financing that is included

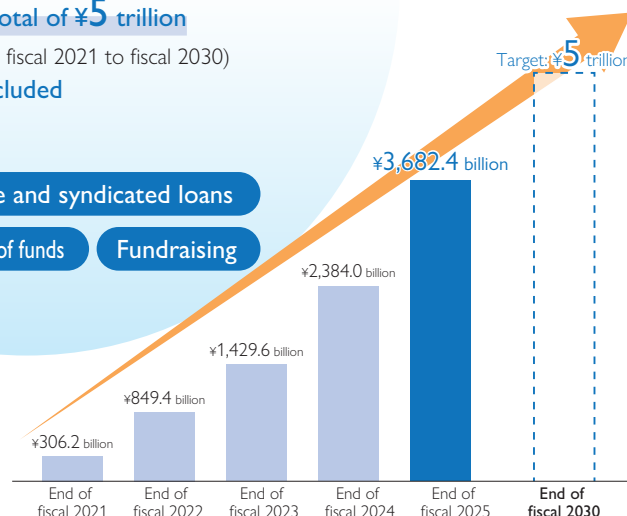
Investment and financing

Origination of project finance and syndicated loans

Underwriting bonds

Formation of funds

Fundraising



Promoting the Industry’s Unique Green Strategy: “Shinkin Green Project”

In order to enable the Shinkin Bank industry to work together to address environmental issues, the SCB launched the industry’s unique strategy, the “Shinkin Green Project,” in April 2022.

As part of these efforts, we have set goals for 2030 and established the “Decarbonization Support Program,” which Shinkin Banks can utilize in their efforts to support decarbonization.

Looking toward 2030, by working together with Shinkin Banks to collectively address challenges related to reducing environmental impact, including decarbonization, we aim to achieve a positive impact by “promoting the decarbonization of local communities and SMEs.”

■ Overview of the Shinkin Green Project



World we aim to realize by 2030

Shinkin Banks work together with their local communities to reduce environmental impact, including through decarbonization.

SMEs and local residents practice environmentally conscious behavior.

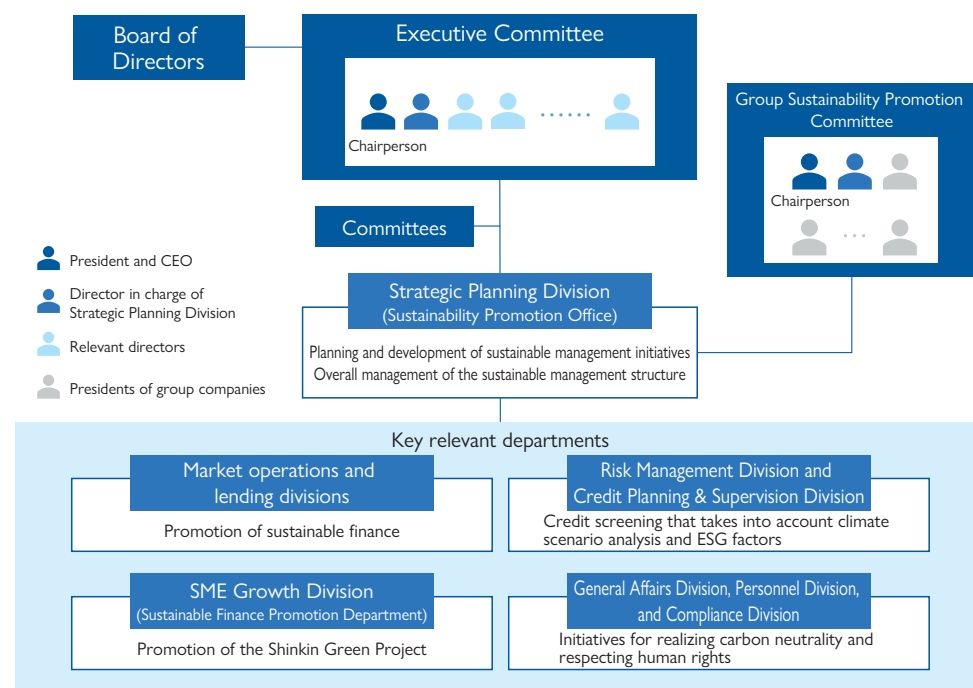
This leads to positive impacts on local growth and sustainability.

Addressing Climate Change and Nature-related Issues (TCFD, TNFD)

The SCB has formulated the “Shinkin Central Bank Group Environmental Policy” and is actively working to resolve environmental issues, including climate change and natural capital, through its operations and other activities. As we endorse TCFD and TNFD recommendations, information will be disclosed as follows.

Governance

◇ Policies regarding sustainability, including climate change and natural capital, are discussed at the Executive Committee and then resolved at the Board of Directors. The progress of initiatives based on the policies of the Board of Directors is discussed at the Executive Committee and reported to the Board of Directors at least once a year. We regularly submit climate change risks for discussion at committees such as the Risk Management Committee, a subordinate body of the Executive Committee, and other committees. In addition, from the standpoint of integrated management as one banking group, we hold the “Group Sustainability Promotion Committee” meetings twice a year, a committee comprised of President and CEO as well as the Director in charge of Strategic Planning Division of the SCB and group company presidents to discuss such matters as the SCB Group’s policies and initiatives regarding sustainability.



Meeting structure	Past main contents for discussion
Board of Directors	Endorsement of the TCFD and TNFD recommendations
	Formulation of the Declaration of Shinkin Central Bank Group on SDGs
	Formulation of the Shinkin Central Bank Group Environmental Policy
	Formulation of the Shinkin Central Bank Group Human Rights Policy
	Progress of sustainability initiatives of the SCB Group
Executive Committee	Formulation of the Guideline for Responsible Investments and Loans by Type of Business
	Formulation of the road map toward achieving net-zero greenhouse gas emissions
	Progress toward achieving net-zero Scope 3 in response to climate change
	Implementation of Human Rights Due Diligence

Initiatives for Nature-related Stakeholders

- ◇ We have formulated the “Shinkin Central Bank Group Human Rights Policy,” conducted human rights due diligence and identified “impacts on original inhabitants, local community residents and the environment” as one of the human rights issues. (For details, refer to “Respect for Human Rights” on P.37.)
- ◇ Addressing natural capital is an important issue for Shinkin Banks that are rooted in their communities and grow alongside them. As the central financial institution for Shinkin Banks, we are working with Shinkin Banks to solve issues in the local communities.



Addressing Climate Change and Nature-related Issues (TCFD, TNFD)

◆ Strategy

<Opportunities Associated With Climate Change>

The SCB Group has specified “development of local industries and Japan’s growth” and “collaborating with local communities on environmental issues” as key social issues (materiality). The Group is working to contribute to a sustainable society through finance and promote the decarbonization of local communities and SMEs.

◇ Viewing the expansion of renewable energy and advancements in technology as investment opportunities, we are committed to promoting sustainable finance that contributes to the solution of environmental and social issues, including climate change, with a medium- to long-term goal of a cumulative total of ¥5 trillion by 2030 (covering the period from fiscal 2021 to fiscal 2030).

◇ We recognize that encouraging decarbonization initiatives in regions and SMEs will not only lead to new businesses and growth opportunities for SMEs, but is also important from the perspective of revitalizing local economies. Together with Shinkin Banks nationwide, and in collaboration with government agencies and external organizations, we are promoting the “Shinkin Green Project,” a green strategy unique to the Shinkin Bank industry.

<Risks Associated With Climate Changes>

We recognize that potential climate change risks associated with the transition to a low-carbon society, such as stronger climate-related regulations and technological innovations (transitional risk), and risks associated with physical damage caused by natural disasters and increased abnormal weather due to climate change (physical risk). As these risks are expected to have a direct impact on our business activities and an indirect impact through the effects on our investment and lending destinations, we are establishing a business continuity system and addressing the impact on the SCB’s finances.

◇ In providing financial functions required to maintain the economic activities of Shinkin Banks and other stakeholders, we, as the central bank for Shinkin Banks, have formulated our business continuity plan (BCP) assuming the risks in which natural disasters would have a material impact on performing our business and put a structure in place that enables us to continue essential businesses when these become apparent.

◇ In order to quantitatively evaluate the impact on the SCB’s finances of impact of climate change on investment and lending recipients, we conducted the following scenario analysis.

Scenario Analysis for Climate Change

Based on the “Practical Guide for Scenario Analysis of Climate Change Risks and Opportunities in Accordance with TCFD Recommendations (for the Banking Sector) ver.2.0” released by the Ministry of the Environment, we analyzed two scenarios: “1.5 °C” and “4 °C.” Additionally, the exposures covered by the analysis were limited to loans, in line with the TCFD recommendations.

(i) Organization of worldview per scenario

The worldviews of the 1.5 °C and 4 °C scenarios are as follows. In understanding the risks of each scenario, short-term, medium-term, and long-term timescales are set as the time spans to be addressed.

[Worldview of the 1.5 °C scenario]

Towards achieving net zero by 2050, strict measures have been taken in “policy-based legal regulations,” and awareness is changing throughout society

(Expected situations)

Risks	Category	Expected Situations	Timeline
Transitional risk	Policy/regulatory	Introduction of a carbon tax, shift to low carbon emission energies, etc.	Short- to long-term
	Technology	Capital investments in low carbon technologies, and conversion of existing assets into stranded assets, etc.	
	Market	Changes in supply/demand for handled products, rise in raw material prices, etc.	
	Reputation	Due to changes in customer and society’s awareness of carbon neutrality, companies may be deemed to have insufficient responses to climate change and information disclosure.	Short-term
Physical risk	Acute	Increase in damages due to natural disasters (cyclones, floods, etc.)	Short- to long-term
	Chronic	Gradual emergence of damage caused by prolonged abnormal weather (sea level rise, drought, etc.)	Medium- to long-term

Addressing Climate Change and Nature-related Issues (TCFD, TNFD)

(Expected impacts)

The risks associated with the transition to a low-carbon society (transitional risk), such as tighter climate-related regulations and technological innovation, will increase and affect the businesses and financial conditions of investment and loan customers, which can be expected to affect a portfolio indirectly. At the same time, physical risks are assumed to be lower than those in the 4 °C scenario.

[Worldview of the 4 °C scenario]

No major changes in the mindset of the entire society as actions under “laws and regulations based on policy” toward net zero by 2050 are insufficient, and disasters become more severe

(Expected situations)

Risks	Category	Expected Situations	Timeline
Transitional risk		Actions toward net zero in each category and change in mindset are assumed to be insufficient compared to those in the 1.5 °C scenario	~*1
Physical risk	Acute	Natural disasters (cyclones, floods, etc.) become more severe and damages increase significantly compared to the 1.5 °C scenario	Medium- to long-term
	Chronic	Damages due to extended abnormal weather (sea level rise, drought, etc.) become more severe compared to the 1.5 °C scenario	Long-term

*1 This is indicated as “-” because it assumes a situation in which climate change responses are not adequately implemented.

(Expected impacts)

The risk of physical damage caused by natural disasters and abnormal weather due to climate change (physical risk) is expected to increase, and this risk could have an indirect impact on the business and finances of the borrowers to which we invest. At the same time, transitional risks are assumed to be lower than in the 1.5 °C scenario.

(ii) Selection of important sectors

Given the degree of climate change impacts and the scale of exposure of loans and bills discounted, we selected the electricity, real estate, automobile/automotive parts and oil/gas/consumable fuel sectors as important sectors for scenario analysis.

(iii) Organization of transmission channels for impacts on financial conditions of important sectors

We identified the transmission channels in which climate change impacts companies’ financial conditions in the important sectors in “the 1.5 °C scenario” and “the 4 °C scenario.” In this process, we recognized important elements as listed in the table on the right.

[Key factors affecting each sector]

Risks	Category	Electricity sector	Real estate sector	Automobile/automotive parts sector	Oil/gas/consumable fuels sector
Transitional risk	Policies/laws and regulations	Introduction of carbon tax	Introduction of carbon tax	Introduction of carbon tax	Introduction of carbon tax
	Technology	Investments in R&D of low carbon technologies	Investments in developing decarbonization-ready properties and others	Investments in R&D of low carbon technologies	Investments in R&D of low carbon technologies
	Market	Changes in energy mix	Shift of demand to environment-conscious properties	Popularization of electric vehicles	Changes in energy mix
	Reputation	Changes in carbon neutral awareness of customers and communities	Lower evaluations of non-environment-conscious properties	Lower evaluations of cars with engines	Changes in carbon neutral awareness of customers and communities
Physical risk	Acute	Damage to power generation stations and others due to flood damage	Damage to owned properties due to flood damage	Damage to manufacturing sites due to flood damage	Damage to oil refinery plants and others due to flood damage
	Chronic	Suspension of electricity supply grids due to damaged facilities	Lower labor productivity of workers due to global warming	Suspension of production at manufacturing sites due to damage	Suspension of oil refinery activities due to damaged facilities

(iv) Quantitative assessment of transitional and physical risks in important sectors

In line with the transmission channels, we estimated each company’s financial statements by 2050. We calculated the increase in credit-related costs appropriate to the corporate credit strength changes derived from the resulting estimation.

[Transitional risk (1.5 °C scenario)]

Base scenario	IEA-net zero emissions scenario
Analysis period	By 2050
Analysis method	Estimate the impact on financial statements of companies in the important sectors of the transition to a decarbonized society and estimate the increase in credit-related costs
Analysis result	Around ¥2.3 billion (cumulative)

[Physical risk (4 °C scenario)]

Base scenario	IPCC-R8.5
Analysis period	By 2050
Analysis method	Hazard maps were created for business assets owned by companies in the important sectors, the impact of flood damage on financial statements was estimated, and the increase in credit-related costs was estimated
Analysis result	Insignificant amount

Addressing Climate Change and Nature-related Issues (TCFD, TNFD)

(v) Scenario analysis results

For key sectors, the transitional risks amount to a cumulative total of approximately ¥2.3 billion by 2050, while the physical risks are estimated to be an insignificant amount, meaning that the financial impact of either is likely to be limited.

◇ As of March 31, 2026, carbon-related assets accounted for 25.9% of total loans*2. Based on TCFD recommendations, loans to the energy, transportation, materials and construction, and agriculture, food, and forest products groups are defined as carbon-related assets.

*2 Total direct lending to members (Shinkin Banks) and non-members (¥12,092.6 billion)

<Dependence and Impact on Natural Capital>

(1) The relationship between The SCB and natural capital

◇ The SCB depends on, and has an impact on, natural capital through its business activities. Therefore, we believe it is necessary to analyze our relationship with natural capital and appropriately identify risks and opportunities.

(2) Analysis of our relationship with natural capital

(i) Dependence and impact on natural capital at our places of business

◇ We examined the points of contact between the places of business of the SCB and sensitive locations in natural capital from the five perspectives recommended in the TNFD recommendations. The examination revealed some overlaps with sensitive locations. However, these were all relatively low-priority natural conservation areas, and the impact of the SCB's business activities on sensitive locations is considered to be small. Therefore, it has been concluded that there are no important areas for the SCB.

(ii) Scope of analysis

◇ To identify nature-related risks and opportunities, we conducted an analysis in accordance with the LEAP approach recommended by the TNFD recommendations. We selected loans and bills discounted as exposure to be analyzed.

(iii) Dependence and impact of the loan portfolio

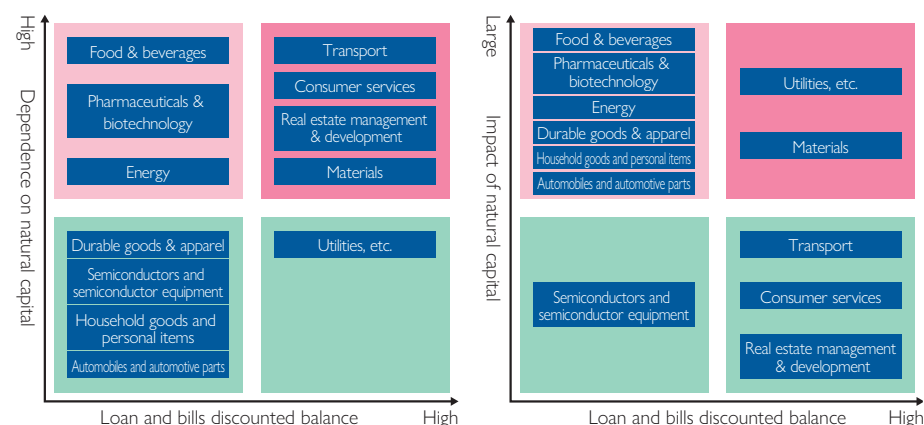
◇ Using "ENCORE," we assessed the dependence and impact on natural capital across the loan portfolio for potentially important sectors (the 12 sectors outlined in Annex 1 of the Sector Guidance - Additional Guidance for Financial Institutions published by TNFD).

Specifically, we categorized sectors based on loan balances and the dependence and impact on natural capital, and identified sectors that should be addressed with greater priority. As a result, 5 sectors—materials, real estate management and development, transportation, consumer services, and utilities—

were identified as having large loan balances and significant dependence or impact.

For the five priority sectors, we have identified the dependencies and impacts on natural capital in the value chains taking our borrowers into consideration. Going forward, we will conduct detailed analyses, including the identification of risks and opportunities and proceed with the discussion on measurement, management and mitigation of risks that are important to the business activities of the SCB.

[Dependence and impact on natural capital in the loan portfolio]



<Nature-related Risks>

We recognize that nature-related risks include transition risks, or risks associated with the transition to a society that prevents or reverses the degradation of nature, taking into account our dependence on and impact on natural capital, as well as physical risks, or risks associated with physical damage caused by the degradation of nature and the resulting loss of ecosystem benefits.



Addressing Climate Change and Nature-related Issues (TCFD, TNFD)

◆ Risk Management

◇ We manage climate change and nature-related risks in the integrated risk management framework. Specifically, we recognize that these risks are causes of generating or amplifying risks in risk categories (such as market and credit risks). We add climate change and nature-related events to a risk map that classifies and organizes risks based on two criteria: “impact on the SCB” and “probability of occurrence,” and visualize and share them. The risk map is reviewed, and revisions are approved as needed in the regular Risk Management Committee, which comprises executive officers and heads of relevant departments. We respond to risk events according to their impact and likelihood.

◇ We have distinguished those sectors whose financial conditions are susceptible to climate change and formulated the “Guideline for Responsible Investments and Loans by Type of Business.” By making investments and loans in accordance with this Guideline, which is continually being revised, we are making a contribution to the realization of a sustainable society as well as managing the financial impact on the SCB.

◇ Based on the Equator Principles, we have established an internal management system and evaluate environmental and social impacts of projects in the decision-making process on project finance, etc., and continuously monitor those developments even after the project begins operation.

◇ In the framework of credit screening, the impact of ESG factors on the creditworthiness of the customer is qualitatively evaluated, and credit decisions are also made based on the evaluation results. In addition, when investing in funds, we evaluate the ESG investment stance of the entrusted asset management company and make investment decisions based on the evaluation results.

[Outline of the Guideline for Responsible Investments and Loans by Type of Business]

		Name of business
Businesses in which investment and financing are prohibited	Across all businesses	● Businesses that have negative impact on wetlands designated under the Ramsar Convention ● Businesses that have negative impact on World Heritage Sites designated by UNESCO ● Businesses in violation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) ● Businesses that engage in forced labor, child labor, and human trafficking
	Specific business	● Cluster munition manufacturing businesses ● Businesses manufacturing weapons of mass destruction and inhumane weapons ● Coal-fired power generation projects where the funds are used for the construction of new coal-fired power plants or the expansion of existing coal-fired power plants ● Coal mining projects in which funds are used for the development of new coal mines for general coal mining, the expansion of existing coal mines, or coal mining using the Mountain Top Removal (MTR) method, as well as infrastructure development projects linked to the general coal mining business
Businesses that require careful investment and financing	Specific business	● Oil and gas development businesses ● Mining business excluding general coal ● Large-scale hydroelectric power plant businesses ● Palm oil farm development businesses and deforestation businesses ● Wood-based biomass power generation business

Addressing Climate Change and Nature-related Issues (TCFD, TNFD)

◆ Metrics and Targets

◇ We have set a target of ¥5 trillion for the cumulative amount of sustainable finance from fiscal 2021 to fiscal 2030.

Metrics	Target	Fiscal 2025 results
Cumulative amount of sustainable finance executed*3	¥5 trillion (fiscal 2021–fiscal 2030)	¥3,682.4 billion*4

*3 Finance that contribute to tackling environmental and social issues (investment, loan, project finance, syndicated loan, bond underwriting, fund formation, and fundraising)

*4 Represents the figures for the SCB Group (including investments and loans totaling ¥410.1 billion provided by the SCB alone to the environmental sector).

◇ To contribute to “carbon neutrality by 2050,” as outlined in the Paris Agreement and by the Japanese Government, the SCB Group has set a target to reduce greenhouse gas emissions (Scope 1 and Scope 2*5) to virtually zero by fiscal 2030. With a view to making planned and steady progress toward the achievement of the target, the SCB, which accounts for the majority of emissions, has divided its initiatives toward carbon neutrality into two phases: Phase 1, which is up to fiscal 2025, and Phase 2, which begins after fiscal 2026. We set staged targets for each phase and is implementing various measures around the three pillars of “decarbonization,” “energy-saving,” and “energy creation.”

In fiscal 2025, the final year of Phase 1, we implemented measures such as the full-scale introduction of renewable energy-sourced electricity (green power) at our company-owned facilities, as well as expanding the number of locations using carbon-offset city gas. As a result, we were able to reduce greenhouse gas emissions to 1,269 t-CO₂, achieving our target of “reducing greenhouse gas emissions to 2,000 t-CO₂ or less by fiscal 2025.”

From fiscal 2026 onward, we plan to promote further measures to reduce greenhouse gas emissions with the aim of achieving carbon neutrality by fiscal 2030.

*5 Scope 1 refers to a business operator’s own direct emissions (such as fuel combustion), while Scope 2 refers to indirect emissions associated with the use of electricity and other energy sources supplied by third parties.

Metrics	Target	Fiscal 2025 results
Greenhouse gas emissions (Scope 1, 2)*6	Achieving net zero greenhouse gas (GHG) emissions/carbon neutrality [by the end of fiscal 2030]	1,324t-CO ₂

*6 Represents the figures for the SCB Groups.

◇ We have also begun taking steps toward achieving net-zero greenhouse gas emissions (Scope 3). Specifically, we are proceeding with the calculation of Scope 3, Category 15 (financed emissions)*7. Going forward, we will continue to work on refining our calculation methods and expanding the asset classes included in our calculations, while also implementing measures to reduce emissions.

*7 For details, please refer to the ESG data compilation (<https://www.shinkin-central-bank.jp/sustainability/>).

◇ We have set targets for reducing the balance of investments and loans used to finance the construction of coal-fired power plants by 50% by fiscal 2030 from the end of fiscal 2020 and to zero by fiscal 2040.

Metrics	Target	End of fiscal 2025 results
Balance of investments and loans used to finance the construction of coal-fired power plants	Reduce by 50% by fiscal 2030 from the end of fiscal 2020 and to zero by fiscal 2040	¥4.0 billion*8 (Down 31.9% compared to the end of fiscal 2020)

*8 Represents the figures for the SCB alone.

Respect for Human Rights

The SCB Group has formulated the “Shinkin Central Bank Group Human Rights Policy” and commits to meeting the responsibility of a business enterprise to respect human rights.

Organizational Structure to Promote Respect for Human Rights

For human rights issues, the SCB conducts its business activities in accordance with the “Shinkin Central Bank Group Human Rights Policy,” respecting human rights and bearing in mind the impacts of its business activities on human rights. The SCB also expects its customers and suppliers to respect human rights. Policies and initiatives related to sustainability, including respect for human rights, are appropriately managed through supervision by the Board of Directors and discussions within the “Group Sustainability Promotion Committee.”

Human Rights Due Diligence

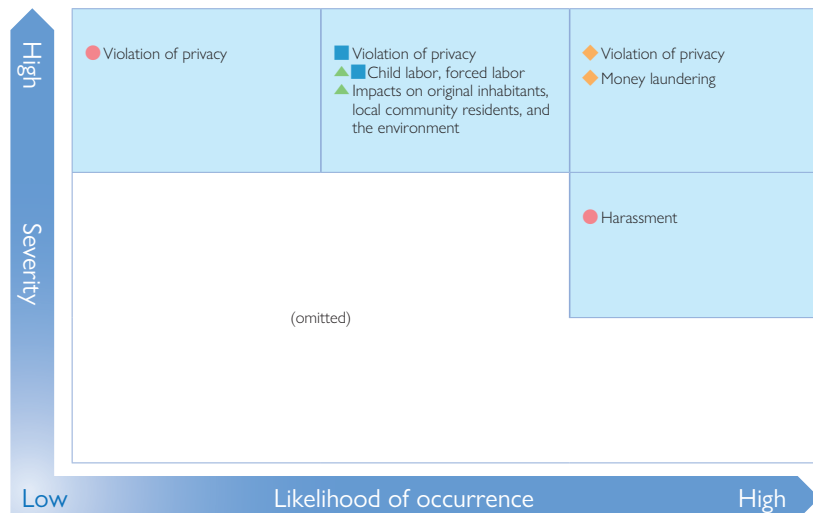
The SCB engages in human rights due diligence in accordance with the United Nations Guiding Principles on Business and Human Rights by identifying and assessing the adverse impacts on human rights associated with its business activities and organizing the results into a map of human rights issues to be prioritized. Human rights issues, including those to be prioritized, are addressed in collaboration with relevant divisions.

The map of human rights issues will be revised on a periodic basis in view of changes to the business environment, etc.

Grievance Mechanism

We have established a “compliance hotline system” to enable officers and employees to report directly to the compliance supervisory division or a corporate lawyer, as well as a system that allows them to consult with harassment counselors and external full-time counselors. We actively collect customer requests on products and services and respond to them promptly and courteously, while striving to establish a system for utilizing the collected requests and other information in our business operations.

■ Map of human rights issues



* The issues in the light blue shaded area are identified as those to be addressed first.

- ...The SCB's issues for employees
- ◆...The SCB's issues for customers, etc.
- ▲...Issues related to customers
- ...Issues related to suppliers

■ Key initiatives for the issues to be addressed first

Issues to be addressed first	Category	Key initiatives
Violation of privacy	● ◆ ■	In addition to publishing the “Declaration of Personal Information Protection” and establishing specific procedures for managing personal information in our personal information management rules and bylaws, we provide training for officers and employees on how to handle personal information properly. For contractors to whom we outsource operations involving the handling of personal data and other information, we verify their management systems for personal information and other relevant matters.
Money laundering	◆	We are committed to preventing money laundering, terrorist financing, and proliferation financing through the monitoring of suspicious transactions and rigorous customer identification procedures.
Impacts on original inhabitants, local community residents, and the environment	▲	For borrowers, we continuously monitor the occurrence of incidents involving human rights violations, in addition to conducting qualitative ESG assessments. Based on the Equator Principles, we assess and monitor the environmental and social impacts of project finance, etc.
Child labor, forced labor	▲ ■	For our contractors and the investment management firms to which we entrust fund investments, we verify their structures for promoting respect for human rights and similar matters.
Harassment	●	We raise awareness through training and other means, and understand the workplace environment and resolve issues by conducting regular interviews between employees in each division and Personnel Division staff.



Overseas Networks

Overseas offices

The SCB has offices in New York, London, Singapore, Shanghai, Bangkok, and Ho Chi Minh City. Through these offices, we collect and disseminate up-to-date information relating to economic and financial conditions, the investment and financing environment, and the laws, taxation regimes, and employment situation of each region.

These offices also work with allied banks to support the overseas expansion of Shinkin Banks' customers. Moreover, as part of our support for the overseas business of SMEs, we second employees to allied banks and consulting firms. The overseas offices also provide Shinkin Bank employees with opportunities to improve their skills related to supporting the overseas businesses of their customers and contribute to human resources development in the Shinkin Bank community.

Review of network for supporting overseas expansion

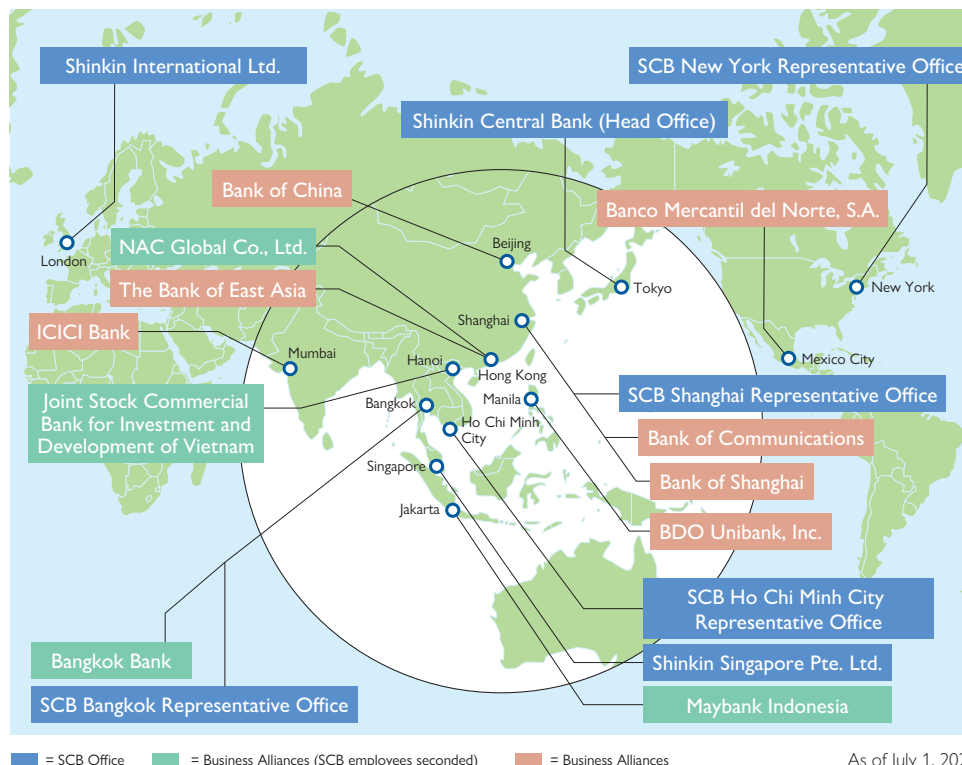
We opened a representative office at Ho Chi Minh City, Socialist Republic of Vietnam, as in recent years, the needs of Shinkin Banks' customers have been growing for entering and expanding sales channels into the Vietnamese market which has abundant workforce and high potential.

Meanwhile, in Hong Kong where support needs are starting to level off, the representative office was abolished in June 2025.

However, since Hong Kong remains an attractive market as an export destination from Japan, we will continue to assist Shinkin Banks' customers in the Hong Kong and China (South China) region by seconding our staff to NAC Global Co., Ltd., which possesses know-how on SMEs support.

To support the overseas expansion of Shinkin Banks' customers to the fullest extent, we will continuously strive to enhance and strengthen the support system through business alliances with overseas local banks and the reinforcement of our overseas networks.

■ Network of SCB Group's overseas offices and allied banks



Support for overseas business expansion and funding

The SCB has formed business alliances with ten local banks overseas to increase its capability to support Shinkin Banks' customers who are expanding their businesses overseas.

Working with Shinkin Banks, the SCB and local banks, we provide a wide range of support to Shinkin Banks' customers who conduct business overseas by helping them open local bank accounts, and providing local currency denominated financing using standby L/C, for example.



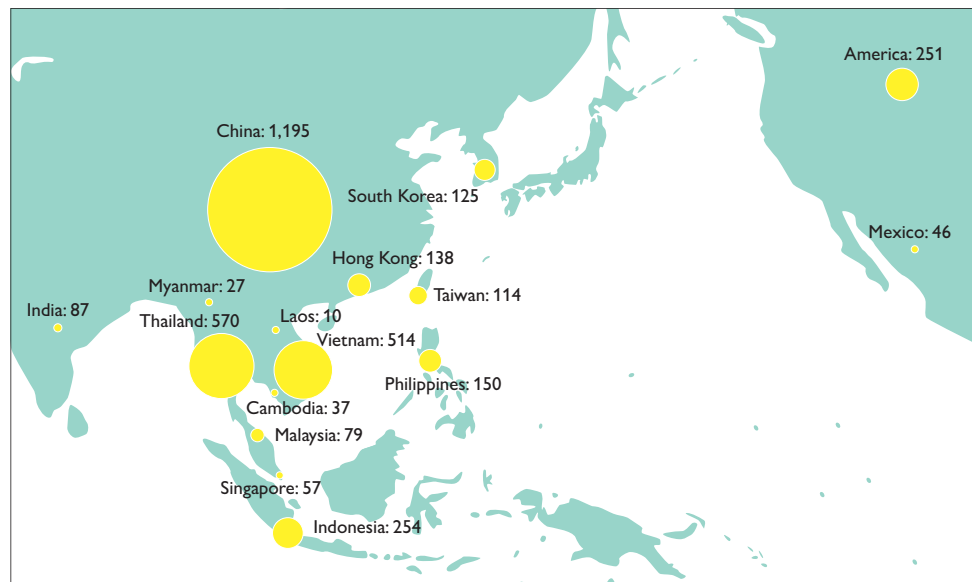
Provision of services corresponding to the needs of overseas expansion

We are collaborating with Shinkin Banks in the business areas such as overseas expansion, cultivation of overseas sales channels, overseas financing, effective use of overseas human resources, inbound tourism, and foreign exchange, thus providing various services to those Shinkin Banks' customers who are considering overseas expansion.

Shinkin Forum (local networking)

We hold regular meetings of the Shinkin Forum local information sharing events in order to build networks among Shinkin Banks' customers who are active in the region, involving not only the four Asian offices of Shanghai, Bangkok, Singapore and Ho Chi Minh City, but also offices in Hong Kong, Hanoi, and Jakarta, where staff have been seconded to local banks and consulting companies with which business alliances have been concluded.

Global Expansion by Shinkin Banks' Customers



Source: The SCB (2026)

Topics

◆ Opening of Ho Chi Minh City Representative Office

In May 2026, the SCB established a representative office in Ho Chi Minh City to meet growing demand for entry into the Vietnamese market and to support the expansion of business opportunities.

Located in the city center, the office offers an ideal base for client companies of Shinkin Banks considering expansion into Vietnam and undertaking on-the-ground market research.

As a platform connecting Japanese-affiliated companies and local business networks in Vietnam, the office provides market information, organizes networking events, and offers HR-related support.

Furthermore, SCB has seconded staff to the Japan Desk at the Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) in Hanoi, creating a robust support structure covering both northern and southern Vietnam.



◆ Initiatives in Collaboration with Foreign Government and Related Organizations at Expo 2025 Osaka, Kansai, Japan

The SCB leveraged its network of foreign government and related organizations visiting Japan in connection with Expo 2025 Osaka, Kansai, Japan to host seminars, pitch sessions, and business matching events at national pavilions and other venues.

In collaboration with government and related agencies from Malaysia, India, Vietnam, and Thailand, we provided Shinkin Banks' customers with opportunities to learn about the investment environment, market characteristics, and potential for collaboration with local companies in each country.

These efforts also led to the creation of concrete business meeting opportunities aimed at supporting overseas expansion and market development.



◆ Implementation of Overseas Expansion Support Program in Collaboration with Tokyo Metropolitan Government

Since fiscal 2025, the SCB has participated as a supporting organization in an overseas expansion support program of the Tokyo Metropolitan Government. As a result, Shinkin Banks' customers that have offices in Tokyo can utilize certain paid services provided by various support organizations, up to a total of ¥1 million, free of charge in principle.

In addition to providing the “accompanying support scheme for overseas expansion,” which includes assistance for exhibiting at overseas trade shows, the SCB supports overseas expansion through the operation of a permanent store-type test marketing space “EN-MUSUBI” in Bangkok, Thailand. With this participation, we can now offer these support services in a more accessible manner to business operators located in Tokyo.





Directors and Corporate Auditors



Hiroshi Hiramatsu
Chairman of the Board of Directors (Part-time)

Career summary
March 1972
Joined Miura Shinkin Bank (current Kanagawa Shinkin Bank)
June 2008
President and CEO of the Kanagawa Shinkin Bank
June 2016
Director of the SCB
June 2024
Chairman of the Board of Directors (current position)
June 2024
Chairman of the Board of Directors of the National Association of Shinkin Banks (current position)
June 2024
Chairman of the Board of Directors of the Kanagawa Shinkin Bank (current position)



Hiroshi Sudo
President and Chief Executive Officer

Career summary
April 1987
Joined the SCB
April 2005
Representative Director and President of Shinkin International Ltd.
June 2009
General Manager of Strategic Planning Division
June 2013
Director and General Manager of Osaka Branch
June 2016
Managing Director
June 2018
Senior Managing Director
June 2022
Deputy President
June 2026
President and Chief Executive Officer (current position)



Yuji Takahashi
Senior Managing Director

Career summary
April 1992
Joined the SCB
June 2018
General Manager of Personnel Division
June 2021
Director and General Manager of Osaka Branch
June 2023
Managing Director
June 2026
Senior Managing Director (current position)



Yoshinori Jinno
Senior Managing Director

Career summary
April 1995
Joined the SCB
June 2018
General Manager of Strategic Planning Division
June 2021
Director and General Manager of Nagoya Branch
June 2023
Managing Director
June 2026
Senior Managing Director (current position)



Ikuo Sekiguchi
Managing Director

Career summary
April 1996
Joined the SCB
June 2021
General Manager of Strategic Planning Division
June 2022
Director and General Manager of Strategic Planning Division
June 2023
Director and General Manager of Osaka Branch
June 2025
Managing Director (current position)



Tomoaki Itabashi
Managing Director

Career summary
April 1995
Joined the SCB
June 2022
General Manager of Financial Management Division
June 2023
Director and General Manager of Financial Management Division
June 2025
Managing Director (current position)



Takehiro Suzuki
Managing Director

Career summary
April 1991
Joined the SCB
April 2022
General Manager of Internal Audit Division
June 2023
Director and General Manager of Nagoya Branch
June 2025
Managing Director (current position)



Toshihiro Kodaira
Managing Director

Career summary
April 1997
Joined the SCB
June 2023
General Manager of Strategic Planning Division
June 2024
Director and General Manager of Strategic Planning Division
June 2026
Managing Director (current position)



Hidero Harada
Director
General Manager of Systems Division

Career summary
April 1996
Joined the SCB
April 2022
General Manager of Systems Division
June 2025
Director and General Manager of Systems Division (current position)



Yuichi Sakane
Director
General Manager of Nagoya Branch

Career summary
April 1997
Joined the SCB
June 2021
General Manager of Personnel Division
June 2025
Director and General Manager of Nagoya Branch (current position)



Nobuo Suzuki
Director
General Manager of Osaka Branch

Career summary
April 1997
Joined the SCB
October 2024
General Manager of Region & SME Business Division
June 2025
Director and General Manager of Osaka Branch (current position)



Takashi Kagawa
Director
General Manager of Support & Advisory Division for Shinkin Banks

Career summary
April 1996
Joined the SCB
June 2022
General Manager of Support & Advisory Division for Shinkin Banks
June 2026
Director and General Manager of Support & Advisory Division for Shinkin Banks (current position)



Hiroyuki Shibata
Director and Executive Adviser (Part-time)

Career summary
April 1980
Joined the SCB
April 2005
General Manager of Strategic Planning Division
June 2007
Director and General Manager of Strategic Planning Division
June 2009
Managing Director
June 2013
Senior Managing Director
June 2016
Deputy President
June 2018
President and Chief Executive Officer
June 2026
Director and Executive Adviser (current position)



Katsunori Mikuniya
Director and Executive Adviser

Career summary
April 1974
Joined the Ministry of Finance
August 2005
Director-General of the Planning and Coordination Bureau, Financial Services Agency
July 2008
Director-General of the Supervisory Bureau, Financial Services Agency
July 2009
Commissioner of the Financial Services Agency
March 2015
Governor of the Deposit Insurance Corporation of Japan
April 2022
Outside Director of Procea Holdings, Inc. (current position)
June 2023
Part-time Trustee of Tokyo Keizai University (current position)
June 2024
Director and Executive Adviser of the SCB (current position)



Atsushi Tada
Corporate Auditor

Career summary
April 1994
Joined the SCB
June 2021
General Manager of General Affairs Division
June 2023
Director and General Manager of General Affairs Division
June 2025
Corporate Auditor (current position)

Director (Part-time)

Noriaki Kumao

Akira Asanuma

Tetsu Komori

Seiichi Nishikata

Koichi Ichikawa

Kotaro Yazawa

Toshiro Yagi

Kazuo Okamoto

Kazuyuki Tagata

Hideaki Tanaka

Takayuki Sakakida

Ryuichi Taga

Seiji Sakuda

Takeshi Kawakami

Kazuo Ohashi

Makoto Inokura

Nobuhiro Morita

Corporate Auditor (Part-time)

Masashi Masuko

Masahiro Yoshioka

Akio Okuyama

Naoyuki Yoshino

(Note) Corporate Auditors Akio Okuyama and Naoyuki Yoshino are persons specified by Article 32, paragraph 5 of the Shinkin Bank Act (Non-member Corporate Auditors).

As of July 1, 2026

Corporate Governance

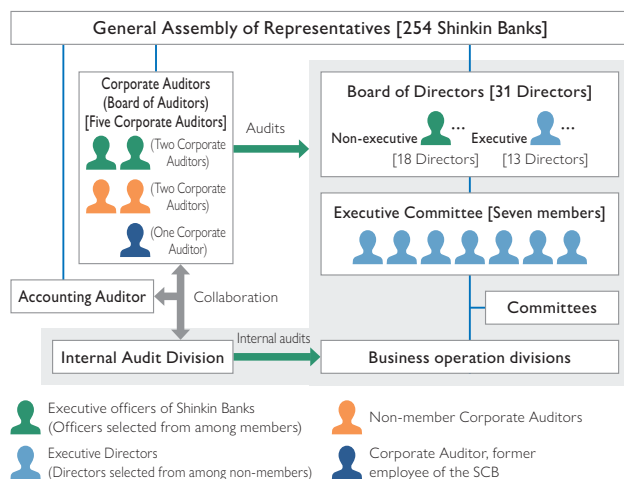
The SCB strives to maintain fairness and transparency in its management by ensuring that its corporate governance system functions effectively in implementing various operational strategies.

The SCB's goal is to gain the trust of all stakeholders and to become an ever more distinguished financial institution well respected in society.

Institutional Structure and Organizational Operation

Because the SCB is a cooperative financial institution established under the Shinkin Bank Act, it is governed by a different legal system and has different governance features from a stock company. As the SCB aims to respect the standpoints of its member Shinkin Banks and other stakeholders in managing the business, it has a governance framework that reflects the nature of a central financial institution.

■ Governance Structure of the SCB (As of July 1, 2026)



◆ General Assembly of Representatives

The SCB is a cooperative financial institution comprising 254 Shinkin Banks nationwide (as of March 31, 2026) that are its members and investors. The General Assembly of Representatives is the highest decision-making body and is held annually to decide on matters such as revisions to the Articles of Incorporation and election of officers. The General Assembly is equivalent to the general meeting of shareholders in a stock company, but unlike stock companies where one share represents one voting right, each member equally has one voting right regardless of the number of units contributed. In addition, prior to the General Assembly of Representatives, the SCB

hosts Shinkin Bank officers roundtable meetings in each region with the attendance of Shinkin Bank presidents to have dialogues with member Shinkin Banks.

In these meetings, we provide detailed explanation of the recent business conditions and future management strategies, conduct in-depth exchanges of opinions with the presidents and officers in charge of the region, and strive to ensure fairness and transparency in our management.

◆ Board of Directors

The SCB's Board of Directors, comparable to the board of directors in a stock company, makes decisions regarding important business matters and supervises the execution of duties by the Directors. While the Board of Directors consists of all the Directors, the SCB's Articles of Incorporation stipulate that more than half the total number of board members must be executive officers of Shinkin Banks. Therefore, the Board of Directors includes 18 part-time Directors selected from among the executive officers of Shinkin Banks from each region in Japan. This is in accordance with Article 32, paragraph 4 of the Shinkin Bank Act, and is a unique governance mechanism of a cooperative financial institution which was formulated to ensure that the intents of the members are reflected in the management of the SCB.

The SCB is confident that the appropriate check on management provided by the part-time Directors ensures that supervision and checks-and-balances functions are in place and that business operations are conducted with a high degree of objectivity and transparency.

In fiscal 2025, the Board of Directors met nine times in the months except August, December, and February. In addition to reviewing the progress of the Medium-Term Management Plan and various supports to Shinkin Bank customers, the Board deliberated on such matters as the expansion of the preferential treatment program for preferred shareholders and the establishment of a basic policy on cybersecurity management.

Board of Directors meetings held in fiscal 2025	Meetings held	9
	Rate of attendance of Directors	97.4%
	Rate of attendance of Corporate Auditors	86.6%

* Average rate of attendance of each Director and Corporate Auditor. Includes the attendance of those who resigned during the fiscal year.

◆ Corporate Auditors (Board of Auditors)

The SCB's Corporate Auditors, comparable to corporate auditors of a stock company, audit the execution of duties by the Directors. To strengthen the Corporate Auditors' checks-and-balances functions on Directors, the Board of Auditors, which consists of all the Corporate Auditors, regularly holds discussions on matters concerning audit policies and plans.

The Shinkin Bank Act requires the SCB to have two or more Corporate Auditors. The SCB appoints one full-time Corporate Auditor and two part-time Corporate Auditors from among the executive officers of Shinkin Banks, and in addition, two non-member Corporate Auditors who are not officers and employees of the SCB or Shinkin Banks. Non-member Corporate Auditors are equivalent to outside corporate auditors in a stock company.

They are appointed from among persons who meet the requirements stipulated in Article 32, paragraph 5 of the Shinkin Bank Act, which is a provision to ensure the independence of non-member Corporate Auditors. The SCB is confident that non-member Corporate Auditors are able to utilize their professional knowledge and experience to conduct audits from an independent perspective.

One of the non-member Corporate Auditors is a certified public accountant with a wealth of knowledge and experience regarding finance and accounting.

There are no particularly notable conflicts of interest between the SCB and non-member Corporate Auditors.

◆ Support System for Part-time Directors and Part-time Corporate Auditors

The General Affairs Division provides information and other support for part-time Directors, and the dedicated staff members assisting Corporate Auditors under their direction provide the same for part-time Corporate Auditors, in order to facilitate the prompt and appropriate execution of duties by part-time Directors and part-time Corporate Auditors.

All part-time Directors and part-time Corporate Auditors are provided with tablet devices for their exclusive use, enabling the timely distribution of materials and other documents for the meetings of the Board of Directors. Furthermore, for the Board of Directors meetings, we, in principle, distribute meeting agendas and discussion materials prior to the meetings and provide explanations of the agenda, in order to give part-time Directors and part-time Corporate Auditors sufficient time to understand the information in advance.



Corporate Governance

◆ General Meeting for Preferred Shareholders

The Act on Preferred Equity Investment by Cooperative Structured Financial Institution provides for a general meeting for owners of preferred shares, i.e., preferred shareholders, and a general meeting for preferred shareholders may be held in cases where there is a risk of damage to the property rights of the preferred shareholders. As such, apart from checks by Shinkin Banks who are the investors, management is also subject to checks by preferred shareholders.

Checks on Business Operations

◆ Execution of Business Operations

At the SCB, the Board of Directors makes decisions on important business operations. Based on those decisions, the President and CEO presides over the SCB's business operations, and the full-time Directors, from the Senior Managing Directors down, assist the President and CEO.

In addition, the SCB has an Executive Committee to deliberate and make decisions on important managerial matters, including ones to be resolved by or reported to the Board of Directors.

The SCB has also established various subordinate committees of the Executive Committee to facilitate robust discussions on its business operations. To ensure that deliberations and decisions are carried out on a cross-organizational basis, each committee comprises several full-time Directors and general managers of relevant divisions.

◆ Supervision, Checks-and-Balances

At the SCB, the Board of Directors supervises the execution of business by the Directors. More than half of the Directors are executive officers of Shinkin Banks (part-time Directors), thereby ensuring that the Board of Directors exercises effective checks-and-balances functions.

◆ Audits

To facilitate audits of the Directors' execution of duties as an independent body, the Corporate Auditors at the SCB attend the Board of Directors meetings and receive reports from Directors regarding their execution of duties, as well as conduct on-site inspections of the head office and branches, hold regular meetings with the Accounting Auditor and the Internal Audit Division to exchange opinions and information.

In addition to the above audit activities, full-time Corporate Auditors also attend important management meetings including those of the Executive Committee and other committees, and inspect major requests for approval and other important documents. To support the duties of Corporate Auditors, dedicated staff members assisting Corporate Auditors are assigned to operate under their direction in order to facilitate the prompt and appropriate execution of duties by Corporate Auditors.

◆ Internal Audit System

The internal audit of the SCB aims to realize sound and appropriate business operations by conducting risk-based examinations and assessments on the appropriateness and effectiveness of the internal control structure, business operations, and governance, and by making suggestions, etc. to correct or improve them, based on the basic policy on internal audit formulated by the Board of Directors. The Internal Audit Division is the division in charge.

From the perspective of strengthening governance and ensuring the effectiveness of internal audits, the SCB established the Dual Reporting Line, under which internal audit findings are reported to the Board of Directors, and internal audit plans are resolved by the Board. Based on the framework of risk-based auditing, the Internal Audit Division assesses the types and importance of risks inherent in each operation and conducts internal audits focusing on "theme audits," which are conducted on a cross-divisional basis for each branch and group company with respect to the audit themes selected based on the results of the assessment.

The General Manager of the Internal Audit Division reports the results of internal audits and the status of improvement measures to the President and CEO and other full-time Directors and full-time Corporate Auditors on a case-by-case basis. The General Manager also reports to the internal audit report meetings held periodically and presents matters such as the annual audit reviews and results of internal audit quality assessment.

In addition, the General Manager strives to improve the effectiveness of internal audits by attending meetings of the Risk Management Committee and ALM Committee as an observer and exchanging opinions with full-time Corporate Auditors on a regular basis. Furthermore, the General Manager of the Internal Audit Division, Corporate Auditors, and the Accounting Auditor share information on their respective audit plans and audit results, and hold liaison meetings on a regular basis to strengthen mutual cooperation in order to ensure efficient audits.

◆ Use of Outside Specialists

The SCB has appointed Ernst & Young ShinNihon LLC as its Accounting Auditor. The SCB utilizes the expertise of outside specialists, including the Accounting Auditor, attorneys, and tax accountants. To effectively handle more sophisticated and diversified operational requirements, the SCB consults with, and receives advice from, such specialists on a regular basis and as the need arises.

◆ Appropriate Information Disclosure

The SCB's preferred shares are listed on the Tokyo Stock Exchange. The SCB strives to maintain appropriate disclosure of corporate information, pursuant to the Financial Instruments and Exchange Act, other related laws, and the Securities Listing Regulations of the Tokyo Stock Exchange.

◆ Enhancement of Group Governance

As a board chair who serves as a key in supervising functions, the SCB has created a chair position at each group company. By doing so, the SCB has established the management structure where the supervision and the execution can work closely together for the growth strategy by improving the functions of the Board of Directors further and enhancing an environment that supports appropriate risk-taking.

Development of Internal Control Systems

The SCB regards legal and regulatory compliance as the basic premise of all business activities. The SCB continues to develop and implement internal control systems based on such basic policies as "ensuring reliable financial reporting," "managing risks flexibly and effectively depending on risk characteristics," and "conducting internal audits by an internal audit division that is independent as an organization."

These "basic policies, etc. on the development of systems for internal controls" have been resolved by the Board of Directors in accordance with the provisions of Article 36, paragraph 5(5) of the Shinkin Bank Act and Article 23 of the Ordinance for Enforcement of the Shinkin Bank Act. The SCB ensures the effectiveness of its internal control systems by implementing various measures as described below.



Initiatives for Compliance

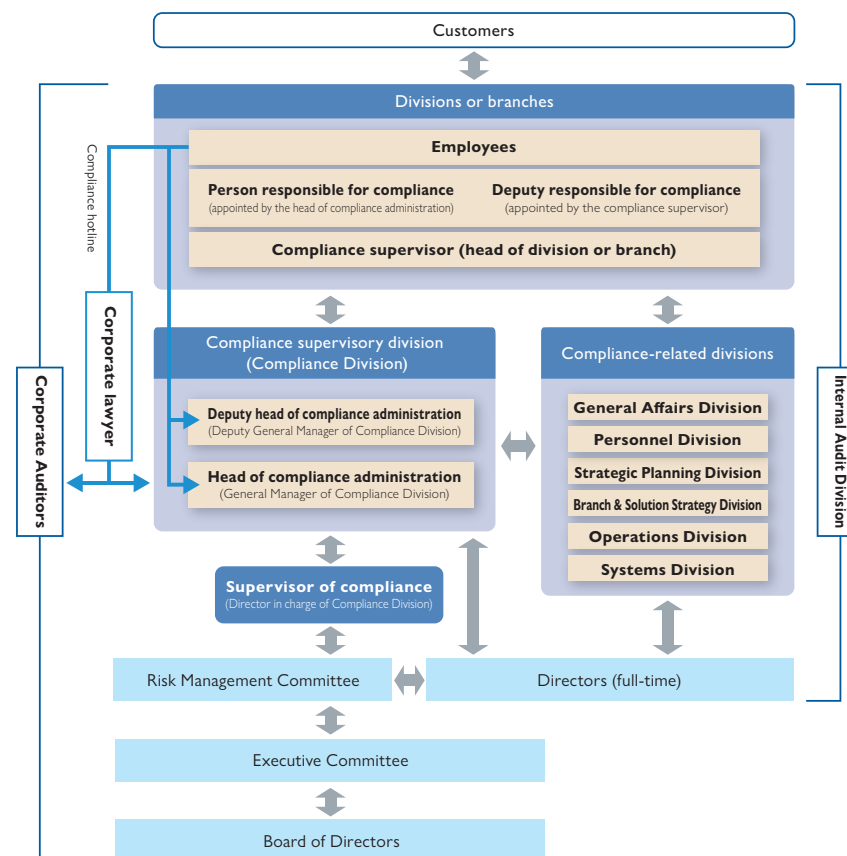
The SCB regards compliance as its top management priority.

Strengthening Compliance System

The SCB views compliance (legal and regulatory compliance) as one of the highest-priority management agendas and strives to strengthen its compliance system by implementing the following measures. The SCB will continue to periodically review the contents of the Compliance Manual and other relevant documents, while strengthening collaboration among related divisions and enhancing training for its officers and employees, so that they can all work together as one to ensure compliance.

1. The SCB has formulated the Shinkin Central Bank Code of Ethics, which stipulates the ethical rules and behavior standards to be followed by all SCB officers and employees.
2. In order to protect customers and enhance their convenience, the SCB has formulated the Customer Protection Control Policy for the officers and employees to comply with.
3. The SCB has formulated an annual Compliance Program, which lays out its specific compliance plan for each fiscal year.
4. The Compliance Manual has been developed to provide officers and employees with specific explanations of the laws and regulations they must comply with, as well as procedures for responding to situations where illegal conduct is discovered.
5. A compliance supervisory division and other compliance-related divisions are established and their respective roles are clarified. A compliance supervisor, a person responsible for compliance, and a deputy responsible for compliance are appointed at every division and branch of the SCB.
6. The Risk Management Committee deliberates on matters related to compliance, customer protection, and other management issues, as well as serious accidents and similar matters.
7. The SCB conducts regular lectures and training seminars for officers and employees, and each division and branch also carries out its own training programs as part of the SCB's efforts to strengthen compliance education.
8. The list of audit items used by the Internal Audit Division includes compliance-related items, and internal audits include investigation into whether or not the compliance system is functioning adequately.
9. In cases of compliance violation, reports from the heads of concerned divisions or branches are promptly called for and appropriate actions are taken to prevent recurrence.
10. The SCB operates a compliance hotline system to facilitate reporting of compliance breaches by officers or employees. The SCB also has in place strict measures to protect whistle-blowers.
11. In accordance with the Act on the Provision of Financial Services and the Development of the Accessible Environment Thereto, the SCB has formulated and made public its Financial Products Solicitation Policy. To ensure that solicitation is carried out fairly, important points regarding a product must be explained to the customer at the time of sale.
12. Pursuant to the Act on the Protection of Personal Information and other applicable laws and regulations, the SCB has published its "Declaration of Personal Information Protection" on its website and other platforms. The SCB takes necessary and appropriate safety measures to protect personal information.
13. In addition to publishing its "Outline for Managing Conflicts of Interest" on its website pursuant to the Shinkin Bank Act and the Financial Instruments and Exchange Act, the SCB is implementing appropriate management to ensure that customers' interests are not wrongfully violated.
14. Based on the financial alternative dispute resolution (ADR) system, the SCB maintains its internal management systems to respond promptly, fairly, and appropriately to customer inquiries, complaints, and disputes, and is committed to enhancing its credibility.

■ Compliance System Overview



As of April 1, 2026



Initiatives for Compliance

Customer Protection Control Policy

Fully recognizing the importance of protecting customers and enhancing their convenience, the SCB has established this policy to develop and implement a management framework for customer protection and related matters, and will ensure that the policy is disseminated throughout the organization, verify the effectiveness of the policy-formulation process, and conduct timely reviews.

1. The SCB will respond appropriately and sufficiently when explaining transactions or financial instruments to a customer or providing information, taking into account the customer's knowledge, experience, financial status, and the purpose for entering into the contract.
2. The SCB will respond appropriately and sufficiently to

inquiries, consultations, requests, and complaints from customers, ensuring that they understand and are satisfied with the response.

3. The SCB will prevent the leakage or loss of, or damage to, customer information and manage it appropriately.
4. The SCB will properly supervise its contractors engaged to provide services, ensuring that customer information and customer interactions are handled appropriately.
5. The SCB will appropriately manage transactions with customers to ensure that their interests are not wrongfully violated.

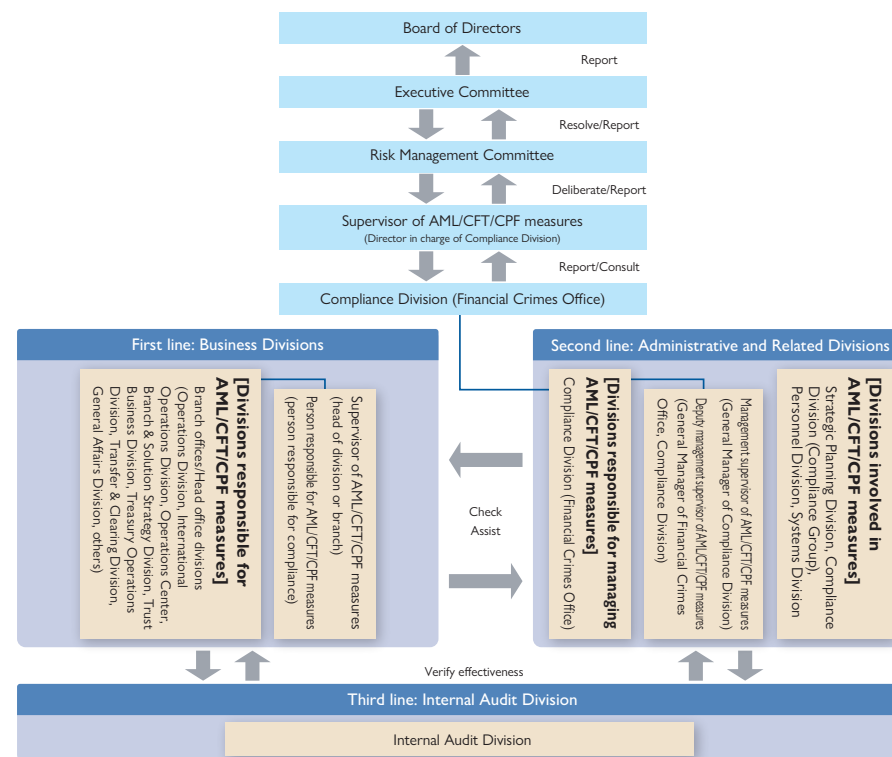
Anti-Money Laundering, Countering Financing of Terrorism, and Countering Proliferation Financing

The SCB has designated the prevention of money laundering, terrorist financing, and proliferation financing as one of the most important managerial issues, and is working to sophisticate its measures for anti-money laundering, countering the financing of terrorism, and counter-proliferation financing ("AML/CFT/CPF measures") by means of a risk-based approach.

The SCB appoints the Director in charge of the Compliance Division as a chief executive for the AML/CFT/CPF measures and establishes an organizational structure where the Compliance Division (Financial Crimes Office) is responsible for controlling these measures.

The SCB identifies and assesses the risks it faces in money laundering, terrorist financing, and proliferation financing, and takes risk-based measures, while inspecting and evaluating the compliance of such measures to improve the effectiveness of the framework.

■ Risk Management System against Money Laundering, Terrorist Financing, and Proliferation Financing



As of April 1, 2026



Risk Management

Learning from the experience of the financial crisis, the SCB is exhaustively implementing more highly detailed and thorough processes to manage risks by pursuing more sophisticated integrated, market and credit risk management and other measures while also advancing predictor and interim management for credit control.

Risk Appetite Framework

In order for the SCB to fulfill its role as the central financial institution of the Shinkin Banks, it is necessary for it to take appropriate risks, which are matched to its level of capital and congruent with its own business model and risk culture, to enable it to continue to secure profits.

A “risk appetite framework” (*1, *2) has been constructed and is being operated with the aim of clarifying this basic concept of risk-taking and strengthening risk governance.

*1. Risk appetite: the type and size of risks that a financial institution actively attempts to take in order to fulfill its role

*2. Risk appetite framework: a framework for discussing and executing risk-taking policies and risk tolerances as prescribed by the required level of profits and capital

◆ Setting the SCB’s risk culture and risk appetite

We believe that what are required to fulfill its function as the central financial institution of the Shinkin Banks with a focus on stability and continuity.

We recognize that, in order to achieve this, the SCB must secure a sound financial position and stable profits, and that it has a risk culture that does not permit excessive risk-taking.

In addition to setting risk appetite with reference to this risk culture, the SCB has designated the consolidated capital adequacy ratio (domestic standard) and maximum amount available for dividend as management indicators (risk appetite indicators).

◆ Management of Risk Appetite Framework

Based on the objectives of implementing the risk appetite framework, and our risk culture and appetite, we have taken a comprehensive view of the balance between earnings, risk and capital to set a medium-term target level of earnings (profit attributable to owners of parent).

Also, based on these medium-term targets, we are executing operations in accordance with a PDCA cycle, under which we formulate earning plans for a single fiscal year, take on risk, provide status reports, verify progress, and amend them as required.

In addition, we have formulated a risk appetite statement to clarify the content of the risk appetite framework.

Basic Policy on Risk Management

In the wake of the global financial crisis, financial institutions face significant changes in economic and financial market conditions and other aspects of their operating environment. To respond promptly and appropriately to these changes, financial institutions require very finely tuned risk management.

The SCB has positioned risk management as a key management priority for ensuring sound management and securing adequate profits. All directors and employees conduct their daily duties with a full awareness of the importance of risk management.

The SCB classifies risk in two broad categories—risk that must be controlled and risk that must be absolutely minimized—and manages the risks accordingly. The types of risk that must be controlled are market, liquidity, and credit risks. The type of risk that must be minimized is operational risk. The Risk Management Division coordinates the management of different risks to provide comprehensive risk management.

The SCB has also established crossorganizational bodies—the Risk Management Committee, Credit Committee and ALM Committee—to manage risk from a Bank-wide perspective. These committees deliberate and make decisions on specific issues relating to their respective risk management functions based on the policies determined by the Board of Directors and the Executive Committee.

To ensure the effectiveness of its risk management systems, the SCB has also established the Internal Audit Division—a body independent from its risk management systems—to monitor the SCB’s risk management activities.

Integrated Risk Management

To manage risk in a comprehensive manner, the SCB employs the integrated risk management method to cope with quantifiable risk. Integrated risk management is a way to manage its diverse risks by calculating them with uniform criteria, such as the Value-at-Risk (VaR) method, and comparing their aggregated value to the institution’s overall financial strength (i.e., capital adequacy).

For market risk and credit risk, the SCB calculates the VaR.

For the calculation of operational risk capital requirements, the SCB employs the standard measurement approach, proposed under regulations concerning capital adequacy ratios.

The SCB defines capital under its integrated risk management system and allocates quantitative risk limits, operational risk and other types of risk.*

Separately, the SCB estimates losses under various stress scenarios as part of its efforts to monitor potential impacts on capital. The quantitative risk limits and reserve amounts for each fiscal year are determined by the Executive Committee following deliberation by the Risk Management Committee.

The Risk Management Division, which oversees integrated risk management, measures the amount of risk exposure both during and at the end of each week, to ensure that quantitative limits for each type of risk are not exceeded. The Risk Management Division provides reports on risk status to senior management and related divisions through the Risk Management Committee.

* With regard to subsidiaries within the SCB’s scope of consolidation, the SCB monitors risk exposure at each subsidiary and allocates capital commensurate with the amount of risk. These allocations enable subsidiaries to take risks.



Risk Management System



◆ Market Risk* Management

To maintain an accurate understanding of market risk and rigorously manage this risk, the SCB has issued a market risk management policy. Furthermore, divisions responsible for market risk management are clearly separated from divisions involved in market operations, providing a risk management structure in which internal checks are maintained through the independent functions.

The SCB has established the ALM Committee as the body responsible for deliberating and making decisions on market risk management. The ALM Committee comprises senior management and heads of divisions related to market risk.

Based on risk information—obtained via reports from divisions responsible for managing market risk and other sources—the ALM Committee deliberates widely and expeditiously on policy relating to fund-raising and management as well as proposed market transactions.

For banking operations and trading activities, the divisions responsible for managing market risk quantify and manage market risk exposure by VaR within the limit set by the Executive Committee. In addition, market risk exposure is further divided into several categories, with risk quantities monitored by category.

In addition, the SCB manages its exposure on a variety of fronts, such as monitoring stress losses at times of unexpected market fluctuations, the basis-point-value (BPV) (changes in the valuation of the market value of the portfolio in response to changes in interest rates), and IRRBB (interest rate risk in scenarios specified by the FSA).

The status of these risk management activities is reported to senior management at biweekly meetings of the ALM Committee.

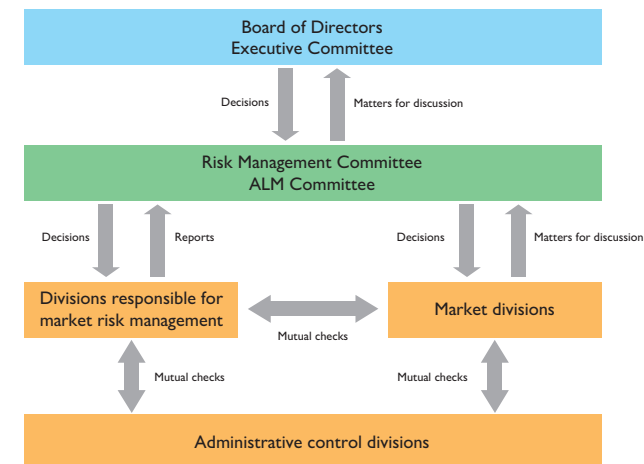
* Market risk includes interest rate risk and such equity-related risk as stock price fluctuation risk

◆ Liquidity Risk Management

As the central financial institution for Shinkin Banks, the SCB maintains a rigorous system for managing liquidity risk to respond to the needs of Shinkin Banks for daily working capital and emergency funds.

To maintain an accurate understanding of liquidity risk and rigorously manage this risk, the SCB has formulated a liquidity risk management policy. Divisions responsible for liquidity risk management are clearly separated from divisions involved in cash management and

Market Risk Management Framework



market operations, allowing internal checks to be maintained through the independent functions. In addition, the ALM Committee deliberates and makes decisions on liquidity risk management. Methods used for managing liquidity risk include setting and monitoring of daily risk limit relating to the gap between cash inflows and outflows. This is carried out for individual currencies and periods. A significant liquidity risk arises, the SCB is prepared to respond rapidly, and even secure funding sources.



◆ Credit Risk* Management

To maintain an accurate understanding of credit risk and rigorously manage this risk, the SCB has formulated a credit risk management policy. Furthermore, the SCB has formulated a Credit Policy, which sets out the SCB's fundamental philosophy. The SCB requires strict adherence to the Credit Policy on the part of all directors and employees involved in credit operations. The SCB conducts ongoing internal communications emphasizing the importance of sound ethics in all behavior and decision making.

At the SCB, divisions responsible for credit control, credit assessment and asset assessment are clearly separated from divisions involved in client services. In this way, we are building a structure in which internal checks are maintained through the independent functions given to each part of the system.

The SCB has established the Credit Committee and the Risk Management Committee as the bodies responsible for deliberating and making decisions on matters relating to credit risk management. The Credit Committee and the Risk Management Committee comprise senior management and the general managers of related divisions. The Credit Committee deliberates on credit transactions that exceed a designated amount, and the Risk Management Committee deliberates broadly and thoroughly matters relating to credit risk management. The Executive Committee deliberates, and makes decisions regarding, the results of self-assessment of assets and matters relating to self-assessment of asset write-offs and asset reserve provisions.

Divisions responsible for credit control manage the credit risk for each borrower relating to loans and market trading activities. An overall credit limit is set for each borrower according to their credit rating.

Credit ratings are based on quantitative criteria, set by evaluating the borrower's financial statements, and qualitative criteria, set by evaluating the borrower's competitive strength in the industry within which it operates. Based on these assessments of credit strength, each borrower is given a credit rating on the SCB's 10-step scale. The credit ratings given to borrowers are reviewed regularly, and flexibly revised as necessary.

Divisions responsible for credit control analyze the SCB's overall credit portfolio according to credit rating, industry, country, and other criteria. These analyses are used to monitor the diversification of credit risk as well as changes in portfolio credit risk. Furthermore, credit risk is quantified and managed within the risk limit set by the Executive Committee.

The credit risk exposure is measured using VaR as well as the Monte Carlo simulation method.

The Credit Planning & Supervision Division—responsible for credit assessment—accurately monitors each borrower's financial

condition, the purposes for which funds are used, and repayment resources. In addition to appropriate assessment and post-transaction management, the Credit Planning & Supervision Division continually inspects whether the client service division is conducting appropriate credit controls, and provides guidance as necessary. In the event that there should be any problem on the borrower's side, the Credit Planning & Supervision Division expeditiously assesses the borrower's management situation and provides supervision. Where necessary, action is taken to recover the loan.

The Credit Planning & Supervision Division is also responsible for asset assessment. The division undertakes and manages operations relating to asset self-assessments, and the calculation of asset write-offs and asset reserve provisions.

* Credit risk includes such risk as counterparty risk for derivative transactions and securitization transaction risk.

◆ Operational Risk Management

To comprehensively manage operational risks, the SCB has formulated the guidelines for managing operational risks, and to address administrative risks, system risks and compliance risks, which we consider the major operational risks, we have additionally formulated individual management guidelines for each of those risks.

Furthermore, the SCB has constructed a system for comprehensively managing operational risks. In addition to having in place a department to comprehensively manage operational risks as well as a department to manage administrative risks, a department to manage system risks and a department to manage compliance risks, we also set up risk management departments to manage other operational risks as necessary.

The SCB has established the Risk Management Committee as the body responsible for deliberating and making decisions on matters relating to operational risk management.

The Risk Management Committee, comprising senior management and heads of related divisions, deliberates and makes decisions on comprehensive methods for managing operational risks, including administrative risks, system risks and compliance risks.

Regarding the SCB's subsidiaries, the SCB's Internal Audit Division conducts audits of the respective systems.

To calculate its operational risk capital requirements, the SCB uses the standard measurement approach proposed under regulations concerning capital adequacy ratios.

• Administrative risk management

The Operations Division oversees administrative risk management and administrative instruction. In addition to developing and maintaining the administrative processing system and administrative rules, and undertaking reviews of administrative procedures, the Operations Division conducts administrative instruction programs for divisions involved in administrative processing. With this system, the SCB appropriately manages administrative risk.

• Information Technology Risk Management

The Systems Division takes charge of information technology risk management. It provides control and guidance to divisions involved in system development, operation, and utilization.

Recognizing that cyber attacks are becoming increasingly sophisticated and ingenious, the division is stepping up measures to reinforce its cybersecurity, including the establishment of the Shinkin Central Bank Computer Security Incident Response Team. In the event of a system failure that seriously affects the execution of business operations, an SCB-wide response is triggered based on crisis management procedures (contingency planning). In addition to periodically conducting crisis response drills, based on system failure crisis scenarios, the SCB also has in place a Disaster Recovery System and other precautions based on the Business Continuity Plan.

• Compliance risk management

The Compliance Division, which functions as a department designated for compliance risk management, manages compliance risks by a series of processes involving identifying compliance risks; analyzing and evaluating the causes, background and range of impact, etc. of each risk; taking necessary measures to minimize compliance risks; and verifying the results of the aforementioned.



Preferred Shares

The SCB's Preferred Shares

The SCB issues preferred shares under the Law Concerning Preferred Shares of Cooperative Financial Institutions. The preferred shares, which are regulated by the Financial Instruments and Exchange Act, are issued to complement members' (Shinkin Banks') common shares and offered publicly to increase the net worth of cooperative financial institutions.

Although the preferred shares do not carry the voting rights that holders of common shares receive, the preferred shares have certain advantages over common shares, such as the guarantee of priority in the payment of dividends.

Listing of Preferred Shares

The SCB has issued preferred shares since fiscal 1995 and, for the first time in Japan, the preferred shares were listed on the Tokyo Stock Exchange on December 22, 2000 (Securities Identification Code 8421). The SCB's preferred shares are marketable securities that are very similar to preferred stocks, and, basically, the same listing criteria and disclosure rules apply to them.

Trading of Preferred Shares

Like listed stocks, the SCB's preferred shares can be traded any time during Tokyo Stock Exchange trading hours through a securities company. Margin transactions are also possible for preferred shares, just as they are for stocks.

Dividends of Preferred Shares

The SCB's basic policy is to pay stable dividends while securing sound management, enhancing retained earnings, and boosting earnings power.

The SCB's preferred shares pay a dividend to the holders at the end of March of every fiscal year. As the rule of interim dividends is not provided in the Law Concerning Preferred Shares of Cooperative Financial Institutions, the SCB does not pay interim dividends.

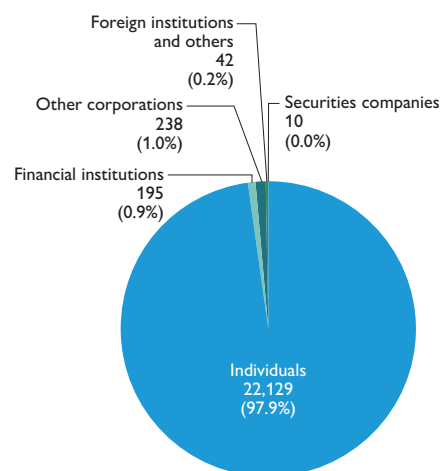
Dividends of preferred shares comprise preferred dividends and participating dividends. Preferred dividends are paid before any dividends are paid to common stock holders (Shinkin Banks). Participating dividends are paid from retained earnings after preferred dividends. They may vary depending on profits of the SCB.

The SCB's preferred shares are treated as stocks in the taxation system, and are given the same preferential treatment concerning tax as stocks.

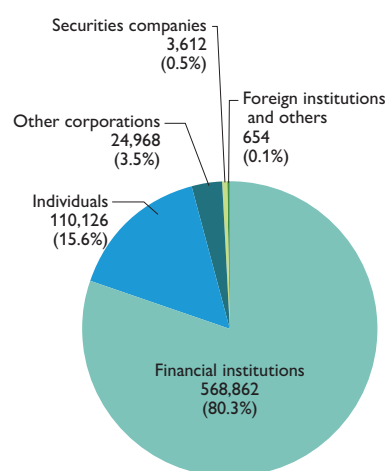
For fiscal year ended March 31, 2026, the dividend for preferred shares was ¥6,500 (\$40) per share, which included a preferred dividend of ¥3,000 (\$18) and a participating dividend of ¥3,500 (\$21).

Composition of Preferred Shares (March 31, 2026)

• Number of Investors (22,614)



• Number of Subscription (708,222)

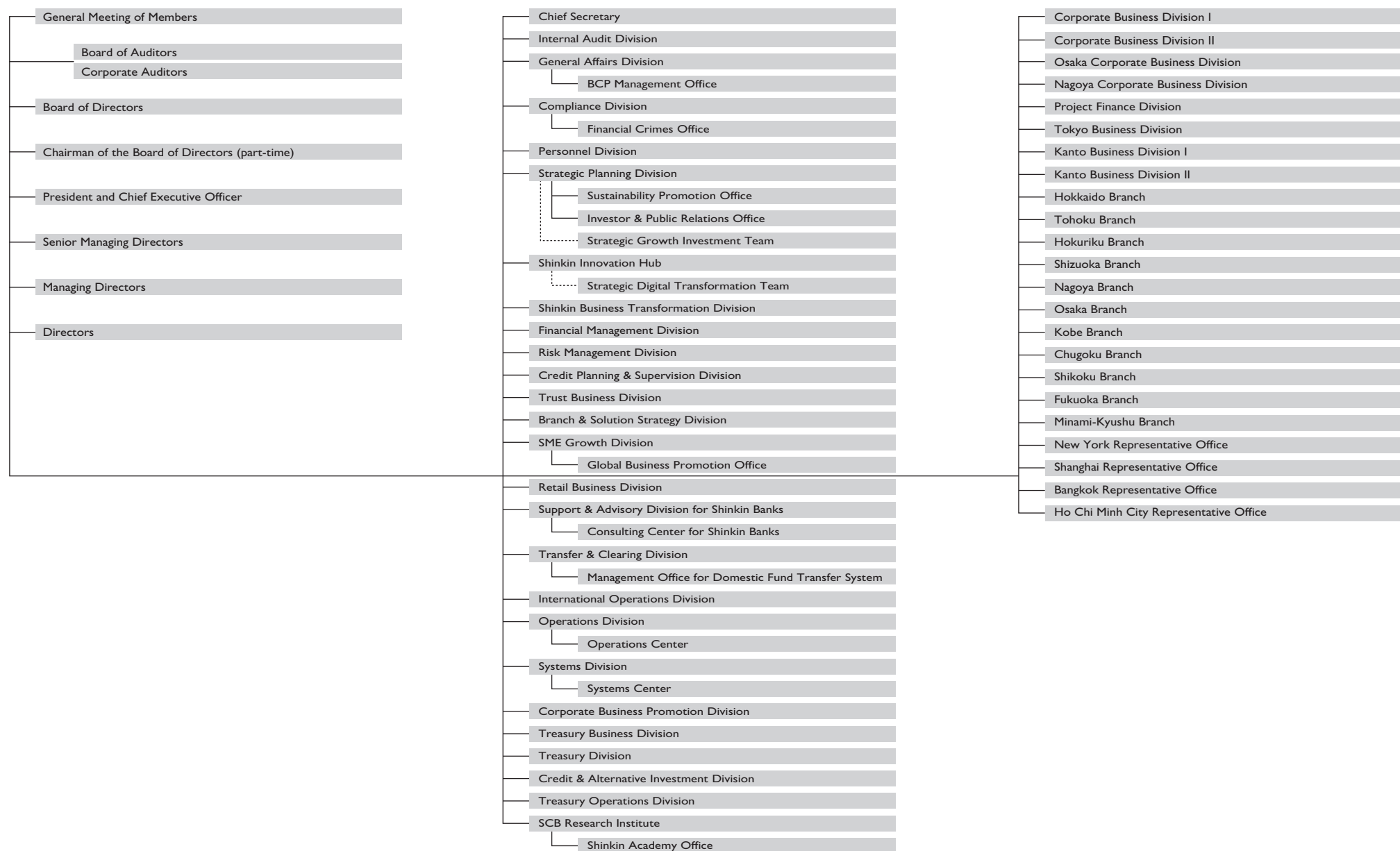


Price of Preferred Shares*

	(Closing price, yen)
First day of listing (December 22, 2000)	200,500
Highest price (March 15, 2006)	311,500
Lowest price (April 14, 2009)	102,400
Closing price (July 31, 2026)	185,700

* The price of preferred shares is split-adjusted, reflecting the stock split of preferred shares as at July 31, 2009.

Organization (As of July 31, 2026)





International Directory (As of July 31, 2026)

Senior Managing Director

(in charge of Strategic Planning/Treasury Business/SCB Research Institute)
Yuji Takahashi

Managing Director

(in charge of Treasury/Credit & Alternative Investment)
Ikuo Sekiguchi

Managing Director

(in charge of Corporate Business Promotion/Treasury Operations)
Tomoaki Itabashi

Managing Director

(in charge of International Operations)
Takehiro Suzuki

Managing Director

(in charge of SME Growth/Overseas Offices)
Toshihiro Kodaira

Strategic Planning Division

(including International Planning)
Address: 3-7, Yaesu 1-chome,
Chuo-ku, Tokyo 103-0028
Telephone: +81-3-5202-7624
Facsimile: +81-3-3278-7033

SME Growth Division

Address: 3-7, Yaesu 1-chome,
Chuo-ku, Tokyo 103-0028
Telephone: +81-3-5202-7614
Facsimile: +81-3-3278-7035

International Operations Division

(including Correspondent Banking)
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Chuo-ku, Tokyo 104-0031
Telephone: +81-3-5250-1700
Facsimile: +81-3-5250-1780
SWIFT: ZENB JPJT

Corporate Business Promotion Division

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Facsimile: +81-3-3278-7045

Treasury Business Division

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Telephone: +81-3-5202-7642
Facsimile: +81-3-3278-7040
SWIFT: ZENB JPJT

Treasury Division

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Telephone: +81-3-5202-7660
Facsimile: +81-3-3278-7043
SWIFT: ZENB JPJT

Credit & Alternative Investment Division

Address: 3-7, Yaesu 1-chome,
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Telephone: +81-3-5202-7664
Facsimile: +81-3-3278-7044

Treasury Operations Division

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SWIFT: ZENB JPJT

SCB Research Institute

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Facsimile: +1-212-730-6000
Chief Representative: Shoichiro Katsuki

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Shanghai Representative Office
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Center, 2201 Yan-An Xi Road
Shanghai, P.R. of China
Telephone: +86-21-6270-3091
Facsimile: +86-21-6270-3095
Chief Representative: Susumu Makino

Bangkok

Bangkok Representative Office
Address: 19th Floor, 1903, Athenee Tower, 63
Wireless Road, Lumpini, Pathumwan, Bangkok
10330, Thailand
Telephone: +66-2-168-8796
Facsimile: +66-2-168-8799
Chief Representative: Kei Takahashi

Ho Chi Minh

Ho Chi Minh City Representative Office
Address: Unit 5, Level 9, Saigon Centre Tower 1, 65
Le Loi,
Saigon Ward, Ho Chi Minh City, Vietnam
Telephone: +84 (0)2835-26-2835
Chief Representative: Soichi Ogasawara

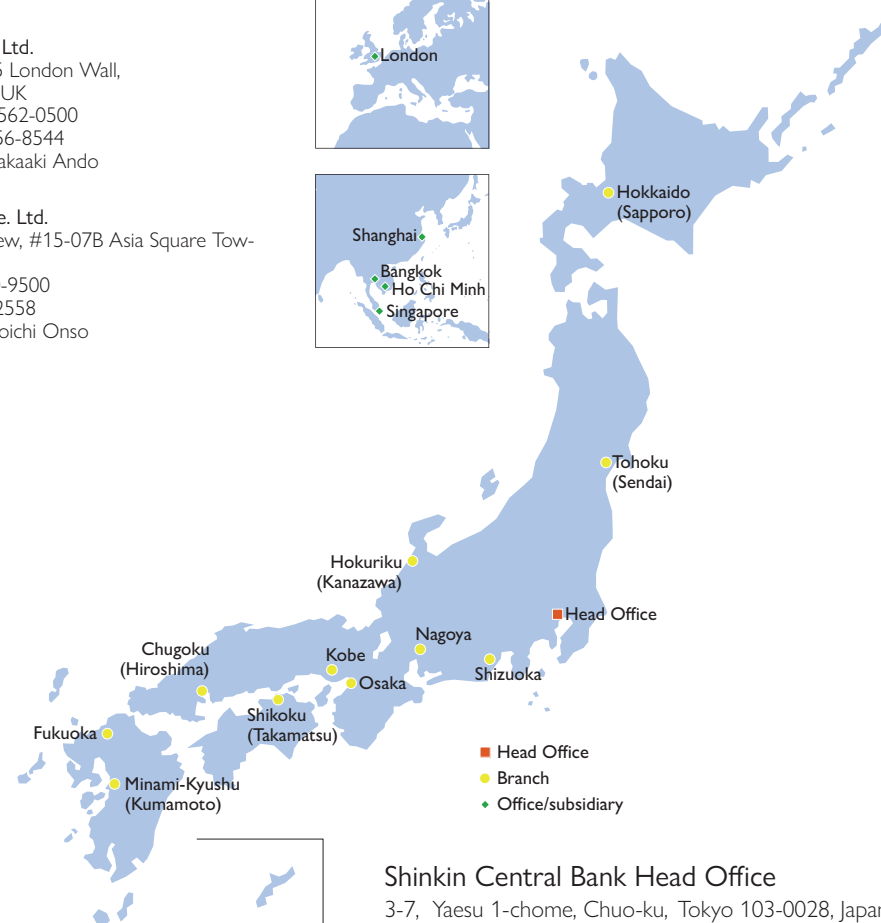
Overseas Subsidiaries

London

Shinkin International Ltd.
Address: 1st Floor, 85 London Wall,
London EC2M 7AD, UK
Telephone: +44-20-7562-0500
Facsimile: +44-20-7256-8544
Managing Director: Takaaki Ando

Singapore

Shinkin Singapore Pte. Ltd.
Address: 8 Marina View, #15-07B Asia Square Tow-
er 1, Singapore
Telephone: +65-6360-9500
Facsimile: +65-6223-2558
Managing Director: Koichi Onso



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<https://www.shinkin-central-bank.jp/>