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The Hokkoku Bank, Ltd.

## Establishment of Materiality for ESG

The Hokkoku Bank, Ltd. (President: Shuji Tsuemura) has set up a materiality for ESG in order to clarify the basic attitude toward ESG.

Currently, due to climate change issues and COVID-19 infection, it is essential to respond to "decarbonization" and "sustainability." Until now, we have worked to resolve ESG issues such as the environment and social through our business activities based on the ESG Initiative Policy. In light of this situation, we will set materiality and strengthen our awareness of actions in order to further accelerate our efforts. As a regional financial institution, we will continue to contribute to the sustainable growth of region through initiatives that contribute to solving ESG issues.

### 1. ESG Initiative Policies

Hokkoku Bank aims to work together with all stakeholders, including region, to realize a sustainable society by actively working to resolve ESG issues through its business activities.

We believe that the resolution of ESG issues through our business activities and the virtuous cycle of sustained improvement in earnings will lead to the realization of our company philosophy, "Trust – a bridge to a fruitful regional future. Enrich interaction and growth in the region."

### 2. Establishment of materiality for ESG

- ① Response to climate change and environmental conservation
- ② Contribution to boosting regional
- ③ To Improving the quality of region developing human resources that can contribute
- ④ Enhancing management transparency through dialogue with shareholders and investors

| Materiality<br>(Priority Issues to be Addressed) |   | Specific Initiatives  |
|--|---|---|
| E (Environment)                                  | ① <u>Response to climate change and environmental conservation</u>                          | <ul style="list-style-type: none"> <li>• Environmental conservation efforts through our core businesses</li> <li>• Reducing environmental impact through corporate activities</li> <li>• Climate change measures</li> </ul>   |
| S (Society)                                      | ② <u>Contribution to boosting regional</u>  | <ul style="list-style-type: none"> <li>• Providing consulting functions</li> <li>• Life Plan Asset Building Support</li> <li>• Contributing to the creation of a cashless society</li> <li>• Maintenance of financial function stability</li> </ul>   |
|  | ③ <u>To improving the quality of region developing human resources that can contribute</u>  | <ul style="list-style-type: none"> <li>• Training professional staff</li> <li>• Enhancement of the work-life balance</li> <li>• Promoting diversity</li> <li>• Focus on recurrent education</li> </ul>  |
| G (Governance)                                   | ④ <u>Enhancing management transparency through dialogue with shareholders and investors</u> | <ul style="list-style-type: none"> <li>• Using DX to visualize internal information and internal discussion processes through corporate transformation</li> <li>• Corporate governance</li> <li>• Risk management system and compliance</li> <li>• Promotion of operational efficiency</li> <li>• Capital strategy</li> </ul> |