

Initiatives for Sustainability



Formulation of the Sustainability Policy

The Group has formulated the Sustainability Policy as its basic policy for sustainability initiatives.

Sustainability Policy

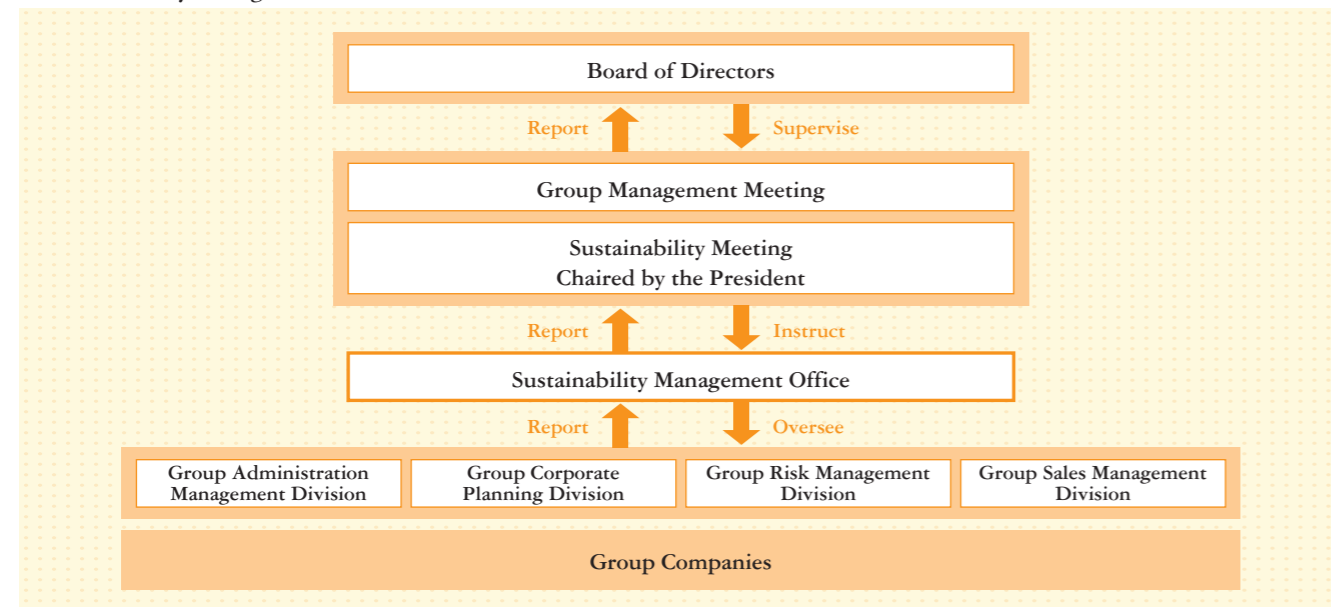
The Juroku Financial Group recognizes sustainability initiatives to be an important management issue. We will strive to solve various social issues such as climate change through our core business of a “provider of comprehensive financial services to the region” and contribute to “achieving growth and prosperity for our customers and the local community,” which is our group management philosophy, while aiming at sustainable growth and enhancing corporate value of the Group.

(*) Definition of sustainability: Creating a society that facilitates the growth and prosperity of customers and local communities, and passing it over to future generations

Establishment of the Sustainability Meeting

The Group has established the Sustainability Meeting to appropriately address initiatives for climate change and other sustainability issues, recognizing them as an important management challenge. The Committee is chaired by the President and consists of Group Management Meeting members, Division General Managers and the head of the Sustainability Management Office.

— Sustainability Management Structure —



Reorganization

The Group has restructured the organization as of April 1, 2022, for the purpose of appropriately addressing issues surrounding sustainability.

Juroku Financial Group

Newly established the **Sustainability Management Office** within the Group Sales Management Division

The Juroku Bank

Upgraded the SDGs Promotion Office within the Regional Revitalization Division to the **Sustainability Promotion Department** within the Business Support Division (with the SDGs Promotion Group established within the Department)

Sustainability KPIs

The Group has set Sustainability KPIs for five key challenges (Materiality) in order to further strengthen our initiatives for sustainability.

Targets by FY2030

Key challenges	Item	Numerical targets
Revitalization of the local economy	Sustainable finances provided (of which, environment-related finances)	¥2 trillion (¥800 billion)
	Balance of Group assets on deposit	¥550 billion
Sustainable development of the local community	Social impact investments	¥2 billion
	DX-support consultation cases	3,000 cases
Environmental conservation and climate change actions	CO ₂ emission (vs. FY2013 level)	50% reduction
	Paper use (vs. FY2019 level)	50% reduction
Empowerment of diverse human resources	Ratio of female managers	20%
	Ratio of paid leave claimed	80%

On-going targets

Key challenges	Item	Numerical targets
Advancing governance	Initial response training for emergency preparedness	At least twice a year
	Dialog with investors	At least 10 times a year

Addressing Key Challenges (Materiality)

	Key challenges	Initiatives	
Business	Revitalization of the local economy	<ul style="list-style-type: none"> Supporting business foundation and new business operations to foster future leaders of local economy Supporting local companies' core business operations and management succession to contribute to their growth Supporting asset formation to achieve enriched living 	
	Sustainable development of the local community	<ul style="list-style-type: none"> Creating comfortable and appealing communities Using local resources to create value that will benefit future generations Promoting digital transformation of local companies and local governments 	
	Environmental conservation and climate change actions	<ul style="list-style-type: none"> Supporting local companies' carbon neutral business management Implementing initiatives for environmental conservation and environmental impact mitigation Responding to climate change and disclosing information in line with TCFD 	
Management	Empowerment of diverse human resources	<ul style="list-style-type: none"> Building a corporate culture that boasts diversity as strength Implementing work style reform to provide a good work-life balance Creating workplaces that facilitate growth of diverse human resources and empower them 	
	Advancing governance	<ul style="list-style-type: none"> Advancing corporate governance Strengthening risk management and compliance Achieving stakeholder engagement 	