

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 challenge. 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 the 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

Procedures for Identifying Materiality

1 [Identifying issues]

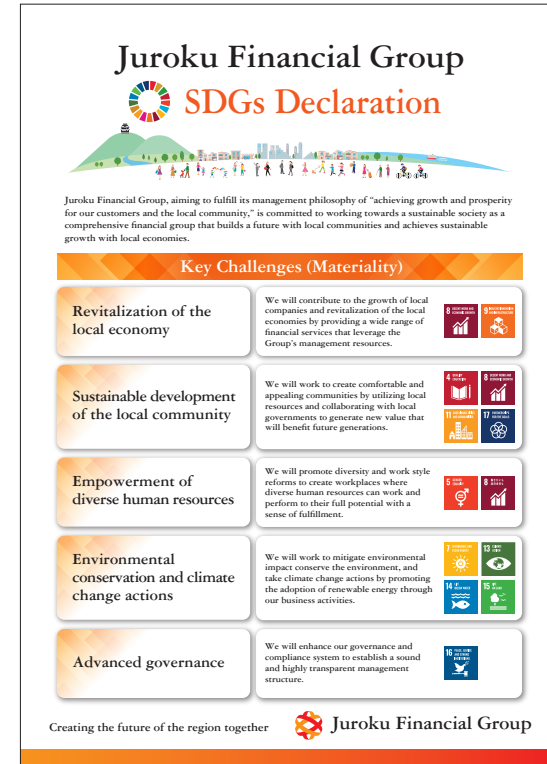
Identify multiple issues by considering SDGs, ESG (environment, society, governance), regional issues, etc.

2 [Narrow down the priority issues]

Narrow down the priority issues based on our management philosophy, the business areas of each group company, the characteristics of the regions that are our operating base, and engagement with stakeholders

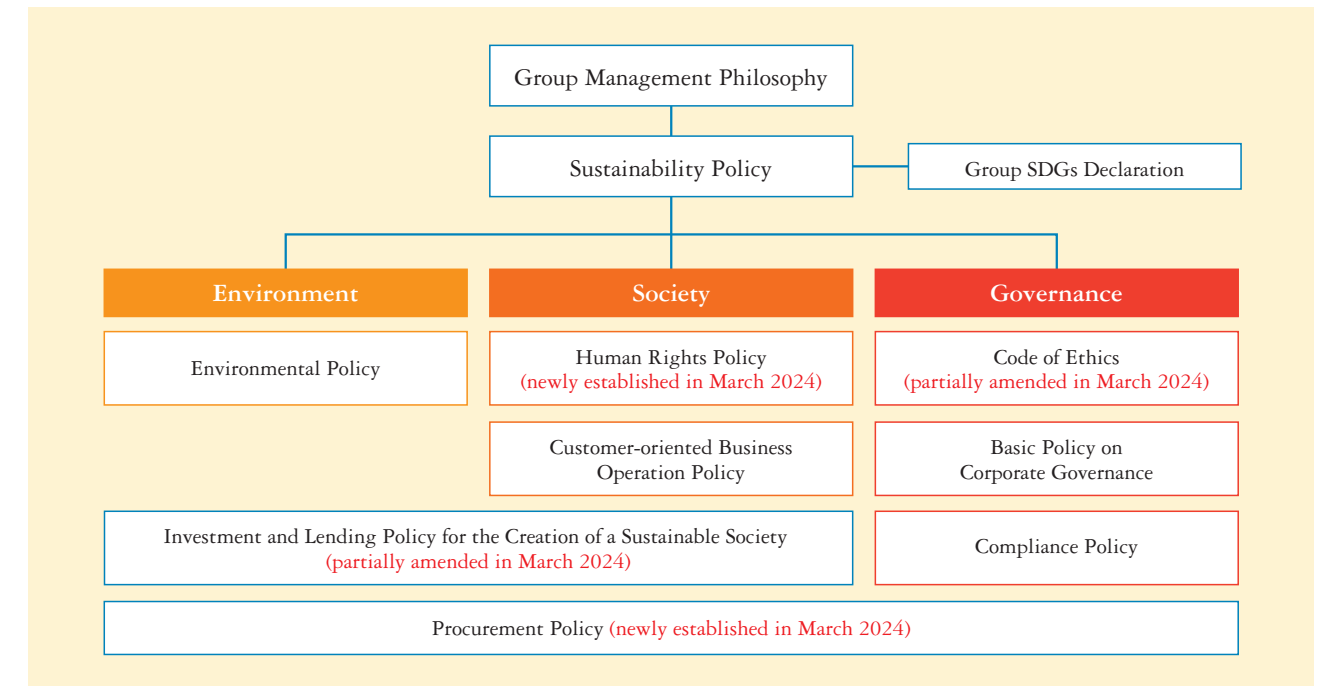
3 [Identifying materiality]

Priority issues are grouped and the top five materiality issues are identified and reported to the Board of Directors



Positioning of Major Sustainability Policies

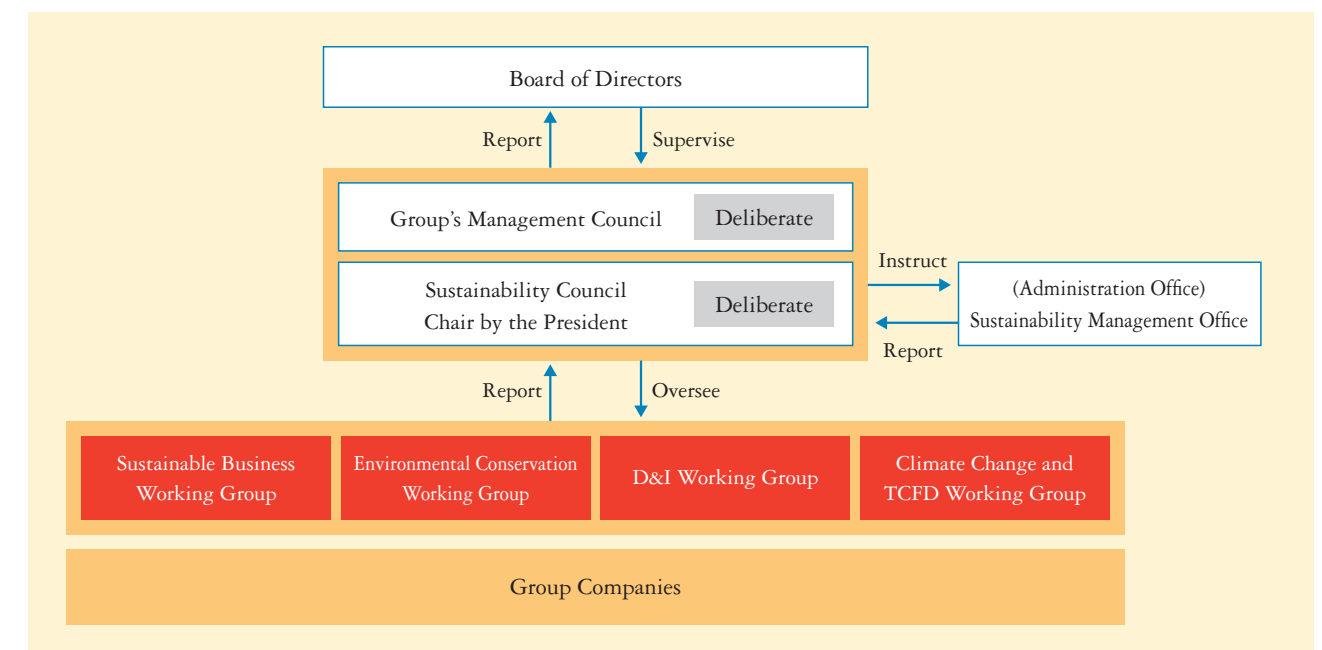
The Group has established the Sustainability Policy as the basic policy for our sustainability-related initiatives and has established various policies regarding the “environment,” “society,” and “governance.”



Governance System for Sustainability

Various sustainability-related initiatives are deliberated at the Sustainability Council, which is chaired by the President.




The content of these deliberations is reported to the Board of Directors at least once every three months, and the Board of Directors supervises the activities of the Sustainability Council.



Initiatives for Sustainability

Juroku Financial Group, aiming to fulfill its management philosophy of “achieving growth and prosperity for our customers and the local community,” is committed to working toward a sustainable society as a comprehensive financial group that builds a future with local communities and achieves sustainable growth with local economies.

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 the 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 a strength Implementing work style reform to provide a good work-life balance Creating workplaces that facilitate the growth of diverse human resources and empower them  
	Advanced governance	<ul style="list-style-type: none"> Advancing corporate governance Strengthening risk management and compliance Achieving stakeholder engagement 

Juroku Financial Group

SDGs Declaration



Main Initiatives	Sustainability KPIs			
	Item	Quantitative target	March 2024 results (progress rate) *2	
<ul style="list-style-type: none"> Startup support by NOBUNAGA Capital Village Collaboration with local VCs and CVCs Startup and venture support through NOBUNAGA21 Support for efforts to solve social and environmental issues New NISA initiatives Long-term proposals that fit customers' life plans Business succession seminars 	Sustainable finances provided (including environment-related finances)	¥2 trillion (¥800 billion)	¥459.4 billion (¥170.4 billion) *1	22.9% (21.3%)
	Balance of Group assets on deposit	¥550.0 billion	¥463.7 billion	84.3%
<ul style="list-style-type: none"> Comprehensive partnership agreement with Shirakawa Village, Gifu Prefecture, for regional revitalization Support local businesses using food catalog gifts Sustainable urban development through Kanda Machiokoshi DX support consulting by Juroku Densan Digital Services Initiatives toward cashless payments Revitalize the local economy through cashless payments Activities by the Juroku Foundation for Regional Promotion Host the Economics Koshien Gifu Tournament Support the promotion of sports 	Social impact investments	¥2 billion	¥0.37 billion *1	18.5%
	DX-support consultation cases	3,000 cases	403 cases *1	13.4%
<ul style="list-style-type: none"> Presentation of case studies at the event commemorating the visit of the CEO of the international environmental NGO CDP to Japan Decarbonization consulting Awarded the Environment Minister's Award for Best Practice (regional category) of the Principles for Financial Action for the 21st Century Support for decarbonization by Juroku Lease Expand the introduction of CO2-free electricity Disclosure based on TCFD recommendations Acquisition of external ESG evaluations Participation in initiatives 	CO2 emissions (vs. FY2013 level)	100% reduction	42.7% reduction	42.7%
	Paper use (vs. FY2019 level)	50% reduction	33.5% reduction	67.0%
<ul style="list-style-type: none"> Active appointment of women to managerial positions New graduate recruitment Active personnel exchanges with different industries Promotion of paid leave and reduction of overtime work Promotion of healthy management Return value to employees/improve financial wellness Childcare support Human resource development policy, in-house environment improvement policy, and human resource development cycle Human capital investment by expanding training opportunities Expansion of the self-development qualification acquisition subsidy system Development of IT/DX human resources Skill guidelines Career challenge system Expert system 	Ratio of female managers	20%	9.1%	45.5%
	Ratio of paid leave claimed	80%	54.7%	68.3%
<ul style="list-style-type: none"> Cybersecurity management system Education and training Dialogue with shareholders Establishment of the Human Rights Policy Initiatives in line with the Human Rights Policy 	Initial response training for emergency preparedness	No less than twice a year	8 times	400%
	Dialogue with investors	No less than 10 times a year	30 times	300%

*1 Cumulative total from April 2022 *2 Progress rate is calculated by dividing March 2024 results by FY2030 target