

Hokuhoku Financial Group, Inc.
Integrated Report 2026

————— Disclosure report —————



Hokuhoku Financial Group, Inc.



Purpose

Creating a Bright **Future** Beyond Regions.

Your happiness and joy of the region mean
the most to us.

Hokuhoku Financial Group aims to maximize the potential of our extensive regional network and group comprehensive capabilities strength to become a driving force for local communities to create innovation and realize a bright future. We prioritize the happiness and joy of our colleagues as well as those we interact with above all else and will continue to evolve.

The Ideas Behind Our Purpose

As a wide-area regional financial group operating across Hokuriku, Hokkaido, and Japan's three major metropolitan areas, the group's words "Beyond Regions" express our commitment to contributing to the development of Japanese society as a whole, unconstrained by regional boundaries.

At the same time, our roots lie in contributing to the customers we serve each day and the communities where we work. We distilled this commitment into the words, "Your happiness and joy of the region mean the most to us." We cherish these words as a guiding principle for our actions.

While remaining deeply rooted in each region, we will expand connections and possibilities beyond regional boundaries and realize our full potential, thereby contributing to the happiness of people and of ourselves.

Purpose (Mission Statement)	Creating a Bright Future Beyond Regions. Your happiness and joy of the region mean the most to us.	
Management Philosophy	■ Prospering together with the region	We execute our social mission to prosper mutually with customers and local community.
	■ Fair and steady management	We aim at fair and steady management to respond to social confidence.
	■ Progressive and innovative services	We pursue creativity and innovation in a vital workplace to provide attractive services.
Vision (Aspiration)	We will continue to deliver comprehensive financial services with its extensive regional network to contribute to prosperity of customers and the region.	

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CHAPTER 1

Value creation story

Here we present an overview of the value creation story envisioned by the group, beginning with its Purpose and the Management Policy it has upheld since its founding. By harnessing the market potential across Hokuriku, Hokkaido, and Japan's three major metropolitan areas, and by leveraging the group's network and comprehensive capabilities, we aim to realize a sustainable, bright future together with our regions.

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CHAPTER 2

Initiatives to enhance corporate value

To achieve sustainable growth in corporate value, the group is advancing its management practices from the dual perspectives of capital efficiency and earnings power. We explain our approach and initiatives for sustainable growth through stronger earnings centered on the deposit and lending business, the advancement of our sustainability strategy, and investment in human capital.

Editorial policy

Hokuhoku Financial Group has published its Integrated Report 2026. In editing this report, the company refers to guides such as the International Integrated Reporting Framework recommended by the IFRS Foundation and the Guidance for Collaborative Value Creation by the Ministry of Economy, Trade and Industry.

This integrated report is a disclosure document prepared pursuant to Article 21 and Article 52-29 of the Banking Act. This integrated report contains statements concerning future results, but these statements do not guarantee future results and may differ from actual results due to changes in the management environment and other factors.

Please see the Integrated Report 2025 Financial Data for detailed financial data and other information.



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CHAPTER 3

Foundations supporting corporate value

To strengthen group governance, we are continuously working to improve the effectiveness of the Board of Directors. Incorporating the perspectives of Outside Directors, we introduce the management oversight functions and stronger foundations that support enhanced corporate value.

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What we want to convey to our stakeholders through the Integrated Report 2026

This integrated report presents an overview of the value creation the group seeks to achieve, together with its approach and initiatives for sustainably enhancing corporate value. Beginning with its Purpose and the Management Policy it has upheld since its founding, the group has walked alongside its regions and created sustainable value by solving issues. In addition to this approach to value creation, the report introduces initiatives to enhance corporate value centered on improving PBR, as well as the strengthening of governance and human capital that supports these initiatives. In addition, we introduce actual examples of how we are using our wide-area network and the group's comprehensive capabilities to address the great changes in regional society including population decline and the transformation of industrial structure. Please be sure to read how we are trying to realize sustainable growth through co-creation with our regions, customers and society.



Logo mark

The gold gradation that extends vertically expresses the growth and profitability of the company, and the lines that draw a gentle arc express our network as a regional bank covering a wide area. In addition, the calm blue square gives an image of the unshakeable stability of our organization and placing the vertical line and curved line within that square expresses the "h" that is the initial letter of HokuHoku.

Creating a Bright
Future Beyond
Regions.

Advancing to a
new stage of
corporate value
creation,
together with
the region's
future

Hiroshi Nakazawa
Representative Director, President



Advancing with our regions in an era of profound change

Around the world today, uncertainty is increasing amid soaring energy prices driven by heightened tensions in the Middle East and sharp fluctuations in interest and exchange rates. The Japanese economy is also seeing the effects of material shortages, rising procurement prices, and the resulting increase in the burden on household finances, all of which are significantly affecting businesses and households.

In this environment, we believe HokuHoku Financial Group is called upon to support our regions and customers and enhance their vitality while mitigating these impacts as much as possible. We are confident that steadily pursuing

such initiatives will also enhance the group's corporate value.

Last year, the group adopted "Creating a Bright Future Beyond Regions." as its Purpose. Behind this Purpose is our commitment to making a meaningful contribution to the growth of our regions and customers by leveraging a wide-area network that encompasses Hokuriku, Hokkaido, Japan's three major metropolitan areas, and our overseas offices.

In this message, I will explain the future the group seeks to achieve and the growth path it envisions, grounded in this Purpose.

Our long-term aspiration—creating the future of our regions and enhancing corporate value

Hokuriku has an industrial base centered on manufacturing and supported by a long history, while Hokkaido has some of Japan's greatest potential in areas including next-generation semiconductors and SX/GX (growth centered on decarbonization). The group also has a strong customer base in Japan's three major metropolitan areas, which possess exceptional potential, and is positioned to capture growth opportunities broadly through a network that includes overseas offices. By leveraging this regional potential, the group's network, and its scale of assets, we envision the following future:

- Companies increase their earning power, wages and employment stabilize, and younger generations feel that they want to continue working in the region
- Support for companies and customers increases the number of people engaging with the region and brings

greater vitality to local communities

- Building greater depth in regional economies by leveraging Hokkaido's next-generation semiconductor and SX/GX sectors and Hokuriku's manufacturing base
- Combining digital and in-person channels effectively so that everyone, regardless of age or place of residence, can access financial services with confidence
- Ensuring that, as the driver of these changes, the group has stable earnings power and capital efficiency and grows together with its regions

To ensure that this vision does not remain merely an ideal, we have set long-term targets of a capital adequacy ratio in the 11% range, ROE of 11%, consolidated net income of ¥90 billion, and OHR in the low 40% range, charting a path of growth and development together with our stakeholders.



As President of Hokuhoku Financial Group, I view these figures not as mere indicators or targets, but as the starting line we must reach in order to create the future of our regions and enhance corporate value.

Although there will be short-term fluctuations, I will manage the group with a strong focus on whether it is charting a clear upward trajectory over the long term.

Our strength as a wide-area regional financial group—turning reach into growth opportunities

A defining feature and strength of Hokuhoku Financial Group is its wide-area network spanning 13 prefectures, centered on its two regional banks, The Hokuriku Bank and The Hokkaido Bank, which enables the group to capture growth opportunities across regional boundaries,

including in Japan's three major metropolitan areas and through its overseas offices.

Hokuriku and Hokkaido have historical ties through the Kitamaebune trading ships. By advancing alongside our regions and customers over many years, we have built a

broad and deep network and connections with diverse industries.

By connecting regions with different strengths and facilitating the exchange of knowledge and personnel within the group, we believe we can create new value that would be difficult for any single region to generate alone. Specifically, we are focusing on the following forms of value creation unique to a wide-area regional financial group:

- Sharing expertise and providing support for next-generation semiconductors and SX/GX in Hokkaido and for Hokuriku's manufacturing base
- Supporting M&A and business succession through wide-area matching that contributes to regional economic development and issue resolution
- Enhancing added value through wide-area collaboration that promotes regional strengths such as food and tourism as brands
- Strengthening structured finance and services for high-net-worth customers by leveraging our customer base

in Japan's three major metropolitan areas

- Supporting companies through information gathering and networks that also utilize our overseas offices
- Improving productivity through the provision of digital and in-person financial infrastructure

The expansion of group functions, including the establishment of HokuHoku Consulting, is a steady step toward turning these wide-area synergies into concrete businesses. We will continue to make even greater use of the group's distinctive strength as a "wide-area regional financial group" through shared platforms for products and services, the circulation of diverse personnel, and the initiation and support of projects spanning Hokuriku, Hokkaido, and Japan's three major metropolitan areas. Integration across a wide area gives us a stable customer base and a diversified risk structure, which also contributes to stable earnings and improved capital efficiency. We will continue to refine these strengths and translate them into enhanced corporate value over the medium to long term.

Revision of long-term targets—raising our ambitions with growth in mind

In light of steady growth in deposits and loans and changes in the external environment, in March 2026 we revised both the management indicator targets under our medium-term management plan, "NEXT STAGE," and our long-term targets. Please see the Deputy President's message for details of the revisions to the medium-term management plan.

For our long-term targets, we raised the consolidated net income target from ¥80 billion to ¥90 billion and the ROE target from 10% to 11%. We also revised the levels we aim to achieve to a capital adequacy ratio in the 11% range and OHR in the low 40% range.

I regard our long-term targets as important milestones on the path toward realizing our Purpose, the future we envision for our regions, and the future the group seeks to achieve, and I set them with a strong sense of commitment.

Rather than viewing these figures as isolated "points" representing annual performance, we will monitor them as a "line" showing whether we are charting a clear long-term growth trajectory, and adjust our strategies and KPI levels as necessary. We will thoroughly implement this flexible and resilient approach to management.

Growth with an awareness of the cost of capital and our commitment to enhancing corporate value

From the perspective of enhancing corporate value, PBR is an important indicator that objectively demonstrates the results of our initiatives.

Taking the cost of capital into account, we set our ROE target at the level necessary for the group to enhance corporate value over the medium to long term while supporting the future of its regions, and established targets for consolidated net income and OHR to achieve it.

To realize these long-term targets, we are considering capital allocation that balances the capital adequacy ratio, shareholder returns, and growth investment, while also shifting assets toward those with higher capital efficiency in view of risk. At the same time, we are investing in strategic fields including SX/GX, business succession and M&A, and digital technologies. Please see this integrated report for further details.

Since I became President, we have advanced a series of shareholder return initiatives, including dividend increases, share buybacks, the introduction of a shareholder benefit

program, the acquisition of all preferred shares, and interim dividends.

These initiatives also reflect our desire to return the results of our efforts to shareholders in a clear and tangible form while maintaining financial soundness. We will continue to strengthen our management foundation, pay stable dividends, and meet the expectations of shareholders and investors.

We recognize that the group's efforts to enhance corporate value still have a considerable way to go. Nevertheless, I believe we are making steady progress in raising our medium- to long-term earnings power, balancing stability and growth by leveraging our unique wide-area network, and putting capital to effective use. By steadily building on these initiatives, we will clearly demonstrate positive change in indicators such as PBR and ROE. We also intend to communicate this process as clearly and carefully as possible through our integrated reports and IR activities.

Organization and culture—people as the foundation (the invisible base) supporting our Purpose

People and organizational culture are more important than anything else in realizing our Purpose. No matter how the external environment, including global affairs, may change, it is each and every employee in our branches and on the front lines who engages with customers as a regional financial institution and supports local lives and businesses. To remain a group that continues to take on challenges with a positive outlook even in an era of profound change, we need an environment in which people with diverse backgrounds and values can thrive, a culture in which employees can try new things and learn from failure, and workplaces where employees can work

with confidence and with consideration for their physical and mental health.

Initiatives in recruitment, development, career support, and health and productivity management may appear to be costs in the short term. Over the long term, however, they are essential investments in building the "invisible foundation" that supports the future of our regions and the group's sustainable growth. I personally gain many insights from discussions with younger employees and from observing their reactions. We will continue to invest steadily in people and culture while ensuring that their voices are reflected in management.



Advancing to the next stage together with our stakeholders

Even amid rapid changes in the external environment, the group will leverage its strengths as a wide-area regional financial group and pursue flexible, responsive management that accurately captures change in order to enhance corporate value. The path ahead will by no means be easy. However, because the group is rooted in the high-potential regions of Hokuriku and Hokkaido and has a wide-area network encompassing Japan's three major metropolitan areas and overseas offices, I am confident that we can achieve both growth and development for our regions and customers and enhanced corporate value for our shareholders and investors.

We will not allow our foundational Purpose, "Creating a Bright Future Beyond Regions. " to remain merely words. We will support our customers' security and ambitions, create a workplace where employees can work with pride, and deliver results for shareholders and investors. Together with all of you, HokuHoku Financial Group will accelerate its efforts toward a new stage in creating the future of our regions and enhancing corporate value. We sincerely ask for your continued understanding and support and look forward to meeting your expectations.



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波並

HANAMI

石川県鳳至郡三波村

← ふじなみ FUJINAMI

やなみ YANAMI →



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Ishikawa Prefecture: Hanami

Medium-term management plan "NEXT STAGE"

—A renewed commitment to the next phase of growth

Yuji Kanema,

Representative Director and Deputy President



Under its Purpose, "Creating a Bright Future Beyond Regions," the group launched its sixth medium-term management plan, "NEXT STAGE" (FY2025-FY2027). The President's message explains the medium- to long-term future the group seeks to achieve and its overall policy.

This section focuses on the revisions made to the medium-term management plan in March 2026, the thinking behind them, and the key points for execution toward achieving the targets.

Revision of the medium-term management plan—Not an "upward revision," but a renewed commitment to the next phase of growth

In March 2026, the company revised the management indicator targets for the final year of the medium-term management plan as shown in the table.

Management indicators	Original target (FY2027)	Revised target (FY2027)
ROE	8% level	8.5%
Consolidated net income	¥55.0 billion	¥65.0 billion
Capital adequacy ratio	10% level	10% level
OHR (two banks combined)	50% level	High 40% range

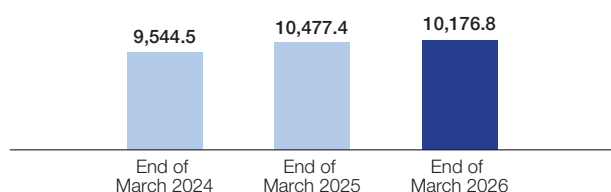
In this revision, we raised the initially projected levels for ROE, net income, and OHR. Because we now expect to largely achieve in the first year the levels originally

projected for the plan's final year, we revised the targets to place greater emphasis on improving capital efficiency and raising earnings power.

The revisions reflect the steady accumulation of deposits and loans and the consulting support and other initiatives we have built up through our commitment to the regions. In addition, we have steadily improved profitability by shifting toward assets with high interest-rate sensitivity and rigorously controlling costs. Growth in loans and deposits in particular reflects the strong customer bases and relationships cultivated in Hokuriku and Hokkaido. Supported by these strong foundations, net interest income is improving steadily as the policy interest rate rises.

Loan balance (ending balance)

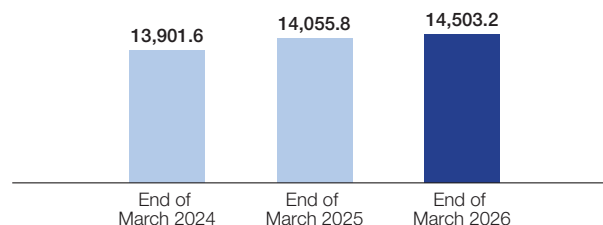
(Unit: billion yen)



We also revised certain key KPIs. SX/GX-related investments and loans are progressing steadily as we capture demand for funds to support regional decarbonization, energy-efficiency investments, and supply chain responses. The balance of assets under custody is growing as we strengthen both in-person and remote customer touchpoints

Deposit balance (ending balance)

(Unit: billion yen)



and proposals tailored to each life stage become more widely established. We are also strengthening our team of solution professionals through both mid-career recruitment and development, enhancing our ability to handle matters involving M&A, business succession, capital policy, DX, and other fields.

Three engines driving strategy	KPI	FY2025		FY2027
		Results	Variance from plan	Plan
Deepen problem-solving capability	Average balance of business loans	¥4,679.7 billion	-¥25.0 billion	¥5,000.0 billion
	Number of solution support cases (cumulative)	858 cases	+173 cases	2,200 cases
	SX/GX-related investments and loans (cumulative)	¥353.0 billion	+¥23.0 billion	¥1.0 trillion ▶ ¥1.2 trillion
Solidify the management base	Average balance of deposits	¥14,387.5 billion	-¥12.5 billion	¥15,000.0 billion
	Balance of assets under custody (customers with assets of ¥30 million or more)	¥2,739.6 billion	+¥139.6 billion	¥2.8 trillion ▶ ¥3.0 trillion
	Number of app users	1,161 thousand users	+20 thousand users	1,400 thousand users
	Reduction of cross-shareholdings (ratio against consolidated net assets)	22.3%	-1.7 points	Less than 20%
Institutionalize a vibrant corporate culture	Solution-oriented talent	2,261 people	+61 people	2,400 people ▶ 2,500 people
	Number of mid-career hires (cumulative)	74 people	-6 people	250 people
	Female manager ratio	27.8%	+1.8%	30.0%
	Engagement scores	3.58	+0.11 points (year on year)	At or above previous-year level

This revision does not change the fundamental concept of the medium-term management plan. The group aims to refine the financial and non-financial services that support the growth of regional customers and industries, thereby enhancing the group's earnings power and corporate value.

Our commitment remains unchanged: to achieve sustainable profit growth and improved market valuation by contributing to our regions. The following section explains the three pillars of profit growth and the specific initiatives for realizing them.

Steadily advancing the three pillars of profit growth

We regard the second year of the medium-term management plan as a crucial year for further strengthening our ability to execute strategy and achieve the revised targets, and we have shared this understanding with every employee.

With the three engines driving strategy as the foundation for execution, we will maximize earnings opportunities while building a growth platform that is resilient to changes in the environment.

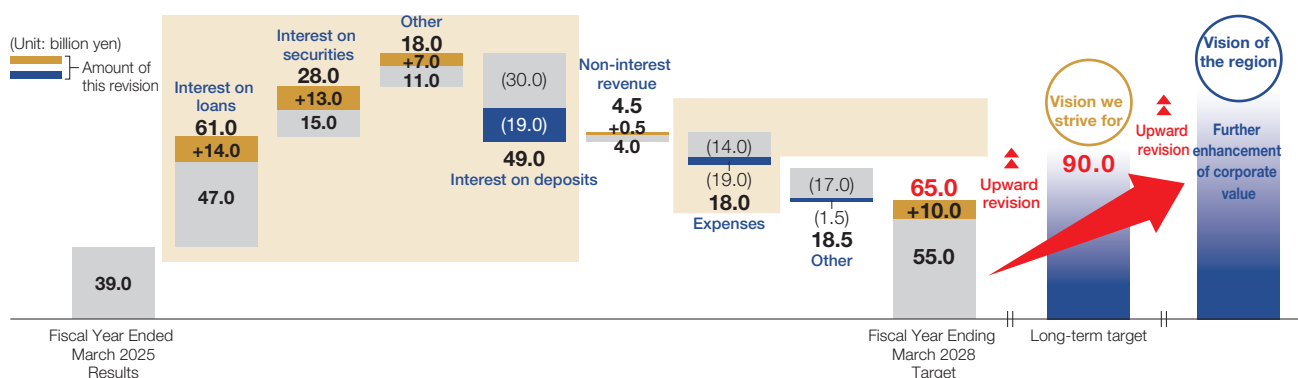
Accordingly, we will place even greater emphasis than before on increasing the quality and depth of earnings. The three pillars of profit growth are as follows:

- ① **Building a portfolio of high-quality assets:** We will further deepen our business feasibility assessments and pursue an even stronger balance between profitability and soundness. Rather than simply increasing balances, we will steadily capture forward-looking demand for funds for regional growth, capital investment, and restructuring, while shifting toward lending assets with high interest-rate sensitivity and improving the quality of our asset portfolio.
- ② **Strengthening non-interest income:** We will steadily expand M&A, business succession, financing, and various consulting services. We will strengthen M&A proposals from perspectives extending beyond business succession and enter new fields, including support for taking listed companies private and for capital policy, thereby expanding the value we provide through solutions.

To increase the balance of assets under custody, we will also optimally combine in-person and remote touchpoints, strengthen proposals tailored to customers' life stages and asset-building needs, and expand our fee income base.

- ③ **Cost control that balances investment and discipline:** While investing in next-generation branches, enhanced app and ATM functions, the use of generative AI, and other measures that improve productivity, we will rigorously standardize and automate operations and aim for OHR in the high 40% range. Rather than simply reducing costs, we will invest for growth while improving operating efficiency, thereby raising our earnings power. To translate these three pillars into execution with greater certainty, we have organized our initiatives into two categories—"creating and capturing growth opportunities" and "strengthening the management foundations that support growth"—and will promote them as priorities.

[Illustration of earnings growth]



Creating and capturing growth opportunities

Investment: strengthening inorganic investment

We will pursue strategic investment opportunities that accelerate the group's growth while enhancing its comprehensive capabilities in the solutions and DX/AI fields.

Examples include making Hokkaido Lease an equity method affiliate in October 2024 and Hokuriku Computer

Service an equity method affiliate in April 2026. By going beyond capital investment and combining these companies with our existing sales base and solution functions, we will expand non-interest income and deepen customer touchpoints.

Semiconductors: strengthening support for a growth field

(A field where the true value of our wide-area network can be demonstrated)

Semiconductors are not a theme confined to a single region, but a growth field that will spread across all of the group's regions as supply chains expand over a wider area. Building on the group's total investment of ¥5 billion in Rapidus Corporation, we will deepen our involvement as a "hub" for building regional supply chains. In addition to capturing demand for funds associated with factory construction and related investment, we will support regional companies entering the field and promote investment in related industries.

By centralizing information management, developing and

assigning specialist personnel, and strengthening coordination between headquarters and frontline sales, we will provide support combining speed and quality, thereby simultaneously raising the region's earning power and building a portfolio of high-quality assets. As the officer responsible for strategic growth fields, I am determined to develop these efforts beyond isolated support into the creation of regional industrial foundations encompassing supply chain formation, personnel, and community development, while making full use of the group's wide-area network connecting Hokuriku, Hokkaido, and the metropolitan areas. Together with our frontline teams, we will identify issues, collaborate with all relevant parties, and steadily build results that lead to sustainable growth for both our regions and the group.

Strengthening the management foundations that support growth

Generative AI: translating productivity gains into OHR improvement

The use of generative AI is a critical management issue that will shape the company's future competitiveness and profitability. We position it not merely as a tool for improving operating efficiency, but as a foundation for strengthening sales capabilities and improving productivity across the organization, and will advance these efforts company-wide. We will steadily enhance and automate routine operations, improve the accuracy of information gathering and analysis, strengthen proposal capabilities in sales activities, and enhance customer service. At the same time, we will accelerate the incorporation of AI into business processes and improve AI literacy and develop specialist personnel, thereby achieving sustainable improvement in OHR and corporate value.

Cybersecurity: preparing for risk

As cyberattacks grow increasingly sophisticated and complex, cybersecurity is no longer an issue for a single department, but a cornerstone of management that affects the group's business continuity and trust. Furthermore, as the use of generative AI expands, we must prepare for an even wider range of risks, including information leaks, misuse, and malicious use. We will further enhance group-wide operations, continue training, and strengthen collaboration with external specialists, aiming to establish a management foundation that keeps our services operating under any circumstances. In June 2026, we also reorganized our head office to establish stronger implementation and governance structures in each field. By enhancing the group's unified execution capabilities, we will continue to provide customers with stable value even in a rapidly changing environment.

Conclusion—Implementing "NEXT STAGE" together with our regions

"NEXT STAGE" is the group's guiding framework, established by backcasting from the future we envision for our regions, and also represents a process of reassessing our role as a corporate group.

Treating this revision as a declaration of our commitment to the next phase of growth, we will continue to take on the challenge of creating new value together with our regions and beyond regional boundaries.

Establishment of Hokuhoku Financial Group: Japan's First Wide-Area Regional Financial Group

The Hokuriku Bank, Ltd. and The Hokkaido Bank, Ltd., integrated their management and the Hokuhoku Financial Group centered on the two banks was born aimed at the streamlining of management using management resources more efficiently, the strengthening of sales capabilities using a wide network, and the stabilization of management foundations in September 2004.



The history of Hokuhoku Financial Group

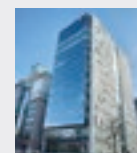
Hokuhoku Financial Group placed its foundations in Hokuriku and Hokkaido and has long contributed to the prosperity of the region and customers as a regional financial organization. We will continue to create shared value by growing and developing together with the region from now on.



The founding of The Hokuriku Bank, Ltd.

The Hokuriku Bank was established on August 26, 1877, with the House of Kaga-Maeda providing 70% of the capital. The bank was the creation of the family established by Maeda Toshiie, the founder of the Kaga clan.

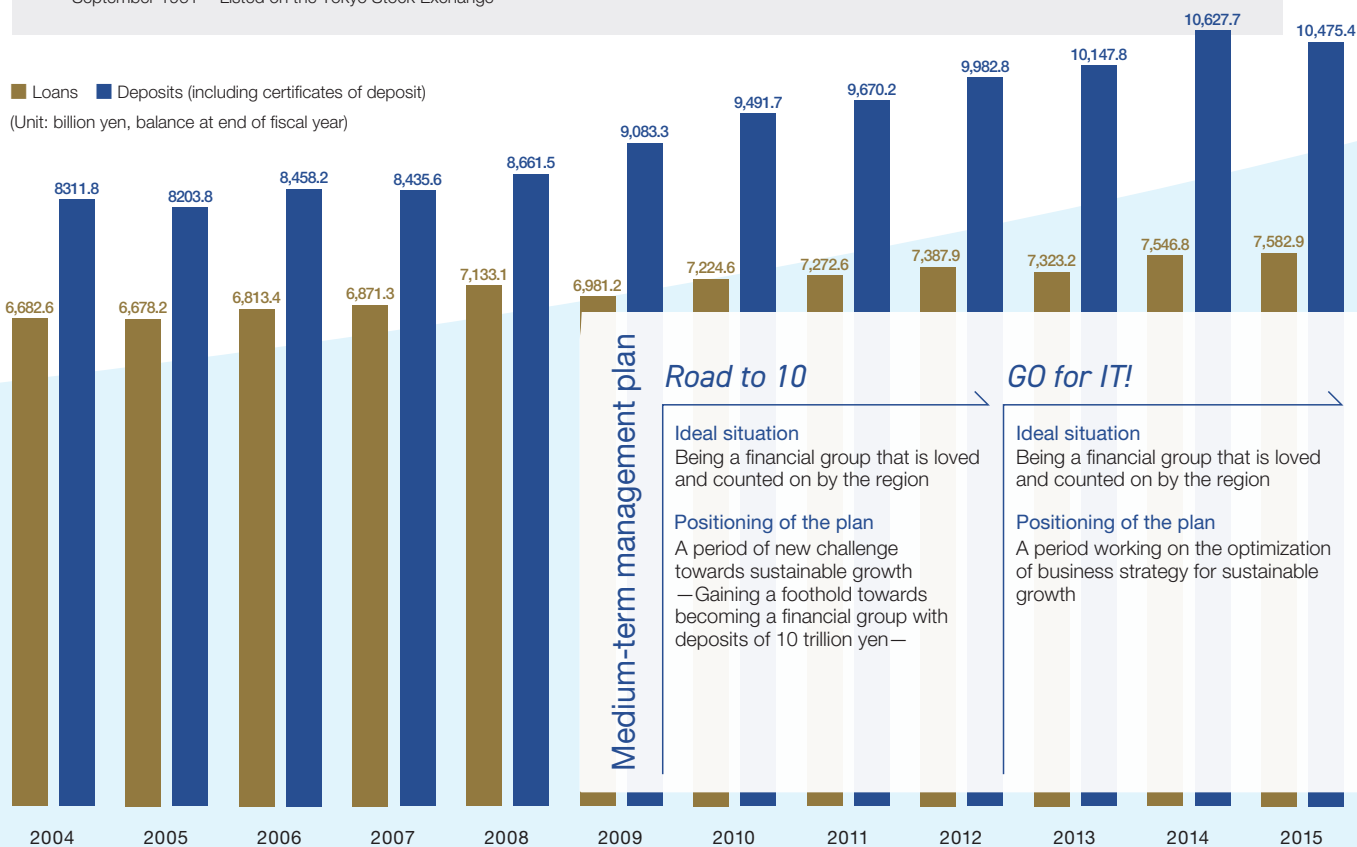
August 1877	Kanazawa 12th National Bank founded
February 1879	Toyama 123rd National Bank founded
July 1943	Four banks, 12th, Takaoka, Chuetsu, and Toyama Bank, merged to form Hokuriku Bank
January 1950	Launched foreign exchange operations (first regional bank to do so)
September 1961	Listed on the Tokyo Stock Exchange



The founding of The Hokkaido Bank, Ltd.

The Hokkaido Bank was established on March 5, 1951 in response to the strong demand for financing from small and medium sized corporations in Hokkaido accompanying the sudden increase in population and development of new industries in Hokkaido during the post-war recovery period.

March 1951	Hokkaido Bank established
April 1961	Launched foreign exchange operations
May 1962	Listed on the Sapporo Stock Exchange
September 1987	Listed on the first section of the Tokyo Stock Exchange



2004

- The birth of Hokuhoku Financial Group

2011

- Launch of the MEJAR system shared by 3 banks

The Hokuriku Bank and The Hokkaido Bank started shared use of a core system with The Bank of Yokohama

2016

- Establishment of Hokuhoku TT Securities

2023

- Participation in the Team Sapporo-Hokkaido consortium

2024

- Completion of the Hokuhoku Sapporo Building
- Establishment of Hokuhoku Consulting
- The Hokkaido Bank made Hokkaido Lease an equity method affiliate

2025

- 20th anniversary of the integration of Hokuhoku Financial Group

- Acquisition of all preferential stock

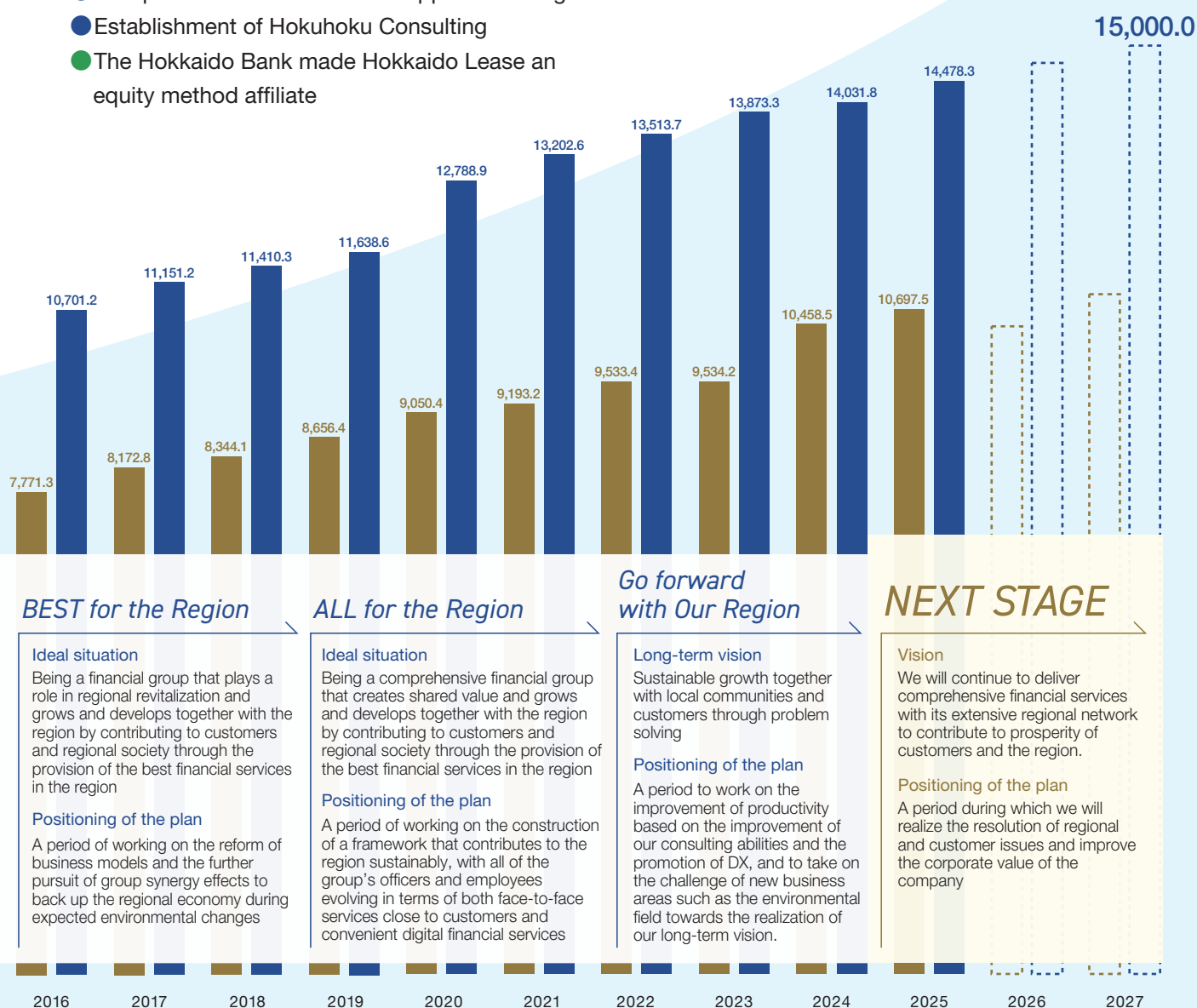
- Group Purpose established

“Creating a Bright Future Beyond Regions.

Your happiness and joy of the region mean the most to us. ”

2026

- The Hokuriku Bank made Hokuriku Computer Service an equity method affiliate



Value creation process

Under its Purpose, "Creating a Bright Future Beyond Regions." as its foundation, the group works to create value with the aim of sustainably enhancing corporate value.

We will make full use of our distinctive strengths, including the group's comprehensive capabilities and specialist expertise in turning regional resources into value, to provide high-quality solutions to our regions. By providing value to stakeholders, we will realize both the future we envision for our regions and the future the company seeks to achieve.

INPUT : Sources of value creation

Financial capital

5th biggest asset size among regional banks

- Balance of deposits, etc.
: ¥14,478.3 billion
- Balance of loans, etc.
: ¥10,697.5 billion
- Total assets : ¥16,963.7 billion

Intellectual capital

Provision of comprehensive solutions through group cooperation

- Advanced group-wide consulting

Society-related capital

Wide-area branch network and digital financial infrastructure

- High deposit and loan shares in Hokuriku and Hokkaido
- Number of branches
: 273 branches
- Number of app users
: 1.16 million users

Human capital

A group of professionals solving regional issues

- Employees : 7,106 people
- Solution-oriented talent : 2,261 people
- Total training hours : 4,824 hours

Natural capital

Abundant regional resources

- Hokkaido's vast food and agricultural resources and Hokuriku's abundant water resources and manufacturing industries
- Some of Japan's greatest renewable energy and GX potential

ACTIVITY

Strengths as a wide-area regional financial group

Integrated management

Management execution capabilities cultivated through more than 20 years of integrated management
An operating platform balancing stability and capital efficiency

Industry expertise

A broad and deep network and expertise built together with our regions and customers
Accompanying support for solving issues in priority industries

Wide-area collaboration

Wide-area collaboration connecting Hokuriku, Hokkaido, and Japan's three major metropolitan areas
Circulating knowledge, personnel, and projects to create value unique to a wide-area network

Sixth Medium-term Management Plan: NEXT STAGE

April 2025 to March 2028

Engines driving strategy

Deepen problem-solving capability

Solidify the management base

Institutionalize a vibrant corporate culture

Creating a Bright Future Beyond Regions.

OUTCOME



Provision of highly convenient,
reliable services



A corporate culture in
which diverse human
resources can thrive



Capital policy for the
sustainable enhancement
of corporate value



The creation of value through
co-creation and mutual aid
rooted in the community



Strengthening of cooperation
and policy responses for the
resolution of common issues



Financial and non-financial
approaches that support the
transition to a decarbonized society

OUTPUT

Key value creation KPIs

(Targets for the fiscal year
ending March 2028)

Financial capital

Supplying funds as infrastructure
for regional economies

Average balance of business loans

▶ **¥5.0trillion**

Intellectual capital

Deployment of issue-solving
solutions through the group's
comprehensive capabilities

Number of solution support cases
(cumulative)

▶ **2,200cases**

Asset-building advisory
supporting secure life plans

Balance of assets under custody

▶ **¥3.0trillion**

Natural capital

Decarbonizing the entire region
through sustainable finance

SX/GX-related investments and loans

▶ **¥1.2trillion**

Vision of the region

- 1.Region full of richness and vitality
- 2.Affluent region supported by
vibrant local industries
- 3.Advanced SX and GX region

Vision we strive for

ROE 11%
Consolidated net income ¥90.0 billion
Capital adequacy ratio 11% range
OHR..... Low 40% range

The source of our value creation — Our strengths —

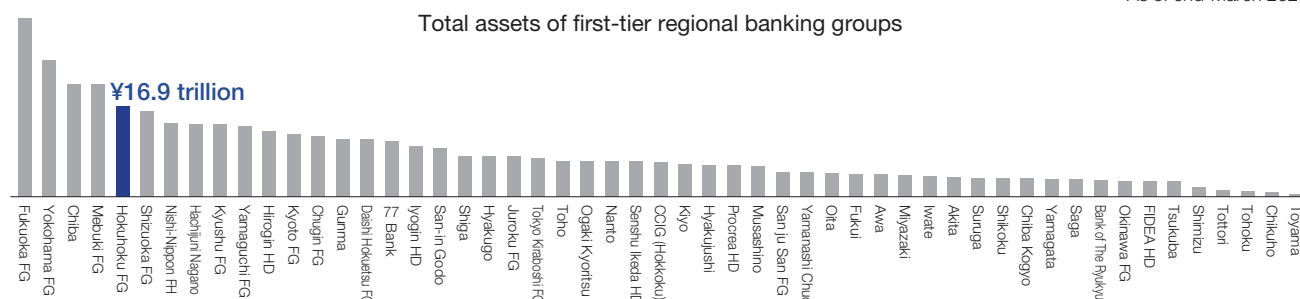
We use the strengths we have cultivated to contribute to the regions and realize the sustainable growth of the company group.

5th-largest asset size among regional banking groups

Financial capital

The group has the fifth-largest total asset base among regional banking groups in Japan, providing it with a stable business foundation.

As of end-March 2026



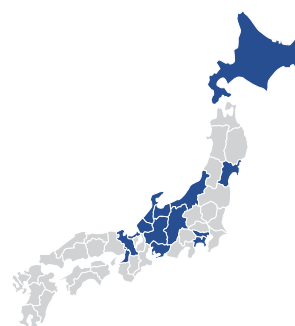
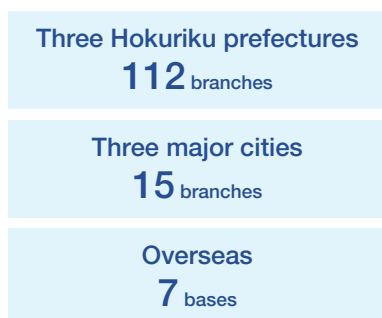
Source: Prepared by the company based on financial results summaries published by each company

An overwhelming presence in our home markets

Society-related capital

The group holds high shares of deposits and loans in its home markets of Hokuriku and Hokkaido and has built deeply rooted relationships of trust with these regions.

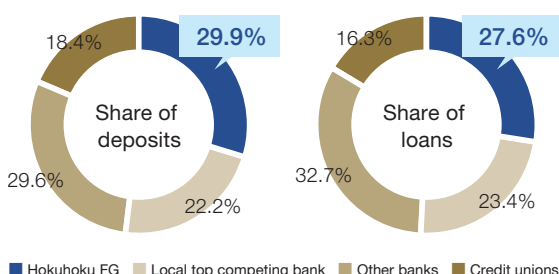
With its branch network as a foundation, the group is expanding collaboration with municipalities, regional companies, universities, and others to support the resolution of regional issues and value creation.



* Actual number of branches as of end-May 2026

Three Hokuriku prefectures (Toyama, Ishikawa and Fukui)

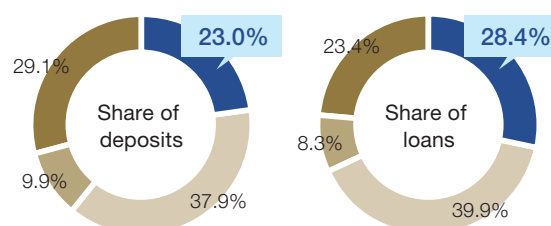
No.1 share for both deposits and loans



* As of end-September 2025

Hokkaido

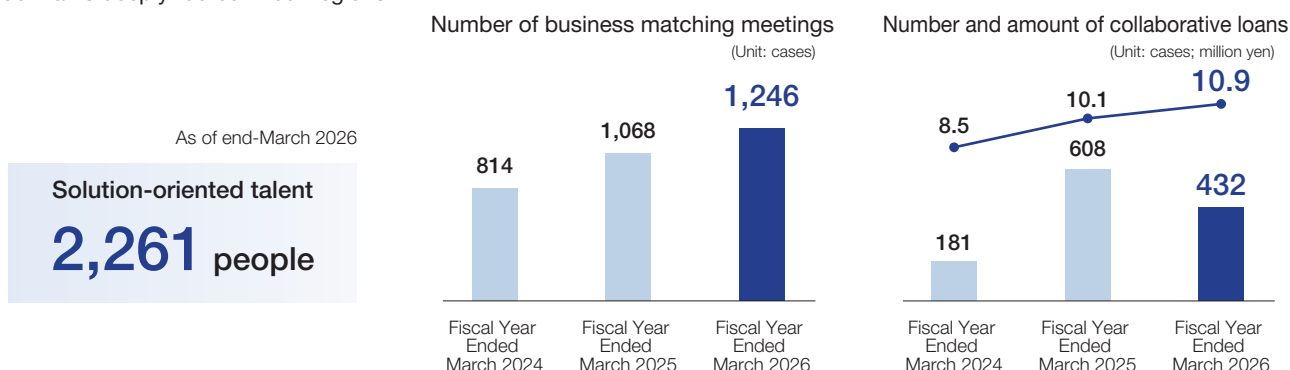
No.2 share for both deposits and loans



Problem-solving capabilities through group collaboration and specialist personnel

Intellectual capital and human capital

By combining deep regional knowledge with the group's expertise, we provide solutions that address customers' issues. By developing and assigning diverse specialist personnel and enhancing their dialogue and execution capabilities, we provide value that is deeply rooted in our regions.



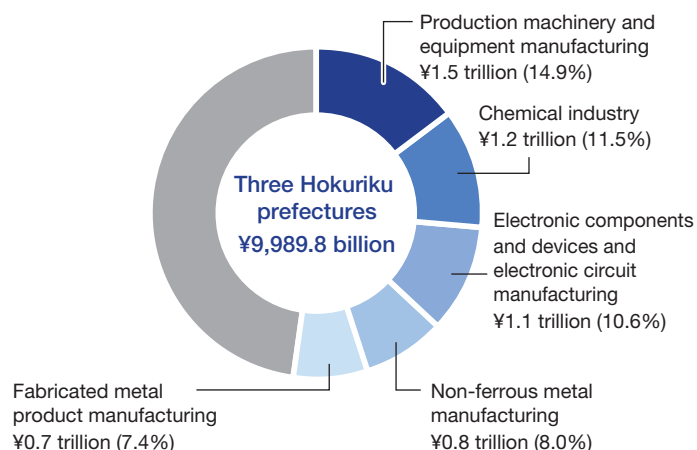
Region-specific natural capital and abundant regional resources

Natural capital

The group is based in the two economic regions of Hokuriku and Hokkaido, which possess different natural capital characteristics in terms of climate, natural environment, and geography. Through the advancement of industries that leverage each region's strengths and GX-related investments and loans, we contribute to sustainably enhancing regional value.

Hokuriku

Value of manufactured goods shipments in the three Hokuriku prefectures (by industry)

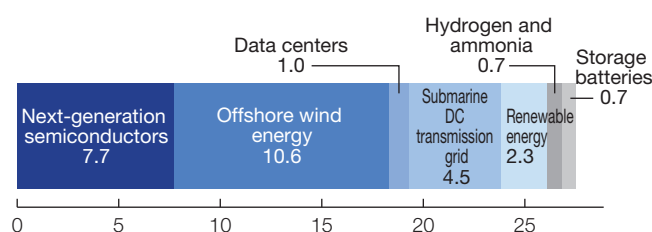


Source: Prepared by the company based on the 2024 Annual Business Survey by the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry

A concentration of high-quality manufacturing industries supported by abundant water resources

Hokkaido

Investment potential associated with next-generation semiconductors and related fields (our estimate)



Cumulative total investment in Hokkaido up to FY2034

Roughly ¥27 trillion
(our estimate)

A concentration of large-scale investment centered on next-generation semiconductors, supported by vast land and a cool climate

Key sustainability management activity themes

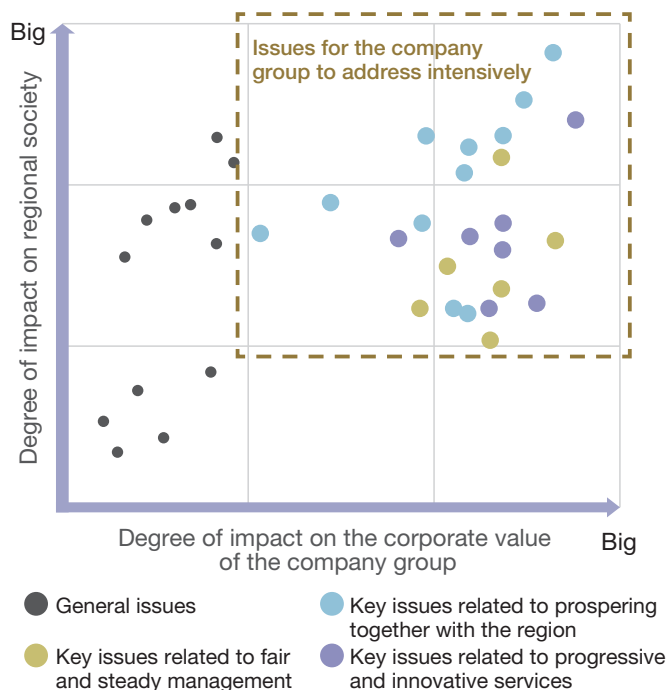
Description

Hokuhoku Financial Group works positively on activities corresponding to issues based on ESG (Environment, Social, Governance) required for the sustainable growth of the company and the SDGs (sustainable development goals) advocated by the United Nations, and established Key CSR Activity Themes on April 1, 2019 to aim for the sustainable development of the company group, regional economy and regional society.

Key theme identification process



Prioritization in accordance with degree of importance



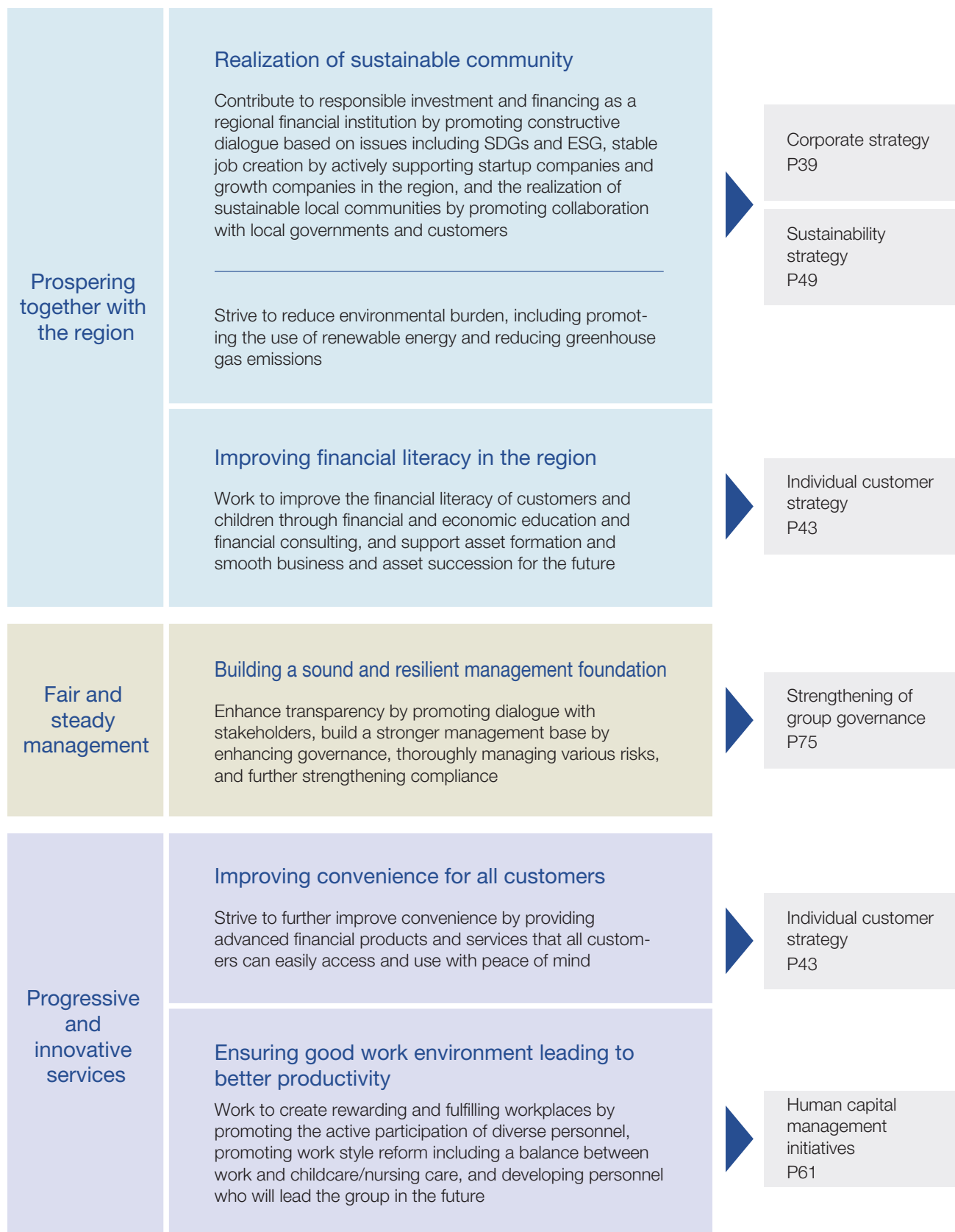
Final arrangement

Management policy	Key issue	Key themes
Prospering together with the region	Regional economic revitalization, promotion of responsible finance, promotion of environmental business, support for growth fields, creation of employment, support for business start-ups, promotion of various collaboration, and reduction of environmental burden	Realization of sustainable community
	Promotion of financial and economic education, promotion of asset formation, and business and asset succession	Improving financial literacy in the region
Fair and steady management	Advancement of governance, building of a robust compliance posture, promotion of initiatives for the prevention of financial crime, implementation of fair transactions, thorough implementation of management of customer information, etc., and promotion of dialogue with stakeholders	Building a sound and resilient management foundation
Progressive and innovative services	Provision of advanced financial services, improvement of access to financial services, safety of goods and services, and improvement of customer satisfaction	Improving convenience for all customers
	Promotion of diversity, promotion of work-life balance, and human resource development	Ensuring good work environment leading to better productivity

Hokuhoku Financial Group's key activity themes

Management policy

Key themes



Value provided to stakeholders

The company group is working on the creation of social value, environmental value and economic value in its regions together with all stakeholders, including customers, local society, employees, shareholders and investors. We will deepen each of these initiatives toward realizing our Purpose.

**“Creating a
Beyond**

Your happiness and joy of the



Investors and shareholders

The promotion of a capital policy aimed at the sustainable improvement of corporate value

Through diverse forms of communication with shareholders and investors, we build long-term relationships of trust and practice management that emphasizes improved capital efficiency and stable shareholder returns.

- Company briefings for institutional investors (May and November)
- Small meetings for institutional investors (October and March)
- One-on-one meetings with institutional investors

	FY2023	FY2024	FY2025
Number of one-on-one meetings (times)	38	45	71

- Company briefings for individual investors (June: online; July: in person; August: in person; February: online)
- Video distribution for individual investors (October: Nikkei CNBC; from February: YouTube)
- Visits to overseas investors (June: North America; December: Singapore)



Environment

Strengthening initiatives to resolve regional sustainability issues

In addition to our own initiatives, we are strengthening both financial and non-financial efforts with regional companies and municipalities to resolve sustainability issues, including environmental issues.

- Conclusion of Japan's first virtual PPA agreement by a regional bank (March 2025)
- New construction of branches with ZEB certification: 5 (cumulative total to FY2025)
- GHG emissions (Scope 1 and 2): 29% reduction from FY2024
- SX/GX-related investments and loans: ¥353.1 billion (FY2025)
- Sustainability strategy: P49



Municipalities, educational institutions and industry associations

Strengthening of cooperation and policy responses for the resolution of common issues

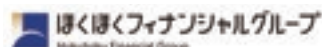
We are promoting highly public initiatives based on cooperation with various actors to contribute to the sustainable development of the regions and society.

- Comprehensive cooperation agreements with municipalities: 55 concluded (cumulative total to FY2025)
- Implementation of endowed courses at local universities



Bright Future Regions.

region mean the most to us."



Community

The creation of value through co-creation and mutual aid rooted in the community

We have rolled out multifaceted community contribution activities such as education, sports and disaster support.

- Number of participants in Noto recovery support activities: 201 people in total (cumulative total for June 2024 - October 2025)
- Number of recipients of financial education: 21,549 people in total (FY2025)
- Sponsorships of local professional sports clubs: 8 (FY2025)



Customers

Provision of highly convenient, reliable services

We are working on the improvement of digital channels and the improvement of the quality of customer experiences for the improvement of customer convenience and the strengthening of engagement.

- Expansion of bank app functions: Introduction of services for opening investment trust and NISA accounts; reporting loss, confirming recovery, and requesting reissuance; checking the status of preferential services; and closing accounts
- Expanded use of the bank app: 1.16 million users (up 140,000 year on year)
- Expansion of and increased awareness of ATMs for Hokkaido residents
- Promotion and implementation support in collaboration with regional financial institutions toward the complete digitization of bills and checks
- Collaboration and promotion of corporate use to revitalize the Regional Revitalization Tax System (corporate hometown tax donation program)
- Continued NPS surveys aimed at improving customer satisfaction
- Individual customer strategy (P43)



Employees

The creation of a corporate climate that allows diverse human resources to succeed

We are promoting initiatives towards the cultivation of an organizational culture in which each and every employee can demonstrate their abilities and experience growth.

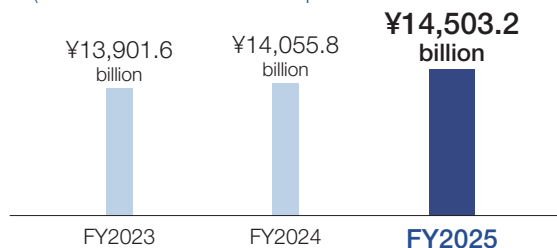
- Engagement score: 3.58 (FY2025; up 0.11 points year on year)
* Average evaluation on a 5-point scale (5 being the highest) in the results of an employee engagement survey
- Grant of restricted stock (RS) worth ¥100,000 to members of the employee stock ownership plan
- "IR for employees" to deepen understanding of the medium-term management plan and the Purpose
- Group-wide training, including training for new employees
- Human capital management initiatives (P61)



Deposits (including negotiable certificates of deposit)
at term-end (two banks combined)

¥14,503.2 billion

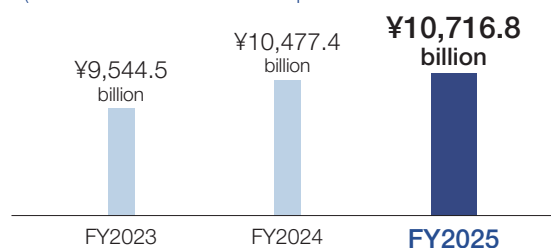
(increase of ¥447.4 billion compared to the end of last term)



Balance of bank loans at term-end
(two banks combined)

¥10,716.8 billion

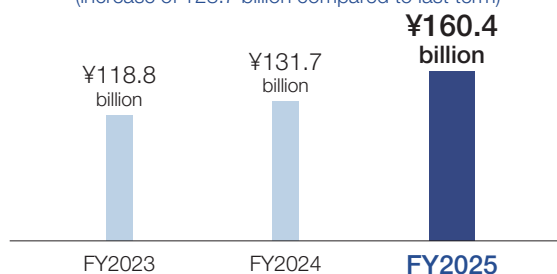
(increase of ¥239.3 billion compared to the end of last term)



Core gross business profit (two banks combined)

¥160.4 billion

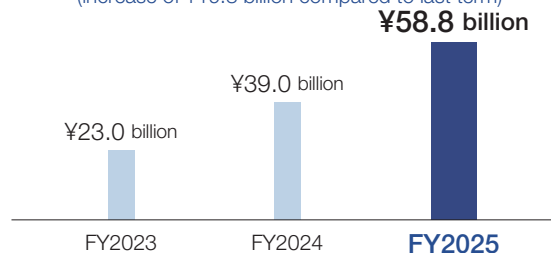
(increase of ¥28.7 billion compared to last term)



Net income attributable to owners of the parent
(consolidated)

¥58.8 billion

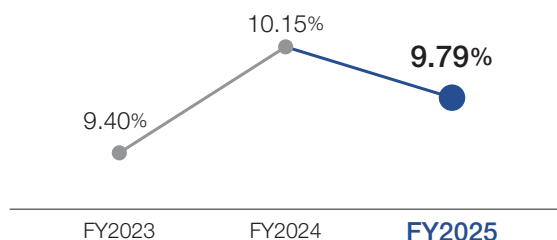
(increase of ¥19.8 billion compared to last term)



Capital adequacy ratio (consolidated)

9.79%

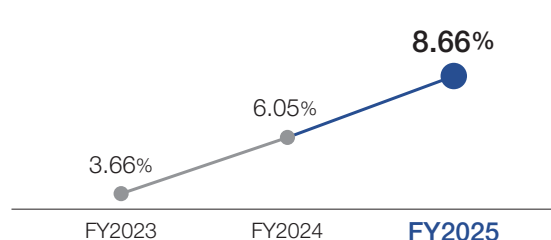
(decrease of 0.36 points compared to the end of last term)



Return on equity (ROE) (consolidated)
on net income basis

8.66%

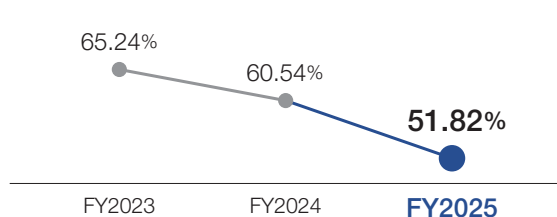
(increase of 2.61 points compared to last term)



OHR (two banks combined)
on core gross business profit basis

51.82%

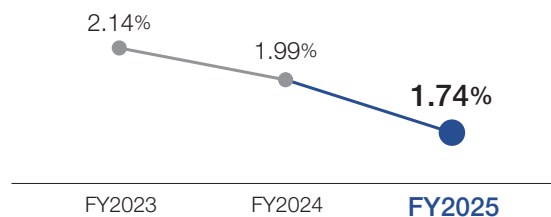
(improvement of 8.72 points compared to last term)



Disclosed claims ratio under the Act on Emergency Measures
for the Revitalization of the Financial Functions (two banks combined)

1.74%

(improvement of 0.25 points compared to the end of last term)



Non-financial highlights

Sustainability-related investment (cumulative)



¥967.1 billion

Increase of ¥287.8 billion compared to last term

* Investments and loans for business partners working towards the achievement of the SDGs, and investments and loans in medicine, health, education, fisheries, agriculture, business establishment, business succession, resilience and the environment

GHG emissions (Scope 1, 2) reduction result



Down 29.0%
compared to last term

Number and amount of collaborative loans

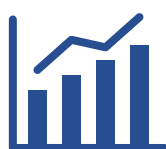


109 cases / ¥43.2 billion

Increase of 8 cases / decrease of ¥17.6 billion compared to last term

*Number and amount of loans executed following mutual referrals and joint proposals by The Hokuriku Bank and The Hokkaido Bank

NISA balance



¥146.0 billion

Increase of ¥36.0 billion compared to last term

Female manager ratio



27.8%

Increase of 2.6 points compared to last term

Solution-oriented talent



2,261 people

Increase of 140 people compared to last term

Rating information

Rating company	Rating	Acquiring company
R&I (Rating and Investment Information, Inc.)	A	株式会社 ほくほくフィナンシャルグループ Hokuhoku Financial Group, Inc.
		北陸銀行
S&P	A-	北海道銀行
		北陸銀行

A "rating" is a device with which a rating company, a third-party organization with no relationship of interest, expresses a company's creditworthiness and ability to meet obligations using a concise symbol.

The company, The Hokuriku Bank and The Hokkaido Bank have each acquired an "A" rating from R&I, meaning we have been evaluated as having high creditworthiness. Further, The Hokuriku Bank has also acquired an "A-" rating from S&P.

External evaluations





Initiatives to enhance corporate value

Message from the officer in charge of finance P31

Initiatives to improve ROE

Enhancing earnings power: corporate strategy P39

Enhancing earnings power: individual customer strategy P43

Special Feature: Leveraging AI to Accelerate Strategy Execution P47

Practice of sustainability management

Sustainability strategy P49

Disclosure based on the TCFD/TNFD recommendations P53

Human capital management initiatives P61

Hokkaido: Yubetsu Town

Concerning initiatives for the improvement of corporate value



Further enhancing corporate value remains an important priority for the Group. While we believe our efforts to date are beginning to deliver tangible results, enhancing corporate value is an ongoing challenge that must be pursued over the medium to long term. The Group will remain firmly committed to enhancing corporate value, with everyone working together toward this goal. In this section, I review our achievements and challenges to date and explain our approach to further enhancing corporate value.

Executive Officer **Shigekazu Minamikawa**

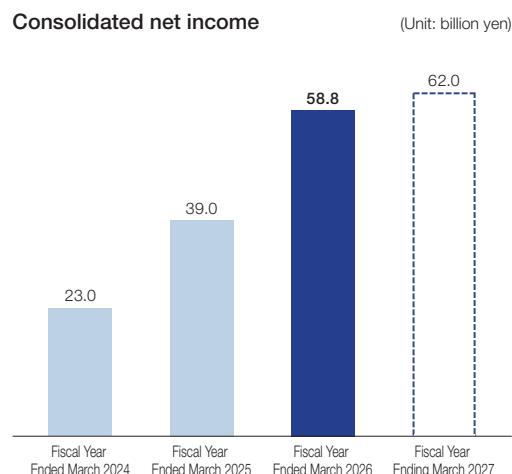
Review of FY2025 financial results

FY2025 was a year of significant progress: consolidated net income reached ¥58.8 billion, the highest since the Group was established.

The main drivers were higher net interest income, supported by steady growth in deposits and loans and improved yields, along with solid non-interest income, including corporate and individual consulting fees. Expenses increased as we continued strategic investment in human capital and systems to support future growth. However, the OHR, an indicator of operating efficiency, improved significantly as core gross business profits increased.

For gains and losses on securities, we sold cross-shareholdings toward our reduction target while flexibly rebalancing the securities portfolio to improve yields. Credit-related costs, meanwhile, were a net reversal, as there were few major bankruptcies and similar events. As a result, ROE rose sharply to 8.66%, up 2.61 percentage points year on year. We achieved the management indicator targets set in the Medium-term Management Plan in its first year and subsequently revised those targets. We will continue to move forward, working to further enhance corporate value and achieve sustainable growth.

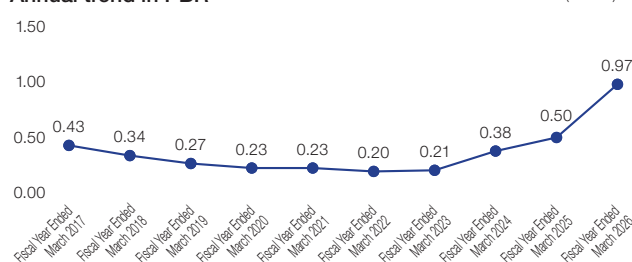
Consolidated (billion yen)	Forecast	FY2025	Compared with previous term	FY2024
Core gross business profits		172.0	30.2	141.8
Net interest income		141.5	29.0	112.5
Profit on service transactions, etc.		27.3	0.7	26.6
Expenses (-)		90.0	3.7	86.3
Reference: OHR		52.33%	-8.57%	60.90%
Core net business profits		82.0	26.5	55.4
Gains (losses) on securities		-8.1	-10.0	1.8
Credit-related costs (-)		-55	-13.1	7.5
Ordinary profits	[780]	80.7	29.1	51.6
Income taxes, etc. (-)		20.7	6.4	14.3
Net income	[560]	58.8	19.8	39.0



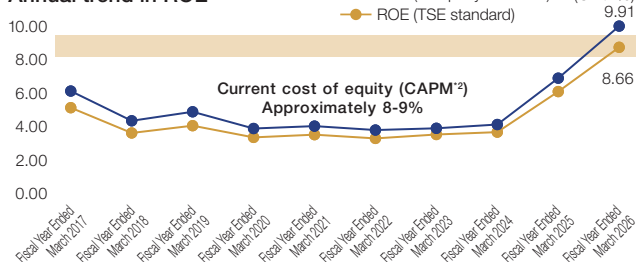
Current position and signs of improvement

Under the Medium-term Management Plan “NEXT STAGE,” we are focusing on a market strategy centered on business loans, taking into account regional potential and changes in the interest rate environment. Loan balances have grown steadily not only in the Group’s core markets of the three Hokuriku prefectures and Hokkaido, but also in Japan’s three major metropolitan areas: Tokyo, Osaka and Nagoya. Improved yields have also driven a substantial increase in net interest income. At the same time, we are strengthening Group-wide management and non-interest income as we work to build a business model capable of sustainable growth regardless of the interest rate environment. In parallel, we have strengthened shareholder returns, contributing to a substantial improvement in ROE. Supported by these initiatives, our financial results and expectations for future growth in light of the external environment, our share price remained firm, and PBR rose to nearly 1.0x as of the end of March 2026. We have a clear sense that the various measures we have pursued are gradually producing results. From a capital efficiency perspective, ROE is approaching a level above the cost of equity (based on CAPM). However, further increases in domestic interest rates would raise the risk-free rate and therefore the cost of equity, so we recognize that we must improve capital efficiency at an even faster pace.

Annual trend in PBR



Annual trend in ROE



¹ ROE (consolidated, shareholders' equity base)

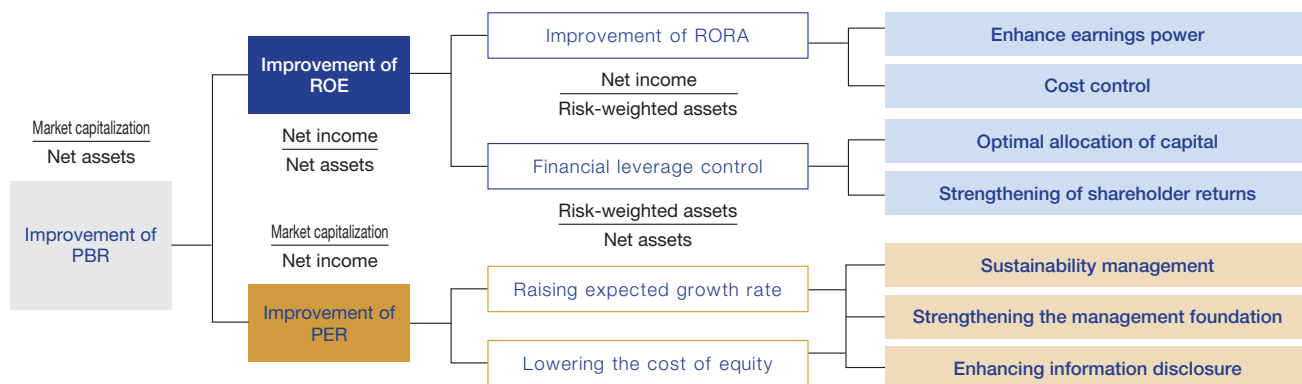
= consolidated net income (after deducting preferred stock dividends) / (shareholders' equity at start of term (excluding preferred stock) - shareholders' equity at end of term (excluding preferred stock)) / 2

² CAPM = government bond interest rate + $\beta \times$ TOPIX risk premium * Calculation based on company standard

Improving PBR and establishing it above 1.0x

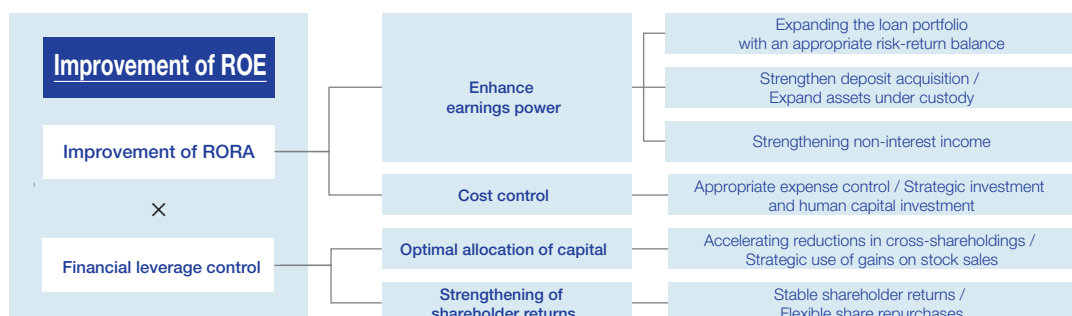
To further improve PBR and establish it above 1.0x, we believe it is essential to steadily translate each initiative in the logic tree into results. At the Group, the Management Committee and Board of Directors regularly discuss PBR decomposed into ROE and PER, issues identified through peer comparisons, and the actions and progress for each issue.

Through these discussions, we identify areas for improvement and, as an organization, pursue each initiative with a strong commitment to delivering results. The initiatives are explained in detail on the following pages. The Group will continue working as one to further enhance corporate value.



Improvement of ROE

To improve ROE, the Group is working to improve RORA, with a primary focus on enhancing earnings power, while appropriately controlling financial leverage from the perspective of capital efficiency. In FY2025, ROE reached the Medium-term Management Plan's original target of the 8% range. We view this as a milestone rather than the destination and have set a long-term ROE target of 11%, as we continue to further enhance earnings power.



Enhance earnings power

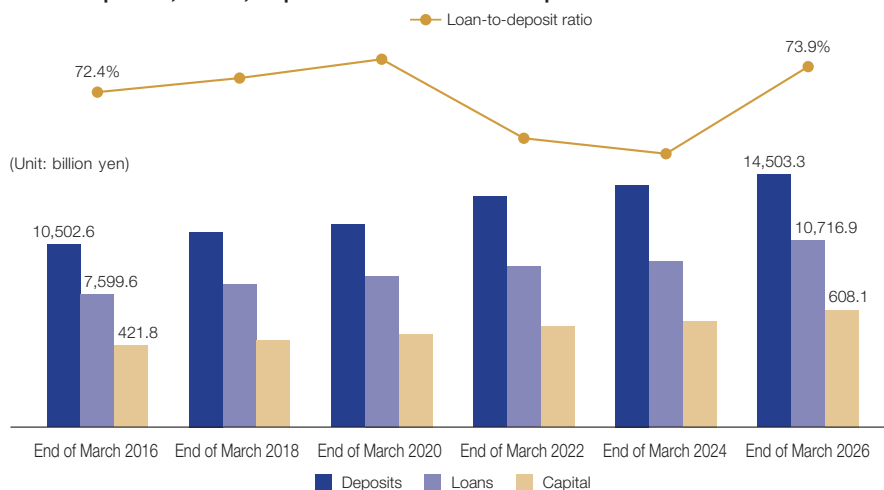
Strengthening net interest income

One of the Group's key priorities for enhancing corporate value is the sustainable growth of net interest income. To achieve this, we will review asset allocation policies, including loans and securities investments, together with the strengthening of our funding base centered on deposits, and optimize capital allocation in a balanced manner based on risk and return. Recently, net interest income has increased due to steady growth in loans, improved yields and the effects of securities portfolio rebalancing. As loan growth and a higher proportion of floating-rate loans increased interest rate sensitivity, RORA (return on risk assets) improved by 0.31 percentage points year on year to 0.94% in FY2025.

The Group has long maintained a strong, regionally rooted deposit base. At the same time, it has pursued prudent management, controlling interest rate risk in light of its capital position and the interest rate environment. As a result, our loan-to-deposit ratio and securities-to-deposit ratio still have room for improvement compared with regional banking groups of a similar scale.

Meanwhile, capital has steadily accumulated through retained earnings in recent years, creating an environment in which we can consider more flexible asset allocation while appropriately controlling risk, even as interest rates rise. Going forward, we will make full use of this foundation and carefully capture earnings opportunities that contribute to sustainable growth.

Trends in deposits, loans, capital and the loan-to-deposit ratio



Deposits

The importance of deposits as the foundation of net interest income continues to increase as interest rates rise, and competition to attract deposits is intensifying.

To further expand the strong deposit base it has built, the Group will improve the convenience of digital channels and enhance in-person customer contact through its branch and ATM networks, providing financial services that are more accessible and easier to use.

For individual customers, we will improve convenience and expand usage opportunities so that our accounts are chosen for everyday payments and asset management. For corporate customers, we will respond closely to cash management and payment needs, deepen our relationships as their main bank, and expand comprehensive transactions by combining lending with solution proposals.

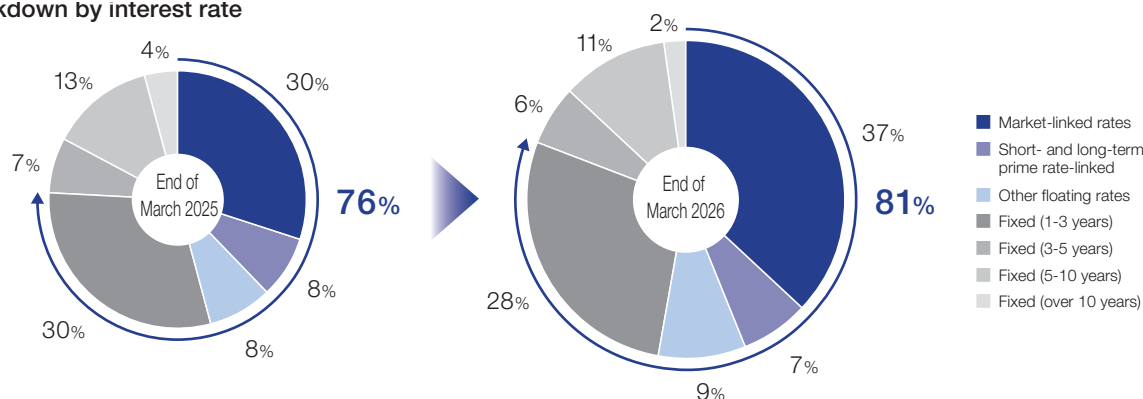
Through these initiatives, we will further strengthen our connections with customers in the region and maintain and expand a stable deposit base.

Loans

We will steadily capture regional demand for funds while balancing profitability and soundness in our loan portfolio. In particular, we will maintain appropriate interest rate sensitivity by increasing the proportion of floating-rate loans and turn changes in the interest rate environment into earnings opportunities.

By financing regional growth sectors and projects that strengthen business foundations, particularly in Hokuriku and Hokkaido, we will contribute to regional economic development while enhancing earnings power. We will pursue individual transactions selectively, carefully assessing their risk and return. In a rising interest rate environment, we will secure profitability through appropriate pricing and improve both profitability and RORA by diversifying our portfolio, including structured finance.

Loan breakdown by interest rate



Securities

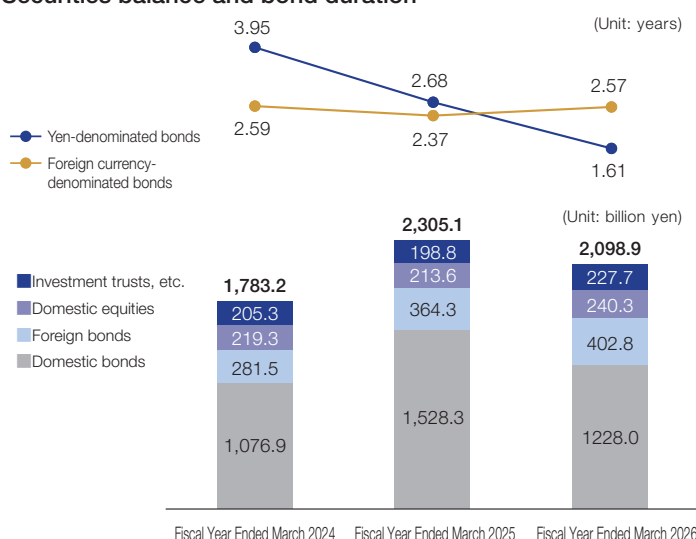
During the recent period of rising interest rates, we reduced our bond holdings and shortened duration in securities investments to limit interest rate risk.

Going forward, we will carefully assess interest rate trends and the policy rate outlook, and build a portfolio capable of generating stable earnings by developing strategies across the Group and applying sophisticated risk management.

For the time being, we will avoid excessive reliance on long-term bonds and maintain flexible investment centered on short-term bonds. We will then identify turning points in the interest rate cycle and gradually shift into the medium- to long-term zones.

Through rigorous management of interest rate risk and remaining maturities, we will optimize risk and return in response to market changes and contribute to sustainable enhancement of corporate value.

Securities balance and bond duration



Strengthening non-interest income

Non-interest income has long been a priority area for the Group. This is an area with further growth potential through synergies with Group companies such as Hokuhoku Consulting and Hokuhoku Tokai Tokyo Securities. We are working to further enhance our consulting capabilities by providing solutions tailored to customer needs and developing human resources.

In the corporate segment, we are deepening and expanding solutions businesses that address companies' management challenges at a fundamental level. In FY2025, we further strengthened Group-wide management, leading to significant growth, including record M&A revenue since the Group's establishment. We are also focusing on business matching that leverages the strength of the Group's wide-area network to further develop regional economies. In October 2026, we plan to establish a local subsidiary in Singapore. By providing sophisticated solutions to diverse needs, we aim to drive further growth and expand earnings.

In the individual segment, we pursue different strategies for each customer segment and provide a diverse range of services that extend beyond the boundaries of financial and non-financial services. Reaching high-net-worth customers with strong asset management and administration needs had been a challenge. We are now seeing steady results after establishing a dedicated organization and a framework in which our banks, securities company and consulting company work together to provide sophisticated one-stop solutions. For working-age customers who find it difficult to make time for meetings, we are expanding app functionality for greater convenience and maintaining and broadening customer contact through follow-up by the contact center. We seek to build lifelong relationships through proposals that go beyond asset-building support to encompass customers' overall life plans.

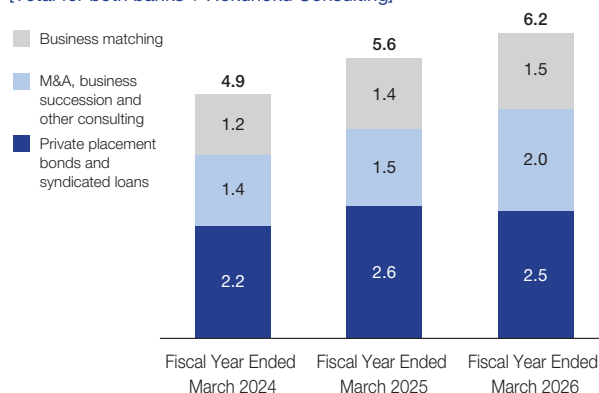
Cost control

In the first year of the Medium-term Management Plan, expenses increased due to system investment associated with renewing the sales support system, investment to expand AI and app functionality, salary increases and higher personnel expenses from strengthening specialist talent. Meanwhile, OHR has improved steadily on the back of topline growth, while earnings power has also increased. We will continue making strategic investments tied to management strategy that advance digitalization and strengthen human capital. By balancing growth investment with cost control, we will optimize the allocation of management resources and improve earnings power and capital efficiency.

Corporate consulting fees

(Unit: billion yen)

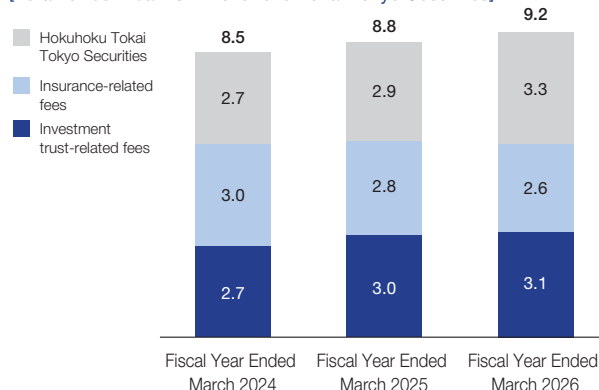
[Total for both banks + Hokuhoku Consulting]



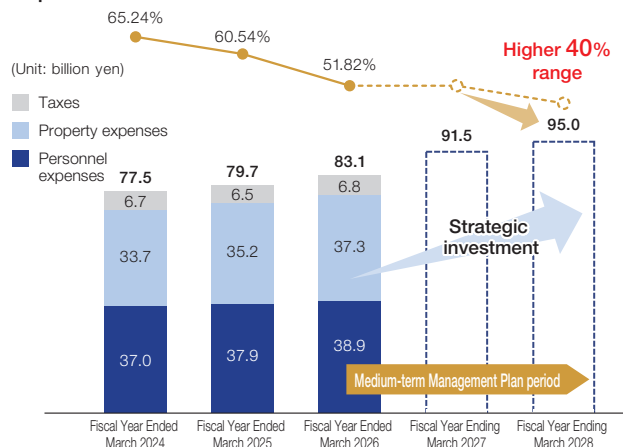
Individual consulting fees

(Unit: billion yen)

[Total for both banks + Hokuhoku Tokai Tokyo Securities]



Expenses and OHR



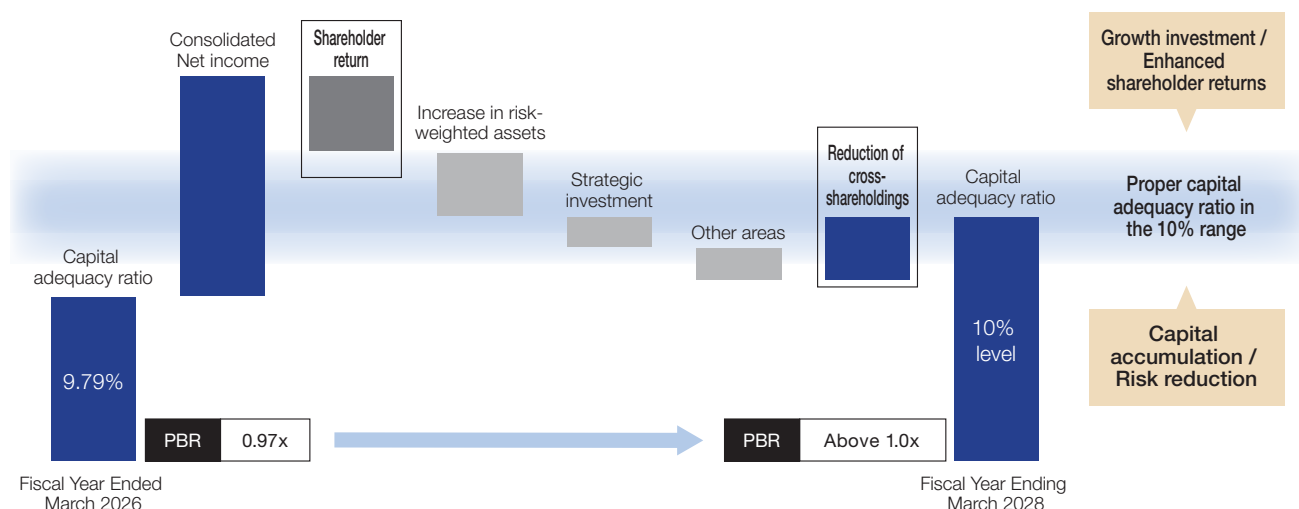
Capital allocation

To achieve sustainable growth, we are working to maintain an appropriate capital adequacy ratio while balancing investment for growth, enhanced shareholder returns and capital accumulation.

In the first year of the Medium-term Management Plan, we acquired all preferred stock to enhance the flexibility and agility of our capital policy while also strengthening shareholder returns. In April 2026, as part of our inorganic growth strategy, we made Hokuriku Computer Service Co., Ltd. an equity-method affiliate to support further growth.

As a regional financial institution, we have set capital adequacy ratio targets in the 10% range during the Medium-term Management Plan period and the 11% range over the longer term, so that we can continue providing stable funding while maintaining a buffer against a certain level of risk. We will pursue these targets in a balanced manner.

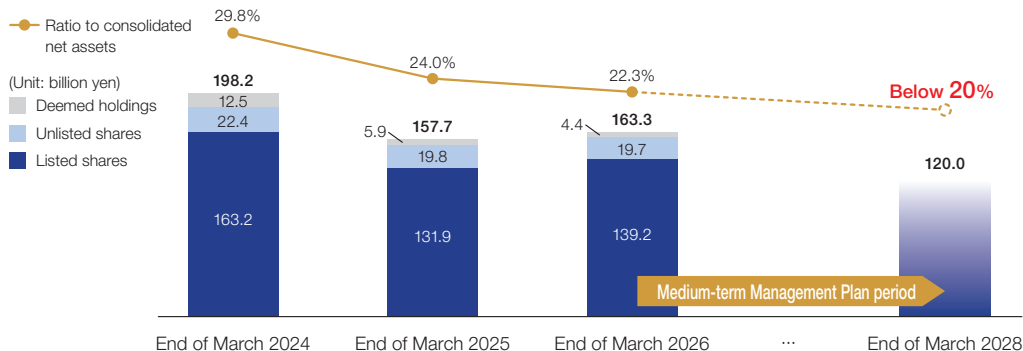
Balancing capital accumulation and shareholder returns while targeting a capital adequacy ratio in the 10% range



Optimal allocation of capital — reduction of cross-shareholdings —

To reduce cross-shareholdings, we have set a target under the Corporate Governance Code of lowering their market value to less than 20% of consolidated net assets by the end of FY2027, and we are engaging in dialogue with every investee company. In FY2025, despite rising share prices, we steadily reduced these holdings, bringing the ratio to consolidated net assets down to 22.3%. Reducing cross-shareholdings remains an important management priority. We will steadily work toward our target while assessing the rationale for each holding from the perspective of the Group's profitability and corporate value.

Reduction of cross-shareholdings



Strengthening of shareholder returns

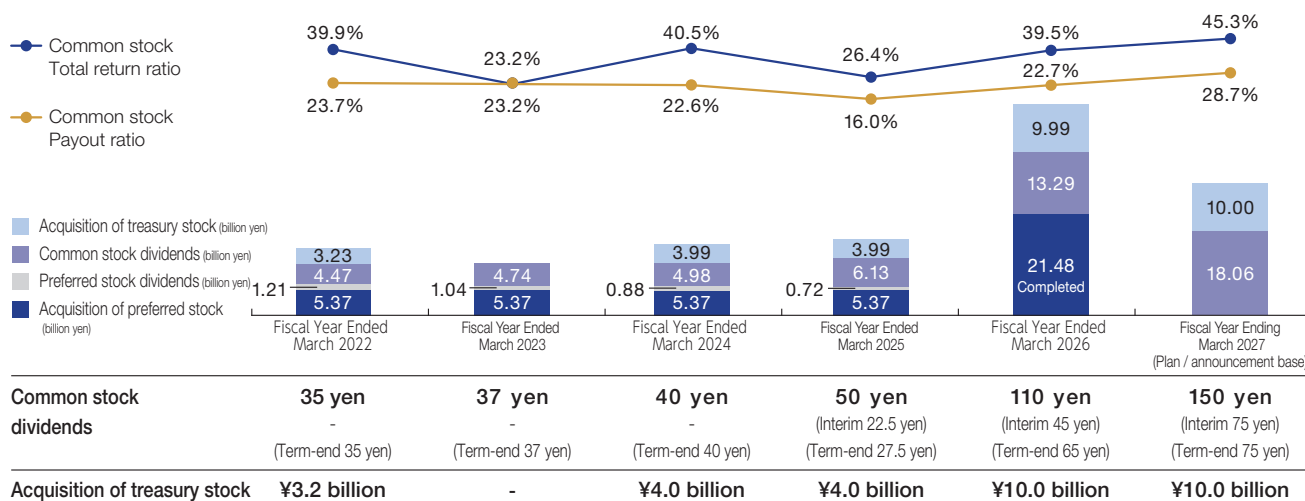
In March 2025, we revised our shareholder return policy to “increase the total return ratio for common stock to 40% by FY2027.” This revision targets the further strengthening of returns to common stock shareholders as the company acquired all preferred stock in April 2025.

In FY2025, in light of recent financial performance, we raised the dividend per share to ¥110, an increase of ¥60 year on year. We also repurchased treasury stocks up to ¥4.0 billion of shares in May 2025 and up to ¥6.0 billion in January 2026, for a total of ¥10.0 billion.

For FY2026, we forecast an annual dividend of ¥150 per share, up ¥40 year on year, and are also repurchasing up to ¥10.0 billion of treasury stocks.

In October 2026, we plan to conduct a 10-for-1 stock split to increase share liquidity and broaden our shareholder base.

We will continue to enhance returns to shareholders while balancing them with the steady accumulation of internal reserves.



* A 10-for-1 stock split is scheduled for October 1, 2026 (figures shown are before the stock split).

Improving PER - meeting stock market expectations

PER (price-earnings ratio) indicates the ratio of the share price to earnings per share (EPS) and serves as a barometer of market expectations for future growth. Theoretically, PER can also be expressed as “PER = 1 / (cost of equity - expected earnings growth rate).” Accordingly, raising the expected growth rate through deeper growth strategies and lowering the cost of equity through transparent information disclosure are key to raising PER and maximizing corporate value.



Sustainability management

Practicing sustainability management enhances business sustainability and helps lower the cost of equity. The Group has made support for decarbonization among customers and regional communities a key objective. In addition to actively providing sustainable finance, we work with highly specialized external partners to reduce greenhouse gas emissions across the region. Through these initiatives, we are aiming to increase the sustainability of the company group along with the sustainability of customers and the region.

Strengthening the management foundation

To build a talent portfolio that deepens solutions to workforce challenges and maximizes value creation, we are streamlining middle- and back-office staffing through business process reform and staff reallocation, and shifting human capital in line with management strategy.

Through strategic investment, we will expand our customer base and range of products and services beyond existing business domains, while pursuing investment opportunities that further enhance corporate value, including by generating synergies with Group companies.

Enhancing information disclosure

Proactive disclosure, including non-financial information, is effective in reducing information asymmetry with investors and curbing share price volatility. In addition to the enhancement of the integrated report and settlement briefing materials, the Group has increased the number of IR and SR meetings. Through this communication, relationships of trust with investors continue to deepen steadily. We will continue to enhance information disclosure centered on two-way communication, including through a redesigned website.

(Unit: meetings)

		Fiscal Year Ended March 2024	Fiscal Year Ended March 2025	Fiscal Year Ended March 2026
Domestic institutional investors	Domestic IR	2	2	2
	1on1	38	45	71
Individual investors	IR for individual investors	1	2	4
Overseas institutional investors	Overseas IR	—	1	2

Further enhancing corporate value

Amid major changes in the financial environment, the Group must achieve sustainable profit growth and reliably translate those results into enhanced corporate value.

ROE, PBR and other indicators are important measures of the quality of the Group's management, its capital efficiency and, ultimately, the market's assessment of the Group. We must remain firmly committed to improving them.

Going forward, we will rigorously pursue management with a strong awareness of the cost of capital by enhancing earnings power, optimizing capital allocation, strengthening shareholder returns and improving information disclosure.

We believe that steadily building on each of these initiatives is the path to fulfilling our responsibilities as a regional financial institution while achieving sustainable growth and enhancing the Group's corporate value.

The Group will continue working as one to further enhance corporate value, so that we can continue to grow alongside the region and meet the expectations of all stakeholders.

Enhancing Earnings Power: Corporate Strategy



Our group's corporate strategy is to capitalize on its extensive business network spanning Hokuriku, Hokkaido, and Japan's three major metropolitan areas, as well as its strength in broad-based partnerships, including overseas, to seize growth opportunities and provide added value as the partner closest to customers in each region.

Going beyond the provision of financing, we offer a combination of financial and non-financial solutions to address management challenges such as business succession, growth support, and overseas expansion. We also improve the range and quality of proposals through synergies with group companies with expanding capabilities, the use of generative AI, and the enhancement of digital functions on our corporate portal. In this way, we work to enhance the corporate value of our business partners.

We aim to achieve sustainable growth together with our local communities.

Director **Masahiko Kobayashi**

Strategic Overview

We seek to maximize earnings opportunities through strategic market approaches tailored to regional and customer characteristics, while contributing to business growth and resolution of regional issues through our advanced consulting capabilities. In addition, we focus resources on areas with growth potential in the medium to long-term to build sustainable revenue foundations.

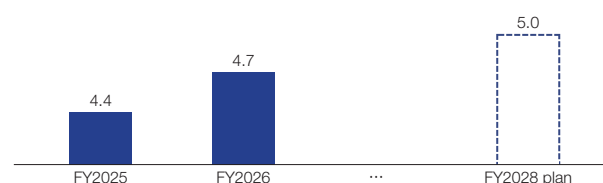
	Main strategy	Specific strategies and resource allocation
Hokuriku 	Further increase market share through enhancing customer touchpoints and improving our capacity to solve regional issues , leading to a dominant presence and the securement of a stable profit base	- Enhance touchpoints both through the development of those who will be tasked with solving problems and via the head-office support center - Improve our proposal-making ability in consulting by fostering human resources in strategic fields - Expand, improve and upgrade consulting offerings ⇒ Expand regional potential for capital investment needs, etc.
Hokkaido 	Aim to secure medium- to long-term profit-earning opportunities through initiatives in next-generation industries, etc., particularly in central Hokkaido , which is expected to offer market chance	- Develop SX and GX talent and concentrate the allocation of resources on central Hokkaido. - Expand the business domain of Hokuohoku Consulting Co., Ltd, to leverage synergies throughout Hokkaido ⇒ Realize growth potential, centered on next-generation industries
Tokyo, Osaka, Nagoya, etc. 	Aim to secure revenue by maximizing market size through strategically assigning personnel , while leveraging long-standing branches and our customer base that has been developed through many years of transactions	Boosting structured finance - Launch strategic products that capture the needs of high-net-worth customers and business owners Assign staff dedicated to developing new transactions and explore the possibility of establishing satellite bases ⇒ Realize our potential in urban areas

■ Main KPI

Business lending remained strong in the fiscal year ended March 2026. We are promoting faster responses to proposals, expanding decision-making authority, and introducing new lending products. By supporting our clients' growth, we are steadily capturing demand for financing and expanding our business lending.

Average balance of business loans

(Unit: ¥ trillion)



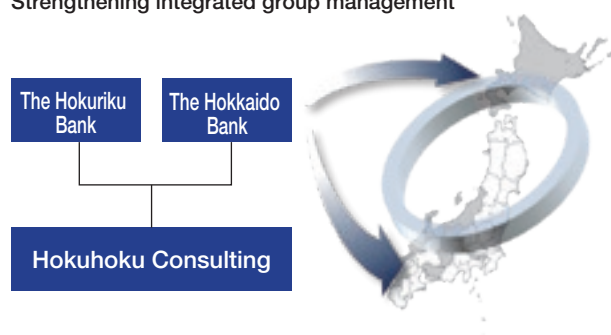
The Advancement of Consulting Functions and Value Creation

Strengthening consulting functions

We are working to enhance our consulting functions towards the revitalization of the regional economy through the resolution of companies' issues and support for growth. We have established a menu according to corporate growth phases, including support for the formulation of management strategies, improvement and streamlining of business processes, support for fund procurement, and support for digitalization and digital transformation, and are providing highly effective support in accordance with the actual circumstances of regional companies. We are deploying these services through cooperation based on the roles and expertise of each group company to realize comprehensive solution provision that transcends the finance/non-finance framework.

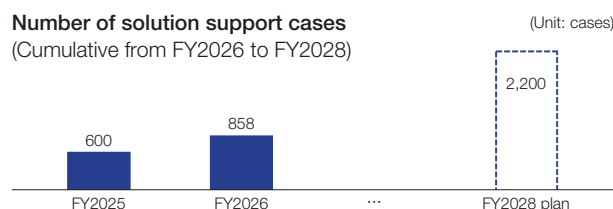
In addition, starting with consulting, we are focusing on lending proposals by accurately identifying emerging financial needs, such as those arising from capital investment and business restructuring, and proposing optimal financing options. We will contribute to improving customers' corporate value while expanding revenue opportunities for our group through financial support centered on the resolution of issues.

Strengthening integrated group management

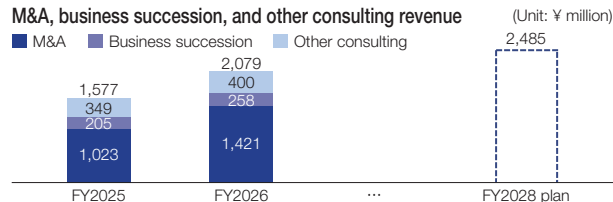


By flexibly deploying specialized personnel to meet market needs and consolidating the group's know-how, we are building a system that can maximize the use of this expertise.

Number of solution support cases
(Cumulative from FY2026 to FY2028)



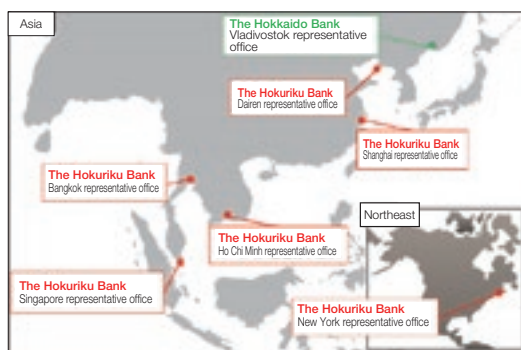
M&A, business succession, and other consulting revenue
(Unit: ¥ million)



Solutions support utilizing our overseas networks

By providing comprehensive support for our regional customers' overseas expansion and international transactions, from information provision to financial and non-financial solutions, we help them realize their growth strategies.

Specifically, we provide support, starting with "entry support" such as holding seminars on overseas expansion and conducting field research. Through our overseas bases and partner financial institutions abroad, or in collaboration with relevant domestic and overseas organizations and external experts, we support each stage from entry preparation and launch to expansion and restructuring. We provide comprehensive support for our clients' overseas businesses by combining financial functions such as foreign exchange and trade operations, foreign exchange risk hedging, and cross-border loans. Additionally, our non-financial support contributes to the development of sales channels and diversification of suppliers, including introducing local buyers and import agents and holding business matching events and networking forums. In recent years, it has become increasingly important to capture the significant growth of ASEAN countries and other markets. In this context, to provide more advanced and specialized solutions and strengthen our support for overseas expansion, we plan to expand our operational structure by turning our Singapore representative office into a local subsidiary in October 2026. We will further strengthen our ability to provide solutions centered on overseas expansion by deepening our overseas networks and partnerships and developing and enhancing our specialist human resources.



Singapore representative office
(To be incorporated as a local subsidiary in October 2026)



Enhancing Earnings Power: Corporate Strategy

Priority Investment in Growth Areas

■ Building a regional support system in anticipation of the clustering of next-generation industries

In response to the clustering of semiconductor-related businesses in Hokkaido and structural changes in the regional economy, we support companies' growth by providing funds as well as facilitating market entry and expanding sales channels.

Our support activities focus on three pillars: "growth support" for semiconductor-related companies, "entry support" for local companies entering the semiconductor industry, and "urban development support" for semiconductor manufacturing bases, including residential and commercial facilities. Specifically, we offer a range of services to meet companies' needs, including attraction initiatives aimed at industrial clustering, business support such as introducing human resources and partner companies to semiconductor-related enterprises, and entry assistance for local companies through business matching with semiconductor-related companies and consulting services. We also collaborate with local governments, educational institutions, and other related organizations to implement diverse activities that transcend usual organizational boundaries. In these ways, we will enhance our role as a hub linking the growth of semiconductor-related industries to economic revitalization in our prime area, thereby expanding business lending and revenue opportunities.

Semiconductor-related lending¹ status (Cumulative from February 2023 to March 2026)

(Units: Cases, ¥billion)

	Supply chain		Urban development ²		Total	
	Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
Related lending	255	72.7	843	103.6	1,098	176.3
Of which, FY2025	76	13.4	371	47.5	457	60.9

1 Semiconductor-related lending: As defined by our group

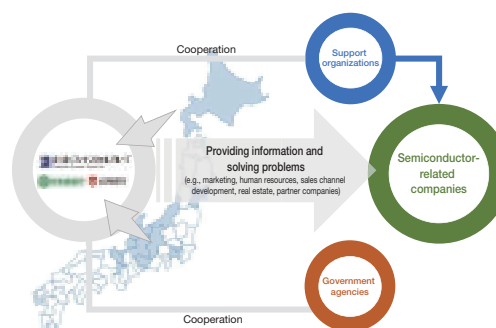
2 Urban development: Loans for real estate and apartments generated incidental to semiconductor-related industries

■ Investment in Rapidus

In March 2026, we participated in a third-party allotment of shares conducted by Rapidus, a Hokkaido-based company that is taking on the challenge of manufacturing leading-edge logic semiconductors in Japan, and underwrote approximately ¥5 billion.

This investment is part of our efforts in priority areas in our growth strategy.

For clustering of semiconductor-related businesses to occur, it is essential to establish a system that not only attracts companies from outside Hokkaido and overseas, but also enables local companies, including our customers, to actively participate and generate ripple effects throughout the regional economy. Recognizing this investment as an important responsibility as a regional financial institution, we will contribute to the sustainable growth of Japan's semiconductor industry and the revitalization of the regional economy through collaboration with related companies and local governments.



■ Semiconductor industry seminar

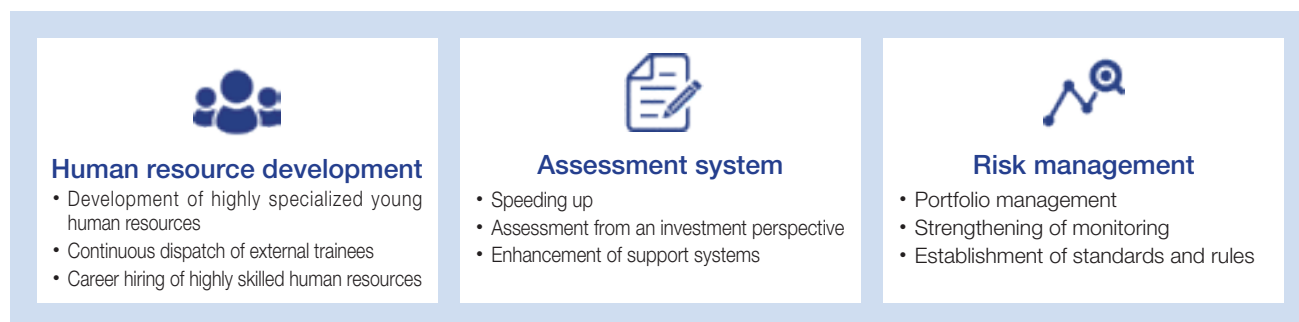
In March 2026, we held the "Seminar on Hokkaido's Expanding Semiconductor Industry: Connecting Hokkaido with the World" in Sapporo, Hokkaido. The seminar was jointly organized with METI's Hokkaido, Tohoku, and Chugoku Regional Bureaus of Economy, Trade and Industry, and co-hosted with MUFG Bank and the Hokkaido Semiconductor Human Resources Development Promotion Council.

Representatives from Rapidus and other semiconductor-related companies located in Hokkaido gave presentations on "Latest trends in Hokkaido's semiconductor industry" and "Prospective industrial clusters and business opportunities." More than 450 people from all over Japan attended the event.

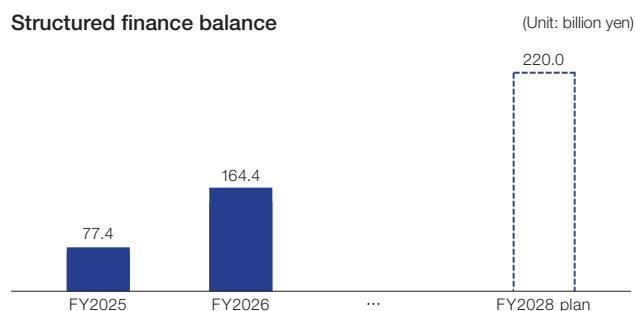


■ Boosting structured finance

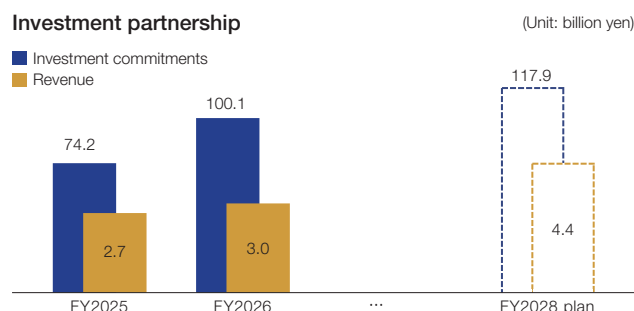
We are strengthening our structured finance business for a wide range of assets expected to deliver growth, including LBO loans, project finance, and real estate, with the aim of both increasing our outstanding loan balance and improve profitability. In such highly specialized areas, we are also focusing on strengthening our group's organizational structure and developing expert talent. In FY2026, we established the FG Structured Finance Department to accelerate group-wide initiatives such as sharing expertise and standardizing operating policy. Going forward, we will pursue agile and flexible responses through continuous investment in human resources as a medium to long-term growth area.



Structured finance balance



Investment partnership

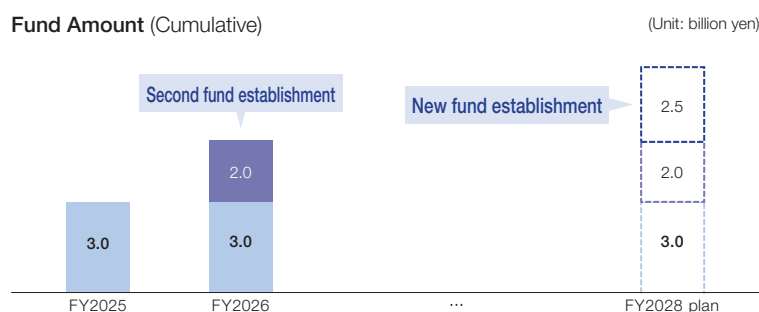


■ Revitalization of regional industries through investment and loans for start-ups

We will boost the creation of new industries in our regions and the diversification of the industrial base through investment, loans, and management support as a group for start-up companies with high growth potential. With a view to the funding needs at each phase, from starting up through growth, we will provide flexible funding based on business viability assessments, while also considering a range of fundraising methods, including equity capital, to support sustainable growth from a financial perspective.

At the same time, we will strengthen hands-on support, including advice on addressing management issues, upgrading business plans, developing management systems, and securing human resources and expanding sales channels. Furthermore, by matching start-ups with business partners and creating opportunities for collaboration through partnerships with local companies, local governments, universities, etc., we will promote the acceleration of startup growth and the social implementation of innovation in local communities. Through these initiatives, we will foster new engines of growth in the regional economy and expand our group's medium- to long-term revenue sources.

Fund Amount (Cumulative)



Innovation QUEST in TOYAMA 2025 held

Enhancing Earnings Power: Individual Customer Strategy



The essence of our individual customer strategy is to establish a service model that optimally combines digital and face-to-face services. While consolidating routine transactions through our app and portal to enhance customer convenience, we will reallocate the human resources created through operational efficiency improvements to asset-building support and consulting activities tailored to customer needs, thereby improving added value.

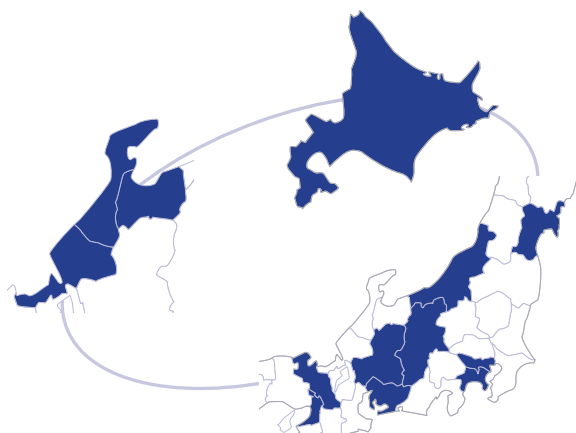
Building on the trust we have earned in local communities, we will provide optimal services to each individual customer as we strive to become the financial group of choice in the region.

Executive Officer **Tetsuya Yamazaki**

Strategic Overview (Network + Pursuit of Convenience)

We position our network of top-tier physical branches and ATMs at regional banks as “hubs for face-to-face consulting” for building deep trust with customers. At the same time, we thoroughly strengthen our app for routine transactions, providing seamless convenience regardless of time or location. We will pursue improved convenience both in the real world and online, and implement various measures to translate deposit acquisition in an environment with interest rates into top-line growth.

Wide-area network



Diverse touchpoints

Physical branches

Implementing detailed proposals for complex issues and building deep relationships of trust

ATM

Available at nearby locations. Maintaining high density in the region ensures brand visibility and sense of security

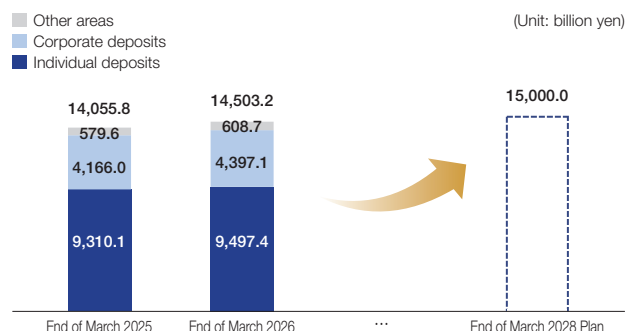
WEB

Convenient anytime, anywhere. Data marketing to a broad range of customers, including younger people

Main KPI

Individual deposit balances increased steadily in the fiscal year ended March 2026. Our group regards individual deposits as both a foundation of trust received from local customers, and an important fund-raising platform to support growth investments such as loans. In the regional economies centered on Hokuriku and Hokkaido, the financial management needs of households have diversified amid demographic shifts, changes in the price and interest rate landscape, and the advancement of digitalization. In light of this, our group is working to provide deposit services that customers will continue to choose, focusing on stability, convenience, and peace of mind.

Average Balance of Deposits



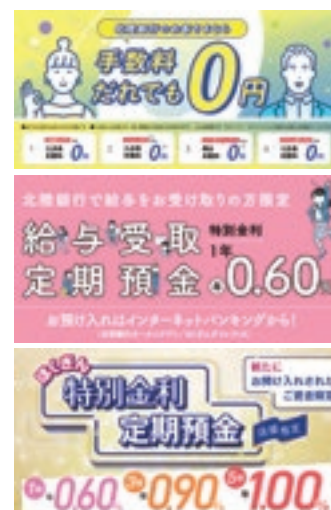
Deposit Strategy

■ Commission: ¥0 for everyone (Hokuriku Bank)

At the Hokuriku Bank, we launched a zero-fee policy for everyone, expanding fee-free deposits, withdrawals, and transfers for individual customers. In addition to Hokuriku Bank ATMs, we have eliminated fees for deposits and withdrawals at Japan Post Bank ATMs and convenience store ATMs nationwide. We have also removed fees for transfers made via the app, creating an environment in which customers can use our services regardless of their location or the time of day. Through improved customer convenience, we aim to acquire new accounts and deposits, as well as become the primary bank for existing customers.

■ Promotion of strategic and campaign products

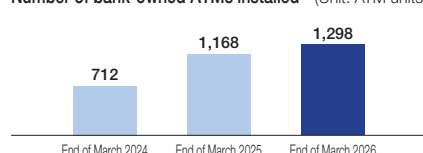
While working to build a stable deposit base, we are promoting the acquisition of new accounts and deposits, with strategic products and various campaigns as a starting point. Specifically, in addition to special interest rate products aimed at capturing new money, we have developed a lineup of products well-suited to deepening relationships through transactions such as pension and salary payment receipt. Placing emphasis on ties with local communities, the Hokkaido Bank offers campaign-type time deposits that contribute to sports promotion and regional revitalization.



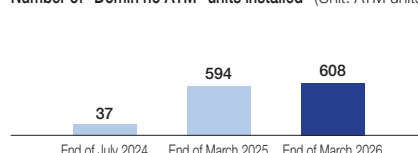
Branch and ATM Strategy

We are reviewing the functions and locations of our branches and ATMs in response to diversifying customer needs and regional characteristics. In Hokkaido, we are installing “Domin no ATM” (ATMs for Hokkaido Residents) taking into account the region’s vast geographical area, in order to maintain financial infrastructure and improve convenience. By developing these points of contact, we aim to increase opportunities for in-branch visits and build long-term relationships with customers. We are also promoting efficient branch operations and staff reallocation by restructuring our operations based on the characteristics of face-to-face and non-face-to-face transactions. Doing so will promote the priority input of human resources in growth markets, and we will aim for the acquisition of new accounts and deposits as well as the conversion of transactions into customers’ main accounts.

Number of bank-owned ATMs installed (Unit: ATM units)



Number of “Domin no ATM” units installed (Unit: ATM units)



Transactions at “Domin no ATM” (per ATM)

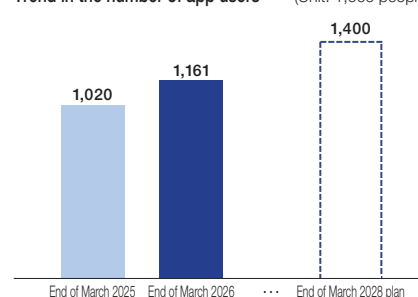


App Strategy

We will strengthen app functions as the core of our digital channel to both improve customer convenience and streamline work. We will aim to reduce over-the-counter work and maximize personnel’s customer service capabilities by enabling various procedures and inquiries to be handled through the app. At the same time, we will continue to expand functions and strengthen security so that customers can use the app on an everyday basis, promoting the conversion of transactions into customers’ main accounts.

	2025	2026	2027
Expansion of functions for applications from the apps	- Investment trust account opening - Reporting lost or found cash cards and reissuing them - Visualization of preferential services - Account closing		
Enhancement of financial functions from the apps	Improvement of screen visuals (Optimization for smartphones)	- Smartphone ATM function - Monitoring service for family accounts - Opening of child accounts	
Enhanced security	Function for automatic detection of high-risk transactions	Real-time monitoring function	Introduction of passkeys

Trend in the number of app users (Unit: 1,000 people)



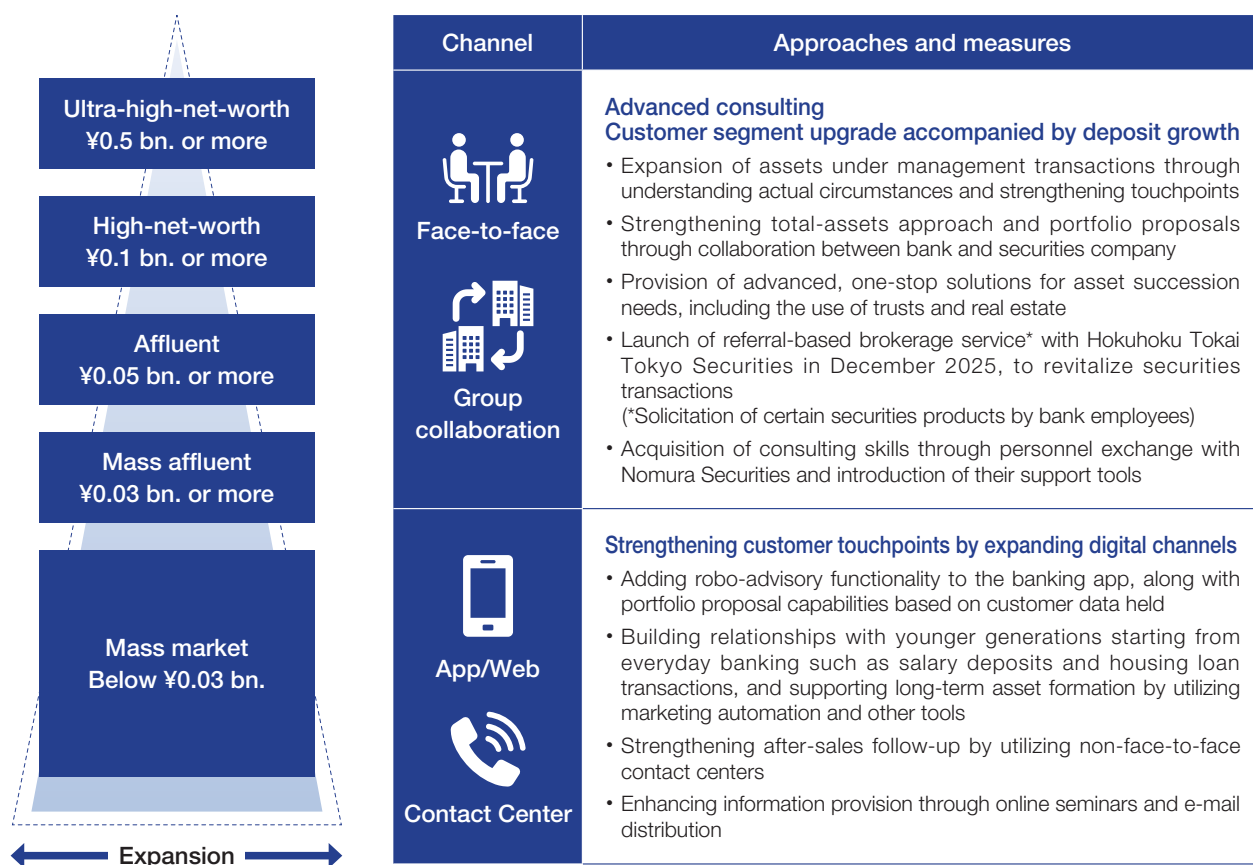
Enhancing Earnings Power: Individual Customer Strategy

Realization of Financial Consulting with the Group Working Together

While population decline and the contraction of the regional economy advance, the effective input of management resources will be essential to maintain and expand our customer base sustainably and increase our earnings power. Our group will segmentalize customers and promote the provision of customer-centric services through marketing and approaches in accordance with their respective needs.

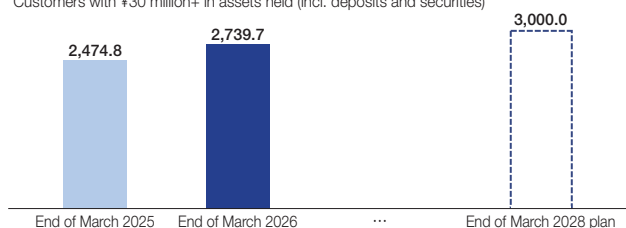
In particular, we will work on the strengthening of touchpoints with high-net-worth customers, who have asset management needs, as a priority area for future growth. We are cooperating with Hokuhoku Consulting and Hokuhoku Tokai Tokyo Securities to provide advanced, one-stop solutions in areas such as asset management, inheritance, and real estate. In addition, we will also focus on the development of specialist human resources to respond to such high added-value needs and increase our ability to respond together as a group.

Further, we will advance multifaceted initiatives including both face-to-face and non-face-to-face support, and the holding of various seminars and events to support asset formation in accordance with life plans for customers with less than ¥30 million in assets on deposit. By making these comprehensive service improvements, we aim to steadily grow assets under management.



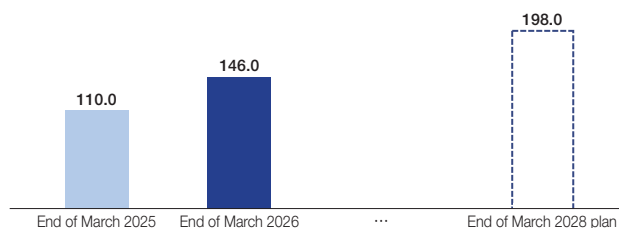
Balance of assets under custody

(Unit: billion yen)
*Customers with ¥30 million+ in assets held (incl. deposits and securities)



NISA Balance

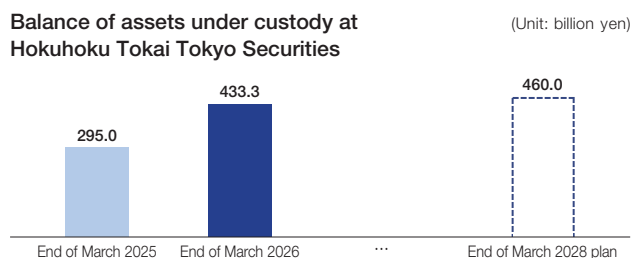
(Unit: billion yen)



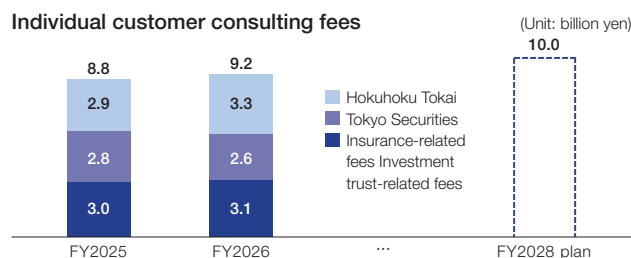
■ Building a high-value-added financial consulting framework through group-wide collaboration

We will build a one-stop framework with Headquarters, sales branches, and related companies cooperating closely to respond accurately to diverse, advanced needs. We will provide advanced financial consulting using the group's comprehensive capabilities in areas such as asset management, inheritance and business succession, and real estate, and build medium to long-term relationships with customers through total coordination looking at households overall.

Balance of assets under custody at Hokuhoku Tokai Tokyo Securities

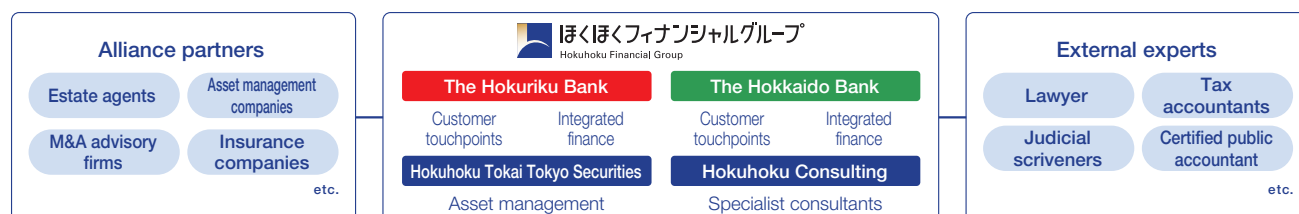


Individual customer consulting fees

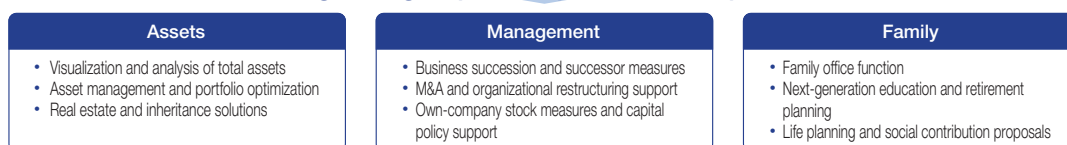


■ Development of solutions for high-net-worth customers

We are strengthening our support system for high-net-worth customers through the establishment of a Private Banking Office at the Hokuriku Bank and the expansion of the team dedicated to serving high-net-worth customers at the Hokkaido Bank. In these ways, we aim to provide more advanced and continuous services that address diverse needs such as asset management, asset preservation, and asset succession. The challenges faced by high-net-worth customers are wide-ranging, and include not only investment performance but also asset preservation, succession to the next generation, integration of management with their business, and emergency preparedness. Our group aims to provide medium- to long-term value by providing consistent support, from goal setting through periodic reviews, based on a comprehensive view of customers' assets and intentions.



Solving asset, management, and family issues of high-net-worth customers through the group's comprehensive capabilities



■ Asset succession through trusts

As the population ages, asset succession is becoming increasingly important for many customers. However, preparations tend to be put off due to procedural complexity and other factors, which can place a burden on heirs and create uncertainty about the future. To address these issues, our group is going beyond the traditional banking framework and stepping up its efforts to provide solutions utilizing trust functions.

By leveraging the trust agency mechanism, we provide a trust-based, ongoing asset succession services to customers of not only the Hokuriku Bank but also the Hokkaido Bank.

We have reformed our services into a clear, unified brand, such as by consolidating product names as common group products. In FY2025, we promoted group-wide knowledge sharing through initiatives including the dispatch of long-term trainees from the Hokkaido Bank to the Hokuriku Bank and the joint conduct of training programs.

By combining the Hokuriku Bank's expertise with the Hokkaido Bank's personnel and branch network, we are closely addressing customers' diverse asset succession needs.



Leveraging AI to Accelerate Strategy Execution



To respond to rapid changes in the business environment, particularly advances in AI technology, we established a new AI Strategy Department in June this year to organize the group's promotion framework. By bringing together digital human resources from both inside and outside the group and promoting in-house production centered on a generative AI platform, we will not only improve the efficiency of everyday operations but also take on the challenge of upgrading in specialized areas such as corporate relationship management and credit review. In addition, we will focus on improving AI literacy among all employees and establishing governance in order to create an environment for the responsible use of AI. By transforming into an AI-native organization, we aim to create new value in the region and advance toward the realization of our purpose.

Director **Miyuki Egusa**

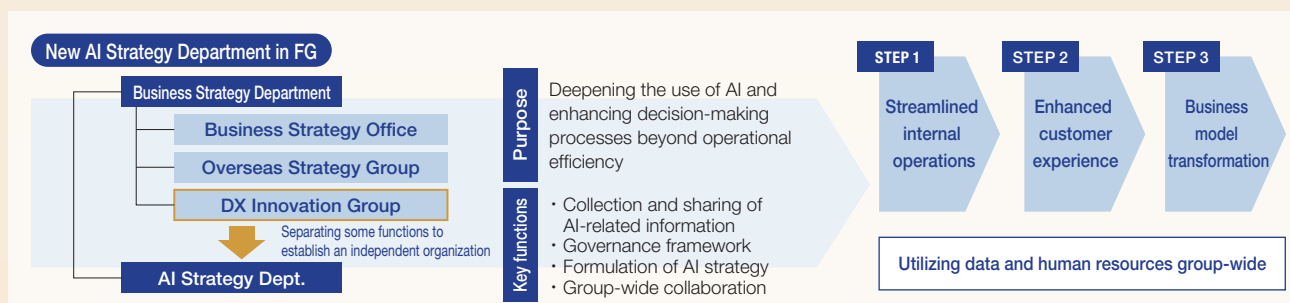
Strategic Overview

Our group positions AI as a “foundation for proposal capability enhancement and operational transformation” and will utilize it group-wide to further enhance our ability to implement corporate and individual customer strategies. Standardizing the quality of our proposals, credit assessments, and customer interactions while utilizing data and knowledge across departmental boundaries will streamline routine operations and promote more sophisticated decision-making. The capacity this frees up will be strategically allocated to high-value-added operations. Furthermore, the use of generative AI will facilitate the circulation of expertise accumulated at both banks and group companies, strengthening our ability to respond to change and accelerate learning. This will increase our sustainable earnings power and the value we deliver to customers in the region.



Framework

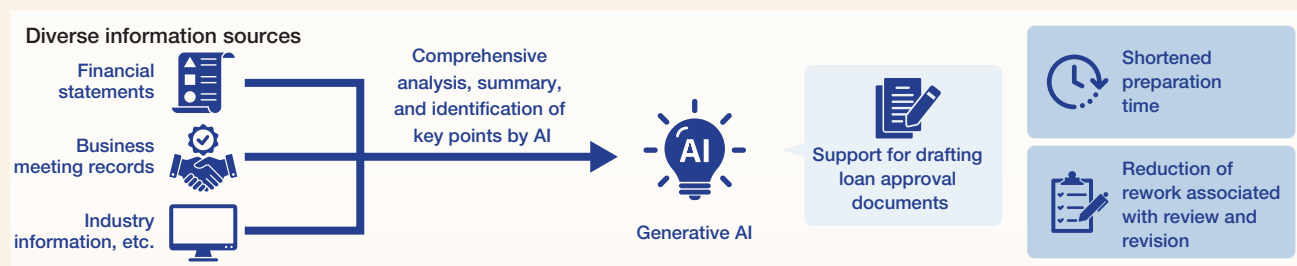
We will establish a new AI Strategy Department within the FG, which will formulate and promote group-wide AI strategy, as well as oversee and manage the establishment of AI policies and guidelines and the enhancement of risk management and governance. The department will play a central role in building an AI platform and in planning and development, accelerating group-wide collaboration and AI adoption. Additionally, utilizing engineers from related companies such as Hokugin Software will accelerate AI development.



Initiatives

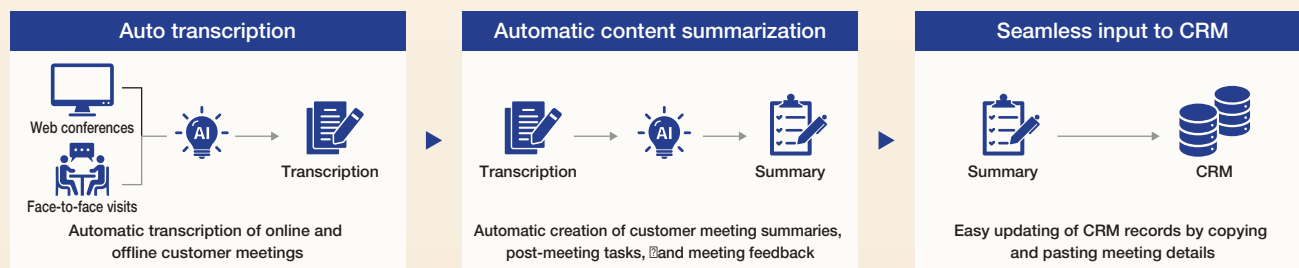
■ Enhancing proposals for business lending and support for next-generation industries

AI can comprehensively analyze diverse sources of information, such as financial statements, business meeting records, and industry information, summarize them, and identify key points. This will support the drafting of loan approval documents by shortening preparation times and reducing rework associated with review and revision. In addition, Hokuriku Bank and Hokkaido Bank will continuously accumulate knowledge in the lending field and share insights on credit assessment and proposals with each other, thereby promoting AI utilization that leverages the strength of our extensive branch networks. Furthermore, in growth fields such as renewable energy and semiconductors, we will use AI to organize project information and market trends and to visualize risk and revenue opportunities, enabling faster, higher-quality proposals.



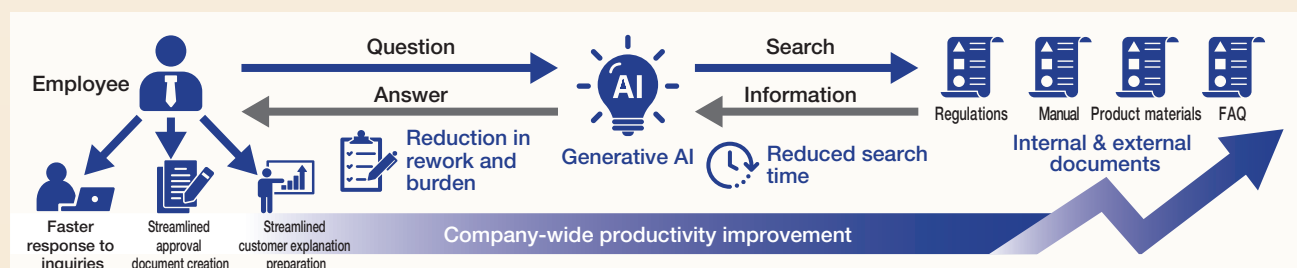
■ Improving convenience of non-face-to-face services and enhancing asset management proposals

By enhancing the chat and FAQ functions on our website using AI, we will create an environment where customers can quickly access the information they need and resolve their own inquiries about various procedures and ATM use, including zero-fee measures. Additionally, by estimating customer needs from attributes and behavioral information, and having generative AI support the creation of proposal scenarios tailored to customers' risk tolerance and business objectives, we will improve both the efficiency and quality of proposal preparation. Furthermore, by using generative AI to summarize and analyze consultation records and thereby increase accuracy and utilization, we will improve consultation quality and expand opportunities for proposals.



■ Raising productivity through enhanced knowledge search and company-wide adoption of generative AI

We have developed a system that enables employees to use generative AI to search and reference relevant internal and external documents, including regulations, manuals, product materials, and FAQs. This shortens the time required to find necessary information while easing the burden of reviewing content and responding to inquiries. As a result, we have not only sped up our response to customer inquiries, but also streamlined the preparation work for approval forms and customer explanations, leading to higher company-wide productivity. Additionally, we continue to provide training and on-site support to strengthen employees' AI literacy and utilization skills. Our aim is to build an organization where all employees can use generative AI appropriately, regardless of their department or job role.



Sustainability Strategy



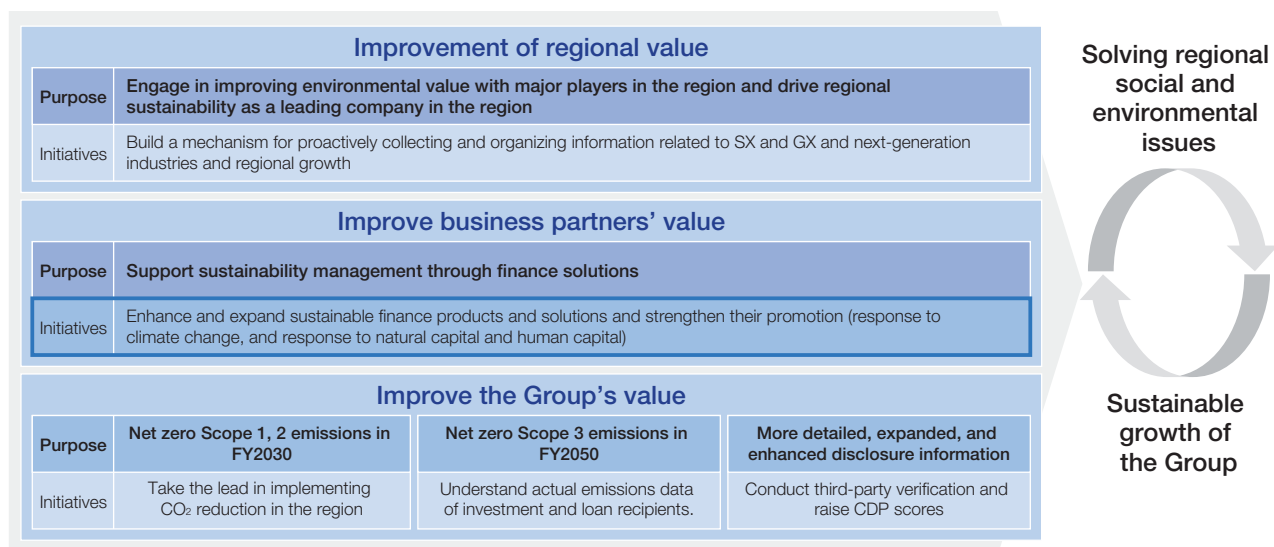
With the purpose of "Creating a Bright Future Beyond Regions," we are aiming for a "cycle of value" in which regional societies and our group prosper together by converting regional challenges into growth opportunities. As energy and resource prices continue to fluctuate due to geopolitical risks and other factors, promoting GX (green transformation) and circular economy, both centered on renewable energy, is the key to enhancing regional economic resilience. By connecting the strengths of Hokkaido and Hokuriku through our network across the three major cities and linking the added value generated in the regions to markets and capital, we contribute to the business stabilization of our business partners while simultaneously creating revenue opportunities and reducing credit risk for our company. In addition, in light of the importance of natural capital, we are committed to improving regional sustainability.

Executive Officer **Shigeru Urasaki**

Description of Strategy

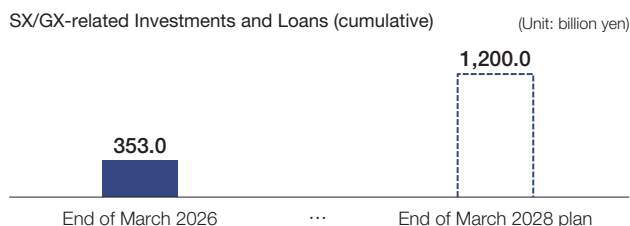
To maximize the potential of the region for our group, we have positioned SX/GX (social transformation and green transformation) at the core of our growth strategy. The transition to decarbonization goes beyond addressing energy costs and supply chain requirements; it is a management issue that affects the competitiveness and sustainable growth of regional companies. We therefore aim to lead the transformation of regions and our business partners.

Under our 6th Medium-Term Management Plan, "NEXT STAGE," our goal is to increase the value of the regions, business partners, and our company. Solving social issues and accelerating the creation and implementation of investment projects will simultaneously expand profit opportunities and reduce risks. As the foundation for implementing this plan, we will build on the efforts of the previous medium-term management plan to upgrade the skills of talent who implement SX and GX within the region and the Group. Sharing knowledge group-wide will improve the replicability and executability of our proposals.



■ Main KPI

The cumulative amount of SX/GX investments and loans, which began to be calculated in the fiscal year ended March 2026, amounted to ¥353 billion in the first year. We will accelerate project development in key areas such as battery storage and hydrogen, and aim to achieve our target of 1.2 trillion yen by the fiscal year ending March 2028 through financing based on careful risk-return assessment.



Initiatives for the improvement of regional value

Based on our extensive network spanning Hokkaido and Hokuriku and our partnerships with local governments, we support regional decarbonization investments end to end, from conception and project development to capital provision. By combining public-private partnership frameworks with our financial intermediation capabilities, we accelerate investment in priority areas, thereby expanding both regional value and our own medium- to long-term profit opportunities.

**Strength
1**

Extensive regional network (Hokkaido, Hokuriku)

Our extensive network across Hokkaido and Hokuriku enables us to cover everything from identifying regional challenges to discovering new projects

**Strength
2**

Position supporting policy implementation (regional GX producer)

We promote regional decarbonization investments based on our trusted position of supporting local government policy execution

**Strength
3**

Capital circulation design and financial intermediation

We facilitate funding for decarbonization investments through public-private partnership schemes and diverse financial methods

Implementation Measures Based on Our Strengths

Formation of public-private partnership GX fund and launch of investment



Led the formation of Japan's first region-focused public-private GX fund, SPARX Sapporo-Hokkaido GX Fund, totaling approximately ¥10 billion

Strength 2 Strength 3

Project development in priority areas (e.g. offshore wind power)



Participated in an offshore wind power project in southern Hokkaido from the conceptual stage. Strengthened the project's feasibility through stakeholder coordination and other efforts.

Strength 2 Strength 3

Support commissioned by local governments



Commissioned by Toyama Prefecture to conduct seminars for emerging business leaders and disseminate the Toyama Prefecture GX Initiative Manual

Strength 1 Strength 2

Building a hydrogen-related business foundation



Invested in H2 Hokkaido Co., Ltd. Promoting hydrogen-related projects in the region

Strength 2 Strength 3

Overview of SPARX Sapporo-Hokkaido GX Fund

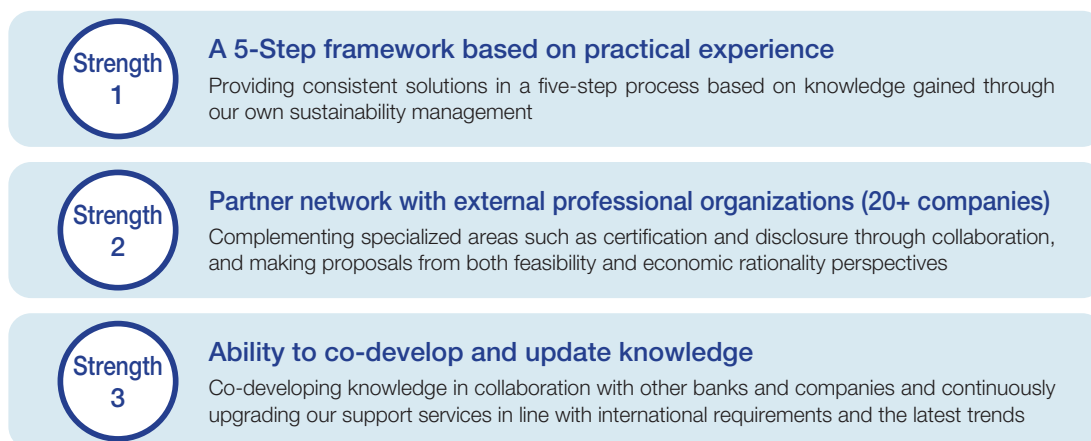
Name	SPARX Sapporo-Hokkaido GX Investment Limited Partnership (SPARX Sapporo-Hokkaido GX Fund)
Operating company (GP)	SPARX Group Co., Ltd.
Investment subjects	GX projects in Hokkaido focused mainly on TSH's eight priority areas and renewable energy (1) Offshore wind (2) Next-generation semiconductors (3) Data centers (4) Hydrogen (5) SAF (6) Batteries (7) Subsea DC transmission network (8) Electric/hydrogen carrier vessels
Fund size	¥10.0 billion (target)

Concluded a cooperation agreement with Hokkaido Oshima General Subprefectural Bureau and Hokkaido Hiyama General Subprefectural Bureau promoting offshore wind power projects (April 2026)

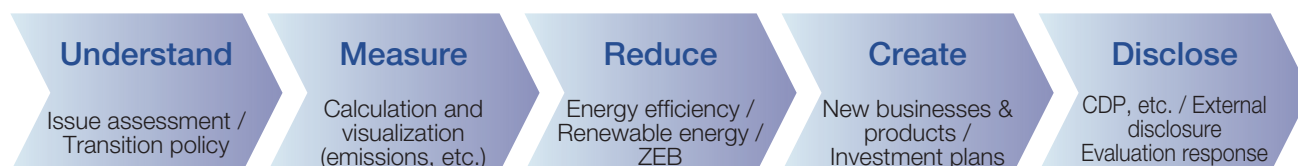


Initiatives for the improvement of business partners' value

We view decarbonization not only as environmental compliance, but as a management issue encompassing power costs and competitiveness enhancement. We provide systematic support in five steps: understand, measure, reduce, create, and disclose, covering everything from planning to capital allocation and information disclosure.



5-Step Support for Solving Management Issues



■ Priority measures

● Sustainable finance compliant with international principles

Strengthening promotion of sustainability-linked loan framework-type & positive impact finance.



● Non-financial solutions from measurement and reduction to disclosure

Supporting implementation through SBT certification, ZEB, EPD, and CDP response support.



● Needs-based product and service development

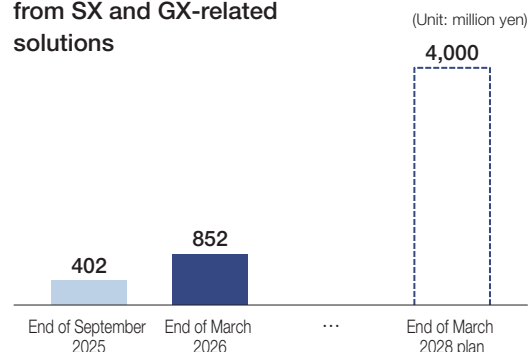
Expanding the range of services, including the launch of Hokuhoku Sustainable Deposits.



■ External evaluations

The Hokuiku Bank and The Hokkaido Bank were awarded the Regional Financial Institution Sustainable Finance Award at the 2025 JCR Awards, hosted by the Japan Credit Rating Agency (JCR). The award was in recognition of our support for decarbonization by small and medium-sized companies through Hokuhoku Sustainable Finance, such as the Sustainability-Linked Loan Framework (or Hokuhoku SLLFW), as well as for the acquisition and analysis of GHG emission data, solution proposals, and formation and execution of individual projects.

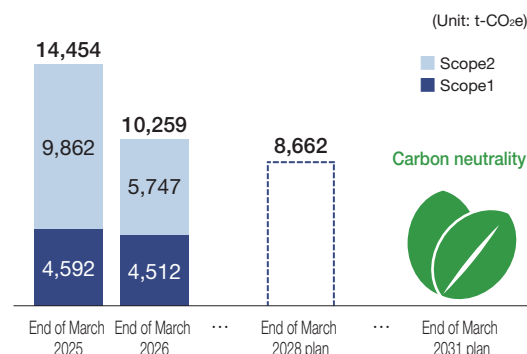
Cumulative total revenue from SX and GX-related solutions



Initiatives for improvement of the group's value

Our strength lies in our ability to consolidate and standardize knowledge from Hokuriku and Hokkaido as a financial group, enabling the pursuit of a group-wide decarbonization strategy. A key characteristic is our accumulation of practical expertise, applying the lessons learned through implementation to support for our customers, rather than treating emission reductions merely as a cost. This fiscal year, we updated our decarbonization roadmap toward achieving net-zero Scope 1 and Scope 2 emissions by FY2030. We also promoted the use of virtual PPAs, the first regional bank to do so, along with the electrification of air conditioning systems and introduction of eco-friendly vehicles. At the same time, through the Sustainability-Linked Loan Framework, we have strengthened the collection of primary GHG emissions data from our investment and financing customers, and enhanced disclosure based on TCFD recommendations. Through these initiatives, we have reduced our own emissions and improved the transparency of non-financial information, while leveraging our accumulated expertise to help strengthen our proposal capabilities and reduce climate change risks.

GHG emissions (Scope 1, 2)



Progress of the Hokuohoku FG Decarbonization Roadmap

Measures			Results
			End of FY2025
Reduction	Deployment of eco-friendly company vehicles	EV	21
		HV etc.	12.8%
	Convert branches to ZEB		3 branches
	Energy efficiency improvements at branches (renovation, equipment upgrades, etc.)		75 branches
	Use of renewable energy-derived electricity and non-fossil value		65.3%
Offset	Use of carbon offset gas		61.9%
	Use of carbon credits		-

Target
End of FY2030
50 vehicles or more
100% of standard/compact passenger vehicles (excluding EVs)
10 branches or more
200+ branches (compared to FY2022)
Equivalent to 100% of electricity consumption
90%+ of city gas consumption
(Plan to procure shortfall)

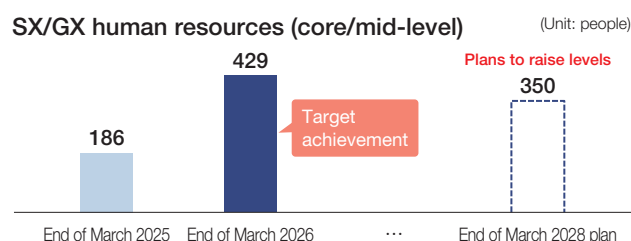
Developing Talent to Implement SX/GX

We are strengthening our ability to offer SX/GX solutions from a human resource perspective, leveraging the strengths of our talent who are driven to please local communities and customers, and our extensive training infrastructure. Integrating our knowledge from Hokuriku and Hokkaido and leveraging our wide-area network, we are continuously cultivating specialists who can identify latent needs through hypothesis-based thinking. This fiscal year, we accelerated the development of "SX mid-level talent" through sustainability training and other programs, and assigned them to key branches. Training was focused on converting decarbonization needs into actual projects, starting with management challenges such as rising electricity costs and BCP measures. We also conducted joint training across all six MEJAR banks, enhancing the consulting capabilities of our entire organization by rapidly applying best practices from other banks and deploying proven examples from our own branches. Proposals by our specialized personnel have helped to increase our success rate for transactions aligned with international principles, improving the quality of our added-value delivery and expanding opportunities for non-interest revenue.

Programs	Description
Try internship	A program that offers opportunities to experience HQ operations for a minimum of one week, entry point for understanding of the company group's SX/GX strategy
Sustainability trainees	This is the company group's unique training system, developing human resources that can work on the implementation of SX/GX through training with properly allocated inputs and outputs. Employees who complete this training are defined as mid-level human personnel.
Challenge job system	This is a system by which employees can apply to work in the Growth Strategy Department by a show of hands. Employees are defined as core human resources in accordance with their number of years of work.



SX/GX human resources (core/mid-level)



Practice of Sustainability Management

Disclosure based on the TCFD/TNFD recommendations



Fiscal year 2025 highlights

In FY2025, we incorporated sustainability indicators into our directors' remuneration system and worked on formulating a transition plan. From a TNFD perspective, we conducted value chain analysis in the food sector and enhanced our disclosure.

Core element	Main initiatives in FY2025	
Governance	Directors' remuneration system	Introduced a performance-based stock compensation system. Set GX-related investments and financing amount as one of the indicators.
Strategy	Transition plan development	Developed a transition plan to strategically reduce emissions and achieve the target of net-zero for Scope1, 2, and 3 by FY2050.
	Nature-related	For the food sector, organized loan balances by region across the value chain. Also identified nature-related risks and opportunities in the food sector.
Indicators and Targets	Scope 1, 2 reduction	Achieved a reduction of 4,115 t-CO ₂ e compared to FY2024 by utilizing virtual PPAs etc.

Governance

Our group has formulated an environmental policy, a human rights policy, and an investment and loan policy for specified businesses, etc., and is striving for business activities considerate of natural capital and the human rights of stakeholders.

TCFD

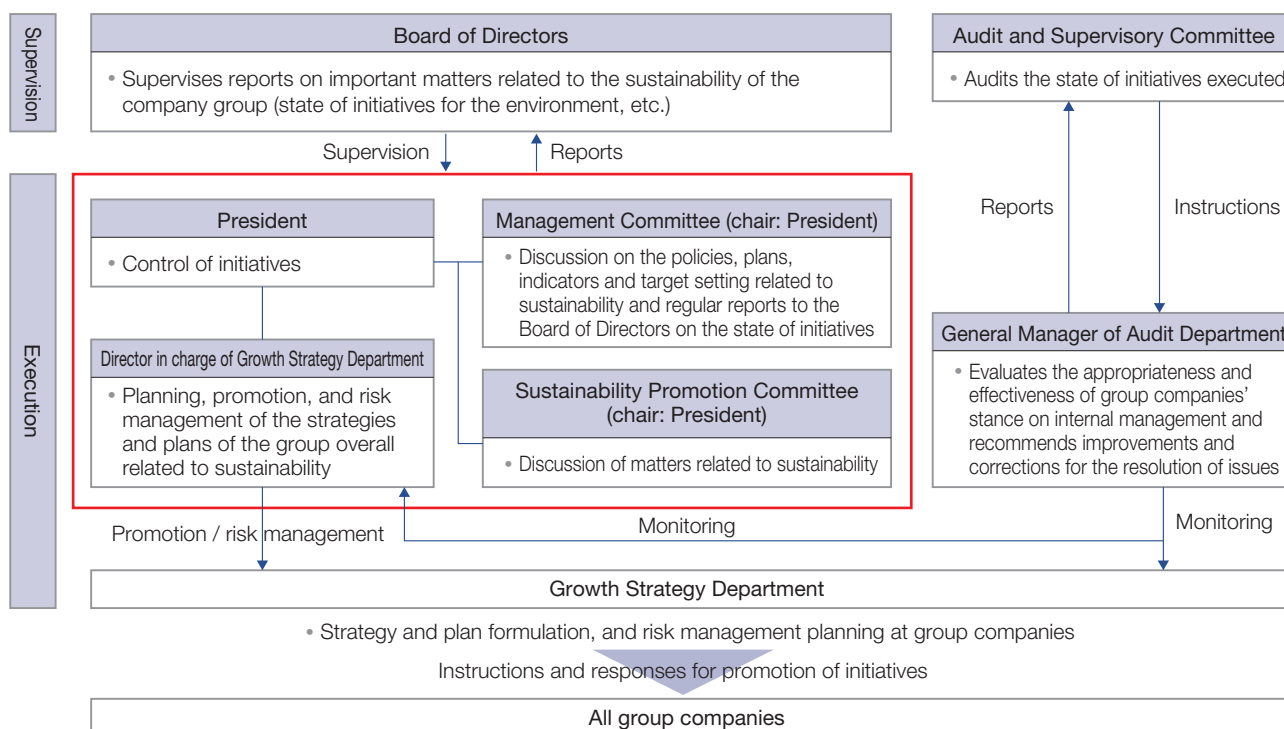
TNFD



Various Policies

Attitude to governance concerning initiatives for the environment

Various initiatives related to sustainability management such as responding to climate change and the conservation of natural capital are being promoted by executive organizations, such as the Sustainability Promotion Committee and the Management Committee, under the supervisory responsibility of the Board of Directors.



Key discussion and reporting items at various governance bodies

Governance body		No. of meetings	Key agenda and report items in FY2025
Supervision	Board of Directors	2	• Discussion of matters discussed and reported at the Sustainability Promotion Committee • Revision of directors' remuneration
	Management Committee	2	• Discussion of matters discussed and reported at the Sustainability Promotion Committee • Review of sustainability promotion framework
Execution	Sustainability Promotion Committee	2	• Progress of SX/GX related KPIs • Response to TCFD and TNFD • Scope 1, 2, and 3 emissions performance and update of decarbonization roadmap • Business partner support and regional GX initiatives • Implementation status of HR development • Policy and progress regarding semiconductor promotion

Directors' remuneration system

A performance based stock compensation scheme was introduced under the executive compensation system revised in June 2025. One of the indicators is the amount of GX-related investments and financing, providing an incentive for eligible directors to achieve our group's SX/GX targets.

[Directors' remuneration p.81](#)

Management of risks and impacts

TCFD TNFD

Hokuhoku Financial Group understands that climate change risks are an important issue in corporate management and is working on the greater sophistication of risk management.

- We understand the transition risks and physical risks attributable to climate change, clarify our handling of such risks in the risk management policy resolved upon by the Board of Directors, and are prepared to manage risks within an integrated risk management framework.
- Based on the "Investment policy for specified business, etc.," (established in July 2021), we have strengthened engagement with customers who are business operators in coal-fired power generation, weapons manufacturing, the development of palm oil plantations or deforestation, sectors that are highly likely to have negative impacts on the environment or society.
- We have calculated Scope 3 Category 15 (commercial loans and stock investments) and identified the large emissions companies in the company group. We will set levels of priority, including the carbon-related sector, strengthen engagement and provide support positively for the handling of the transition to a decarbonized society.
- We calculate the ratio of loans to specific sectors where disclosure by financial institutions is recommended in the TNFD recommendations. We will consider measures towards the identification of nature-related risks and opportunities and the transition to a nature positive economy based on the heatmap of dependence and impacts.

(End of March 2026)

Exposure by TNFD sector

TNFD

The loan balance and proportion of overall portfolio for each specific sector for which the TNFD recommend disclosure are shown on the right.

Industry	Amount (billion yen)	Ratio (%)
Energy	12.2	0.1
Materials	217.4	2.0
Transportation	193.8	1.8
Automobiles and automotive parts	40.4	0.4
Durable consumer goods and apparel	117.6	1.1
Restaurants, retail, etc.	256.1	2.4
Food and beverage	205.8	1.9
Household and personal products	0.0	0.0
Pharmaceuticals, etc.	51.0	0.5
Semiconductors and semiconductor manufacturing equipment	0.0	0.0
Utilities, etc.	171.5	1.6
Construction, real estate, etc.	350.0	3.3
Total	1,615.6	15.1

Ratio of loans at The Hokuriku Bank and The Hokkaido Bank

(1) Recognition of risks and opportunities

TCFD

We have assumed the risks and opportunities associated with the climate as follows.

Main risks and opportunities		Impact on the company group	Time axis
Transition risks	Strengthening of laws on the introduction of carbon taxes, etc.	- Cost increases due to carbon taxes being imposed on the company group's emissions - Credit cost increases for the company group as customers' financial situations worsen due to being compelled to invest in new technologies, etc.	Medium to long-term
	Technological innovation that contributes to decarbonization	Credit cost increases for the group as customers' financial situations worsen having been forced to invest in new technologies, etc.	Medium to long-term
	Changes in product supply and demand in association with market changes	Credit cost increases for the group as customers' financial situations worsen due to rising raw material costs	Short to long-term
	Stronger environmental orientation of stakeholders	- Decline in sales of the company group due to being unable to provide the decarbonization solutions desired by customers - Fall in share price due to the company group's initiatives for the handling of climate change falling below investors' expectations	Short to long-term
Physical risks	Increase in large-scale disasters such as heavy rain and typhoons	Credit cost increases for the group as customers' financial situations worsen due to damage caused by large-scale disasters and the implementation of disaster countermeasures	Long-term
Opportunities	Stronger environmental orientation of stakeholders	Increases in the sales of the company group due to the provision of solutions matched to customers' needs such as sustainable finance and decarbonization consulting	Short to long-term
	Improvement of customer resilience	Credit cost decreases for the company group in association with customers' financial situations improving with the increased resilience of customers' business due to decarbonization initiatives	Short to long-term

(Short-term: 0 to 3 years, medium-term: 3 to 10 years, long-term: 10 to 30 years)

(2) Scenario analysis

TCFD

We analyze scenarios to grasp the impacts that climate change will have on the company group's portfolio. The results of analysis in FY2025 are as follows. An increase in credit costs is expected, but it is thought that the financial impact on the company group will be limited.

Analysis of transition risks	
Scenario	NGFS net zero 2050, below 2 degrees Celsius, current policies scenario (REMIND model)
Analysis method	We set parameters for evaluation of the impact on business in each sector due to transition risks. We forecast the future financial situation of business partners based on the parameters and calculate the additional credit costs of the company group.
Sectors subject to analysis	Electric power sector, real estate sector, metals and mining sector, beverage and food sector
Result of analysis	Additional cumulative credit costs of 47.6 billion yen (maximum) by 2050

Analysis of physical risks	
Scenario	IPCC RCP 8.5, RCP 2.6
Analysis method	We forecast the future financial situation of business partners due to flood damage and the amount of damage to collateral property due to flooding. We calculate the additional credit costs of the company group due to this.
Region subject to analysis	Nationwide
Parties subject to analysis	All business partners
Result of analysis	Additional cumulative credit costs of 39.2 billion yen (maximum) by 2050

(3) Countermeasures

TCFD

Hokuhoku Financial Group regards the handling of technological development and the building of business models aimed at the decarbonization of business partners as an opportunity, and supports the transition to a decarbonized society and the handling of climate change positively, starting from engagement with business partners. In addition, the company is also leading the decarbonization of the region by decarbonizing itself positively.

[1] Promotion of the decarbonization of the company to contribute to the realization of regional decarbonization

Details of main initiatives	Contents
Switch to renewable energy based on the use of off-site PPA	We have established "Hokuhoku Solar Park" facilities in the form of offsite PPA at Osawano in Toyama Prefecture and Shiranuka in Hokkaido. These are used to supply renewable energy to the company group's facilities.
Switch to renewable energy based on the use of virtual PPA	We are using a system that acquires only the environmental value of renewable energy created at an FIP power plant and using renewable energy at the company group's facilities.
Switch to EVs for company cars	We are reducing greenhouse gas emissions by introducing electric vehicles and fuel cell vehicles for use as some of the commercial vehicles at headquarters and branches.
Use of carbon offset gas	We are purchasing city gas and propane gas offsetting the greenhouse gas emissions emitted in the natural gas lifecycle with the same amount of carbon credits.
New establishment of ZEB branches	Our policy when renovating and newly building branches is to aim for branches equipped with high energy saving performance and energy creating facilities based on solar power generation that meet the ZEB level. In FY2025, the Ono Branch of The Hokuriku Bank and the Rumoi Branch of the Hokkaido Bank achieved ZEB.
Greening of electricity using non-fossil certificates	While we will continue to implement initiatives for the reduction of the company's greenhouse gas emissions, we will substitute fossil power sources by purchasing non-fossil certificates for the greenhouse gas emissions that we are unable to reduce.

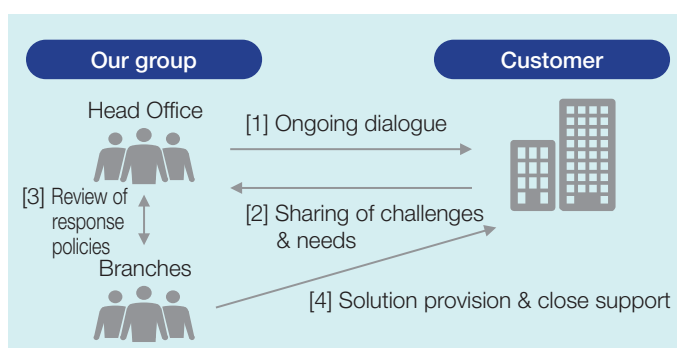
Progress of the Hokuhoku FG Decarbonization Roadmap p.52

[2] Engagement of business partners to reduce GHG emissions

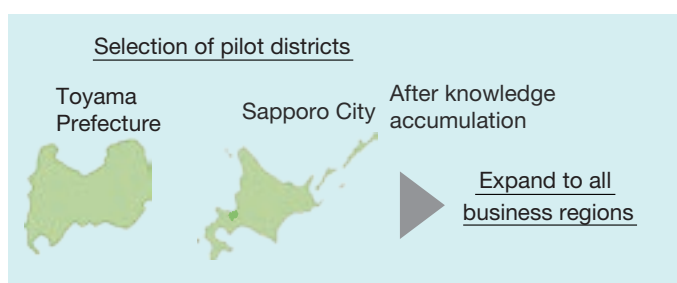
The majority of our group's GHG emissions come from our financed entities (Scope 3 category 15). Until now, we have aimed to be an "environmentally advanced financial group" and strengthened engagement with business partners. Since FY2025, we have been advancing more strategic engagement activities to achieve net-zero Scope 3 emissions by FY2050.

● Engagement promotion system

Engagement activities are conducted with close collaborative support from head office and branches. Accurately understanding our business partners' challenges and needs and providing solutions aligned with their intentions will help increase their value.



Our group plans to select pilot districts for engagement, accumulate engagement-related knowledge in those districts, and then roll out the initiative to other districts.



● Engagement approach

In line with our business partners' efforts to reduce GHG emissions, we support their decarbonization by providing various financing and consulting services through business matching.

GHG emissions reduction process for investment and loan recipients		1.Current system assessment	2.Setting emissions reduction targets	3.Implementing and disclosing reduction measures
		- Reviewing the initiatives needed for decarbonization - Assessing own emissions / supply chain emissions - Building an internal organizational structure	- Reviewing reduction targets - Developing a concrete reduction plan	- Implementing initiatives based on the reduction plan - Disclosing emissions reduction results
Bank support	Consulting	- Emissions calculation consulting - Emissions calculation cloud service		- Energy-saving diagnosis - Solar power installation - Brokerage service for non-fossil certificates, carbon credits
	Finance	- Hokuhoku sustainable finance "SLLFW-type" - At the same time that we realize the collection of emissions data, we are boosting the decarbonization of business partners through interest variation conditions.		
		Loans for facility renewal (replacement with highly environmentally efficient facilities, etc.)		

● Engagement results

As a result of our engagement activities, we were able to provide 1,358 SX solutions during FY2025. In the pilot districts, Scope 3 category 15 emissions were 4.84 million t-CO₂e, a reduction of 45% year on year, and GHG emissions data was shared 25 times.

Indicators		FY2024	FY2025	Unit
No. of SX solutions provided		1,506	1,358	Cases
Pilot districts	Scope 3 Category 15	880	484	10,000 t-CO ₂
	No. of emissions data shard	10	25	Cases

(4) Transition plan

TCFD

Our group has developed a transition plan in accordance with the "Framework for a Transition Plan" outlined in the the MOE's "Practical Guidance for Transition Plan Development at Regional Financial Institutions." The disclosed details in our integrated report are consistent with each of the items of the transition plan framework as shown below.

Transition Plan Disclosure Items		Disclosure Location
Foundation	Purpose of transition plan	Engagement of investment and loan recipients to reduce their GHG emissions (p.56)
	Relationship to medium-term management plan	Sustainability strategy (p.49)
Execution Strategy	Financial support	Initiatives to increase business partners' value (p.51)
	Non-financial support	Countermeasures (p.56)
	Formulation of lending policy	Environmental policy, human rights policy, investment and lending policies on specific business areas (p.53)
Engagement Strategy	Collaboration with downstream companies	Engagement of investment and loan recipients to reduce their GHG emissions (p.56)
	Supply chain response	Engagement of investment and loan recipients to reduce their GHG emissions (p.56)
	Cooperation with local governments	Strengthening of cooperation with local governments and various entities (p.50)
Indicators and Targets	Environmental investment and lending targets	Indicators and targets (p.60)
	GHG emissions reduction targets	
	No. of business partner engagements	Engagement of investment and loan recipients to reduce their GHG emissions (p.56)
Governance	Oversight and execution	Governance (p.53)
	Roles, responsibilities, and accountability	Directors' remuneration (p.54)
	Internal awareness / human resource development	Initiatives to increase business partners' value (p.51)
	Corporate culture, incentives, and remuneration	Directors' remuneration (p.54)

(5) Recognition of nature-related risks and opportunities

TNFD

Based on the LEAP approach in the TNFD recommendations, which advocates for understanding the interface between nature and business from the three perspectives of sector, value chain, and geographic location, we conducted an analysis of the food sector, one of our priority sectors. The results revealed that lending in Hokkaido was concentrated in the upstream to downstream areas of the agricultural sector and the downstream areas of the fisheries sector. Building on this initial analysis based on business site locations, we aim to enhance our analysis to better identify connections with areas of particular concern, as required under the LEAP approach.

Regional exposure to the agricultural sector

Value Chain	Value chain positioning	Upstream		Direct operations							Downstream
	Major category	Agricultural producers		Distribution/ trading companies	Manufacturers		Retailers			Food service industry	Consumer
	Subcategory	Grains & vegetables	Meat & dairy products		Processing industry	Food manufacturing	Wholesale	Supermarkets	Mass retailers		
Region	Toyama Prefecture										
	Ishikawa Prefecture										
	Fukui Prefecture										
	Hokkaido										
	Other										

Regional exposure to the fisheries sector

Value Chain	Value chain positioning	Upstream						Direct operations	Downstream				
	Major category	Example of feed procurement					Other raw materials	Aquaculture	Distribution / trading companies	Processors	Distributors	Retailers / food service operators	Consumers
	Subcategory	Agricultural products	Animal-based products	Marine resources	Fishery products	Other							
Region	Toyama Prefecture												
	Ishikawa Prefecture												
	Fukui Prefecture												
	Hokkaido												
	Othe												

With reference to the MOE's "Long List of Nature-related Risks and Opportunities by Priority Sector," we have identified and organized the key risks and opportunities in the food sector, and those for our group. Going forward, we are also considering measures to address these risks and opportunities.

Risks and opportunities in the food sector

Key Risks and Opportunities in the Food Sector		Value Chain			Risks and Opportunities for Our Group
		Upstream	Direct operations	Downstream	
Physical risks	Increased local disasters due to degradation of ecosystem services	○	○	—	Credit cost increases for our group as customers' financial situations worsen due to damage caused by large-scale disasters and the implementation of disaster countermeasures
	Reduced yields of agricultural, forestry, and fishery products due to degradation of ecosystem services	○	—	—	
Transition risks	Reputational damage among stakeholders if business activities adversely impact nature	○	○	○	Credit cost increases for our group as customers' financial situations worsen due to the materialization of market and reputational risks
	Difficulty in continued use of assets if business activities adversely impact nature	—	○	—	Credit cost increases for our group as customers' financial situations worsen due to stranded assets arising from stricter regulations and more rigorous market assessments
	Reduced demand for conventional fertilizers and pesticides	○	—	—	Credit cost increases for our group as customers' financial situations worsen due to the shrinking market for conventional products
	Concerns that introducing new agricultural methods may result in insurance coverage gaps	○	—	—	Credit cost increases for the group as customers' financial situations worsen due to increased funding costs
	Legal penalties and litigation costs incurred if business activities adversely affect nature	○	○	—	Credit cost increases for the group as customers' financial situations worsen due to the suspension of operations, etc., arising from stricter regulations and more rigorous market assessments
Opportunities	Acquisition of new revenue sources such as carbon credits	○	—	—	Increased opportunities to provide sustainability-related solutions tailored to customer needs
	Enhanced crop resilience through improved ecosystem services	○	—	—	
	Reduced water-related costs through promotion of water circulation initiatives	○	○	—	
	Improved stakeholder reputation through investment in new technologies and local ecosystems	○	○	—	Increased opportunities for sustainability-related investment and financing tailored to customer needs
	Increased sales and profit margins for related products due to growth of environmentally conscious markets	○	○	○	

Indicators and Targets

(1) GHG Emissions

TCFD TNFD

In addition to raising net zero for Scope 1 and 2 in FY2030 as a target, the group has also raised net zero for Scope 3 in FY2050 as a target to promote decarbonization further.

Total Scope 1 and 2 GHG emissions for FY2025 were 10,259 t-CO₂e. This represented a 4,195t-CO₂e decrease from the previous year, a year-on-year decline of 29.0%. With the use of a virtual PPA and other measures, we are progressing smoothly toward achieving our FY2030 net-zero target.

Indicators	Target value	Target year
GHG emissions (Scope 1, 2) Note 1	Net zero	FY2030
GHG emissions (Scope 1, 2, 3)	Net zero	FY2050

Note 1: Target for CO₂ emissions reductions at the domestic places of business of all group companies

Initiatives related to improvement of the group's value p.52

Scope 1, 2, 3 reduction

Unit: t-CO₂e

GHG Emissions	Note 2	FY2024 Note 3	FY2025
Scope 1+2 (market standard)		14,454	10,259
Scope 1		4,592	4,512
Scope 2 (market standard)		9,862	5,747
Scope 3 (total) Note 4		26,959,211	16,110,905
Category 1 (purchased products and services)		27,069	28,714
Category 2 (capital goods)		21,869	44,471
Category 3 (fuel and energy-related activities not included in Scope 1, 2)		3,362	3,378
Category 4 (transportation and deliveries (upstream))		2,042	2,076
Category 5 (waste from business)		293	345
Category 6 (business trips)		597	628
Category 7 (employee commuting)		1,525	1,605
Category 13 (lease assets (downstream)) Note 5		44,189	50,238
Category 15 (investments) Note 6		26,858,264	15,979,450
Scope 1+2+3 (market standard)		26,973,665	16,121,164

Note 2: For GHG emissions (Scope 1, 2, 3), we calculated supply chain emissions at the domestic places of business of all group companies based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain Ver 2.8 (March 2026)" by the Ministry of the Environment and Ministry of Economy, Trade and Industry. We calculated city gas and heat using business operator-specific emissions coefficients or the emissions coefficients of the ministerial ordinance.

Note 3: We have acquired third-party certification for FY2024 GHG emissions from Socotec Certification Japan, Co., Ltd.

Note 4: In Scope 3, categories 8, 9, 10, 11, 12 and 14 do not apply.

Note 5: Calculated based on the standard use scenario assuming the number of units operating per contract amount and deeming the lease contracts and repeat lease contracts of Hokugin Lease and Hokkaido Lease to be "information-related device (tablet PC)" or "transportation equipment (automobile)" lease contracts.

Note 6: We calculated the emissions related to commercial loans and share investments at The Hokuriku Bank and The Hokkaido Bank (commercial loans means those asset classes classified in PCAF that fall under "Listed equity" and "Business loans and unlisted equity"). The investments and loans subject to calculation do not include investments and loans to individuals and the scope of calculation of emissions is Scope 1, 2, 3 of investment and loan recipients.

Additionally, loans subject to calculation under "Business loans" include commercial real estate and project finance. The emission factors used for calculation have been updated from Exiobase-Monetary 3.8.2 (FY2024) to Exiobase-Monetary 3.11.1 AR6 (FY2025).

Carbon-related assets

The loan balances and ratios against the portfolio overall of each sector for which the TCFD recommendations recommend disclosure are shown as follows.

	Energy			Transportation						Materials & buildings					Agriculture, food, & forestry products				Total
	Oil & gas	Coal	Electric utilities	Air cargo	Passenger air transport	Maritime transport	Railway transportation	Truck services	Automobiles & parts	Metals & mining	Chemical	Construction materials	Capital goods	Real estate management & development	Beverage	Agriculture	Processed food / Processed meat	Paper manufacturing & forestry products	
Amount (billion yen)	108.1			206.7						1,152.7					257.2				1,724.6
	27.9	0.0	80.2	0.0	4.7	16.6	37.6	112.9	34.9	57.3	41.4	20.7	267.5	765.7	23.6	25.4	153.8	54.3	
Ratio (%)	1.0			1.9						10.8					2.4				16.1
	0.3	—	0.7	—	0.0	0.2	0.4	1.1	0.3	0.5	0.4	0.2	2.5	7.1	0.2	0.2	1.4	0.5	

Note 7: Ratio of loans at The Hokuriku Bank and The Hokkaido Bank

Note 8: The utilities sector excludes water supply business and renewable energy business.

Breakdown of Scope 3 Category 15

The sectoral breakdown of emissions related to commercial loans and stock investments at The Hokuriku Bank and The Hokkaido Bank (financed emissions) is as follows. We will continue to collect primary data on the emissions from our investment and loan recipients and work to improve the data quality score.

Financed emissions: 10,000 t-CO₂e
Carbon intensity: t-CO₂e/million yen

Carbon-related sector		Energy			Transportation						Materials and buildings					Agriculture, food and forestry products				Other
		Oil and gas	Coal	Electric utilities	Air cargo	Passenger air transport	Maritime transport	Railway transportation	Truck services	Automobiles & parts	Metals & mining	Chemical	Construction materials	Capital goods	Real estate management & development	Beverage	Agriculture	Processed food & processed meat	Paper manufacturing & forestry products	Other
Business loans	Financed emissions																			
	Scope1,2	9.37	—	103.95	0.94	1.74	4.31	0.28	202.80	1.73	29.70	19.62	40.14	114.41	1.69	0.42	1.65	11.65	8.42	49.01
	Scope3	37.95	—	41.98	3.01	0.92	3.90	0.80	35.51	36.40	36.59	42.66	9.25	292.06	6.56	2.73	5.80	43.47	19.67	294.40
	Carbon intensity	13.32	—	12.24	1.98	5.67	5.68	0.55	21.03	8.58	10.92	5.44	22.51	5.45	0.12	1.24	6.86	3.30	5.20	1.96
	Data quality score	3.55	—	2.67	1.04	4.20	2.87	3.11	3.45	2.17	3.14	2.97	3.87	3.71	3.78	2.86	3.28	3.72	3.50	3.60
Shares	Financed emissions																			
	Scope1,2	0.44	—	10.74	0.12	0.00	0.09	0.02	0.68	0.75	0.53	2.36	0.57	4.02	0.01	0.01	0.02	0.27	0.78	3.03
	Scope3	1.45	—	4.59	0.53	0.00	0.03	0.04	1.02	1.76	0.82	4.82	1.02	19.82	0.04	0.05	0.04	0.88	0.81	21.83
	Carbon intensity	5.84	—	12.50	1.27	1.51	2.86	0.83	4.92	2.78	9.99	5.38	8.73	7.11	0.17	1.03	3.46	3.25	9.59	2.35
	Data quality score	4.00	—	1.99	1.00	4.00	1.00	2.29	2.90	1.95	3.65	1.83	4.00	3.24	3.07	1.48	4.00	2.16	2.54	2.50

(2) Investment and loan indicators

TCFD TNFD

With regard to finance, we set targets for the investment and loan amounts that were judged to contribute to achievement of the SDGs. In particular, in the climate change field, we set separate targets for environment-related investment and lending, reflecting the group's policy of prioritizing dealing with climate change among the SDGs.

Performance in FY2025 has been progressing favorably. We continue to aim for the achievement of targets by strengthening support for business partners.

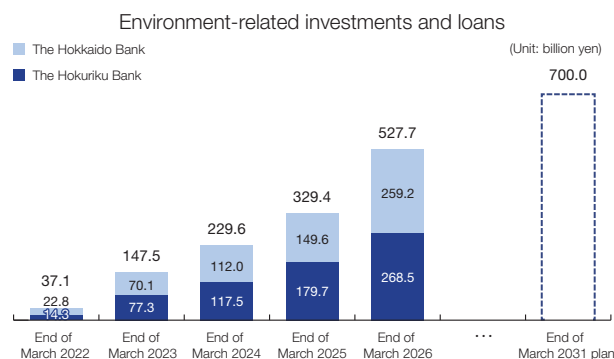
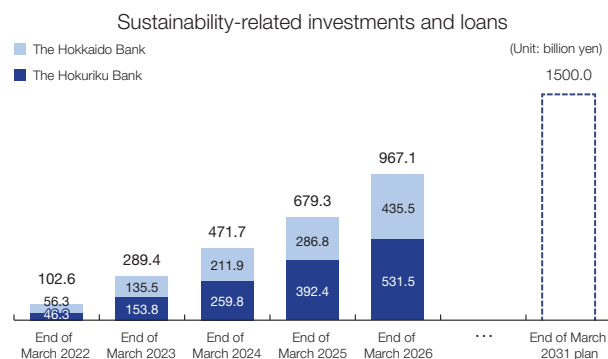
Indicators	Target value	Target year
Sustainability-related investments and loans Note 9	Cumulative total from FY2021 ¥1.5 trillion	FY2030
Environment-related investments and loans Note 10	Cumulative total from FY2021 700 billion yen	FY2030

Note 9: Investments and loans to business partners working towards achievement of the SDGs, and investments and loans for medicine, health, education, the fishing industry, agriculture, start-ups, business succession, resilience, environment-related, etc.

Note 10: Investments and loans that support initiatives considerate of the environment, such as responses to climate change

Results for investment and loan indicators

Indicators	Most recent results	Year-on-Year
Sustainability-related investments and loans	¥967.1 billion	+¥287.8 billion
Environment-related investments and loans	¥527.7 billion	¥198.4 billion



Human capital management initiatives

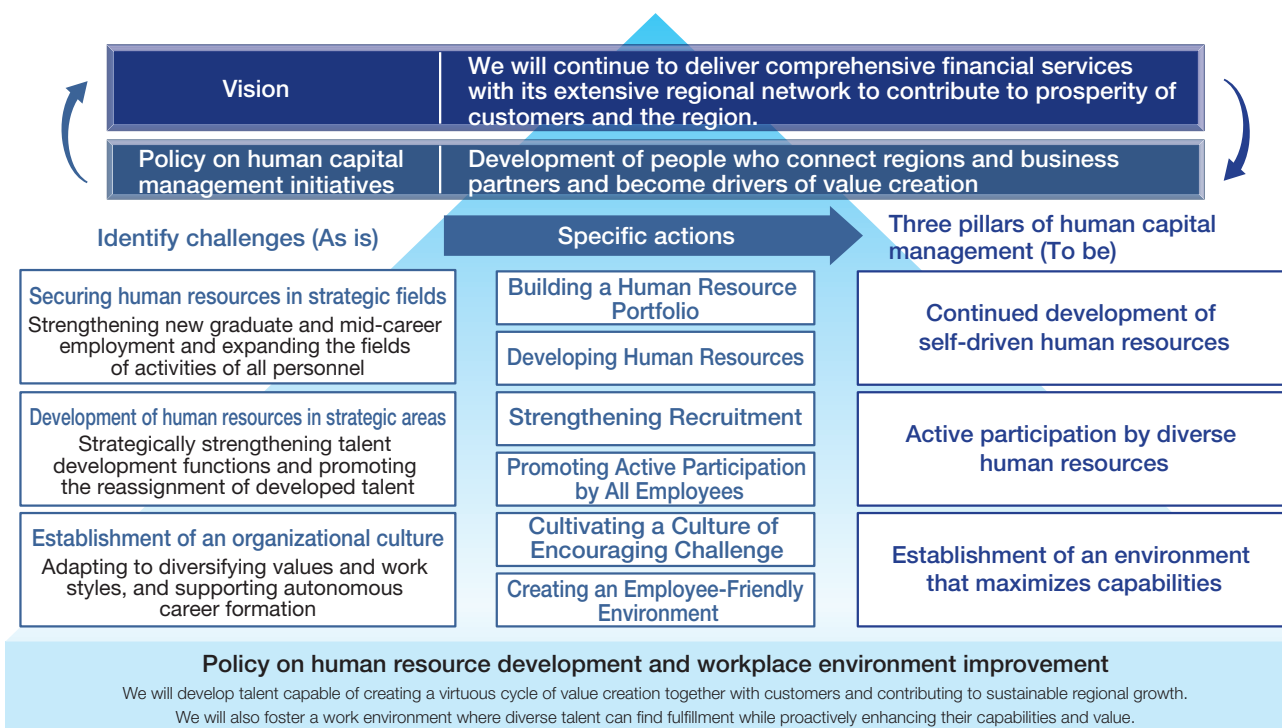


The source of value creation for our group is its people. Within a rapidly changing business environment, we will focus comprehensively on enhancing field skills and expertise in the Hokuriku and Hokkaido regions, foster employee development that supports reskilling and taking on new challenges, provide fair evaluation and treatment, and conduct personnel assignment and open recruitment that expand career options. We will create workplace environments where diverse talent can work with both physical and mental well-being and a sense of security. At the same time, we will build an open organizational culture that emphasizes dialogue, based on ethics and compliance. We will support every employee to act based on the principle that "Your happiness and the happiness of this community are our top priority," while driving improvements based on indicators. In doing so, we aim to enhance both employee engagement and productivity, thereby contributing to the sustainable growth of our business partners and communities.

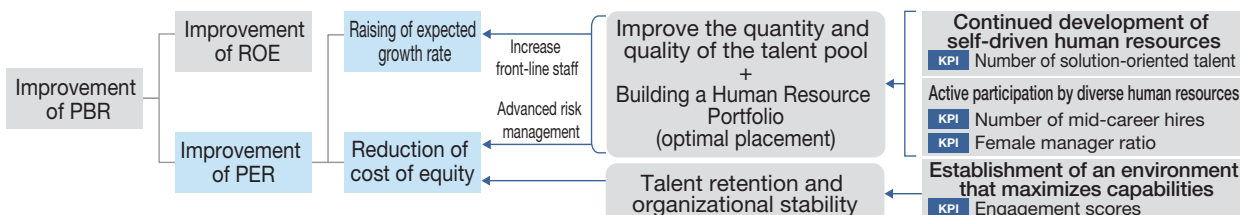
Director **Tomoo Aida**

Overview of Human Capital Management Initiatives

Our group has established a human capital management policy and an internal environment development policy based on our purpose, management policy, and vision. Recognizing that employees are important "capital" that drives value creation, we implement specific actions that support the three pillars of human capital management: "Continued development of self-driven human resources," "Active participation by diverse human resources," and "Establishment of an environment that maximizes capabilities."



● Relationship between Human Capital Management (3 Pillars/KPIs) and Financial Indicators



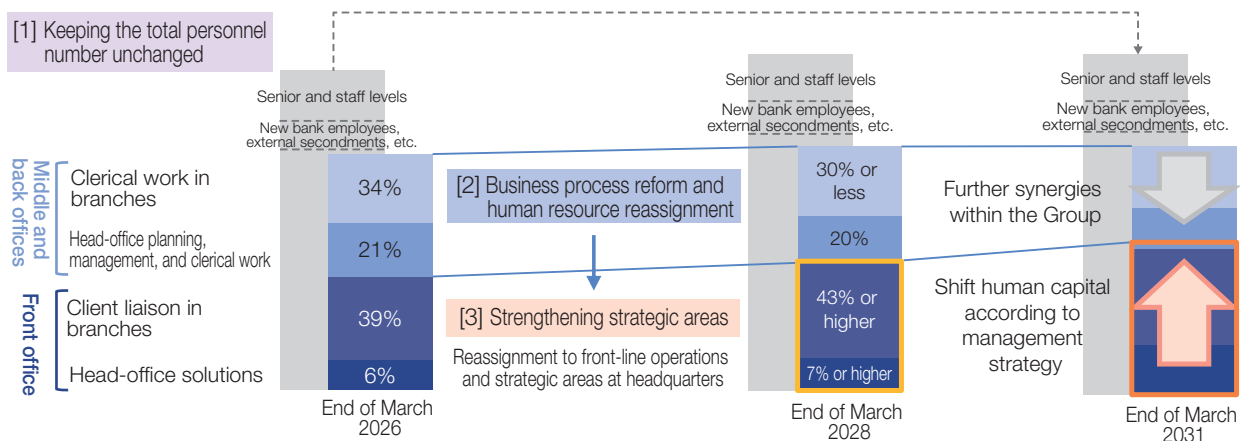
Building a Human Resources Portfolio Linked to Management Strategy

To enhance problem-solving capabilities and create value, we plan to strengthen personnel assignment to front-line divisions (branch and head office client liaison roles) and strategic areas at head office. To realize the human resource portfolio we aim for, our policy is to roll out measures from the three perspectives of: [1] keeping the total personnel number unchanged; [2] business process reform and human resource reassignment; and [3] strengthening strategic areas.

[1] Keeping the total personnel number unchanged	- Step up new graduate and mid-career employment - Enhance engagement through improved well-being and support for self-driven career development
[2] Business process reform and human resource reassignment	- Productivity improvement through business process reforms (utilization of generative AI and digital tools and centralization within the head office) - Streamlining head-office business processes through integrated FG operation - Career development and personnel reassignment through support for upskilling and reskilling
[3] Strengthening strategic areas	- Development of solution-oriented talent (consulting, SX, DX) - Development of professional talent (structured finance, securities management, etc.) - Increased personnel in strategic fields (AI planning, cybersecurity, high-net-worth client proposals, etc.)

● Trends in Human Resources Portfolio and Future Direction

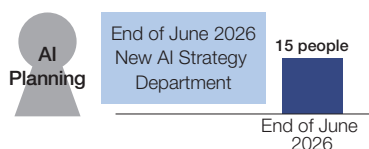
In FY2025, we achieved a certain level of success in securing the required number of employees by strengthening recruitment (new graduate recruitment and career hires). Going forward, we will promote talent development and reassignment as we aim to strengthen our front-line operations and strategic areas at head office.



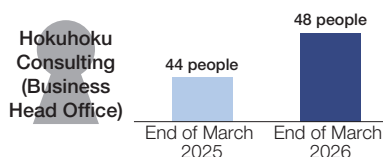
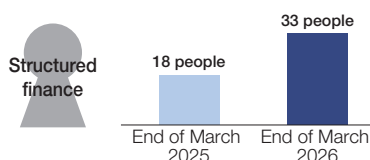
■ Assignment to strategic areas (example)

We aim to build a dynamic talent portfolio by flexibly assigning personnel to strategic areas in accordance with our management strategy. In fiscal 2025, we particularly strengthened assignment to structured finance operations and related roles. We maintained staffing levels for branch office client liaison personnel while working to enhance sales staff capabilities and improve operational efficiency through non-face-to-face channels. In June 2026, the FG established the AI Strategy Department, Security Management Department, and Structured Finance Department, building an organizational structure aligned with our management strategy.

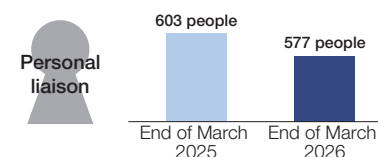
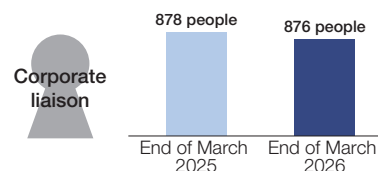
Head-office planning and management



Head-office solutions



Client liaison in branches



Strengthening human resource development

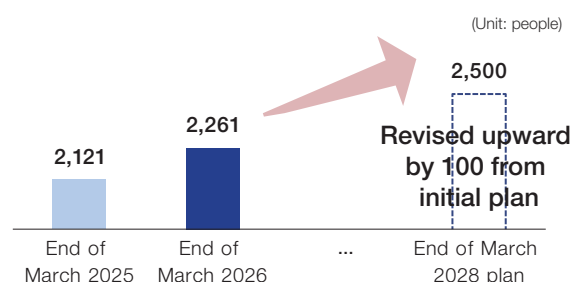
In order to create talent that can contribute to the deepening of problem-solving capability and value creation, apart from establishing a training system to systematically develop “solution-oriented talent,” “professional talent,” and “management talent,” we also carry out external dispatches.

■ Conceptual image of talent development

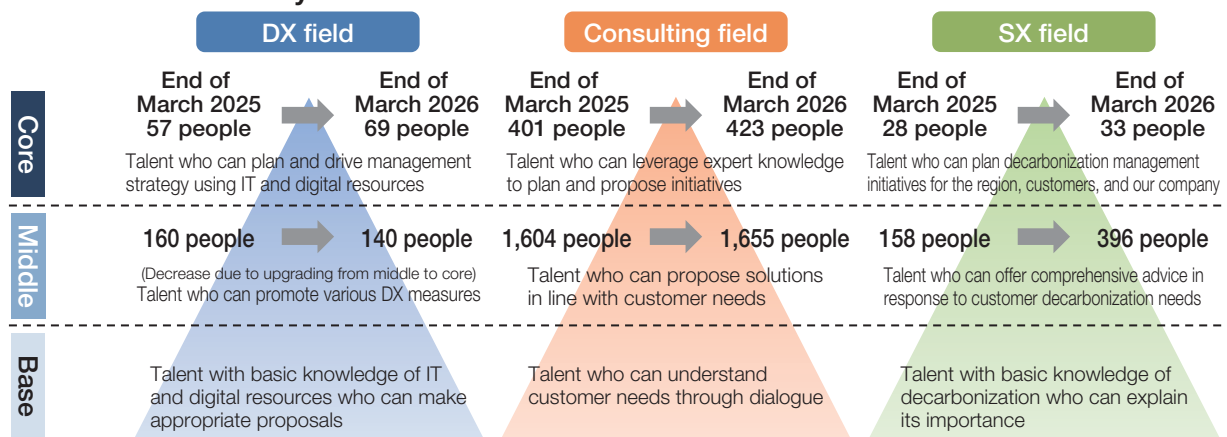
Solution-oriented talent	Talent who can actually solve problems faced by regions or business partners, centered on consulting, SX, and DX
Professional talent	Talent who demonstrate a high level of skills and are drivers in strategic fields (structured finance, securities management, etc.)
Management talent	Talent with management sense and skills who can contribute to achieving organizational targets and creating self-driven personnel

● KPI (number of solution-oriented talent)

In each of the fields of consulting, SX and DX, we define human resources that meet certain qualification requirements and work requirements as “solution-oriented talent” and make it an indicator for the creation of human resources that contribute to the deepening of problem-solving capability. Specifically, we classify talent into three skill levels in each of the following fields. We plan to have 2,500 employees or more reach the middle rank or above in any of these fields by FY2027.



Certification Status by Field



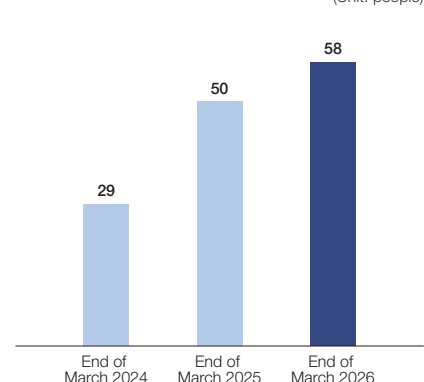
■ Continuation of positive external dispatches

We implement external dispatch training positively based on open recruitment aimed at the acquisition of high-level expert knowledge, the cultivation of practical ability and management sense, and personal network formation. We have increased the number of destinations for external dispatches and the number of employees dispatched to develop professional human resources in strategic areas.

Examples of dispatch fields

Sustainability planning	IT consulting
Data use and analysis	Structured finance
M&A	Securities management
Management consulting	International work (overseas strategy)

Number of employees dispatched externally



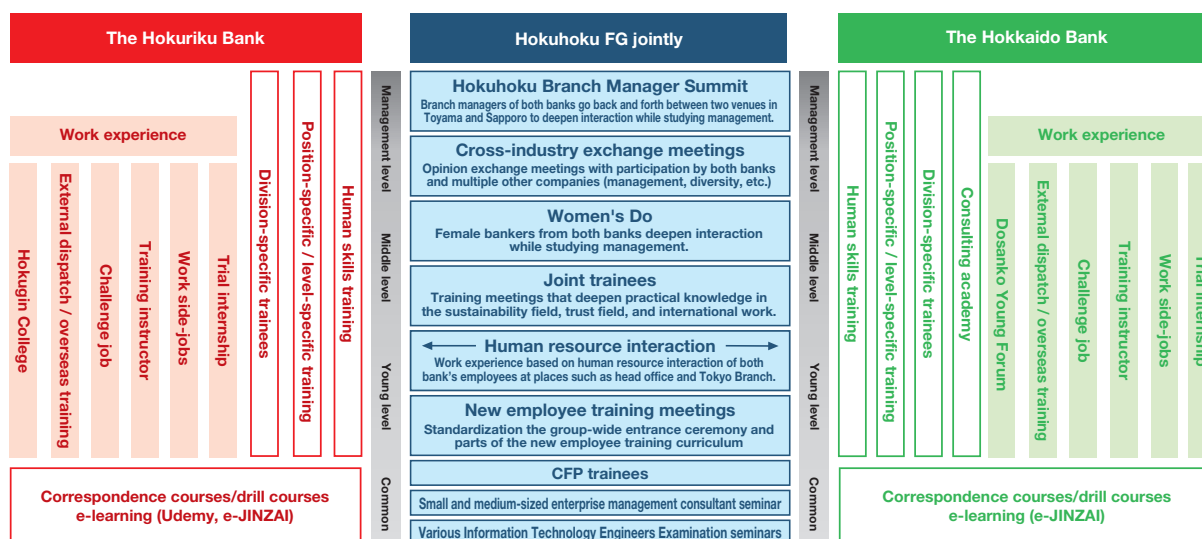
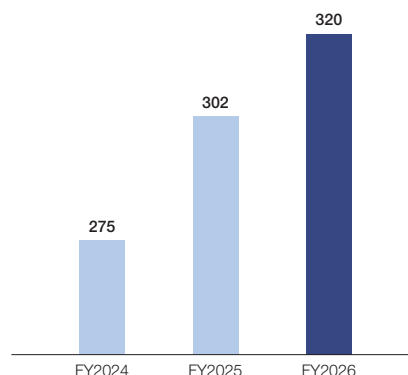
■ Establishment of training systems

We have established various training systems for management skills, future leader training, etc., in accordance with expert knowledge and work style reform aimed at wide ranging human resource development and the acquisition of skills. In addition, we have fostered a sense of unity within the Hokuohoku Financial Group by providing opportunities for interaction among group colleagues positively through the holding joint group training meetings.

Human skills training	Acquiring knowledge and building awareness of career advancement and management
Position-specific training	Enhancing practical ability through training linked to OTJ training and real-world work
Work experience	Supporting individual career formation by experiencing work other than that people are in charge of for a short time
Qualification acquisition seminars	Offering seminars for Small and medium-sized enterprise management consultant certification, Advanced Financial Planner certification, and IT-related qualifications

Total education and training costs

(Unit: million yen)



■ Hosting certification seminars

We are implementing holiday seminars, etc., and supporting the acquisition of FP and IT-related qualifications aimed at the improvement of consulting abilities and the acquisition of basic knowledge of DX.

Seminars (FY2025)	No. of times	No. of people
Small and medium-sized enterprise management consultant	3	53
FP Class 1/CFP	23	199
Fundamental IT engineer	2	94

■ Autonomous learning and reskilling initiatives

We have introduced e-learning tools (Udemy, e-JINZAI) for various self-development support. In addition to use in work, we have built a system that encourages self-growth and the realization of the career paths each person draws by deepening knowledge in the fields that each person wants to study.

To develop management personnel as well as building expertise in new fields such as DX and SX, we have been offering an open enrollment MBA program since FY2024. We are expanding opportunities for our employees to actively pursue skill acquisition in new fields.

■ Incentive and subsidy systems

In addition to incentives for the acquisition of various qualifications such as official qualifications and bank work certification, we have also introduced a subsidy system for the fees for correspondence courses essential for work. Combined with one-off incentives the payment amount of ¥220,000 is at a high level nationally for FP grade 1 and CFP.

Qualifications subject to subsidies	Correspondence courses subject to subsidies
FP-related qualifications and IT engineer examinations Bookkeeping Decarbonization adviser certification Languages Various banking proficiency tests, etc.	Courses for new bank employees, Courses for certification exam preparation, etc.

Step Up Employment (New Graduate and Mid-Career)

We are enhancing our internships and expanding our recruitment channels in order to strengthen both new graduate and mid-career recruitment. Particularly for mid-career recruitment, we are intensifying our approach more than ever with a view to securing personnel who can be immediately effective in strategic fields, while also actively engaging in on-boarding (employee retention support).

■ Enhancement of internships (new graduates)

We are holding internships for university students interested in our group and the financial industry. We hold the internships in both summer and autumn to make the program easier for more students to participate in, and have enhanced the program so that participants can feel the appeal of our group and get an image of actually working here through experience of individual and corporate consulting work, etc. In FY2025, we also held more internships in urban areas to make participation easier for students who ultimately wish to return to their home regions.



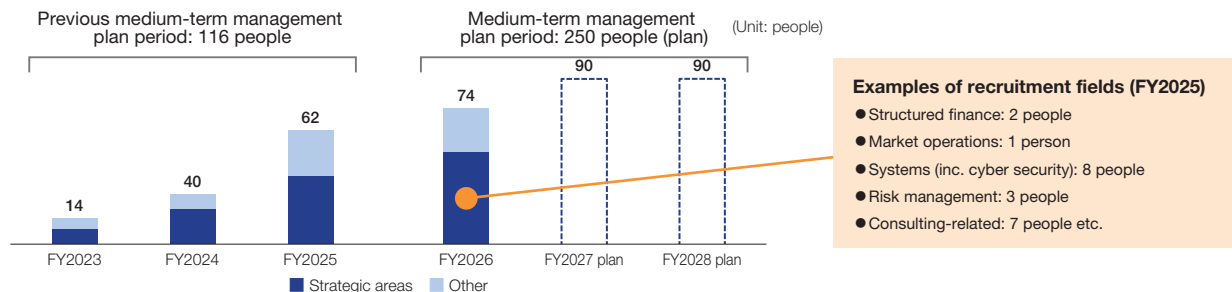
An internship meeting

■ Enhancing mid-career recruitment and supporting retention

Based on the greater fluidity of employment and activation of the job change market in recent years, we are promoting the mid-career recruitment of human resources with various backgrounds, not only people with experience of the financial industry. We are also actively expanding our recruitment channels, including alumni and referral hiring, and strengthening our post-hiring follow-up system by providing regular follow-up training and networking events.

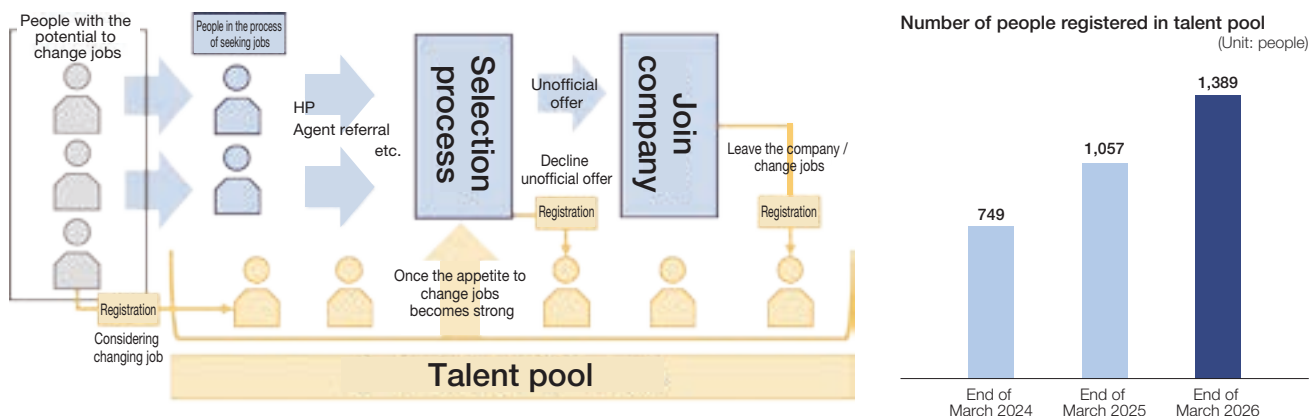
● KPI (number of mid-career hires)

Our policy is to increase the number and proportion of mid-career hires in strategic areas, in line with the medium-term management plan's crucial strategies and each department's personnel plans.



■ Building of a talent pool

We are advancing the building of a talent pool that “makes assets” out of past links to realize sustainable recruitment over the medium to long-term. We will continue to communicate information on recruitment to individuals who have had contact with the company in the past, such as former employees, candidates who declined a new graduate employment offer, and individuals referred by our employees, with the aim of making the company more appealing to them than before. By building medium- to long-term relationships, we will create opportunities that make it easier for them to apply to the company.



Promoting Active Participation by All Employees

We have formulated an action plan and are working on various measures for balanced support to realize a virtuous cycle of sustainable development of the FG and the improvement of employee engagement, with all employees' diverse values recognized and everybody able to demonstrate their capabilities to the maximum.

■ Measures based on the action plan for the active participation of all employees

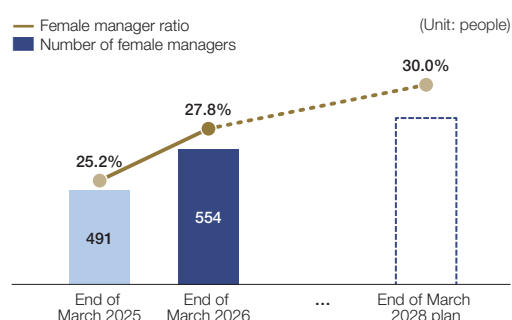
We have worked on various initiatives based on the action plan to further accelerate FG-based initiatives for the active participation of all employees, including young, female, and senior employees.

Measures	Description
Unconscious bias training	Management training and workplace discussions
Officer mentor system	Program for acquiring managerial perspective (8 female managers participated in FY 2025)
New establishment of training for female management (Women's Do Advanced)	Training for the improvement of management and mindset in anticipation of career advancement into top management
Implementation of the HokuHoku Diversity Council	Implemented in the form of internal side jobs through meetings to consider diversity-related measures, to reflect diverse opinions in personnel measures, etc.
Implementation of a diversity forum	External lecturers invited to speak to promote understanding of diversity management throughout the company

● KPI (female manager ratio)

We are further advancing initiatives for female career development and job changes, boosting steps towards wide-ranging career paths and appointing female employees to management positions positively.

Our policy is to eliminate the gender gap in corporate negotiation work and head office planning work, establish an environment in which employees can demonstrate their capabilities regardless of their course and gender, and expand the female management position and top management talent pool in terms of both quantity and quality.



■ Measures to support work-life balance

Centered on the Diversity Promotion Office, we are working positively on the creation of an environment where employees can work while realizing a work-life balance. In addition, we are implementing individual follow-up through career advisor interviews and have also enhanced mechanisms that increase all employees' literacy such as the preparation of a handbook and the implementation of e-learning on support systems for child rearing, nursing care, etc. Both The Hokuriku Bank and The Hokkaido Bank have obtained Platinum Kurumin certification. The Hokuriku Bank has obtained Eruboshi (Level 3) certification while The Hokkaido Bank has obtained Platinum Eruboshi certification.

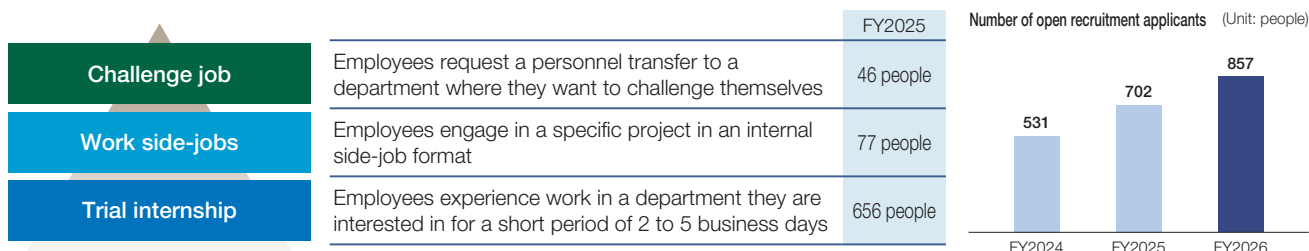
● External evaluation



Pregnancy and childbirth leave		Childcare leave	Before school	Elementary school	Nursing care
Prenatal leave (6 weeks)	Postpartum leave (8 weeks)	Long-term childcare leave	Child nursing leave		Nursing care leave
Work measure systems for pregnancy		Long-term childcare leave at the time of birth (Postpartum paternity leave)	Work measure systems for childcare		Long-term nursing care leave
Congratulatory money for childbirth		Parent Plaza	Company nursery (Dosanko Kids' Room)		Work measure systems for nursing care
		Hokugin Support NET Do Support System (Home PC browsing system)	Nursery school at the joint place of business (Nikotto nursery school)		
		Return to work support seminars			

Cultivating a Culture of Encouraging Challenge

We have established an environment in which employees can realize a wide range of careers by providing opportunities allowing them to take on challenges. In addition, we respect each employee's desire to "give it a try," and strive to foster an organizational culture that encourages them to proactively put themselves forward. Moreover, by enhancing the support framework to encourage a sense of challenge among personnel, we are committed to careful support so that employees can take on challenges with peace of mind.



Enhancement of Challenge Opportunities

■ Implementation of trial internships

This is a system that allows employees to experience their desired head office work for a short period of time while remaining in their current positions. It was used by 656 employees in FY2025. Adding branches to the places where interns could go from FY2024 has also contributed to the further activation of communication between head office and branches. It is also a system that enables participation beyond the boundaries of group companies.



Trial Internship FG Branding Strategy Office

■ Implementation of work side-jobs (Internal side business)

This is a system in which employees work on a specific project in an internal side-job format while also performing their normal work. For head office, these are also opportunities to absorb opinions from the field, which are used in projects for the formulation of head office strategy. In FY2025, the system was implemented in fields such as lending business reform and diversity promotion (new planning and system penetration).



Work side-job scene
(Hokuhoku Diversity Council)

■ New mid-term trainee program in head office strategic fields

Positioned as advanced training above trial internships, this program was launched in FY2026 with the aim of developing professional talent early and improving employee engagement. Employees are invited to participate in areas such as structured finance operations, systems-related operations, and an affiliated company (Hokuhoku Consulting), where they can acquire specialized expertise and develop their careers autonomously.

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Strengthening Systems to Support Challenges

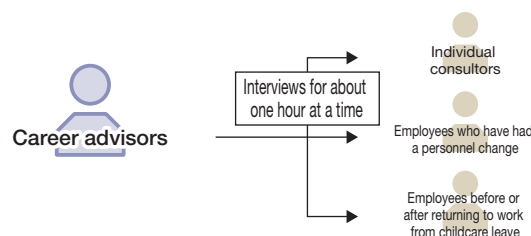
■ One-on-one meetings

We implement one-on-one meetings aimed at open communication and autonomous initiatives towards work. Using regular opportunities for dialogue, these are opportunities for realization for autonomous thinking and action.



■ Interviews for employees conducted by career advisors

We have appointed career advisors as consultants for all employees. They visit branches to hold interviews with employees and respond to various inquiries on matters including career advancement, ability development, and life design. This has led to enhanced support for young employee growth and retention, better career design for diverse employees, and improved work-life balance. In FY2025, advisors carried out interviews with 468 employees.

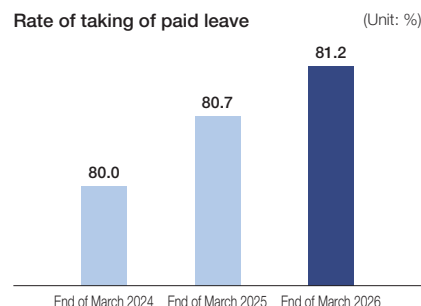


Creating an Employee-Friendly Environment

For each and every employee to empathize with the management policies of our group and to support thought and action aimed at sustainable growth, continuous initiatives for the improvement of employee engagement are essential, so we are striving to create an employee-friendly environment through various measures aimed at the realization of work-life balance and the promotion of health management.

Achieving work-life balance

We strive to achieve a well-balanced work style for the enhancement of employees' work-life balance. We are working on the establishment of leave systems tailored to life events and promoting the use of paid leave. Going forward, to realize employee well-being, we will continue to improve the workplace environment by expanding work styles and benefit systems in line with new values.



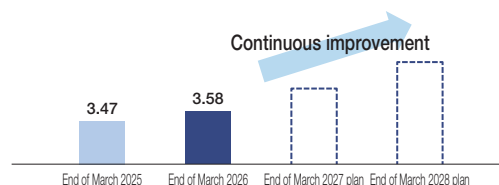
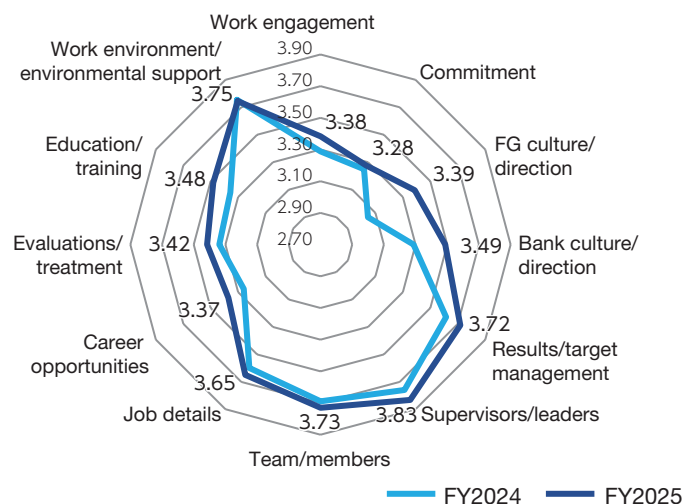
Improving employee engagement

We started engagement surveys from FY2023 at the company's subsidiaries to identify issues across the banks overall and use the results in considering various personnel measures. We will analyze the survey responses, carry out comparisons against previous fiscal years through ongoing surveys, and verify the effectiveness of efforts to improve employee engagement.

KPI (engagement scores)

We have made improving engagement scores continuously during the period of the medium-term management plan a target by reflecting on measures, reviewing existing measures and adding measures based on the engagement survey carried out once a year.

Trends in Scores by Field (from FY2024 to FY2025)



Current understanding

- "Culture and direction of FG and the banks" improved significantly from the previous fiscal year. Scores for "Career opportunities" and "Education and training" also rose accordingly.
- There are variations in the results by employee attributes, and no improvement was observed for some questions, showing the need for continuous efforts to achieve further improvement.

Measures aimed at improvement (examples)

- Increase opportunities for dialogue between management, head office, and branches (two-way communication)
- Improve the quality of one-on-one meetings
- Improve productivity through operational reforms, etc.

Promotion of health management

The Hokuriku Bank and The Hokkaido Bank are supporting the maintenance and promotion of the mental and physical health of employees together with the health insurance association, industrial physicians and labor unions based on a "health management declaration," and have declared that they will contribute to the creation of lively regions through the provision of sound financial services based on the health of employees.

We are implementing measures that lead to the maintenance and promotion of health such as a walking campaign utilizing the health promotion app "Pep Up" and seminars on mental health and women's health issues. Both The Hokuriku Bank and The Hokkaido Bank have acquired "Outstanding Organizations of KENKO Investment for Health - White 500" certification for nine consecutive years.

External evaluation



Support for improving financial wellness

We have introduced a stock holding association and matching contributions on a corporate DC plan to improve the financial wellness of our employees, who are responsible for the value creation of the region and customers. In particular, in FY2025, we granted restricted stock worth ¥100,000 to members of our employee stock holding association (with a participation rate of over 80%). This initiative not only supports employees in building their assets but also encourages proactive action toward sustainable enhancement of corporate value through stock price movements.

**Foundations supporting
corporate value**

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Strengthening of group governance

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Initiatives for customer-centered business operations

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Toyama Prefecture: Toyama City

Messages from Outside Directors



Outside Director serving as
an Audit and Supervisory
Committee Member

Kaoru Funamoto



Outside Director serving as
an Audit and Supervisory
Committee Member

Marie Ogawa



Outside Director serving as
an Audit and Supervisory
Committee Member

Yutaka Yokoi



Outside Director serving as
an Audit and Supervisory
Committee Member

Shinya Makino



Outside Director serving as
an Audit and Supervisory
Committee Member

Hiroko Okumura

How do you view the group's strengths and challenges?

Yokoi The group's greatest strength lies in its wide-area operating base spanning Hokuriku, Hokkaido and Japan's three major metropolitan areas, together with comprehensive financial service capabilities extending beyond banking. Its combination of Hokuriku's substantial industrial concentration, investment opportunities related to SX/GX and next-generation industries in Hokkaido, and an urban customer base is an advantage no other regional financial group possesses. The challenge, however, is to bring together initiatives in each region as group-wide results; in other words, to make synergies visible and steadily build non-interest income.

Okumura Banks with deep roots in their respective communities are essential to supporting regional economies, and retaining the two regional bank brands of The Hokuriku Bank and The Hokkaido Bank is an important premise for the group. At the same time, management capable of withstanding changes in the environment, including population decline, requires group-wide efficiency, the effective use of specialized expertise and more sophisticated risk management. I believe the group has made considerable progress in integrated management while preserving both bank brands, supported by The Hokuriku Bank's wide-area network, including Japan's three major metropolitan areas, and the cross-regional experience its personnel have accumulated.

How do you evaluate the medium-term management plan, "NEXT STAGE"? What do you consider the most important medium-term management priorities?

Funamoto The current plan merits a positive assessment for setting clear KGIs and KPIs, including ROE of 8.5%, net income of ¥65.0 billion, an average business loan balance of ¥5.0 trillion, an average deposit balance of ¥15 trillion and cumulative SX/GX-related investments and loans of ¥1.2 trillion, with the twin pillars of building assets by leveraging the group's scale and strengthening non-interest income. The classification of regions as "Market Share/Chance/Size" (the three Hokuriku prefectures = Share; Hokkaido = Chance; Japan's three major metropolitan areas = Size) also makes the strategy easier to explain. From a medium-term perspective over the next three to five years, I believe the key priorities are to reliably monetize demand for funds related to GX and next-generation industries in Hokkaido, expand structured finance and enhance risk management, and strengthen non-interest income from M&A, consulting and other services.

Ogawa The medium-term management plan, "NEXT STAGE," began in FY2025. The process of formulating the group's Purpose, announced at the same time, gave every employee an opportunity to reconsider the group's strengths. I believe this has enabled each person to move forward with a clear sense of the direction the group should take, including deepening its problem-solving capabilities, strengthening its management foundation and embedding its corporate culture, as set out in the medium-term management plan. Numerical targets for ROE, profit, capital and OHR are important in a management plan, but I believe it is even more important to share the process for achieving them.

What is the greatest risk to sustainable growth?

How do you assess the risk management and compliance systems for controlling risk?

Makino Risk factors surrounding financial services continue to diversify. Operational risks that can damage trust, including cybersecurity, third-party management, information management and responses to financial crime, are especially important on a day-to-day basis. With the return of positive interest rates, we must also closely monitor model risk, market volatility and changes in the credit-cost cycle. The emphasis on risk management and compliance is increasingly well understood and embedded. In the IT domain, where cybersecurity is becoming more complex, however, the group must also address new challenges, including separating planning and development from risk management, centrally controlling third-party risk, and preparing for PQC. I also place importance on the balance between day-to-day risk management and crisis management in an emergency, including BCP and crisis response, as well as the effectiveness of each.

Okumura Although the group faces a wide range of issues to manage, I believe its management is highly transparent overall and that the Board of Directors identifies risks from multiple perspectives and manages them through multiple layers. In addition, I feel that management has recently shown greater speed and decisiveness in decision-making and a clearer commitment to capturing growth opportunities. At the same time, amid major changes in the social and economic environment, including interest rates, inflation, geopolitical risk and advances in digitalization, it is increasingly important to balance risk-taking in growth areas with the controls, personnel and data infrastructure that support it. Management must address complex risks, including securities investment and cybersecurity, in an integrated manner and manage them while monitoring their impact on profitability and capital. The Board of Directors will support swift execution while verifying the effectiveness of risk awareness, controls and accountability.

What are your views on the human resources strategy and corporate culture?

Ogawa The human resources strategy is an extremely important priority for the group as a wide-area regional financial group with two large subsidiary banks and other group companies. In recent years, I have seen progress on measures centered on the subsidiary banks to foster a stronger sense of unity across the group, raise employee engagement and motivation, and increase the number of specialists in strategic fields. The Purpose formulation process mentioned earlier also helped stimulate communication within the organization. It is also encouraging that management recognizes the advancement of women as a high-priority issue and that female employees have shown their determination to approach their work with ambitious goals. Managers also have an important role in supporting the success and growth of employees with diverse attributes, including women, and I look forward to broader awareness-building in this area.

Funamoto The policy of raising the share of personnel assigned to strategic fields to at least 50% and increasing the number of solution professionals to 2,500 will support the group's growth strategy.

The maxim that an organization is its people certainly applies to the group. I hope the group will continue working tirelessly to build a corporate culture in which employees find their work rewarding and meaningful. I look forward to efforts to recruit and develop diverse personnel, assign people so they can fully demonstrate their capabilities, and establish an evaluation system that rewards those who take on challenges.

How do you evaluate the Purpose and branding initiatives, and what do you expect going forward?

Yokoi A Purpose only becomes powerful when it is shared. I highly value the sense of unity fostered across the group through the formulation process. Going forward, the key will be to embed and sustain the Purpose by incorporating it into everyday work, evaluation and development. In branding, I expect the group not only to describe its wide-area reach as a strength, but also to communicate how that strength produces results for regions and customers.

Makino The newly formulated Purpose is a compass for all directors, officers and employees, and is extremely important. The formulation process conveyed the energy of bottom-up discussions and a strong sense of unity. Going forward, I look forward to seeing it mature and become more deeply embedded over time through such measures as sharing tangible examples that directors, officers and employees can relate to personally, including regional and customer success stories; enhancing dialogue with managers; and pursuing internal branding in parallel with external communication.

What are your views on sustainability and contribution to local communities?

Ogawa I have long felt that regional financial institutions are expected to lead their communities not only by providing financial services, but also by addressing new management challenges as they emerge with the times. In sustainability management as well, the group should take the lead in resolving its own issues, return the resulting information and experience to the community, and turn them into earnings opportunities through related investments, loans and solutions. I believe the group has the potential to achieve even greater progress in this field.

Makino For the group, sustainability management itself expands both regional growth and earnings opportunities. By placing SX/GX at the core and setting targets such as ¥1.2 trillion in cumulative related investments and loans from FY2025 through FY2027, the group has clearly defined its role as a regional financial group. It is important to take appropriate risks based on the potential of the group's prime areas and to establish a systematic approach to GX investment, from project origination through execution.

How do you evaluate the effectiveness of the Board of Directors?

Ogawa I believe the effectiveness of the Board of Directors has improved through the steady cycle of identifying issues in the annual questionnaire and addressing them. Discussions have become more efficient, with a greater share of time devoted to important matters and medium- to long-term management priorities. Narrowing down agenda items and materials and organizing information in advance can make discussions more efficient. At the same time, it is also true that risks and issues sometimes emerge from reviewing a wide range of materials. As a director, I intend to speak with the understanding that Board discussions provide management with an opportunity to develop a common understanding and awareness of management issues.

Funamoto The group's Board of Directors works to ensure sufficient discussion time and has fostered an environment where constructive views can be expressed. For important matters, I hope the group will continue to report at an early stage, allowing outside directors to participate while matters are still under consideration, instead of reporting only after decisions have effectively been finalized. This should further enhance management transparency and effectiveness.

What is your role as an outside director, and what are your aspirations going forward?

Yokoi Drawing on my global perspective and expertise in risk management and compliance, I will continue to raise questions from an independent standpoint, focusing on changes in the geopolitical and international financial environment, risks associated with transactions, alliances and investments in Japan and overseas, and the effectiveness of regulatory responses. It is important to maintain a constructive working relationship with management while preserving healthy tension. Through constructive discussion aimed at strengthening execution rather than checks for their own sake, I will comprehensively assess capital policy, growth investment and governance, and contribute to achieving "NEXT STAGE" and enhancing corporate value.

Okumura I intend to support growth strategies that capitalize on the two regional bank brands and appropriate risk-taking in growth fields, while contributing to constructive discussions on the evaluation, controls and accountability that must underpin them. As a member of the Audit and Supervisory Committee and the Nomination and Compensation Committee, I will also work to enhance the effectiveness of governance supporting sustainable value creation by reviewing the effectiveness of the three lines of defense, succession planning and the remuneration system.

Message from Newly Appointed Director Mariko Bando



Brief CV

July 1969	Joined the Prime Minister's Office	October 2003	Director, Showa Women's University
October 1985	Councillor, Cabinet Secretariat to the Prime Minister and Cabinet Counselor	April 2007	President, Showa Women's University
July 1989	Director, Consumer Statistics Division, Statistics Bureau, Management and Coordination Agency	April 2014	Chairperson, Showa Women's University
July 1994	Director, Gender Equality Office, Cabinet Secretariat to the Prime Minister	July 2016	Chancellor, Showa Women's University (current position)
April 1995	Vice Governor of Saitama Prefecture	June 2017	Outside Director, MS&AD Insurance Group Holdings Management Committee Member, The Norinchukin Bank
June 1998	Consul-General of Japan in Brisbane, Commonwealth of Australia	December 2019	Outside Director, Mitsubishi Research Institute, Inc. (current position)
January 2001	Director-General, the Gender Equality Bureau, Cabinet Office	March 2023	Outside Director, ITOKI Co., Ltd (current position)

I am Mariko Bando, newly appointed as an Outside Director of Hokuohoku Financial Group.

I was born and raised in Tateyama Town, Nakaniikawa District, Toyama Prefecture, and have lived mainly in Tokyo since entering university. Yet at heart I have always been a Toyama native living in Tokyo. I wonder about the snow and the autumn colors of the Tateyama mountain range, and every media report about Toyama brings a mixture of joy and concern.

I am sincerely grateful for the opportunity to participate in the management of Hokuohoku Financial Group, which is deeply involved in the development of Hokuriku and Hokkaido. I hope to contribute in some small way to regional development and the well-being of the people of my home region.

Throughout my career, I have worked as a public servant, in university management and as an author.

As a public servant, I worked in many departments of the Prime Minister's Office and the Cabinet Office. When the Office for Women's Affairs was established, I helped prepare Japan's first White Paper on Women. Later, as Director of that office, I oversaw its transformation into the Gender Equality Office, and subsequently, as the first Director-General of the Cabinet Office's Gender Equality Bureau, I helped establish the target of 30% by 2020. I was fortunate to be involved at three major turning points in policies for women and gender equality. I also served as Vice Governor of Saitama Prefecture, Consul-General in Brisbane, Director of the Consumer Statistics Division of the Statistics Bureau and a public relations counsellor. These roles gave me the habit of continually considering how Japan's society and economy would change and what government could do to address its many social issues.

I then joined Showa Women's University, where I served as Director of the Institute of Women's Culture, Vice President, President and Chairperson, and now as Chancellor, engaging in the education of female students and the management of a private university. To develop women capable of supporting Japan amid the declining birthrate, population aging and globalization, I worked to establish and reorganize departments and faculties, create new student support

systems, attract overseas universities, promote double-degree programs and improve graduate employment rates. As a result, compared with when I arrived, enrollment increased by 50%, the number of applicants nearly quadrupled, entrance scores rose by about ten points, although the increase varied by department, and all interest-bearing debt was repaid.

As an author, I have written many reports, white papers, academic papers and columns since entering public service. After writing the first White Paper on Women, I began publishing books under my own name and have published a book almost every year. My 33rd book after leaving public service, *The Dignity of Women*, was read by a great many people, selling 3.2 million copies. Publishers have continued to approach me, and I still write books and columns regularly. I love reading and may be something of a print addict. Being given opportunities not only to read but also to write has kept me in the habit of thinking continually and refining how I express ideas. I believe I have always done as much as I could in each position entrusted to me.

How, then, can I apply these experiences to the management of Hokuohoku Financial Group? Although I have no direct professional experience in finance or economics, I believe the broad judgment I have developed and my ability to keep pursuing practical reform may be of some value.

The region has changed considerably since my childhood, but the birthrate continues to decline, the population is aging, and young people, especially women, continue to leave. Hokuohoku Financial Group has a major role to play in addressing these social issues and identifying and nurturing the region's potential.

The group's intangible assets, including its deep-rooted human networks and the trust accumulated through experience, are immeasurably valuable. I hope the group will make full use of these intangible assets, identify the region's potential as a discerning judge and mentor, and pursue value creation.

I am sincerely grateful for this new opportunity and will do my utmost, working together with employees and all other stakeholders, to contribute to meaningful value creation.

Strengthening of group governance

Corporate governance

• Basic approach

The company group (the company, subsidiaries and related companies) regards strengthening and enhancing corporate governance as one of the most important management priorities. We will strive for the strengthening and enhancement of corporate governance in line with the following basic approach for the sustainable growth of the company group and the improvement of medium to long-term corporate value.

- (1) We respect the rights of shareholders and ensure equality.
- (2) We consider the interests of all stakeholders, including customers, regional society and employees, not just shareholders.
- (3) We disclose information appropriately and ensure transparency.
- (4) We make effective use of functions such as audits by the Audit and Supervisory Committee, and increase the effectiveness of the supervisory functions of the Board of Directors through the use of independent outside directors.
- (5) We strive for constructive dialogue with shareholders towards the improvement of medium to long-term corporate value.



For details on corporate governance, please see the company's website.

<https://www.hokuhoku-fg.co.jp/info/governance/>

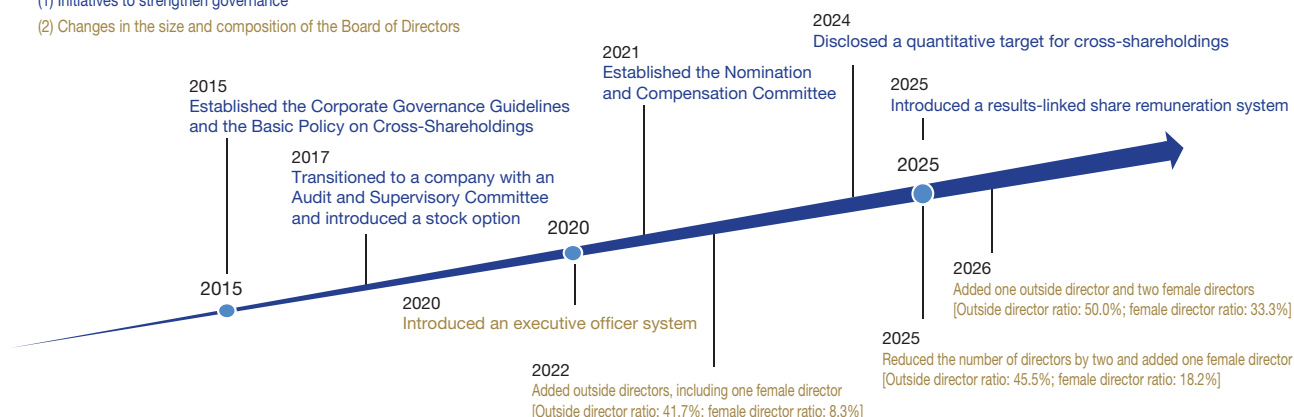


Initiatives to strengthen corporate governance

The group has strengthened corporate governance by changing the composition of the Board of Directors and enhancing its directors' remuneration system. It has appointed more outside directors and female directors to improve the diversity and effectiveness of the Board of Directors. The group has also steadily reduced cross-shareholdings and practices sound, efficient and transparent management.

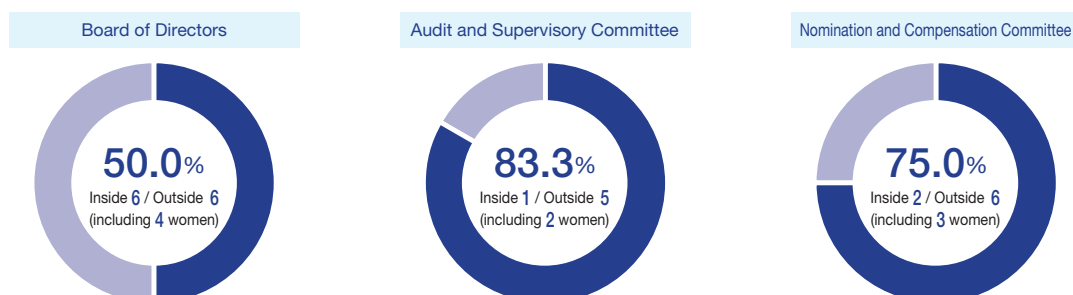
(1) Initiatives to strengthen governance

(2) Changes in the size and composition of the Board of Directors



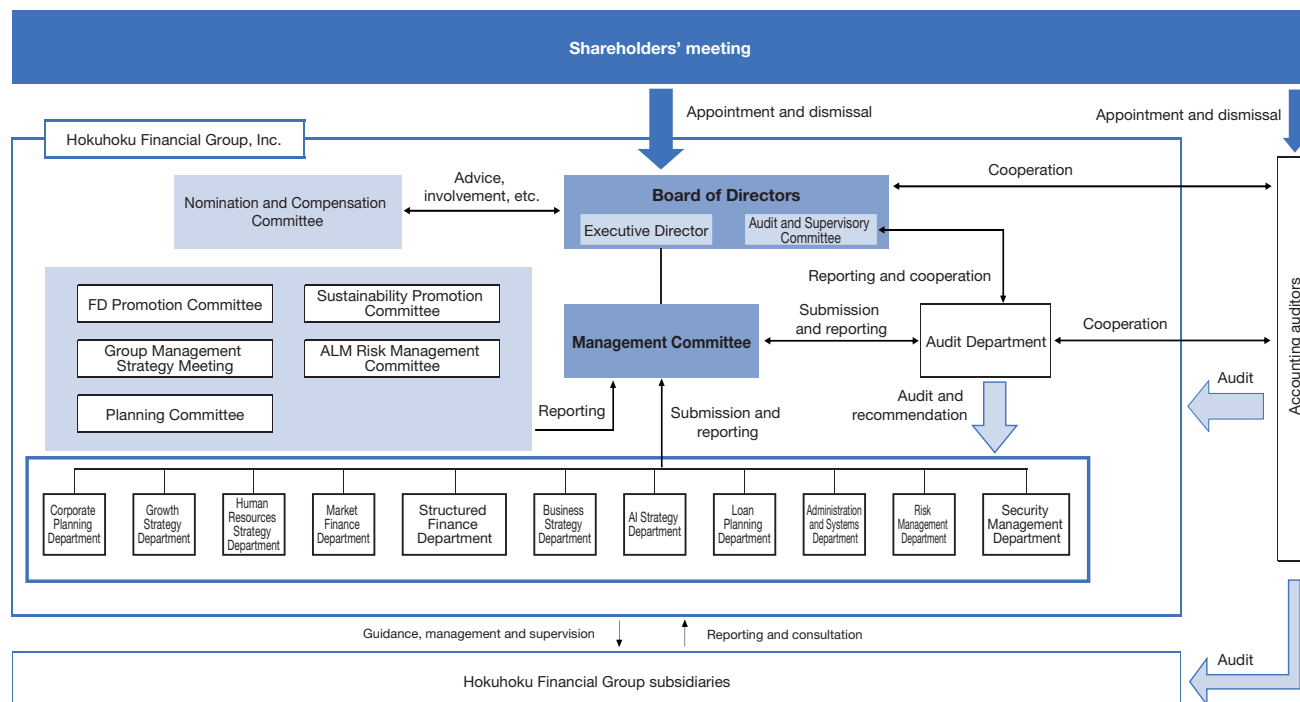
Ensuring independence and diversity

Ratio of outside directors



• Corporate governance system

We use a company with Audit and Supervisory Committee system and also appoint outside directors. Additionally, in order to bolster our group governance framework and, ensure that operations are managed appropriately as a holding company, people from each of our principal subsidiaries, The Hokuriku Bank and The Hokkaido Bank, are appointed as directors at the other bank to promote mutual understanding and mutual checks and balances.



[1] Board of Directors Met 11 times during fiscal year 2025

Responsible for decisions related to important policies for management of the group as a whole, and for overseeing business management, risk management and auditing carried out by the holding company and its subsidiaries. Six outside directors are appointed and oversight is strengthened by incorporating perspectives that are independent from management.

[2] Audit and Supervisory Committee Met 11 times during fiscal year 2025

Determines matters related to auditing policies, plans and methods, and matters related to the execution of duties of directors serving as Audit and Supervisory Committee members. Also conducts audit on the performance of duties by directors, and determines opinions related to the nomination, compensation, etc., of directors other than those serving as Audit and Supervisory Committee members.

[3] Nomination and Compensation Committee Met 8 times during fiscal year 2025

Composed of a majority of outside directors as a consultative body to the Board of Directors, with the chair selected from among the outside directors. Provides appropriate advice and involvement in matters related to personnel and remuneration for directors and senior management.

[4] Management Committee Met 44 times during fiscal year 2025

Comprised of full-time directors of the company, makes decisions on matters relating to overall business execution policies and matters related to the implementation of particularly important tasks by specific divisions based on the basic policies determined by the Board of Directors.

[5] Fiduciary Duty Promotion Committee (FD Promotion Committee) Met 4 times during fiscal year 2025

Comprised of full-time directors of the company, the directors and general managers of responsible departments, and the general managers of the responsible department of some subsidiaries (the banks and the securities company), and confirms and evaluates the state of practice of customer-oriented work operations throughout the group, and considers the handling and improvements required.

[6] Sustainability Promotion Committee Met 2 times during fiscal year 2025

Comprised of the Company's full-time directors and officers and general managers of the relevant departments, the Committee considers the direction of sustainability management for the group as a whole.

[7] Group Management Strategy Meeting Met 6 times during fiscal year 2025

Comprised of full-time directors of the company and the presidents of subsidiaries, responsible for making sure that important issues and management policies for the entire group are widely known and understood, and reflected in appropriate business execution by confirming the state of management of each company.

[8] ALM Risk Management Committee Met 19 times during fiscal year 2025

Comprised of the directors and general managers of the responsible departments of the company and the subsidiary banks, recognizes and manages the ALM and risk management of each group company in an integrated fashion from an overall group perspective, and considers various policies for securing the soundness of group management and the improvement of profitability.

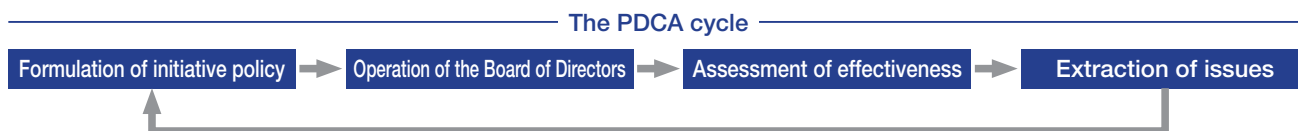
[9] Planning Committee Met 17 times during fiscal year 2025

Comprised of the directors and general managers of the responsible departments of the company, considers the planning and development of sales-related work and products from a group overall perspective.

Strengthening of group governance

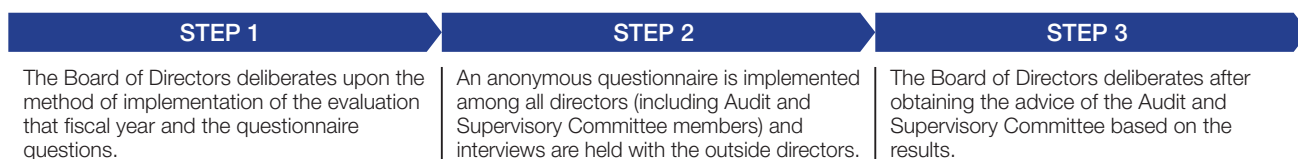
Assessment of the effectiveness of the Board of Directors

The company's Board of Directors conducts analysis and assessment of the overall corporate governance system including the overall effectiveness of the Board of Directors each year in light of the purpose of our Corporate Governance Guidelines and discloses an overview of the results. We strive for the improvement of the effectiveness of the Board of Directors by working continuously on improvement measures for the issues identified as a result.



• Specific process

We implement an anonymous self-evaluation questionnaire among all directors and conduct interviews with the outside directors to dig deeper into their opinions. Advice was obtained from the Audit and Supervisory Committee based on the results, and the assessment of effectiveness was carried out at the meeting of the Board of Directors in May.



Items (major items) on the self-assessment questionnaire

- | | |
|---|--|
| [1] Composition and operation of the Board of Directors | [2] Management strategy and business strategy |
| [3] Corporate ethics and risk management | [4] Assessment of the management team and remuneration |
| [5] Dialogue with stakeholders | |

• State of initiatives in fiscal year 2025 in response to the results of the fiscal year 2024 evaluation

Issues in fiscal year 2024	State of initiatives for issues
Setting of agenda items for important themes, securing opportunities for deliberation and carving out time	- Important agenda items were selected in line with the annual schedule, and matters to be deliberated during each month were shared at an early stage. - Continued to vary the time allocated to deliberations by setting explanation times according to the importance of each matter.
Information cooperation from the execution side	- To clarify the key points for discussion, materials needed for resolutions and decisions were color-coded separately from background materials intended to aid understanding, improving the structure and volume of Board materials. - Accepted additional questions and requests for explanations concerning the day's discussions after each Board meeting.
Supervision of group governance	Held meetings of outside officers from the company and its subsidiary banks to exchange views on important matters, including personnel systems.

• Policy on initiatives in fiscal year 2026 in response to the the fiscal year 2025 evaluation

Based on the questionnaire results and the results of analysis of interviews, it was assessed that the composition and operation of the Board of Directors and the Nomination and Compensation Committee, established under the Board of Directors and whose main members are outside directors, were appropriate and that the effectiveness of the Board of Directors had been secured.

Issues in fiscal year 2025	Policy on initiatives for issues
Setting of agenda items for important themes, securing opportunities for deliberation and carving out time	- Continue preparing an annual schedule and deepen discussions on important agenda items. - Continue varying the time allocated to each agenda item.
Information cooperation from the execution side	- Improve the structure of materials by considering agenda-item formats that facilitate understanding and by providing information on the review process and background. - Enhance the provision of information on important agenda items, including through study sessions held outside Board meetings.
Supervision of group governance	- Arrange opportunities outside Board meetings, including meetings of outside officers from the company and its subsidiary banks. - Provide information through site visits.

Approach to the appointment of directors and procedures

• Candidates for director excluding those serving as Audit and Supervisory Committee members

The company selects people with knowledge and experience that allows them to manage a bank appropriately, fairly and efficiently, or with the high-level ability, knowledge and insight required for the performance of duties viewed from their work experience outside of the company group, and who have sufficient social trust and can be expected to increase the corporate value of the company group based on the management philosophy.

The Board of Directors obtains advice from the Nomination and Compensation Committee and receives opinions that a candidate is qualified from the Audit and Supervisory Committee before determining the appointment of a candidate for director excluding those serving as Audit and Supervisory Committee members to ensure fair and transparent procedures.

• Candidates for directors serving as Audit and Supervisory Committee members

The company selects people with knowledge and experience that allows them to perform audits of the duties of directors appropriately, fairly and efficiently, or with the high-level ability, knowledge and insight required for the performance of duties viewed from their work experience outside of the company group, and who have sufficient social trust and can be expected to increase the corporate value of the company group based on the management philosophy.

The Board of Directors obtains consent from the Audit and Supervisory Committee based on the selecting standards, etc. before determining the appointment of a candidate for director serving as an Audit and Supervisory Committee member.

Reason for appointment as outside director

In the selection of candidates to be outside directors, in addition to the knowledge, experience and capabilities required to execute duties and meeting the requirements for outside directors established in the Companies Act, we emphasize the securing of independence from the company to exercise the function of supervision over its management.

The outside directors of each company are designated as independent officers because they meet the standards on independence established by the Tokyo Stock Exchange and the Sapporo Securities Exchange, as well as the standards for the judgment of independence established by the company, and there is no danger that conflicts of interest will occur with general shareholders.

Name	Reason for appointment	Attendance at Board of Directors meetings and Audit and Supervisory Committee meetings in fiscal year 2025	
Kaoru Funamoto	The company has appointed Mr. Funamoto as an outside director due to his extensive experience and broad knowledge cultivated through prior key positions at the National Police Agency and The Resolution and Collection Corporation, and because he can be expected to strengthen the function of supervision of the company's overall management.	Board of Directors Audit and Supervisory Committee	11/11 11/11
Marie Ogawa	The company has appointed Ms. Ogawa as an outside director due to her extensive experience and broad knowledge cultivated through prior key positions at the Bank of Japan, and because she can be expected to strengthen the function of supervision of the company's overall management.	Board of Directors Audit and Supervisory Committee	11/11 11/11
Yutaka Yokoi	The company has appointed Mr. Yokoi as an outside director due to his extensive experience and broad knowledge cultivated through prior key positions at the Ministry of Foreign Affairs, and because he can be expected to strengthen the function of supervision of the company's overall management.	Board of Directors Audit and Supervisory Committee	11/11 11/11
Shinya Makino	The company has appointed Mr. Makino as an outside director due to his extensive experience of financial institution management and broad knowledge at Meiji Yasuda Life Insurance Company, and because he can be expected to strengthen the function of supervision of the company's overall management.	Board of Directors Audit and Supervisory Committee	11/11 11/11
Hiroko Okumura	The company has appointed Ms. Okumura as an outside director due to her extensive experience and broad knowledge cultivated through prior key positions at a foreign-owned financial institution, and her specialist knowledge of legal affairs as a lawyer, and because she can be expected to strengthen the function of supervision of the company's overall management.	Board of Directors Audit and Supervisory Committee	9/ 9 9/ 9
Mariko Bando	The company has appointed Ms. Bando as an outside director as she has a wealth of experience and wide-ranging knowledge in the finance and management as well as government and education, and can be expected to strengthen the function of supervision of the company's overall management.	(Newly appointed in June 2026)	

The succession plan

As its succession plan, the company has clarified its approach and processes at each important stage with regard to the series of initiatives leading to the designation of successors so that people with the knowledge and experience enabling them to implement the management of the company and group companies appropriately, fairly and efficiently, and sufficient social trust, and who can be expected to increase the corporate value of the company group, can be appointed continuously as the management team, including the representative directors of each core group company.

In addition, the Nomination and Compensation Committee, which is composed of a majority of outside directors and has an independent outside director serving as the chair, carries out the deliberations required and interviews candidates in the important process of selecting, developing and evaluating candidate successors based on the succession plan. The company operates the succession plan based on these initiatives, so that the designation of candidate successors of the company group is carried out very effectively while preserving objectivity and transparency.

List of directors

 Hiroshi Nakazawa Representative Director President Joined The Hokuriku Bank in April 1986. Has abundant experience in management overall, including being involved in corporate planning and sales divisions. Present position from June 2022.	 Yuji Kanema Representative Director Deputy President In charge of Growth Strategy Department Joined The Hokkaido Bank in April 1987. Has abundant work experience, including being involved in corporate planning, personnel, markets and GX divisions. Present position from June 2021.	 Masahiko Kobayashi Director In charge of Business Strategy Department In charge of AI Strategy Department Second in charge of Growth Strategy Department Joined The Hokuriku Bank in April 1987. Has abundant work experience, including being involved in corporate planning, personnel, sales, DX and GX divisions. Present position from June 2019.	 Tomoo Aida Director Second in charge of Corporate Planning Department Second in charge of Growth Strategy Department Second in charge of Human Resources Strategy Department Joined The Hokkaido Bank in April 1990. Has abundant work experience, including being involved in corporate planning, sales, international and DX divisions. Present position from June 2025.	 Miyuki Egusa Director Second in charge of Corporate Planning Department Second in charge of Growth Strategy Department Second in charge of Business Planning Department Joined The Hokuriku Bank in May 2024. Has abundant work experience, including being involved in corporate branding, AI and digital marketing. Present position from June 2026.
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Skills matrix

Corporate management	●	●	●	●	●
HR management		●	●	●	
Regional sales / consulting	●	●	●	●	●
Risk management / compliance					
Market	●	●			
Global affairs	●			●	●
IT / DX	●	●	●	●	●
GX	●	●	●	●	
Finance	●	●	●	●	●
Financial accounting	●	●	●	●	

Identification of skills

The company considers the roles the Board of Directors should fulfill and their required skills (knowledge, experience and capabilities) as follows in light of the engines driving strategy and management strategies established in the Sixth Medium-term Management Plan to realize both the resolution of regional and customer issues and the improvement of corporate value.

Vision	Engines driving strategy	The roles the Board of Directors should fulfill		Required skills
We will continue to deliver comprehensive financial services with its extensive regional network to contribute to prosperity of customers and the region.	Deepening our problem-solving capabilities through the integration of financial and non-financial elements	Supervision of management strategies and the formulation and implementation of investment, human resources and capital strategies consistent with them based on deep insight into the future management environment	Corporate management, finance, financial accounting	
	Solidify the management base that supports sustainable growth	Leading corporate reform and growth with deep insight into DX	IT / DX	
		Leading compliance and risk management	Risk management / compliance	
		Realizing a company group that co-exists with regional society and international society	Regional sales, consulting, global affairs and markets	
	Institutionalize a vibrant corporate culture where diverse human resources play an important role	Managing the organization and human resources appropriately and leading the well-being of directors and employees, and sustainability	Personnel and GX	

 Mariko Bando Outside Director Joined the Prime Minister's Office in July 1969. Held senior positions in the Cabinet Office and was involved in management as Chairperson of Showa Women's University, Chancellor of Showa Women's University since July 2016 (current position). Present position from June 2026.	 Yukihiro Matsuwara Director serving as Audit & Supervisory Committee member Joined The Hokuriku Bank in April 1992. Has abundant work experience, including being involved in HR management division. Present position from June 2025.	 Kaoru Funamoto Outside Director serving as Audit & Supervisory Committee member Joined the National Police Agency in April 1979. Played key roles at the National Police and was involved in the management of the Resolution and Collection Corporation as a managing director from August 2013. Present position from June 2021.	 Marie Ogawa Outside Director serving as Audit & Supervisory Committee member Joined The Bank of Japan in April 1986. Played key roles at the Bank of Japan and appointed executive director and general manager of the General Planning Department and Diversity Promotion Department at J. F. Oberlin University and Affiliated Schools in April 2026 (current position). Present position from June 2022.	 Yutaka Yokoi Outside Director serving as Audit & Supervisory Committee member Joined the Ministry of Foreign Affairs in April 1979. Played key roles at the Ministry of Foreign Affairs and appointed outside director serving as member of Audit and Supervisory Committee at arience Co., Ltd in March 2022 (current position). Present position from June 2022.	 Shinya Makino Outside Director serving as Audit & Supervisory Committee member Joined Yasuda Mutual Life Insurance Company in April 1983. Engaged in management as representative director, executive officer and vice president, and appointed representative director and chairman in July 2024 (current position). Present position from June 2024.	 Hiroko Okumura Outside Director serving as Audit & Supervisory Committee member Joined Chase Manhattan Bank in April 1985. Played key roles at the foreign-owned financial institution before becoming a lawyer at Baba & Sawada in January 2016 (current position). Present position from June 2025.
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●		●			●	
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Details of skills

Corporate management	Knowledge, experience and capabilities in the management of companies, etc., and organizational management
HR management	Knowledge, experience and capabilities in HR management work, human resources strategy and the well-being of directors and employees
Regional sales / consulting	Knowledge, experience and capabilities in solution proposals and corporate support to revitalize the regional economy
Risk management / compliance	Knowledge, experience and capabilities in risk management, legal affairs and compliance
Market	Knowledge, experience and capabilities in market operations
Global affairs	Knowledge, experience and capabilities in global perspectives and overseas business
IT / DX	Knowledge, experience and capabilities in system planning, operation and management, and the digital field
GX	Knowledge, experience and capabilities in initiatives for sustainability and the environmental field
Finance	Knowledge, experience and capabilities in the financial industry
Financial accounting	Knowledge, experience and capabilities in financial strategy and accounting

Strengthening of group governance

Directors' remuneration

We conducted a major review of the directors' remuneration system from the perspective of further clarifying the linkage between directors' remuneration and the company's results, and introduced a results-linked bonus system and results-linked share remuneration system from June 2025. In addition to the aim of making a highly results-linked remuneration system, we are also aiming to advance the further sharing of value with subject directors and shareholders by providing incentives to subject directors for the sustainable improvement of the company's corporate value. The company determines the "policy for the determination of remuneration, etc.," at a meeting of the Board of Directors and has established policy and procedures for the determination of amounts such as directors' remuneration, etc., as follows.

- i The company sets the level and composition of directors' remuneration so that it functions as an incentive for the sustainable growth of the company group and the improvement of its medium to long-term corporate value.
- ii The remuneration, etc., of directors excluding directors serving as Audit and Supervisory Committee members is comprised of the following "basic remuneration," "results-linked bonuses" and "share remuneration," with the respective amount or quantity calculated in accordance with separately established directors' remuneration provisions, results-linked bonuses provisions and share remuneration provisions within the upper limits of the annual remuneration approved at the General Meeting of Shareholders, and the appropriateness and validity of those amounts and quantities as well as their composition ratio considered also with reference to the remuneration of other companies in related industries, etc., and the final decision left to the representative director and president. The representative director and president receives advice from the Nomination and Compensation Committee to determine individual remuneration after securing objectivity and transparency.

Of the directors excluding those serving as Audit & Supervisory Committee members, the remuneration of outside directors is comprised only of basic remuneration based on their role of supervising the execution of work from a neutral and independent standpoint.

(a) Basic remuneration

Basic remuneration is paid each month as a fixed amount of remuneration established for each position in accordance with evaluations.

(b) Results-linked bonuses

For results-linked bonuses, the company sets results indicators to increase the incentive for achievement of the company group's management plans, determines payment amounts in accordance with the level of achievement of those results indicators based on amounts established for each position, and pays bonuses at fixed times each year.

(c) Share remuneration

For share remuneration, the company sets results indicators to increase the incentive for the sustainable growth of the company group and the improvement of medium to long-term corporate value, and allocates common stock in the company at fixed times each year in the quantities calculated in accordance with the level of achievement of those results indicators based on amounts established for each position. The allocated common stock in the company has transfer restrictions attached until the recipient resigns from their position as director, etc., of the company, and the transfer restrictions are released at the time of resignation.

- iii The remuneration, etc., of directors serving as Audit and Supervisory Committee members is comprised only of basic remuneration in light of their role of supervising and auditing the execution of business from a neutral and independent perspective, and individual remuneration is determined based on discussions of the Audit and Supervisory Committee members in accordance with the separately established directors' remuneration provisions within the upper limits of the annual remuneration approved at the General Meeting of Shareholders after securing objectivity and transparency by receiving advice from the Nomination and Compensation Committee.
- iv The details of the authority delegated to the representative director and president are the determination of individual remuneration amounts, and the representative director and president determines individual remuneration amounts and numbers of shares based on discussions on the Nomination and Compensation Committee.

Overall image of directors' remuneration

Type of remuneration	Fixed or Results-linked	Calculation method, etc.				Payment method	Timing of payment										
Basic remuneration	Fixed	Fixed amount in accordance with individual evaluation				Money	Each month										
Results-linked bonuses	Linked to short-term results	Standard amount for each position	×	<table><tr><th colspan="2">Evaluation indicators</th><th>Results-linked range</th></tr><tr><td rowspan="2">Financial indicators</td><td>Consolidated net income</td><td rowspan="2">0 - 150%</td></tr><tr><td>Two banks combined core net business profits</td></tr></table>	Evaluation indicators		Results-linked range	Financial indicators	Consolidated net income	0 - 150%	Two banks combined core net business profits		Paid once a year				
Evaluation indicators		Results-linked range															
Financial indicators	Consolidated net income	0 - 150%															
	Two banks combined core net business profits																
Share remuneration	Linked to medium to long-term results	Standard amount for each position	×	<table><tr><th colspan="2">Evaluation indicators</th><th>Results-linked range</th></tr><tr><td>Financial indicators</td><td>Consolidated ROE</td><td rowspan="4">0 - 150%</td></tr><tr><td>Share indicators</td><td>TSR (total shareholder return)</td></tr><tr><td rowspan="2">Non-financial indicators</td><td>GX-related investments and loans</td></tr><tr><td>Female manager ratio</td></tr></table>	Evaluation indicators		Results-linked range	Financial indicators	Consolidated ROE	0 - 150%	Share indicators	TSR (total shareholder return)	Non-financial indicators	GX-related investments and loans	Female manager ratio	Transfer-restricted shares	Allocated once a year
Evaluation indicators		Results-linked range															
Financial indicators	Consolidated ROE	0 - 150%															
Share indicators	TSR (total shareholder return)																
Non-financial indicators	GX-related investments and loans																
	Female manager ratio																

Handling of cross-shareholdings

The company and its core subsidiaries (The Hokuriku Bank and The Hokkaido Bank) have established a policy concerning cross-shareholdings of listed companies and standards for exercising voting rights as follows. With regard to shares that are not deemed appropriate to hold, we will proceed with their sale after adequate dialogue with the business partners. In addition, we may sell cross-held shares even if holding is deemed appropriate, taking into consideration the market environment, management and financial strategies, etc.

Policy on cross-shareholdings

- (1) Cross-shareholdings shall be made when it is judged that they will maintain and strengthen long-term and stable relationships with the target company and benefit the bank's business strategy, thereby helping to enhance the corporate value of the target company and the group.
- (2) For cross-shareholdings, the risk and return of holding the shares shall be measured for individual stocks based on an index considerate of the cost of capital. The Board of Directors will then conduct a comprehensive review each year to determine whether or not to hold the shares in light of the economic rationale based on prospects, business strategies such as business relationships and business alliances, and the significance of holding the shares in light of their relevance to the local economy.
- (3) The company's policy is for the reduction of cross-shareholdings overall, and it will reduce cross-shareholdings to less than 20% of consolidated net assets on a market price base by the end of fiscal year 2027.

Policy on the exercise of voting rights

When exercising voting rights for cross-shareholdings, the following points shall be confirmed for each agenda item, and a comprehensive decision for approval or disapproval shall be made through dialogue with the business partner, if necessary.

- (1) Will it contribute to increasing the medium to long-term corporate value and sustainable growth of the partner company?
- (2) Will it contribute to increasing the medium to long-term economic benefits of the company group?

Internal auditing mechanisms

Basic approach

The group positions internal audit as a foundation for sound and sustainable enhancement of corporate value. Internal audit objectively evaluates the effectiveness of governance, risk management and internal controls and provides advice for improvement.

Internal audit system

The internal audit departments are established independently from the business execution divisions. The head of internal audit has a dual reporting line, reporting functionally to the Board of Directors and the Audit and Supervisory Committee and administratively to the president, thereby ensuring the department's independence. Internal audit departments are established at the company, The Hokuriku Bank, The Hokkaido Bank and other major subsidiaries, and the group is strengthening and streamlining its audit function as a whole.

Initiatives to enhance internal audit

Across all areas of the group, risk events in Japan and overseas are comprehensively and continuously collected, and teams with specialized expertise in each area conduct risk assessments to formulate and execute risk-based audit plans. Beyond individual audit results, when findings occur in multiple areas, internal audit analyzes the underlying causes common across the organization, issues recommendations to further enhance governance, risk management and controls, follows up on implementation by the business execution divisions, and reports to management.

To develop and train internal auditors, the group promotes the acquisition of international qualifications such as Certified Internal Auditor (CIA) and Certified Information Systems Auditor (CISA), thereby enhancing professional expertise. The group has also established proprietary training programs and a framework that regularly encourages auditors to improve their knowledge and skills.

Key performance indicators (KPIs) have been established for these enhancement initiatives, and progress is monitored.

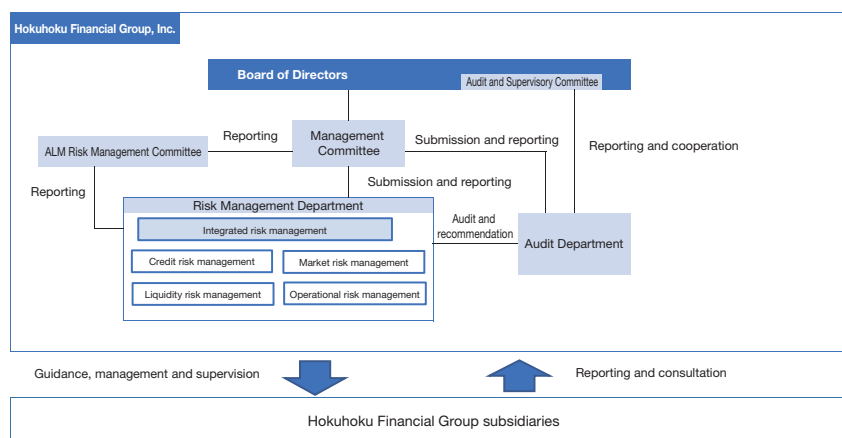
Strengthening of group governance

Risk management

■ Integrated risk management framework

The company group has established a basic risk management policy for various risks and is striving for the establishment of an integrated risk management framework to ensure risk taking and management resource allocation balanced with earnings targets while keeping overall levels of risk within the group's managerial capacity to ensure the protection of customer deposits and the trust of shareholders and creditors.

In addition, we have established a risk management department to integrate and manage various risks, while the independent audit department carries out internal audits and we have a framework that verifies the appropriateness and effectiveness of risk management system.



■ Allocation of risk capital

The company group quantifies the various risks generated with respect to its operations as uniformly as possible and manages risk so that the overall level of risk is kept within the group's management capacity.

The subsidiary banks estimate maximum potential losses by quantifying credit risk, market risk and operational risk, allocate risk capital sourced from core capital to make effective use of capital resources, and control and manage risk within the range permissible for management.

Meanwhile, the company manages risk so that excessively large risks are not taken relative to equity capital on a group-wide basis, such as verifying the risk allocation plans of subsidiary banks, and whether amounts in excess of risk capital allocations are sufficient to cover risk conceivably affecting subsidiaries other than the subsidiary banks as well as risk not included in the risk assumptions, and monitoring actual levels of risk.

In addition, we perform stress tests to calculate the extent of potential losses that would be anticipated in certain scenarios such as a normally inconceivable deterioration of business conditions or market fluctuations. By doing so, we verify regularly the substantiality of our equity capital position against risk.

■ Credit risk management

Basic approach

Credit risk means the risk that it will become impossible to recover the principal or interest of loans, etc., due to a reason such as the deterioration of a customer's management situation. Although this is an unavoidable risk for a bank, whose mission is financial mediation, the company group strives to develop and strengthen its credit risk management systems to maintain and enhance the soundness of its assets.

Credit risk management systems

To maintain and enhance the soundness of assets, the company group strives to grasp credit risk promptly and accurately using its internal ratings system and asset self-assessment, and performs appropriate write-offs and provisions to reserves.

When making individual judgements on the granting of credit, we carry out rigorous screening in accordance with the standards and principles specified in our credit policy.

Internal ratings systems

To grasp the credit risk of loans, etc., objectively, our subsidiary banks have introduced internal ratings systems. They grasp trends in ratings continuously by breaking customers' creditworthiness down into fifteen levels based on financial data and qualitative information.

In addition, we monitor the credit concentration status of large borrowers based on the group Management Rules for Credit Limits and manage loans so that no excessive credit concentration risk arises.

Self-assessment standards

Self-assessments are implemented strictly by asset assessment departments at the subsidiary banks based on the asset self-assessment standards, and their appropriateness is verified by risk management department and an independent internal management department.

Corporate rehabilitation

After making a loan to a corporate customer, we strive to prevent bad debt from occurring by assessing the business conditions faced by the borrower and following up their business plans. Meanwhile, we strive for the soundness of assets through the creation of a framework dedicated to the management of bad debt and the strengthening of support functions for corporate rehabilitation.

■ Market risk management

Basic approach

Market risk means the risk of incurring losses due to fluctuations in the value of assets and liabilities held or in earnings generated caused by fluctuations in various market risk

factors such as interest rates, stock prices and foreign exchange rates.

The company group strives to control market risk appropriately and manage operations so that we can ensure stable earnings. To that end, at the subsidiary banks that mainly handle transactions involving market risk, we have established regulations for market risk management and manage assets and liabilities comprehensively (ALM).

■ Liquidity risk management

Liquidity risk includes fund procurement risk involving losses that may be incurred by being unable to procure funds due to a decline in creditworthiness, etc., and being forced to procure funds at a significantly higher interest rate than normal, and market liquidity risk involving losses that may be incurred due to market disorder, etc., preventing a company from trading or forcing it to trade on considerably less favorable cost than normal.

The subsidiary banks, which account for a majority of the group's liquidity risk, have stipulated regulations on liquidity risk management and maintain adequate levels of government bonds and other payment reserve assets that are readily convertible into cash. They also set various management indices and monitor these on a daily basis. The state of liquidity risk is reported and discussed regularly at meetings of the ALM Risk Management Committee, etc., so that we will be able to respond appropriately should a crisis occur.

The company grasps the state of management and procurement at subsidiary banks, and takes every precaution possible for smooth fund procurement.

■ Operational risk management

Basic approach

Operational risk means the risk of losses that may arise as a result of operational processes, the conduct of executives or employees, or computer systems being inappropriate, or adverse external events.

The company group has established Rules for the Management of Operational Risk and categorizes operational risk into seven categories: 1) administrative risk; 2) system risk; 3) legal risk; 4) human risk; 5) tangible asset risk; 6) reputational risk; and 7) other risks. The state of these risks is monitored by the Operational Risk Management Specialist Committee, which convenes each month at the subsidiary banks, and we strive to establish a PDCA cycle framework by grasping potential risks through risk assessments, etc., and evaluating preventive measures.

Risk management systems by major category

Administrative risk management

The company group considers measures to prevent reoccurrence through analysis of the causes of administrative errors and other incidents, advances the centralization and streamlining of administrative processing at headquarters from the perspectives of consolidation and mutual checks and strives to implement initiatives aimed at reducing administrative risk.

System risk management

The company group has formulated a basic policy on ensuring the safety of information assets (security policy) and Rules for System Risk Management, has established a robust management and operating framework, and implements various security management measures, including backup systems. In addition, we are working on the strengthening of the security management framework aimed at responding promptly to cyberattacks, which have tended to increase in recent years.

■ Crisis management

To minimize the impact of any large-scale disaster or other emergency, should one occur, the company group has formulated a "Crisis management manual (contingency plans, etc.," and has also established a framework for information-gathering and the centralization of instructions and commands in the event of a crisis.

In particular, the subsidiary banks have established a "Business continuity plan (BCP)," so that they can continue the settlement functions and other work required of financial institutions in the event an earthquake, infections or other crisis occurs, and have also established a framework that will allow them to respond thoroughly to any crisis situation.

■ Initiatives for cyber security

Cyber security management system

The company group positions cyber attacks as one of the risks it emphasizes most and responds to in management for customers to use financial services with peace of mind. We take security measures continuously and strive to defend our systems day by day from cyber attacks that are becoming increasingly sophisticated by building a monitoring system that operates 24 hours a day, 365 days a year based on SOC.¹

Under management's leadership, the group established the Security Management Department under the CISO² in June 2026 and strengthened the HokuHoku CSIRT (hereinafter, the CSIRT³) to respond to cyberattacks. The establishment of the Security Management Department will accelerate efforts to strengthen systems, including the collection and dissemination of cyber-threat intelligence, investigation and response when attacks are detected, and implementation of security measures.

In addition, we are striving for the strengthening of our cyber security system in cooperation with the "MEJAR-CSIRT," a system used jointly by banks that participate in MEJAR, and the banks participating in the "CMS-CSIRT" operated by the MEJAR participating banks, banks participating in the regional bank joint center and others.

CSIRT is working on the improvement of the effectiveness of the cyber security management system through cooperation with external organizations based on the spirit of "self-help," "mutual assistance" and "public assistance," such as cooperation with the competent police headquarters, joining the external groups Financials ISAC⁴ and FISC⁵, and establishing a framework that can respond promptly to cyber attacks.

Education and training

In readiness for cyber attacks, the company group is working continuously on education and awareness activities through the implementation of targeted attack drills and e-learning for all officers and employees, sharing of the latest security trends, etc., aimed at the improvement of the cyber security literacy of the group's officers and employees. In addition, we also participate regularly in the various training exercises hosted by Financials ISAC, NCO⁶, etc., and are striving for the further advancement of our cyber security management system.

¹ SOC: Security Operations Center. This is a specialist department and base that monitors, detects and responds to cyber attacks. It strengthens the security of networks and systems and deals with incidents.

² CISO: Chief Information Security Officer. This is the highest officer responsible for information security, who designs the cyber security strategy and assesses the risks of the organization as a whole.

³ CSIRT: Computer Security Incident Response Team. Generally, an organization that handles security responses during both normal operations and emergencies.

⁴ Financial ISAC: This is an organization aimed at securing the peace of mind and safety of users continuously by sharing and analyzing information on cyber security received from financial institutions in Japan, and promoting safety improvements at financial institutions.

⁵ FISC: The Center for Financial Industry Information Systems. This center distributes various guidelines and holds seminars on matters such as "Standards for Computer System Safety Measures."

⁶ NCO: National Cybersecurity Office. In addition to serving as the secretariat for the cybersecurity strategy, NCO monitors and analyzes unauthorized activity targeting government information systems; provides necessary advice, information and other assistance and conducts audits related to cybersecurity; and serves as the overall coordinator for ensuring cybersecurity.

Strengthening of group governance

Compliance

Basic policy

At Hokuhoku Financial Group, we regard compliance as one of our most important management priorities, fully recognizing that the incompleteness of compliance could weaken our business foundations. The Board of Directors has established basic compliance policies and we strive to engage in business activities in a fair and honest manner.

Basic compliance policy

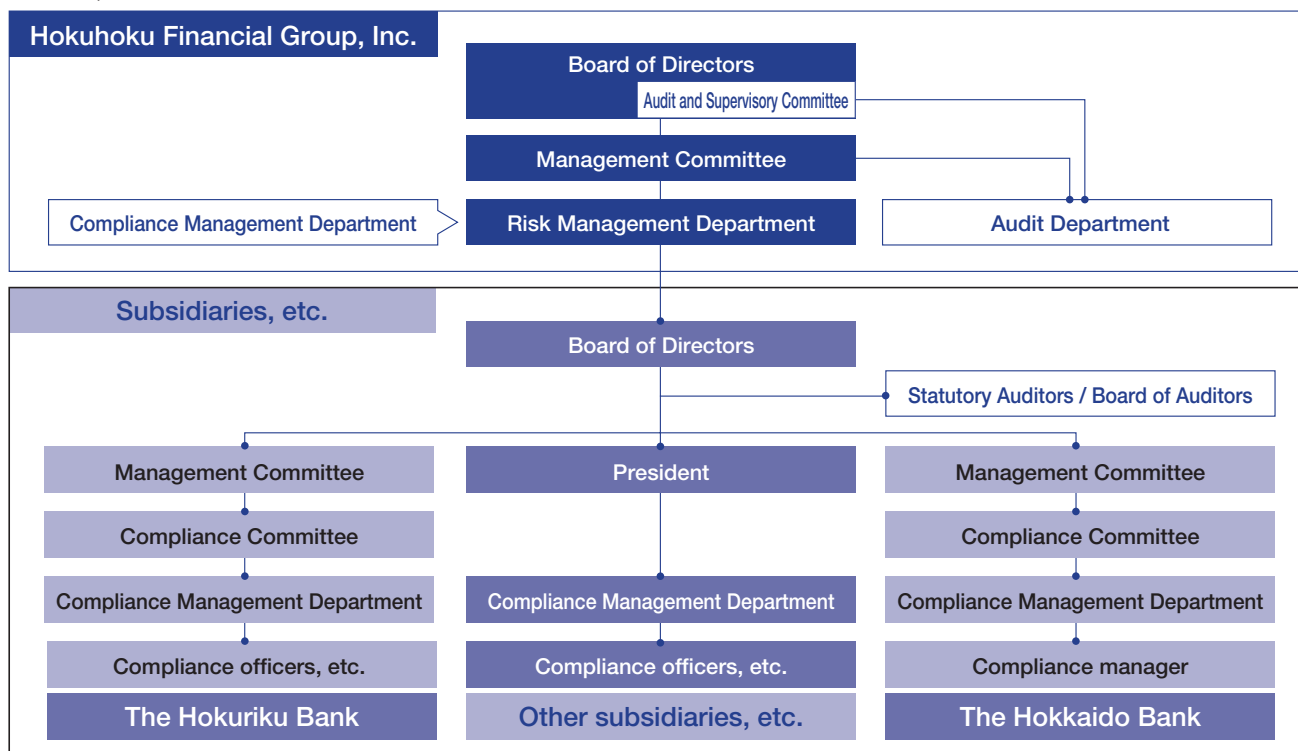
- 1. Recognition of the company group's basic mission and social responsibilities**
As a regional financial institution, the company group recognizes its public mission and social responsibilities, and strives to establish trust inside and outside the company through sound business operations.
- 2. Provision of high-quality financial services**
We contribute to stable regional economic and social development and the enhancement and improvement of customers' lives by providing high-quality, comprehensive financial services.
- 3. Strict observance of laws, regulations and rules**
We observe laws, regulations and rules strictly, and conduct business in a fair and prudent manner so that we do not deviate from our own corporate ethics and social norms.
- 4. Rejection of anti-social forces**
We contribute to a sound local community by refusing to tolerate anti-social elements that threaten social order and safety, and responding to them resolutely.
- 5. Ensuring management transparency**
We strive for accurate and smooth information disclosure and decision making and aim for a highly transparent management and organizational culture.

Systems

To establish compliance systems, the company group has established Compliance Rules, put in place organizational structures, and the company and each group company take measures in cooperation.

Risk Management Department is the department responsible for overseeing compliance within the group, and the officer in charge of Risk Management Department is the person responsible for compliance.

Compliance officers, etc., are assigned to each branch of the subsidiary banks and each group company to actively implement education and awareness-raising initiatives on compliance in the workplace. In addition, the subsidiary banks have each established a Compliance Management Department and Compliance Committee to grasp the state of compliance and make improvements.



■ Compliance manual and compliance programs

To ensure the thorough implementation of compliance, we have formulated a Compliance Manual (Code of Conduct) bringing together all of the basic matters that executive officers and employees should observe. We hold training and internal study meetings to make the content known to all executive officers and employees. In addition, each year, the Board of Directors determines the Compliance Program, a detailed action plan for the maintenance of compliance systems, while the Board of Directors also receives reports on the state of implementation of the program regularly and strives for the certain practice of compliance.

■ Measures for better customer protection and greater customer convenience

To protect customers' assets, information and other interests, the company group has established a Policy on the Management of Customer Protection within its Basic Rules for the Management of Customer Protection.

Furthermore, to provide appropriate explanations to customers in accordance with the Japanese Financial Instruments and Exchange Act and other laws, and to respond appropriately to customers' inquiries and complaints through Customer Consultation Office, we have formulated rules from five perspectives and established a framework to respond appropriately. In addition, the Compliance Management Department of each group company is the department responsible for the management of customer protection, and they operate in cooperation with other departments through a framework that enables them to draft and implement various improvement measures through ongoing reviews, problem resolution and data analysis so that management systems function fully.

■ Measures for protection of personal information

In financial business, ensuring the safety of information assets is an essential and important matter for obtaining customer trust. As such, we protect and use all customer information in our custody strictly and prevent its leakage.

With regard to personal information, in particular, the company group has established a Personal Information Protection Declaration, disclosed on our website, to comply with the Act on the Protection of Personal Information and other laws, and we strive to earn the maximum trust from customers as a financial institution that contributes to local communities.

Basic rules for the management of customer protection

Explain to the customer
Customer service support
Protection of customer data
Outsourcing
Conflict of interest

Policies on the management of customer protection

When carrying out transactions with customers, we will explain and provide information on financial products adequately and fully in accordance with laws and regulations.
We will listen carefully to customer inquiries and complaints and handle them appropriately and fully.
We will acquire information concerning customers lawfully and manage it safely in accordance with the law.
When outsourcing operations related to transactions with customers, we will manage service providers appropriately to protect customers' information and interests.
We will manage appropriately transactions involving customers where conflict of interest could be an issue so that customers' interests are not harmed unjustly.

■ Measures for dealing with anti-social forces

The company group has established a Basic Policy for Responding to Anti-Social Forces to maintain the public's trust and the appropriateness and soundness of our financial services.

In addition, each group company has assigned managers to respond to anti-social forces, takes resolute measures in cooperation with the police, etc., and severing all relations with anti-social forces that threaten the order and safety of civil society.

■ Internal notification system

The company group has established a whistleblower and consultation hot line and a framework to strengthen compliance also including checks and balances to detect and correct unfair practices promptly.

■ The prevention of money laundering and measures to deal with financial crime

The company group positions measures for the prevention of money laundering and other financial crimes as an important management issue, has clarified the division of roles within the company based on our Policy on the Prevention of Money Laundering, and has built a management system able to implement appropriate measures in a timely manner with regard to verifying transactions, reporting suspicious transactions and managing correspondent bank relationships. In addition, we have been educating executive officers and employees through training, and striving to improve our efforts, including the implementation of audits on the state of compliance with measures to prevent money laundering, etc.

Special fraud and other financial crimes have increased and our subsidiary banks have prevented harm and strengthened security, and are also handling victims appropriately, including reimbursements based on the Act on Damage Recovery Benefit Distributed from Fund in Bank Accounts Used for Crimes.

■ Measures for a financial alternative dispute resolution (ADR) system

In order to respond promptly and appropriately to customer opinions and complaints, we have concluded agreements with designated bank dispute resolution organizations. These organizations work to resolve disputes from a fair and impartial position.

Name of designated bank dispute resolution organization: Japanese Bankers Association Customer Relations Center, Japanese Bankers Association (banking) Tel: 0570-017-109 or 03-5252-3772	Name of designated bank dispute resolution organization: Financial Instruments Mediation Assistance Center (financial instruments) Tel: 0120-64-5005
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Fiduciary duty initiatives

Policy on fiduciary duty initiatives

1. Support for asset management and asset formation

•Based on our management policy of “prospering together with the region,” “fair and steady management” and “progressive and innovative services,” we will give customers the optimum proposals in accordance with their needs and life-stage to contribute to the stable development of regional economy and society and customers’ asset management and asset formation through the provision of financial services.

2. Provision of the optimum financial services

•In addition to The Hokuriku Bank and The Hokkaido Bank, we will work throughout the group while being conscious of conflicts of interest so that we can meet customers’ needs, such as by using the financial products and services of HokuHoku Tokai Tokyo Securities, the group’s securities company.
•By having customers share their life-stages and life-plans, we will propose and provide the optimum financial services and products in line with their intentions and continue to follow up appropriately after concluding contracts.
•We cooperate with companies that supply financial products and services to provide the optimal financial services to customers with production and sales combined.
•We will make improvements and investments so that customers can use services conveniently through channels other than branches such as the internet.

3. Enhancement of information provision

•We will establish a system so that we can explain important information on the financial services we provide in ways that are easy to understand to provide appropriate information in accordance with the investment experience and financial knowledge of customers.
•We cooperate mutually with companies that supply financial products and services to provide information that is easier to understand.

4. Explanations of fees that are easy to understand

•We will explain the fees for each product so that customers can understand them to contribute to investment decisions by customers.

5. Thorough implementation of the governance system

•We will enhance education and training on products and services for employees and develop human resources towards the realization of the provision of optimum financial services to customers.
•We will listen carefully to the life-stage and life-plans of customers and review and improve the evaluation of results so that we provide the optimum proposals and products.
•When selecting products, we will do so without being prejudiced towards group company products and also while being conscious of conflict of interest.
•We will ensure that no excessive benefits are received in connection with product selection or at points of customer service.
•We will build and implement thoroughly a governance system that questions whether this policy on initiative is being observed.

Items for implementation in fiscal year 2026

1. Support for asset management and asset formation

- (1) We will support the asset management and asset formation of customers with a sense of ethics and for their best interests by “making the optimum proposals in accordance with the needs and life-stage of customers” and “contributing to the asset formation and portfolio building of customers by strengthening consulting functions.”
- (2) We will build a framework throughout the group that serves the best interests of customers led by Fiduciary Duty Promotion Committee, which is centered on the management team.
- (3) We will confirm whether the idea of and initiatives for “fiduciary duty” have been established among all group employees with reference also to customer questionnaires and external opinions, and strive for improvements.

2. Provision of the optimum financial services

- (1) We will prepare information provision and services that enable us to respond to customers’ wide-ranging asset formation goals through the cooperation of all companies of the HokuHoku Financial Group.
- (2) We will raise the quality of the proposal process starting from knowing customers well (needs, life-stage, knowledge and experience of asset formation, etc.) through dialogue for the realization of customers’ life plans.
- (3) We will review the product line-up so that we can make the optimum proposals based on customers’ intentions, including their asset background, investment experience and thinking on risk.
- (4) We will review the line-up of the insurance products handled by the banks so that we can make proposals for needs to prepare for various future contingencies by putting together a line-up for different security functions.
- (5) We will engage in mutual information cooperation with companies that supply financial products and services, and establish a system that verifies whether products and services are being provided appropriately and carries out product lineup management appropriately.
- (6) We will implement regular post-contract follow-up in accordance with customer desires using non-face-to-face services as well as face-to-face contact.
- (7) We will improve functions such as internet banking, the bank apps and various non-face-to-face channels, and improve convenience so that we can provide financial services in accordance with the lifestyles of customers.

3. Enhancement of information provision

- (1) We will make proposals in line with customers’ intentions by striving to know about their life-stages and life-plans through dialogue with customers. We will provide information in accordance with customers’ money plans by providing information using pamphlets and various tools, and holding seminars for customers.

- (2) We will provide information using “important information sheets,” etc., on the mechanisms of the financial products we provide and their assumed customers.
- (3) We will establish a system that provides customers with the details of initiatives related to the business operations of companies that provide financial products and services.
- (4) We will strive for the improvement of pamphlets and various tools so that we can provide information in accordance with the level of understanding of customers.

4. Explanations of fees that are easy to understand

- (1) We will clarify the fees related to financial services and products and prepare a system to explain fee comparisons across different products in ways that are easy to understand using “important information sheets” and other methods.
- (2) If multiple transactions methods can be chosen, we will explain the differences in the fees and their various merits and demerits in ways that are easy to understand and by making fair comparisons so that customers can make a well-considered choice.

5. Building of the governance system

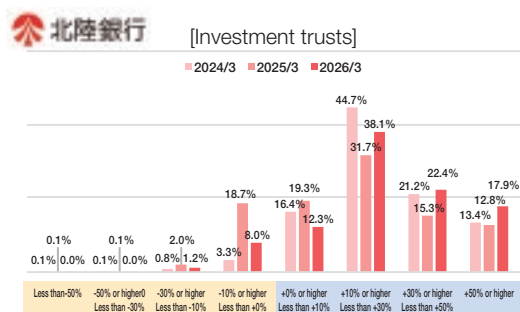
- (1) We will disseminate the values and know-how to put into practice the optimum proposals in accordance with customers' needs and life-stages with a sense of ethics through continuous internal and external training. In addition, we will strive to develop human resources motivated to improve their knowledge and skills by recommending the acquisition of external qualifications such as FP (financial planner).
- (2) We will review our results evaluation systems so that employees observe the law and make appropriate proposals that contribute to customers' interests.
- (3) When selecting products, we will do so in accordance with the procedures of the Rules on Internal Group Transactions when selecting the products of group companies in particular, without being prejudiced towards group company products and also while being conscious of conflict of interest.
- (4) We will define benefits provided by product manufacturers in its Compliance Policy, thereby establishing a customer-oriented product provision system.
- (5) We will confirm regularly whether it is possible organizationally to implement the optimal service proposals for customers using employee questionnaires, monitoring, audit functions, etc., and strive for improvements.

Fiscal year 2025 KPIs

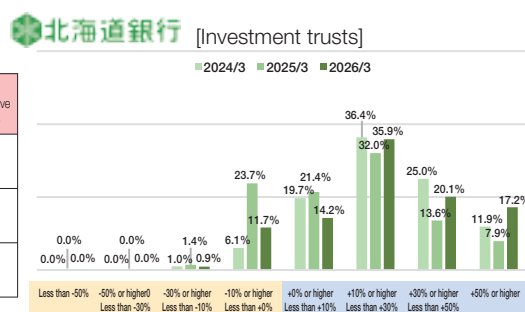
- NPS®* questionnaire results
- Number of savings-type investment trust contract holders and annual savings
- Number of NISA users
- Top 10 investment trusts by sales
- Human resource development, number of people who have acquired FP qualifications
- Holding of customer seminars
- Proportion of customers by investment trust or fund wrap investment management gain or loss category
- Cost return on top 20 investment trusts by deposited asset balance
- Risk return on top 20 investment trusts by deposited asset balance
- Fund wrap risk return, cost return
- Proportion of customers by foreign currency-denominated insurance management valuation
- Top 20 foreign currency-denominated insurance instrument balances and cost return ratio by instrument

* Net Promoter Score® (NPS®) shows numerically how interested a customer is in a company's brand, product or representative and “how likely it is that a customer would recommend the company brand, product or representative to a friend or family member.”⁰ The trust and sense of reassurance of a customer in a representative is essential to obtain a high evaluation. Net Promoter, Net Promoter System, Net Promoter Score, NPS and the emoticons used in relation to NPS are registered trademarks or service marks of Bain & Company, Fred Reichheld and NICE Systems, Inc.

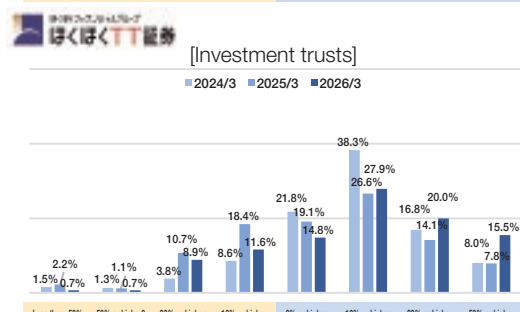
State of progress of main KPIs in fiscal year 2025: Proportion of customers by investment trust or fund wrap investment gain or loss category (as of the end of March 2026)



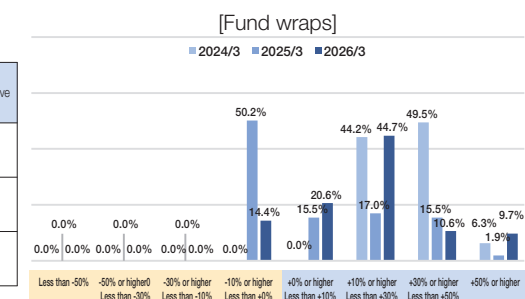
Ratio of individual customers with positive investment returns	
2024/3	95.7%
2025/3	79.1%
2026/3	90.7%



Ratio of individual customers with positive investment returns	
2024/3	92.9%
2025/3	74.9%
2026/3	87.4%



Ratio of individual customers with positive investment returns	
2024/3	84.9%
2025/3	67.6%
2026/3	78.1%



Ratio of individual customers with positive investment returns	
2024/3	100.0%
2025/3	49.8%
2026/3	85.6%

< Calculation method >

• Calculated by dividing total return based on investment trust total return notification system by market value on reference date for individual customers possessing investment trusts or fund wraps as of the reference date. (Not including ETFs, listed REITs, public bond investment trusts, private investment trusts, and investment trusts purchased for defined contribution pension plans) • The evaluation of foreign currency-denominated investment trusts is calculated by applying rate presented by MUFG Bank, Ltd., as of the reference date.

Corporate information

Profile



株式会社 ほくほくフィナンシャルグループ
Hokuhoku Financial Group, Inc.

(As of end-March 2026)

Date of establishment: September 26, 2003

Location of head office: 1-2-26 Tsutsumicho-dori, Toyama City

Purpose of business: Management and control of subsidiaries and affiliates, ancillary business, and other business recognized by The Banking Act

Capital: ¥70,895 million

Shares issued and outstanding: Common stock 122,208,714

Exchange listings: Tokyo Stock Exchange (Prime Market)
Sapporo Securities Exchange

Employees: 251 people (non-consolidated)
7,106 people (consolidated)

Total assets (consolidated): ¥16,963.7 billion

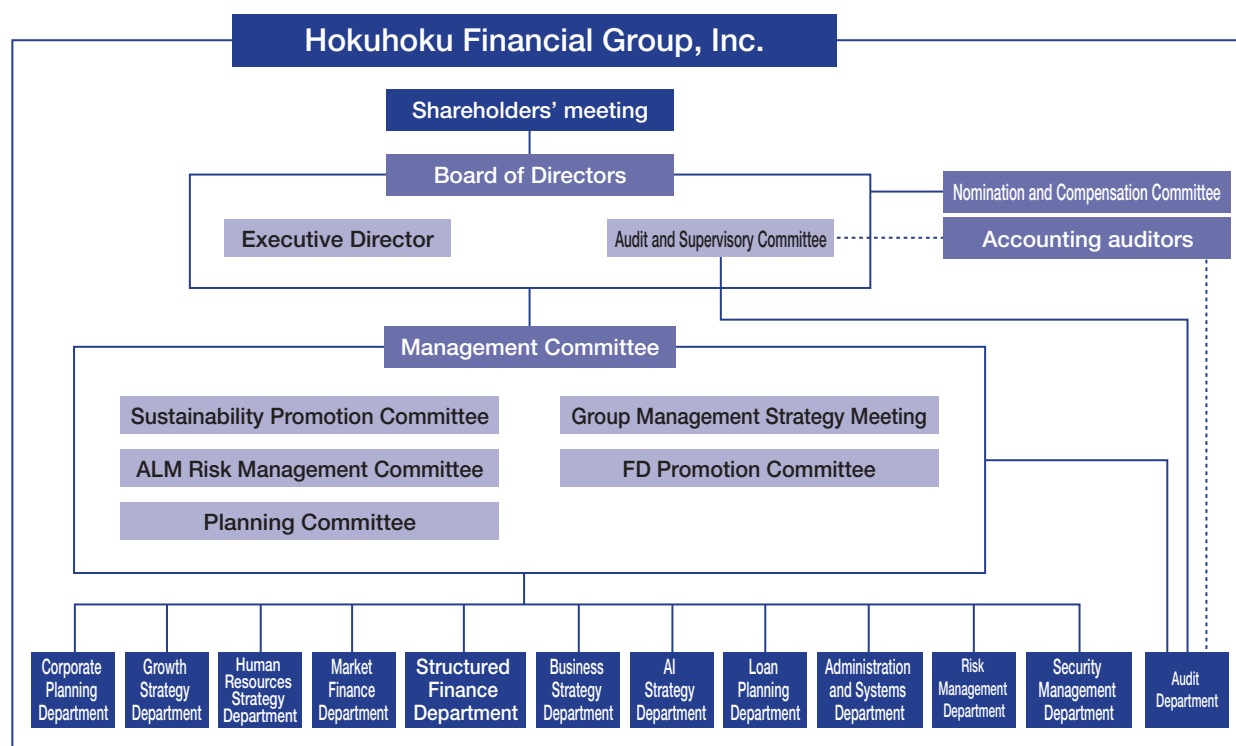
Deposits (consolidated): ¥14,478.3 billion
(including certificates of deposit)

Loans (consolidated): ¥10,697.5 billion

Consolidated capital adequacy ratio: 9.79%
(Japanese standard)

Organization chart

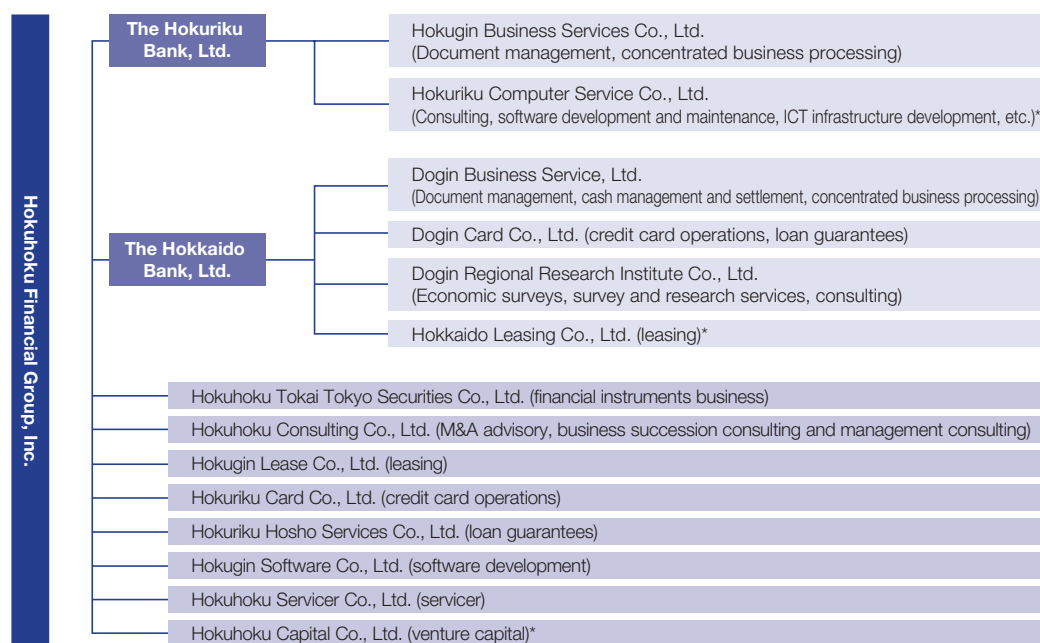
(As of end-June 2026)



Details of business

The Hokuohoku Financial Group is composed of the holding company, thirteen consolidated subsidiaries and three affiliates. Our core business is banking, and we also provide a wide range of financial services including financial instrument transactions, leases, credit cards, loan guarantees and venture capital. The following is a diagram of our business.

Business diagram



* Equity method-affiliated company

Major subsidiaries, etc.

(Units: millions of yen, %)

Company name	Address	Main business activities	Established	Capital	FG's share of voting rights
The Hokuriku Bank, Ltd.	1-2-26 Tsutsumicho-dori, Toyama City	Banking	July 31, 1943	140,409	100.00
The Hokkaido Bank, Ltd.	4-1 Odori Nishi, Chuo-ku, Sapporo City	Banking	March 5, 1951	93,524	100.00
Hokuohoku Tokai Tokyo Securities Co., Ltd.	1-8-10 Marunouchi, Toyama City	Financial instruments business	April 21, 2016	1,250	60.00
Hokuohoku Consulting Co., Ltd.	1-1 Ichibanmachi, Toyama City 4th Fl., Ichibanmachi Square Building	M&A advisory, business succession consulting, management consulting work	May 31, 2024	100	100.00
Hokugin Lease Co., Ltd.	2-21 Aramachi, Toyama City	Leasing	July 21, 1983	100	70.25
Hokuriku Card Co., Ltd.	1-2-1 Shintomi-cho, Toyama City	Credit card operations	March 2, 1983	36	87.39
Hokuriku Hosho Services Co., Ltd.	1-2-26 Tsutsumicho-dori, Toyama City	Loan guarantees	December 12, 1978	50	100.00
Hokugin Software Co., Ltd.	1-5-25 Higashidenjigata-machi, Toyama City	Software development	May 1, 1986	30	100.00
Hokuohoku Servicer Co., Ltd.	1-6-8 Chuo-dori, Toyama City	Servicer	December 5, 2003	500	100.00
Hokuohoku Capital Co., Ltd.	1-6-8 Chuo-dori, Toyama City	Venture capital	January 11, 1985	250	5.00 (38.75)
Hokugin Business Services Co., Ltd.	1883 Azakawahara Hiyodoriijima, Toyama City	Document management, concentrated business processing	March 25, 1953	30	(100.00)
Hokuriku Computer Service Co., Ltd.	2-12-45 Ekinishi-honmachi, Kanazawa City, Ishikawa Prefecture	Consulting, software development and maintenance, ICT infrastructure development, etc.	October 12, 1967	240	(37.5)
Dogin Business Service, Ltd.	4-1 Odori Nishi, Chuo-ku, Sapporo City	Document management, cash management and settlement, concentrated business processing	June 8, 1979	50	(100.00)
Dogin Card Co., Ltd.	2-14 Minami 2-jo Nishi, Sapporo City	Credit card operations, loan guarantees	June 13, 1977	120	(100.00)
Dogin Regional Research Institute Co., Ltd.	4-1 Odori Nishi, Chuo-ku, Sapporo City Dogin Annex Building	Economic surveys, survey and research services, consulting	August 8, 2002	100	(100.00)
Hokkaido Leasing Co., Ltd.	3 Minami 1-jo, Nishi 10-chome, Chuo-ku, Sapporo City 5th Fl., Minami Ichijo Dogin Building	Leasing	August 25, 1964	500	(39.69)

* Figures in parentheses in the "FG's share of voting rights" column include our indirect ownership through subsidiaries.

NON-CONSOLIDATED FINANCIAL STATEMENTS

NON-CONSOLIDATED BALANCE SHEET (UNAUDITED)

The Hokuriku Bank, Ltd.

March 31	Millions of yen		Thousands of U.S. dollars
	2026	2025	2026
Assets			
Cash and due from banks	¥2,217,686	¥2,103,559	\$13,870,942
Call loans and bills bought	183,030	122,421	1,144,802
Monetary claims bought	3,855	7,012	24,114
Trading assets	536	409	3,358
Money held in trust	4,946	4,938	30,942
Securities	1,239,184	1,341,204	7,750,718
Loans and bills discounted	6,170,606	5,901,720	38,595,235
Foreign exchanges	20,417	14,723	127,703
Other assets	81,504	65,881	509,786
Tangible fixed assets	83,679	75,392	523,390
Intangible assets	6,845	4,337	42,817
Prepaid pension cost	4,367	3,190	27,317
Customers' liabilities for acceptances and guarantees	32,797	29,972	205,137
Allowance for loan losses	(27,509)	(33,985)	(172,065)
Total assets	¥10,021,949	¥9,640,778	\$62,684,196
Liabilities and equity			
Liabilities			
Deposits	¥8,260,152	¥7,961,630	\$51,664,699
Call money and bills sold	31,976	16,447	200,000
Payables under repurchase agreements	112,599	99,482	704,277
Payables under securities lending transactions	166,734	275,643	1,042,874
Trading liabilities	428	262	2,682
Borrowed money	817,671	752,244	5,114,280
Foreign exchanges	189	380	1,183
Borrowed money from trust account	4,434	4,834	27,739
Other liabilities	104,246	81,931	652,028
Reserve for bonuses for directors	54	—	339
Reserve for employee retirement benefits	1,159	1,550	7,255
Reserve for contingent losses	594	600	3,720
Reserve for reimbursement of deposits	316	461	1,977
Deferred tax liabilities	25,862	9,245	161,763
Deferred tax liabilities for land revaluation	4,891	4,903	30,596
Acceptances and guarantees	32,797	29,972	205,137
Total liabilities	9,564,109	9,239,592	59,820,549
Equity			
Capital stock	140,409	140,409	878,218
Capital surplus	14,998	14,998	93,813
Retained earnings	221,906	196,113	1,387,958
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	57,506	36,978	359,687
Deferred gains (losses) on hedges	15,894	5,535	99,413
Revaluation reserve for land	7,123	7,150	44,558
Total equity	457,839	401,186	2,863,647
Total liabilities and equity	¥10,021,949	¥9,640,778	\$62,684,196

NON-CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

The Hokuriku Bank, Ltd.

	Millions of yen		Thousands of U.S. dollars
	2026	2025	2026
Income			
Interest income:			
Interest on loans and discounts	¥69,016	¥52,415	\$431,674
Interest and dividends on securities	35,132	22,871	219,744
Interest on deposits with other banks	12,258	6,412	76,672
Other interest income	357	442	2,234
Trust fees	16	18	103
Fees and commissions	19,355	19,528	121,065
Trading income	143	104	896
Other ordinary income	722	1,626	4,519
Other income	18,001	7,630	112,596
Total income	155,004	111,050	969,503
Expenses			
Interest expenses:			
Interest on deposits	16,594	5,437	103,792
Interest on payables under repurchase agreements	4,713	3,361	29,482
Interest on payables under securities lending transactions	6,549	6,348	40,965
Interest on borrowings and rediscounts	2,316	1,414	14,490
Other interest expenses	3,274	3,337	20,482
Fees and commissions	7,775	7,284	48,635
Other ordinary expenses	17,416	5,374	108,933
General and administrative expenses	43,728	41,432	273,509
Provision of allowance for loan losses	—	1,617	—
Other expenses	1,476	2,072	9,232
Total expenses	103,845	77,681	649,520
Income before income taxes	51,158	33,369	319,983
Income taxes:			
Current	11,179	7,888	69,925
Deferred	1,422	1,316	8,895
Net income	¥38,557	¥24,163	\$241,163

NON-CONSOLIDATED FINANCIAL STATEMENTS

NON-CONSOLIDATED BALANCE SHEET (UNAUDITED)

The Hokkaido Bank, Ltd.

March 31	Millions of yen		Thousands of U.S. dollars
	2026	2025	2026
Assets			
Cash and due from banks	¥1,336,443	¥1,084,955	\$8,359,043
Trading account securities	494	721	3,093
Money held in trust	7,629	9,142	47,719
Securities	859,793	963,972	5,377,740
Loans and bills discounted	4,546,254	4,575,743	28,435,418
Foreign exchanges	3,059	2,483	19,136
Other assets	35,015	38,334	219,012
Tangible fixed assets	44,080	44,107	275,712
Intangible assets	6,329	4,292	39,586
Prepaid pension cost	4,528	3,513	28,323
Deferred tax assets	3,669	9,616	22,954
Customers' liabilities for acceptances and guarantees	31,050	31,870	194,211
Allowance for loan losses	(16,916)	(21,614)	(105,809)
Total assets	¥6,861,432	¥6,747,139	\$42,916,138
Liabilities and equity			
Liabilities			
Deposits	¥6,243,145	¥6,094,197	\$39,048,946
Call money and bills sold	—	2,093	—
Payables under securities lending transactions	6,180	4,047	38,656
Borrowed money	292,000	335,800	1,826,370
Foreign exchanges	403	292	2,524
Other liabilities	61,831	53,924	386,738
Reserve for bonuses for directors	45	—	286
Reserve for employee retirement benefits	1,406	2,076	8,797
Reserve for directors' and audit & supervisory board members' retirement benefits	—	37	—
Reserve for contingent losses	205	314	1,288
Reserve for reimbursement of deposits	230	269	1,444
Acceptances and guarantees	31,050	31,870	194,211
Total liabilities	6,636,500	6,524,925	41,509,260
Equity			
Capital stock	93,524	93,524	584,964
Capital surplus	16,795	16,795	105,048
Retained earnings	105,053	114,841	657,080
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	7,914	(3,240)	49,505
Deferred gains (losses) on hedges	1,643	294	10,281
Total equity	224,931	222,214	1,406,878
Total liabilities and equity	¥6,861,432	¥6,747,139	\$42,916,138

NON-CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

The Hokkaido Bank, Ltd.

	Millions of yen		Thousands of U.S. dollars
	2026	2025	2026
Income			
Interest income:			
Interest on loans and discounts	¥56,899	¥46,822	\$355,888
Interest and dividends on securities	7,064	6,173	44,185
Interest on deposits with other banks	6,937	3,525	43,394
Other interest income	144	135	904
Fees and commissions	17,196	16,750	107,559
Other ordinary income	481	237	3,011
Other income	11,679	8,405	73,052
Total income	100,403	82,049	627,993
Expenses			
Interest expenses:			
Interest on deposits	11,474	3,711	71,772
Interest on payables under securities lending transactions	100	1,400	628
Interest on borrowings and rediscounts	525	95	3,284
Other interest expenses	192	104	1,204
Fees and commissions	10,412	10,197	65,129
Other ordinary expenses	13,008	5,635	81,362
General and administrative expenses	37,772	37,169	236,255
Provision of allowance for loan losses	—	4,906	—
Other expenses	2,171	2,842	13,579
Total expenses	75,657	66,063	473,213
Income before income taxes	24,746	15,985	154,780
Income taxes:			
Current	6,619	5,818	41,404
Deferred	230	(1,776)	1,441
Net income	¥17,896	¥11,944	\$111,935

Major financial data over the past 10 years

Figures are for the two banks combined except for those noted as (consolidated).

■ Results summary

	Unit				
		FY2016	FY2017	FY2018	FY2019
Core gross business profits	¥billion	133.8	130.7	125.7	123.2
Net interest income	¥billion	116.1	112.5	108.1	105.4
Profit on service transactions, etc.	¥billion	17.8	16.7	16.5	16.5
Other business profits (excluding gains or losses on government bonds and other bonds, etc.)	¥billion	▲0.2	1.5	0.9	1.1
Expenses	¥billion	89.8	88.8	86.5	85.3
Core net business profits	¥billion	43.9	41.9	39.1	37.8
Credit costs	¥billion	▲0.6	0.5	4.6	12.0
Ordinary profits	¥billion	40.2	33.1	36.7	31.4
Net income	¥billion	29.6	24.0	26.6	20.8
Net income attributable to owners of the parent (consolidated)	¥billion	28.1	21.1	24.3	20.2

■ Balance sheet summary

		FY2016	FY2017	FY2018	FY2019
Total assets	¥billion	12,380.9	12,952.9	13,142.9	13,605.5
Loans	¥billion	7,788.3	8,189.4	8,360.8	8,673.1
Small and medium-enterprises, etc.	¥billion	4,972.2	5,153.9	5,275.8	5,397.4
Securities	¥billion	2,439.3	1,943.3	1,788.8	1,807.2
Total liabilities	¥billion	11,832.7	12,378.1	12,548.8	13,033.0
Deposits + certificates of deposit	¥billion	10,731.0	11,180.7	11,439.7	11,662.6
Total net assets	¥billion	548.2	574.8	594.0	572.5
Total shareholders' equity	¥billion	455.5	475.3	494.1	508.9
Total valuation, conversion differences, etc.	¥billion	92.6	99.5	99.9	63.5

■ Financial indicators, etc.

		FY2016	FY2017	FY2018	FY2019
Core OHR (core overhead ratio)	%	67.13	67.89	68.85	69.27
ROE (consolidated)	%	5.1	3.6	4.0	3.4
Capital adequacy ratio (consolidated)	%	9.43	9.49	9.09	8.94
Net assets per share (consolidated)*	Yen	4,028.6	4,215.9	4,348.7	4,138.4
Net profit per share (consolidated)*	Yen	201.3	149.4	173.5	142.7
Dividend per share*	Yen	44.00	44.00	44.00	40.00
Payout ratio (consolidated)	%	21.9	29.4	25.4	28.0

* Values for years prior to 2016 calculated assuming the stock merger implemented on October 1, 2016 (one share per ten common shares) had already been carried out.

FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
120.7	124.8	119.8	118.8	131.7	160.4
103.7	105.9	100.5	99.8	113.5	142.0
15.9	17.7	19.4	19.5	18.8	18.3
1.0	1.1	0.0	▲0.5	▲0.8	▲0.0
82.3	78.8	74.7	77.5	79.7	83.1
38.4	46.0	45.0	41.3	51.9	77.2
13.0	13.5	7.7	▲1.2	6.8	▲6.2
32.0	30.4	26.9	22.8	47.2	76.7
22.4	21.8	23.0	26.7	36.1	56.4
21.3	20.5	21.4	23.0	39.0	58.8

FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
16,594.8	17,243.4	16,133.0	16,327.5	16,387.9	16,883.3
9,065.1	9,211.1	9,545.1	9,544.5	10,477.4	10,716.8
5,766.6	5,836.4	5,931.1	5,998.2	6,238.2	6,453.6
2,100.1	2,199.5	1,846.7	1,783.2	2,305.1	2,098.9
15,987.2	16,651.5	15,550.2	15,703.6	15,764.5	16,200.6
12,815.6	13,233.3	13,540.6	13,901.6	14,055.8	14,503.2
607.6	591.9	582.7	623.9	623.4	682.7
518.9	528.6	540.0	551.2	576.6	592.6
88.6	63.3	42.6	72.6	46.7	90.0

FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
68.19	63.15	62.39	65.24	60.54	51.82
3.5	3.3	3.5	3.7	6.1	8.7
9.45	9.54	9.49	9.40	10.15	9.79
4,504.9	4,539.1	4,491.9	5,083.3	5,150.8	6,041.6
152.1	147.4	159.1	176.9	311.5	484.8
35.00	35.00	37.00	40.00	50.00	110.00
23.0	23.7	23.2	22.6	16.0	22.7



Hokuhoku Financial Group, Inc.