Addressing Key Challenges (Materiality)

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.

ddressing Key Challenges (Materiality)

	Key challenges	SDGs	Initiatives
Business	Revitalization of the local economy	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	● 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
Business	Sustainable development of the local community	4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH 11 SUSTAINABLE CITIES AND COMMUNITIES 17 PARTNERSHIPS FOR THE GOALS	● 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
Business	Environmental conservation and climate change actions	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION 14 LIFE BELOW WATER 15 LIFE ON LAND	● 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	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH	● 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
Management	Advanced governance	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	● Advancing corporate governance ● Strengthening risk management and compliance ● Achieving stakeholders engagement

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

Main initiatives	Sustainability KPIs: Item	Quantitative target	March 2026 results (*3)	(progress rate)
● Investment in local VCs and CVCs ● Conclusion of a partnership agreement with Sompo Japan Insurance Inc. ● Sustainable finance ● Management succession consultation ● Joint establishment of "NOBUNAGA Search Fund No. 1" ● HR placement ● Conclusion of a business alliance agreement with Mitsui O.S.K. Lines Group ● Asset formation support ● Balance of Group assets on deposit	Sustainable finance provided (of which, environment-related finance)	¥2 trillion (¥800.0 billion)	(*1) ¥914.4 billion (¥347.2 billion)	45.7% (43.4%)
	Balance of Group assets on deposit	¥550.0 billion	¥663.9 billion	120.7%
● Participation in the "Minami Park Development Project (PFI Project)" in Okazaki City, Aichi Prefecture ● Hosting "Osanpo Biyori in Yanagase," a project for revitalizing Gifu City's central district ● Participation in the Shirakawa Village Sake Brewery Project in Shirakawa Village, Gifu Prefecture ● Social impact investment ● DX-support consulting ● Cashless payment support ● Collaboration with JCB Co., Ltd. and STATION Ai Corp. ● Promotion of financial literacy education	Social impact investment	¥2.0 billion	(*1) ¥1.02 billion	51.0%
	DX-Support consultation case	3,000 cases	(*1) 1,254 cases	41.8%
● Formulation of Environmental Policy ● Promotion of climate change measures - Selected for the Climate Change "A List" in the CDP Climate Change 2025 assessment ● Disclosure Based on TCFD and TNFD Recommendations - Governance - Strategy - Risk management - Metrics and targets	GHG emissions (vs. FY2013 level)	100% reduction	(*2) 83.6% reduction	83.6%
	Paper use (vs. FY2019)	50% reduction	41.6% reduction	83.2%
● Group-wide optimization of human resources ● Introduction of the Flexible Retirement Age ● System up to Age 65 and improved employment conditions from age 55 onwards ● New graduate recruitment ● Job Return System ● Support for the empowerment of employees with disabilities ● Support for the advancement of women "Jewelia" initiatives ● Personnel exchanges with different industries ● Career Challenge System ● Expert System ● Human resources portfolio supporting strategy ● Engagement survey ● Supporting a good work-life balance ● Returning value to employees and improving financial wellness ● Promotion of health management ● Expanding training opportunities ● Self-Development Qualification Acquisition Subsidy System ● Knowledge point stage certification program ● Initiatives to respect human rights	Ratio of female senior managers	20%	12.3%	61.5%
	Ratio of paid leave claimed	80%	63.3%	79.1%
● Business continuity planning ● Response to cross-shareholdings ● Cybersecurity management system ● Sharing of threat information and cooperative initiatives ● Education and awareness programs for Group officers and employees ● Initiatives for cybersecurity ● System risk management ● Dialogue with investors ● Internal audit structure	Initial response training for emergency preparedness	No less than twice a year	9	450%
	Dialogue with investors	No less than 10 times a year	54 times	540%

(*1) Cumulative total since April 2022 (*2) Preliminary data (*3) Progress rate is calculated by dividing March 2026 results by FY2030 target