Create Together. Grow Together.

CCIG

CCI Group, Inc.

2026
INTEGRATED REPORT

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Three Key Points for Understanding the Value of CCI Group

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POINT 2

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The Meaning Behind “CCI Group”

Communication × Collaboration × Innovation

The name combines Communication, Collaboration, and Innovation
—values that represent our organizational culture
—with “Group,” reflecting our holding company structure.
In the corporate brand logo, the central space symbolizes the Region,
expressing how the region can shine and expand their influence to the world.

Two Brands: CCI Group and Hokkoku Bank

Even as society and the business environment change, we will continue to evolve the value we provide, remain committed to serving people and communities, and contribute to improving lives and society.

Guided by this shared commitment, we have evolved into a dual-brand structure consisting of the Hokkoku Bank and the CCI Group.

The Hokkoku Bank remains close to customers in local communities while preserving the trust and confidence it has built as a regional financial institution.

The CCI Group goes beyond the traditional boundaries of banking, expanding value from the region to the world through initiatives in metropolitan areas and overseas markets.

As each brand fulfills its respective role and grows together with the other, we will continue creating value for our communities while generating new sources of value.

The CCI Brand: Expanding Our Presence Beyond Hokuriku into Metropolitan and Overseas Markets

We will expand beyond traditional banking to create advanced, innovative, and distinctive regions.

The Hokkoku Bank Brand: Partnering with Communities for a Prosperous Future

Building on the trust and confidence cultivated as a regional financial institution, Hokkoku Bank will continue developing businesses closely aligned with the needs of local customers.

Corporate Identity

Slogan&Logo

Create Together. Grow Together.

Brand Philosophy

Imagine. Dare. Create.
Our vision for the future begins here—
where local ideas change the world.

Statement

A better future starts close to home.
CCI Group believes real change begins
in communities—where imagination, resilience,
and action intersect.

By empowering regions to shape their own futures,
we help transform global challenges
into local innovation,
and local progress into global impact.
Grounded in place, guided by culture,
and fueled by collaboration,
we're building what we call Visionary Regions. Because
when regions thrive,
the world moves forward.

Slogan&Logo

Your Future. Our Focus.

Brand Philosophy

Creating a Brighter Tomorrow
Deepening and growing together
with communities

Statement

Life moves. The world shifts.
And change is faster than ever.
As society transforms, so must we:
what a bank is—and what it needs to be—must evolve.

At Hokkoku Bank, we've never stood still.
We see what's coming—and we adapt.
Still, what's most important will never change.
We care—deeply—for every person in this community.
And we've always hoped to grow a brighter future together.

When you think about your future,
we want to be the bank that's thinking about you.

Message from the President

"Rather than waiting for change to happen, we learn ahead of the curve, experiment, and continuously improve—to make the world a better place from our local communities."

杖村修司

Shuji Tsuemura
President & Chief Executive Officer
Representative Director
Hokkoku Financial Holdings

Message from the President

Introduction

Last October 1, we changed our corporate name and officially began operating as CCI Group. As we approach the ten-month mark since this transition, we are pleased to report that we have been able to make a smooth start, thanks to the understanding and support of our customers, shareholders, and other stakeholders regarding the purpose of the name change. We are deeply grateful for the longstanding relationships of trust we have built together over many years. I would like to take this opportunity to express my sincere appreciation once again.

Thanks to your continued support, we recorded record-high consolidated net income of ¥12.6 billion in the previous fiscal year and achieved an ROE of over 5% for the first time. We also paid a record-high annual dividend of ¥23 per share. For the current fiscal year, we expect to significantly exceed these results, forecasting net income of ¥17.0 billion, a dividend of ¥30 per share, and ROE of 7.7%. The outline of our new business model is becoming increasingly clear, and the results of strategies we have steadily executed over many years are beginning to appear. While continuing to advance this new business model, we will promptly establish a framework capable of sustainably delivering an ROE exceeding 8%.

To maintain ROE of over 10% in the future, it is essential that we generate stable and recurring earnings not only from our banking business but also from our new business model. At the same time, sustainable improvement in ROE requires not only earnings growth but also management that consistently takes capital costs into account. What matters most is not merely the soundness of our strategy, but our ability to steadily accumulate tangible results. Looking toward 2029, we will further accelerate the development of our new businesses.

The CCI Group's Mission

"A Region-Embedded Platform that Enhances Regional Productivity, Solves Challenges, and Creates Sustainable Earnings"

Imagine. Dare. Create. Our vision for the future begins here—where local ideas change the world. Rooted in each community, while respecting and leveraging its unique history and culture, the CCI Group seeks to foster regions that shape their own future through communication, collaboration, and innovation. Turning global challenges into hope for the future, starting at the regional level—that is the mission of the CCI Group. To ensure that this vision becomes reality rather than merely a slogan, our Group has spent many years pursuing customer-centric transformation, beginning with our own corporate transformation (CX). These initiatives have included enhancements to management and governance, sales reforms, human resource reforms, and system and operational reforms. Hokkoku Bank, our core operating company, has achieved a high level of excellence across all critical areas, including financial soundness, governance, sales capabilities, compliance, system security, and human capital. We believe it now has one of the most sophisticated operating platforms among financial institutions in Japan.

Leveraging Hokkoku Bank as an anchor institution distinguished by its financial soundness and advanced governance, we will expand the deployment of standardized systems, business process outsourcing (BPO) services, and AI-enabled operations to multiple financial institutions. In doing so, we will ensure transparency in transaction terms, verify arm's-length relationships, and conduct rigorous legal reviews, thereby maintaining a framework under which we can remain fully accountable to all stakeholders. We also plan to expand businesses including integrated consulting, BPO, investment, asset management, regional REITs, and sports and entertainment beyond regional boundaries. By contributing to higher regional productivity and solving social and economic challenges while steadily accumulating platform-based earnings, we aim to establish a Region-Embedded Platform.

Medium- to Long-Term Strategy and Capital Policy

Internally, we continue to refine our vision of what the Group should look like 10 and 20 years from now, while continuously upgrading our future business model. While we previously disclosed numerical targets extending up to 10 years ahead, we have chosen not to disclose detailed business model assumptions or long-term financial targets since last fiscal year for strategic reasons. Although five- and 10-year plans are formulated and shared internally, publicly disclosed financial targets are limited to a three-year horizon.

At the same time, key performance indicators (KPIs) used to measure execution progress are continuously monitored as a common language between management and the Board of Directors, enhancing execution capabilities while ensuring accountability. We have also achieved our target for the unwinding of cross-shareholdings ahead of many other financial institutions. As a result, there are currently no strategic shareholdings in our stock held by major banks, regional banks, life insurers, or non-life insurers.

Accordingly, related disclosures have been simplified in this year's materials.

Message from the President

Hokkoku Bank Today and Tomorrow

"The key question is whether we can integrate two seemingly opposing channels—digital and face-to-face—to build lasting trust."

Two and a half years have passed since the Noto Peninsula Earthquake struck on New Year's Day 2024. Hokkoku Bank's branch network also suffered extensive damage.As reconstruction efforts have accelerated, our branch rebuilding projects have steadily moved forward. In April of this year, reconstruction of the Anamizu Branch was completed and operations commenced at the new facility. Reconstruction projects at other locations throughout the Noto region are also progressing steadily.

Hokkoku Bank, the core regional banking subsidiary of the CCI Group, will celebrate its 83rd anniversary on December 18 this year. Beyond serving as the Group's primary earnings engine, the Bank has spent more than two decades transforming its business model from a customer-centered perspective. A comparison of key performance indicators between today and two decades ago clearly demonstrates the extent of that transformation.

The number of customers visiting our branches each day has declined from approximately 20,000 to 5,000. Meanwhile, nearly 70% of retail customers actively use internet banking, with approximately 400,000 users. Corporate internet banking penetration exceeds 90%, serving nearly 30,000 corporate customers. Supported by AI and staffed by more than 100 employees, our call center has evolved into a highly responsive and customer-focused consultation channel.The Bank's workforce, which once exceeded 3,000 employees at its peak, now stands at approximately 1,450. At the same time, we have increased the proportion of full-time employees, giving the Bank one of the highest proportions of regular employees among Japanese financial institutions.

In step with the digital era, the number of branches has been reduced by approximately half. We have also heard concerns from some customers, such as, "The branch that used to be nearby is now farther away," and "The reduced number of ATMs has made banking less convenient."

It is true that the number of branches has declined. However, more than 90% of our locations have been rebuilt or renovated to create accessible, comfortable environments where customers can engage in meaningful consultations.

More than 90% of our branch counters have been converted to low-counter layouts designed to facilitate more personable consultations.

The number of customers making appointments for in-person consultations has also been increasing.

We are also exploring and developing initiatives to expand services that allow customers to use ATMs operated by other financial institutions without incurring transaction fees.

Going forward, we will continue to enhance our digital capabilities while further strengthening face-to-face consultation and advisory services, delivering high-quality customer experiences across all channels.

In our corporate business, a newly reorganized industry-specialized account manager structure is now firmly in place. By supporting clients not only through financing but also through operational improvement, digital transformation, and management consulting, we believe we are pioneering a next-generation regional banking model in the digital era. Rather than developing digital and face-to-face channels separately, the challenge before us is how effectively we can integrate them to build enduring trust with our customers.

"BankWill, a modernized full-cloud and multi-cloud banking system, is scheduled to go live in January 2027."

On January 3, 2027, Hokkoku Bank is scheduled to migrate to BankWill, a next-generation core banking system built on a modernized full-cloud and multi-cloud architecture, making it one of the first initiatives of its kind in Japan.

The new platform will enhance system availability and enable flexible, rapid responses to regulatory changes and improvements in products and services. By leveraging generative AI and other technologies to improve development productivity and quality, we will establish a framework capable of continuously accelerating product and feature enhancements.

Supported by Hokkoku Bank's strong financial position, profitability, and advanced technology organization, the CCI Group has made substantial investments in digital systems and infrastructure. As a result, we have developed in-house not only a modernized core banking system, but also retail and corporate internet banking platforms, anti-money laundering systems, HR management systems, and a broad CRM platform encompassing lending and consulting functions.

Beginning next fiscal year, these technology professionals and system assets will be transferred to a dedicated Group company.

Led by CC Innovation, we will establish a platform capable of providing system solutions not only to Hokkoku Bank but also to other financial institutions and small- and medium-sized enterprises across Japan.

Message from the President

For Realizing Japan as a Leading Asset Management Center

"Connecting customer-oriented long-term asset management with sustainable corporate value creation through a single investment chain."

Capital provided by individuals, including corporations with substantial cash holdings flows through various institutions into businesses, where innovation and value creation occur before being returned to individuals. This cycle is commonly referred to as the investment chain. When this cycle functions transparently and efficiently, it supports both sustainable economic innovation and long-term wealth creation. CCI Group aims to design and operate this investment cycle with world-class quality while remaining firmly rooted in the regions we serve.

We recognize that the investment ecosystem can easily become driven by product sales, siloed organizational structures, and short-term profit maximization. When different Group companies and business units pursue separate KPIs, with compensation and evaluation linked directly to fee income, sales volumes, or growth in assets under management, there is a risk that day-to-day actions will diverge from the ultimate goal of creating sustainable value for households, businesses, and financial markets. In contrast, we pursue a model in which customer-oriented long-term investing and sustainable corporate value creation are seamlessly connected through a single investment chain.

Our model combines highly skilled talent, AI, and vertically integrated investment-chain capabilities, originating from a regionally rooted platform. By integrating banking, asset management, investment, consulting, and technology under one framework, we eliminate fragmentation across functions. What matters most is not scale, but a structure that consistently prioritizes customers while ensuring transparency and effective governance.

Local investors make long-term investments through the NISA program and products offered by CCI Asset Partners, while advisory and discretionary investment services support more appropriate and effective wealth creation. Through both capital investment and ongoing support, businesses grow, regional employment and wages increase, and the resulting benefits are returned to households, where they are reinvested into long-term investments, creating a virtuous cycle.

This cycle is supported by high-quality user experiences, suitability, data consistency, and meaningful customer dialogue.That, in our view, defines true quality. From the regions to global standards—given the rapid evolution of AI, we believe this vision is not aspirational rhetoric but an achievable reality. Inclusion connects diverse strengths, governance and compliance provide trust, and technology enables even small organizations to deliver large-scale capabilities. We believe our investment chain originating in the region will become a new standard.

Through the realization of the CCI Value Loop (CCIVL), our investment chain originating in the region, we aim to establish a new standard for an asset-management-oriented nation from the regions outward.

New Businesses for Creating the Future

Our Group has steadily expanded beyond traditional banking into businesses that contribute to shaping the future of our regions. More than a decade ago, we set out to build a full-scale consulting business. Today, that vision has evolved into a substantial operation, with revenue expected to approach ¥3 billion this fiscal year. We have established an integrated platform capable of delivering consulting, system solutions, and business process outsourcing (BPO) services on an end-to-end basis. In addition to traditional bank lending, QR Investment, our private equity investment company, has now been in operation for more than four years. Having moved beyond the phase of rapidly expanding its investment balance, we have strengthened our middle- and back-office functions and are entering a stage in which we can demonstrate the results of our investment performance. Beyond direct investments in individual companies, we are further enhancing our organizational capabilities to strengthen our role as a general partner (GP). We plan to obtain a discretionary investment management license during this fiscal year and accelerate the growth of the business as a high-quality asset management company. CCI Entarbase, whose core businesses encompass sports, entertainment, and venue operations, was established in collaboration with local companies and partners. Regional Future Creation plays a leading role in regional revitalization and regional development. Admittedly, these businesses do not make a significant direct contribution to improving the Group's ROE in the short term. However, over the medium to long term, we believe that the economic impact of sports, entertainment, and tourism on regional economies has the potential to rival that of major industries. Regional Future Creation also functions as a policy-oriented organization, regional think tank, and consulting firm that develops, proposes, and implements visions and projects for the future of the region from a private-sector perspective. Rather than optimizing individual initiatives in isolation, it takes a holistic perspective in envisioning the future of the region, continuously presenting concrete proposals and advocating their implementation.

Message from the President

Risk Management and Governance Supporting Strategy Execution

"Balancing Challenge and Trust Through Advanced Governance and Integrated Risk Management"

To ensure the sustainable execution of our business model, we operate under a framework that integrates advanced governance with enterprise-wide risk management and compliance. As a company with an Audit and Supervisory Committee, our Board of Directors determines the Group's fundamental management policies and internal control framework while overseeing business execution. In addition, the Nomination and Compensation Committee enhances the objectivity, transparency, and accountability of executive appointments and remuneration decisions. Within our internal control framework, we position compliance as the highest priority and have established key measures covering policy implementation and customer protection, including customer communications and support, customer information management, outsourcing oversight, and conflict-of-interest management. We formulate and implement a Compliance Program each fiscal year. In addition, we strengthen measures to prevent involvement with anti-social forces and combat money laundering through information gathering, employee training, and cooperation with external organizations, while continuously enhancing the effectiveness of these measures through a PDCA cycle based on formal validation plans.

Under our Integrated Risk Management Policy, the Corporate Management Division oversees risks across the Group on a consolidated basis, while material matters are reported to and discussed by the Group Strategy Meeting and the Board of Directors. Specifically, we conduct capital allocation and stress testing under a Risk Appetite Framework and monitor risks based on identified top-risk scenarios. With respect to conflicts of interest, an independent control function separate from the business divisions is responsible for identifying, managing, recording, and providing training related to relevant transactions, and reports to the Board of Directors and other bodies as necessary. Transactions related to the provision of systems and BPO services are subject not only to contractual and legal reviews but also to arm's-length verification procedures, ensuring transparency and accountability through documented and verifiable processes.

Following the Noto Peninsula Earthquake two and a half years ago, we reassessed potential risks related to disaster response, system disruptions, and reputational damage, and undertook a comprehensive enhancement of our business continuity framework. We have also implemented broad-based security enhancement measures in response to the growing threat of cyberattacks. By further strengthening our business continuity planning and cyber incident response capabilities, and by continuously monitoring operational risks including those associated with third-party service providers, we are enhancing resilience across the Group. We will continue to provide clear and transparent disclosure of these initiatives through this integrated report and other communications, while engaging in active dialogue with stakeholders to further enhance our governance and risk management capabilities.

In Closing

We believe our business model is both distinctive and forward-looking.At the same time, we fully recognize that stakeholders may question whether our risk management is sufficiently robust, whether our vision is truly achievable, whether it may amount to little more than rhetoric, and whether we adequately respect the diverse values and perspectives of society. What matters most to us is not reputation or expectations, but trust earned through results. While continuing to strengthen the trust and confidence we have built as a bank, we will expand beyond the traditional boundaries of financial services and pursue both regional problem-solving and sustainable enhancement of corporate value. To achieve this, we will maintain disciplined management that takes into account not only profit growth but also the cost of capital, while enhancing execution capabilities on the foundation of governance and compliance.

In times of transformation, the absence of disruption does not necessarily mean safety.Rather than waiting for change to happen, we will anticipate it, learn, experiment, and continuously improve. We will disclose not only our achievements but also the challenges and lessons encountered along the way openly and transparently, while continuing our dialogue with stakeholders.

The CCI Group is committed to its mission of making the world a better place from the regions outward, together with the customers and communities we serve. Under our new corporate name, we will continue to uphold management founded on integrity and transparency, earning trust through results and advancing together with all our stakeholders. We sincerely appreciate your continued support and guidance.

Q&A

From here, we will respond to questions we have received from many stakeholders in a Q&A format.

Q Could you explain the changes made to your market operations portfolio?

A Since around 2013, when Abenomics began to gain momentum, we have systematically increased our holdings of domestic equities within our treasury and market operations portfolio. From the outset, we planned to gradually reduce these holdings in anticipation of the finalization of Basel III in 2030, which will involve a phased increase in equity risk weights. Although the timing of the planned sales was somewhat delayed due to various factors, the divestment ultimately coincided with a period of strong equity market performance. As a result, we realized approximately ¥64.0 billion in unrealized gains on equities while simultaneously offsetting unrealized losses on government bonds that we had been holding. As a result, the balance of equities held for investment purposes was significantly reduced. At the same time, we reallocated funds into higher-yielding assets as bonds matured and increased our holdings of yen-denominated bonds, thereby enhancing carry income, particularly interest income. We fundamentally reviewed our asset allocation with a focus on both capital efficiency and earnings stability.

These initiatives are expected to significantly improve earnings from market operations, generating an estimated annual profit contribution of approximately ¥8.0 billion. This improvement is expected to become one of the key drivers of future ROE enhancement.

➡ P.24–27 Medium-Term Management Strategy
P.85 Market Operations

Q What factors drove the increase in outstanding loans, and have there been any changes to your business lending policy in the current rising interest rate environment?

A The primary reason for the increase in our loan balance was the expansion of lending to existing large corporate customers in the Tokyo metropolitan area. Individual loans to major trading companies, leasing companies, and real estate businesses tend to be large, which contributed significantly to the growth in outstanding loans. For lending to regional businesses, we continue to expect moderate growth based on local economic conditions and trends in capital investment and financing demand. As a regional financial institution, we remain committed to our core role of supporting local communities while continuing to provide financing tailored to our customers' funding needs and business characteristics.

Accordingly, we have not changed our approach to business lending, even in a rising interest rate environment, and we are not pursuing loan growth merely to expand balances. Going forward, we will continue to improve the quality of our loan assets by deepening our understanding of customers' businesses, emphasizing dialogue, carefully evaluating each opportunity, and providing financing based on actual customer needs.

➡ P.31 Message from the President of Hokkoku Bank
P.83 Corporate Banking

Q Your loan-to-deposit ratio remains relatively low. How do you view the appropriate level of the loan-to-deposit ratio in an environment where positive interest rates have returned?

A We expect economic activity in the three Hokuriku prefectures to remain generally stable; however, we do not anticipate a significant increase in financing demand. Accordingly, our loan balance is expected to remain flat or grow only modestly. While demand for financing for startups and projects centered in the Tokyo metropolitan area is likely to increase, intense price competition may limit profitability. Furthermore, building loan balances through transactions such as LBO loans is not consistent with our strategy.

Based on these assumptions, we believe there is some room for the loan-to-deposit ratio to rise over time, although reaching levels of 80% to 90% would be difficult.

Rather than pursuing aggressive loan expansion, we believe that combining lending activities with investments in government bonds, private assets, and other market-based investments will enable us to generate stable and efficient earnings. We will continue to manage loans and securities in an integrated manner with a strong focus on overall profitability, thereby contributing to ROE improvement.

Q How do you assess your new business areas, and what do you see as your strengths going forward?

A Our non-banking businesses are still in the growth stage. While results have yet to fully materialize, the foundations of these businesses are steadily taking shape. Consulting and cashless payment businesses continue to grow steadily, although their contribution remains limited at present. Looking ahead, we believe the systems business has the greatest growth potential. Revenue from external sales of our systems is expected to begin around January 2029. Prior to that, demand for implementation support and related consulting services is expected to increase, making consulting and systems businesses key earnings pillars in the future.

With respect to our equity investment business, we plan to further develop our initiatives over the next two to three years while assessing opportunities for organic growth. Details will be disclosed in due course. In the M&A field, we intend to expand beyond brokerage services and accelerate a broader range of M&A-related businesses, including LBO financing. We are also considering the establishment of a dedicated M&A company. Opportunities exist both for transactions involving companies within our Group and for transactions among our customers. We also intend to accelerate inorganic growth initiatives and develop entirely new strategies beyond our current framework. Through these efforts, we aim to achieve an ROE of more than 10% by 2030.

Q Could you explain your strategy for external system sales and the current level of customer interest?

A In August last year, we announced plans to offer our next-generation core banking system, "BankWill," originally developed for Hokkoku Bank, together with various internally developed and operated subsystem applications, to regional financial institutions outside our Group.

Since the announcement, we have received inquiries from more than 10 banks, reflecting a level of interest that

Q&A

A has exceeded our expectations. Among these, approximately three to five institutions are considered highly likely to proceed with implementation. By focusing on the most feasible opportunities, we aim to complete installations at around three financial institutions by approximately 2030.

Revenue per implementation is expected to be approximately ¥1.0–1.5 billion. If five projects are successfully completed, total revenue could reach approximately ¥5.0–8.0 billion, making this business a major driver of ROE improvement.

The owner of the core banking system is not Hokkoku Bank itself but another Group company. Accordingly, financial institutions that use BankWill, including Hokkoku Bank, pay usage fees to that company.

Revenue associated with system implementation will mainly consist of consulting fees for implementation support and recurring system usage fees. No upfront implementation fee will be charged.

Originally, BankWill was designed to be implemented with minimal customization. However, discussions with prospective customers revealed demand for limited modifications, and we have therefore decided to accommodate minor customization requests. Advances in AI technologies have made such customizations easier to manage. We also offer optional services in cashless-payment areas, including card-related services and deposit-backed stablecoins.

➡ P.37–38 Business Model and Growth Strategy of Consulting & Advisory
P.65–68 DX and System Modernization

Q Could you explain the composition of your private asset strategy and the breakdown of the ¥100 billion target?

A Our private asset investment strategy is pursued through three distinct entities, each with clearly defined roles.

The first is investment activity through QR Investment. The company makes equity investments both as a general partner (GP) or co-GP and through its own limited partner (LP) commitments. By supporting the growth of regional companies, facilitating business succession, and assisting corporate turnarounds, it aims both to provide growth capital and to generate attractive investment returns.

The second is private equity investment conducted through our overseas subsidiaries. CCI Cross Border engages in both equity and debt investments, enabling us to capture overseas growth opportunities and benefit from interest-rate differentials. Through these investments, we seek to further diversify our investment portfolio and broaden our earnings base.

The third is investment activity through the newly established CCI Asset Partners.
The company manages funds entrusted by customers as well as capital provided by Hokkoku Bank and invests in diversified private assets through experienced external asset managers. This approach provides broad exposure across private asset classes while leveraging the expertise of proven investment managers. The target scale of approximately ¥100 billion is not intended to be concentrated in any single investment area. Rather, it represents the aggregate level we aim to achieve through the accumulation of investment balances and assets under management across these initiatives.

Going forward, we will pursue portfolio diversification across equity and debt investments, domestic and overseas markets, and direct and indirect investment opportunities, while seeking to secure stable returns over the medium to long term. Through these initiatives, we aim to develop this business into a revenue-generating platform alongside our securities investment operations, thereby contributing to the improvement of the Group's overall ROE.

➡ P.90 Investment Funds,P91 Overseas Business
P.39-40 & 89 Investment Advisory

Q Please explain your policy regarding share repurchases.

A Regarding the ¥13.0 billion share repurchase announced in December 2025, there were two primary objectives.

First, as our share price approaches a price-to-book ratio (PBR) of 1.0x, we considered the stock to remain undervalued and therefore sought to enhance capital efficiency and increase shareholder value through share repurchases at an attractive valuation level.

Second, the repurchase was intended to prepare for future share demand associated with performance-linked stock compensation plans for executive officers and stock-based incentive programs for employees.

These shares were not acquired with the intention of cancellation; rather, they are expected to be held for a certain period of time.

With respect to shareholder returns, our basic policy is to provide stable and sustainable returns, with a target dividend payout ratio of approximately 40%. In addition, we intend to execute share repurchases flexibly, comprehensively considering our capital position, market conditions, and investment opportunities.

Going forward, we will continue to pursue a capital management policy that balances growth investments with enhanced shareholder returns, improves capital efficiency, and contributes to sustainable increases in corporate value through higher ROE.

➡ P.24-27 Medium-Term Management Strategy

Q Please explain the feasibility of your medium-term management strategy.

A Investors have consistently requested greater clarity regarding the assumptions and feasibility underlying our financial targets. In response, the current medium-term management strategy discloses more specific assumptions for each key initiative and has been formulated with a stronger emphasis on achievability.

For example, while credit costs would typically be expected to range from approximately ¥2.0 billion to ¥3.0 billion annually under normal conditions, we have conservatively assumed ¥5.0 billion, incorporating a certain level of stress in light of uncertainties surrounding the situation in the Middle East and broader risks associated with fluctuations in the global economic environment. Similarly, in our investment business, exits from equity investments are subject to significant uncertainty due to market conditions. Accordingly, our earnings assumptions do not rely on the realization of substantial valuation gains or capital gains. Instead, they are based on management fee income with only a limited additional contribution, reflecting a prudent revenue outlook.

As such, not only for credit costs and the investment business but across all major initiatives, we have formulated our financial plan by incorporating relevant risk factors in advance. Overall, the budget has been established on a prudent basis with a strong focus on attainability. Going forward, we will steadily execute our initiatives based on these assumptions while flexibly reviewing our plans in response to changes in the external environment, thereby

Q&A

enhancing the likelihood of achieving our targets.

➡ P.28 Earnings Plan by Business Segment

Q Please explain the president's term of office and succession planning.

A While the president is subject to annual appointment by shareholders at the General Meeting of Shareholders, internal regulations stipulate that the maximum term of office extends through 2030. Accordingly, we are systematically developing potential successors while ensuring transparency and sound governance in relation to executive tenure.

Under the leadership of the Nomination and Compensation Committee, we identify approximately ten potential candidates at an early stage and provide them with structured development opportunities, including executive training programs and stretch assignments, through a systematic succession planning process. We have established a framework under which a successor could be selected within as little as two years. By continuously evaluating participants' progress through the program, we ensure that a successor can be appointed at the appropriate time. In evaluating potential successors, we place particular emphasis on integrity and the ability to combine strategic vision with strong execution capabilities. We seek leaders who can formulate strategy and successfully drive its implementation.

Going forward, we will continue to promote planned and ongoing leadership development while maintaining transparency and objectivity throughout the succession process.

➡ P.16-18 Message from an Outside Director
P.19-20 & 57-64 Corporate Governance

Q What is your view on consolidation or business integration with other banks?

A With respect to consolidation among regional banks, we believe that the key consideration is not merely expanding asset size, but whether such initiatives can enhance sustainable profitability and create value for local communities.

At present, we are not pursuing any specific merger or consolidation strategy. Rather, under our current organizational structure, we are focused on strengthening the creation of diverse businesses that support our customers' growth, including consulting services in addition to traditional banking operations. Our growth strategy is therefore centered on enhancing value-added services rather than pursuing expansion in scale alone.

At the same time, we do not rule out any strategic option as circumstances evolve. We will continue to make decisions based on a comprehensive assessment of shareholder value and the impact on local communities.

Q Please tell us about the local digital currency "Tochitsuka."

A "Tochika," a deposit-backed stablecoin, can be used at participating merchants throughout Ishikawa Prefecture. Funds remain on deposit with the Bank both after being loaded onto the app and after payments are made at merchants. This retention of deposits represents a significant advantage for the Bank.

"Tochipo," developed in collaboration with local governments, is a municipal points platform that helps reduce administrative costs while enabling analysis of consumer behavior by demographic segment. The platform has been used to provide municipal points programs in the cities of Suzu, Nomi, Komatsu, and across Ishikawa Prefecture. It has also been utilized in Ishikawa Prefecture's inflation-relief benefit program and serves as a practical example of benefit distribution linked to Japan's My Number system.

By integrating municipal initiatives, regional economic activity, and cashless payments, we have successfully implemented a regional economic ecosystem powered by local digital currency. Through collaboration that extends beyond the traditional boundaries of financial institutions, we have established infrastructure that serves the entire region. The successful real-world deployment of tokenized deposits on this scale is a distinctive strength of our Company.

The platform was jointly developed with a highly capable Digital Platformer and utilizes blockchain technology instead of conventional core banking system architecture, eliminating the need to build an entirely new system. The use of blockchain technology enables both lower payment processing costs and a more advanced payments infrastructure.

The network currently includes approximately 3,500 participating merchants and more than 200,000 app users. Our target is to increase the number of users to 400,000, and we believe this goal is highly achievable.

Looking ahead, we intend to expand the platform beyond the local region and are also considering collaboration with JPYC to support future growth opportunities.

➡ P.35-36 Tochitsuka: A Payment Platform Building a Regional Economic Ecosystem

History of the CCI Group

In October 2025, we changed our corporate name to CCI Group Co., Ltd., marking the beginning of a new chapter in our history.Through our two brands—Hokkoku Bank, which has long supported local communities and businesses with a solid customer base across the three Hokuriku prefectures, and the CCI Group, which strives to create new value and address social challenges—we are driving sustainable growth.By leveraging these two brands, we will create a virtuous cycle that expands value generated in the region to society as a whole and contributes to the realization of a sustainable society.

【2000】 Strategic Cost Reduction Based on a System Strategy

Through operational reforms driven by our IT strategy, including the reduction of routine work and branch consolidation, we achieved cost reductions totaling ¥6.0 billion over a 20-year period. By developing systems in-house, we established the capability to provide digital sol utions quickly and effectively.

【2015】 Transformation of Sales Strategy to Achieve True Customer-Centricity

Believing that a shift in mindset was needed—from profit-driven and performance-oriented approaches to genuine customer-centricity—we have focused on developing a deep understanding of our customers' businesses and developing a shared understanding of their challenges and needs.
To address increasingly diverse customer challenges, we expanded our service offerings, including consulting services, thereby broadening our business portfolio.

【2022】 Promoting Career Ownership Through a New HR System

We fundamentally redesigned our HR framework and introduced a career-oriented personnel system.
The new system encourages employees to take ownership of their careers and provides an environment where they can continuously challenge themselves and grow, developing people capable of creating new value from the perspectives of both society and customers.

【2025】 Strengthening the Management Foundation Through a Two-Brand Structure

We changed our corporate name to CCI Group and clearly established our two-brand structure.
We are advancing value creation by leveraging the strengths of both brands while focusing on the recruitment and development of talent.
We will also strengthen our governance framework to support sustainable growth.

History of the CCI Group

2000
- Began branch consolidation

2007
- Established the Systems Department and began strategic investment into systems

2009
- Integrated General Affairs Department into the Planning Department to strategically reduce non-personnel costs

2010
- Introduced a credit line system (as a strategic credit initiative and for speedy response)

2014
- New head office building completed

2015
- Introduced the new core banking system, BankVision
- Launched consulting services
- Eliminated sales quotas and targets

2016
- Became the first bank in Japan to launch merchant acquiring services

2018
- Began trust banking operations

2019
- Opened the COREZO e-commerce marketplace
- Announced the core banking cloud migration project
- Launched Hokkoku Cloud Banking

2021
- Launch of "HOKKOKU LIFE+," a Service for Individual Customers

HOKKOKU LIFE+

- Began operation of BankVision on Azure, Japan's first full banking system on a public cloud
- Launched the Super Cashless Region project with Hokkoku Bank and Visa
- Established Hokkoku Financial Holdings
- In-house ATM development (installed from April 2023)

2022
- Introduced a new HR system
- Eliminated purchase fees for all investment trust products
- Discontinued personal guarantees for new loans

2024
- Launched Hokkoku Digital Banking
- Launched Tochika, Japan's first deposit-backed stablecoin

TOCHI TUKA トチツーカ

- Established a local subsidiary in Kenya
- Began BaaS (Banking as a Service) business
- Launched the "Ishikawa Electronic Tax Payment Promotion Project"

2025
- Launched overdraft service for Hokkoku Digital Banking
- Launch of the New Visa Debit Service "one paretto"
- "Hirooka Terrace" Tenant Office Building Opened
- Changed corporate name to CCI Group Co., Ltd.

CCIG

2025.10.1 Two-brand structure launched

2026
- Acquisition of Kanazawa Samuraiz, a Basketball Team Management Company, as a Subsidiary
- Established CCI Enterbase
- Announced the planned launch of the next-generation core banking system, BankWill

BankWill

- Established CCI Cross Border Co., Ltd.

Major Awards and Recognitions in Recent Years

2022
- Obtained DX Certification
- Certified as a 2022 Certified Health & Productivity Management Outstanding Organization (White 500)

2023
- Recipient of the Human Capital Leaders 2022 Award
- Certified as a Sports Yell Company 2023
- Received the Minister for Regional Revitalization Award at the 13th "Japan's Most Cherished Company" Awards

2024
- Obtained Platinum Eruboshi Certification
- "Tochi-Tsuka," the digital local currency platform, received the Good Design Award

2025
- Received the Minister of Health, Labour and Welfare Award for Outstanding Contributions to Preventive Healthcare and Health Promotion by a Health Insurance Association (Ranked No. 1 Nationwide)

2026
- Grand Prize Winner of the Career Ownership Management Award 2026
- Certified as a 2026 Certified Health & Productivity Management Outstanding Organization (White 500) for the Fifth Consecutive Year
- Certified as a Sports Yell Company 2026 for the Fourth Consecutive Year
- Hirooka Terrace, the Company's headquarters building, became the first listed company property in Japan to obtain WELL Equity Rating Certification
- Hirooka Terrace achieved Gold Certification under LEED® BD+C, an internationally recognized green building certification system
- Received the Silver Prize at the 3rd Nikkei Business Human Capital Disclosure Awards

Section 1

Growth Strategy for Value Creation

We have steadily enhanced corporate value by flexibly evolving our business models in response to changes in the operating environment across each of our business domains. This section explains our initiatives to realize “Governance to Value”, which underpin these efforts, as well as our two-brand strategy comprising “Hokkoku Bank” and “CCI Group”, through which we are further strengthening our banking operations while expanding into new business fields. It also introduces “Tochituka”, a digital local currency that is gaining traction across regional communities, and outlines our approach toward supporting Japan’s transition to a nation built on asset management and investment.

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Message from an Outside Director

Governance to Value

Sakon Uda

Outside Director Chairperson
of the Board of Directors

In addition to his extensive management experience at organizations including McKinsey & Company, Japan Post Holdings Co., Ltd., and Business Breakthrough, Inc. (currently Aoba-BBT, Inc.), Sakon Uda served as Chairperson of the Board as an outside director of Ebara Corporation. Drawing on the deep expertise and broad insights he has cultivated throughout his career as a corporate executive, he was appointed Outside Director of the Company in June 2023.

Introduction

As an outside director, I greatly value and appreciate the opportunity to communicate with investors through the integrated report. I hope that by sharing my assessment of the progress of “Governance to Value” and my current understanding of the challenges we face, I can provide useful insight to our stakeholders.

Since last year, I have received various comments and questions from investors seeking greater insight into topics such as the content and monitoring frequency of KPIs, the issues recognized by both inside and outside directors, the specific PDCA cycle associated with effectiveness evaluations, and our succession planning initiatives.

In this message, I will address these topics while outlining the progress of Governance to Value and sharing my perspective on the challenges we are currently addressing.

ChallengesIdentified and Progress Toward Their Resolution (2025–2026)

Board Effectiveness and the PDCA Cycle

The PDCA cycle, whereby the Board thoroughly discusses the results of its effectiveness evaluation and incorporates identified issues into the following year's action plans, has been steadily implemented.

Based on last year's effectiveness evaluation, I have focused on the following seven priorities in my role as chairperson.

(1) Deepening discussions on the business portfolio, as well as business strategies and ownership structures from a medium- to long-term perspective.
(2) Establishing appropriate KPIs for the successful implementation of the two-brand strategy and monitoring gaps between plans and actual results throughout the fiscal year.
(3) Following up on matters discussed by the Board of Directors.
(4) Setting the Board’s annual agenda and selecting priority topics for in-depth discussion.
(5) Establishing discussion approaches for unprecedented issues that could significantly impact management.
(6) Developing succession plans through the Nomination and Compensation Committee.
(7) Facilitating direct dialogue between outside directors and investors.

Among these initiatives,substantial progress has already been made on items (1), (2), (3), and (7)

Item (1) has been incorporated into the Board’s annual agenda and has been discussed on several occasions

In discussions on business strategy, the leaders of each business articulate their strategic objectives, performance targets, and approaches from their own perspective. In contrast, business portfolio discussions require these leaders to adopt the perspective of the Group’s top management and consider the optimal approach to value creation from a medium- to long-term viewpoint. The same perspective is also essential when discussing the human capital portfolio.

With respect to item (2), after reviewing how KPI management had been conducted by management, the Board decided to share KPIs, particularly those related to new business areas (the “Blue Domain”), and to receive periodic reports on their progress.

Regarding item (3), regular follow-up is conducted not only on matters formally resolved by the Board but also on significant opinions expressed during report and deliberation, to confirm how such input has subsequently been reflected in management initiatives.

Regarding item (7), I have personally had opportunities to participate in small-group meetings and one-on-one discussions with investors. Going forward, I intend to continue supporting the growing trend of investor engagement with outside directors.

Regarding items (4) and (5), I believe investors are particularly interested in understanding the nature of Board discussions, such as whether outside directors raise opposing views or critical questions regarding management proposals, and how outside directors respond when consensus cannot be reached. I would also like to discuss the progress and evaluation of our two-brand strategy.

The high level of interest in item (6), the succession plan, is also evident. At the small-group meetings I attended, investors raised several questions regarding these matters.

Message from an Outside Director

I would therefore like to provide a more detailed explanation of the current status and challenges relating to items (4), (5), and (6).

Progress on Key Issues

● Establishing the Board's Annual Agenda and Selecting Priority Discussion Topics

The Significance of Selecting the Right Agenda and the Reality of Effective Board Deliberations

As an outside director, I do not believe it is acceptable to evade responsibility by claiming, "I was unaware," or "The matter was never brought before the Board," when issues arise.

Indeed, several recent cases have highlighted boards composed of highly respected individuals that nevertheless failed to function effectively. I am also aware of the growing view that outside directors may not be providing meaningful value.

Against this backdrop, the selection of the Board's agenda is of critical importance.

It means that outside directors work with executive management to determine what the Board should discuss and, ultimately, take responsibility for prioritizing those topics.

At the CCI Group, the annual agenda of the Board and its committees are established at the beginning of each fiscal year, considering the results of the Board effectiveness evaluation.

In addition, executive officers and the Chair hold an "Agenda Setting Meeting" one to two weeks before each Board meeting.

Outside directors are also able to monitor management decision-making meetings, known as the "Group Strategy Meeting," via Microsoft Teams.

Over the past two years, there have been no instances in which matters unknown to outside directors were suddenly brought before the Board, nor have any material issues with significant earnings implications been decided without their knowledge.

Significant matters are brought before the Board for discussion at a very early stage and are subject to thorough deliberation.

For matters involving large investments, significant earnings impacts, or new businesses requiring extensive review, outside directors participate in dedicated briefing sessions and on-site inspections so that they can develop a comprehensive understanding of the facts before engaging in deliberations.

To date, there have been approximately two or three such cases each year, and information has consistently been shared at a very early stage.

This allows sufficient time to schedule Board discussions and offline study sessions relating to the matter.

Throughout this process, direct challenges and opposing views are openly exchanged, fostering a healthy level of tension between management and the Board.

As a result, some matters ultimately lead to conclusions that differ from management's original proposal.

● Establishing an Approach to Deliberating Unprecedented Issues with Potentially Significant Management Impact.

Progress of the Two-Brand Strategy and Resolution of Key Challenges.

On April 28, we announced our results for the fiscal year ended March 2026, including performance disclosures for each of our two brands.

I hope that this type of disclosure will provide useful insights for investors.

While businesses in the Blue Domain have grown steadily compared with the previous year, some remain below plan. We still have a considerable way to go before achieving our goal of generating half of total earnings from these businesses.

The Blue Domain has yet to reach the stage where its performance materially elevates the Company's overall corporate value.

These businesses were launched in what might be described as a suit tailored for the future. They must now grow into that suit and begin delivering results.

Businesses such as fee-based corporate consulting, investment operations, BPO services, overseas expansion support, and external system sales face competitors that differ substantially from those of traditional regional financial institutions.

Their customers are not necessarily confined to our regional markets.

At the same time, if we can establish competitive advantages over specialized competitors in these fields, we will be able to provide even greater value to regional customers.

Such strengths could also create opportunities beyond our traditional regional boundaries.

Because these businesses are fundamentally skill-based, success cannot be achieved simply by setting ambitious targets and encouraging employees to work harder.

To grow these emerging businesses, particularly within a culture that has already moved beyond sales quotas, a new form of leadership is required: one that can navigate uncertainty without relying on hierarchical structures, identify critical issues through diverse viewpoints, and make decisive judgments followed by effective execution.

The ability to follow instructions from above or accommodate prevailing organizational sentiment will not, by itself, produce meaningful results.

The growth of each business is inseparable from the leadership of those who lead it and the capabilities of the teams that support them.

As a Board, we intend to continue discussing how best to develop people with this mindset to support future growth.

● Formulating a Succession Plan through the Nomination and Compensation Committee.

Succession Planning at the CCI Group.

One thing I have often found puzzling is a recurring theme that appears in long-running newspaper interview series featuring prominent figures reflecting on their careers. When corporate leaders recount how they became president or CEO, they almost invariably say things such as, "One day I was suddenly called in by the president," "I was told, 'You're next,'" or "It came completely out of the blue, but after thinking about it for a day, I decided to accept."

I find it rather strange that so few people seem to question what is essentially a feudal-style process in which the incumbent president summons and personally designates his successor.

In many cases, the outgoing president remains as chairperson or senior advisor and continues to exert influence over management decisions.

Under such circumstances, it is difficult for a successor to challenge existing initiatives or make significant strategic shifts in pursuit of value creation.

While this may seem like a lengthy preamble, I can confidently say that this kind of governance failure is not an issue at the CCI Group.

The Nomination and Compensation Committee currently consists of three members: an outside director who serves as chairperson, President Tsuemura, and me.

Succession planning for President Tsuemura is undoubtedly a challenging undertaking. With an eye toward 2030, we have identified 13 potential CEO candidates and are encouraging them to consider how they would lead the Company if they were appointed CEO. At the same time, they are expected to demonstrate leadership in solving business challenges by

Message from an Outside Director

defining and addressing important issues within their current roles.

In doing so, they are being held accountable for business outcomes as future management leaders.
As a result, we are building a pool of candidates capable of assuming leadership responsibilities at any point from 2027 onward.

In addition, we have selected a further 18 individuals as the next generation of leadership candidates and have begun assigning them to positions where they can gain experience exercising leadership while bearing management responsibility.

They will be rigorously evaluated on whether they can deliver results through the new leadership capabilities required in the Blue Domain, anticipate change and create value through innovative solutions in the existing Green Domain, and ultimately contribute to achieving the aspirations of the CCI Group.

A key focus of the Nomination and Compensation Committee is ensuring that the selection, annual review, and renewal of these candidate pools are conducted fairly.

Ultimately, a process based on simply saying, “You’re the one,” would undermine the entire framework.

Whether the process is fair should ultimately be judged by the organization itself, while the market will determine, through subsequent results, whether the choices made were the right ones.

At a minimum, however, it is essential that candidate selection be supported by fair and objective discussions, and that the Nomination and Compensation Committee earn the trust of the organization with respect to the fairness of the process.

As an outside director, I believe it is first and foremost important to gain a deep understanding of the candidates themselves. I also intend to continue discussions regarding the leadership qualities and requirements needed to support our medium- to long-term strategic direction.

I regard dedicating the necessary time and effort to this process as part of my responsibility.

Approach to Supporting Growth

There is no established formula for how outside directors can contribute to corporate growth beyond their traditional role as overseers.

Governance to Value can only be achieved through an appropriate balance between growth-oriented initiatives and sound governance safeguards.

Outside directors must provide an independent medium- to long-term strategic perspective, maintain healthy tension between management and the Board, and ensure effective leadership succession in an uncertain environment. Selecting a leader for the future, rather than one suited to the past, is essential to contributing to growth.

In addition, at the CCI guroup, I continually consider how outside directors can add value to the unique value creation scenario envisioned by President Tsuemura through the two-brand strategy, a business model unlike any other among regional banks. Rather than becoming overly constrained by conventional thinking and focusing solely on risk avoidance, we must constantly ask ourselves what it truly means to support sustainable growth in a constructive and balanced manner.

For the market to place confidence in our growth strategy, we must establish a proven track record, particularly in the Blue Domain, demonstrating that these businesses can deliver tangible results and contribute meaningfully to the enhancement of overall corporate value.

This fiscal year will test the Board’s ability to add value to the Company’s growth strategy more than ever before.
When addressing unprecedented strategic initiatives, outside directors should first share management’s purpose and objectives, identify the challenges that stand in the way of achieving them, and then contribute through independent perspectives and candid dialogue in the Boardroom. By refining management initiatives and supporting their successful execution, outside directors can make a meaningful contribution to growth.

Why do we exist? Why are we pursuing this initiative? Is this something only we can achieve? From the stakeholder’s perspective, are we the organization best positioned to create value? Can we meet investors’ expectations?

By continually asking these fundamental questions, the Board can ultimately support growth and help realize Governance to Value.

More than ever, outside directors will be expected to identify and define the critical issues facing the Company. I intend to continue reflecting on these challenges throughout the coming year.

On the Noto Peninsula Earthquake

The impact of the Noto Peninsula Earthquake is far from over.

I visited Wajima again for the first time in a year. Many of the homes that had been covered with blue tarpaulins have since been cleared away, leaving an increasing number of vacant lots.
The prevalence of empty land is a visible reminder that the recovery process remains only halfway complete.

While accommodations for construction workers have increased, a large number of temporary housing units for those affected by the disaster remain in place.

An aging population and rising construction costs are making rebuilding and large-scale renovations increasingly difficult.
The true test lies in how effectively we can restore normal daily life for those affected as quickly as possible.

To deepen my understanding of the CCI guroup as an organization rooted in this region, I intend to continue monitoring the progress of the recovery efforts.

Governance to Value

Basic Approach to Corporate Governance

Our Group's brand philosophy is to "Realize a Visionary Region by envisioning, challenging, and creating the future, and make the world a better place starting from our region." Guided by this philosophy, we strive to address societal challenges from the regional level and contribute to solutions on a global scale.

To realize this brand philosophy, we work alongside our regional customers as a region-based corporate group. In addition to traditional banking services, we aim to provide a diverse range of non-financial solutions that contribute to the growth of both our customers and local communities.

We regard corporate governance as a critical management foundation that enables the Group to exercise leadership in the region, create new value through continuous challenges, and maintain appropriate risk control.

Based on this understanding, we have continuously pursued initiatives to strengthen corporate governance.

Going forward, we will continue listening carefully to the voices of our customers and communities while further enhancing our governance framework to ensure it remains fit for purpose.

Maintaining Constructive Tension to Realize "Governance to Value"

To realize Governance to Value, linking governance reform directly to the creation of corporate value, our Group places great importance on maintaining healthy tension between executive management and the Board of Directors.

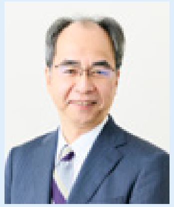
While respecting management's ownership and ensuring agility through an appropriate delegation of authority, the Board exercises its oversight responsibilities by holding management accountable. Through this clear separation between execution and supervision, we seek to ensure objectivity, transparency, and soundness in management

To enhance Board effectiveness and maintain this constructive tension, we provide advance briefing sessions for outside directors.

Prior to each Board meeting, management provides briefings on agenda items selected by the chair. These sessions help eliminate information asymmetries between inside and outside directors and provide a foundation for more substantive discussions at Board meetings.

For particularly significant matters, including major projects, management conducts multiple briefing sessions ahead of Board resolutions, and outside directors may conduct on-site reviews of projects. These initiatives support informed and effective decision-making by the Board.

Through these efforts, the Board engages in highly effective discussions supported by a healthy degree of constructive tension.



Tomohiko Kikuzawa
Director,
Managing
Executive Officer,
CCI Group, Inc.

The Evolution of the Board of Directors to Support Corporate Value Enhancement
Moving from a "Forum for Deliberation" to a "Platform for Value Creation"

We believe that establishing effective governance is essential for our Group to expand its business domains and continue delivering sustainable value to our customers. At the core of this governance framework is the Board of Directors. In recent years, we have positioned enhancing Board effectiveness as one of our key management priorities and have continuously worked to evolve its role and functions.

Traditionally, the operation of the Board of Directors, including the formulation of its agenda, was susceptible to influence from the executive side. However, following the transition to a governance structure in which an outside director serves as chairperson of the Board, outside directors have become actively involved from the agenda-setting stage. This has broadened discussions beyond short-term considerations, such as the success of individual initiatives or their impact on current-year performance, to include more strategic questions, such as how initiatives will strengthen our medium- to long-term competitiveness and how much upfront investment should be made today to capture future growth opportunities. As a result, Board discussions have become increasingly focused on long-term value creation.

In addition, the perspectives of outside directors, who bring expertise and experience different from those of executive management, have helped eliminate omissions and biases in Board discussions. Agenda priorities are now reviewed through the lens of enhancing corporate value over the medium to long term. As a result, the Board has evolved from a forum that simply reviews and approves proposals submitted by management into one that proactively identifies critical issues and engages in substantive discussions regarding strategic direction and capital allocation.

We have also fundamentally revised the way information related to Board agenda items is shared. Previously, discussions relied heavily on explanations provided during the limited time available at Board meetings. Today, materials are distributed, in principle, one week in advance, and sufficient time is allocated on the preceding day for management presentations and Q&A sessions. This enables directors to organize key issues beforehand and engage in discussions with a deeper understanding of the matters at hand. As a result, we have enhanced the quality of decision-making without compromising speed.

As a result of these efforts, Board deliberations now extend beyond simple approval. The Board is increasingly willing to request reconsideration, return proposals for further review, or, where appropriate, reject them outright. Through the establishment of substantive discussions grounded in constructive tension, the Board itself has become a more proactive and effective governance body.

This evolution of the Board is not merely an improvement in governance processes; it is an initiative designed to structurally enhance the quality of decision-making. We believe it provides a critical foundation for the steady execution of our growth strategy and our continued pursuit of new value creation. Guided by our conviction that continuously improving management insight and oversight through governance leads directly to sustainable growth in corporate value, we will continue advancing the effectiveness of the Board while pursuing both the realization of our growth strategy and the further enhancement of governance.

Governance to Value

Major Initiatives in FY2024–FY2025

Enhancing Board Effectiveness Through Effectiveness Evaluations

We have addressed issues identified through past Board effectiveness evaluations and continue to work toward enhancing the effectiveness of the Board. Going forward, we will continue to conduct periodic evaluations, identify areas for improvement, and implement necessary reform actions.

Initiatives to Deepen Board Discussions and Enhance Effectiveness	· Strategically establish the Board' s annual agenda to ensure effective governance. · Promote discussions on the medium- to long-term strategies of each business and facilitate dialogue regarding updates to the medium-term management strategy. · Conduct dedicated study sessions and advance briefings for major projects and significant agenda items.
Further Enhancement of the Nomination and Compensation Committee	· Further develop and implement the CEO succession plan. · Examine a leadership development program for next-generation management talent. · Deepen discussions regarding executive compensation design.
nitiatives to Enhance Mutual Understanding Between the Board and Executive Management	· Conduct on-site visits relating to major projects. · Hold discussions with management and employees across business divisions.

CEO Succession Plan

The Nomination and Compensation Committee, in which outside directors constitute a majority, discusses the qualifications, competencies, and attributes required for the CEO and other key leadership positions as part of its efforts to enhance the succession planning process.

Through profiling assessments and interviews conducted by committee members, approximately 10 candidates have been selected for the current succession candidate pool.

Candidates are selected through a comprehensive evaluation process that considers past achievements and their contributions to addressing the Company's management challenges. We will continue refining and renewing the candidate pool as appropriate to further enhance the effectiveness of the succession plan.

Candidates are being developed as future executives through recurrent learning programs, management training, and one-on-one sessions with senior leaders. The Nomination and Compensation Committee and the Board of Directors will continue to oversee the progress and effectiveness of the succession plan

Strategic Annual Agenda Setting for the Board of Directors

Based on issues identified through Board effectiveness evaluations and other assessment processes, we select key themes that should be prioritized for discussion by the Board of Directors.

The annual agenda incorporates a wide range of topics, including strategic priorities such as the business portfolio, resource allocation, and marketing strategy, as well as business-specific strategies and major projects.

Based on this agenda, the Board conducts structured and forward-looking discussions while reflecting the latest business developments. We will continue these efforts and further enhance the quality and effectiveness of Board deliberations going forward.

◉Initiatives to Strengthen Corporate Governance to Date

- **2006**: ·Introduced executive officer system
- **2009**: ·Revised compensation system (1): Iintroduced performance-linked compensation and stock options
- **2015**: ·Ratio of outside directors: 26% ·Transitioned to a company with an audit committee
- **2016**: ·Introduced Board effectiveness evaluation system
- **2017**: ·Revised compensation system (2): Introduced share delivery trust
- **2019**: ·Ratio of outside directors: 29%
- **2021**: ·Strengthened group governance by shifting to a holding company structure
- **2022**: ·Clarified the policy of "in principle, not holding listed policy shares" ·Specified terms and maximum terms for non-audit committee directors (excluding outside directors) ·Revised compensation system (3): Increased the ratio of performance linked compensation—cash and stock
- **2023**: ·Ratio of outside directors: 55% ·Changed the chair of the nomination and compensation committee to an outside director
- **2024**: ·Established a succession plan ·Changed the chairperson of the Board to an outside director
- **2025**: ·Utilized external parties for Board effectiveness evaluation ·Implemented the succession plan ·Set the annual agenda for the Board
- **2026**: ·Considered a next-generation leadership development program — Planned introduction of a program to develop next-generation management talent to build a stable and flexible future management structure.

Materiality

Under our Sustainability Policy, which aims to realize our brand philosophy through proactive efforts to address a wide range of social issues via our business activities, we have identified nine material issues and are advancing various initiatives to address them.

Brand Philosophy and Behavioral Guidelines

the CCI Group's Materiality for Realizing a Sustainable Society

1. Environmental Conservation and Effective Utilization of Resources
2. Contributing to the Realization of Carbon-Neutral Communities
3. Realizing a Prosperous Future through Financial Services that Integrate Digital and Physical Channels
4. Co-Creating Advanced and Attractive Communities through Open Collaboration and Shared Expertise
5. Developing Talent Capable of Enhancing Local Quality
6. Creating Organization that Respect Diversity and Foster Fair Opportunities and Inclusive Environments
7. Creative Reconstruction of the Noto Peninsula
8. Governance Reforms for Creating Corporate Value
9. Enhancing Management Transparency through Dialogue with Shareholders and Investors

Medium-Term Management Strategy and Business Plan

Financial Targets and KPIs

Non-Financial Targets and KPIs

Materiality Identification Process

(1) Identification and Assessment of Issues

■Comprehensive identification of issues based on the following:

- Dialogue with stakeholders
- Sustainability disclosure guidelines
- Status of initiatives across Group companies
- Brand Philosophy, Behavioral Guidelines, and various corporate policies
- Risks and opportunities identified through risk management
- Discussions at strategy meetings and project initiatives

(2) Classification of Issues

■Classification of identified issues by theme, with reference to sustainability disclosure guidelines and other relevant frameworks

(3) Risks, Opportunities, and Initiatives by Theme

■Identification of material issues based on our two-brand strategy, including “Co-Creating Advanced and Attractive Communities,” “Realizing a Prosperous Future through Financial Services,” and governance that supports value creation, followed by the organization of associated risks, opportunities, and specific initiatives

(4) Discussion

■Discussions through department-led projects and strategy meetings

(5) Determination

■Final proposal approved by the Board of Directors following deliberations at strategy meetings

■Business activities and KPIs reflected in the medium-term management strategy

Materiality

Materiality	Risks	Opportunities	Key Initiatives	Key KPIs
Environmental Conservation and Effective Utilization of Resources	·Deterioration of stakeholder trust and corporate brand value due to insufficient responses to climate change	·Enhancement of corporate brand value through improved climate-related initiatives and disclosures	·Climate change initiatives based on the TCFD framework ·Reduction of environmental impacts from corporate activities ·Forest restoration initiatives, including tree planting and thinning activities	·Greenhouse Gas (GHG) Emissions
Contributing to the Realization of Carbon-Neutral Communities	·Increased credit costs arising from deteriorating business performance caused by delayed responses to technological innovation and behavioral changes associated with the transition to a decarbonized society ·Missed business opportunities due to insufficient provision of solutions to borrowers and investees	·Raising environmental awareness within communities through proactive environmental initiatives ·Provision of consulting services related to climate change and environmental conservation	·Contribution to a circular economy through lending and leasing services ·Leveraging consulting capabilities to support decarbonization efforts by regional businesses ·Dialogue with local governments and regional businesses to promote region-wide GX initiatives	·Number of Clients with Measured GHG Emissions
Realizing a Prosperous Future through Financial Services that Integrate Digital and Physical Channels	·Increased credit costs resulting from weakened competitiveness and deteriorating business performance due to stagnant productivity improvements ·Economic stagnation in local communities resulting from low levels of financial literacy and insufficient progress in wealth creation and asset utilization ·Reduced service competitiveness caused by inadequate responses to cashless payments and digitalization trends	·Provision of financial services focused on understanding customers' businesses and addressing their challenges ·Growing awareness of wealth creation, asset management, asset utilization, inheritance, and wealth succession ·Promotion of cashless and digital strategies aimed at enhancing regional capital circulation and productivity	·Maintaining the stability of financial functions ·Wealth creation and inheritance support based on life planning ·Employee benefit initiatives through workplace-based programs ·Contribution to a digital and cashless society	·Number of Financing Proposals and Workplace Program Initiatives ·Visa Debit Transaction Volume ·Number of Tochitsuka Users
Co-Creating Advanced and Attractive Communities through Open Collaboration and Shared Expertise	·Stagnation of the regional economy due to insufficient collaboration networks and problem-solving solutions, resulting in weaker growth and competitiveness among regional businesses	·Provision of integrated domestic and international consulting and advisory services leveraging the Group's expertise ·Attracting visitors and investment through sports, entertainment, tourism, and urban development based on sustainable collaboration among industry, government, academia, finance, media, and labor sectors	·Leveraging our expertise to provide integrated consulting and advisory services that support corporate growth ·Building partnerships that promote sustainable development ·Initiatives supporting the transition to an investing-oriented nation ·Driving regional growth through sports, entertainment, and tourism ·Growth support through private equity investments	·Number of Consulting Engagements ·Number of Problem-Solving Strategy Discussions
Developing Talent Capable of Enhancing Local Quality	·Declining customer service quality and reduced value provided to communities due to insufficient talent development ·Talent attrition and stagnation in strategy execution caused by workforce shortages and an unattractive work environment or ineffective HR strategy	·Delivery of high-value-added services through the development of professional talent and the active participation of diverse personnel ·Strengthening organizational capabilities through higher engagement, stronger brand alignment, and shared values	·Enhancement of the career-oriented HR system that promotes career ownership ·Development of a talent portfolio aligned with the business portfolio, including visualization and optimal deployment of required skills and talent ·Promotion of reskilling and recurrent education through skill mapping ·Strengthening co-creation with regional businesses through talent development	·Number of Employees Holding MBAs ·Ratio of Employees Assigned to New Business Domains within the Talent Portfolio
Creating Organizations that Respect Diversity and Foster Fair Opportunities and Inclusive Environments	·Insufficient merit-based assignments and evaluations, as well as inflexible working arrangements, may limit the performance of diverse talent and weaken organizational capabilities through attrition and lower engagement	·Building a resilient organization by enhancing engagement through merit-based assignments and evaluations, diverse hiring, and flexible work options such as flextime and remote work	·Merit-based talent deployment and evaluation ·Expanding opportunities for diverse talent through active mid-career and international recruitment, including opportunities for women ·Enhancing employee engagement through flexible working arrangements, including flextime and telework	·Mid-Career Hire Ratio ·Ratio of Female Managers
Creative Reconstruction of the Noto Peninsula	·Delayed recovery and reconstruction due to slow area-wide revitalization and business rehabilitation, including in the Wakura Onsen area	·Accelerating regional recovery while supporting business rehabilitation through reconstruction funds and solutions to issues such as double-loan burdens	·Participation in the Wakura Onsen Creative Reconstruction and Community Development Council ·Area-wide reconstruction support initiatives ·Business support and financing infrastructure development through the Noto Peninsula Earthquake Reconstruction Support Fund	·Number of Fund Investments Executed
Governance Reforms for Creating Corporate Value	·Loss of public trust due to inadequate corporate governance, system risk management, or security measures ·Reduced organizational productivity due to insufficient digital transformation	·Enhanced Board deliberations through appropriate agenda-setting led by the chairperson of the Board ·PDCA management based on Board effectiveness evaluations ·Sustainable growth and enhanced credibility through the continuous advancement of succession planning ·Strengthening strategic execution through company-wide reforms driven by DX and system strategies	·Setting appropriate agendas and fostering substantial discussions ·Maintaining healthy tension between executive management and the Board of Directors ·Strengthening the Board of Directors' oversight capabilities to support the PDCA cycle and the achievement of profit targets ·CEO succession planning and development of next-generation management talent ·Ensuring diversity and independence of outside directors ·Optimizing risk management systems	·Number of Board Meetings Held ·Ratio of Outside Directors ·Ratio of Female Directors
Enhancing Management Transparency through Dialogue with Shareholders and Investors	·Deterioration of management transparency due to insufficient understanding of shareholder and investor needs and inadequate disclosure	·Understanding shareholder and investor needs through dialogue-focused IR activities and reflecting feedback in management strategy and disclosure practices	·Clarifying the shareholder return policy ·Advanced information disclosure and enhancement of IR activities ·Promotion and disclosure of constructive dialogue	·Number of Meetings with Institutional Investors

Value Creation Process

Brand Philosophy Imagine Dare. Create. Our vision for the future begins here where local ideas change the world.

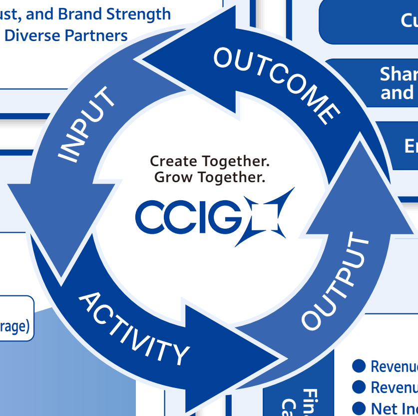
INPUTS Value Creation Resources

Financial Capital
- Core Capital: ¥214.9 billion
- Earnings Platforms Across Group Companies
- Deposits: ¥4,821.0 billion
- Loans: ¥3,048.6 billion

Human Capital
- Number of Consolidated Employees: 1,950
- Talent That Makes Decisions Based on Customer-Centric Values
- Human Capital Investment Supporting Skill Development
- Promotion of Health and Productivity Management

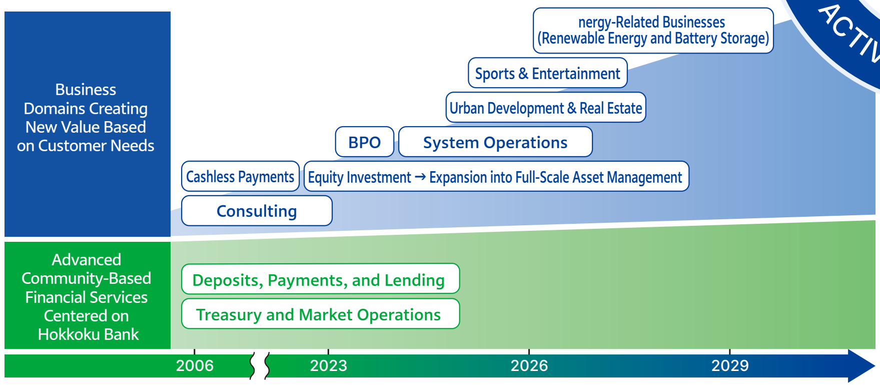
Intellectual Capital
- Integrated Group-Wide Solutions
- Management Model Based on Customer-Centricity and Principles
- Insights Gained from More Than 20 Years of Organizational Transformation
- Collaborative Platform Built on an Open Network

Social and Relationship Capital
- Regional Market Share
- Corporate and Retail Customer Base
- Established Credibility, Trust, and Brand Strength
- Co-Creation Network with Diverse Partners



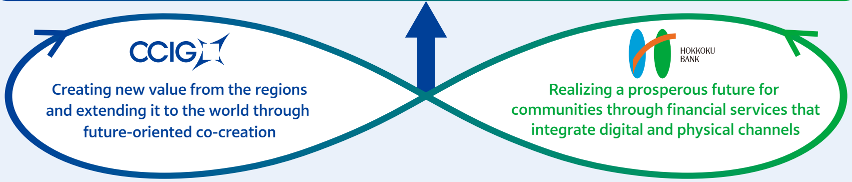
ACTIVITIES Business Activities

Business Development Aligned with Materiality



OUTCOMES Value Created

Contributing to customer growth and regional development by creating a virtuous cycle in which our two brands fulfill their distinct roles and enhance each other's value



Communities	Growth of regional businesses, expansion of added value, and creation of employment opportunities through ongoing support and co-creation
Customers	Supporting customer growth and enriching lives through innovative products and services
Shareholders and Investors	Enhancing corporate value through constructive dialogue and regional development, and delivering dividends supported by sustainable earnings growth
Employees	Advancing human capital through a talent ecosystem and empowering each employee to grow and take on new challenges

OUTPUTS Results of Business Activities

Results for the Fiscal Year Ended March 31, 2026

Financial Capital
- Revenue from Banking Operations: ¥60.6 billion
- Revenue from New Businesses: ¥14.3 billion
- Net Income: ¥12.6 billion
- ROE: 5.9%
- Dividend Payout Ratio: 41.0%

Human Capital
- Mid-Career Hire Ratio: 65.8%
- MBA Participants and Graduates: 102
- Employee Engagement Score: ▲46.8
- Recognized as a Certified Health & Productivity Management Outstanding Organization (White 500) for Five Consecutive Years

Intellectual Capital
- Consulting Revenue: ¥2.21 billion
- Number of Digital Literacy Classes Conducted: 28,738
- Number of Problem-Solving Strategy Discussions: 26,575
- Participants in Workplace Seminars: 6,766

Social and Relationship Capital
- Number of Meetings with Institutional Investors: 50
- Number of Tochitsuka Users: 200,000 (as of June 2026)
- Number of Clients with Verified GHG Emissions Measurements: 552
- CO_2 Emissions Reduced by 49.9% (FY2013 to FY2025)

Governance Supporting Value Creation ● Human Capital Management ● DX and System Modernization ● Environmental Initiatives ● Corporate Governance ● Internal Audit Framework ● Risk Management Framework ● Compliance

Message from the General Manager of Corporate Planning: Medium-Term Management Strategy

Strengthening Financial Performance and Diversifying Earnings Sources

For the fiscal year ended March 31, 2026, we successfully captured changes in the interest rate environment and further strengthened our earnings capacity. Supported by higher lending rates following policy rate increases, as well as growth in both deposits and loans outstanding, ordinary profit rose by ¥7.4 billion year on year to ¥19.7 billion, while net income reached ¥12.6 billion, marking a new record high.

A defining feature of this fiscal year was not merely the benefits of rising interest rates but also an improvement in the quality of our earnings. In addition to higher lending yields, we enhanced profitability through the optimization of our securities portfolio and the steady expansion of earnings from new business domains. As a result, our earnings base has become increasingly diversified and resilient.

Integrating Brand Strategy, Business Strategy, and Financial Management

Our transition to the CCI group under the two-brand strategy, together with the advancement of new business initiatives and alliance strategies, clearly defines the direction of our growth investments. By integrating financial capital with business strategy in a unified framework, we aim to simultaneously enhance capital efficiency and maximize growth opportunities.

Naotaka Terai

Managing Executive Officer
General Manager, Corporate Planning Department
CCI Group, Inc.

Joined Hokkoku Bank in 1993. Appointed General Manager of the Human Resource Development Office within the Corporate Planning Department in 2017. In 2021, he was appointed Executive Officer and General Manager of the Human Resource Development Department, followed by his appointment as General Manager of the Digital Department in March 2022. In 2024, appointed Managing Executive Officer, General Manager of the Corporate Planning Department, and general manager of the digital department. He currently serves as managing executive officer and general manager of the corporate planning department.

◉CCI Group Consolidated

(Unit: ¥ million)

	FY2025/3	FY2026/3	Increase Decrease	Increase Decrease Rate
Ordinary Income	89,576	167,102	+77,526	+86.5%
Ordinary Profit	12,298	19,756	+7,458	+60.6%
Profit	8,120	12,632	+4,512	+55.5%

◉Hokkoku Bank Non-consolidated

(Unit: ¥ million)

	FY2025/3	FY2026/3	Increase Decrease	Increase Decrease Rate
Ordinary Income	72,862	147,024	+74,162	+101.7%
Ordinary Profit	11,511	17,670	+6,159	+53.5%
Profit	8,323	12,769	+4,446	+53.4%
Core Business Net Profit	11,325	20,744	+9,419	+83.1%

◉Capital Adequacy Ratio

	FY2024/3	FY2025/3	FY2026/3
Consolidated	10.37%	9.85%	9.10%

For details, please see the IR presentation materials entitled "Update of Medium-Term Management Strategy and Overview of Financial Results for the Fiscal Year Ending March 2026."
https://www.ccig.co.jp/ir/ir_briefing/material/

Message from the General Manager of Corporate Planning: Medium-Term Management Strategy

Outlook for the Fiscal Year Ending March 31, 2027

The contribution of new businesses to earnings continues to expand steadily, further strengthening our core earnings capacity. Even after incorporating additional provisions for credit costs, we expect net income for the fiscal year ending March 31, 2027, to reach ¥17.0 billion, representing another record-high level of profitability.

Our objective is to shift the drivers of earnings from dependence on the interest rate environment to a more diversified structure supported by the performance of our overall business portfolio.

Financial Assumptions and Prudent Risk Management

In revising our medium-term management strategy, we raised our assumed policy rate at the end of the planning period from 1.0% to 1.5%. Our outlook incorporates three incremental rate increases of 25 basis points each, assumed to occur by the end of June 2026, the end of December 2026, and the end of June 2027.

At the same time, uncertainty in the external environment remains elevated. Considering geopolitical risks, including developments in the Middle East, we have taken a more conservative approach to our provisioning for credit losses. By recognizing risk costs prudently and in a timely manner, we are strengthening our capacity to absorb potential future losses.

Progress in the Transformation of Asset Allocation

During the fourth quarter, we implemented an asset allocation review aimed at improving future capital efficiency. By reducing equities held for investment purposes and multi-asset investments and reallocating gains from asset sales into yen-denominated bonds, we significantly improved the overall yield profile of our securities portfolio.

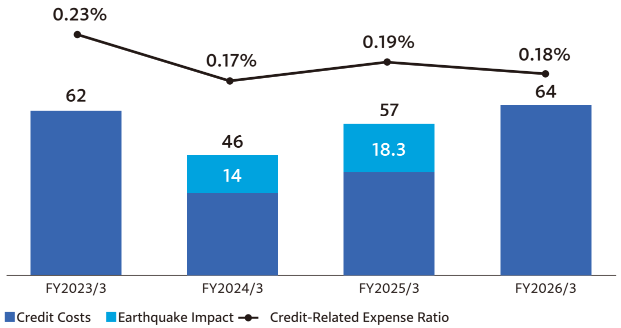
At the same time, we are building stable, medium- to long-term earnings sources with a view toward increasing allocations to private assets in the future. This represents a strategic shift from assets with high market sensitivity to investments selected based on carefully evaluated risk-return characteristics. We believe this transition is also an important step toward enhancing capital efficiency.

◉Medium-Term Management Strategy

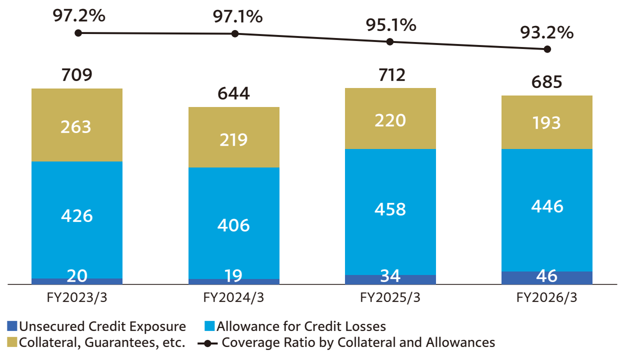
Item	FY2026/3		FY2027/3	FY2028/3	FY2029/3
	Actual	Achievement Rate	1 Year Later	2 Year Later	3 Year Later
Banking Business Revenue	60.6 billion yen	125.4%	72.9 billion yen	83.4 billion yen	87.5 billion yen
New Businesses Revenue	14.3 billion yen	67.4%	15.3 billion yen	18.5 billion yen	20.9 billion yen
Ordinary Profit (Consolidated)	19.8 billion yen	110.0%	26.5 billion yen	28.5 billion yen	32.0 billion yen
Profit (Consolidated)	12.6 billion yen	114.5%	17.0 billion yen	18.5 billion yen	21.0 billion yen
ROE ※	5.9%	+0.8pt	7.7%	8.0%or higher	

※ROE is calculated as net income attributable to owners of the parent divided by Basel III core capital under domestic standards.

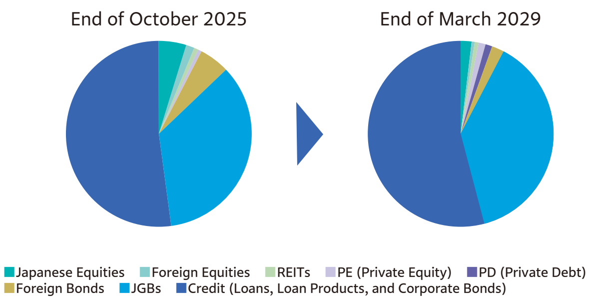
◉Credit Costs (Ending Balance) and Credit-Related Expense Ratio
(Unit: ¥100 million)



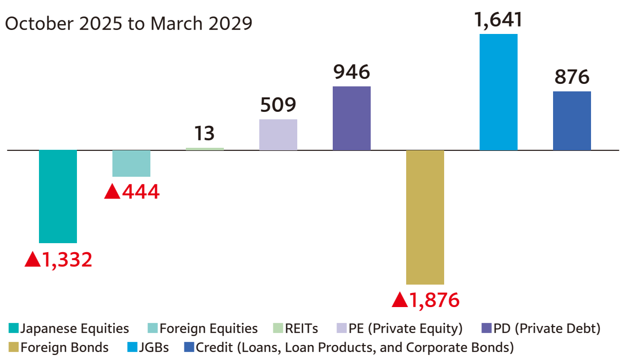
◉Loans Subject to Individual Allowance for Credit Losses and Breakdown
(Unit: ¥100 million)



◉Changes in Asset Allocation



October 2025 to March 2029



Message from the General Manager of Corporate Planning: Medium-Term Management Strategy

Roadmap for Capital Allocation and Corporate Value Enhancement

We are evolving our balance sheet management approach, shifting our focus from capital allocation to business portfolio management. This represents a transition from a phase of preserving capital to one of allocating capital strategically to drive growth.

Through the fiscal year ending March 31, 2029, we expect cumulative net income of ¥56.5 billion. Of this amount, approximately ¥33.0 billion is planned to be returned to shareholders through stable dividends based on a dividend payout ratio of approximately 40% and share repurchases totaling ¥10.0 billion.

At the same time, we will continue expanding risk assets, funded by growth in core capital. Specifically, while increasing the average balance of loans, primarily business loans, by ¥320.0 billion, we will gradually reduce the overall size of our securities portfolio and expand allocations to private assets and other selected investment categories. Through this approach, we aim to improve capital profitability while enhancing the stability of earnings.

Advancing Financial Discipline

Even amid a changing financial environment, we have consistently emphasized capital efficiency and risk management. Going forward, while maintaining these principles, we will further enhance the quality of our capital allocation decisions.

Through financial management that balances profitability, growth, and financial soundness, we will pursue the sustainable enhancement of corporate value.

Reducing and Optimizing Strategic Shareholdings

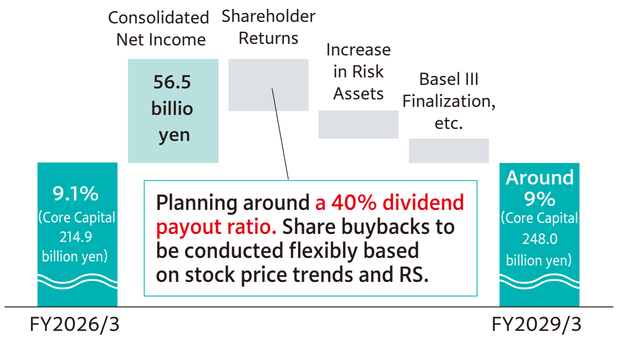
We have steadily reduced our strategic shareholdings. In the fiscal year ended March 31, 2026, holdings decreased by ¥2.1 billion on a book-value basis and ¥2.6 billion on a market-value basis, reducing the ratio of strategic shareholdings to consolidated net assets to 7.6%.

Going forward, in addition to further reductions, we will begin applying more rigorous criteria when assessing the rationale for holding such shares. Considering both contributions to the enhancement of investee corporate value and opportunities for business collaboration, we will maintain holdings only when they generate returns commensurate with the cost of capital.

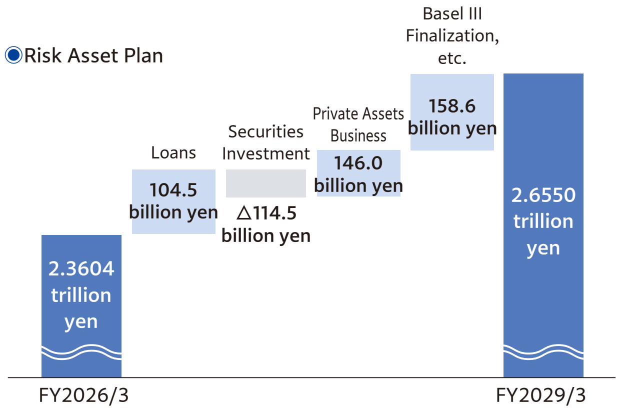
●Capital Policy & Shareholder Returns

Item	FY2026/3 〈Actual〉	FY2027/3 〈1 year later〉	FY2028/3 〈2 year later〉	FY2029/3 〈3 year later〉
Dividend Payout Ratio	41.0%	39.3%	Around 40% Dividends to be paid based on sustainable profit growth; own share buybacks to be implemented flexibly	
Total Dividend Amount	5.2 billion yen	6.6 billion yen		
Own Share Buyback Amount	4.0 billion yen	1.0 billion yen		
Cost of Capital	Roughly 7~9%	About 7~9%		
ROE	5.9%	7.7%	Over 8.0%	
Core Capital	214.9 billion yen	2210 billion yen	2,310 billion yen	2,480 billion yen
Risk Assets	2.3604 trillion yen	2.3850 trillion yen	2.5000 trillion yen	2.6550 trillion yen
Capital Adequacy Ratio	9.1%	9.3%	Around 9%	

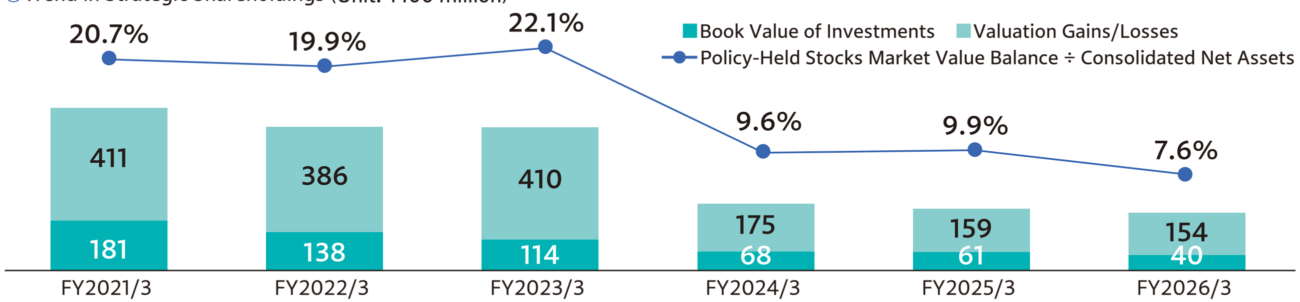
●Trends in Capital Adequacy Ratio



●Risk Asset Plan



●Trend in Strategic Shareholdings (Unit: ¥100 million)



Message from the General Manager of Corporate Planning: Medium-Term Management Strategy

Framework for Enhancing Corporate Value

Based on our corporate and business strategies, we evaluate our desired future state and business portfolio and formulate the strategies and plans necessary to achieve them. Through our financial strategy and management framework, we determine capital policy, capital allocation, and target management indicators by balancing risk and return while considering the capital and funding requirements necessary to execute our business strategies.

The Risk Appetite Framework (RAF) serves as the foundation supporting these financial management processes. By incorporating risk-return considerations into business planning and monitoring key management indicators, RAF enables us to pursue both financial soundness and profitability.

By reflecting ongoing dialogue with communities, customers, shareholders and investors, and employees in our management decisions, we continue to optimize capital allocation and further enhance our business portfolio.

Evolution of the Business Portfolio and Sustainable Growth

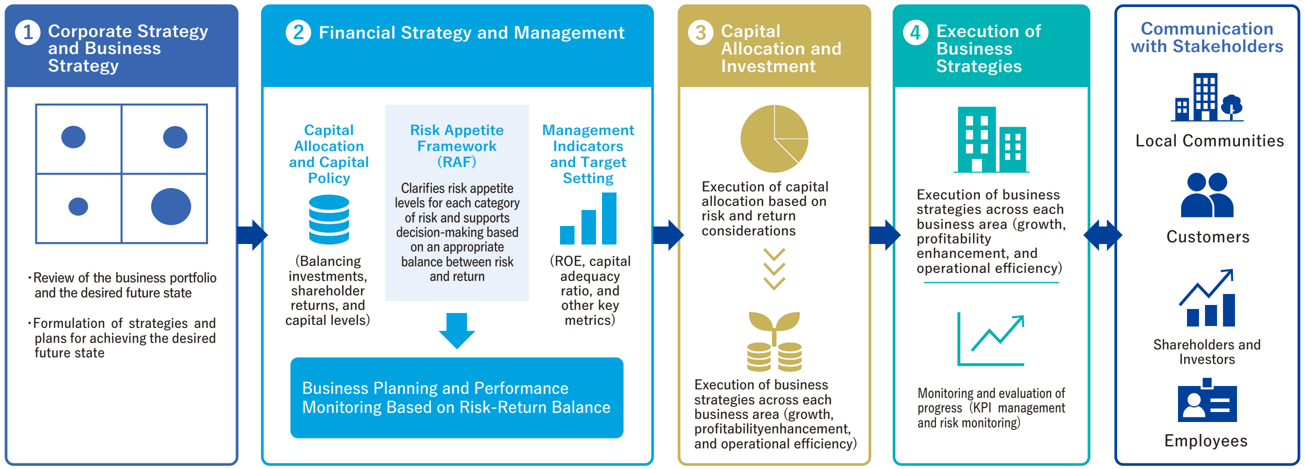
While continuing to build on the strong relationships of trust we have established with our regional customers through traditional banking operations, we are also expanding into new business domains beyond the conventional boundaries of banking. Leveraging our financial services business as a stable earnings foundation, we have developed a diversified portfolio that combines multiple business areas and actively allocates management resources to growth opportunities.

In particular, the development and provision of our next-generation core banking system to external customers, as well as our expansion into sports and entertainment businesses, represent unique initiatives that capitalize on our distinctive strengths. Together with the expansion of our Group companies, these initiatives are broadening the value we provide and diversifying our earnings base.

Under our medium-term management strategy, we position Revenue revenue from new businesses as a key growth driver while carefully managing each business according to its characteristics and risk profile. Through this approach, we seek to balance profitability with sustainability.

We are evolving a portfolio into which each business leverages its individual strengths while generating synergies across the Group, thereby building a management foundation that is resilient to changes in the operating environment. Through these efforts, we aim to contribute to the sustainable development of our customers and communities while continuously enhancing corporate value.

◉Framework for Enhancing Corporate Value



◉Traditional Banking and New Businesses

Traditional Banking

Financial Services
- Lending and Leasing
- Consumer Finance
- Foreign Exchange

Treasury and Market Operations
- JGBs and Foreign Bonds
- Held-to-Maturity Bonds
- Strategic Shareholdings

New Businesses in Banking Accounts

Treasury and Market Operations
- Pure Investment Equities
- Multi-Asset Investments

Cashless Payments
- Acquiring
- Issuing
- Digital Local Currency

Digital and Systems
- Banking-as-a-Service (BaaS)

Regional Revitalization
- Hiroka Terrace

New Businesses Through Group Companies

Consulting (Including Overseas Operations)
- Corporate Consulting
- Investment Advisory and BPO Services

Investment and Asset Management (Including Overseas Operations)
- Private Debt Funds and Private Equity Funds
- Asset Management and Overseas Lending

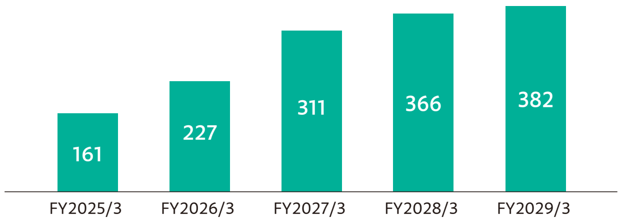
Digital and Systems
- External Sales of Systems

Regional Revitalization
- Sports and Entertainment

Earnings Plan by Business Segment

◉Business Loans and Leasing (Unit: ¥100 million)

(Probability Assessment: A)

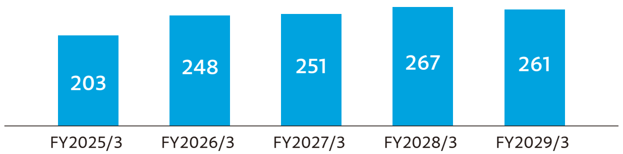


◉KPI

	FY2026/3		FY2027/3
	Target	Actual	Target
Business Loan Yield	1.55%	1.56%	1.88%

◉Treasury and Market Operations (Unit: ¥100 million)

(Probability Assessment: A)

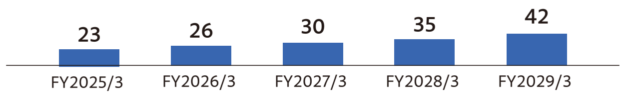


◉KPI

	FY2026/3		FY2027/3
	Target	Actual	Target
Securities Portfolio Yield	1.06%	1.30%	1.57%

◉Consulting (Corporate, Retail, Investment Advisory and BPO)

(Probability Assessment: B) (Unit: ¥100 million)

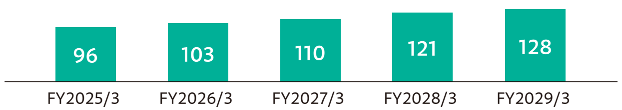


◉KPI

	FY2026/3		FY2027/3
	Target	Actual	Target
Average Contract Value for Corporate Consulting	¥2.5 million	¥2.84 million	¥3.2 million

◉Consumer Finance (Unit: ¥100 million)

(Probability Assessment: A)

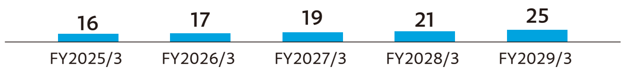


◉KPI

	FY2026/3		FY2027/3
	Target	Actual	Target
Consumer Loan Yield	1.12%	1.09%	1.18%

◉Cashless Payments (Unit: ¥100 million)

(Probability Assessment: B)

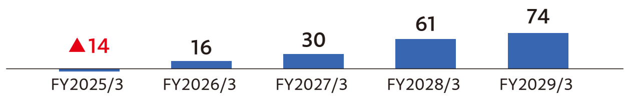


◉KPI

	FY2026/3		FY2027/3
	Target	Actual	Target
Cashless Payment Volume	¥105.3 billion	¥98.2 billion	¥131.1 billion

◉Investment and Asset Management (Unit: ¥100 million)

(Probability Assessment: C)



◉KPI

	FY2026/3		FY2027/3
	Target	Actual	Target
Investment Multiple	1.00x	1.22x	1.10x

Planning Methodology

1. Each business is assessed using a three-tier probability framework that reflects differences in uncertainty and future visibility. Revenue and expense assumptions are determined according to the assessed probability level. For businesses with lower levels of certainty, revenue assumptions are conservative, while expenses incorporate an appropriate allowance for uncertainty.
2. Businesses subject to greater uncertainty are planned using conservative assumptions. As a result, the plan has been formulated at a level with a high likelihood of achievement.

High ⬅ Probability ➡ Low

A	B	C
Low uncertainty and low earnings volatility	Moderate uncertainty and earnings volatility	High uncertainty and high earnings volatility
Finance businesses, Treasury and Market Operations	Consulting businesses, Cashless Payment businesses	Fund businesses, Credit Costs

A Group Structure Delivering Diverse Forms of Value

In addition to our financial businesses centered on Hokkoku Bank, we have established a Group structure encompassing consulting, asset management, regional revitalization, and overseas businesses. Through this diversified platform, we address the evolving and diverse needs of our customers and local communities.

CCIG

Finance Business

- 北國銀行 — Banking Business
- 北國総合リース — Leasing Business
- 北國クレジットサービス — Credit Card Business
- 北國保証サービス — Credit Guarantee Business

Comprehensive Consulting Business

- CCI — Consulting Business
- CCIForward — BPO Business
- Digital Value — System Development and Operations Management Business

Asset Management Business

- CCI Asset Partners — Investment Advisory Business
- QR INVESTMENT — Fund Management and Administration Business

Regional Revitalization Business

- CCI エンタベース — Sports, Entertainment and Venue Business
- HONEYBEE ISHIKAWA since 1975 — Women's Handball Team
- KANAZAWA SAMURAIZ — Men's Basketball Team
- 地域未来創造 — Community Development Consulting, Regional Trading andE-Commerce Business

Overseas Business

- CCI CrossBorder — Overseas Business
- CC Innovation Singapore — Overseas Business
- Thai CC Innovation — Overseas Business
- CC Innovation Vietnam — Overseas Business
- CC Innovation Africa — Overseas Business

Noto Peninsula Earthquake: Initiatives for Creative Reconstruction

Two and a half years have passed since the Noto Peninsula Earthquake struck on January 1, 2024, and support frameworks for the recovery and rebuilding of affected businesses are steadily taking shape. In addition to ensuring the uninterrupted provision of financial services to affected customers, companies across the CCI Group have continued to advance a wide range of reconstruction initiatives.

Going forward, the entire Group will continue working together to support the reconstruction of Noto and Ishikawa while contributing to the creation of even more vibrant and attractive communities.

Initiatives to Rebuild Businesses and Industries

Supporting Businesses Through Financial Services and Reconstruction Funds

We support businesses seeking to rebuild their operations and contribute to the broader recovery of their communities by carefully understanding their individual challenges and needs and providing tailored financial services centered on Hokkoku Bank. In addition, QR Investment has established two funds dedicated to supporting the recovery of disaster-affected businesses.

The Noto Peninsula Earthquake Reconstruction Support Fund, established to address the double-debt burden facing affected businesses, has completed five investments. The Noto Beyond Reconstruction Fund, which aims to support businesses pursuing both recovery and future growth, has completed two investments.

Secondment of Personnel to the Noto Industrial Recovery Support Center

The Noto Industrial Recovery Support Center provides one-stop support for a wide range of business challenges, particularly issues relating to double debt arising from existing borrowings combined with new financing required for recovery and reconstruction. Believing that successful reconstruction requires close public-private collaboration, we have seconded personnel to the Center and established a support framework that combines deep regional knowledge with financial expertise.

Hosting Business Matching Events with Other Financial Institutions

To support affected businesses in restoring sales channels, we hosted business matching events with buyers from outside the prefecture in collaboration with the Shoko Chukin Bank and other organizations. Beyond financial assistance, we are supporting market development and business growth initiatives aimed at accelerating recovery and fostering the sustainable revitalization of the regional economy.

Business Matching Event

Supporting Local Communities and Social Connections

Rebuilding Branches in the Noto Region

To further advance reconstruction efforts, we are rebuilding several branches throughout the Noto region. These new branches are designed to serve not only as financial service locations but also as community hubs where local residents can gather and seek advice in a comfortable environment. We are also contributing to regional economic recovery using locally sourced Noto Hiba timber.

Anamizu Branch, opened in April 2026 as the first newly constructed branch in the Noto region following the earthquake

Takahama Branch, scheduled for completion in winter 2026

Hosting Noto Reconstruction Support Concerts

With the hope of bringing smiles to children in affected communities through music, we have organized a series of Noto Reconstruction Support Concerts at nursery schools, elementary schools, and junior high schools in areas that experienced significant earthquake damage. Programs feature familiar classical music as well as school and nursery songs, creating opportunities for emotional healing and strengthening community bonds through the power of music.

Concert at Matsunami Elementary School, Noto Town

Concert at Nanao Aiji Kodomoen

Message from the President of Hokkoku Bank

Hokkoku Bank's Business Performance

For the fiscal year ended March 31, 2026, Hokkoku Bank reported net income of ¥12.7 billion on a non-consolidated basis, significantly exceeding the initial forecast and achieving a new record high. In addition to substantial growth in loans outstanding, rising policy interest rates contributed to a significant increase in lending income.

Loans outstanding totaled ¥3,048.6 billion as of March 31, 2026, an increase of ¥418.8 billion from the previous fiscal year. This growth was driven primarily by lending to large corporations and national and local government entities. The loan yield improved to 1.24%, up 0.16 percentage points year on year, reflecting the continued penetration of appropriate pricing practices.

In our Treasury and Market Operations business, earnings grew significantly, particularly from yen-denominated bond investments, due to the replacement of low-coupon bonds with higher-yielding securities. The average yield on yen-denominated bonds increased to 0.857%, up 0.541 percentage points year on year, on an average balance of ¥1,117.8 billion.

Deposits totaled ¥4,821.0 billion as of March 31, 2026, a decrease of ¥94.7 billion from the previous year. Two and a half years have passed since the Noto Peninsula Earthquake, and as reconstruction progresses, funds held by prefectural and municipal governments are increasingly being used for infrastructure development and other reconstruction initiatives, resulting in lower public-sector deposit balances. Meanwhile, both retail and corporate deposits have remained firm.

Haruhiko Kometani

President and
RepresentativeDirector
The Hokkoku Bank, Ltd.

Joined Hokkoku Bank in 1993. Served as General Manager of the Head Office Sales Department in 2016, Tokyo Branch Manager in 2020, Executive Officer and Tokyo Branch Manager in 2021, and Executive Officer and Komatsu Sales Department Manager in 2022. After serving as Senior Executive Officer and Corporate Manager in 2023, became President & CEO of Hokkoku Bank in March 2025.

Although credit loss provisions related to the Noto Peninsula Earthquake have begun to stabilize, credit-related expenses remain elevated due to increases in regional bankruptcies driven by labor shortages, succession challenges associated with population decline and aging demographics, and rising material costs. In addition, given the impact of recent geopolitical developments, including conditions in the Middle East, we believe it is appropriate to maintain a conservative approach toward estimating credit-related expenses over the next two years.

In the fiscal year ending March 31, 2027, we expect to achieve another record-high profit as a standalone bank by continuing to capture strong financing demand, expanding loans outstanding, and implementing agile Treasury and Market Operations in an environment where policy interest rates are expected to rise further.

This performance is a direct result of the trust we have built with our customers, employees, and all other stakeholders who have supported us over many years. I would like to express my sincere gratitude to all of them.

Strengthening the Hokkoku Bank Brand

Since March 2025, our Group has operated under a two-brand structure and has been actively pursuing a strategy to further strengthen and refine the Hokkoku Bank brand, particularly throughout the Hokuriku region.

Building on the trust and confidence established as a regional financial institution, Hokkoku Bank aims to remain a trusted partner that supports customers and helps build a prosperous future for local communities. Guided by our brand slogan, "Your Future. Our Focus.", all officers and employees continue to improve both the quantity and quality of dialogue with customers.

As one of our executive officers, I also actively engage with customers and local communities to deepen mutual understanding and promote meaningful and productive dialogue.

Even as the social environment continues to evolve, we will remain committed to each customer and community we serve. Through high-quality dialogue, we will continue to challenge ourselves, adapt, and evolve as a trusted partner growing together with the region.

Message from the President of Hokkoku Bank

Our Commitment to Enhancing Regional Value

In December 2025, Japan's Financial Services Agency announced the Regional Financial Capability Enhancement Plan.

As population decline, aging demographics, labor shortages, and shortages of management talent become increasingly serious challenges in regional areas, we believe this plan reflects growing concerns regarding the sustainable development of local economies. Japan's population peaked in 2008, while the population of the three Hokuriku prefectures has been declining for more than 25 years since reaching its peak around 2000.

Against this backdrop, our Group has proactively implemented initiatives designed to strengthen regional financial capabilities. In particular, our industry-focused business model, introduced two years ago, has enabled us to gain deeper insight into industry trends, challenges, and opportunities while strengthening dialogue with industry associations and other stakeholders. As a result, we have established a framework capable of supporting value creation across entire industries.

A growing number of our corporate clients face challenges related to talent acquisition and are concerned about their long-term sustainability. As industry consolidation accelerates in response to demographic changes and labor shortages, we intend to leverage the diverse capabilities of our Group to contribute to improving industry competitiveness and value.

In addition, when supporting business turnaround initiatives, we engage in dialogue with management at an early stage, establish a shared understanding of challenges, and utilize not only lending but also consulting services and turnaround investment funds. Through these efforts, we contribute to business rehabilitation while helping preserve supply chains and employment.

One of the most critical issues facing our region is productivity enhancement. We have long supported productivity improvements through internet banking, cashless payment solutions such as Tochitsuka and debit cards, IT support, AI implementation assistance, and BPO services.

Drawing on our own experience with corporate transformation (CX), which we have pursued since 2000, we also help client companies strengthen their organizational capabilities. Even amid ongoing population decline and aging demographics, we remain fully committed to deploying all available management resources to contribute to the sustainable development and long-term value of our region.

▶Overview of thePlan for Strengthening Regional Financial Functions

https://www.fsa.go.jp/news/r7/20251219/regional_financial_power_enhancement_plan_summary.pdf

Source: Financial Services Agency (FSA),
"Plan for Strengthening Regional Financial Functions"

Toward the Creative Reconstruction of Noto

Approximately two and a half years have passed since the 2024 Noto Peninsula Earthquake and nearly two years since the 2024 Oku-Noto Torrential Rain Disaster. I would once again like to express my deepest condolences to those who lost their lives and my heartfelt sympathies to everyone affected.

Among our damaged branches, the reconstruction of the Anamizu Branch was completed in April 2026, and operations have commenced at the new facility. We have also begun rebuilding the Takahama Branch, while temporary relocations have been completed for the Monzen and Ushitsu branches in preparation for reconstruction. Preparations for the Wajima Branch are also underway. We will continue to evaluate and implement branch reconstruction projects across the region.

We sincerely apologize to customers who have experienced inconvenience over this extended period and greatly appreciate their understanding and continued support.

Wakura Onsen, one of the symbols of reconstruction following the earthquake, has seen approximately half of its twenty facilities resume operations. However, only a limited number have fully reopened, and reconstruction remains ongoing.

To support affected individuals and communities, we will continue providing financial assistance through the ¥10.0 billion Noto Peninsula Earthquake Reconstruction Support Fund while also supporting subsidy applications and leveraging the Group's digital and consulting capabilities to help realize creative reconstruction.

In Closing

In December 2026, Hokkoku Bank will celebrate its 83rd anniversary.

We have overcome numerous challenges throughout our history, including the collapse of Japan's asset bubble, the global financial crisis, and the COVID-19 pandemic. Our ability to navigate these challenges has been made possible by the longstanding relationships we have built with our customers and the support of all our stakeholders.

The customer franchise and trusted relationships cultivated throughout our history are among our most valuable assets.

Even under challenging conditions, I firmly believe this region can continue to achieve sustainable growth. Building on this invaluable foundation, we will further strengthen the Hokkoku Bank brand and strive to remain a bank that is trusted, valued, and chosen by local communities.

Through ongoing dialogue with customers and communities, we will accurately identify challenges and continue providing solutions and hands-on support, thereby deepening trust and strengthening relationships.

In a society facing population decline, our mission is to work together with local communities toward a sustainable future, confront challenges directly, and help solve them together.

We sincerely appreciate your continued support and patronage.

Business Model and Growth Strategy of Banking Business

Corporate Banking

Business Understanding as the Foundation of Corporate Banking

At Hokkoku Bank, business understanding serves as the starting point for all corporate banking activities.

In addition to quantitative analysis based on customers' financial information, we take a multifaceted approach to understanding each client by assessing non-financial factors such as business operations, industry characteristics, organizational structures, management philosophies, business models, supply chains, and ESG initiatives. Through this process, we identify both core strengths and potential challenges.

The objective of this approach is to build strong relationships founded on mutual understanding. Rather than simply gaining a deeper understanding of our customers, we actively share our perspectives and analyses of their business models, enhancing the quality of dialogue and strengthening long-term relationships of trust.

A key feature of our approach is the combination of in-depth face-to-face dialogue with the effective utilization of accumulated information and data. Rather than relying solely on the knowledge of individual relationship managers, we leverage information accumulated across the organization to continuously monitor changes in our customers' operating environments and management challenges.

We also analyze industry trends and shifts in the market environment to identify customer-specific growth opportunities and potential risks, enabling forward-looking dialogue. These efforts support the development of more accurate hypotheses and deeper identification of issues, further enhancing the quality of discussions with our customers.

Based on a thorough understanding of each customer's business, we provide support that extends well beyond financing. We offer solutions addressing a broad range of management challenges, including business succession, talent acquisition, productivity enhancement, market expansion, and digital transformation. At the same time, we deliver comprehensive and multi-dimensional solutions by leveraging the capabilities of companies across the CCI Group.

As part of our commitment to deepening mutual understanding, we also share our assessments of customers' financial condition and borrower classifications, while customers share their management plans with us. Among these initiatives, borrower classification is a particularly important factor in lending decisions. By openly sharing our assessments and underlying rationale, we provide customers with a clearer understanding of how we view their financial condition and business model.

This enables frank and meaningful discussions with management, reduces information gaps between the parties, and facilitates constructive dialogue that considers past performance, current conditions, and prospects.

Through the accumulation of these efforts, we aim to create a virtuous cycle in which support for customer growth contributes to regional economic development while simultaneously driving our own sustainable growth.

The Role of Account Managers

This approach to understanding customers' businesses is implemented primarily by our account manager (AM), who are responsible for serving corporate customers.

As the primary point of contact with customers, account managers play a central role in building relationships and guiding the process from identifying management challenges to developing solutions based on a thorough understanding of each customer's business.

Rather than simply providing financial products, AMs create value across a wide range of management issues by combining the diverse capabilities of the CCI Group, including leasing, consulting, and cashless payment solutions.

To ensure that account managers can fully perform these responsibilities, we continue to strengthen both our organizational structure and system infrastructure.

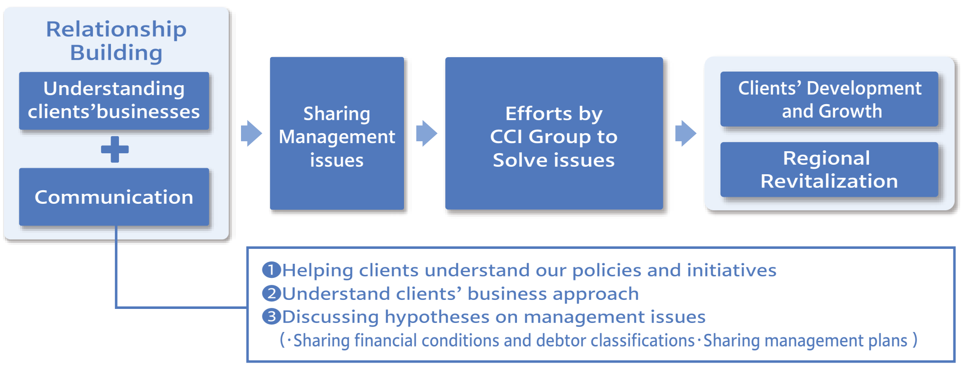
From an organizational perspective, we introduced an industry-focused business model in 2024, promoting the development of highly specialized professionals capable of accumulating and applying expertise specific to individual industries.

From a systems perspective, we are enhancing support functions designed to improve the quality of AM activities. Initiatives include early-warning management utilizing data platforms and AI, preparation of internal and external materials, and the systematic accumulation and utilization of information.

These efforts have steadily improved the quality of dialogue in the field, leading to more effective identification of customer challenges and more practical solution proposals.

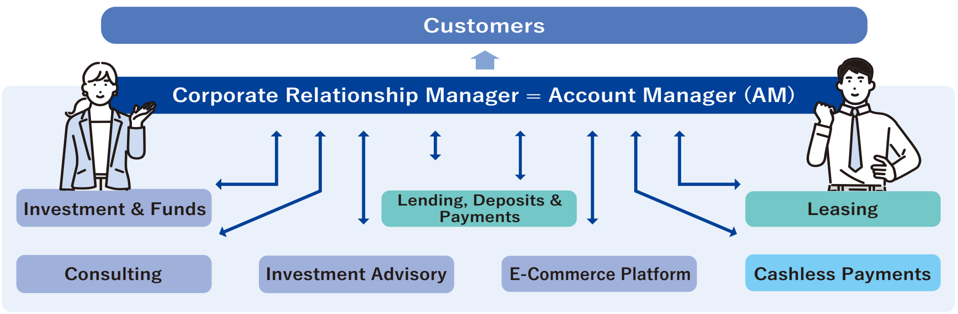
Going forward, we will continue striving to be recognized as a true partner that customers choose and trust, building relationships founded on long-term trust and mutual growth.

◉Business Model Centered on Business Understanding



◉Account Managers Leverage the Full Capabilities of the Group

Account Managers (AMs), who serve as relationship managers for corporate customers at Hokkoku Bank, act as a single point of contact for the CCI Group. By leveraging the full range of capabilities across Group companies, they provide comprehensive solutions that address the diverse needs of customers and local communities.



Business Model and Growth Strategy of Banking Business

Retail Banking

Building Long-Term Relationships with Customers

At Hokkoku Bank, the most important objective in serving retail customers is building long-term relationships.

As we enter an era of 100-year lifespans, not only the way people work and learn but also the way they manage their finances is changing. In this environment, the role of financial institutions in supporting customers' life plans has become increasingly important.

Against this backdrop, we believe that delivering value from a truly customer-centric perspective is essential to earning customers' trust and building enduring relationships. To achieve this, we focus on four particularly important elements: customer touchpoints, service delivery capabilities, product offerings, and employee mindset.

Customer Touchpoints and Service Delivery

One of the initiatives we have particularly emphasized in strengthening customer relationships is HOKKOKU LIFE+.

HOKKOKU LIFE+ is a comprehensive digital banking account service for retail customers launched in 2021. It offers a variety of benefits, including free access to convenience store ATMs, while enabling customers to conduct transactions online anytime, 24 hours a day. The number of accounts has now exceeded 200,000, demonstrating the widespread adoption of our digital services and the value customers place on their convenience.

We are also expanding our engagement with employees of our corporate clients. Through initiatives such as wealth management seminars and support for the introduction of corporate defined contribution pension plans, we help improve financial literacy among employees.

Furthermore, when seminar participants require more detailed explanations or consultation, we provide highly specialized services through online meetings, eliminating the need for branch visits.

These initiatives have enabled us to strengthen channels for engaging with employees while advancing digitalization, allowing us to connect with customers who previously had little or no contact with the Bank. By continuously expanding customer touchpoints, we are strengthening long-term relationships built around each customer's life plan.

Products and Employee Mindset

In recent years, the Japanese government has promoted the concept of becoming a Leading Asset Management Center, encouraging individuals to shift from saving to investing and build assets for the future and secure their future through wealth creation.

This policy reflects the transition to an inflationary environment in which prices continue to rise. Under such conditions, long-term, regular, and diversified investing has become an increasingly important means of protecting household financial well-being.

One of the key initiatives supporting this national policy is the NISA program. Following its reform in 2024, demand for Wealth Creation solutions has expanded significantly.

At Hokkoku Bank, we eliminated purchase fees on investment trusts ahead of many competitors and carefully selected a lineup of funds suited to long-term and stable asset management. Rather than emphasizing the number of available funds, we prioritize simplicity, ease of selection, and customer confidence. Funds are evaluated from multiple perspectives, including investment performance, management capabilities, and cost efficiency, allowing us to focus on products that support long-term wealth creation and facilitate clear, well-informed recommendations.

This long-term perspective extends beyond our product offerings and is deeply embedded in our culture.

More than a decade ago, Hokkoku Bank abolished sales quotas. As a result, our employees are encouraged to focus not on short-term product sales but on proposals tailored to each customer's lifestyle and long-term goals.

We have also enhanced services related to dementia preparedness and inheritance planning, helping customers address concerns associated with aging and succession. Through these initiatives, we provide comprehensive proposals tailored to customers' life stages.

By maintaining a consistently customer-focused approach to both product design and sales practices, we have continued to deepen the quality of our consulting services and strengthen long-term relationships with customers. These trusted relationships form the foundation for the sustainable generation of earnings.

In Closing

The rise of internet banking and online securities firms driven by the widespread adoption of smartphones and digital technologies has fundamentally changed the competitive landscape for regional banks.

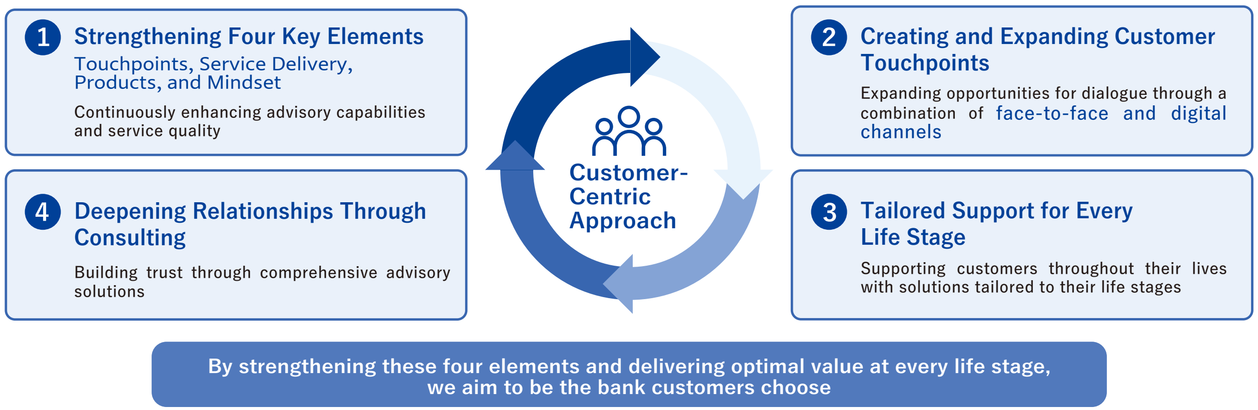
Rather than competing directly with online financial service providers, Hokkoku Bank embraces a strategy of coexistence.

At the same time, we remain committed to being our customers' primary banking partner by providing products and services aligned with their evolving needs.

Most importantly, we will continue to differentiate ourselves through our greatest strengths: a close commitment to customers and the peace of mind we provide.

By delivering these unique forms of value, we aim to remain the financial institution that customers ultimately choose and trust for the long term.

●Retail Banking That Creates a Virtuous Cycle of Customer-Centric Value

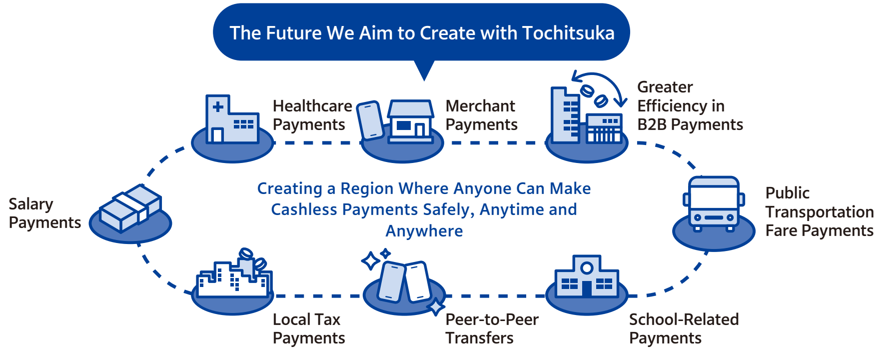


Tochitsuka: A Payment Platform for Building a Regional Economic Ecosystem

The Tochitsuka Concept: A Cashless Platform That Keeps Value Within the Region

Tochitsuka is designed to enhance regional productivity by promoting the circulation of funds, accelerating cashless adoption, and supporting the digitalization of public services. Rather than serving merely as a cashless payment method, it functions as shared digital infrastructure linking economic activity, daily life, and public services.

By functioning as shared infrastructure that can be utilized by residents, businesses, and local governments alike, Tochitsuka aims to achieve both greater convenience and long-term sustainability across the region.



Cashless Payments That Keep Value Within the Region

In recent years, the adoption of cashless payments has progressed steadily in regional communities as well. Driven by the need to improve customer convenience, streamline accounting operations, and address labor shortages, cashless payments are no longer considered a niche initiative but rather part of a broader societal transformation.

At the same time, businesses increasingly recognize cashless payment capabilities as an important factor influencing customer convenience and ease of use.

However, regions with many small and medium-sized businesses continue to face practical challenges when introducing cashless payment solutions.

One of the most significant challenges is payment processing fees.

Many existing cashless payment services require merchants to pay transaction fees calculated as a percentage of sales. For regional businesses and merchants, these fees represent a direct operating cost that can significantly affect profitability. As a result, some businesses remain hesitant to adopt cashless payments despite recognizing their benefits.

This impact can be particularly significant for small businesses and independently operated stores, where payment fees represent a larger burden relative to their overall sales volume. Consequently, cashless payments can become not only a convenient solution but also a potential burden on business management

In addition, many existing cashless payment services are built on business models designed for nationwide or large-scale deployment. As a result, promoting local economic circulation is not necessarily their primary objective.

Transaction fees, customer data, and the value generated through customer interactions are often accumulated in regions where service providers maintain headquarters or operational centers. Consequently, value created through local consumption and economic activity may flow outside the region, limiting its contribution to sustainable regional growth.

Tochitsuka was developed to address these structural challenges through the concept of “cashless payments that keep value within the region.”

In addition to providing convenient and efficient payment functions, Tochitsuka is designed to encourage local utilization and integrate with public services, thereby creating an environment in which value generated within the region continues to circulate locally.

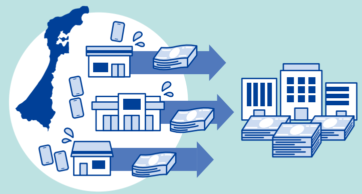
Rather than viewing cashless payments simply as a means of improving payment efficiency, we position Tochitsuka as social infrastructure that enhances regional productivity and creates additional value throughout the community.

Merchant Transaction Fee: **0.99%** (Tax Included)

A Merchant Transaction Fee of Just 0.99%, Among the Lowest Internationally

We believe that merchant transaction fees are one of the key barriers to the broader adoption of cashless payments. Accordingly, Tochitsuka's merchant transaction fee has been set at 0.99%, a level that is among the lowest internationally, helping reduce the burden on merchants while supporting the expansion of cashless payment adoption.

Cashless payments are convenient.
But they come at a cost to local businesses.
And the money flows out of the region.



An Open Platform Beyond the Boundaries of Financial Institutions

Tochitsuka is not a service designed for any specific financial institution. Instead, it is operated as an open platform supporting cashless payments across the entire region.

Rather than emphasizing banking products and services, Tochitsuka prioritizes its role as a regional service, creating an environment in which residents, businesses, and local governments can participate without feeling constrained by the interests of a particular financial institution.

Furthermore, the platform is not limited to users holding accounts with a specific bank. It is designed to connect with accounts at other financial institutions within the region, enabling the creation of a cashless payment infrastructure that transcends traditional banking boundaries.

We believe that this open approach is essential to achieving widespread adoption of cashless payments and supporting the long-term, sustainable development of regional economies.

きんしん　のとしん　はくさん信用金庫　興能信用金庫　北國銀行

Tochitsuka: A Payment Platform for Building Regional Economic Ecosystems

Collaboration with Ishikawa Prefecture: Real-World Implementation and Adoption Through Public-Private Partnership

One of the distinguishing features of Tochitsuka is that it has moved beyond the conceptual and pilot stages to become an actively deployed and operated platform in collaboration with local government.

Since March 2026, Tochitsuka has been providing services in collaboration with Ishikawa Prefecture and has been incorporated into various public-sector initiatives, including benefit payment programs. The platform is already beginning to fulfill its role as a regional cashless payment infrastructure. Its successful adoption within actual administrative services, rather than remaining a theoretical concept, demonstrates both its practicality and reliability.

One example is the benefit payment program implemented jointly with Ishikawa Prefecture. Under this initiative, residents can receive benefits through Tochitsuka. Benefits equivalent to a total of ¥7,000 are provided through Tochitsuka by Ishikawa Prefecture and Hokkoku Bank, creating a clear and tangible benefit for users through the integration of public policy and private-sector services.

Compared with traditional paper- or cash-based procedures, this approach enables faster benefit distribution and reduces administrative workloads. By utilizing digital payments, it also improves the efficiency of tracking and managing benefit distributions.

At the same time, recipients benefit from the convenience of receiving funds quickly and seamlessly through Tochitsuka. Moreover, because the distributed funds are intended for use at participating local merchants, the program naturally encourages local consumption and stimulates regional economic activity.

The initiative has also attracted new users who began using Tochitsuka through local government programs. This demonstrates how combining public-sector initiatives with cashless payment services can simultaneously accelerate service adoption and generate positive economic spillover effects within the region.

For Ishikawa Prefecture, Tochitsuka serves as a tool capable of achieving multiple policy objectives at the same time, including the promotion of cashless payments, stimulation of local consumption, and wider utilization of smartphones and My Number cards.

A key feature of the platform is its ability to combine the digitalization of public services with a regionally rooted cashless payment infrastructure, simultaneously enhancing resident convenience and supporting local economic development.

Rather than functioning as a standalone initiative, Tochitsuka serves as a platform capable of addressing multiple policy challenges in an integrated manner.

Receive Ishikawa Living Support through Tochituca.

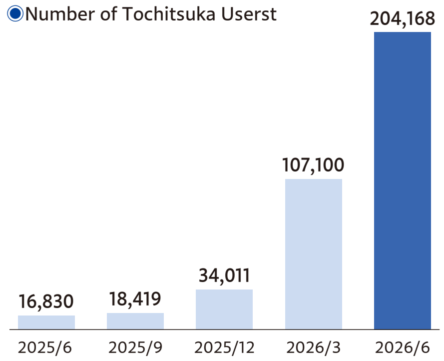
Tochitsuka Support Booth

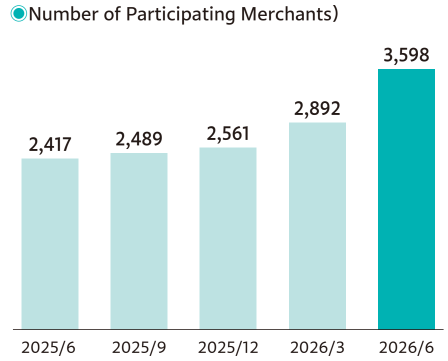
Advancing Cashless Payments Through Regional Collaboration

Collaboration with local governments also holds significant strategic value from a business perspective.

By integrating Tochitsuka with municipal initiatives, the platform is attracting new users, particularly local residents. At the same time, programs involving benefit payments and local points incentives contribute to the expansion of participating merchants throughout the region, creating positive effects for both users and businesses.

In addition, initiatives such as municipality-sponsored point programs enhance the convenience and value of the application itself, encouraging continued use.





Importantly, Tochitsuka is not intended to be a cashless payment service exclusively for Hokkoku Bank. Instead, it is designed with the broader objective of promoting cashless adoption across the entire region.

Rather than emphasizing banking products or services, the platform is designed to integrate naturally into everyday life within the community. Accordingly, it is not dependent on a specific bank account and can be used by customers who hold accounts with other financial institutions operating within the region.

This open architecture is one of the reasons Tochitsuka is well suited for use in government-led initiatives.

Such openness is equally important in collaboration with public-sector organizations. Because Tochitsuka functions as a shared regional platform rather than a system limited to a specific company or financial institution, it is easier to maintain the neutrality and fairness required for public-sector programs while supporting sustainable long-term operation.

As a common platform through which government agencies, financial institutions, businesses, and residents can all realize value, Tochitsuka continues to evolve through ongoing implementation and improvement in partnership with Ishikawa Prefecture. Through these efforts, it is steadily growing as a regionally rooted cashless payment infrastructure.

TOCHI PO トチポ 珠洲 能美 小松 いしかわ

Business Model and Growth Strategy of Consulting & Advisory

Yutaka Imai

President and Representative Director
CC Innovation Co., Ltd.

Joined Hokkoku Bank in 1996. appointed manager of the Corporate Planning Section, Corporate Planning Division, in 2014, and manager of the Marketing Planning Section in 2017. In 2021, he served concurrently as general manager of the Marketing Department and the Life Planning Department. In 2023, executive officer, general manager of the Life Planning Department, and president and representative director of FD Advisory Co., Ltd. (now CCI Asset Partners Co., Ltd.), he led the launch of the investment advisory business. After serving as director and senior managing executive officer of CC Innovation from March 2025, he was appointed president and representative director in June 2026.

Our Journey to Date

The CCI Group's Consulting & Advisory business plays a central role in supporting the transformation of regional companies through practical experience and execution capabilities, with CC Innovation serving as its primary driver.

The origin of our business lies in sharing with regional companies the expertise The CCI Group has accumulated through its own corporate transformation initiatives, including operational reforms, digital transformation, and talent development. Working closely with Hokkoku Bank's corporate relationship managers, we have engaged in extensive dialogue with customers to understand and share their management challenges.

By combining our consulting expertise with the Group's broader capabilities, including finance and investment functions, we provide comprehensive support tailored to each client's needs.

Today, companies face growing uncertainty driven by labor shortages, changing cost structures, and the rapid advancement of AI and digital transformation. While incremental improvements remain important, they are often insufficient to achieve the next stage of growth. At the same time, many organizations must focus on addressing immediate operational challenges.

Recognizing these realities, we engage with customers not only to solve specific issues but also to help them reconsider a more fundamental question: What should our company aspire to become, and where can we create value?

By connecting strategy with execution, we transform individual initiatives into tangible results. This is the foundation of our consulting approach.

In recent years, we have expanded beyond Hokkoku Bank's customer base and increasingly support mid-sized and large corporations in metropolitan areas. Through the expansion of our external partner network, we have successfully increased our ability to win higher-value and more complex projects. As both revenue and project volume continue to grow steadily, we are building a self-sustaining business platform that is less dependent on referrals.

By placing dialogue with customers at the center of our activities and serving as a partner that remains fully committed from strategy formulation through execution, we will continue contributing to the enhancement of corporate value.

Growth Strategy

To achieve further growth, we are pursuing the expansion of business domains and deeper external collaboration through five strategic pillars.

(1) Expanding Further into the Mid-Sized and Large Corporate Market

Building on the methodologies we developed through supporting small and medium-sized enterprises, we are accelerating our expansion into the mid-sized and large corporate segment, where management challenges are increasingly sophisticated and complex.

From business succession and capital policy to talent strategy and digital transformation, our multidisciplinary teams provide consistent support backed by deep expertise and strong execution capabilities. Our hands-on approach, which supports customers from strategic planning through implementation, has been highly valued in the market. Transactions with listed companies continue to increase, strengthening our brand and driving both new business opportunities and additional engagements from existing clients.

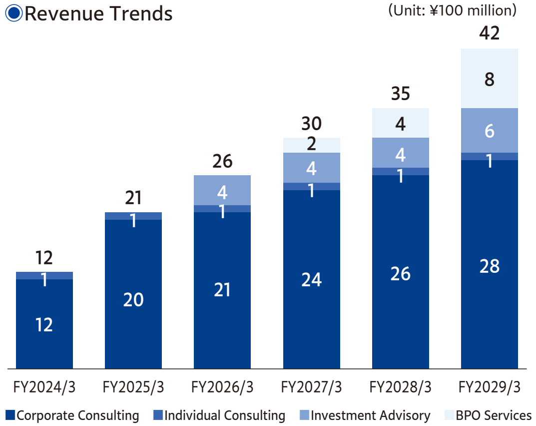
(2) Capturing Consulting Demand in Metropolitan Areas

Customers in metropolitan markets increasingly seek partners that can support the entire process from strategic planning to organizational design, operational reform, and IT implementation.

To meet these expectations, we have provided support in advanced areas such as platform

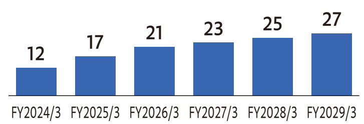
◉Revenue Trends

(Unit: ¥100 million)



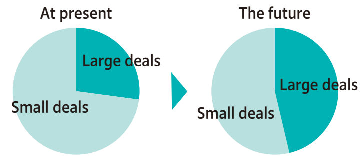
◉Fee per Consultant

(Unit: ¥ million)



◉Distribution of unit price for projects in corporate consulting

※Large-projects: ¥5 million/project or more



Business Model and Growth Strategy of Consulting & Advisory

development, corporate value enhancement for listed companies, and digital transformation initiatives for financial institutions.

In response to growing demand and an increasing track record, we established the Tokyo Headquarters Group in March 2026 and formally launched a dedicated organization to provide continuous and strategic support. The share of revenue generated in metropolitan areas continues to rise, and we intend to further accelerate expansion throughout Tokyo and other major urban markets.

(3) Expanding Value Creation Through External Partnerships

As customer needs become increasingly sophisticated and complex, relying solely on internal expertise is no longer sufficient.

We have steadily expanded our capabilities through collaboration with external partners and accumulated a proven track record of successful projects. Building on this foundation, we continue to deepen partnerships with organizations possessing advanced expertise and technologies across industries, regions, and specialized disciplines.

Collaboration with startups is one example. By incorporating their agility and cutting-edge knowledge, we can provide highly sophisticated solutions that would be difficult to deliver independently.

Through continued collaboration with external partners, we will further broaden the scope of value we provide and support our customers' growth.

(4) Expansion of the BPO Business

In 2025, we established CCIForward Co., Ltd., a dedicated BPO company, through a joint investment with Seven Rich Group, which originated as an accounting firm specializing in startup support, and Money Forward, one of Japan's leading providers of back-office SaaS solutions.

From managing accounting, payroll, and general administration functions to streamlining workflows and supporting digital transformation, CCIForward provides end-to-end support that enables customers to focus on their core businesses.

In parallel with the launch of CCIForward, we have strengthened collaboration with the BPO business unit within CC Innovation and established an integrated consulting-and-BPO operating model.

By combining the expertise of both organizations, we will continue supporting greater management efficiency and productivity while advancing the Group's BPO business to its next stage of growth.

(5) Global Expansion: Strengthening Our International Network

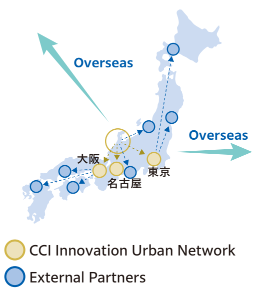
We currently operate in four international locations: Singapore, Vietnam, Thailand, and Kenya.

The networks and experience built across these locations continue to enhance both our service capabilities and proposal development expertise in domestic and international markets alike.

In particular, since entering Kenya, our initiatives addressing social challenges have attracted significant attention from major corporations, further enhancing our social impact and corporate value.

To accelerate these efforts, we established CCI Cross Border Co., Ltd. in April 2026 to oversee the Group's overseas business operations.

Future Network Expansion



Going forward, we will continue recruiting local professionals and expanding partnerships across all regions while evolving into a consulting firm capable of delivering high-value services more efficiently and effectively.

Launch of the Systems Sales Business

To provide end-to-end solutions that address customers' management challenges, from upstream consulting through system implementation, deployment, and maintenance, we are launching a systems sales business.

(1) For Financial Institutions

Since announcing the commercialization of BankWill, our next-generation core banking system, in August 2025, we have received inquiries from financial institutions across Japan and have engaged in extensive dialogue while providing information and proposals.

In addition to its cost advantages and flexible multi-cloud architecture, BankWill has attracted strong interest as a solution developed by CCI Group, leveraging practical expertise gained through Hokkoku Bank's own transformation experience.

Financial institutions have particularly expressed interest in our deep understanding of banking operations and our experience supporting the sustainable development of regional communities.

(2) For Corporate Clients

We will provide industry-specific systems developed by the CCI Group, leveraging our deep understanding of regional businesses and industries, as well as AI development solutions that support AI adoption by mid-sized and small businesses.

Through this business, we aim to enhance the value of our consulting services and contribute further to the growth of our customers.

At a Critical Stage of Reconstruction and Beyond

More than two years have passed since the Noto Peninsula Earthquake, and the region is gradually transitioning from recovery to reconstruction as infrastructure restoration and government-led redevelopment projects gain momentum.

At Wakura Onsen, one of Noto's leading tourist destinations, accommodation facilities have gradually resumed operations, signaling a broader recovery in both tourism and industry.

As regional companies begin shifting their focus from reconstruction to future growth, our role has become increasingly important.

Through comprehensive support combining management strategy, BPO services, IT, marketing, and human resource development, we help affected businesses recover and pursue sustainable growth.

It is precisely through these reconstruction initiatives that our core mission is realized: to enhance the productivity of regional economies through structural transformation.

In recent years, we have expanded support centered on generative AI and digital tools. Going beyond solving challenges at individual companies, we remain committed to improving the competitiveness of industries across the region and contributing to long-term regional development.

The CCI Value Loop (CCIVL) for Realizing Japan as a Leading Asset Management Center

Akemi Tanaka

President and Representative Director
CCI Asset Partners Co., Ltd.

Worked at a U.S. securities firm, advising banks and asset management companies on securities portfolio construction, portfolio analysis, and asset allocation. Subsequently engaged in the structuring of securitized products, including mortgage-backed securities and CLOs, at UBS and Shinsei Bank. Later held institutional sales roles serving major banks and life insurance companies at U.S. asset management firms, including Fidelity Investments and AllianceBernstein. Founded ALCOLAB Co., Ltd. in 2019 and became chairperson and representative director of FDAlco in 2023. Appointed president and representative director of CCI Asset Partners in 2026, a position she currently holds.

Our Mission as a Regionally Rooted Financial Group

Japanese households hold financial assets exceeding ¥2,300 trillion. However, a significant portion of these assets has not been effectively channeled into domestic growth capital, contributing to the prolonged stagnation of the Japanese economy.

To address this challenge, the Japanese government has introduced its vision of becoming a Leading Asset Management Center, promoting a shift from savings to investment through institutional reforms, regulatory changes, and measures designed to support both wealth creation and corporate growth.

As a regionally rooted financial group, we believe it is our responsibility to help build the infrastructure needed to support regional asset management and to help make the transition from savings to investment a reality.

Meeting Growing Asset Management Needs

Historically, many regional financial institutions have viewed securities investment operations as a secondary function compared with lending activities. As a result, the need to address customers' asset management requirements has not always received sufficient attention.

Today, regional financial institutions often play only a limited role within the government's a Leading Asset Management Center initiative, primarily serving as distributors of products developed by others or as intermediaries in investment transactions.

However, regional financial institutions possess powerful advantages, including extensive relationships with local households, deep knowledge of regional businesses, and their own position as significant asset owners within local economies.

We believe these strengths position regional financial institutions to play a critical role in realizing the vision of a Leading Asset Management Center.

By leveraging the full range of capabilities across our Group, we are committed to supporting customers' wealth creation and asset management needs, fostering an investment culture throughout the region, and strengthening a cycle in which investment returns support both corporate growth and regional economic development.

An Integrated Service Platform Built on Specialized Expertise

The CCI Group possesses a broad range of functions linking wealth creation and corporate growth, including distribution, advisory services, asset management, consulting, investment fund management, and real estate asset management.

Rather than offering these functions independently, we seek to connect them organically to address the diverse and evolving needs of our customers.

Creating a Virtuous Cycle Through the CCI Value Loop (CCIVL)

Within the Group, this concept is shared as the CCI Value Loop (CCIVL).

At the entry point of the asset management process, Hokkoku Bank provides customer-focused distribution services, while CCI Asset Partners offers advisory services and investment guidance related to asset management and business succession.

CCI Asset Partners and our real estate asset management businesses deliver investment advisory and asset management services to a wide range of clients, including high-net-worth individuals, operating companies, and financial institutions.

CC Innovation supports companies through hands-on consulting aimed at realizing their desired future state and enhancing corporate value.

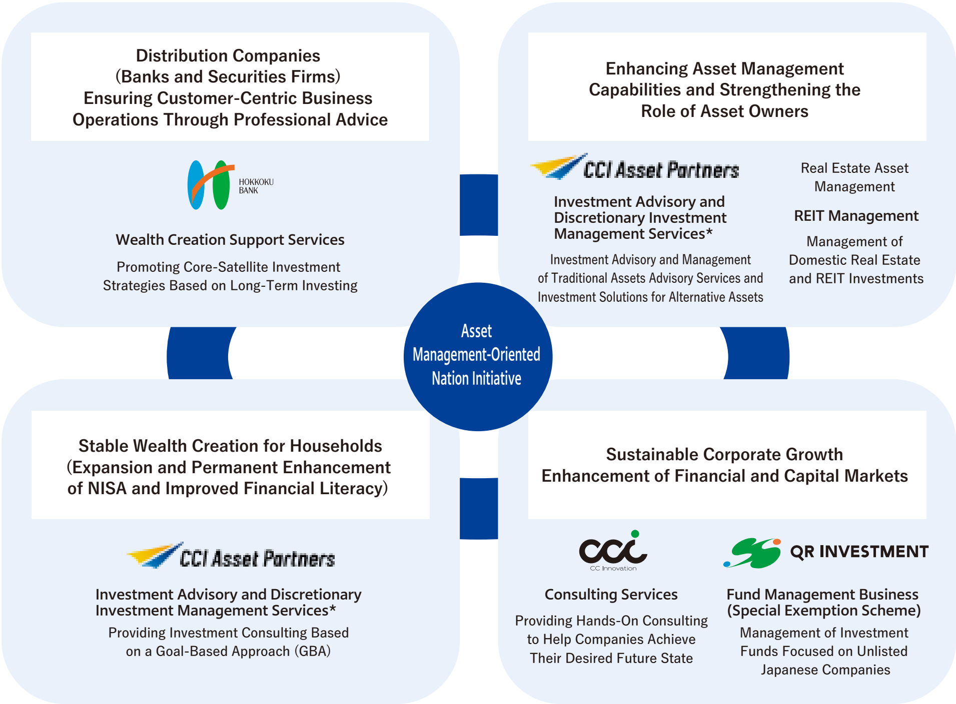
Meanwhile, QR Investment directly contributes to corporate value enhancement through the provision of risk capital to regional businesses.

Although each company within the CCI Value Loop serves different customer segments and provides distinct capabilities, all share a common objective: supporting customer investment decisions, expanding available choices, and creating both higher investment income and sustainable regional economic growth.

Through ongoing dialogue with customers, we seek to realize a virtuous cycle that benefits households, businesses, and local communities alike.

The CCI Value Loop (CCIVL) for Realizing Japan as a Leading Asset Management Center

◉CCI Value Loop (CCIVL)



*Under Preparation

Core Functions of CCI Asset Partners

CCI Asset Partners is the Group's dedicated asset manager, building on its expertise in investment advisory services. As the core of the CCI Group's investment management capabilities, it brings together specialized professionals, accumulates expertise, and develops the services needed to meet a diverse range of client requirements.

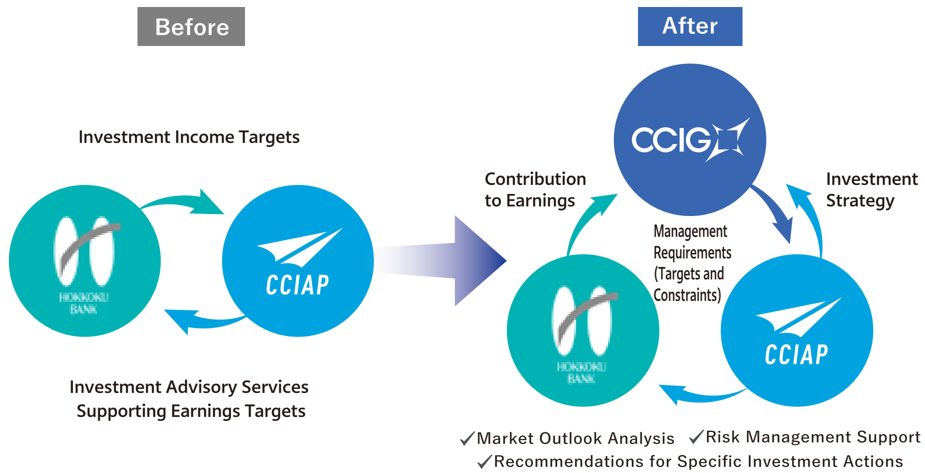
Enhancing Investment Management Through Clearly Defined Specialized Functions

Understanding our relationship with Hokkoku Bank is essential to understanding this role. As an asset owner entrusted with customer deposits, Hokkoku Bank establishes the fundamental framework for investment policy, risk management policy, and asset-liability management (ALM), while retaining ultimate responsibility for securities portfolio management.

In contrast, CCI Asset Partners serves as a specialist asset manager, providing the research, analysis, and other professional services necessary to support investment decision-making by a wide range of investors and asset owners.

By maintaining a clear division of responsibilities and functions while ensuring appropriate checks and balances, Hokkoku Bank and CCI Asset Partners work together to advance securities portfolio management and pursue innovative investment initiatives.

◉A New Treasury and Market Operations Framework



Concentrating Specialized Talent Within CCI Asset Partners

Providing support for market outlook analysis, ALM strategy, and risk management serving as the Group's core investment management function.

At the beginning of the fiscal year, a significant portfolio rebalancing was implemented based on the asset allocation strategy developed by CCI Asset Partners.

Becoming a Trusted Partner for Regional Clients

CCI Asset Partners is responsible for a broad range of activities, including market analysis, economic forecasting, asset allocation planning, investment product selection, investment strategy development, portfolio model design and implementation, and support for ALM and risk management.

By consolidating specialized functions and talent within a single organization and accumulating expertise through close collaboration with Hokkoku Bank, we aim to become a trusted partner for a diverse range of asset owners and investors, including financial institutions, corporations, and high-net-worth individuals.

Section2

Management Foundation Supporting Value Creation

To enhance corporate value sustainably in a changing environment, we have focused on strengthening the management foundation that underpins our business. This section explains our human capital management initiatives, which form the core of our management approach, and our governance framework supporting the development of new business models. It also highlights our efforts in digital transformation (DX), system modernization, and environmental initiatives, all of which are critical to improving productivity and addressing key material issues.

CONTENTS

Human Capital Management

Message from the General Manager of the Human

Junko Inoue

CCI Group, Inc.
Executive Officer and
General Manager,
Human Resources
Development Department

Joined the Hokkoku Bank, Ltd. in 1998. After serving in roles including Manager in charge of the Branch Administration Section, Branch Administration Department in April 2018, generalmanager of the Compliance Group, Corporate Administration Department in March 2021, and executive officer and general manager of the Customer Service Department in March 2023, she was appointed executive officer and general manager of the Human Resources Development Department in March 2025. She is leading reforms and human resource development initiatives aimed at maximizing human capital.

Under its philosophy of “Imagine. Dare. Create. Our vision for the future begins here where local ideas change the world.”, the CCI Group aims to realize a Visionary Region. By further evolving regional finance and taking on challenges in new business domains, we are working to expand the potential of the region. The driving force behind these efforts is every employee.

We position human capital management at the core of our management strategy and are advancing initiatives that expand the potential of our people and organization by linking management strategy with human resource strategy. We believe that employee growth leads to organizational growth, and that beyond this lies the future of the region.

The Starting Point of Transformation: Introducing and Evolving a Career-Based HR System

The career-based HR system introduced in 2022 marked a shift away from a framework premised on lifetime employment and seniority-based advancement toward a system that encourages employees to design their own careers and pursue new challenges and growth.

We have been building a foundation that enables employees to contribute regardless of age or length of service. This includes revising evaluation and compensation to reflect roles and contributions, introducing a review system that emphasizes dialogue, and continuously updating the system, including feedback methods. As a result, the influence of seniority on wages has declined, younger talent is being appointed to broader roles, and opportunities for mid-career hires are expanding, bringing steady change across the organization.

In addition to visualizing employees’ careers and skills through our internally developed HRM system, My Career, we are creating an environment in which employees can take on challenges through internal side jobs and open recruitment systems. A culture is taking root in which each employee learns proactively while considering his or her own career. These initiatives are also improving engagement, and we believe that our practice of human capital management centered on career autonomy is steadily producing results.

At the same time, we are focusing on health and productivity management as a foundation that supports human capital. In addition to professional support provided by the Wellness Support Team, we are promoting health enhancement initiatives that use digital technologies and data. By creating an environment where every employee can stay physically and mentally healthy and fully demonstrate his or her capabilities, we will support employees in taking on challenges and growing.

These initiatives have also earned external recognition. This fiscal year, our management practices that support career autonomy for each employee were recognized with the Grand Prix in the large company category of the Career Ownership Management AWARD 2026. In addition, our initiatives for human capital and enhanced disclosure were recognized with the Silver Award at the Human Capital Disclosure Awards.

In the field of health and productivity management, we have been certified as a Health & Productivity Management Outstanding Organization (White 500) for five consecutive years. In addition, in the comprehensive evaluation ranking of health insurance societies established by the Ministry of Health, Labour and Welfare,we ranked No. 1 nationwide for the second consecutive year.While these evaluations reflect the results of our initiatives to transform people and the organization, they also provide an opportunity to reexamine the issues we must address to achieve further evolution.

Transformation Still in Progress: Connecting Strategy and People

Our transformation is still in progress, and we continue taking on challenges as we move to the next stage. As the CCI Group shifts toward growth businesses, we must also evolve our human resource portfolio in step with the transformation of our business portfolio. To this end, we are strengthening our human resource foundation by integrating hiring, development, and placement while identifying the roles and skills that will be required in the future.

We are also advancing initiatives that allow employees to broaden their management perspectives through practical experience, including selected development programs designed with succession planning in mind, while providing opportunities to take on challenges and growth. We are building a systematic development foundation so that diverse talent can take on future management roles.

Furthermore, we position the use of AI as an important management foundation, not only for addressing labor shortages and improving productivity, but also as a means of creating new value and strengthening organizational competitiveness. At the same time, precisely because AI is becoming more advanced, the human abilities to envision, create, and generate new value through dialogue with others are becoming even more important. By integrating technology with human capabilities, we aim to become an organization that can deliver new value to the region and to our customers.

Continuing to Evolve Our People and Organization

Our objective is not merely to put systems and frameworks in place, but to ensure that our people and organization continue to grow sustainably. Each employee independently designs a career, learns, and takes on challenges. Together, these efforts strengthen the organization, creates new value, and opens the way to the future of the region. We will continue to believe in the potential of our people and organization, support their growth, and contribute to the sustainable development of the region.

Human Capital Management

HR Transformation Story

HR 1.0

- Personnel decisions reached through management discretion
- No formal rules or regulations

Management → Employees

HR 2.0

- Establishment of rules and regulations Master–servant relationship between the company and employees

Management ↔ Organization
Employees

HR 3.0

- An ethical company that is easy to work for and kind to employees

Company → Employees

From "Ease of Working" to "Work Engagement"

Human Capital Strategy

2015
- Appointed female director

2016
- Abolished general staff positions, established all employees as comprehensive staff
- Introduced self-development incentive program

2017
- Introduced a flexible working hours system

2018
- Started HR system review discussions
- Introduced advanced online external training programs and encouraged cross-industry learning

2019
- Introduced one-on-one meetings
- Introduced a flextime system

2020
- Full-scale launch of career hiring
- Began supporting MBA acquisition

2021
- Established the Human Resource Development Department, building a group-wide HR strategy
- Introduced proprietary HRM system (visualization of career plans)
- Introduced internal side-job (in-house collaboration) system
- Delegated part of HR transfer authority to departments (enabling flexible personnel exchanges)

2022
- Introduced employee engagement survey (eNPS)
- Started career reviews
- Introduced career-based HR system
- Appointed first female executive officer hired directly from within
- Lifted the ban on side jobs outside the company
- Replaced the entrance ceremony with a "Welcome Meeting"
- Published the book "Brushing Up Human Resource Energizes Companies and Communities"
- Established a skill map
- Started HR exchanges with local governments

2000

Management Strategy

2014
- Relocated headquarters
- Activated communication through open floor plan

2015
- Abolished quantitative sales targets (quotas)
- Shifted HR evaluation focus to process

2016
- Distributed Microsoft Surface and smartphones to all employees

2017
- Launched VISA debit cards

2018
- Developed communication plan

2019
- Launched personal internet banking
- Opened EC mall "COREZO"

2020
- Introduced Microsoft Teams
- Enhanced FAT for business PCs

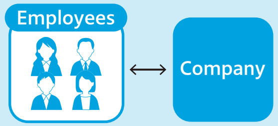
2021
- Launched the Hokkoku Financial Holdings structure
- Moved core banking system to the cloud
- Obtained DX Certification

2022
- Introduced BYOD
- Accelerated internal production of subsystems
- Introduced AI chatbot
- Migrated the call center system to the cloud

Human Capital Management

HR 4.0

- Employees autonomously select their own careers and grow together with the organization through a two-way relationship
- The company becomes a "platinum company," offering not only ease of working, but also fulfillment in work



HR 5.0

- Both employees and the company collaborate and co-create both internally and externally, generating new value for the local community

Beyond to Career Autonomy and Growth

2023
- Shifted to role-based pay through dialogue (departure from seniority-based pay)
- Received the Human Capital Leaders 2022 award
- Won our 13th Japan Most Valued Company Award, Minister for Regional Revitalization Prize
- Introduced "Grandpa and Grandma Parental Leave" system (childcare leave for grandparents)
- Introduced unrestricted leave of absence system (for all purposes, including study abroad)
- Launched "Wellness Support Team" as part of health management
- Introduced employee restricted stock compensation plan (RS plan)
- Started initiatives for financial wellness
- Introduced "Career Design Training" for autonomous career development

2024
- Started "Job Challenge Program" to encourage career changes
- Introduced an expert system
- Acquired Platinum Eruboshi certification
- Launched challenge-driven self-nomination system
- Introduced CEO and Employee Shareholder Association one-on-one meetings
- introduced AI interviews for new graduate recruitment

2025
- CCertified as a "White 500" health and productivity management corporation(large enterprise category) for four consecutive years
- Appointed first female director hired directly from within
- Ranked No. 1 in Ministry of Health, Labour and Welfare comprehensive evaluation of health insurance association activities
- Established a nursing care consultation desk

2026
- Rolled out AI (Copilot) company-wide and promoted utilization through Copilot Champions
- Launched a next-generation management talent development program
- Began developing the Human Resource Portfolio
- Launched an HR system update project
- Began business verification for projects selected through Discovery, a new business creation program
- Obtained WELL Equity Rating certification for the Head Office Building and Hirooka Terrace, the first among listed companies in Japan Received the Grand Prix in the large company category of the Career Ownership Management AWARD
- Received the Silver Award at the 3rd Nikkei Business Human Capital Disclosure Awards

As of 2026

2023
- Started digital local currency project
- Established human rights policy

2024
- Launched Japan's first deposit-type stablecoin "Tochika"
- Established a local subsidiary in Kenya, Africa
- Launched a new Internet banking service for corporations
- Established Honey Bee Sports, a women's handball team operating company
- Established The Regional Future Creation for regional promotion and attraction
- Started pilot of AI (copilot)

2025
- Launched organizational capability upgrade project
- Shifted to a two-brand system ("ambidextrous management")
- Established CCIForward, a BPO consulting firm (appointed president in their thirties)
- Abolished executive floor at headquarters, renovated to a flat workspace
- Opened new cafeteria area "Palette" in main building
- Completed new office building "Hirooka Terrace" as a venue for collaboration and co-creation with local communities

2026
- Implemented Medium-Term Management Strategy 2026
- Expanded regional co-creation businesses, including regional revitalization, sports, and entertainment businesses
- Established CCI Enterbase, Ltd., responsible for sports, entertainment, and venue businesses
- Established CCI Enterbase, Ltd., responsible for strategic planning of overseas businesses

Human Capital Management

Human Capital Management Driven by Career Autonomy

We believe that human resources are the driving force behind the enhancement of corporate value. In advancing ambidextrous management, which balances the enhancement of our functions as a regional financial institution with business expansion into non-financial domains such as consulting, investment, systems, and BPO, it is essential that each employee leverage his or her own experience and strengths while continuing to learn and take on challenges autonomously. Based on this approach, we have positioned career autonomy at the core of our human resource strategy. Under the career-based HR system launched in 2022, we shifted to a framework in which evaluations and compensation are determined based on roles and contributions, rather than age or length of service. In addition to career reviews, where multiple leaders confirm employees' growth and contributions through dialogue, we revised the retirement benefit system and introduced career support funds to encourage employees' self-investment. We have also developed systems that support employees' proactive challenges, including an internal side job program and the Job Challenge Program, which allow employees to voluntarily step forward, gain new experience, and take on new challenges.

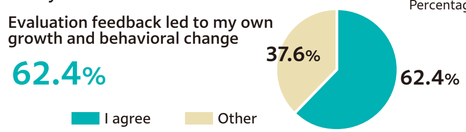
Implementing HR Systems and Frameworks That Support Career Autonomy Through Five Initiatives

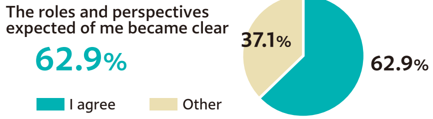
1 Supporting Autonomous Career Development Personalized Support	2 Providing Opportunities for New Challenges Career Change Opportunities	3 Fair Evaluation and Compensation Evaluation and Reward System	4 Skill Visualization Strategic Talent Portfolio Management	5 Recruitment and Reskilling Talent Portfolio Management
●"My Career" HRM System ●Customized One-on-One Meetings (with Any Employee)	●Collaboration Program (Internal Side Job Program) ●Job Challenge Program ●Internal Job Posting Program	●Role and Contribution Evaluation through Dialogue (Since 2022) ●Career Development Allowance (Paid Monthly) ●Abolished the Lump-Sum Retirement Benefit System ●Established Company-wide Talent Requirements (Grades)	●Mindset and Core Skills ●Skill Map (Knowledge × Practical Application) ●Optimized Talent Allocation Based on the Right Person for the Right Position	●Mid-career Hires Accounted for an Average of 67% of Total Recruitment over the Past Three Years ●Support for Acquiring Advanced Skills, Including MBA Programs ●Human Capital Investment of Approximately ¥100 Million per Year (FY2025)

Since last year, we have moved beyond the phase of simply creating these systems and have entered a phase of improving the quality of their implementation so that they lead to employee growth. In particular, we have focused on improving the quality of dialogue in career reviews and have continually revised how feedback is communicated to employees and how growth opportunities are presented, so that evaluation feedback leads to each person's growth and next actions. As part of this effort, we defined grades as company-wide guidelines for human resource development and evaluation, in order to clarify the roles and expected standards required of each employee. This has made it easier for employees to understand the roles expected of them and their path for growth, while further enhancing the system so that individual challenges and growth lead to the realization of organizational strategies. The results of these operational improvements are also reflected in how employees perceive the system. In a 2026 survey on evaluation feedback, more than 60% of respondents answered that evaluation feedback had led to their own growth and behavioral change, and that the roles and perspectives expected of them had become clearer. Through ongoing improvement, we will create a virtuous cycle of talent growth based on career autonomy, leading to enhanced organizational capabilities and higher corporate value.

◉Survey Results on Evaluation Feedback

Conducted in 2026 (1,732 responses; response rate: 93.5%).
Percentage of employees who answered "I agree" for each item

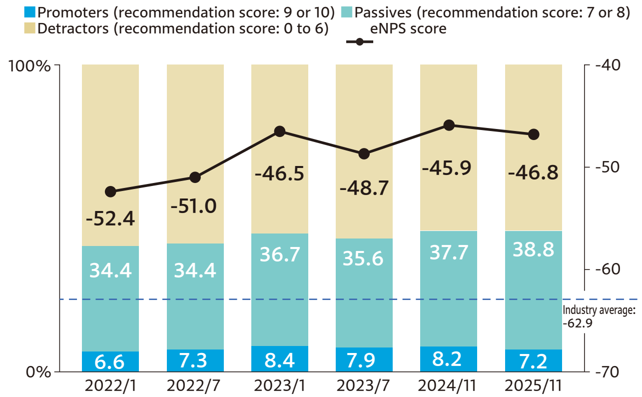




Evolution of Organizational Culture Reflected in Employee Engagement

Since 2022, we have conducted eNPS surveys (Employee Net Promoter Score) as an indicator for visualizing employee engagement and have continuously measured changes in employees' sense of fulfillment at work. Since its introduction, the eNPS score has followed a medium- to long-term upward trend, improving from -52.4 in the first survey in January 2022 to -46.8 most recently, and has consistently remained above the industry average of -62.9. This improvement reflects a range of initiatives that we have steadily built up while carefully listening to employees, including the establishment of one-on-one meetings in each workplace, the development of flexible workstyles such as the introduction of a flextime system, and the revision of compensation to a role-based wage system through dialogue. Socores for employees with less than five years of service improved significantly, and the score for the question "I have the discretion and authority necessary to carry out my work" rose substantially. On the other hand, there remains room to improve scores among women and employees in their 50s and ztoward further improvement.

◉Trends in Our eNPS



※ eNPS (Employee Net Promoter Score) = percentage of promoters minus percentage of detractors / Industry average: -62.9 (as of November 2024)

【Survey Question】How likely are you to recommend your current workplace to a close friend or acquaintance?(Employee Net Promoter Score for the workplace; rated on an 11-point scale from 0 to 10)eNPS℠ is a service mark of Bain & Company, Fred Reichheld, and NICE Systems, Inc.
Survey Population: All employees of the Group, including Executive Officers, locally hired overseas employees, and business staff, excluding Directors.【Number of Respondents】1,764 (January 2022), 1,838 (July 2022), 1,634 (January 2023), 1,802 (July 2023), 1,851 (November 2024), and 1,812 (November 2025).

Career Ownership Management AWARD 2026 Grand Prix Winner

Our initiatives to promote employees' proactive career development have also been highly evaluated externally, and we received the highest award, the Grand Prix in the large company category, at the Career Ownership Management AWARD 2026 hosted by Persol Career Co., Ltd. The award recognizes initiatives that aim to sustainably enhance corporate value through the autonomous growth of working individuals, and recipients are selected from applicant companies and organizations nationwide. We view this as a result of the strong recognition, across industries and sectors, of the HR transformation story we have built over many years and of our culture of career autonomy, in which each employee plays a leading role. We will continue to deepen human capital management and work to build an organization in which employees and the Company continue to grow together.

2026
Career Ownership Management Award
グランプリ
大企業の部

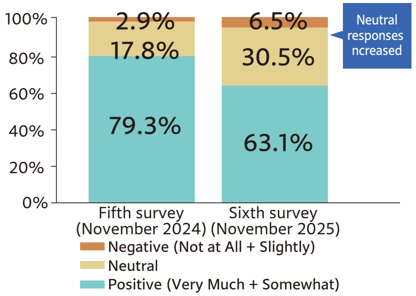
Human Capital Management

Organizational Culture Challenge: Embedding the Corporate Philosophy After the Company Name Change

In the sixth survey conducted in November 2025, positive responses to the question "I can identify with the CCI Group's brand philosophy" changed from 79.3% to 63.1%. Meanwhile, negative responses indicating "I cannot identify with it" remained at 6.5%, while neutral responses of "Neither" increased by approximately 13 percentage points, from 17.8% to 30.5%. We recognize that this reflects the fact that understanding and internalization of the brand philosophy and strategy are still in progress following the company name change and review of strategy. We have positioned fostering understanding of and alignment with the philosophy and strategy as a high-priority issue, and top management is increasing opportunities for dialogue while also working to improve the quality of that dialogue.

◉Trends in the Corporate Philosophy Empathy Score

Fifth survey: response composition before the company name change (n=1,851)
Sixth survey: response composition after the company name change (n=1,812)



Initiatives for Improvement: Communication with the Heads of Each Business Domain

Through CEO one-on-one meetings, we provide employees with opportunities to think about the CCI Group's management and enhancement of corporate value from an investor's perspective and to make direct proposals to the CEO based on discussions held in their workplaces. In CxO Communication, the heads of each business domain personally explain their strategies and engage

Scene from a 1-on-1 meeting with the CEO

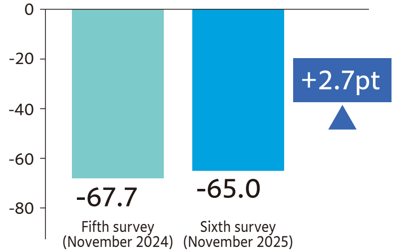
Scene from CxO Communication

in dialogue about business and management approaches, thereby deepening employees' understanding of strategy. In addition, top management sends weekly messages through Teams, consistently linking the philosophy, strategy, and day-to-day operations to encourage employees' understanding and proactive actions. By continuing these dialogues, we are deepening understanding of and alignment with the philosophy and strategy, fostering an ownership mindset in each employee, and enhancing engagement across the organization.

Good Practice: Improvement in Engagement Scores Among Female Employees

◉Trends in eNPS Among Female Employees

Comparison of the fifth survey (November 2024) and sixth survey (November 2025)



In response to the results of the previous engagement survey, the Personal Banking Division set "fostering fulfillment at work" as its own theme and conducted internal training for approximately 250 employees. At the Company, engagement scores for personal consulting and frontline operations, where the proportion of female employees is high, were relatively low and affected the company-wide score.

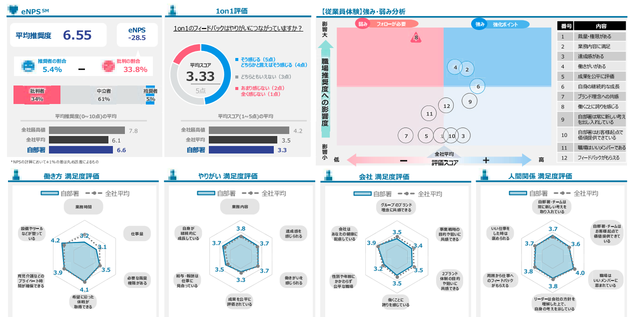
Accordingly, through dialogue, employees explored in depth why the initiative was being implemented and what value their own work brings to customers, the Bank, and the region. Training was then developed in accordance with the characteristics of each area.

As a result, the score for personal consulting and frontline operations, where the proportion of female employees is high, improved by 2.7 points, from -67.7 in 2024 to -65.0 in 2025. This outcome reflects not only company-wide measures by the Human Resources Division, but also the proactive efforts of the business unit itself to address its own issues. It demonstrates that improving engagement requires not only company-wide common measures, but also initiatives tailored to the issues and characteristics of each organization.

Outlook: Toward Improvement Activities by Organization

To ensure that employee engagement is not merely measured and then left unaddressed, we have begun a process in which survey results are submitted to the Group Strategy Meeting and improvement measures are discussed with each department general manager based on organization-specific data. In the November 2025 survey, we analyzed recommendation levels, eNPS, and positive response rates by question for each company and department, identifying factors behind declines in recommendation levels, such as salary, compensation, and fairness, as well as factors behind improvements, such as fulfillment at work and pride. Beginning this fiscal year, we will fully implement trend analysis by department and evolve into a structure in which each department general manager designs and executes improvement actions according to the issues facing the organization. By sharing and expanding frontline-led improvement practices, such as the Personal Banking Division's initiative to foster fulfillment at work, we will connect these efforts to proactive improvement activities in each organization going forward.

◉Organization-Specific Analysis Report (Example)



Human Capital Management

Business-Aligned Human Resource Portfolio

Through the advancement of our financial businesses and the expansion of our non-financial businesses, we position the transformation of our business portfolio as a pillar of our medium- to long-term growth strategy. To realize this transformation, it is essential to build a dynamic human resource portfolio that flexibly allocates the right talent to the right positions in line with changes in business strategies and the market environment, while continuously shifting talent to growth domains. We have positioned this as a priority measure and are developing the portfolio by linking business strategy with human resource strategy. In traditional banking business domains, we are improving productivity and enhancing the added value of operations using of AI and digital technologies. We will strategically reallocate the human capital generated through these efforts to growth domains such as markets and asset management and the systems sales business. Meanwhile, in these growth domains, there is a shortage of specialized talent to support business expansion in terms of both quantity and quality, making talent acquisition and development important issues. To address these issues, we will visualize, based on company-wide common standards, which businesses require what types of roles and how many people. Rather than relying on conventional staffing assumptions, we define the capabilities required in each business by starting from the roles, or positions, necessary to realize our strategies. We then identify gaps between the current state, or As-Is, and the desired future state, or To-Be, from both quantitative and qualitative perspectives, clarifying areas where talent is insufficient and the priorities for human capital investment. Going forward, we will prioritize development in key areas of our growth strategy, such as market and asset management and the systems sales business, and then expand the knowledge gained across the Group. Through these efforts, we will optimize the allocation of human capital, improve investment efficiency, increase the likelihood of realizing business portfolio transformation, and enhance corporate value over the medium to long term.

AI-Based Talent Allocation and Skill Visualization

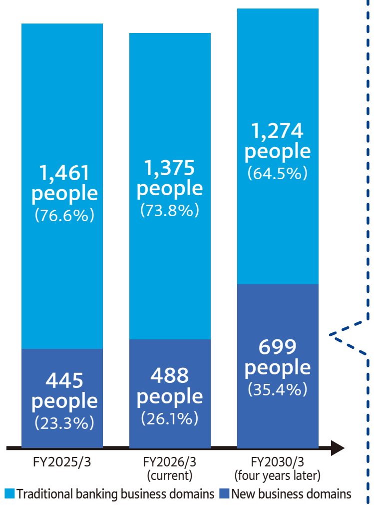
To build our human resource portfolio, we are using AI to define market-informed positions and visualize skills. By using a talent intelligence system, we visualize and map each employee's skills with AI based on information such as past experience and work history, while also designing positions that reflect market value.

In the future, by combining employee skill data with position data, we will be able to make talent allocation decisions, which have traditionally relied on HR experience and intuition, in a data-driven manner. This will make it possible to anticipate the quantity and quality of talent required, prioritize recruitment plans and development investments, and match employees to suitable assignments.

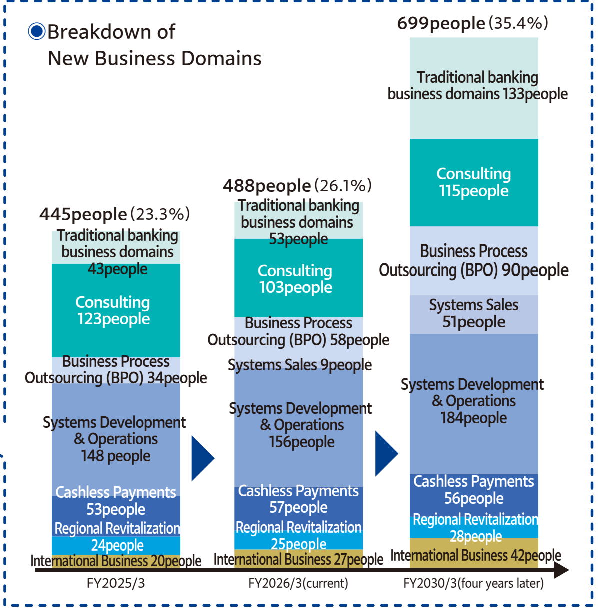
For employees, this also clarifies the skills and experience required for the positions they aspire to, supporting autonomous reskilling through learning recommendations and enabling career development with greater confidence in their choices.

In areas where positions have already been generated, we are beginning to see tangible effects, including progress in organizing skill requirements for positions and specialized talent that did not previously exist within the Company, and this has already led to successful recruitment.

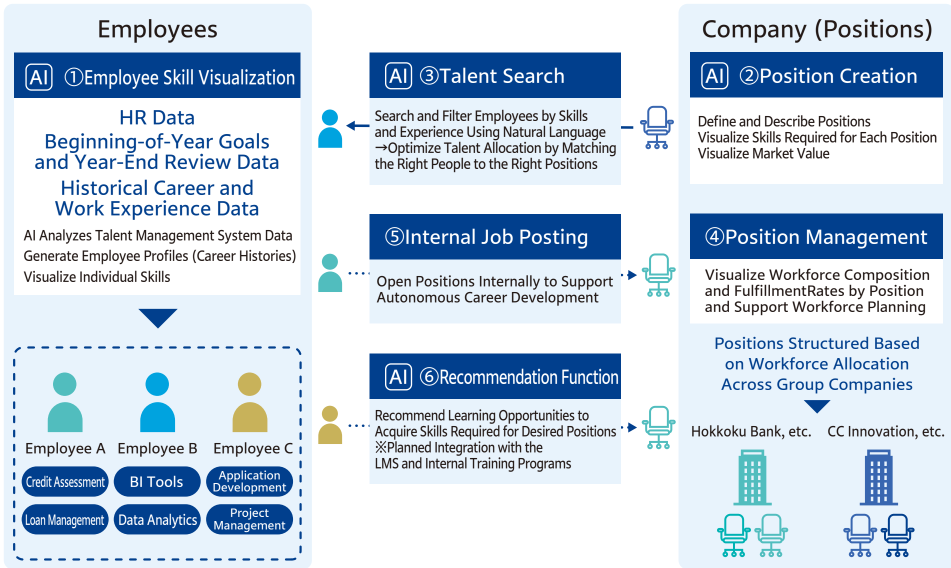
●Trends in the Human Resource Portfolio



●Breakdown of New Business Domains



●Image of Human Resource Portfolio Utilization



Human Capital Management

Overview of the Human Resource Ecosystem

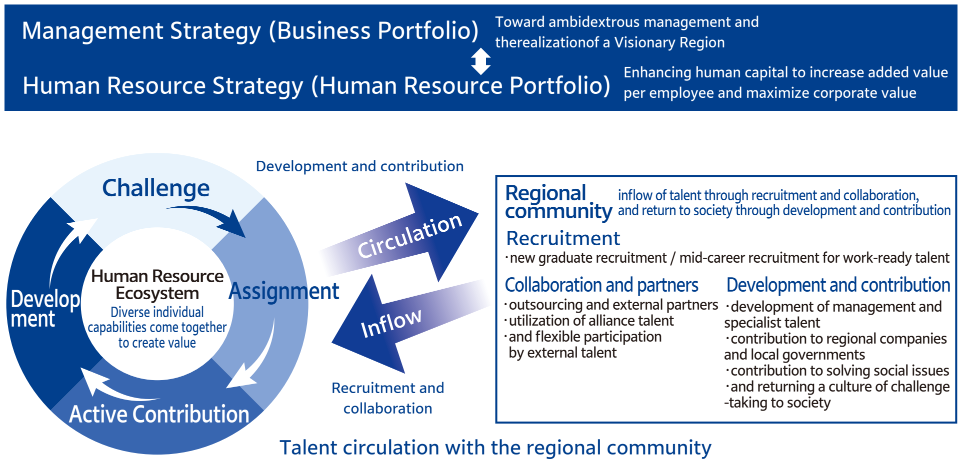
At the core of our human resource strategy is the Human Resource Ecosystem. We seek to maximize the value of our human resources by creating a cycle that links a series of processes, including recruitment, development, assignment, taking on challenge, active contribution, and talent circulation, with our business strategy and the regional community.

From outside the Company, we incorporate diverse expertise and values through new graduate and mid-career recruitment as well as collaboration with external partners. Internally, we create opportunities for employees to take on challenges through development, reassignment, internal recruitment, the Job Challenge Program, and other initiatives. Through these efforts, we encourage each employee to fully demonstrate his or her capabilities and grow autonomously.

Furthermore, employees who have developed skills and experience at the Company contribute to solving management issues and creating value at regional companies, while the knowledge and experience they gain outside the Company flow back into our organization. In this way, we are realizing two-way talent circulation. Through this cycle, we are creating value that extends across both internal and external boundaries.

This Human Resource Ecosystem is supported by foundations such as DE&I, well-being, organizational culture, and a mindset that values challenge-taking. Going forward, we will continue evolving this ecosystem to increase added value per employee and maximize corporate value.

◉Image of the Human Resource Ecosystem



Foundations Supporting the Ecosystem

DE&I
An environment that respects diversity and enables everyone to demonstrate their capabilities

Well-being
Enhancing physical and mental health and fulfillment at work to generate sustainable outcomes

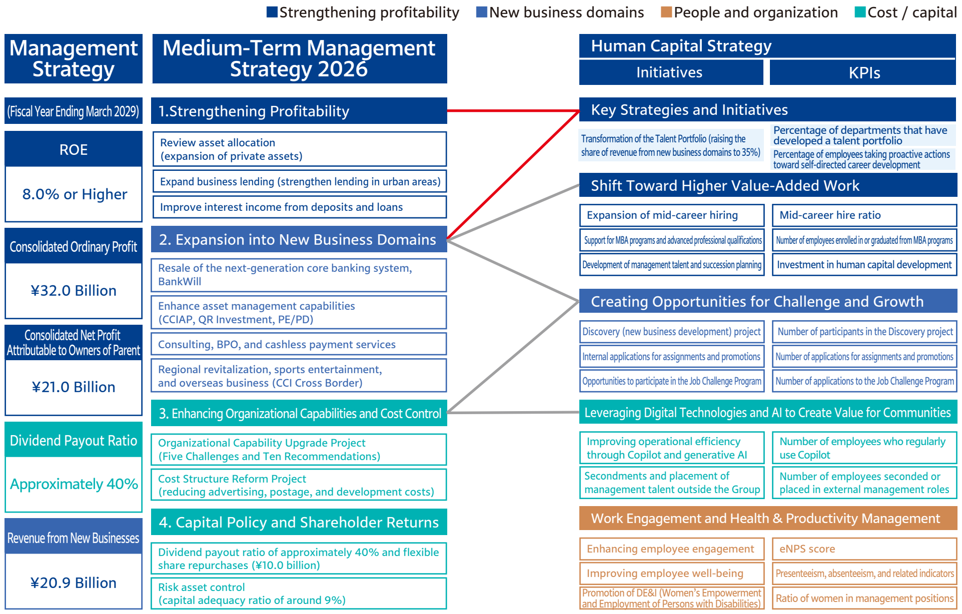
Organizational culture
An open and flat culture that emphasizes trust and collaboration

Mindset
A willingness to view change positively, continue learning, and take on challenges

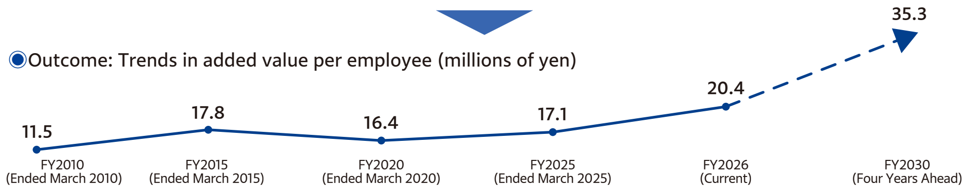
Measures for Realization and Linkage with Management Strategy

To realize value creation through the Human Resource Ecosystem, we have established HR KPIs linked to our management strategy and visualize the progress and outcomes of human capital investment. To achieve the targets of our medium-term management strategy and, beyond that, sustainably enhance corporate value, we are organizing our human resource strategy and KPIs in an integrated manner while working to build a human resource portfolio and develop talent. We position improvement in added value per employee as an important management indicator that demonstrates the results of human capital investment, and we aim to increase this figure from ¥20.4 million to ¥35.3 million. Going forward, we will continue to verify and refine the relationship between HR KPIs and business outcomes, maximize the effectiveness of human capital investment, accelerate the realization of business portfolio transformation, and enhance corporate value over the medium to long term.

◉Linkage Between Management Strategy and Human Resource Strategy



◉Outcome: Trends in added value per employee (millions of yen)



Human Capital Management

Overview of the Human Resource Development Policy

As ambidextrous management becomes fully operational and we undertake a major transformation of our business portfolio from regional finance to non-financial domains, the skills required in each business domain are becoming more diverse and advanced. Considering these environmental changes, we have redefined our target talent profile as professionals who can realize and develop business strategies to deliver value to the region. We will clarify the human resource portfolio required for each business strategy, identify gaps from the current state, and systematically deploy the measures necessary to realize the strategies. Specifically, we are promoting initiatives based on three pillars: (1) developing management talent, (2) developing talent capable of utilizing digital technologies and AI, and (3) developing specialized skills required in non-financial domains. While holding concrete discussions with each department on building the human resource portfolio, we are gradually advancing initiatives starting with areas of high priority for realizing company-wide strategies.

◉Human Resource Development Policy

Business Strategy Full-scale implementation of ambidextrous management / Business portfolio transformation from regional finance to finance plus non-financial domains / Creation of regional value

Target Talent Profile Professionals who can realize and develop business strategies to deliver value to the region

1 Developing management talent for the next generation
- Why: To continuously develop next-generationmanagement leaders who will drive business portfolio transformation
- What: Management talent capable of envisioning, creating, and promoting businesses by utilizing management resources
- How: Tough assignments outside the Company and the Next-Generation Management Talent Development Program

2 Developing talent capable of utilizing digital technologies and AI
- Why: To improve productivity through AI utilization and shift to high-value-added work
- What: Talent capable of fundamentally reforming operations through the use of digital technologies and AI
- How: Promotion by Copilot Champions

3 Developing specialized skills required in non-financial domains
- Why: To realize business strategies in non-financial domains
- What: Talent capable of leading new business domains
- How: Visualization through a review of the skills map and revision of the evaluation system

Foundation Organizational culture, ownership-oriented mindset, and basic skills such as human capabilities and problem-solving ability

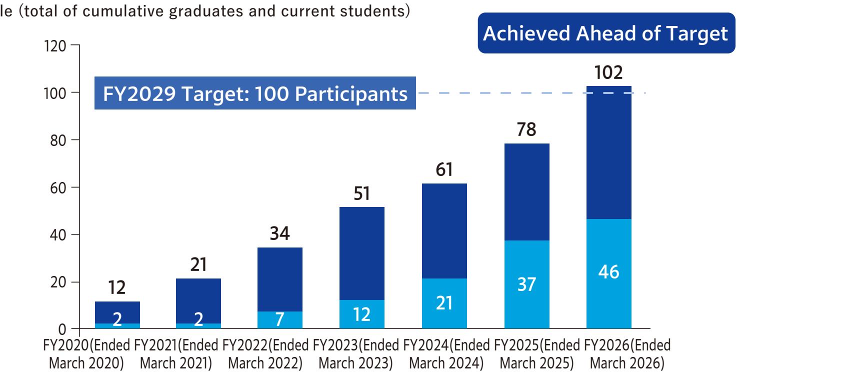
Developing Management Talent to Lead Transformation

We define management talent as people who can utilize management resources, namely people, assets, and capital, both inside and outside the Company, to envision, create, and promote businesses. While providing highly reliable financial services as a regional financial institution, we aim to take on the challenge of creating solutions to regional issues in new business domains. To realize this aim, management talent capable of envisioning and promoting businesses will be needed more than ever. In addition to continuously developing talent who can respond to the needs of external companies and potentially be involved in the Company's own management in the future, we will also work to develop global talent capable of advancing businesses in overseas fields.

As the core of management talent development, since 2020 we have positioned graduate school learning, including MBA programs, as an important element of our management strategy. We have supported the systematic acquisition of advanced skills required to lead transformation, such as the ability to envision, logical thinking, and problem-solving ability. Dispatch to MBA and other programs has been continuously expanded, with current students increasing from 12 in the fiscal year ended March 2020 to 102, and graduates increasing from 2 to 46. As a result, practical outcomes have also emerged, including commercialization of business plans, appointment as directors at Group companies and regional companies, and appointment of employees in their 30s as presidents of Group companies. Going forward, we will further strengthen the provision of practical opportunities in addition to learning. We will systematically provide opportunities to proactively engage in actual management issues, such as supporting the growth of investee companies and business transformation at regional companies, evolving toward development that emphasizes experience. By combining learning and practice, we will build a framework for continuously developing management talent capable of both envisioning and driving businesses forward.

◉Trends in the Number of Graduate School Graduates and Current Students ■Cumulative participants ■Cumulative graduates

Unit : People (total of cumulative graduates and current students)



Toward Developing Next-Generation Management Talent

To identify at an early stage and systematically develop talent who will take responsibility for future management, we launched the Next-Generation Management Talent Development Program in fiscal 2026. The program targets candidates who are expected to take on future management roles, generally aged around 40 to 45, and is designed to support planned development, early identification, and elevation of perspectives. By selecting candidates in conjunction with succession planning, we aim to build a pipeline of management talent capable of leading transformation.

At the core of the program is a combination of tough assignments to important projects and an eight-month selective development training program. Through tough assignments, participants face actual management issues and accumulate experience in decision-making from a management perspective. In the training program, participants raise their perspectives through discussions on new businesses and presentations to external directors, while individuals covered by the succession plan accompany them as mentors. By combining learning and practice, we will continuously develop next-generation leaders capable of driving transformation.

Human Capital Management

Developing Talent Capable of Utilizing Digital Technologies and AI

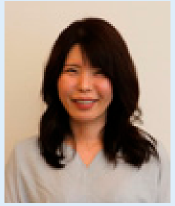
To drive transformation, it is essential not only to develop management talent, but also to develop talent capable of transforming operations and business models using digital technologies and AI. We are developing talent capable of utilizing digital technologies and AI with the aim of improving productivity and creating added value across the Group.

Generative AI is not merely a tool for improving operational efficiency. Its use is expanding across a wide range of operations, including credit screening, asset management, risk management, and customer service. In this environment, we believe that talent capable of appropriately utilizing AI to identify issues and create new services and business processes will become a source of future competitiveness. Accordingly, we define AI-utilizing talent in three levels. Level 1.0 refers to talent capable of improving the efficiency of one's own work. Level 2.0 refers to talent capable of engaging departments or teams to transform operations and create new services. Level 3.0 refers to talent capable of involving the region or the entire organization to build new business models. Going forward, we will conduct skill checks, visualize the current state, and systematically roll out training and practical opportunities for each level.

Initiatives for AI Utilization: Copilot Champions

To promote fundamental, frontline-led operational transformation, we have assigned Copilot Champions to each department and Group company and launched initiatives to promote the use of generative AI and AI agents. Since the introduction of AI in November 2024, the number of Copilot users has steadily increased, and approximately 1,100 employees now use it in their daily operations. Copilot Champions lead verification efforts to replace routine work in their own departments with AI, while continuously operating learning forums tailored to different levels of proficiency, such as monthly results-sharing meetings, study sessions for corporate sales staff, and the Personal Banking Division's Copilot Utilization Labo. They also deploy advanced examples across the organization. Through these initiatives, we are creating an environment in which employees can shift from routine tasks to more advanced proposal-based work and value-creation activities. Going forward, we will redesign workflows on the assumption that AI will be used and promote the full-scale utilization of AI agents, thereby realizing further productivity improvements and added value creation.

◉Scene from Training for Copilot Champions



Tamaki Kitamoto
Copilot Champion
Manager, Marketing Department
The Hokkoku Bank

A Good Example of Operational Transformation Using AI: Selected for the WOMAN AI AWARD

As a manager in the Marketing Department, I work on the development of an Integrated Business Platform, or IBP, that centrally manages operations for financial institutions. I also serve as a Copilot Champion, promoting the internal use of generative AI. While advancing projects, I recognized the issue that requirements organization and issue structuring depended on specific individuals. To address this, I articulated the thought process and incorporated it into an AI agent. While maintaining the principle that final decisions and responsibility remain with people, AI is limited to supporting the preliminary stage of thinking. By preserving this thought process as knowledge, I am also helping transfer skills to the team. As a result, the requirements definition period has been reduced to approximately half of the previous level, and it has become possible to advance three to four projects in parallel. Going forward, I intend to continue using AI as a starting point to involve departments and teams and promote operational transformation.

WOMAN AI AWARD: An award hosted by the Women AI Initiative Japan (WAIJ), which recognizes women who have challenged themselves with AI and transformed themselves as role models.

Toward Advancing Non-Financial Domains: Refining the Skill Map

To date, we have used the Skill Map to visualize employees' acquisition of hard skills. As a result, it now functions as a foundation for talent development and assignment. At the same time, as business domains expand and become more advanced, we are entering a phase in which we must clarify the expertise and skills required in closer alignment with business strategy. Going forward, to realize business strategies, we will organize the capabilities required based on the human resource portfolio and visualize gaps between the current state and the future state. Through this process, we will evolve the Skill Map into a mechanism that promotes recruitment, development, and assignment in an integrated manner.

◉Future Direction of the Skill Map

Current State (As-Is)

Skill Map

Defines the hard skills required in each business domain and is operated as a guideline for development and assignment

Issues

- ✕ Due to the advancement and diversification of business domains, the Skill Map does not sufficiently cover newly required expertise
- ✕ Specific skill items and proficiency levels are not clear, making it difficult to connect the map to individual capability development
- ✕ Gaps between the current state and required levels are not visible to employees

Evolution →

Desired State (To-Be)

New Skill Map

Visualizes the experience and skills required to promote businesses in non-financial domains

Measures

- Comprehensively reorganize required expertise by working backward from business strategies and fundamentally revise the Skill Map
- Break down each skill into specific items and proficiency levels to promote acquisition through practical work
- Visualize gaps between the current state and required levels and support planned and continuous capability development

Human Capital Management

Initiatives to Develop and Dispatch Talent That Delivers Value to Regional Communities

Regional companies often face shortages of management talent, DX talent, and other professionals, which can make it difficult for them to fully advance initiatives for growth and transformation. In addition to providing funds, financial institutions are expected to work closely with businesses to support the resolution of management issues and, in some cases, to provide management talent itself. In addition to hands-on support that leverages investment, lending, and consulting capabilities, we are working to develop and dispatch management talent through secondments to regional companies and the assignment of directors and officers. As part of human capital management, we consider it an important mission not only to develop talent within the Company, but also to have employees leverage the values, skills, experience, and perspectives they have cultivated at the Company to take on the challenge of supporting growth and transformation at regional companies. Specifically, we contribute to solving issues faced by regional companies in various ways, including dispatching directors to regional companies, supporting business revitalization, operational reform, and DX promotion, and seconding specialists such as audit personnel. These initiatives also help extend the culture of taking on challenges and transformation expertise we have cultivated to the region, while deepening relationships of trust with regional companies. Talent deployment does more than deliver value to the region. For employees, it also provides valuable growth opportunities to refine their expertise and management perspectives and take on challenges in new environments. By returning the experience and knowledge gained outside the Company to the organization, we are creating a virtuous cycle in which talent growth and organizational evolution reinforce each other.

Talent Taking on Management Roles at Regional Companies

Among employees seconded to regional companies, the percentage of those taking on key positions such as management or business leadership roles rose from 73% in fiscal 2024 to 86%. This indicates that the roles our Group is asked to play by regional companies and local governments are becoming more advanced. For example, some employees are entrusted with management at their secondment destinations and go on to serve as representative directors after being appointed as directors. Others transfer to become directors after being seconded as executive officers responsible for operations. In this way, employees are expanding their fields of activity as professionals who drive the growth and transformation of regional companies while utilizing the expertise and experience they have cultivated within our Group. These initiatives not only enhance employees' management perspectives and expertise, but also contribute to the development of regional communities by strengthening the competitiveness and sustainable growth of regional companies.

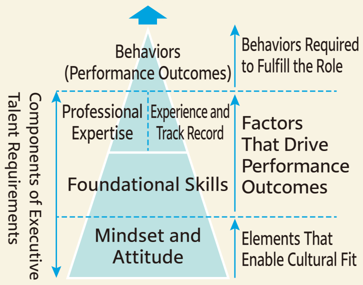
A Virtuous Cycle of Knowledge Brought Back to the Company

We do not view talent dispatch as an initiative that ends once employees are sent out. We place importance on bringing back the experience and knowledge gained at regional companies and collaboration partners to the Group and using them to create new value. Through this mechanism, knowledge gained outside the Company does not remain solely with the individual. Instead, it strengthens the Group's overall ability to promote business and respond to regional issues. For example, an employee seconded to a Tochitsuka collaboration partner was responsible for promoting the digital regional currency business and engaged in product development, sales activities, and collaboration with local governments and companies. The business-operator perspective, service development knowledge, and project management capability developed there are now being used in the planning and promotion of the Tochitsuka business after the employee's return. In this way, by returning experience gained on the front lines of regional companies and collaboration partners to our own businesses, we are deepening our understanding of regional issues and strengthening the business foundation for growing together with the region.

Mechanism for Developing Management Talent

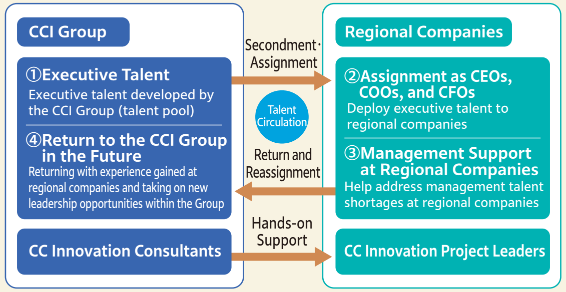
We are advancing initiatives to systematically develop and dispatch management talent who can take on executive roles at regional companies. Under development plans linked to business strategies, we select candidates based on aptitudes and aspirations, strengthen their expertise and management skills, and provide opportunities to gain practical management experience through assignments and secondments inside and outside the Company. At regional companies, these individuals participate as members of management or as project leaders and support the resolution of management issues through hands-on assistance. The knowledge and experience cultivated outside the Company accelerate organizational growth, and in the future, we aim to build two-way talent circulation by also accepting talent who have accumulated experience at regional companies into the Company.

◉Defining Requirements for Executive Talent



◉Executive Talent Circulation Model

CCI Group ⇄ Regional Companies—A model in which executive talent circulates between the CCI Group and regional companies, creating value in both environments.



Taking on a New Challenge to Support Regional Recovery

Ryohei Kuriya
General Manager, Corporate Planning Department
Corporate Management Division KAGAYA Co., Ltd.

Since March 2025, I have been seconded to KAGAYA, a renowned ryokan in Wakura Onsen that is working toward recovery and reconstruction following the Noto Peninsula Earthquake. As a member of the company, I am currently engaged in close coordination with financial institutions and government agencies, as well as practical work related to applications for large-scale subsidies to support public demolition procedures and the resumption of business operations.

As people both locally and across Japan eagerly await the return of KAGAYA's renowned hospitality, often described as the finest in Japan, I find great purpose and fulfillment in engaging in dialogue with stakeholders and working alongside them to support the ryokan's revitalization. Guided by the CCI Group's spirit of co-creation, my experience in addressing challenges while steadily building relationships of trust under unprecedented circumstances has not only contributed to my personal growth, but has also deepened my awareness of the mission we bear as a company committed to supporting regional recovery.

Drawing on the perspectives and practical capabilities I have gained through this experience, I will continue to embrace new challenges so that I can contribute to the sustainable growth of both our Group and the communities we serve.

Human Capital Management

Reforming the Compensation System to Support Employee Success

Reforming the compensation and evaluation system is a key initiative in building an organization where diverse talent can fully demonstrate their capabilities and leverage their individual strengths. In 2022, we introduced a career-based personnel system, shifting from a seniority-oriented approach to one based on roles, skills, and individual contributions. This transition has enabled more strategic talent allocation aligned with our business strategy, accelerated the promotion of younger and specialized talent, and strengthened the organizational foundation that supports diverse employee success.

We are also creating an environment in which employees can continue to take on new challenges according to their abilities and aspirations, regardless of age or length of service. Through the advancement of diverse talent.

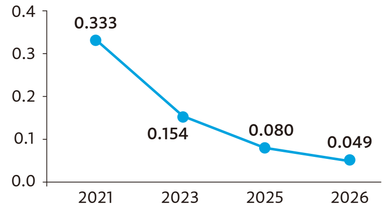
Accelerating the Success of Young Talent, Advancing Women's Participation, and Ensuring Fair Compensation

The coefficient of determination for seniority (R^2), an indicator of the extent to which compensation is influenced by age and tenure, declined from 0.333 in 2021 to 0.049 in 2026, demonstrating a significant reduction in age-related disparities in compensation. The youngest age at promotion has also decreased, from 30 to 26 for Chief positions and from 36 to 33 for managerial positions, indicating that younger employees are assuming greater responsibilities earlier in their careers.

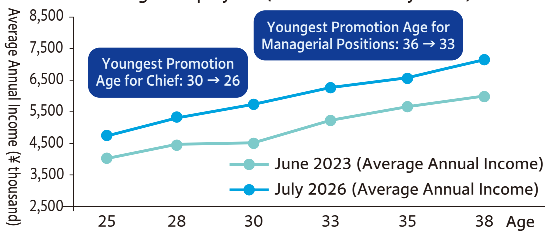
These changes have expanded opportunities not only for younger employees but also for specialized professionals and mid-career hires. By promoting employees based on their capabilities and roles rather than age or years of service, we are enabling individuals with diverse backgrounds and expertise to play central roles within the organization. This, in turn, strengthens our talent base and

(1) Trend in the Seniority Coefficient of Determination (R^2)

◉Impact of Age on Compensation
(Seniority Coefficient of Determination (R^2))



(2) Changes in Average Annual Income by Age Group for Younger Employees (June 2023 to July 2026)



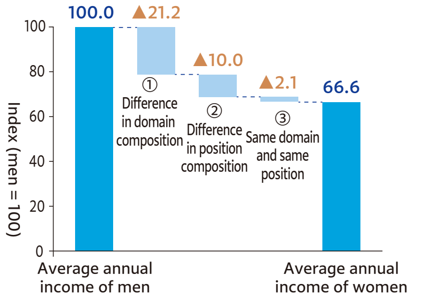
supports the expansion and advancement of new business domains.

A decomposition analysis of the gender pay gap showed that, with men's average annual income indexed at 100, women's average annual income stood at 66.6. Of this difference, only 2.1 percentage points were attributable to disparities within the same business area and job grade, indicating that the pay gap between men and women performing equivalent roles is limited. This demonstrates that our compensation practices are fundamentally based on roles, performance evaluations, and responsibilities rather than gender.

At the same time, the main factor behind the gender pay gap is not a difference in treatment with in the same position, but differences in the composition of employees by business domain and position level. In

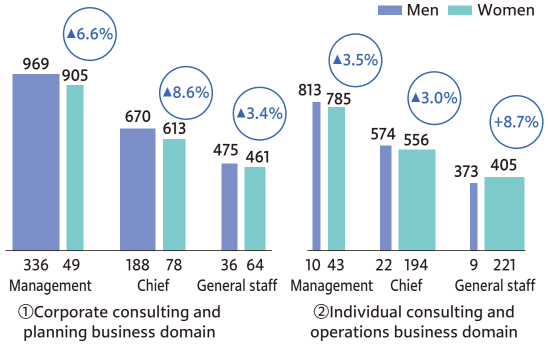
(3) Structural Breakdown of the Difference in Average Annual Income Between Men and Women (Men = 100)

①Wage gap due to differences in business domains by gender
②Wage gap due to differences in position composition, including management ratios by gender
③Wage gap within the same domain and same position



(4) Average Annual Income and Number of Employees by Position Category and Gender(1. Corporate / 2. Individual domains)

Unit: ¥10,000. Bar height indicates average annual income, and width indicates number of employees, adjusted according to the proportion of employees. Numbers in circles indicate gender pay gaps based on men; a plus sign indicates that women are higher.



particular, we have confirmed that differences in representation across business domains and senior positions where women remain underrepresented affect the overall wage gap.

Based on this understanding of the issues, we support each employee's career development through career reviews, internal recruitment systems, and opportunities to cross organizational boundaries through concurrent assignments. We are also working to create an environment in which diverse talent can contribute across a variety of positions and business domains by promoting the appointment of women to senior positions and expanding opportunities to gain experience across business domains. Going forward, while continuously verifying the effectiveness of each measure, we will expand opportunities for employees to take on challenges according to their roles and motivation, and link the diversity of human capital to the enhancement of corporate value.

Creating Future Value Through Growth Opportunities for Young Talent

Since joining the Company in 2021, Nagisa Kitahashi has been engaged in lending and consulting services for customers in the Hokuriku region. Currently based in Tokyo, Nagisa Kitahashi uses dialogue skills developed through corporate sales on a broad range of activities, from structuring management issues faced by startups and financial institutions to supporting execution.

His appointment as Chief created an opportunity to look beyond individual projects and focus on organizational operations and planning promotion. Taking on responsible roles at a young age helps develop judgment and initiative, while also expanding career possibilities. Through experiences supporting the enhancement of customer value, Nagisa Kitahashi also continues to grow personally. Going forward, Nagisa Kitahashi aims to become a professional capable of contributing to the organization and the region while gaining a diverse range of experiences.

Nagisa Kitahashi
(age 26 at the time of appointment)
Chief, Consulting Department
CC Innovation

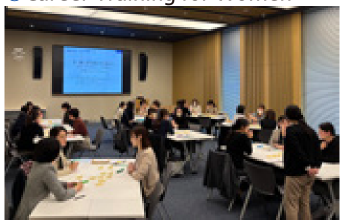
Human Capital Management

DE&I Initiatives: Enabling Diverse Talent to Thrive

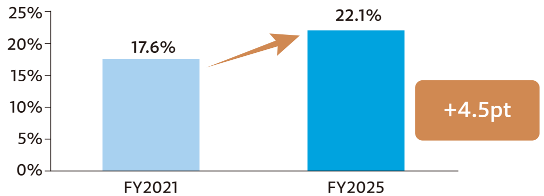
Promoting the Advancement of Women

We are creating an environment in which employees, regardless of gender, can proactively design their careers and expand the domains in which they contribute. In the past, female employees were mainly assigned to individual sales and operations areas, and opportunities to take on challenges in growth domains, as well as role models, were limited. To address these structural issues, we are supporting women's advancement by promoting wareness-raising, providing opportunities to take on challenges, and creating points of contact outside the Company in an integrated manner. First, for the purpose of awareness-raising, we conduct career training for women. Through this training, participants reflect on their own experiences, strengths, and values while considering medium- to long-term careers that also take life events into account, thereby raising awareness of career autonomy. Next, to create opportunities for challenge, we introduced the Job Challenge Program in 2024. We support challenges in priority areas such as corporate sales, systems development, and wealth management, and are promoting talent utilization that is not constrained by gender or previous job experience. In addition, to create external points of contact, we jointly hold four-company training sessions with NTT DOCOMO Hokuriku, Shimizu Corporation, and Sompo Japan Insurance. For female chief-level employees, these sessions provide opportunities to gain exposure to diverse career perspectives and role models through cross-industry exchanges and panel discussions with female directors and managers.

◉Career Training for Women



◉Trend in the Ratio of Women in Management Positions



※ Ratio of women in management positions at the Group, actual results for FY2021 and FY2025

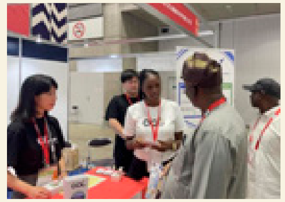
Through these initiatives, women employees are steadily broadening their perspectives and increasing their willingness to take on challenges. The ratio of women in management positions rose from 17.6% in FY2021 to 22.1% in FY2025, an increase of 4.5 percentage points. To achieve further improvement, we will continue to promote awareness-raising, the provision of challenge opportunities, and the formation of external networks in an integrated manner, while building an organization in which diverse talent can thrive.

Global Talent in Action

As our businesses become increasingly global, we believe that collaboration among people with different backgrounds and values, each demonstrating their own strengths, contributes to the enhancement of corporate value. We operate our organizations in each region in line with local laws, regulations, and business practices, while sharing the knowledge and standards cultivated across the Group. In doing so, we promote business operations based on shared values. These initiatives foster mutual understanding and knowledge sharing between Japan and overseas locations and strengthen the business foundation of the Group as a whole. As one example, the following introduces the voice of a local employee in Kenya who supports business operations from the perspectives of legal affairs and governance.

Taking on the Challenge of Creating New Value in Africa

I joined the Company because I was attracted by the fact that it is a Japanese financial group pioneering expansion into Kenya, as well as by its corporate culture that respects diversity. I currently support the business from the legal and governance perspectives as Manager and Corporate Counsel. I find meaning in contributing to the growth of the African business and the development of the regional economy through responses that take local regulations and business practices into account.



Rahab Mureithi
CC Innovation Africa

Toward Further Contributions by Experienced Veteran Talent

The Company has traditionally operated a role transition system at age 55, known as mandatory retirement from managerial positions, with the aim of organizational renewal and talent mobility. At the same time, amid changes in the labor force structure, such as the arrival of the 100-year life era and the raising of retirement ages, as well as intensifying competition for talent, the roles and value expected of people with extensive experience and advanced expertise are changing significantly. The engagement survey conducted in October 2025 also confirmed a tendency for scores to decline from employees in their 50s onward. It is therefore becoming increasingly important to make greater use of the knowledge, customer trust, and ability to develop younger employees that experienced and specialized talent have cultivated. It is also necessary to expand options for active contribution in response to increasingly diverse views of careers.

In light of these environmental changes, the Company is advancing the following initiatives under a basic policy of shifting its HR system from an age-based approach to a job- and skill-based approach. Through these efforts, we will maximize each individual's ability to contribute regardless of age, improve engagement, and achieve sustainable enhancement of corporate value.

◉Average Engagement Scores by Age Group (October 2025)

All employees	Employees in their 20s to 40s	Employees in their 50s	Employees aged 60 and above
-46.8 N=1,812	-41.9 N=1,111	-49.4 n=486	-66.0 n=215

[Initiatives for Improvement]

- Shift to position- and job-based standards: Build a fair and convincing system that does not depend on age by conducting evaluations and determining compensation based on roles and skills.
- Establish career paths based on expertise: In addition to management roles, establish career tracks based on expertise, such as specialist and expert roles, thereby creating a framework that enables diverse forms of value contribution.
- Support career development through job- and skill-based assignments: Provide continuous growth opportunities through assignments aligned with employees' aspirations and skills, and promote autonomous career development.

Human Capital Management

Health and Productivity Management: Employee Physical and Mental Health as the Foundation for Value Creation

Based on the belief that maintaining and improving employees' physical and mental health is the foundation supporting corporate activities, we position health and productivity management as an important management foundation. To realize this, we believe that creating an environment where each employee, our most important management resource, can stay physically and mentally healthy and demonstrate their full capabilities with peace of mind is directly linked to the sustainable enhancement of corporate value. We regard the promotion of health and productivity management as a strategic investment and have established a Health and Productivity Management Declaration. By improving employee health, we will enhance productivity and engagement. By continuing to demonstrate high performance, we will achieve both higher corporate value and value creation for society.

[Health and Productivity Management Declaration]

- The CCI Group declares that it will engage in health and productivity management because it believes that each employee must be physically and mentally healthy to realize a Visionary Region, where we envision, challenge, and create the future.
- By positioning employee health as a management foundation and enabling everyone to deliver maximum performance, we will enhance corporate value and create value for a better society.

◉Initiative Policy

1 Active support for health maintenance and improvement
- Promotion of collaborative health initiatives in cooperation with the health insurance society and employee association
- Optimal support through identifying and analyzing health issues based on data

2 Comfortable workplace environment
- Promote a Healthy Work-Life Balance
- Encourage Diverse and Flexible Working Arrangements
- Foster a Psychologically Safe Organizational Culture

3 Awareness and Adoption of Health and Productivity Management
- Promote Proactive Health Management through Health Literacy Initiatives and Various Wellness Programs
- Encourage Behavioral Change to Support Sustainable Performance

Health and Productivity Management Strategy and Priority Initiatives

To create a supportive work environment and promote the physical and mental well-being of our employees while enhancing health literacy, we are implementing a range of initiatives, including the promotion of flexible working arrangements, mental health measures, and programs designed to encourage regular exercise habits, such as wellness challenges.

In addition, we have established KPIs covering not only health checkup participation rates and the implementation rate of specified health guidance programs, but also lifestyle-related indicators such as exercise habits, sleep quality, and alcohol consumption. These indicators are monitored quantitatively and continuously reviewed to drive ongoing improvement.

Through a collaborative health management framework involving the Company, the health insurance association, and the employee union, we share employee health data and health-related issues to promote health checkups and specified health guidance programs while providing tailored support based on individual health conditions.

Furthermore, support activities led by the Wellness Support Team, established in FY2023, have contributed to shortening leave-of-absence periods and strengthening support for employees returning to work.

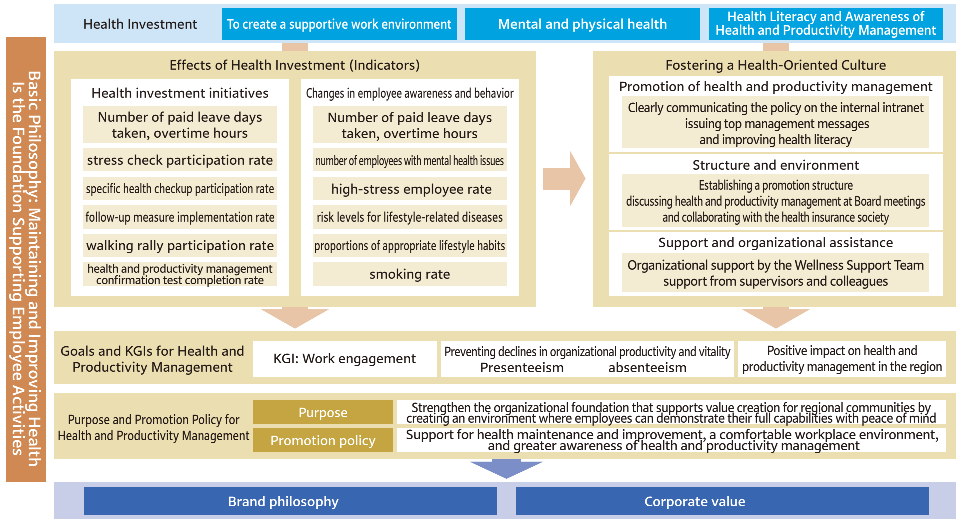
Through these initiatives, we aim to improve presenteeism, reduce absenteeism, and enhance work engagement. The relationships between our initiatives and their outcomes are organized and visualized in our Health and Productivity Management Strategy Map.

◉Trends in Key Health Management Indicators

Indicator	FY2022 Results	FY2025 Results	Change
Health Checkup Participation Rate	100.0%	100.0%	→
Specified Health Guidance Implementation Rate	92.0%	90.8%	↘
Smoking Rate	14.8%	12.5%	↗
Percentage of Employees with Appropriate Exercise Habits	28.7%	31.9%	↗
Percentage of Employees with Appropriate Dietary Habits	53.3%	60.2%	↗
Percentage of Employees with Appropriate Sleep Habits	75.5%	72.3%	↘
Percentage of Employees with Appropriate Alcohol Consumption Habits	96.3%	92.4%	↘

◉Health and Productivity Management Strategy Map

Prepared in June 2026



◉Target Indicators for Health and Productivity Management

Item	FY2024	FY2025	FY2030 target
Presenteeism	80.6%	81.3%	85.0%
Absenteeism	1.50 days	1.35 days	1.2 days
Work engagement	2.7 points	2.7 points	3.0 points

※Presenteeism: An indicator showing the degree of decline in work performance due to health issues. A higher value indicates a better condition. The Company measures this using the University of Tokyo one-item version.

※Absenteeism: An indicator showing the occurrence of absences or leaves of absence due to health issues. A lower value indicates a better condition.

Introduction of a Health Support Platform and Advancement of Data Utilization

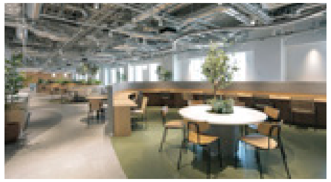
Recognizing that we had not sufficiently visualized or utilized employee health information and changes over time, and that our data utilization foundation was insufficient, we introduced a health support platform in FY2025. In addition to enabling employees to check health examination results and providing information for improving health, we are promoting data-based prevention and improvement measures by combining in-person support with digital, remote support. By allowing employees to check their own health status at any time within the app, we are using this initiative to promote greater health awareness and behavior change among employees, improve productivity, and sustainably enhance corporate value.

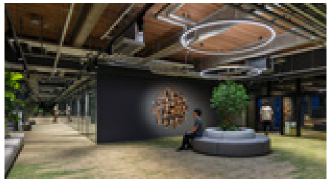
Human Capital Management

Comfortable Workplace Environment and External Recognition

We position a comfortable workplace environment as an important element of health and productivity management. By creating an environment where employees can remain physically and mentally healthy and demonstrate their full capabilities with peace of mind, we encourage improvements in productivity and creativity and link these efforts to sustainable enhancement of corporate value. As part of these initiatives, the Head Office Building and Hirooka Terrace obtained the WELL Equity Rating, an international health and wellness certification. This certification evaluates workplace equity, inclusion (DE&I), and health and productivity management not only in terms of system development, but also in terms of organizational operations, day-to-day practices, and the working environment. We were the first listed company in Japan to obtain this certification.

In addition to safety and health managers and health promoters, we have established a Wellness Support Team composed of psychological professionals, industrial counselors, psychiatric social workers, public health nurses, and other specialists. Through employee health support and workplace environment improvement, we are promoting the creation of workplaces where everyone can work comfortably. As a result of these initiatives, we have been certified for five consecutive years as a Health & Productivity Management Outstanding Organization (White 500), jointly recognized by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi. We have also ranked No. 1 nationwide for two consecutive years in the comprehensive evaluation indicator established by the Ministry of Health, Labour and Welfare. These achievements indicate that our strategic promotion of health and productivity management, including health insurance society initiatives such as health services and prevention of serious illness, has been externally recognized. Going forward, we will continue to evolve data-driven health and productivity management centered on KPIs and pursue both the maintenance and improvement of employee health and enhanced organizational performance. We will also promote sustainable organizational development by responding to increasingly diverse health needs, such as women's health issues and balancing work with caregiving, aiming to improve well-being and enhance corporate value.


Head Office Building cafeteria


Hirooka Terrace, 5th-floor elevator hall

2026
健康経営優良法人
KENKO Investment for Health
大規模法人部門
ホワイト500

※Comprehensive evaluation indicator for insurers subject to reduction ofcontributions for the latter-stage elderly healthcare support system (Category 1)

Support for Balancing Work and Life to Sustain Careers

Support for Balancing Work and Caregiving

With regard to caregiving, one of our health and productivity management initiatives, we are addressing two important issues for future human resource strategy: identifying potential business carers understand the details, indicating that many employees do not sufficiently understand the systems. It also became clear that approximately 90% of employees have concerns about future caregiving. Because anxiety about caregiving can also affect mental health, we held caregiving seminars with the aim of helping employees better understand the systems and prepare early. In addition to explaining the long-term care insurance system and internal work-life balance support systems, the seminars included talks by psychological professionals from the Wellness Support Team. By communicating practical experiences and explaining how to manage the psychological aspects of caregiving, the seminars aim to promote employee understanding and reduce psychological barriers. After the seminars, we also promote the use of consultation desks and provide ongoing information, aiming to shift employees from simply knowing that systems exist to being able to use them.

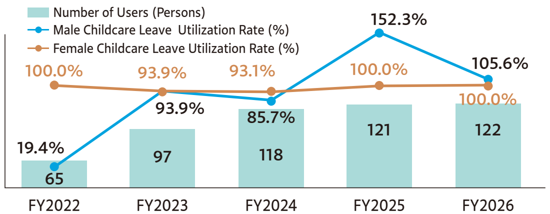
◉Features of the CCI Group's Caregiving Support Systems

Caregiving leave system	Shorter working hours for caregiving	Caregiving leave
Up to a total of two years can be taken per eligible family member	Employees can select five to seven hours per day in 30-minute increments	Changed from unpaid to paid leave

Promoting Men's Childcare Leave

We are creating an environment that enables employees to continue their careers by providing uninterrupted support from before childbirth through after returning to work. Through one-on-one meetings with the Human Resources Development Department, internal information sharing, and Ikusapo! events designed to encourage interaction among employees, we help reduce anxiety about balancing childcare and work and support the realization of career plans. We also view men's participation in childcare as an important management issue. We hold Pre-Papa Seminars to inform employees about the childcare leave system before their partners give birth, and the General Manager of the Human Resources Development Department directly encourages both the employees and their supervisors to take childcare leave. By building a framework in which supervisors and teams share work responsibilities, we support employees in balancing childcare and work across the entire workplace. Going forward, in addition to the childcare leave utilization rate, we aim to extend the average duration of men's childcare leave, currently 14 days, to around one month, and will promote more effective support for balancing work and childcare.

◉Number of Employees Using Reduced Working Hours for Childcare / Childcare Leave Utilization Rate



Supporting a Male Employee Taking Two Months of Childcare Leave Through Team Collaboration

In our corporate sales team, a male employee took approximately two months of childcare leave. Through thorough advance handovers, effective workload sharing, enhanced process visibility, and active information sharing, we minimized any impact on our customers.
As a result, this initiative not only promoted the use of childcare leave among male employees but also encouraged greater transparency in business processes and the sharing of knowledge across the team. These efforts ultimately enhanced the organization's ability to respond to customer needs and strengthened overall service quality.

Kenji Sasaki
General Manager,
Head Office Branch,
Hokkoku Bank

Human Capital Management

Enhancing Human Capital Value Through Financial Wellness

We are working to improve financial wellness in order to support employees' financial well-being and wealth creation for the future, while encouraging autonomous career development and challenge-taking. To realize financial wellness, we have established four steps: understanding, grasping the current situation, consultation, and action. Specifically, we provide opportunities for employees to acquire knowledge related to financial literacy, household budget management, and future planning, while also using self-check sheets to visualize income, expenses, borrowings, and wealth creation status. In addition, through individual consultations and information provision on wealth creation, we support the use of systems such as NISA, corporate defined contribution pension plans (DC), and the employee shareholding association.

◉Four Steps Toward Realizing Financial Wellness

(1)Raise awareness through various briefings (2)Encourage behavioral change

①Understanding ②Grasping the current situation ③Consultation ④Action

- **Financial wellness briefings for all employees**
  Support understanding of the current situation by improving financial literacy and visualizing household income and expenses
- **Wealth creation seminars**
  Promote understanding of internal systems, such as DC plans and the employee shareholding association, as well as various wealth creation systems, including NISA
- **Establishment of life planning and wealth creation consultation desks**
  (with free consultation availabl as an employee benefit)
- **Use of various systems for wealth creation**
- **Life planning consideration**

Going forward, we will continue to create an environment where each employee can choose wealth creation actions in line with their life plan, and we will promote the creation of an organization where employees can take on challenges with peace of mind through continuous improvement in financial literacy and the realization of financial wellness.

Introduction of the Retirement Benefit Prepayment System (from March 2022)

In conjunction with the introduction of the career-based HR system in March 2022, we revised the conventional lump-sum retirement benefit system into a system under which retirement benefits can be received in advance each month as career support funds. The previous lump-sum retirement benefit system was significantly affected by length of service. Under the new system, prepayment eliminates advantages and disadvantages based on timing of joining the Company, helping create an environment where employees can contribute regardless of whether they were hired as new graduates or mid-career professionals.

This system also enables employees to invest in learning for self-growth and work on wealth creation from an early stage after joining the Company, thereby promoting career autonomy. The system supports the acquisition and retention of diverse specialist talent and functions as a foundation for human capital investment that strengthens the Company's competitiveness in talent amid increasing labor mobility.

The earlier funds are received, the longer the investment period that can be secured, and the greater the expected improvement in future value through compound interest. For example, if ¥33,000 per month is invested for 33 years at an annual rate of 4%, the future value is estimated to be approximately ¥26.5 million against principal of approximately ¥13.0 million. Even when the amount is the same, the timing of receipt and the method of use can produce a significant difference in future value. Through this approach, we promote employees' financial literacy and autonomous wealth creation, linking economic peace of mind to greater willingness to take on challenges. In addition, the promotion of financial wellness initiatives has led to changes in the defined contribution pension plan participation rate, average contribution amount, and investment trust selection rate, indicating that wealth creation behavior is becoming established.

◉Behavioral Changes in the Define Contribution Pension Plan

※1:Ratio of investment trust balances to total financial asset balances
※2:Ratio of allocations to investment products, excluding deposits and insurance, to total contributions

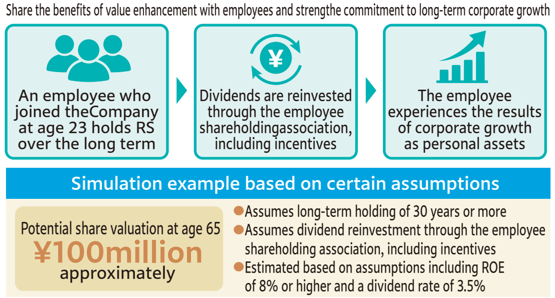
	2022	2026	Change
Investment trust ratio (balance basis)※1	63.8%	77.3%	+13.5pt
Investment product ratio (contribution basis)※2	86.6%	93.3%	+6.7pt
Average contribution per employee (monthly)	¥20,886	¥22,715	+8.8%
Average yield	0.46%	4.61%	—

Value Sharing Through the Restricted Stock (RS) Program

Through the restricted stock (RS) program, we have established a framework for sharing with employees the value generated through the enhancement of corporate value, enabling shareholders, management, and employees to participate in value creation from the same perspective. The program is designed to foster an ownership mindset through shareholding and strengthen the linkage between employees' decision-making and the enhancement of corporate value. Positioned as an incentive to promote medium- to long-term enhancement of corporate value, the program is designed so that the benefits of rising share prices and increased dividends also contribute to employees' wealth creation. As one example of wealth creation, if RS granted at age 23 is held over the long term and dividends are reinvested, there is a possibility that assets worth approximately ¥100 million could be formed by age 65. Although this is a theoretical calculation, it shows that enhancing corporate value contributes not only to shareholder value but also to employees' wealth creation, and it also demonstrates the magnitude of the compounding effect in long-term investment. We aim to foster an ownership mindset and realize medium- to long-term value creation by enabling employees to be both drivers of corporate value enhancement and participants who share in that value.

◉Value Sharing Through the Restricted Stock (RS) Program

Share the benefits of value enhancement with employees and strengthen the commitment to long-term corporate growth



Balancing Employee Wealth Creation and Corporate Value Enhancement

Through financial wellness initiatives, we support employees' economic peace of mind and autonomous wealth creation. These efforts help reduce employees' concerns about the future, encourage autonomous career development, and lead to greater willingness to take on challenges and higher engagement. Going forward, through human capital investment that supports employees' challenge-taking and growth, we will aim to realize a virtuous cycle in which employees and the Company enhance value together.

Corporate Governance

Basic Approach to Corporate Governance

To realize our brand philosophy of “Realizing a Visionary Region that envisions, challenges, and creates the future, making the world better starting from the region,” our Group places importance on dialogue with shareholders and other stakeholders. We believe it is essential to enhance management transparency, ensure appropriate risk control, and ensure compliance in management.

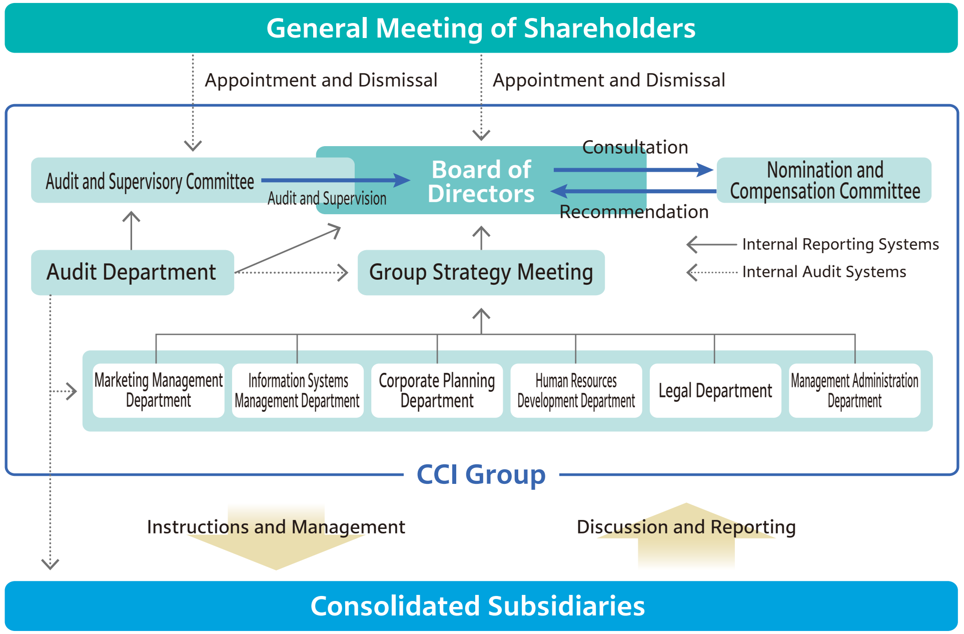
To enable a broad range of stakeholders to better understand the Group’s corporate governance initiatives, we actively conduct investor relations activities and disclose information through our website, integrated reports, and other channels. We will continue striving to be a highly transparent company that is open to both internal and external stakeholders.

Overview of the Current Structure

To enhance its corporate governance structure and further improve corporate value, the Company has adopted the organizational form of a company with an Audit and Supervisory Committee. By granting voting rights on the Board of Directors to directors who are Audit and Supervisory Committee members, we strengthen the audit and supervisory functions over the Board of Directors and executive officers. In addition, through the participation of outside directors in management, we enhance the transparency and soundness of decision-making and business execution processes, and work to build a more effective governance structure.

Currently, five of the Company’s nine directors are outside directors, representing 55.5% of all directors. All five outside directors are independent outside directors, and they audit and supervise directors from objective and neutral perspectives.

As a voluntary initiative, we have established a Nomination and Compensation Committee, chaired by an outside director and composed of a majority of outside directors. This structure ensures transparency and objectivity in the decision-making process for the nomination of director candidates and the remuneration of directors. In addition, three of the four members of the Audit and Supervisory Committee are outside directors.



	Board of Directors	Audit and Supervisory Committee	Nomination and Compensation Committee
Chairperson (Committee Chair)	Outside Directors	Outside Directors	Outside Directors
Composition	9 members	4 members	3 members
Ratio of Outside Directors	5 members 55%	3 members 75%	2 members 66.6%
Number of female Directors	3 members 33.3%	3 members 75%	—

Inside Directors (male) Inside Directors (female) Outside directors (Male) Outside directors (Female)

Corporate Governance

Status of the Board of Directors and Committees

▶Board of Directors (Number of meetings held in FY2025: 11)

In principle, the Board of Directors meets once a month, with extraordinary meetings held as necessary. The Board makes decisions on important matters such as management policies and management strategies, and supervises the execution of duties by directors by receiving reports on business execution status and other important matters.

〈Main agenda items〉

- **Review of business strategies of Group companies and the medium-term management strategy**
  The Board discussed each company's strategy review, future strategies, and the content to be reflected in, or updated in, the medium-term management strategy.
- **Asset allocation**
  The Board discussed the implementation of asset allocation using the model portfolio and the review of the portfolio.
- **Human capital strategy**
  The Board discussed matters related to human capital strategy, including the direction of human resource strategy and the policy for the CEO succession plan.
- **System strategy**
  The Board discussed medium- to long-term system strategy, cybersecurity risks, the next core banking project, and related matters.
- **Initiatives to improve the effectiveness evaluation of the Board of Directors**
  The Board reconfirmed the roles expected of each director and their positioning on the Board, and discussed ways to further invigorate discussions and improve effectiveness.
- **Large-scale projects**
  For important matters such as the arena construction project and office building construction project, the Board held multifaceted and constructive discussions based on their impact on corporate value and associated risks, working to improve the quality of decision-making and demonstrate effective supervisory functions.

▶Nomination and Compensation Committee (eight meetings held in FY2025)

An optional advisory body established to discuss and exchange opinions regarding the election and remuneration of directors; with a majority of external directors, objectivity and transparency are ensured through appropriate involvement and advice.

〈Main topics discussed〉

- **Composition and structure of Board of Directors (excluding Audit and Supervisory Committee members) and director remuneration**
  Discussions on the structure and remuneration of the board for the next fiscal year.
- **Succession plan**
  The Committee reviewed the detailed content of the CEO succession plan, conducted interviews with all selected candidates, and discussed the revision of the candidate pool. The Nomination and Compensation Committee presented each candidate with the leadership profile required for next-generation management and discussed initiatives and action plans to be undertaken going forward, thereby enhancing effectiveness.
- **Next-Generation Management Talent Development Program**
  As the business portfolio becomes more advanced and diversified, the Committee recognizes the importance of talent development to establish a future management structure that is both stable and flexible. Based on this recognition, the Committee is advancing discussions on a program to develop candidates for next-generation management talent following the current CEO succession plan.

▶Group Strategy Meeting (Number of agenda items in FY2025: 226)

In principle, these are held in writing online using communication tools, with in-person meetings convened as necessary. The Group Strategy Meeting makes decisions on important matters not requiring board resolution, as well as items delegated by the board, and receives reports on the status of business execution and other key topics.

Audit Status

▶Audit and Supervisory Committee (Number of meetings held in FY2025: 11)

In principle, meetings are held once per month, with extraordinary meetings as needed. The committee audits the execution of directors' duties, prepares audit reports, and makes decisions on the election and remuneration of directors. The Audit Department is placed directly under the Audit and Supervisory Committee to realize effective governance.

▶Overview of Each Audit

[Audit and Supervisory Committee audits]

Audits are conducted independently of the Board of Directors based on policies and plans set by the committee, in coordination with accounting auditors and the internal audit department, to appropriately audit decision-making and execution by directors. Important audit issues are discussed regularly with the representative directors.

[Internal audits]

The internal audit department, which reports directly to the Audit and Supervisory Committee, conducts audits based on the internal audit policies determined by the committee. Results are reported regularly to both the Board of Directors and the Audit and Supervisory Committee.

[Accounting audits]

Kanade Audit Corporation is appointed as the accounting auditor, providing fair and impartial audits from an independent standpoint.

Corporate Governance

Transition of Governance Structure and Major Governance Enhancement Initiatives

2023～2026	● Utilization of external third-party organizations for board effectiveness evaluation ● Implementation of succession planning ● Appointment of an outside director as Chairperson of the Board ● Formulation of succession plan ● Appointment of an outside director as Chairperson of the Nomination and Compensation Committee ● Ratio of outside directors: 55%
2020～2022	● Revision of compensation system (increase in proportion of performance-linked compensation, both monetary and stock-based) ● Regulation of term and maximum term for directors not serving on the Audit and Supervisory Committee (excluding outside directors) ● Clarification of the policy to "principally not hold listed policy shares" ● Strengthening of group governance structure through transition to a holding company system
2017～2019	● Ratio of outside directors: 29% ● Revision of compensation system (introduction of stock delivery trust)
2014～2016	● Introduction of board effectiveness evaluation system ● Transition to a company with an Audit and Supervisory Committee ● Ratio of outside directors: 26%
～2013	● Revision of compensation system (introduction of performance-linked compensation and stock options) ● Introduction of executive officer system

Main Initiatives in FY2025 to FY2026

Improving the Effectiveness of the Board of Directors Through Effectiveness Evaluation

We have taken action on issues identified through the Board effectiveness evaluation and are working to continuously improve the effectiveness of the Board of Directors. Going forward, we will continue to identify issues and implement reform actions through regular Board effectiveness evaluations.

Implementation of the Succession Plan

At the Nomination and Compensation Committee, where outside directors make up a majority of members, we discuss the talent requirements and qualities needed for the CEO and key positions, and are working to advance the succession plan. Through profiling and interviews conducted by committee members, approximately 10 candidates have currently been selected for the next candidate pool.

Setting the Annual Agenda of the Board of Directors

Based on issues identified through Board effectiveness evaluations and other processes, we select themes that should be discussed intensively by the Board of Directors. In addition to key management strategy themes such as the business portfolio, resource allocation, and marketing strategy, we set an annual agenda that incorporates a wide range of themes, including strategies for each business and large-scale projects. Based on this agenda, planned discussions are held at the Board of Directors while reflecting the latest circumstances. We will continue similar initiatives going forward and further enhance their level.

Appointment and Dismissal of Directors and Executive Officers

Policy on Appointment and Dismissal

Nominations for director candidates are reviewed by the Nomination and Compensation Committee before being presented to the Board of Directors. For internal director candidates, selections are made from a pre-designated pool based on integrity, a mindset for recurrent learning and reskilling, communication skills, and strategic visionensuring candidates possess the knowledge and experience necessary to manage the group's operations accurately, fairly, and efficiently.External director candidates must have extensive management experience and broad insight, providing appropriate advice and recommendations to support the Board's decision-making, maintain and enhance the rationality and soundness of management, and strengthen corporate governance.

Reappointments are discussed in the Nomination and Compensation Committee, and the board determines whether the directors have fulfilled their expected roles. In cases of legal violations or significant misconduct, the board may call a shareholders' meeting to decide on dismissal.Executive officers, appointed by the board, must have the knowledge and experience necessary to manage operations fairly and efficiently. Executive officers failing to meet these criteria will not be reappointed, and those who commit legal violations or seriousmisconduct may be dismissed by the board.

Maximum Term for Directors (Excluding Audit and Supervisory Committee Members)

Since April 2022, we have established the maximum term for directors not serving as Audit and Supervisory Committee members. This measure aims to prevent organizational rigidity, strengthen governance, and revitalize the board while emphasizing the importance of succession planning.

Director(President) (Excluding Audit and Supervisory Committee Members)	Term: 1 year Individuals who have served for over 10 years will not be re-nominated as candidates upon expiration of their term.
Directors (except President) (Excluding Audit and Supervisory Committee Members)	Term: 1 year Individuals who reach the age of 65 upon term expiration will not be re-nominated as candidates.

Corporate Governance

Succession Planning

To enhance management continuity and achieve sustainable growth in corporate value over the medium to long term, the Company has established a succession plan. We have defined the qualifications and competencies required for key positions and maintain a candidate pool based on these criteria.

In the selection process, candidates are evaluated comprehensively based on their character, leadership and execution capabilities, qualifications, and professional experience. The Nomination and Compensation Committee reviews each candidate after considering assessments conducted by external organizations and interviews with the Company's Independent Outside Directors. The Committee then submits its recommendations to the Board of Directors, which deliberates and makes the final appointment decisions.

To develop future successors, we provide tailored development programs based on each candidate's capabilities and potential. We also promote capability development and broaden management perspectives through assignments across Group companies and functions. In addition, the Nomination and Compensation Committee and the Board of Directors regularly monitor progress and review both the succession plan and candidate pool as appropriate, thereby ensuring the effective identification and development of future leaders. Currently, approximately ten individuals have been selected for the candidate pool under the CEO succession plan. The Company is also considering the implementation of a management development program for younger leadership talent.

〈Talent Requirements and Applicable Positions〉

Applicable positions	❶President and Director ❷ internal directors ❸ President and Director of subsidiary The Hokkoku Bank
Talent requirements	❶ Integrity ❷ recurrent learning and reskilling mindset ❸ communication skills ❹ ability to envision

〈Selection Flow〉

Succession plan

Plan formulation	●Talent requirements ●Applicable positions ●Candidate pool ●Development program
Candidate pool	●Profiling ●Individual evaluations
Talent development	●Recurrent program ●External training ●One-on-one meetings with managers
Succession Review	●Nomination and Compensation Committee ●Board of Directors

Board effectivenes evaluation discussion of timing andnecessityof replacement

Successor selection

Director Remuneration

Policy for Determining the Content of Director Remuneration and Related Matters

The basic policy for the Company's director remuneration is to establish a remuneration system that takes into account linkage with shareholder interests so that remuneration functions as an incentive to contribute to regional community development and achieve sustainable enhancement of corporate value. In determining the remuneration of each director, the Company sets an appropriate level based on each director's responsibilities. As a holding company, the Company develops and operates the remuneration system in an integrated manner with Group companies, and when a director concurrently serves at Group companies, fixed monetary remuneration is allocated at a certain ratio.

Overview of the Remuneration System

The executive remuneration system introduced in April 2022 increased the proportion of performance-linked remuneration compared with the previous system, thereby providing incentives to enhance corporate value and enabling further value sharing with shareholders.

Target directors forfeit their entitlement to performance-linked remuneration in cases such as retirement due to certain misconduct. In addition, if financial statements are corrected due to serious misconduct or similar causes, target directors are required to return all or part of performance-linked remuneration already received.

Type	Payment Criteria, and Composition Ratios	Directors who are not Audit and Supervisory Committee members	Directors who are Audit and Supervisory Committee members	Executive officers
Fixed monetary remuneration	Paid in cash as monthly fixed remuneration	●	●	●
Performance-linked cash remuneration	Paid in cash according to the composition ratio shown in the table based on ROE for the evaluation year	●	–	●
Performance-linked stock remuneration	Paid in restricted shares according to the composition ratio shown in the table based on ROE for the evaluation year	●	–	●

ROE	Director and President				Directors (excluding the President)			
	Fixed	Performance-linked		Total	Fixed	Performance-linked		Total
	Cash	Cash	Stock		Cash	Cash	Stock	
8% or above	45%	30%	105%	180%	50%	25%	90%	165%
7% or above, less than 8%	45%	30%	75%	150%	50%	25%	65%	140%
6% or above, less than 7%	45%	30%	45%	120%	50%	25%	40%	115%
5% or above, less than 6%	45%	30%	25%	100%	50%	25%	25%	100%
4% or above, less than 5%	45%	25%	20%	90%	50%	20%	20%	90%
3% or above, less than 4%	45%	20%	15%	80%	50%	15%	15%	80%
2% or above, less than 3%	45%	15%	10%	70%	50%	10%	10%	70%
1% or above, less than 2%	45%	10%	5%	60%	50%	5%	5%	60%
Less than 1%	45%	0%	0%	45%	50%	0%	0%	50%

Composition ratio image(※)

Fixed remuneration 45%	Performance-linked cash 30%	Performance-linked stock 25%

※For presidents and representative directors with ROE between 5% and less than 6% (ratios vary according to position and company performance)

Corporate Governance

Skills Matrix

Our company has established a skill matrix based on the abilities necessary to advance the key business strategies outlined in our medium-term management plan. The skill matrix, which reflects the expertise and experience of our directors and executive officers, can be found below. In order to conduct appropriate management oversight and achieve sustainable growth in corporate value, we assign individuals with abundant experience, keen insight, and advanced expertise. For directors who are not audit and supervisory committee members, areas of particular expectation are marked with "◎".

※A star indicates the chair of the Board of Directors or the chair of each committee.

Name	Position	Responsibilities at the Company			Expertise and experience										
		Board of Directors	Audit and Supervisory Committee	Nomination and Compensation Committee	Corporate planning management and strategy	Governance and risk management	Financial and capital strategy	ESG and sustainability	Marketing	Consulting	Global business	Investment and fund management	Market operation	human resources strategy	Digital IT strategy
Shuji Tsuemura	President & Chief Executive Officer (Representative Director)	○		○	◎	●	◎	◎		●	◎	●	◎		◎
Takeshi Igawa	Director, Managing Executive Officer(Representative Director) (General Manager of Information Systems Management Department)	○			●	◎	●								◎
Tomohiko Kikuzawa	Director, Managing Executive Officer	○			◎		●	●	◎	◎				●	●
Sakon Uda	Outside Director	★		○	◎	◎			●	◎		●		◎	
Fumihiko Haga	Outside Director	○		★	●	◎									◎
Aki Yokogoshi	Director, Audit and Supervisory Committee Member	○	○			●		●	●					●	●
Kimie Harada	Outside Director, Audit and Supervisory Committee Member	○	★				●	●					●		
Michio Kitahara	Outside Director, Audit and Supervisory Committee Member	○	○		●		●				●		●		
Sakae Komiyama	Outside Director, Audit and Supervisory Committee Member	○	○			●	●			●			●		
Naotaka Terai	Managing Executive Officer (General Manager, Corporate Planning Department)	–	–	–	●	●	●	●			●			●	●
Takayuki Yamamoto	Managing Executive Officer (General Manager, Management Administration Department)	–	–	–	●	●	●		●						
Atsushi Shintani	Managing Executive Officer (General Manager, Information Systems Management Department)	–	–	–		●	●								●
Masaki Iwama	Managing Executive Officer (General Manager, Information Systems Management Department)	–	–	–	●					●					●
Takehito Itani	Executive Officer (General Manager, Marketing Management Department)	–	–	–			●		●	●	●	●			
Masayuki Kita	Managing Executive Officer	–	–	–	●		●		●	●	●				
Seiichi Sagiike	Managing Executive Officer	–	–	–	●					●		●	●		
Junko Inoue	Executive Officer (General Manager, Human Resource Development Department)	–	–	–		●			●	●				●	
Takashi Mori	Executive Officer (General Manager, Legal Department)	–	–	–	●	●	●				●				
Tomoyuki Yoshikawa	Executive Officer (General Manager, Information Systems Management Department)	–	–	–		●			●						●
Atsushi Tokuno	Executive Officer (General Manager, Information Systems Management Department)	–	–	–	●		●								●
Shigefumi Yoshida	Executive Officer (General Manager, Information Systems Management Department)	–	–	–					●	●		●			●
Shinya Miyamoto	Executive Officer	–	–	–	●		●			●		●			
Satoshi Oe	Executive Officer	–	–	–					●	●					
Hideaki Yabuno	Executive Officer	–	–	–				●	●	●					

Skill Areas to Be Strengthened

We recognize the following areas as skill areas that should be further strengthened to support the Company's sustainable value enhancement. In addition to developing personnel with expertise internally and assigning personnel with emphasis on experience, we also envision bringing in external talent with objective and effective knowledge and experience to strengthen the Company's management foundation.

Consulting

The Company positions consulting and advisory services as one of its priority areas. Although CC Innovation's consulting expertise has been improving, the issues and needs of regions and customers are also becoming more diverse. We recognize that personnel with more advanced skills and knowledge are necessary to provide higher added value.

Investment and Fund Management

The Company positions investment and fund management as one of its priority areas. the investment chain aimed at contributing to Japan's development as a leading asset management center through subsidiaries such as The Hokkoku Bank, CCI Asset Partners, CC Innovation, and QR Investment is an important platform for delivering the Group's services. We recognize that personnel with more advanced skills and knowledge are needed to achieve a better balance among the growth of investee companies, contribution to the region, and investment returns.

Market Operation

The Company positions market operations as one of its priority areas. CCI Asset Partners, an investment advisory company, undertakes core operations related to the Group's market operations and is working to strengthen treasury and market operations. We recognize that personnel with more advanced investment management skills and knowledge are necessary to control asset allocation based on the model portfolio and secure more stable earnings.

Digital IT Strategy

For more than 20 years, the Company has pursued business transformation initiatives driven by its systems strategy, and it continues to pursue digital transformation initiatives. The knowledge and know-how accumulated through these reforms are returned to regional customers through consulting and other services. Going forward, we recognize the need for personnel with more advanced skills and knowledge in areas such as development of the next-generation core banking system and response to cybersecurity risks.

Corporate Governance

Board Effectiveness Evaluation

We conduct annual evaluations and analyses of the effectiveness of our Board of Directors,reflecting the self-assessments of each director, and disclose the results. Based on the belief that addressing issues identified through these evaluations leads to enhanced board effectiveness and, ultimately, higher corporate value, we continue our efforts to further advance the operation of the Board of Directors.

Issues Recognized in FY2024 and Status of Responses

Issue	Response
Further invigorating discussions by redefining and sharing understanding of the roles expected of directors	From the perspective of what should be discussed by the Board of Directors in order to connect governance to corporate value enhancement, the Board set a strategic agenda and conducted planned and effective discussions.
Deepening discussions at the Board of Directors	The Board discussed the overall medium- to long-term business portfolio, including the banking business, and the human resource portfolio required to realize it. For matters with significant impact on the Group's earnings and reputational risk, individual study sessions were also held to enrich discussions, including quantitative analysis.
Further Enhancement of the Nomination and Compensation Committee's Activities	In relation to the CEO succession plan, we discussed the management talent pool and talent development programs. We also discussed development plans for next-generation management candidates (the second pool).
Enhancement of Dialogue with Shareholders and Investors	We clarified the roles to be played and the scope of discussions in dialogue with investors, and created opportunities for outside directors to engage directly with investors.

Evaluation Process for the FY2025 Board Effectiveness Evaluation

A questionnaire was conducted for each director, and the results were reported to the Board of Directors. The questionnaire used a five-point evaluation scale for each question as well as free-response fields. Going forward, discussions on issues and responses are scheduled to be held based on the reported results.

Questionnaire conducted → Interviews conducted → ●Results reported to the Board of Directors ●Discussion of challenges and initiatives → Board operations based on issues and responses

Survey Items (Main Categories)

1. Company Management Issues and Risks
2. Role and Function of the Board of Directors
3. Status of Board Operation
4. Discussion at Board Meetings
5. Board Size and Composition
6. Composition and Role of the Nomination and Compensation Committee
7. Operation of the Nomination and Compensation Committee
8. Composition and Role of the Audit and Supervisory Committee
9. Operation of the Audit and Supervisory Committee
10. Support System for Outside Directors
11. Relations with Investors and Shareholders
12. Overall Governance Structure and Board Effectiveness
13. Self-Assessment

Issues and Initiatives to Further Improve Board Effectiveness

The questionnaire results showed that the Board of Directors is functioning well, with particularly strong recognition that open and constructive discussions are actively held under the chairmanship of an independent outside director. At the same time, the following issues were identified to further improve Board effectiveness.

Issue	Response
Development of discussion processes and Board operation mechanisms	To further improve the quality of discussions at the Board of Directors, particularly for important matters, enhance opportunities for discussions before Board meetings and strengthen information sharing to set appropriate issues. ● Improve the organization of issues through participation by outside directors in agenda meetings with the chair before Board meetings ● Hold individual briefing sessions according to outside directors' areas of expertise and level of knowledge ● Hold discussions among outside directors on issues after pre-briefing sessions before Board meetings ● Strengthen information sharing with attention to continuity of discussions ● Conduct regular reviews among outside directors regarding Board operations
Enhancing strategic and investment decisions for corporate value enhancement	To build businesses that will enhance corporate value, deepen discussions on standards and approaches for business evaluation and investment decisions, thereby advancing strategic decision-making by the Board of Directors. ● Clarify approaches to profitability, impact on capital, hurdle rate setting, exit criteria, and related matters ● Discuss resource allocation based on the overall business portfolio ● Present and utilize risk evaluations from the business administration division to the Board of Directors ● Examine evaluation and monitoring methods with attention to building track records for businesses
Aligning understanding between outside directors and the executive side	To realize effective discussions at the Board of Directors, further strengthen alignment on assumptions and understanding between outside directors and the executive side. ● Enhance explanations of the review process and timeline for matters and strengthen prior information provision ● Clarify issues based on the roles and perspectives of the Group Strategy Meeting and Board of Directors, and incorporate them into agenda items ● Organize and visualize known information and uncertain matters,including issues and risks, as materials for decision-making ● Appropriately reflect the above matters in Board discussions
Enhancing dialogue with shareholders and investors	To achieve corporate value enhancement, strengthen outside directors' involvement in dialogue with shareholders and investors, and pursue decision-making by the Board of Directors that also reflects the views of shareholders and investors. ● Continue investor one-on-one meetings by the executive side, including the president, and further enhance reporting of the content to the Board of Directors ● Through direct dialogue by outside directors and other initiatives, share evaluations of the Company from an independent perspective and reflect investors' unfiltered voices in Board decision-making

Corporate Governance

Strategic Shareholdings

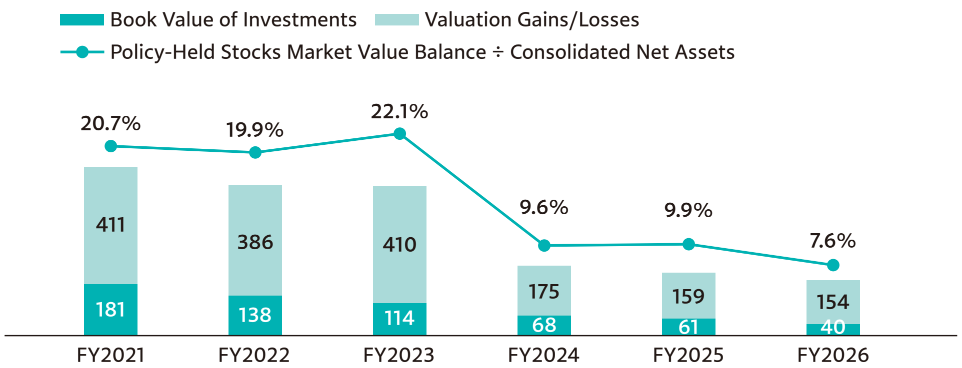
Holding Policy and Reduction Status

In principle, the Group does not hold listed shares for strategic purposes. However, we will continue to hold certain shares from a strategic perspective and contribute to enhancing the corporate value of both the Group and the companies in which we invest. The current status of our reduction efforts is as follows.

Progress in Reducing Strategic Shareholdings

Since announcing our shareholding policy in April 2022, we have engaged in ongoing dialogue with investee companies to deepen their understanding of the Group's policy. As a result, we achieved, one year ahead of schedule as of March 31, 2024, the target announced in April 2022 of halving the book value of strategic shareholdings by March 31, 2025, namely a reduction of ¥6.9 billion compared with March 31, 2022. The book value was reduced by ¥7.0 billion compared with March 31, 2022. While continuing dialogue with current investee companies toward further reductions, we will also work collaboratively with them to revitalize regional economies and enhance the corporate value of both the investee companies and the Group.

◉Trend in Strategic Shareholdings(Unit: ¥100 million)



Governance Enhancement through IR Activities

- At full-year and interim earnings announcements, the Company publishes detailed IR presentation materials and holds individual meetings between institutional investors and either the President and Representative Director or outside directors, thereby working to enhance governance over management.
- We publish the main questions and answers from individual meetings on our website and strive to ensure fair and open disclosure.
- Based on feedback received in individual meetings and feedback on the Integrated Report, we upgrade the content of our IR presentation materials and Integrated Report and work to provide more appropriate and effective disclosure.
- The content of IR activities is reported twice a year to the Board of Directors and the Group Strategy Meeting, and discussions are used to improve management and initiatives.

Activities	FY2023 Results	FY2024 Results	FY2025 Results
Individual meetings for institutional investors	49meetings / 99participants	47meetings / 81participants	47meetings / 61participants
Financial results and management strategy briefings for analysts and institutional investors	4meetings / 20participants (small meetings)	2meetings / 21participants (small meetings)	3meetings / 30participants (small meetings)
Online briefings for individual investors	1session / 1,118views	1session / 2,715views	1session

Main Disclosure Materials	
Japanese	IR presentation materials, Integrated Report, reports by Shared Research Inc., etc. ⇒For details, please refer to "IR Information" on our website. (https://www.ccig.co.jp/ir/)
English	IR Presentation Material、Integrated Report、Shared Research Report etc ⇒For details, please refer to "IR Infomation" on our website (https://www.ccig.co.jp/english/#irInfomation)

【Share Information】(As of March 31, 2026)	Total number of shares issued(※1) 229,085 thousand shares Number of shareholders (*2): 13,896

※1 Number of shares rounded down to the nearest thousand shares　※2 Number of shareholders with voting rights

Corporate Governance

Directors and Executive Officers

Directors

Shuji Tsuemura

President &
Chief Executive Officer
(Representative Director)

【Reason for Appointment】
Having served for many years in management planning within the Hokkoku Bank—part of our group—Mr. Tsuemura has played a central role in cross-functional leadership on projects fundamental to our business, making significant contributions to enhancing corporate value. He has actively driven business model restructuring and digital transformation (DX) in banking operations and assumed the roles of Representative Director and President in October 2021. Leveraging his extensive experience and insight, he can accurately, fairly, and efficiently execute company management, and is expected to further strengthen the board's decision-making and supervisory functions.

Takeshi Igawa

Director,
Managing Executive Officer
(Representative Director)
(General Manager of
Information Systems
Management Department)

【Reason for Appointment】
Since joining Hokkoku Bank, Mr. Igawa has worked extensively in management planning, strategy, administration, and systems. He has played a pivotal role as a project leader in reforms and DX promotion at both the company and Hokkoku Bank and has contributed to the establishment of an in-house development framework. His leadership, strategic thinking, and track record make him well-suited to drive further DX and system modernization, the next core banking system project, and the horizontal deployment of proprietary systems for the group.

Tomohiko Kikuzawa

Director,
Managing Executive Officer

【Reason for Appointment】
Mr. Kikuzawa, having served as branch manager of major locations at Hokkoku Bank, has also worked in management planning, strategy, ESG and sustainability, marketing, consulting, human resources strategy, and digital/IT strategy. His comprehensive experience, wide perspective, decision-making across the group, and balanced judgment have fully demonstrated the qualities required of a director. He is expected to display outstanding leadership in further enhancing the group's corporate value.

Aki Yokogoshi

Director, Audit and Supervisory
Committee Member

【Reason for Appointment】
After joining Hokkoku Bank, Ms. Yokogoshi contributed greatly to increasing corporate value through her experience in administrative planning and DX promotion as well as her ability to identify key issues as a leader in human capital management. She is expected to apply her expertise to supervise and manage the group's overall operations.

Sakon Uda

Outside Director,
Chairperson of the Board
of Director

Outside independent

【Reason for Appointment】
With extensive executive experience at McKinsey & Company, Japan Post Co., Ltd. and Business Breakthrough, Inc., as well as a prior role as Chairperson of the Board at Ebara Corporation as an outside director, Mr. Uda brings a wealth of specialized knowledge gained through his executive activities. He is expected to leverage this expertise—particularly in management planning and strategy, governance and risk management, marketing, consulting, investment/fund management, and human resources strategy—to further strengthen the board's decision-making and supervisory functions from an independent perspective.

Fumihiko Haga

Outside Director,
Chairperson of the Nomination
and Compensation Committee

Outside independent

【Reason for Appointment】
Mr. Haga has gained extensive and specialized knowledge through his executive roles, including serving as an executive officer at IBM Japan and as Senior Executive Officer and Head of Financial Services at Kyndryl Japan. He is expected to further strengthen the board's decision-making and supervisory functions from an independent perspective, especially in management planning and strategy, governance and risk management, and digital/IT strategy.

Kimie Harada

Outside Director,
Chairperson of the Audit and
Supervisory Committee

Outside independent

【Reason for Appointment】
Professor at Chuo University's Faculty of Commerce and a member of various governmental financial committees, Ms. Harada possesses deep expertise in financial policy, securities, and equity markets. She is expected to leverage her knowledge to provide supervision and advice on operations, particularly in finance/capital strategy, ESG/sustainability, and market management.

Michio Kitahara

Outside Director,
Audit and Supervisory
Committee Member

Outside independent

【Reason for Appointment】
With abundant practical experience in finance, including serving as Branch Manager of Kanazawa at the Bank of Japan and Senior Planning Officer, as well as a prior role serving as Senior Executive Officer at Aioi Nissay Dowa Insurance Co., Ltd., Mr. Kitahara possesses extensive and specialized knowledge as an executive. He is expected to provide supervision and advice on operations, especially in management planning and strategy, finance/capital strategy, global initiatives, and market management.

Sakae Komiyama

Outside Director,
Audit and Supervisory
Committee Member

Outside independent

【Reason for Appointment】
Drawing on many years of experience as a certified public accountant and as a member of the board and the Audit Committee for the Government Pension Investment Fund, Mr. Komiyama brings deep expertise in accounting, finance, and securities/equity markets. He is expected to provide specialized supervision and advice, particularly relating to governance, risk management, finance/capital strategy, consulting, and market management.

Executive Officers

- Managing Executive Officer (General Manager, Corporate Planning Department) — **Naotaka Terai**
- Managing Executive Officer (General Manager, Corporate Planning Department) — **Takayuki Yamamoto**
- Managing Executive Officer (General Manager, Information Systems Management Department) — **Atsushi Shintani**
- Managing Executive Officer (General Manager, Information Systems Management Department) — **Masaki Iwama**
- Managing Executive Officer (General Manager, Marketing Management Department) — **Takehito Itani**
- Managing Executive Officer — **Masayuki Kita**
- Managing Executive Officer — **Seiichi Sagiike**
- Executive Officer (General Manager, Human Resources Development Department) — **Junko Inoue**
- Executive Officer (General Manager, Legal Department) — **Takashi Mori**
- Executive Officer (General Manager, Information Systems Management Department) — **Tomoaki Yoshikawa**
- Executive Officer (General Manager, Information Systems Management Department) — **Atsushi Tokuno**
- Executive Officer (General Manager, Information Systems Management Department) — **Shigefumi Yoshida**
- Executive Officer — **Shinya Miyamoto**
- Executive Officer — **Satoshi Oe**
- Executive Officer — **Hideaki Yabuno**

DX and System Modernization

Takeshi Igawa
Director,Managing Executive Officer
(Representative Director)
General Manager of Information Systems Management Department
CCI Group, Inc.

Joined the Hokkoku Bank, Ltd. in April 1988. In 2016, he was appointed general manager of the Operations Administration Department and general manager of the Systems Department. In the following year, as an executive officer, he worked to improve operational efficiency and promote IT strategy. From the establishment of Digital Value in November 2019 until February 2023, he concurrently served as its president and representative director. Since 2021, he has served as senior managing executive officer and general manager of the Systems Department of The Hokkoku Bank, Ltd. In March 2025, he was appointed senior managing executive officer and general manager of the Systems Division, and since June of the same year, he has overseen the Group's overall systems strategy as representative director and senior managing executive officer.

Vision and Strategy

In a business environment characterized by accelerating change and increasing uncertainty, we are transforming our business model by leveraging DX (Digital Transformation) as a key driver that stems from our management strategy.One of the foundations supporting our "two-brand structure," consisting of traditional banking and new businesses, is our in-house developed systems, which serve as core enablers of management strategy execution.Since shifting to in-house system development in 2007, we have worked with IT partners and leveraged advanced technologies such as cloud computing and AI to enhance operations and deliver high-value-added services.Our in-house developed systems are a critical differentiating factor supporting our competitive advantage. By integrating these systems with our consulting capabilities, we are creating growth opportunities and diversifying our earnings base.Through these initiatives, we will lead DX across the region and contribute to the sustainable development of local communities and the creation of new value.

System Modernization

(1) Management Infrastructure Supporting Business Transformation

We position system modernization as one of the management foundations that enables us to continue responding swiftly and flexibly to changes in the business, customer, and regional environments.Given advances in digital technologies, the diversification of customer behavior, and the increasing sophistication of issues facing regional communities, it is essential to build system infrastructure with the flexibility and scalability to continuously adapt to changes in the external environment and business strategy, going beyond operational efficiency and simple digitalization.Based on this recognition, centered on the next-generation core banking system "BankWill," we are building a next-generation regional digital platform that encompasses in-house developed subsystems, data utilization platforms, and AI utilization.By viewing systems not as costs but as management infrastructure that supports value creation, we aim to establish a foundation that contributes to medium- to long-term growth.

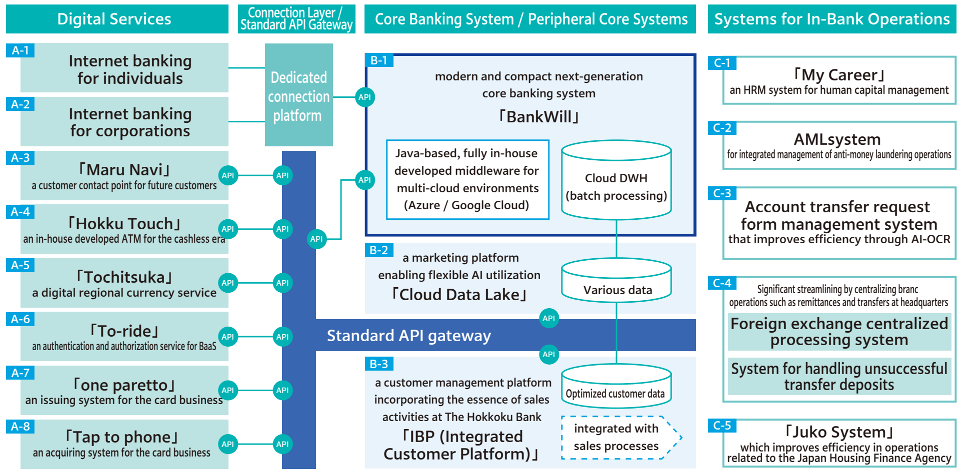
(2) Initiatives and Progress in FY2025

In FY2025, we steadily advanced the renewal of our system architecture with the next-generation core banking system "BankWill" at its core.BankWill has been designed based on a cloud-native architecture to overcome the challenges faced by conventional core banking systems, including reduced development flexibility, dependence on individual expertise, and increasingly complex structures.With BankWill at the core, we are evolving toward an integrated architecture from front-end to back-end operations by enabling loosely coupled and flexible integration with internally developed subsystems.This makes it possible to add or modify functions in specific areas without affecting the entire system, enabling rapid responses to changes in business and customer needs.In addition, Based on a multi-cloud configuration, we have enhanced availability, scalability, and resilience while developing a structure that can flexibly support future system expansion and external connectivity.Furthermore, in the development process, we are gradually introducing AI-powered testing support and specification generation, to improve development productivity and ensure consistent quality.

(3) Future Milestones

Going forward, we will position the launch of online core banking operations scheduled for January 2027 as a key milestone and focus on ensuring a smooth migration to BankWill and stable operations. In addition, we plan to launch the core DWH and batch systems in January 2028, with the aim of gradually expanding centralized data management and advanced data utilization. Through these initiatives, we will eliminate constraints caused by legacy systems and build a flexible platform premised on in-house development and standardization. Beyond improving productivity and quality, this will enable the rapid adoption of new technologies and the creation of new services. Looking ahead, while also considering sales to other banks through CC Innovation, we will continue promoting system modernization to establish a sustainable growth foundation.

Overview of the CCI Group's Next-Generation Banking Solutions



DX and System Modernization

Utilization of Advanced Technologies

Advanced technologies are a foundation for structurally creating and expanding the value we provide to customers and for supporting business growth. We are utilizing AI mainly in the in-house development of our own products and working to enhance corporate value by advancing customer value and transforming development and operations processes. Leveraging strong compatibility with existing systems running on cloud infrastructure, we seamlessly incorporate various generative AI-related services into in-house products, thereby increasing the speed and reproducibility of value creation. The following are examples of our main initiatives.

❶Use of Generative AI in In-House Systems

By incorporating generative AI into in-house systems, we are supporting employees' decision-making and improving operational efficiency. Specifically, we have internally developed an "AI agent" that performs advanced analysis of customer data and makes optimal proposals, and have installed it in our customer management system. By supporting decision-making by sales representatives, the system improves proposal quality while enhancing operational efficiency, thereby helping to increase the value provided to customers.

❷Application of AI Across the Entire Development Lifecycle (Generating Quantitative Results)

We are incorporating AI agents across the entire development lifecycle, from requirements definition and prototyping to design, implementation, testing, and release, thereby advancing our in-house development processes. By shifting to development processes premised on AI utilization, we are achieving both development efficiency and cost competitiveness while maintaining and improving quality.In particular, for test code generation in the BankWill project, full-scale introduction of automatic generation by AI development agents significantly improved the efficiency of processes that had previously depended on manual work, generating cumulative development cost reductions of approximately ¥800 million. In other in-house system development projects as well, we have achieved reductions of approximately 70 to 80% in work hours, mainly in processes where AI is highly effective, greatly improving productivity across the overall development process.These initiatives are not limited to specific projects and are being applied cross-functionally as standard methods for in-house development. By continuing to expand the scope of application and improve accuracy, we aim to create medium- to long-term corporate value from both development efficiency and quality perspectives.

❸Automation of Operations Processes

We use generative AI for operational monitoring and incident response, promoting automation of alert analysis and initial response. This enables both rapid incident response and reduced operational workload, supporting stable system operations even with a lean staffing structure.

❹New Service Development through Open Innovation

We collaborate with domestic and overseas venture companies and have established a one-team development model. By proactively incorporating technologies and ideas from outside the Company, we are developing services and products that lead to the creation of new value.

Optimal Allocation of System Personnel

「From personnel who protect systems to personnel who create, sell, and expand businesses.」
With the progress of AI utilization and system modernization, we are transitioning to a development and operations structure that does not depend on headcount. Based on this premise, we are shifting to a personnel allocation model centered on roles and skills. As in-house development and more advanced development processes change the very nature of system development, personnel are positioned not as people confined to fixed roles but as contributors to value creation connected to areas such as business strategy, new businesses, external sales, and consulting.The core of this approach is the visualization of roles and skills. By managing IT personnel as a portfolio and making it possible to explain who is assigned to which role and why, we are moving away from person-dependent assignments and increasing the reproducibility of strategic personnel allocation.This differentiation also lies in operational processes that enable personnel to collaborate flexibly and continuously toward value creation. With Agile and DevOps as core approaches, learning and practice are cycled across roles. These initiatives are not limited to the Systems Division. Training programs and study sessions are conducted with broad participation from across the Company, incorporating diverse perspectives while enhancing employee growth and the quality of collaboration. The ability to continue adapting to such changes is a source of competitive advantage.Furthermore, by combining diverse capabilities that include external partners and offshore resources in addition to internal personnel, we are building a personnel portfolio capable of supporting business expansion and external sales. We view human resources not in terms of "numbers" but in terms of "value." Through role- and skill-based allocation and flexible movement of personnel, we will build a personnel portfolio that continues adapting to change and aim to enhance medium- to long-term competitiveness.

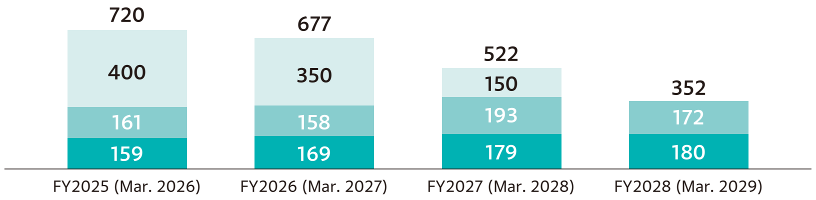
Scene from DevOps training

System Cost Outlook

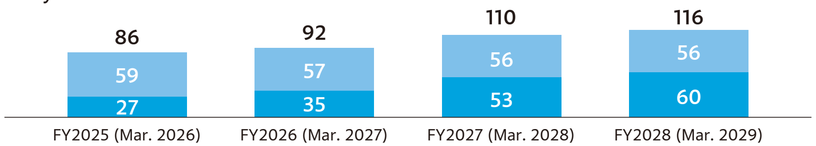
We position system investment as one of our key growth strategies in order to provide high-quality services that combine convenience and safety through DX and to achieve sustainable enhancement of corporate value. At the same time, recognizing the impact that investment scale can have on our financial foundation and capital efficiency, we are working on system investment management and cost optimization with an emphasis on investment effectiveness.Specifically, as key measures for system cost optimization, we are promoting "productivity improvement in development, operations, and maintenance through AI utilization and system modernization" and "optimization of the personnel cost structure through in-house system engineers and the use of offshore development.Through these measures, we plan to improve productivity and optimize talent procurement, while maintaining and enhancing system development, operations, and maintenance capabilities that support business growth. By 2036, the Systems Division is planned to have a structure of 280 personnel, consisting of 60% employees and 40% IT partners. System costs are expected to peak at ¥11.6 billion in FY2028 (year ending March 2029) due to an increase in depreciation expenses associated with strategic investments following the release of "BankWill" in January 2027. Thereafter, system costs are expected to decline to ¥6.5 billion in FY2035 (year ending March 2036) as cost optimization measures take effect and depreciation expenses decrease.

DX and System Modernization

◉Trend in Systems Division Personnel (people) ■CCI Group employees ■IT partners ■IT partners (BankWill)



◉Trend in System Costs (billion yen) ■System development costs (software depreciation expenses) ■Running costs (non-personnel expenses)



※System costs are calculated excluding office equipment and ATM equipment costs.

System Risk Management

To ensure that customers can use our services with confidence, we position risk management related to the systems supporting those services as one of our most important management issues. In particular, we have selected "system failures and cyberattacks causing prolonged business interruption" as a top non-financial risk, and under management leadership, we are working to enhance our system risk and cybersecurity risk management frameworks based on the characteristics of each Group company. ➡ P.77 Risk Management Framework

Continuous Disclosure of Service Availability

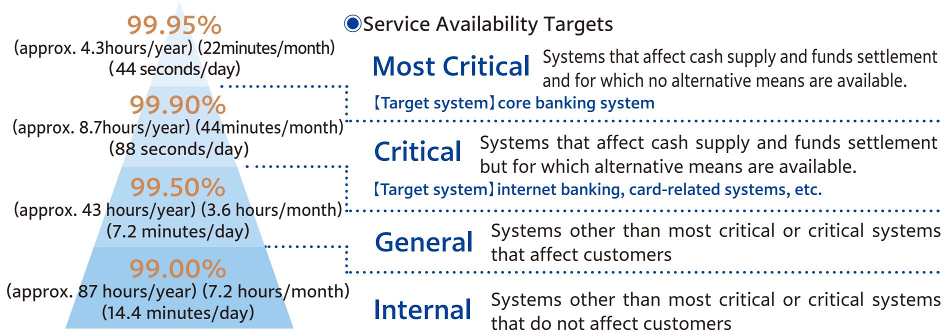
To ensure the reliability and transparency of our services, we continuously disclose service availability on our website. In the event of a system failure, the entire Company works to minimize the impact on customers by providing alternative means and restoring systems promptly. Feedback and requests received in connection with the release of system failure information are reflected in future service improvement measures.

▶The Hokkoku Bank website https://www.hokkokubank.co.jp/other/notice/index.html

Service Availability Targets and FY2025 Results

Since FY2021, we have disclosed "availability targets" based on the importance of each service as defined by the Company, as well as annual "availability results." In FY2025, availability results for some services were below their targets, but we worked to improve system functions and enhance failure resilience. We will continue to actively disclose service availability results and system failure information, implement improvement measures, and connect these efforts to higher service quality.

◉Service Availability Targets



◉FY2025 Service Availability Results

Importance level (availability target)	Name	Availability result	Evaluation	Service improvement measures
Critical 99.90%	ATM	99.99%	○	——
	The Hokkoku Bank website	99.98%	○	——
	Hokkoku VISA Debit Card	99.96%	○	——
	one paretto/One Palette (smartphone-based Visa debit card)	99.85%	×	Strengthen the service monitoring structure to enable rapid failure detection and initial response
	Hokkoku Cloud Banking	99.83%	×	Strengthen the failure response framework, including support from cloud service providers, in preparation for large-scale cloud infrastructure failures
	Hokkoku Digital Banking	99.81%	×	
	Tochitsuka (digital regional currency)	99.73%	×	In addition to addressing root causes, improve the design of failure detection and reduce recurrence risk
General 99.50%	Comprehensive receivables management system	99.94%	○	——
	Hokkoku Debit App	99.87%	○	——
	Zero Navi (tablet terminal at branches)	99.84%	○	——
	Hokkoku Marugoto Madoguchi Navi	99.72%	○	——

※Availability results for services other than the above were 100%.

Cybersecurity

We recognize increasingly advanced and sophisticated cyber threats that accompany the progress of digital technologies as one of our top management risks. Protecting customers' valuable assets and information is a responsibility of a company that provides financial services and a prerequisite for sustainably enhancing corporate value.Based on this recognition, we are strengthening comprehensive cybersecurity measures encompassing not only technical measures but also governance and human resources. We have formulated our target state and the direction of medium- to long-term initiatives as our "Security Strategy," and under the commitment of the Board of Directors, we aim to build an organization in which every employee proactively engages in security measures from their respective positions.By sharing our initiatives and knowledge with customers and local communities, we will fulfill our social responsibility as a financial institution group and contribute to improving the cybersecurity level of the entire region.

▶Basic Policy on Cybersecurity Risk and Cybersecurity Management Framework https://www.ccig.co.jp/cybersecurityrisk/

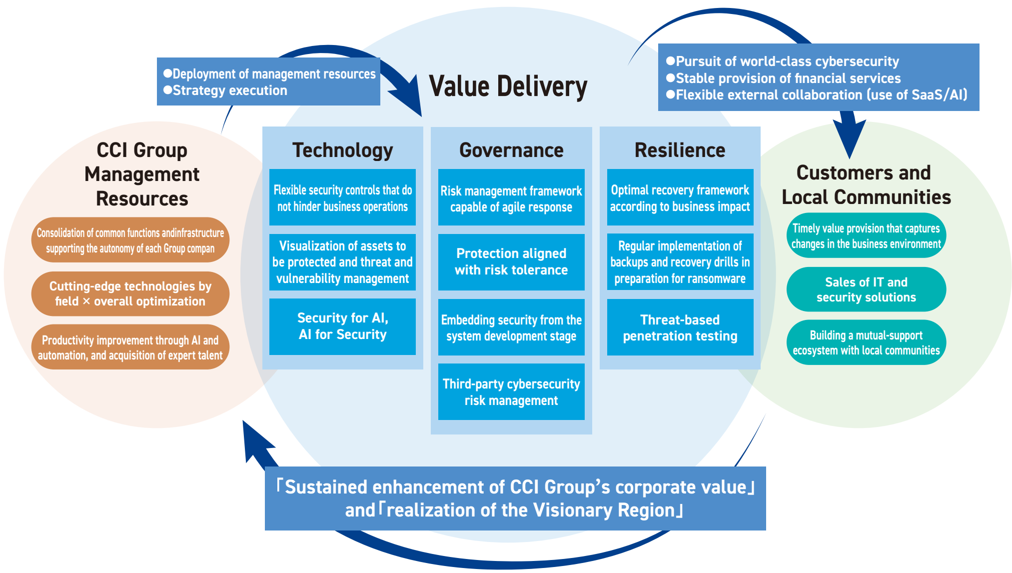
DX and System Modernization

Security Strategy

As the Company operates under a Two-Brand Structure consisting of CCI Group and The Hokkoku Bank, business characteristics and forms of IT utilization are becoming increasingly diverse. Accordingly, flexible and effective security measures that do not rely on a single defense model are required. We are therefore promoting security measures centered on the concept of “Zero Trust,” which enables agile responses to changing cyberattack methods without impairing user convenience or productivity.At the same time, depending on the characteristics of the systems and information to be protected, we appropriately maintain and complement conventional “perimeter-based defense,” implementing hybrid security measures that combine Zero Trust and perimeter-based defense. In implementing Zero Trust, we utilize networks at overseas bases, including Silicon Valley in the United States, and actively adopt advanced security technologies provided not only by major global IT vendors but also by overseas startups.Through these efforts, we will implement highly effective security measures based on the business characteristics and risk environment of the Group. Going forward, we will continue expanding investment in cybersecurity measures as a foundation supporting business promotion premised on digital utilization and the improvement of service quality.

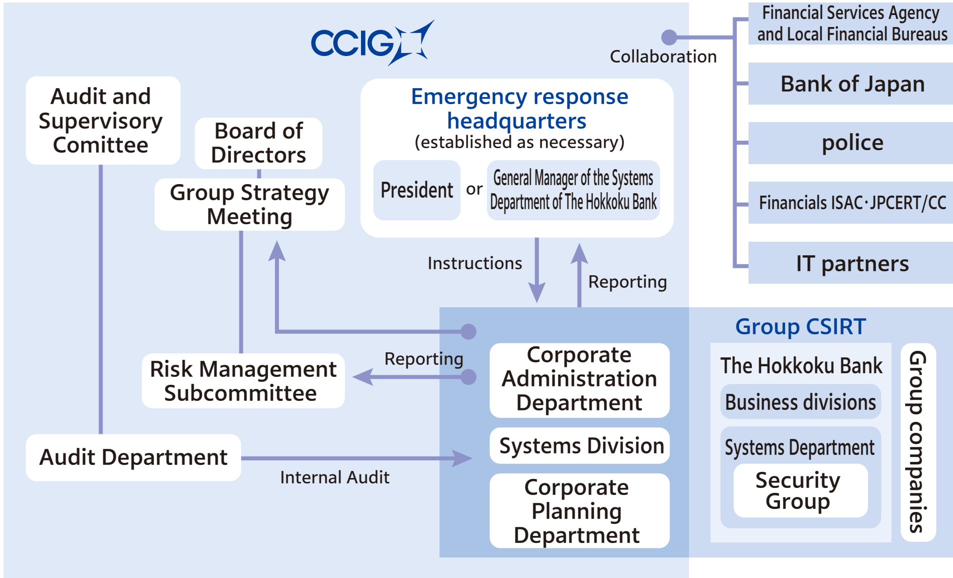
◉Security Strategy

Vision (Target State)		･alancing “convenience” and “security” to respond flexibly to changes in the business environment ･Improving productivity in cybersecurity measures through the use of cloud and AI
Strategy	Control	Strengthen the group-wide oversight function of the security division by redefining roles and policies
	Technology	Apply flexible security that uses automation and modernization through cloud resources to enable IT environments suited to each business area
	People	Security division：Strengthen expertise and improve productivity through AI and automation Business divisions and users：Improve security awareness and IT skills



Cybersecurity Management Framework

We have established internal reporting systems within the Group and collaboration frameworks with external parties, and respond to cybersecurity risks through day-to-day communication. If a cybersecurity incident occurs, we promptly establish an emergency response headquarters and have built a framework in which a cross-Group CSIRT takes the lead in bringing the situation under control at an early stage.In normal times, in addition to targeted attack email response training and various education and awareness activities for all employees, we conduct drills and training with broad participation by relevant parties. In light of the selection of cyberattacks as a top risk, we are also advancing the development of a cybersecurity management framework led by management and strengthening education and awareness initiatives for management. Through these initiatives, we are working to enhance the response capabilities of the CSIRT and improve cyber resilience across the organization.



Environmental Initiatives

Climate Change Response Based on the TCFD Framework

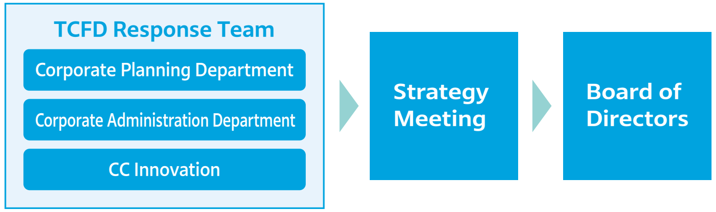
As part of our environmental conservation initiatives, the Company supports the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures) and provides disclosures based on its framework: governance, strategy, risk management, and metrics and targets.

Governance	Strategy
The organization's governance around climate-related risks and opportunities	The actual and potential impacts of climate-related risks and opportunities on businesses, strategy, and planning
Risk Management	**Metrics and Targets**
Processes for identifying, assessing, and managing climate-related risks	Metrics and targets used to assess and manage climate-related risks and opportunities

Governance

Through a cross-departmental project involving the Corporate Planning Department, Corporate Administration Department, and consulting subsidiary CC Innovation, we have established a framework for identifying and discussing sustainability issues, including climate change. We have also established a management framework under which policies and important matters related to climate change are discussed at the Strategy Meeting, attended by the President and Representative Director and other management members, and then resolved by the Board of Directors.

●TCFD Governance Structure



Strategy

We have identified climate-related risks and opportunities in the categories of transition risks, physical risks, and opportunities as described below. We also use scenario analysis to understand the impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

For scenario analysis, we referred to scenarios published by the Intergovernmental Panel on Climate Change (IPCC) and conducted two scenario analyses, considering the Paris Agreement and the outcomes of the United Nations Climate Change Conference (COP26) held in November 2021. For transition risk scenario analysis, the calculation was expanded to 10 sectors expected to have a significant impact on the Company and regional customers. For physical risks, the target area was the three Hokuriku prefectures, and calculations were made under the IPCC 4°C and 2°C scenarios.

●Risks and Opportunities

Transition Risks (expected to become most apparent under the 1.5°C to 2°C scenario)	
Policy and regulatory risks	●Decrease in earnings of borrowers and investees and impairment of existing assets due to increased costs for controlling carbon emissions ●Increase in costs for responding to domestic and international climate-related regulations
Technology risks	●Decrease in earnings of borrowers and investees and impairment of existing assets due to failures or delays in technology development toward decarbonization
Market risks	●Decrease in earnings of borrowers and investees and impairment of existing assets due to changes in supply and demand conditions for products and services
Reputational risks	●Deterioration of reputation and decline in corporate brand due to delayed responses ●Decline in external evaluation due to insufficient information disclosure ●Reputational deterioration resulting from continued transactions with counterparties whose climate change measures are inadequate

Physical Risks (expected to become most apparent under the 4°C scenario, etc.)	
Acute risks	●Risk that business cannot continue due to damage to owned real estate, such as business locations, and risk of increased costs for countermeasures and restoration ●Increase in credit-related expenses due to deterioration in borrowers' and investees' business performance and damage to collateral caused by natural disasters ●Fluctuation in the value of securities and other holdings due to deterioration in markets, the investment environment, and the creditworthiness of investee companies caused by climate disasters
Chronic risks	●Increase in facility costs and energy costs to strengthen business continuity

Opportunities	
Resource efficiency	●Reduction in operating costs associated with operational efficiency improvements, such as paperless operations ●Higher efficiency in energy use through the introduction of energy-saving equipment ●Efficient operation of owned facilities
Energy sources	●Reduction in procurement costs through shifts in energy sources
Products and services	●Expansion of financing and leasing opportunities due to increased capital investment needs related to renewable energy and decarbonization ●Expansion of consulting opportunities related to decarbonization ●Expansion of consulting opportunities due to increased needs for paperless operations and operational efficiency improvements ●Expansion of consulting opportunities due to increased needs for management strategy formulation toward business transformation
Markets	●Improvement in corporate image through the promotion of climate-related information disclosure
Resilience	●Expansion of financing opportunities through infrastructure investments for disaster countermeasures ●Expansion of consulting opportunities due to increased needs for BCP measures for disaster countermeasures

Environmental Initiatives

◉Scenario Analysis

Analysis Results	Transition Risk
Risk event analyzed	Deterioration in borrowers' financial condition due to decreased sales and increased costs associated with the transition to a decarbonized society
Target sectors	Metals and mining; food; land transportation and railways plus air freight and logistics services; machinery; textiles, apparel, and luxury goods; construction and civil engineering; electric power; electrical equipment; automobiles; chemicals
Scenario	Expected to become most apparent under the 1.5°C to 2°C scenario
Analysis method	Based on the transition scenario, we estimated future changes in performance for the top 10 borrowers by credit exposure in each target sector, for a total of 100 companies, and analyzed impacts on ratings and credit costs
Analysis result	Increase in credit costs through 2050: approximately ¥1.9 billion

Analysis Results	Physical Risk
Risk event analyzed	Deterioration in customers' business conditions and damage to business sites and collateral properties, as well as damage to the Company's owned properties in the three Hokuriku prefectures, in the event of wind and flood damage on a once-in-100-years scale attributable to climate change
Target sectors	Branches in the three Hokuriku prefectures with an inundation depth category of 0.5 meters or more, and buildings of business borrowers
Scenario	IPCC 4°C and 2°C scenarios
Analysis method	For the above risk event, taking into account the probability of flooding under each scenario, we estimated the increase in credit-related expenses and damage to the Company's owned properties expected to occur due to flood damage through 2050
Analysis result	·mpact on the Company's owned properties: up to ¥600 million under the 4°C scenario and up to ¥200 million under the 2°C scenario ·Estimated increase in credit costs: up to ¥3.3 billion under the 4°C scenario and up to ¥1.1 billion under the 2°C scenario

Risk Management

The Company has established the basic matters related to risk management in its Integrated Risk Management Regulations. We examine various risks, including sustainability-related risks, and identify risks to be managed based on their scale and characteristics.

To assess and manage identified risks, we conduct scenario analyses and have established investment and financing policies and sector policies.

Investment and Financing Policy	
Businesses actively supported	Customers' initiatives and businesses related to environmental, social, and governance matters
Businesses for which investment and financing are prohibited	·Anti-social forces and related businesses / Businesses that engage in child labor or forced labor / ·Businesses that develop or manufacture weapons of mass destruction such as nuclear or chemical weapons, or inhumane weapons such as cluster munitions
Specified sectors	Coal-fired power generation sector, cluster munition manufacturing sector, forestry sector, palm oil plantation development sector

Sector Policies	
Coal-fired power generation business	For investment and financing in coal-fired power generation businesses, we will carefully consider each case in light of responses to climate change risks, environmental protection, and initiatives for sustainable energy.
Businesses related to cluster munition manufacturing	In light of the inhumane nature of cluster munitions, investment and financing for companies that manufacture cluster munitions are prohibited.
Deforestation business	For investment and financing in large-scale deforestation businesses, we will carefully consider each case based on the Customers' consideration for environmental and social matters and the impact on the local environment and society.
Palm oil plantation development business	From the perspective of conserving forest resources and biodiversity and protecting human rights, investment and financing for palm oil plantation development are prohibited.

Metrics and Targets

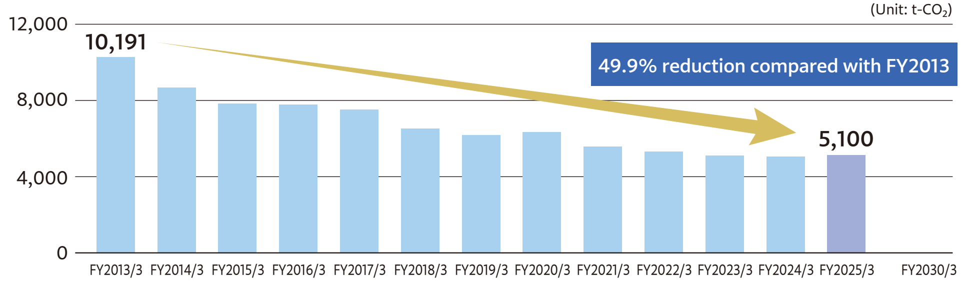
For our own GHG emissions (Scope 1 and 2), we have set a target of achieving a 100% reduction from FY2013 levels by FY2030, and are working to understand and reduce emissions in accordance with the GHG Protocol.

■Scope 1 and 2

The Company's CO_2 emissions in FY2025 were 5,100 t-CO_2, representing a 49.9% reduction compared with FY2013.

◉CO_2 Emissions Reduction Results

(Unit: t-CO_2)



■Scope 3

In addition to greenhouse gases emitted through our own business activities (Scope 1 and 2), we recognize the importance of reducing greenhouse gas emissions of other companies related to our business activities (Scope 3), and have conducted simplified calculations of emissions for each category.Because CO_2 emissions from Category 15 (investments and financing), which account for most the Company's greenhouse gas emissions, are an important reduction target for financial institutions, we conducted a simplified estimate covering business borrowers of the Hokkoku Bank, as in the previous year. The top three sectors by emissions are shown below.

◉Greenhouse Gas Emissions (Scope 3)

(Unit: t-CO_2)

Measurement items		FY2025
Category 1	Purchased goods and services	8,493
Category 2	Capital goods	37,045
Category 3	Fuel- and energy-related activities not included in Scope 1 or 2	745
Category 4	Upstream transportation and distribution	853
Category 5	Waste generated in operations	78
Category 6	Business travel	256
Category 7	Employee commuting	737
Category 15	nvestments and financing	6,233,592

* These calculations are estimates based on certain assumptions and may differ from actual emissions. * Categories 8 to 14 are excluded from the calculation because there are no applicable activities. * Scope of calculation for Category 15 (investments and financing): business borrowers of the Hokkoku Bank.* Calculation method for Category 15: Category 15 is calculated using a top-down approach based on emissions intensity by industry, referring to the PCAF Standard. * Calculation results may continue to fluctuate significantly due to changes in calculation standards, methods, emissions factors, and other factors.

◉Top Three Sectors by Emissions in Scope 3 Category 15

Sectors	Emissions (Unit: t-CO_2)
Metal products	851,924
Electric power	789,401
Food	697,078

Environmental Initiatives

Reducing Environmental Impact in Corporate Activities

We position responses to climate change as an important management issue and are working to reduce the environmental impact associated with our corporate activities. To achieve our Scope 1 and 2 CO_2 emissions reduction targets, we are promoting ZEB-compliant new branches, introducing energy-saving equipment, and shifting sales vehicles to EVs and HVs.

We are also expanding initiatives toward energy transition, including the use of solar power generation facilities and the introduction of electricity derived from renewable energy. Going forward, we will continue promoting both reductions in energy use and the utilization of renewable energy, contributing to the realization of a decarbonized society and aiming for the development of sustainable local communities.

Implementation of ZEB Compliance for New Branch Construction

In 2021, the Company established a policy that, in principle, all newly constructed branches will be ZEB (Net Zero Energy Building) compliant. A ZEB is a building that aims to reduce annual energy consumption through energy conservation and energy creation while maintaining a comfortable indoor environment.

Branches with relatively high energy consumption are designed as “Nearly ZEB,” which reduces primary energy consumption by 75% or more from the benchmark, while smaller branches with lower energy consumption are designed as “ZEB Ready,” which reduces it by 50% or more. To date, 10 locations have obtained certification as either “Nearly ZEB” or “ZEB Ready.”

At ZEB-compliant branches, we work to reduce energy use through enhanced insulation and the introduction of high-efficiency air conditioning and lighting equipment, while also creating comfortable branch environments.

Going forward, we will continue promoting ZEB compliance primarily for newly constructed branches and work to create branches that combine energy-saving performance with comfort, aiming to realize a sustainable future together with customers and local communities.

The Hokkoku Bank Terai Branch, newly opened in January 2026

The branch reduces lighting energy through natural daylighting using large openings and reduces CO_2 emissions during construction by adopting a wooden truss structure. It has obtained “ZEB Ready” certification.

“Hirooka Terrace”: Driving the Enhancement of Regional Environmental Value
—with Multiple International and Domestic Certifications—

The tenant office building “Hirooka Terrace,” opened in September 2025, has obtained multiple international and domestic certifications related to building environmental performance.

- “BELS”: A domestic system for evaluating the energy-saving performance of buildings. Hirooka Terrace received the highest rating of five stars.
- “Nearly ZEB”: The first high-rise tenant office building over 20,000 m^2 in Japan to obtain this certification.
- “LEED® BD+C”: An international certification standard for green buildings. Hirooka Terrace received Gold certification.

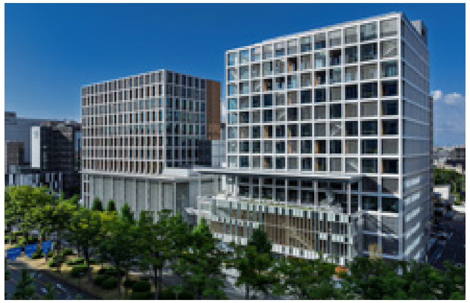


Photo: von elf

These certifications evaluate the building’s environmental performance from different perspectives and demonstrate that the building has received high evaluations in three aspects: visualization of energy-saving performance (BELS), optimization of energy balance (ZEB), and comprehensive evaluation of environmental consideration (LEED).

Hirooka Terrace is designed to reduce the load of the entire building through measures such as solar shading and natural ventilation, while combining advanced environmental technologies, including geothermal heat utilization that takes advantage of abundant groundwater. In addition to solar panels installed intensively on the building rooftop, building-integrated photovoltaic glass is used for eaves and parking lot roofs, reducing environmental impact and ensuring a stable energy supply.

Reduction of Sales Vehicles and Shift to EVs and HVs

We are actively shifting from gasoline vehicles, which have a significant environmental impact due to exhaust emissions, to EVs and HVs, while also working to reduce the total number of sales vehicles.

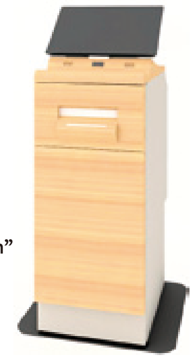
◉Trend in Number of Sales Vehicles (Unit: vehicles)

	FY2022 (Mar. 2023)	FY2023 (Mar. 2024)	FY2024 (Mar. 2025)	FY2025 (Mar. 2026)
Gasoline vehicles	408	359	338	297
EVs and HVs	52	85	88	94
Total	460	444	426	391

Environmental Initiatives

Forest Regeneration Initiatives, Including Tree Planting and Use of Thinned Wood

As part of its environmental conservation activities, the Hokkoku Bank has leased 0.7 hectares in Ishikawa Forest Park since 2010 and has been engaged in forest creation activities known as “Hokkoku no Mori.” Since February 2023, the Bank has also installed in-house developed ATMs using Ishikawa Prefecture timber (Noto hiba) at certain branches.
In-house developed ATM “Hokku Touch”
A total of 61 units have been installed at Hokkoku Bank branches.

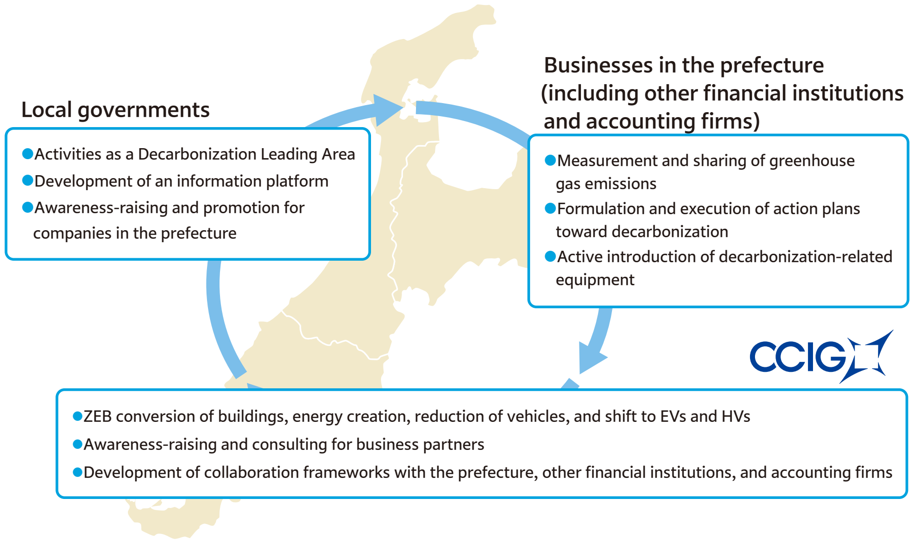


In-house developed ATM “Hokku Touch”
A total of 61 units have been installed at The Hokkoku Bank branches.

Contributing to a Carbon-Neutral Regional Society

Initiatives Following Ishikawa Prefecture’s Selection as a Decarbonization Leading Area

In February 2026, Ishikawa Prefecture was selected by the Ministry of the Environment as a “Decarbonization Leading Area,” a program that selects regions undertaking advanced initiatives matched to regional characteristics toward achieving carbon neutrality by 2050. The Hokkoku Bank is participating in the project as a joint proposer and will work with Ishikawa Prefecture and other joint proposers to realize the project.



Contributing to a Circular Economy through Financing and Leasing

To reduce Scope 3 CO_2 emissions, we conduct awareness-raising activities through business understanding and provide appropriate support based on customer needs, including information on subsidies and financing for equipment investment.

In FY2024, we began handling sustainable finance products, including Positive Impact Finance, and are gradually expanding the lineup of products we offer. We support initiatives that generate positive impacts on the environment, society, and economy toward the creation of a sustainable society and economy.

In addition, through the Group’s leasing business, we promote the 3Rs: Reduce, Reuse, and Recycle, thereby contributing to a circular economy.

●KPIs for Awareness-Raising Activities on Climate Change

	FY2025 results	FY2026	FY2027	FY2028
Number of interviews through business understanding regarding measurement of greenhouse gas emissions, recording status, and number of recording destinations	552	1,390	3,100	4,620
Number of sustainable finance transactions handled (leasing and financing)	111	160	200	240

Consulting Functions and Provision of Appropriate Solutions

Consulting subsidiary CC Innovation offers “ESG/SDGs Consulting” as a service menu to support customers in pursuing sustainable management.

Starting this fiscal year, we began collaborating with Sustech Inc. and are also providing support for calculating and visualizing greenhouse gas emissions using “CARBONIX,” a greenhouse gas emissions calculation tool provided by the company.

Responding to climate change is an important and urgent issue for companies. At the same time, we believe that GX (Green Transformation), like DX, is one component that enables customers to achieve their vision. Through business understanding and by sharing customers’ issues, we will support their transformation.

Reducing Environmental Impact through Digitalization

In addition to direct initiatives to reduce greenhouse gas emissions, we are providing services that contribute to decarbonization across the region. We believe that the expansion of digital services by the Hokkoku Bank and the promotion of cashless services such as electronic tax payments help reduce the environmental burden associated with cash management, mailing of documents, branch visits, and travel. Going forward, we will continue to use digital technologies to both improve customer convenience and support sustainable regional development.

Internal Audit Framework

Our Vision

With “Bringing Audit to the Community” as our key phrase, we aim to become an organization that contributes to management and the region and is trusted by internal and external stakeholders. Through the realization of our Vision, we aim to provide top-level audits, audits that contribute to management, and to become a trusted advisor.

As the environment surrounding financial institutions changes and business becomes more complex, the role expected of internal audit departments is also changing. Internal audit is expected not only to provide assurance regarding the effectiveness of business processes, but also to contribute to strengthening corporate management strategy and governance by providing advice, insight, and foresight.

<Vision>

❶ Audits that contribute to realizing the brand philosophy and achieving strategic goals

❷ Audits that contribute to fostering a sound corporate culture

❸ Audits that contribute to the region through advice to business partners

Role and Reporting Lines of the Audit Department

What Is Internal Audit?

The “Three Lines of Defense” is a model for risk management and strengthening governance. The three lines refer to the first line, or front-office departments, which take risks to generate earnings and are responsible for managing those risks; the second line, or middle-office departments, which establish policies and procedures for evaluating and managing risks; and the third line, or internal audit department, which independently evaluates the appropriateness of the activities of the first and second lines and provides assurance on their effectiveness.

For an organization to ensure operational appropriateness and soundness, and to formulate and steadily execute management strategies toward realizing its management philosophy, it is important that governance, including internal audit, functions effectively. Today, this has evolved into the “Three Lines Model,” which positions risk management not merely as “defense” but as part of “value creation.” Accordingly, internal audit is now expected to make more proactive recommendations and contribute to value creation while collaborating with the first and second lines.

◉Role of Internal Audit (image)

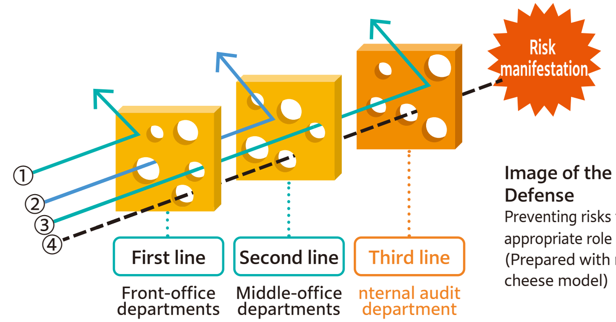
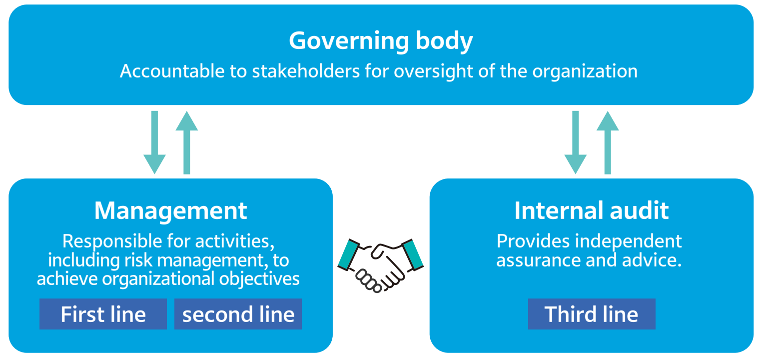


Image of the “Three Lines of Defense

Preventing risks from materializing through appropriate role allocation for risks (Prepared with reference to the Swiss cheese model)

From “Three Lines of Defense” to the “Three Lines Model”



Third line Image of the “Three Lines Model”

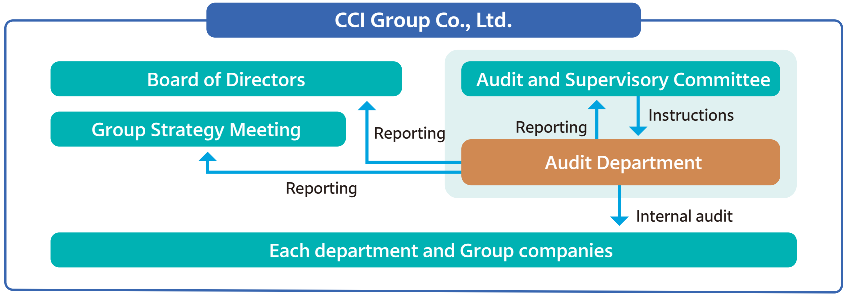
The first, second, and third lines collaborate to contribute not only to defense but also to value creation

Organizational Structure

To further enhance our corporate governance structure and increase corporate value, the Company transitioned to a company with an Audit and Supervisory Committee in June 2015. As an organization directly under the Audit and Supervisory Committee, the Audit Department conducts internal audits based on internal audit policies and plans approved by the Audit and Supervisory Committee and reported to the Board of Directors. Audit results are reported to the Audit and Supervisory Committee and the Board of Directors, as well as to the Group Strategy Meeting, which is accessible to all Company employees. It can be said that the Company has not only the dual reporting line required by Japan’s Corporate Governance Code, but also a triple reporting line.

Internal Audit Framework

◉Organizational Structure Chart



Communication with Management and Audit and Supervisory Committee Members

Top messages are communicated to all employees stating that the internal audit department plays an important role in governance and that further sophistication is necessary to establish the Company's business model. Audit plans and results are shared with full-time Audit and Supervisory Committee members as needed. Audit Department members attend meetings of the Audit and Supervisory Committee and maintain close communication with committee members by sharing audit results and risk awareness. Through questionnaires and interviews with management, the Audit Department gains an understanding of expectations and recommendations for the internal audit function and also creates opportunities to share the Company's risk awareness.

Where Internal Audit Stands Today, as Told by "138"

Aki Yokogoshi
Full-time Audit and Supervisory Committee Member

A total of 138 employees have registered the Audit Department as their desired department, and it consistently ranks among the preferred assignments for new employees. This is valuable data that shows the position of the audit function as the Group's "primary care doctor." Although this would have been unimaginable 10 years ago, audits have now evolved into a model that identifies key areas on a risk basis and combines offsite monitoring using data and AI with dialogue. In addition to younger employees and women, people with diverse business experience have gathered in the department. The broadening of perspectives has created new insights, heightened motivation for self-development, and supported the advancement of audit sophistication.

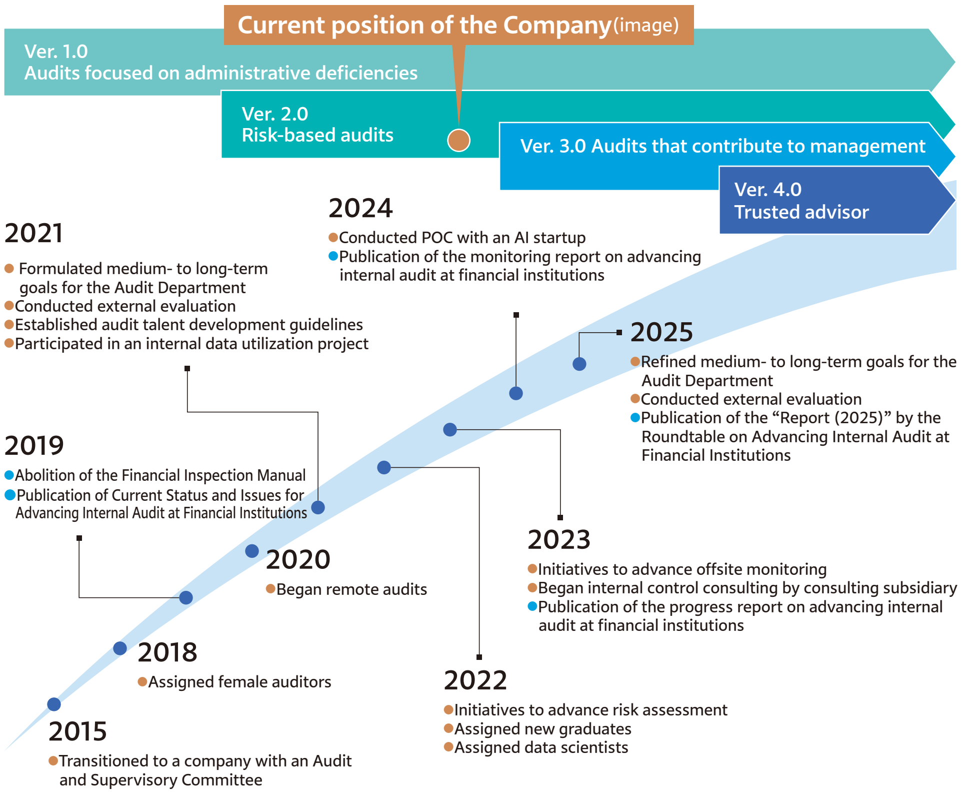
As a full-time Audit and Supervisory Committee member, I work side by side with the internal audit department from the audit planning stage through the reporting of results. To make discussions by outside Audit and Supervisory Committee members even more effective, I provide information and create opportunities for on-site visits and dialogue with employees. Going forward, I will further deepen these initiatives and strive to demonstrate an audit function that contributes to management as the "third line" supporting the expansion of the CCI Group's business domains.

Initiatives to Advance Internal Audit

Background to the Advancement of Internal Audit

In the past, the main role of the internal audit department was to identify operational deficiencies and violations of rules through audits focused on administrative errors and to serve as a check-and-balance function. Dialogue with audited departments and the use of data were limited. Many personnel were transferred within one year, making it difficult to accumulate audit experience and skills. As the Company's business domains expanded and became more complex, and as the strengthening of group-wide governance became necessary, the Audit Department also needed to move away from audits focused on administrative deficiencies (Ver. 1.0) and transition to risk-based audits (Ver. 2.0). Since 2021, we have been advancing various initiatives to enhance internal audit.

◉Past Initiatives of the Audit Department (Including Reports Published by the Financial Services Agency)



Internal Audit Framework

Advancement of Risk Assessment

Risk assessment is the process of identifying and measuring the impact and likelihood of events, or risks, that may affect a company's achievement of its objectives. The Audit Department has worked to build a risk assessment framework that is comprehensive and provides clear explanatory insight, while incorporating external knowledge. Currently, through ongoing offsite monitoring, we identify changes in risks and regularly reflect them in risk assessments.

The Group includes companies with diverse business formats, and it is necessary to monitor the entire Group and comprehensively understand risks with limited personnel. To secure sufficient resources for day-to-day monitoring, we position operational efficiency and productivity improvement as important issues. We are working to establish a more effective risk assessment framework by deepening dialogue with audited departments where risk ownership is well established and by aiming to automate monitoring using AI.

Communication in Audit Operations

The Audit Department formulates annual audit plans based on risk assessments. In formulating these plans, the department works closely not only with management and Audit and Supervisory Committee members, but also with the risk management division, or second line, to confirm whether there are discrepancies in risk awareness or priorities.

In individual audit engagements, the department actively communicates with audited departments from audit planning through reporting of audit results, thereby sharing risk awareness and promoting understanding of audit results.

Quality Assessment

The Audit Department is not audited by other departments. Accordingly, to maintain and improve audit quality, it conducts quality assessments in accordance with the international standards of the IIA (*). Quality assessments are divided into internal assessments, which are self-assessments, and external assessments by qualified external assessors. The Company conducts internal assessments annually and external assessments at least once every five years.

In 2025, in part because the IIA had newly issued the Global Internal Audit Standards, the Company conducted an external assessment for the first time in four years. As a result, regarding conformity with respect to conformity with the Global Internal Audit Standards, the Company received an evaluation of "GA: Generally Achieves," which corresponds to a passing level, both in the overall assessment and for each of the 15 principles. Through quality assessments, we identify gaps with the IIA international standards and work to continuously improve audit quality.

IIA (*): The Institute of Internal Auditors
The world's most widely recognized association serving as an advocate, educator, and provider of standards, guidance, and various certifications for the internal audit profession. Established in 1941, it has more than 200,000 members in over 170 countries and regions worldwide.

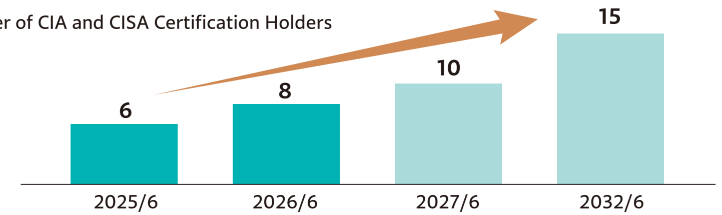
Human Resource Development and Allocation

Development of Professional Talent

The target profile for Audit Department members is professionals who combine extensive audit experience with deep expertise and can succeed in any organization, as well as personnel capable of auditing other companies. To systematically acquire the basic skills required of auditors, the department encourages employees to obtain international certifications such as CIA (Certified Internal Auditor) and CISA (Certified Information Systems Auditor).

We are also focusing on developing audit personnel with more advanced expertise, including by acquiring knowledge in specialized fields (IT), market investment, and money laundering. To respond to the increasing sophistication and diversification of audit targets, we are also accumulating practical knowledge and deepening skills through joint audits with external specialists.

◉Number of CIA and CISA Certification Holders

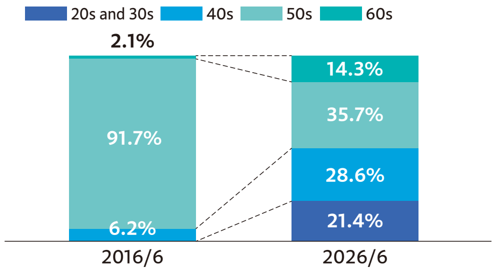


* Number of certification holders within the CCI Group

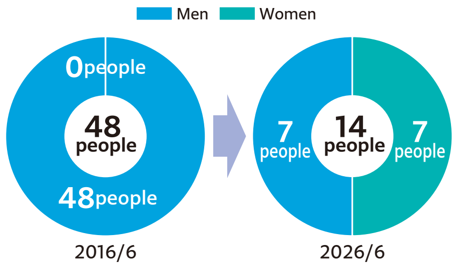
Diversity of Human Resources

The Audit Department is promoting a human resource strategy that emphasizes both diversity and expertise, with the aim of building an audit function that works together with management to contribute to enhancing corporate value. The department is reviewing a staffing composition that previously had a high proportion of men and was heavily weighted toward employees in their 50s, and is actively appointing personnel with diverse genders, ages, and career backgrounds. In particular, by assigning women and new employees, the department brings new perspectives and values into the organization, broadening audit approaches and enhancing flexibility and creativity.

◉Trend in Composition by Age Group



◉Trend in Gender Composition Women



Internal Audit Framework

Efficiency Improvement and DX in Audit Operations

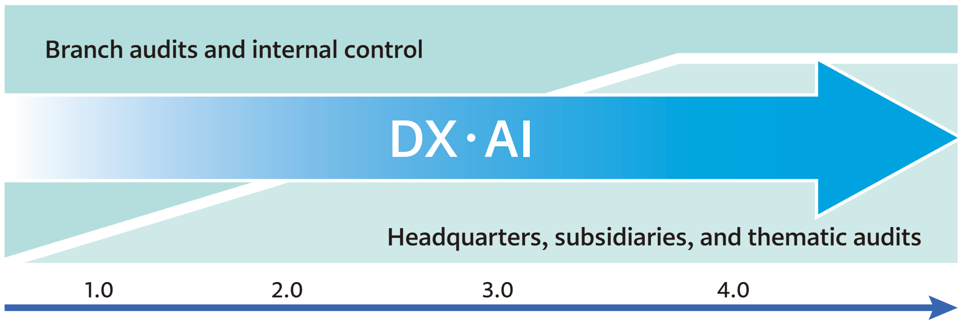
Company-wide Efficiency Initiatives

For more than 20 years, the Company has promoted company-wide business process reform (BPR) and digital transformation (DX). As a result, we have established a structure that enables most materials required for audits to be monitored remotely, significantly reducing work such as on-site document collection. In addition to in-person interviews with audited departments, we actively use online interviews through communication tools. This has substantially reduced the number of audit personnel and audit days required for on-site audits and has also reduced the burden on audited departments.

Appropriate Allocation of Audit Resources

As a result of company-wide efficiency initiatives and branch consolidation, the workload related to branch audits has decreased. At the same time, cross-organizational initiatives such as the establishment of new companies, organizational changes, the launch of new businesses and products, and system renewals are progressing one after another, and the roles of Group companies and headquarters functions are expanding further. Against this background, to strategically allocate audit resources, we adopt a risk-based approach in selecting audit targets. By clarifying the priority of audit targets according to importance and impact, we conduct more effective and practical audits and work to maintain and strengthen the Group-wide risk management framework and soundness of management.

◉Image of Changes in Resource Allocation Ratio through Efficiency Improvement and DX



DX Initiatives

To improve the efficiency and sophistication of audit operations, we are promoting the use of data in audit operations in collaboration with data scientists inside and outside the department. We are also working with an AI startup to reduce the workload of audit procedures. We have begun reducing the burden of data collection, reconciliation, and evidence preparation; testing RPA for routine tasks; and supporting the preparation of risk assessments, audit plans, and audit working papers using AI agents. Through these initiatives, we will advance the sophistication of the audit framework and strengthen mechanisms that enable the early identification of signs of risk.

Demonstrating Consulting Capabilities

The Audit Department uses the knowledge and skills it has developed through audit operations to support consulting on internal control provided by Group company CC Innovation. In addition, by developing and dispatching talent both inside and outside the Company, the department will continue its initiatives to become an organization that contributes not only to internal audit but also to the sustainable growth of regional companies and the development of the regional economy as a trusted advisor.

Consulting That Leverages Audit Experience: “Turning Defense into a Force for Growth”

When many people hear the words “audit” or “internal control,” they may think of defensive activities such as checking and control. However, I believe that the perspectives cultivated through audit can become an offensive force that supports corporate growth.

After working in the Audit Department, I am now involved in consulting at CC Innovation in areas such as internal control, governance development, compliance, and BCP. Through our support, I have come to feel that companies that correctly understand their risks are better able to make bold management decisions. Because they objectively understand their own strengths and weaknesses, they can move forward without fearing change.

Establishing defensive mechanisms helps clarify information needed for management decisions and creates a foundation that enables organizations to take on challenges with confidence.

We will continue providing this kind of support to regional companies: transforming the ability to identify facts, which we honed in the Audit Department, into a force that enables companies to go on the offensive.

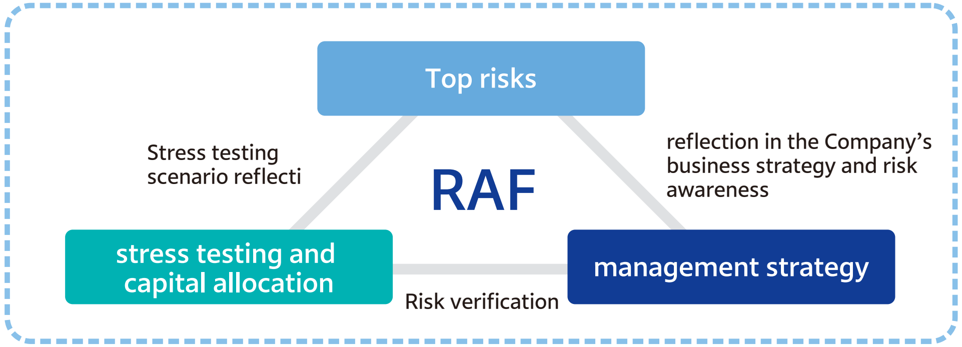
Hideki Sono
Innovation Strategy Group
CC Innovation

Risk Management Framework

Risk Management Framework Centered on the Risk Appetite Framework

To achieve sustainable value creation, the Company positions the Risk Appetite Framework (RAF) at the core of its risk management framework. We reflect top risks in the RAF and operate management strategy, stress testing, and capital allocation in an integrated manner.

◉Overall Picture of the Risk Appetite Framework



Top Risks

We select risks that could have a significant impact on the Company's management as top risks. These are classified into financial risks, non-financial risks, and common risks. We assess risks based on their impact and likelihood, and select them across the Company with the involvement of management and related departments.

Selected top risks are reflected in management strategy and stress testing, which also helps improve the effectiveness of RAF operations.

Through the selection of top risks, we strengthen risk communication between management and employees. By sharing risk awareness across departments, embedding risk ownership, and identifying early signs of environmental change, we contribute to prompt management decision-making and sustainable value creation.

◉Selected Top Risks

Financial risks	● Japan fiscal risk and downgrade of Japanese government bonds ● Collapse of the AI bubble and deterioration of private markets ● Tariffs, rare earth supply disruptions, and increases in inflation and interest rates ● Financial adjustment comparable to the Lehman Shock period
Common risks	● Regional economic stagnation associated with population decline ● Major earthquake, either within the prefecture or directly beneath the Tokyo metropolitan area
Non-financial risks	● Cyberattack involving prolonged business suspension ● System failure involving prolonged business suspension ● Company-wide misconduct due to governance failure ● Customer information leakage involving large-scale compensation and reputational damage

Stress Testing and Capital Allocation

In stress testing, when formulating the medium-term management strategy, we set scenarios that assume a severe environment based on top risks and comprehensively identify the impacts of market risk, credit risk, and other risks. If a significant risk event occurs during the fiscal year, we conduct flexible stress testing to verify the appropriateness and soundness of response measures. Through this, we confirm soundness and risk-taking capacity under stress, supporting management decisions that prepare for environmental changes and sustainable value creation.

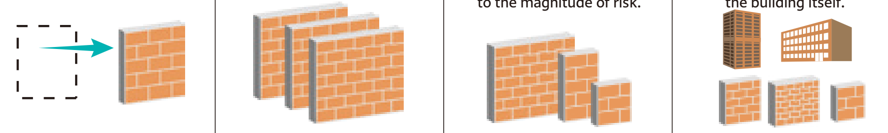
In capital allocation, we appropriately manage the balance between various risk amounts, including credit risk and market risk, and capital, thereby ensuring soundness. By supporting risk-taking in line with management strategy, we make effective use of limited capital and contribute to improving capital efficiency and creating sustainable value.

Initiatives to Advance Risk Management Ver. 4.0

In the past, the Corporate Administration Division focused primarily on "controlling risks" and "preventing the occurrence of significant risks." However, as the pace of change in the external environment has accelerated and the Company's management strategy has expanded its business domains, greater emphasis has been placed on optimizing risk and return and ensuring soundness and resilience after significant risks materialize.

We have defined the desired state of the Corporate Administration Division (Ver. 4.0) as contributing to the achievement of management strategy, realization of innovation, and sustainable value creation through flexible and swift responses, while protecting what must be protected as the last line of defense. We are implementing various initiatives, including human resource development, toward this goal.

Current Position

Phase	1.0 through 2009	2.0 2010–2019	3.0 2020–2024	4.0 2025–2029
	Building defense	Strengthening defensive capabilities	Expanding the scope of defense and adopting a risk-based approach	Contributing to the realization of management strategy and innovation
Desired State	First, build "walls."	Make the walls higher and increase their number.	Expand the wall coverage while changing wall height according to the magnitude of risk.	Contribute not only to building walls but also to constructing the building itself.
				
	● A period in which the Company prioritized offense, such as strategy and sales promotion, resulting in misconduct and a business improvement order ● and then built a defensive management administration structure based on that reflection	● A period in which the Company strengthened the defense it had built by developing internal control systems, responding to the establishment and revision of various laws and regulations, and implementing system renewal projects and DX	● As the Company transitioned to a holding company structure and expanded its business domains, the scope of operations to be protected also expanded. ● Through diversification of departmental personnel, early involvement, and hands-on support, the Company expanded its defensive scope while shifting to a risk-based approach	● By embedding risk ownership throughout the Company, the division contributes to achieving management strategy and realizing innovation through flexible and swift responses, while protecting what must be protected as the last line of defense

Risk Management Framework

Basic Policy on Business Continuity

1. Purpose

In addition to banking functions, the Company has expanded its business domains to meet diverse needs, including consulting and investment funds. We have established a business continuity framework to provide financial functions smoothly and fulfill our social responsibilities even in emergency situations. This policy is established based on the Basic Policy for Internal Management (Basic Policy for Internal Control Systems), with the aim of defining the basic approach to business continuity frameworks for the Company and the entire Group and communicating it throughout the organization.

2. Basic Approach to Management

In emergency situations, we will minimize the impact on operations, restore operations rapidly and efficiently, and ensure business continuity at a certain level while responding with attention to the following points.

❶Ensure the safety of customers, officers, employees, and related parties.
❷Contribute to maintaining regional economic activity by continuing operations and achieving early restoration, while minimizing the impact on payment systems.
❸Minimize opportunity losses caused by business suspension and related events.
❹Establish necessary structures and conduct drills to ensure the effectiveness of these measures.

3. Assumed Emergency Situations

Assumed emergency situations include disasters, pandemics, system failures, cyberattacks, reputational damage, and similar events.

4. Priority Operations and Recovery Targets

As a company that provides financial services with a high public nature, we define operations that should be prioritized during recovery to prevent stagnation in socioeconomic activities, and concentrate management resources on those operations. For operations prioritized for recovery, we set target recovery times and target recovery points and respond accordingly.

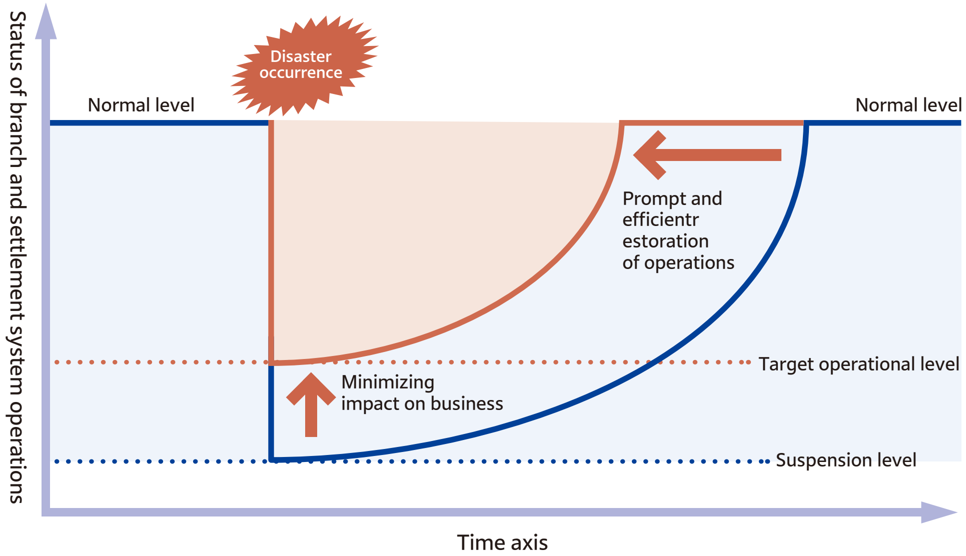
5. Rules and Regulations

In line with this policy, we establish Basic Regulations on Business Continuity to clarify arrangements, and also establish subordinate rules and other regulations to ensure thorough awareness.

6. Continuous Improvement

We regularly conduct drills based on the business continuity plan, evaluate the degree of penetration and proficiency of emergency response actions among the Company’s officers and employees, and periodically verify effectiveness and related matters. In addition, to enhance business continuity in response to changes in the external environment and diversification of operations, we update business continuity-related rules and regulations as appropriate.

◉Basic Approach to Business Continuity



Compliance

Basic Approach

In accordance with the Compliance Policy, the Company regards compliance as not only complying with laws and regulations, but also adhering to social norms and internal rules. We position compliance as one of our most important management issues. With the basic policy of ensuring thorough awareness of the compliance framework, we are working to establish an effective compliance structure in which each officer and employee can think and act independently.

Understanding and Dissemination of Corporate Philosophy and Related Principles

We place importance on ensuring that all officers and employees fully understand and share the Company's corporate philosophy, management guidelines, and code of conduct. Recognizing that credibility and trust are built through the accumulation of daily actions, each person follows the Code of Ethics as a basis for judgment and practices sincere and fair conduct.

Compliance Operating Framework

The Company operates its compliance framework through an organizational structure consisting of the Board of Directors, Group Strategy Meeting, compliance managers assigned to each business division and branch, and the Corporate Administration Department.

As the division responsible for overall compliance, the Corporate Administration Department consolidates, manages, investigates, and analyzes compliance-related information. It is responsible for planning and implementing necessary measures, and also formulates and implements the Compliance Program, or action plan.

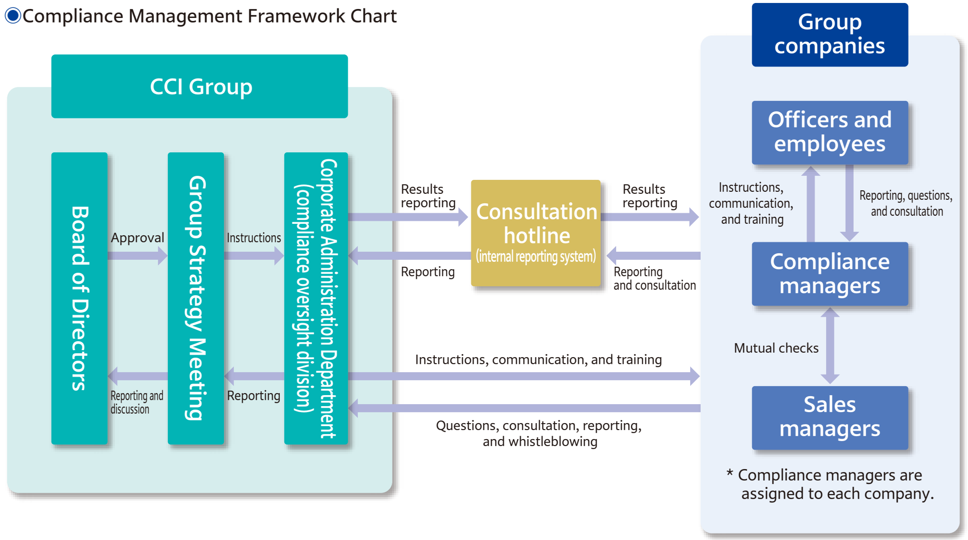
The Board of Directors and other bodies receive reports on compliance status regularly or as necessary, and deliberate and make decisions on important measures. Compliance managers assigned to each business division and branch also serve as a check-and-balance function in daily operations.

Implementation of the Compliance Program

Based on the Compliance Program, or action plan, the Company checks, reports, and evaluates the status of compliance initiatives in each department, and reports the results to the Board of Directors and other bodies. Through these efforts, we implement necessary corrective and recurrence-prevention measures and work on continuous improvement.

Through the Compliance Awareness Survey conducted every year, we assess the degree to which awareness has taken root among employees and changes in the corporate culture. Based on survey results and changes in the internal and external environment, we continuously review the content of the Compliance Program.

●Compliance Management Framework Chart



Training and Education

Through training, education, and practical discussions, we foster compliance awareness among each employee. In each business division and branch, initiatives to prevent violations are strengthened under the leadership of compliance managers. This prevents self-serving interpretation of rules and formalistic operation, while creating an environment in which employees can judge and act autonomously. The division responsible for overall compliance maintains an effective monitoring framework to support these initiatives and continuously advances them through the PDCA cycle.

Internal Reporting and Consultation System (Consultation Hotline)

The Company has established an internal reporting and consultation system for employees, including those who retired within the past year, officers, and freelancers, including those whose outsourcing relationship ended within the past year. The Head of the Compliance Group, Head of the Human Resources Development Group, and external attorneys designated by the Company serve as reporting and consultation contacts. We thoroughly ensure the confidentiality of reported content and prevent disadvantageous treatment on the grounds of making a report or consultation.

To prevent and detect at an early stage misconduct caused by legal violations or fraudulent acts, we conduct misconduct prevention interviews, in which employees discuss work-related issues and personal concerns with workplace supervisors, as well as compliance questionnaires that allow direct consultation with the compliance division. In FY2025, we responded to 29 requests and consultations related to workplace environment and other matters. In addition, specialists handle consultations related to mental health and careers, and we maintain a structure that can respond to diverse employee voices.

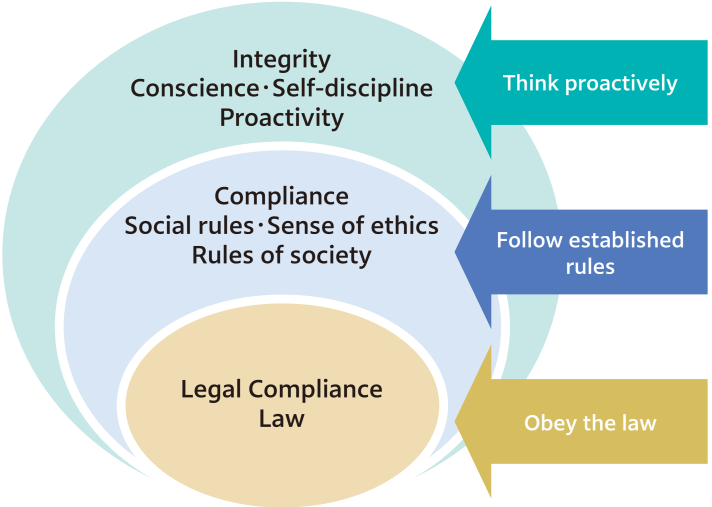
Compliance

Initiatives Aiming to Enhance Integrity

In addition to compliance, the Company positions the enhancement of “integrity,” through which each employee acts based on their own conscience and judgment, as an important theme.

In addition to continuous messages from management, we promote the sharing of values and the establishment of ethical behavior through workplace dialogue and training, and work to foster a corporate culture in which sound judgment is made throughout the organization.

▶Please refer here for other compliance-related initiatives.
https://www.ccig.co.jp/compliance/



Response to Customer Harassment

Based on the CCI Group Human Rights Policy, we have established a basic stance and will respond firmly and organizationally to demands that exceed socially acceptable bounds and words or actions that deny a person’s dignity. While maintaining a workplace environment where employees can work with peace of mind, we will strive to communicate through dialogue and provide better services to build relationships of trust with customers.

Measures for Preventing Money Laundering, etc.

The Company regards the prevention of money laundering, terrorist financing, proliferation financing, and sanctions violations under the Foreign Exchange and Foreign Trade Act and related laws and regulations, collectively referred to as money laundering and related activities, as one of its important management issues. Based on the Guidelines for Anti-Money Laundering and Combating the Financing of Terrorism published by the Financial Services Agency, we implement effective measures against money laundering and related activities.

Specifically, each Group company prepares documents required of specified business operators, or risk assessment documents, under the Act on Prevention of Transfer of Criminal Proceeds. We appropriately identify and assess risks related to money laundering and related activities included in products and services handled by the Group, and properly implement risk reduction measures, including the detection and reporting of suspicious transactions. We are also strengthening measures to protect customers’ assets from financial crimes such as fraud and unauthorized withdrawal of deposits, whose methods and techniques are becoming increasingly sophisticated.

Efforts for Preventing Financial Crime Victimization

- To prevent damage from special fraud and other crimes that have occurred frequently in recent years, we confirm the purpose of transactions when large amounts of cash are paid out or transfers are made at counters. As a measure against bank transfer fraud at ATMs, we display warning messages on transfer operation screens and install bank transfer fraud prevention announcement devices to ensure thorough caution.
- In FY2025, we held 29 seminars for business partners on preventing financial crime damage and conducted seven financial education sessions for young people. Through awareness-raising activities based on actual damage cases and the latest methods, we are working to improve financial literacy throughout the region toward realizing a local community where people can live with peace of mind.
- To deepen knowledge and understanding of preventing financial crime and money laundering and related activities among all employees, including management, we conduct regular training and other initiatives, and work to strengthen and build our management framework.

Severing Ties with Anti-Social Forces

The Group’s basic policy is to take a firm stance against anti-social forces that threaten the order and safety of local communities and to sever all relationships with them.

In business operations, severing relationships with anti-social forces is the highest priority. We will not respond to improper demands and will not provide funds or engage in backroom transactions of any kind.

When necessary, we cooperate with external specialist organizations such as the police and attorneys, and respond swiftly and appropriately as an entire organization.

Section3

Business Strategies

We have expanded our business domains beyond the conventional boundaries of banking and developed a structure for providing a wide range of services. This section presents the value the Group seeks to deliver as one integrated organization, introducing our businesses and initiatives in four categories: traditional banking, new businesses through banking accounts, new businesses through Group companies, and initiatives for regional revitalization.

CONTENTS

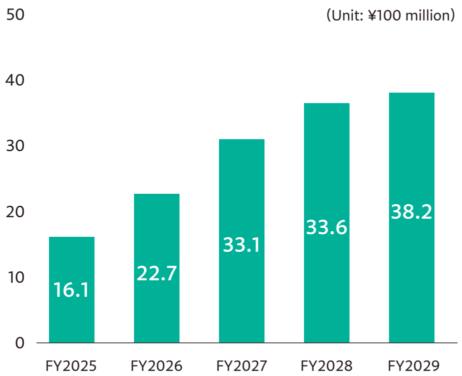
Business Segment Revenue Plan

This page shows revenue results and targets for the Group's major businesses, divided into traditional banking and new businesses, with the latter comprising new businesses through banking accounts and new businesses through Group companies.

Traditional Banking

Business loans and leasing

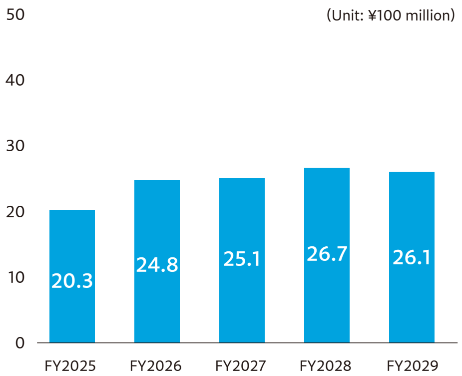
▶P.83



New Businesses through Banking Accounts

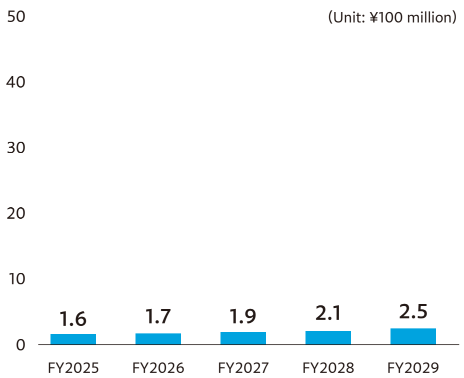
Market operations

▶P.85



Cashless

▶P.86



Digital

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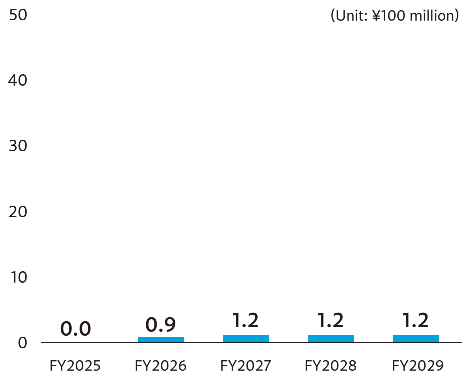

New Businesses through Group Companies

Consumer loans

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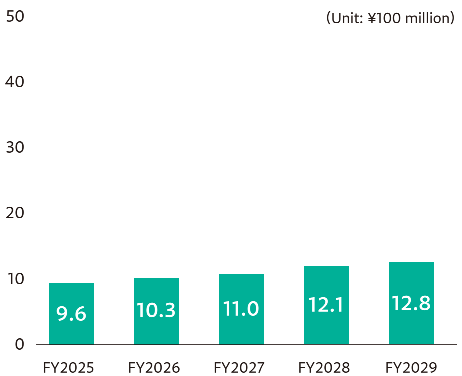
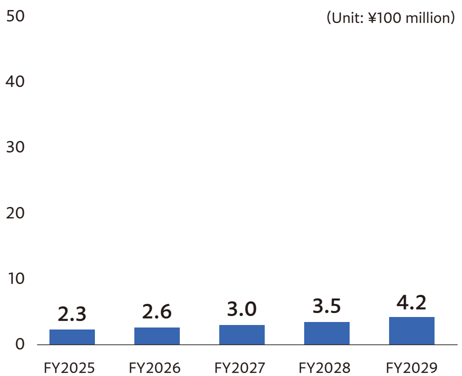


Consulting, including

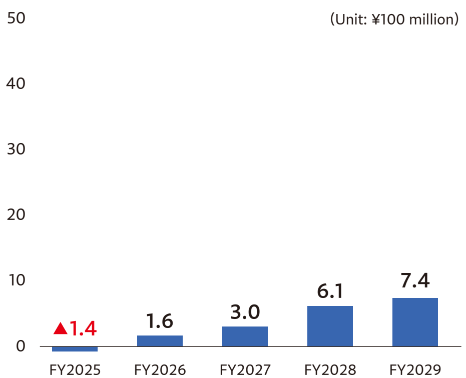
BPO, investment advisory and overseas consulting

▶P.88, 89, 90



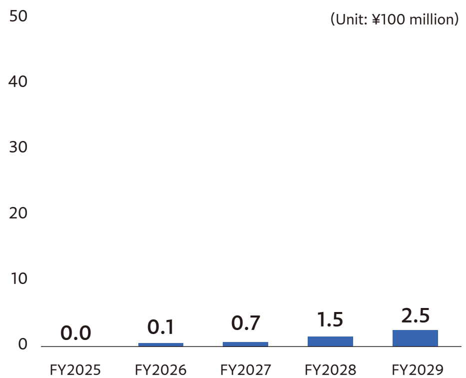
Investment and asset management

▶P.89



Regional revitalization

▶P.92～94



Traditional Banking

Corporate Banking

Takashi Nakano

Executive Officer, General Manager of Corporate Banking Department
The Hokkoku Bank, Ltd.

Joined the Hokkoku Bank in 1996, serving as manager of the Branch Administration Section of the Branch Administration Department in 2017 and general manager of the Nagoya Branch in 2019. After serving as executive officer and general manager of the Marketing Department in 2023, he was appointed executive officer and general manager of the Corporate Banking Department in March 2025.

Business Description

In addition to providing deposit, financing and payment services, we help customers address their business challenges by providing a range of services, including consulting, in collaboration with Group companies.

Strengths

Starting with a deep understanding of customers' businesses, we provide a wide range of solutions as an integrated Group, beyond banking services.

Business Environment and Issues

Increasing Sophistication and Complexity of Management Issues Faced by Regional Companies

Against the backdrop of population decline, rising labor and raw material costs, and the emergence of geopolitical risks, the management environment surrounding regional companies is becoming increasingly uncertain. In addition to short-term issues such as improving profitability, regional companies must make decisions from a medium- to long-term perspective.

Changing Role Expected of Financial Institutions

In this environment, financial institutions are expected to go beyond their conventional finance-centered role and proactively engage in solving management issues as hands-on management partners that support sustainable growth and value creation for regional companies.

Since March 2024, we have introduced an industry-specific sales structure and worked to enhance expertise in each industry. As a result, customers have increasingly recognized our ability to quickly understand industry trends and develop timely proposals. At the same time, customers' management issues are becoming more sophisticated and complex. To address customers' latent needs and challenges, it is essential to further enhance industry knowledge and deepen business understanding, which is the starting point of corporate banking.

Growth Strategy

Advancing Value Provision Based on Business Understanding

We will develop a deep understanding of our customers from both financial and non-financial perspectives and engage them in dialogue covering industry structures, competitive environments, growth strategies, and business succession. In addition to solving issues at the individual company level, we will also serve as a bridge for collaboration and alliances among companies by taking an industry-wide approach.

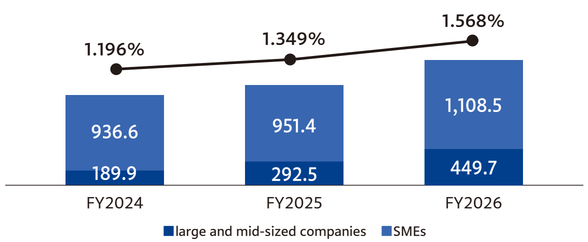
Financing Policy Supporting the Evolution of Our Role as a Financial Institution

In light of changes in the interest rate environment, we will shift our focus in financing from quantity to quality, emphasizing profitability. In addition to flexible financing through market-linked interest rates and digital banking, we will build a sustainable financial support framework through more advanced credit risk management.

Human Resource Development Supporting Business Understanding and Group-Integrated Sales

To address increasingly sophisticated management issues, we will enhance the expertise of account managers. By providing comprehensive solutions that leverage the functions of companies across the CCI Group, we will contribute as an integrated Group to the growth of regional companies and the development of regional economies.

◉Business Loan Balance and Yield (Unit: ¥ billion)



Customer Visits by Bank Officers

Engaging with Customers on their Management Issues

Bank Executives Accompanying Client Meetings

▼To Increase Customer Touchpoints

To appropriately address customers' management issues, we are increasing opportunities for meetings not only between customers and account managers, but also between customers and our officers.

Through direct dialogue with senior management, we aim to make customers feel closer to us and build relationships of trust that enable candid discussions about the management issues they face. Early involvement by our officers also accelerates internal decision-making and enables us to deliver value to customers more quickly. We will also actively promote digitalization, including digital banking, for customers. This will create time for deeper dialogue not only on customers' immediate management issues but also on their future.

▼An Opportunity for Human Resource Development through Engagement with Company Officers

Account managers attend customer meetings conducted by our officers. Being present when our officers speak with customers based on their own experience and management perspectives helps account managers develop their ability to think independently and identify issues, while also developing the next generation of talent for the Company.

Traditional Banking

Retail Banking

Junichi Shinkawa

General Manager of
Marketing Department
The Hokkoku Bank, Ltd.

Joined the Hokkoku Bank in 1999. He spent many years in branches after joining the Bank, moved to the Digital Department in 2015, and became Head of the Digital Group in the Digital Department in 2022. After serving as general manager of the Fukui Sales Department in 2023, he was appointed general manager of the Marketing Department in March 2025.

Business Description

In addition to basic banking services such as deposits and payments, we propose and provide services tailored to each customer's lifestyle and financial circumstances.

Strengths

The convenience of being able to consult with specialists anytime, anywhere, and at any branch using online consultation tools, combined with flexible branch operations.

Business Environment and Issues

The living environment surrounding individuals has changed significantly in recent years due to declining birthrates and aging populations, changes in employment patterns, changes in the interest rate environment, and advances in digital technology. Individual values and lifestyles have also diversified, and the role expected of financial institutions is changing substantially. Under these circumstances, the Hokkoku Bank believes sustainable growth and value creation can only be achieved by responding to changes in the external environment while continuously transforming the internal environment.

Changing Role Expected of Financial Institutions

As digital channels such as transfers and payments become widespread, it will become important to combine digital touchpoints and face-to-face channels support life planning tailored to everyone's values and lifestyle from a financial perspective.

To continue providing value sustainably as a regional financial institution, we believe it is important to strengthen both face-to-face and digital channels while maintaining a customer-oriented approach to sales. Accordingly, rather than focusing on short-term fee income, we emphasize recurring revenue built on medium- to long-term customer relationships and stable deposits and have established an evaluation system that rewards behavior aligned with customer needs.

Growth Strategy

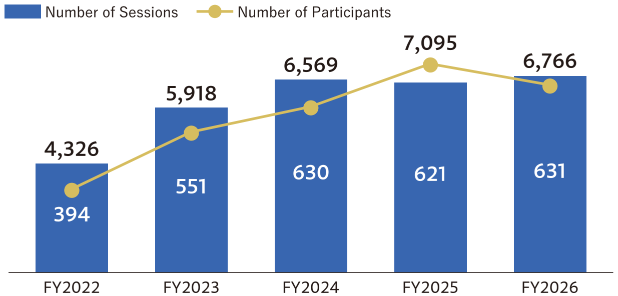
Advancing Face-to-Face and Digital Channels and Value Provision

In face-to-face channels, we are strengthening workplace touchpoints, a strength of regional financial institutions, and focusing on supporting medium- to long-term wealth creation for employees through corporate defined contribution pension plans and installment investments using NISA. For housing loan consultation customers, we work to build long-term relationships by supporting life planning and sharing future funding plans.

In digital channels, we continue to enhance convenience with the aim of providing universally accessible services that customers can use anywhere in Japan. Customer-oriented service and the ability to expand functionality through in-house development are among our strengths. Through FY2027, we are developing services that allow housing loan procedures to be completed digitally. After launch, the procedural burden on customers will be reduced, enabling us to provide an environment where they can focus more than ever on consultation and life planning.

We have also established an online consultation framework so that specialists meet the increasingly diverse needs of more customers for service explanations and advice. Even as digitalization advances, many customers continue to seek advice and decision-making support through dialogue. We value these intentions and will pursue service provision suited to each customer.

◉Seminars for Employees of Business Partners on Wealth Creation



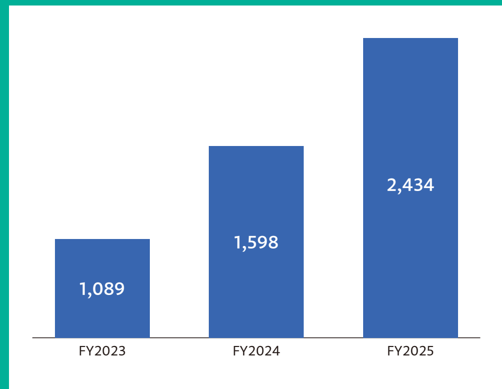
Expansion and Increased Use of Digital Consultation Services

To improve customer convenience and service quality, we have established a structure that enables customers to meet with specialists from home or the workplace.

The Direct Center, or call center, mainly provides telephone consultations and handles a wide range of inquiries, including explanations of products, various procedures, and how to use internet banking and apps.

We have also introduced online consultation that can be used from smartphones and computers. Customers can use it not only for consultations on loans, life planning, and asset management, but also for everyday questions and concerns. Online consultation has expanded since its launch in 2023, with approximately 2,400 inquiries received in FY2025. We will continue working to further expand use and meet customers' diverse needs.

◉Number of Online Consultations



New Businesses through Banking Accounts

Market Operations

Haruki Maekawa

Executive Officer, General Manager of Market Finance Department
The Hokkoku Bank, Ltd.

Joined The Hokkoku Bank in 1997. Engaged in market operations for a total of nine years, including three and a half years from 1999 and five and a half years from 2007. Served as manager of the Risk Management Section of the Corporate Administration Department in 2017 and general manager of the Card Department in 2022. Appointed executive officer and general manager of the Market Finance Department in March 2025.

Business Description

Contribute to the Group's sustainable growth by securing stable earnings and maximizing returns on securities investments.

Strengths

Pursue sophisticated, specialized investment management in collaboration with CCI Asset Partners, the Group's investment advisory company.

Business Environment and Issues

Adapting from a Negative Interest Rate Environment to a World with Interest Rates

The business environment surrounding banks' market divisions is changing significantly due to the shift away from a prolonged ultra-low and negative interest rate environment. Against the backdrop of changes in the Bank of Japan's monetary policy in response to rising prices and a review of government bond purchases, market interest rates are gradually normalizing, requiring appropriate portfolio management as interest rates rise.

These environmental changes create opportunities to improve net interest income, but also represent a structural shift in which interest rate risk is materializing and market volatility is increasing. For bond investments, which have traditionally emphasized stability, managing market value fluctuations caused by rising rates and securing spreads are becoming increasingly important issues.

Building Bond Positions in a Rising Interest Rate Environment

As the economy transitions to a world with interest rates, the approach to position building in bond management is changing significantly. In a low-interest-rate environment, the focus was on stable, long-term holdings, but in a rising-rate phase, agile portfolio management centered on duration control is required. Specifically, it is important to shorten maturities and diversify investments to contain price decline risk caused by rising interest rates while capturing earnings opportunities through reinvestment as yields rise. The Company is advancing risk management across interest rates, foreign exchange, credit, and equities, while the Market Division is expected to capture additional earnings opportunities while maintaining financial stability through more sophisticated investment management and ALM that take interest rate fluctuations into account.

Growth Strategy

Rebuilding Asset Allocation

Based on a proprietary model developed by CCI Asset Partners, a Group company, we renewed the model portfolio and substantially reviewed the securities portfolio in the second half of FY2025. We reduced equities held for pure investment purposes, foreign bonds and multi-assets, and replaced Japanese government bonds to improve yields and reduce unrealized losses, aiming to enhance the agility and earnings capacity of the yen bond portfolio.

Improving the Quality of Earnings with a Focus on Interest and Other Income

In light of the recovery in interest rate levels, the Market Division is shifting to an earnings structure that emphasizes interest and other recurring income. In addition to building up interest income mainly from bonds, we are working to secure stable earnings sources through diversification of investment targets.

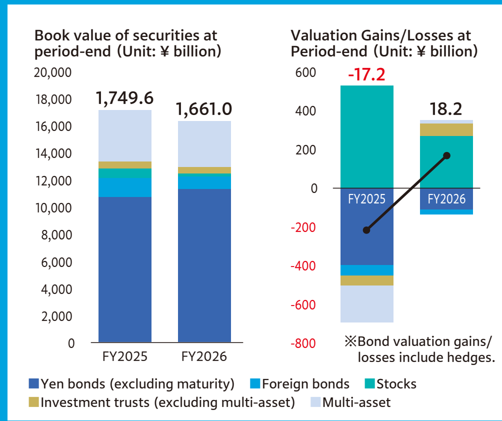
Illiquid assets such as alternative assets are expected to generate relatively high income returns and are less susceptible to market price fluctuations. We therefore regard them as important investment targets from the perspective of diversification and intend to consider them further. At the same time, because they involve liquidity risk and valuation uncertainty, we will operate with full consideration of their risk characteristics while maintaining the soundness of the overall portfolio and building a sustainable earnings base.

Rebuilding Asset Allocation

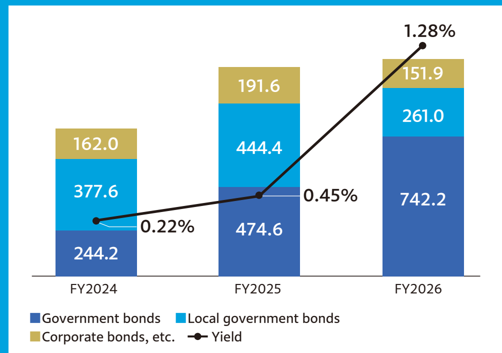
To adapt to a world with interest rates, we are shifting to an earnings structure focused on income gains.

In the second half of FY2025, we replaced approximately 600 billion yen in yen bonds to improve yields. In FY2026, we aim for further yield improvement by reinvesting approximately 295 billion yen scheduled for redemption.

◉Securities Investment Status



◉Yen bond balance and investment yield (Unit: ¥ billion)



New Businesses through Banking Accounts

Cashless

Masaru Yamazaki

Director and Senior Managing Executive Officer, General Manager of Digital Department
The Hokkoku Bank, Ltd.

Joined the Hokkoku Bank in 1994. Engaged in corporate banking, serving as general manager of the Johoku Area and Kanazawa Johoku Branch in 2017, executive officer and general manager of the Matto Sales Department in 2022, and senior managing executive officer and general manager of the Toyama Sales Department in 2024. Appointed director and senior managing executive officer, general manager of the Digital Department in 2026.

Business Description

Develop the region's issuing and acquiring businesses and promote the adoption of cashless payments.

Strengths

In the card business, we obtained a direct license from Visa and have operated a business deeply rooted in the local community for approximately 10 years.

Business Environment and Issues

Current Status and Issues of Cashless Payments in the Region

Japan's annual cash-handling costs are estimated at 3 trillion yen, and the country is actively promoting cashless payments, as seen in the adoption of fully cashless payments at Expo 2025 Osaka, Kansai, Japan. Japan aims to raise the cashless payment ratio to 80% in the future, with an interim target of 65% by 2030. According to a Ministry of Economy, Trade and Industry announcement, the ratio reached 58.0% in 2025. In this region as well, demand for cashless payments is increasing due to these trends. In addition, the recent depreciation of the yen has sharply increased the number of foreign tourists visiting the region, making support for cashless payments more necessary than ever.

Ishikawa Prefecture's population is projected to decline to around 800,000 by 2050. Labor shortages have already emerged and are becoming particularly serious in the lodging and service industries. To respond to a future of continued population decline, the region must improve productivity more than ever. For this reason, it is necessary to consider the digitalization of payment-related operations as a whole including POS systems and core systems, not merely the introduction of cashless payments. At the same time, major capital-backed companies are entering the payments industry, intensifying competition. It is therefore important to secure advantages by incorporating the latest technologies.

Growth Strategy

Moving toward a Super Cashless Region

Through the spread of card payments centered on the Hokkoku Visa Debit Card and through the digital local currency, the Company aims to realize a 100% cashless ratio in Ishikawa Prefecture. To respond to the latest cashless payment trends and customer needs, we have built two new systems on the cloud.

One is a new issuing system responsible for issuing and operating debit cards. In addition to the Hokkoku Visa Debit Card that we have promoted to date, we launched the next-generation digital card service "one paretto" in September 2025. The other is an acquiring system for merchant management and operations, through which we aim to improve convenience and productivity for merchants. Through these systems, we will promote cashless payments and digitalization in the region, improve regional productivity, and use payment data to develop recommendations for regional customers and drive innovation. Through these initiatives, we aim to support growth investment and human capital investment by regional companies and make the region a leading model that attracts attention from elsewhere in Japan.

みんなですすめる、
キャッシュレス。

Super Cashless Region

Digital Card Service "one paretto," Pursuing Non-Face-to-Face and Contactless Payment Experiences

In September 2025, we launched one paretto, a new Visa debit service for which customers can easily apply and which they can use entirely via smartphone. one paretto is a next-generation digital card service designed to provide seamless digital and contactless payment experiences. When customers apply through the smartphone app, a virtual card is issued immediately. The service supports touch payments through Apple Pay and Google Pay, and customers can check usage details and configure various settings within the app.

▼Main Features of one paretto

Instant Virtual Card Issuance Instant virtual card issuance through the app	**Physical Card Available** A physical card can also be issued request.
Contactless Payment Support Supports Visa contactless payments through Apple Pay and Google Pay.	**Reward Point Usage** Accepted at Visa merchants worldwide.

A Fully App-Based User Experience
View transaction history, manage settings, and request reissuance, all within the app

New Businesses through Banking Accounts

Digital

Shigefumi Yoshida

Director and Senior Managing Executive Officer,
General Manager of Digital Department
The Hokkoku Bank, Ltd.

Joined the Hokkoku Bank in 2024 after more than 20 years of experience in financial and digital transformation at Microsoft Japan, Japan Business Systems, ORIX Bank and IBM. After serving as general manager of the Digital Department that year, he was appointed executive officer and general manager of the Digital Department in 2025.

Business Description

Plan, develop, operate and deploy next-generation financial platforms that use digital technology to embed payment and financial functions into society and business activities.

Strengths

Specialized payments expertise developed through the in-house construction and operation of infrastructure, combined with partnerships and the planning and execution capabilities cultivated through implementation.

Business Environment and Issues

Structural Limitations of Conventional Infrastructure and Future Direction

As cashless payments and digitalization advance, household and business spending is shifting toward e-commerce and apps, and payment data has become a source for enhancing services. At the same time, conventional financial systems tend to separate functions such as accounts, cards, transfers and credit by silo, with procedures, screening, settlement and incident response optimized individually by product and channel.

In on-premises systems, responding to legal and security requirements and keeping up with new payment methods and external service connections take time, revealing limitations in both the flexibility and cost-efficiency of adding new functions. To realize finance that is naturally embedded in the business processes of individual and corporate customers, not merely to streamline and improve efficiency, it is essential to shift to an infrastructure premised on cloud-native architecture, with modular functions that can be quickly combined.

Moreover, fragmented infrastructure causes variations in data definitions, authority management and monitoring operations by service, making it difficult to implement governance optimized across the organization as a whole. As a result, lead times for specification changes become longer, and the burden of identifying and recovering from failures and conducting security checks. In collaboration with external partners, individually customized connection methods duplicate development and testing and slow the launch of new services.

Growth Strategy

Platformization of Payment and Financial Functions

By using advanced digital technologies such as AI and blockchain and redesigning financial functions on the assumption that they will need to be rapidly created, connected, and used, we will provide high-value-added services. Our initiatives are characterized by a balance between stable operations and continuous improvement, enabled by flexible and rapid responses centered on in-house development and cloud-native architecture.

In 2024, we released the new corporate internet banking service Hokkoku Digital Banking and began offering Tochika, Japan's first deposit-type stablecoin based on blockchain. For individuals, use of HOKKOKU LIFE+, which includes Visa debit cards, Hokkoku Cloud Banking, passbookless and seal-less functions, has expanded, improving the convenience of everyday payments and account use.

In 2025, we completed the development of our BaaS, or Banking as a Service, platform and began providing Finswer Bank in collaboration with Finswer Inc. We also released the new smartphone-based Visa debit service one paretto, strengthening app-based experiences. In addition, for corporate customers, we launched the Hokkoku Digital Banking overdraft service, which can be completed easily without visiting a branch and enables immediate execution and repayment.

In 2026, we began providing Axios, a next-generation full-cloud acquiring platform, and established a structure to support deployment across a wide range of payment environments. By developing an environment premised on multi-cloud use, we will make it easier to combine diverse and convenient services provided by businesses and municipalities with financial functions, creating value beyond simplification and efficiency improvement.

Going forward, we will continue developing and improving services that maximize the strengths of digital technology, updating financial functions for the next generation and contributing to cashless payment adoption and digitalization by enabling the schemes we have built to be used outside the Hokuriku region as well.

Acquiring Platform Axios

On April 30, 2026, CCI Group and Infcurion, Inc. began providing Axios, a next-generation full-cloud acquiring platform, with support from Visa. As the expansion of e-commerce and progress in DX increase the value of payment data, acquirers are required to rapidly expand functionality, maintain stable operations and respond flexibly to new payment methods.

Axios is built using Visa Cloud Connect and Visa Platform Connect. In addition to international brand cards, it supports payment processing for Tochika, a deposit-type stablecoin, and realizes merchant management and payment processing across both fiat and digital currencies on a single platform. Through its full-cloud, multi-tenant architecture, it reduces implementation and operational burden and costs compared with conventional in-house on-premises systems, while ensuring scalability and high security compliant with PCI DSS. It supports deployment across a wide range of payment environments, both face-to-face and digital, and promotes the development of value-added services for merchants through the collection and analysis of payment data.

This will encourage market entry not only by financial institutions but also by digital platforms, other businesses, and companies in a range of industries, accelerating market transformation.

New Businesses through Group Companies

Consulting

Yutaka Imai

President and
Representative Director
CC Innovation Co., Ltd.

Joined the Hokkoku Bank in 1996. Served as manager of the Marketing Planning Section of the Marketing Department in 2017, and general manager of the Marketing Department and Life Plan Department in 2021. After serving as director and senior managing executive officer of CC Innovation in 2025, he was appointed president and representative director in 2026.

Business Description

Provide tailor-made, end-to-end management consulting support for a diverse range of business challenges to help companies grow and transform.

Strengths

Comprehensive support capabilities that identify the root causes of issues through in-depth dialogue and support customers from strategy formulation through on-site execution, leveraging the mindset and expertise developed through our own reforms.

Business Environment and Issues

The issues faced by corporate owners in the Hokuriku region are more diverse and sophisticated than ever before. Complex challenges such as labor shortages, the absence of successors, digitalization initiatives, business succession, and capital policy overlap, and more companies are saying each year that they do not know where to start. As past success models become less effective, it is an urgent priority to redefine companies' strengths and transform into an organization capable of responding quickly to change.

In Ishikawa Prefecture, the working-age population is expected to continue declining, making productivity improvement and business process reform essential for achieving results with limited personnel. With approximately 70% of workers concentrated in tertiary industries, support needs for strengthening business models and competitiveness are also increasing. In the recovery phase from the Noto Peninsula Earthquake, affected companies are moving from reconstruction to growth, further expanding the need for management support. Addressing business continuity risks and labor shortages is a common issue across Hokuriku. As demand grows for specialized partners that can support companies all the way from strategy formulation through on-site execution, this represents a major growth opportunity for CC Innovation.

Growth Strategy

Full-scale expansion into the mid-sized corporate, large corporate, and metropolitan markets will drive growth. Our approach of consistently supporting clients from concept development through on-site execution in addressing advanced management issues such as business succession, capital policy, human resource strategy and DX has been recognized, and our track record with large and listed companies is steadily growing. In March 2026, we established the Tokyo Headquarters Group and created a dedicated strategic support team. The ratio of sales from metropolitan areas is steadily increasing, and we will further accelerate business development in urban areas with Tokyo as a new growth base.

Strategic collaboration with external partners will further accelerate our growth. We provide advanced solutions through collaboration with diverse partners, including startups that combine speed with cutting-edge knowledge. In 2025, we established CCIForward Inc. through a three-party joint investment with SEVENRICH Group and Money Forward, Inc., creating a new source of earnings as a BPO specialist providing services ranging from back-office outsourcing to DX support. Bringing the experience and expertise gained through work in metropolitan markets, with large companies, and through external collaboration back to regional companies will create a cycle that simultaneously drives sustainable growth and contributes to regional economies.

●Main Service Menus

Service	Cumulative achievement
Management Strategy Formulation	1,372cases
Business Efficiency and ICT Utilization	705 cases
Human Resource Development and Human Capital	1,040cases
Business Succession, Capital Strategy, and M&A	242 cases
Overseas Business	172 cases
Other	470 cases

Building sustainable back-office operations

Enabling companies to focus on their core businesses and move forward.

CCIForward Inc.

President and Representative Director

Takuya Maeda

He joined the Hokkoku Bank in 2011, engaging in corporate banking and metropolitan consulting. He was appointed president and representative director of CCIForward in May 2025.

Through accounting and labor BPO, CCIForward continuously builds systems that enable companies to focus on their core businesses and move forward. Beyond outsourcing routine tasks such as bookkeeping and payroll calculation, the company emphasizes the timely preparation of financial information needed for management decision-making, including trial balance preparation and cash flow management, and embedding these processes into day-to-day operations.

A major feature of the CCI Group is that it has a structure capable not only of providing finance and consulting functions, but also of handling practical BPO operations. Particularly for startups and regional companies, strengthening management systems and back-office functions often becomes a management challenge during phases of growth, transformation and business succession. Through operational standardization and process design, the Company helps prevent delays in decision-making and execution. Its strength lies in providing consistent support from implementation through ongoing operations and building systems tailored to each company's stage of development.

By continuously advancing operational improvements using SaaS tools and AI, CCIForward improves the quality and efficiency of BPO services themselves, achieving both greater value for customers and higher internal productivity. While providing consistent service quality to customers nationwide, it will continue creating value as an organization that supports sustainable corporate management while continuously evolving its services and its own capabilities.

New Businesses through Group Companies

Investment Advisory

Akemi Tanaka

President and
Representative Director
CCI Asset Partners Co., Ltd.

Engaged in securities portfolio analysis and securitization at a foreign securities company, and later in investment product structuring and institutional investor sales at an asset management company. Founded ALCOLAB in 2019 and became representative director of CCI Asset Partners in 2023.

Business Description

Based on investment advisory, provide individuals, corporations, and financial institutions with support for asset management, business and asset succession, market operations, and ALM.

Strengths

Customer-oriented advisory capabilities, expertise derived from the consolidation of investment management functions, and solution capabilities that leverage the Group's comprehensive strengths.

Business Environment and Issues

The environment surrounding asset management is changing significantly. Customers such as companies and business owners increasingly need investment plans tailored to their objectives, time horizons, and risk tolerance. For financial institutions, as the economy shifts to a world with interest rates, investment management based on specialized knowledge such as risk management and asset allocation has become essential. What is required in this environment is an investment advisory function that goes beyond recommending individual products to provide analysis and insights supporting investment decisions. We will strive to provide appropriate advice according to the needs of diverse customers, including individuals, business corporations and financial institutions.

New ALM Framework

One example of our advisory function is ALM and market operations support for the Hokkoku Bank and the CCI Group. We consolidate personnel and functions related to ALM and market operations, and provide integrated advice ranging from strategic proposals based on management needs to concrete investment proposals and support for enhancing risk management frameworks. By clarifying roles, with the Hokkoku Bank bearing ultimate responsibility as the asset owner and the Company handling specialized operations, we are strengthening governance and working to build an agile and effective investment management framework.

New Asset Allocation at The Hokkoku Bank

We have developed a proprietary asset allocation model and provide advice on The Hokkoku Bank's securities portfolio, as well as advice on asset allocation for the Group's overall assets incorporating loans and future investment and financing plans. We also promote investment in private assets and work to improve the portfolio's risk-return profile.

Growth Strategy

Launching New Investment Advisory Services for Wealthy Customers and Corporations

We will expand advisory assets from four to nine categories and use our internally developed portfolio management system to propose asset allocation according to each customer's risk tolerance. After investment begins, we will carefully propose portfolio adjustments in response to changes in the investment environment and explain market conditions and performance, emphasizing customer understanding and acceptance so that we can accompany customers in their long-term asset management efforts.

Expanding Solutions for Financial Corporations

Based on insights developed through advising the Hokkoku Bank on advancing securities investment operations, including more sophisticated asset allocation, expansion of investment targets, and development of investment professionals, we will advise other financial institutions facing issues in securities investment operations. By developing asset management services focused on resolving the management challenges faced by financial institutions rather than simply providing individual products, we will differentiate ourselves from other asset management companies.

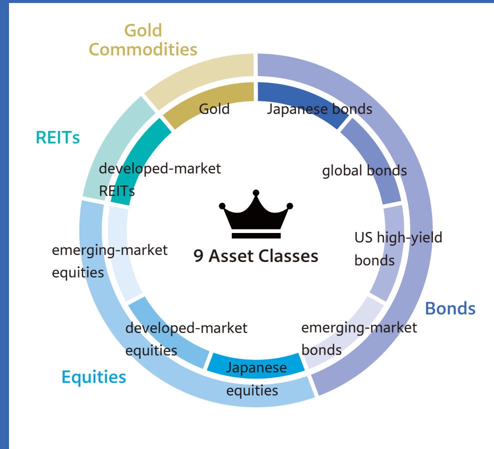
Proposing Solutions, Not Selling Products

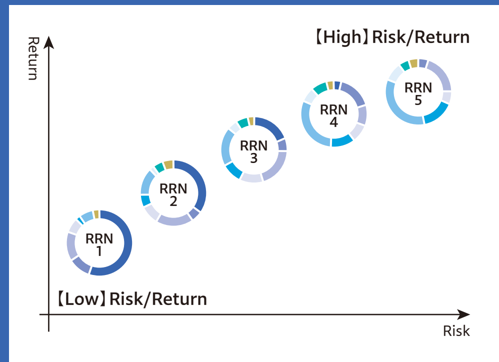
We value standing alongside customers' life and business objectives and thinking together about optimal asset management. Rather than providing financial products, we aim to be chosen as a useful partner by starting from advice aligned with customers' situations and goals, while collaborating with specialized functions within the Group and excellent external partners.

Nine-Asset Investment Advisory Service "MAG9 Plus" (Multi-Asset Global 9 Plus)

An advanced new advisory service

Based on asset allocation models offering different risk-return profiles, we build a customer-specific optimal asset allocation taking into account each customer's investment objectives, risk tolerance, investment horizon and other needs. We provide portfolio proposals comparable to those available to institutional investors, together with hands-on support from dedicated advisors.





New Businesses through Group Companies

Investment Funds

Tetsunari Matoba

President and
Representative Director
QR Investment Co., Ltd.

Joined the Hokkoku Bank in 1998. Worked in the Management Support Section of the Loan Department in 2013, became Manager of the Consulting Section of the Consulting Department in 2018, became Director of QR Investment in 2022, and was appointed President and Representative Director of QR Investment in 2025.

Business Description

Operate revitalization, business succession, and venture funds as a GP;
invest in funds as an LP;
and provide management support to portfolio companies.

Strengths

16 years of PE experience, particularly in revitalization;
an extensive track records;
and an investment chain that leverages the Group's comprehensive strengths.

Business Environment and Issues

Against the backdrop of population decline, labor shortages, increasingly serious business succession issues and growing uncertainty in the business environment, the environment surrounding companies is undergoing a structural transition. QR Investment recognizes that the key issue in fund management is not increasing invested capital, but enhancing corporate value through investment and translating those results into improvements in overall fund quality.

Based on this recognition, we regard investment not simply as the provision of funds but as an integrated investment chain encompassing investment, value creation, exit, and reinvestment, and our basic policy is to continuously advance this cycle. By thoroughly implementing investment management and risk management at each stage, including investment decisions, support for enhancing corporate value, exit and reinvestment, and by maintaining disciplined capital circulation, we aim for long-term and sustainable value creation.

Hands-on support after investment is central to enhancing corporate value. In addition to strengthening management and governance, reforming business structures, and supporting the formulation and execution of growth strategies, we provide support into the execution phase, including DX, business process transformation, and productivity improvements through data utilization. At the same time, through investment decisions based on investment guidelines, decision-making by the Investment Committee and post-investment monitoring, we identify and control risks at an early stage, enhancing the quality of fund assets by maximizing investment returns while reducing risk.

Growth Strategy

We are promoting a twin-engine investment strategy centered on domestic PE, including business revitalization, business succession and growth support, and VC for startups, with the two strategies complementing each other. In PE investment, we strengthen the management foundations of core regional companies and companies in revitalization or succession phases, contributing to more stable and higher-quality regional economies through sustainable growth. In VC investment, we support the growth of startups and the creation of new industries, technologies, and talent, and enhance regional innovation and medium- to long-term growth potential.

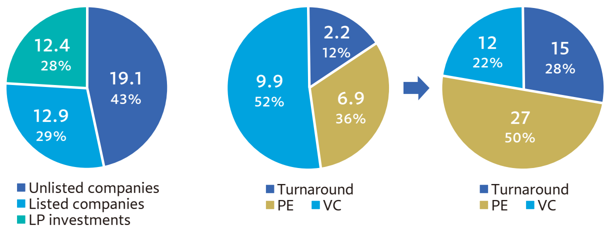
By combining PE and VC, we support companies across different stages of growth and build a regional ecosystem in which businesses, talent, and knowledge circulate through networks of financial institutions, support organizations, external specialists, operating companies, and other stakeholders.

We also mitigate concentration risk through portfolio management that diversifies investments by stage, industry, and region, and ensure the sustainability of the investment chain by operating management administration and risk management in an integrated manner across all processes. In addition, by emphasizing dialogue with external investors through IR activities and expanding external fundraising based on long-term partnerships, we will advance the investment chain and contribute to enhancing corporate value and the sustainable development of regional economies.

◉Investment Portfolio (as of December 2025)

(Unit: ¥ billion)

【Cumulative investment by category】 【Breakdown of private company investments】 【Breakdown of private company investments】 (Plan as of December 2028)



Regional Company Management Led by Former Group Personnel

Kanematsu Kozai Co., Ltd.

President and Representative

Takashi Fujii

The CCI Group is advancing initiatives to dispatch management talent to regional companies. In December 2024, in connection with fund investment for business succession at Kanematsu Kozai, the General Manager of the Head Office Sales Department of the Hokkoku Bank transferred to the company and was dispatched as management talent. He was then appointed president and representative director in March 2026.

Founded in 1970, Kanematsu Kozai has grown by selling steel materials for construction machinery, industrial machinery, machine tools and construction materials, while also operating a steel processing business. It provides products and services to customers in the Hokuriku region and beyond, and has earned strong support from many customers over many years thanks to its abundant inventory, high processing quality and outstanding technical capabilities.

Kanematsu Kozai Co., Ltd.

New Businesses through Group Companies

Overseas Business

Kazuteru Nakamura

President and
Representative Director
CCI Cross-Border Co., Ltd.

Joined the Hokkoku Bank in 1996. After working at the Hong Kong branch, market division and corporate banking division, he led overseas lending and other operations as general manager of the Singapore Branch in 2017. After serving as general manager of the Osaka Branch in 2022 and executive officer and general manager of the Osaka Sales Department in 2023, he was appointed president and representative director of CCI Cross-Border in 2026.

Business Environment and Issues

Since opening its Singapore base in 2008, CCI Group has continued engaging with overseas local markets, mainly in Southeast Asia, and expanded its network. Activities in overseas markets not only enable us to capture growth opportunities but also strengthen the Group's overall competitiveness and management foundation through the expertise gained in diverse business environments and the development of personnel with overseas experience.

In the emerging countries of Southeast Asia in which the Group has established a presence, funding needs have expanded in recent years amid economic growth, while industrial structures and company growth stages have diversified. Local financial institutions and infrastructure have not fully kept up with these changes. The Group identifies new business opportunities in this environment.

In this environment, CCI Cross-Border, the overseas business management company, and four overseas local subsidiaries in Singapore, Thailand, Vietnam and Kenya conduct investment and financing businesses in collaboration with local partner organizations. By combining investment and consulting functions in addition to financial functions, they build relationships that aim for growth together with local companies.

In the African market, we have established CC Innovation Africa with an emphasis on medium- to long-term growth potential. Currently, while deepening market understanding and building networks, we are developing the foundation for capturing business opportunities. CCI Cross-Border will continue taking on the challenge of growth markets, including Southeast Asia and Africa, while developing organizations and talent capable of competing globally.Our mission is to capture the growth of overseas markets for the benefit of the entire Group and ultimately return that value to stakeholders.

Business Description

Oversee overseas subsidiaries and formulate business strategies to maximize earnings from overseas operations.

Strengths

Integrated provision of investment, financing, and consulting services addressing local business needs through overseas subsidiaries.

Growth Strategy

Southeast Asian Market

Based on the lending know-how and local networks accumulated to date, we will further deepen lending-led businesses Using local subsidiaries in Singapore, Thailand and Vietnam as bases, we will advance financial services combining investment, financing and consulting, and provide flexible support tailored to each local company's stage of growth and industry characteristics. We will also work on collaboration with local business partners.

African Market

In the African market, where future growth is expected, we established a local subsidiary in Nairobi, Kenya. By assigning employees and building networks with local companies, government-related organizations and international development agencies, we will build the foundations for new businesses. We will also aim to create medium- to long-term growth opportunities by leveraging our first-mover advantage in Africa and our strengths in developing new relationships and facilitating collaboration between local and Japanese companies.

◉Overseas Network

Starting Business Collaboration with New Partners in Vietnam

Signing Ceremony

▼MoU Signed with SSIAM and DCI to Collaborate on Investment and Financing Initiatives

As part of its international growth strategy, the CCI Group has designated Southeast Asia as a strategic priority region. The Group has been advancing its client growth support model by integrating financial and consulting services. Vietnam, in particular, has been identified as one of the Group's key focus markets.

On May 13, 2026, CCI Cross-Border signed a memorandum of understanding on investment and financing collaboration with SSI Asset Management Company Limited, part of the largest securities company group in Vietnam, and Daiwa Corporate Investment Co., Ltd. The memorandum defines the basic framework for investment and financing collaboration. CCI Singapore, an overseas subsidiary, will provide financial functions through investment and financing, while CCI Vietnam will collaborate with SSIAM and DCI to build a structure for deal sourcing and consulting support in Vietnam.

Toward Regional Revitalization

Sports, Entertainment & Venues

Kenya Tatsuno

President and
Representative Director
CCI Enterbase, Ltd.

Joined the Hokkoku Bank in 1990. Served in corporate banking, human resources and consulting divisions. Became senior managing executive officer and general manager of the Corporate Planning Department, Entertainment and Venue Business Promotion Office, in 2025, and was appointed president and representative director of CCI Entarbase in 2026.

Business Description

Oversee Group companies that operate sports teams;
plan and operate concerts and events;
and develop venues in collaboration with local communities.

Strengths

Business execution capabilities leveraging the Group's regional network and business integration capabilities that enable integrated development of sports, entertainment and venues.

Business Environment and Issues

The CCI Group aims to enhance sustainable corporate value and regional value by providing financial and non-financial services rooted in the region. Within this, sports and entertainment are growth industries whose markets continue to expand globally and which generate sustained economic ripple effects in regional communities through job creation and related consumption. Centered on CCI Enterbase, established in January 2026, we will promote business development across sports, entertainment and venues, leading to the retention of talent, particularly younger generations, as well as stable business growth.

Growth Strategy

Creating Regional Value through Sports and Entertainment

CCI Enterbase owns two sports teams, the women's handball team Honey Bee Ishikawa and the men's professional basketball club Kanazawa Samuraiz, and is developing businesses that leverage the characteristics and fan bases of each sport. In addition to the appeal of the competitions themselves, sports are powerful forms of content that bring together local residents, companies, and governments and they greatly contribute to the continuous creation of visitor and participant populations and the fostering of civic pride in the region. We will not only operate the two teams individually, but also create collaboration and synergies across the two sports.

In the entertainment division, we work with local event organizers and partners inside and outside the prefecture to plan, produce and operate events. By expanding into entertainment fields not limited by genre, such as music and e-sports, we are broadening the ways in which people engage with the region beyond sports. Going forward, through diverse initiatives crossing sports and entertainment, we will create continuous opportunities for exchange and enhance regional value.

Sustainable Business Model Centered on Venues

To maximize the value of sports and entertainment, appropriately designed and operated venues are essential. In addition to hosting sports and events, CCI Enterbase focuses on planning, operating and using venues. By developing and using them in collaboration with municipalities, the company balances public value and business viability. By integrating the content-related assets of sports and events with the physical assets of facility operations, it builds a sustainable revenue model that does not end with one-off events.

Furthermore, by combining the CCI Group's expertise in finance and marketing with its regional networks, the company realizes both stability of the business foundation and medium- to long-term growth potential.

Sports, entertainment, and venues contribute to local economic revitalization, health promotion, talent development, regional culture and branding, growth in resident and visitor populations, and the development of urban functions and spaces.

Making Kanazawa Samuraiz a Subsidiary

Kanazawa Samuraiz Co., Ltd.

Representative Director & CEO
Mitsuru Nishide

Joined The Hokkoku Bank, Ltd. in 1998. After serving in corporate banking and human resources, he was appointed Representative Director & CEO of Kanazawa Samuraiz Co., Ltd. in March 2026.

Kanazawa Samuraiz has made a new start as a subsidiary of CCI Enterbase. CCI Enterbase's concept of creating regional value through sports and entertainment overlaps with the club's history of activities rooted in the region and based in Kanazawa and Ishikawa. Going forward, in collaboration with CCI Enterbase the club will advance overall club operations, including event operations and marketing, in addition to capital support. On the competitive side, the club will strengthen the team with the aim of competing in B.LEAGUE ONE and continue striving for further success.

The club will also continue working alongside the local community to become an even more beloved source of local pride.

Scenes from a Kanazawa Samuraiz Game

Toward Regional Revitalization

Co-Creation with Communities

Kei Aoki
Director, General Manager of the Sales Division, Hokkoku Shimbun Co., Ltd.
President and Representative Director
The Regional Future Creation Co., Ltd.

Yoshiaki Kitajima
Vice President and Representative Director
The Regional Future Creation Co., Ltd.

Business Description

Promote regional revitalization initiatives from concept development and proposal through implementation and, as a regional trading company, enhance the value of regional resources and develop sales channels.

Strengths

A deep understanding of government and regional issues rooted in the trusted foundations of finance and media;
concept development capabilities based on an overall perspective;
and execution capabilities encompassing consensus-building and process design.

Business Environment and Issues

The Regional Future Creation was established through joint investment by the Hokkoku Shimbun and the CCI Group and began operations in December 2024 as a regional think tank and consulting company. In collaboration with municipalities, it undertakes development of concepts and proposals for the region's future, as well as consulting, research, and forums. Following the integration of COREZO in May 2025, it also operates digital platforms including an e-commerce mall, crowdfunding, accommodation reservations and information websites in an integrated manner.

Due to population decline and aging, intra-regional demand is shrinking, and shortages of personnel need to sustain government, industry and local communities are becoming more serious. In the national government's basic concept for Regional Revitalization 2.0, it directly addresses population decline while positioning a strong, self-sustaining economy and the full utilization of AI and digital technologies as pillars. In its comprehensive strategy, it also sets strong local economies and regions of choice as policy goals and emphasizes initiatives to attract talent, investment and demand from outside the region.

In response, municipalities are accelerating DX, including front-office reform based on BPR, standardization and shared use of core business systems, and use of AI, as well as wide-area collaboration such as joint services and joint procurement. Building structures capable of sustaining policy implementation with limited administrative resources is now urgent. In promoting regional versions of comprehensive strategies, execution through collaboration with diverse stakeholders is required. The national government also promotes stadium and arena development through public-private partnerships such as PPP and PFI as a foundation for turning sports into a growth industry and revitalizing regions. In Kanazawa, the Kanazawa Station East Area has been designated as an Urban Renaissance Emergency Development Area, creating an environment where urban development can be promoted intensively through public-private collaboration using special urban planning measures, tax incentives and financial support.

In Ishikawa Prefecture, recovery from the 2024 Noto Peninsula Earthquake and the Oku-Noto Heavy Rain is the top priority. At the same time, for the sustainable revitalization of the prefecture as a whole, the challenge is to redesign urban functions, tourism, industry, and administrative infrastructure across the prefecture—including Kanazawa and South Kaga—from an overall optimization perspective while continuing Noto's recovery, and to develop and implement compelling reasons for people, investment, and visitors to choose the region.

Growth Strategy

Based on concept development capability and understanding of government and regional issues, the company will simultaneously strengthen three areas as an organization that connects concepts to implementation rather than stopping at the proposal stage. First, in priority projects such as urban regeneration and reconstruction, it will organize issues, design consensus-building and specify business schemes, accumulating decisions and concrete project launches while co-creating with specialist partners as needed. Second, by supporting the design and implementation of municipal DX and wide-area collaboration, it will improve administrative productivity while maintaining services, freeing capacity for reconstruction, industry, and tourism initiatives. Third, in the regional trading company and tourism fields, it will leverage COREZO's platforms to develop Hokuriku's products and experiences into more compelling offerings, operate marketing, branding and information dissemination in an integrated manner, and expand regional engagement and consumption opportunities, including product creation and customer referrals.
The success of community development depends on whether companies and business leaders come to view government policy as directly relevant to them and become more actively involved. While building a network of partners, the company will design co-creation forums connecting industry, government, academia, finance, labor and media. After stakeholders share the future vision and way forward, it will provide end-to-end support through decision-making, execution management, results compilation, and communications. By combining project revenue from concepts and consulting with operating revenue from digital platforms, it will build a sustainable earnings base. Through this cycle, it will seek both reconstruction and growth, and form mechanisms through which funds, talent, and information circulate back into the region. It will connect the enhancement of regional resources with the capture of external demand and attraction of investment, realizing a virtuous cycle of earning power and regional value.

Ishikawa Prefecture Remake Concept and Symposia

Scenes from the Second Symposium

Example of a Remodeling Plan

To date, two symposiums have been held under the titles "Remaking the Future of Noto and Ishikawa" and "Grand Redesign Plan for the Prefectural Capital, Kanazawa," with themes including Noto reconstruction and the remake of central Kanazawa, inviting the Governor of Ishikawa Prefecture, Diet members and others.

As a Kanazawa remake plan, the Company presented concepts including a facility combining an international conference hall and opera house, a craft village, a hotel targeting affluent visitors, a combined annex and hotel for the 21st Century Museum of Contemporary Art, Kanazawa, a multipurpose roofed dome stadium, and transport infrastructure including LRT, BRT, and underground passages. Based on these concepts, discussions deepened and the future vision of the region was shared. This fiscal year, using the Ishikawa Prefecture Remake Concept as a hook, citizens' forums are planned at three venues in the prefecture, Kanazawa, South Kaga and Noto, as spaces where the governor, residents, mayors, and business operators share issues and discussion points and connect them to policy planning that moves Ishikawa forward. Going forward, the company will continue promoting regional co-creation and implementation of concepts through collaboration among industry, government, academia, finance, labor and media.

Toward Regional Revitalization

Regional Revitalization

Naotaka Terai

Managing Executive Officer, General Manager of Corporate Planning Department
CCI Group, Inc.

Joined the Hokkoku Bank in 1993. Became Head of the Human Resources Development Office in the Corporate Planning Department in 2017 and general m anager of the Human Resources Development Department as Executive Officer in 2021. Served as General Manager of the Digital Department in 2022 and Senior Managing Executive Officer, General Manager of the Corporate Planning Department and Digital Department in 2024, and currently holds his position.

Business Environment and Issues

Against the backdrop of population decline, aging, diversification of lifestyles and workstyles, and digitalization of financial services, the environment surrounding bank branches is undergoing a major transition. With the expansion of digital channels, conventional branch functions are being reviewed and branch consolidation is progressing nationwide. As a result, former branch sites and other idle real estate are becoming increasingly common across Japan.

On the other hand, if these assets become vacant buildings or empty lots, regional vitality and convenience may decline, reducing the attractiveness of local communities. Bank branches in particular have long served as important anchors in local communities, so the impact of losing that role can be significant.

In this changing environment, it is an important issue to redefine bank-owned real estate and facilities not merely as places for providing financial services, but as social assets in light of regional conditions and future visions, and to consider how they can provide new value from a medium- to long-term perspective. For the Company, which holds many properties and other assets with high market value, the challenge is to use them appropriately while balancing the resolution of regional issues with the maintenance and enhancement of regional value.

Growth Strategy

Based on this understanding of the business environment, the Company regards idle assets such as branches closed as part of the Bank's branch strategy, as well as urban properties, as starting points for regional growth and new value creation, and is working to use them effectively. Rather than treating closed or consolidated branches as short-term disposal targets, we consider diverse possibilities for use, including conversion into exchange hubs or places for business activities, based on location characteristics, regional needs and future community development directions.

One example is a project using the former Otsuka employee dormitory site in Tokyo. For this property, which had previously been used as an employee dormitory, we are reviewing its role and considering new uses in light of its relationship with the local community and our future human capital strategy. We position this project as an initiative to expand the possibilities of bank assets and are advancing plans with the aim of transforming it into a place that creates new value.

Going forward, the Company will use these assets as regional hubs to foster new connections and encourage the circulation of businesses and talent, thereby supporting medium- to long-term growth in regional value. Through future-oriented community development that realizes a virtuous cycle of economic and social value, we will connect these efforts to the long-term enhancement of corporate value.

Business Description

Create regional vitality and sustainably enhance value by effectively utilizing idle bank assets to generate long-term value.

Strengths

A portfolio of real estate with high market value, the information and proposal capabilities of a financial group, and the ability to create sustainable value through finance and co-creation.

Example of a growth strategy through effective use of bank assets: Former Otsuka Dormitory Site Project

Opening of Tenant Office Building Hirooka Terrace

In September 2025, Hirooka Terrace, a tenant office building developed around the concept of a co-creation space open to the community, opened. Diverse companies and universities have moved in, and the building is expected to generate interaction and collaboration across industries and organizations.

Going beyond office functions, Hirooka Terrace makes full use of open shared spaces such as semi-outdoor terraces and lounges. As a space that promotes communication and collaboration, it aims to become a hub where people and ideas intersect. Going forward, it will continue evolving as a place that creates new value and innovation while deepening collaboration with tenant companies and the local community.

Hirooka Terrace (right) alongside the Hokkoku Bank Head Office Building (left)

A community-oriented hub for co-creation, bringing together people, businesses, and ideas

nformation on Hirooka Terrace is available here (in Japanese only).

https://www.hokkokubank.co.jp/other/tenpo/hirooka-terrace/index.html

Financial Highlights

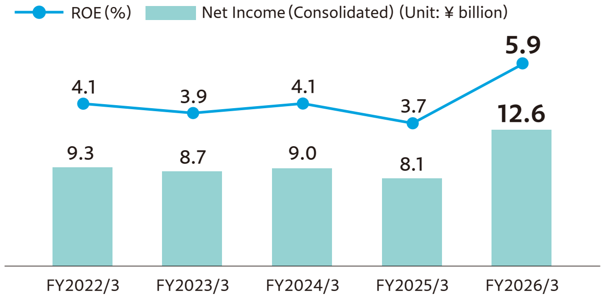
Net Income (Consolidated) and ROE (Domestic Standard Bank Basis)

[Medium- to Long-Term Targets]

【ROE】 FY2027/3: 7.7% FY2028/3 and thereafter: 8.0%以上

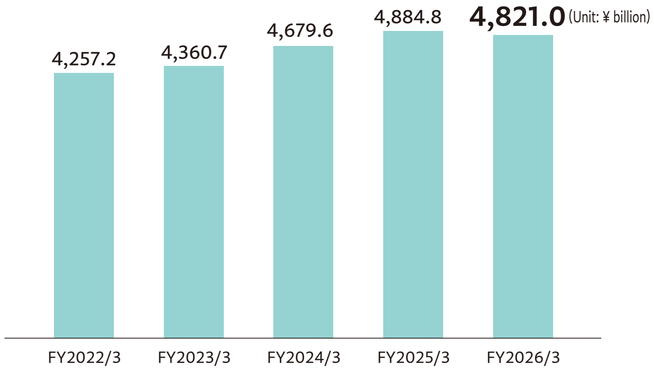
【Net Income】 FY2027/3: 17.0 billion yen FY2028/3: 18.5 billion yen FY2029/3: 21.0 billion yen

ROE **5.9%** Net income (consolidated) **12.6 billion yen**



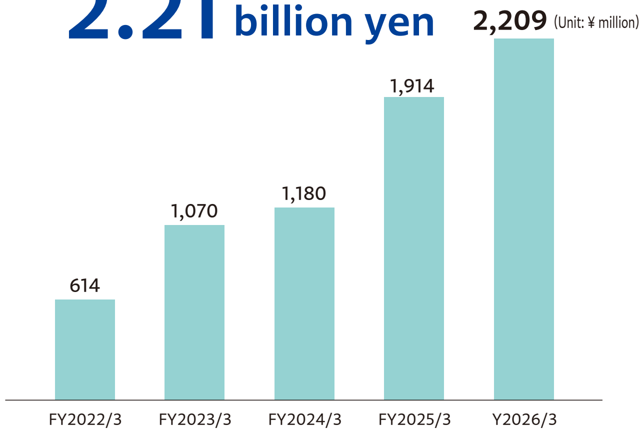
Deposit Balance

4,821.0 billion yen



Consulting Revenue

2.21 billion yen

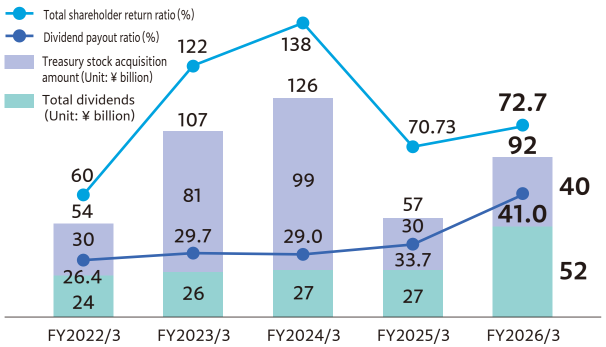


Total Shareholder Return Ratio, Total Dividends, and Treasury Stock Acquisition Trends

[Medium- to Long-Term Targets]

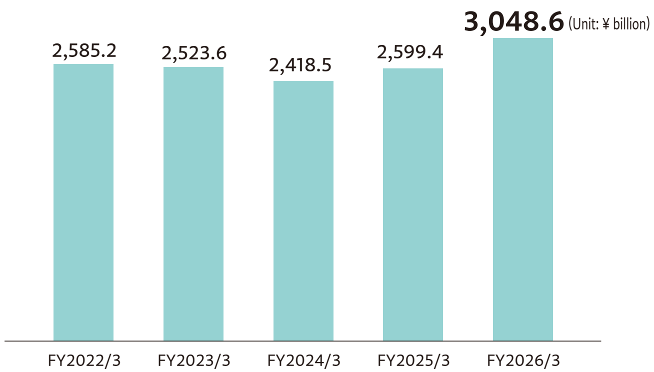
Around 40%; pay dividends based on sustainable profit growth and conduct flexible share repurchases

Dividend payout ratio **41.0%** Dividend amount **5.2 billion yen**



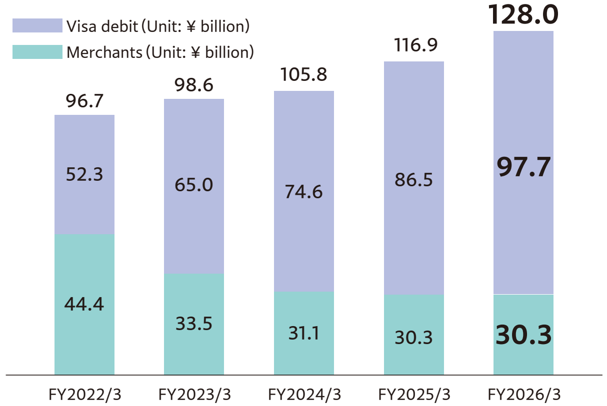
Loan Balance

3,048.6 billion yen



Cashless Payment Amount

128.0 billion yen



Non-Financial Highlights

Percentage of Outside Directors

55%

(Five out of nine directors are outside directors.)

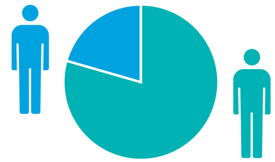
* Since November 2023, an outside director has served as Chairperson of the Nomination and Compensation Committee.
* Since June 2024, an outside director has served as Chairperson of the Board of Directors.

Percentage of Female Directors

33%

(Three out of nine directors are women.)

Percentage of Female Managers



22.1%

(FY2025)

FY2021	FY2022	FY2023	FY2024	FY2025
17.6%	20.3%	21.2%	21.4%	22.1%

Number of Meetings Between the CEO and Institutional Investors

50 meetings

(FY2025)

CO_2 Emission Reduction Rate

49.9%reduction

(FY2013 to FY2025)

Number of Digital Classroom Sessions

28,738 sessions

(FY2025)

Number of Financial and Economic Education

25 organizations

1,858 participants

(FY2025)

Number of Internet Banking Users

Corporate customers

25,580

Individuals customers

436,422

(As of the end of March 2026)

Electronic Payment Rate

47.9%

(FY2025)

Group Company Information (As of June 30, 2026)

		Company Name	Main Business Activities	Established	Voting Rights Ratio	Website
	CCIG	CCI Group, Inc.	Bank holding company	October 1, 2021	――――	https://www.ccig.co.jp/
Finance Business	HOKKOKU BANK	The Hokkoku Bank, Ltd.	Banking	December 18, 1943	100.00%	https://www.hokkokubank.co.jp/index.html
Finance Business	北國総合リース	Hokkoku General Leasing Co., Ltd.	Leasing	April 27, 1974	0.00%(53.35% held by Hokkoku Bank)	https://www.hksl.co.jp/
Finance Business	北國クレジットサービス	Hokkoku Credit Service Co., Ltd.	Credit card business	June 17, 1981	75.49%	https://www.hokkokucard.co.jp/
Finance Business	北國保証サービス	Hokkoku Guarantee Service Co., Ltd.	Credit guarantees for consumer finance	July 7, 1983	70.00%	https://www.hokkokubank.co.jp/as_service/index.html
Comprehensive Consulting Business	CCI CC Innovation	The CC Innovation, Ltd.	Consulting	June 10, 2021	100%	https://www.ccinnovation.co.jp/
Comprehensive Consulting Business	CCIForward	CCIForward Co., Ltd.	BPO	May 7, 2025	0.00%(72% held by CC Innovation)	https://www.ccif.co.jp/
Comprehensive Consulting Business	Digital Value	The Digital Value, LTD.	System development and operations management	November 22, 2019	100.00%	https://www.digitalvalue.co.jp/
Asset Management Business	CCI Asset Partners	The CCI Asset Partners, Ltd.	Investment Advisory Business	May 31, 2021	84.51%	https://www.cciap.co.jp/
Asset Management Business	QR INVESTMENT	The QR Investment, Ltd.	Fund Management and Administration Business	June 10, 2021	100.00%	https://www.ccig.co.jp/qri/
Asset Management Business	QR INVESTMENT	The QR Partners, Ltd.	Fund Management and Administration Business	October 1, 2024	0.00%(100% held by the QR Investment)	――――
Regional Revitalization Business	CCIエンタベース	CCI Enterbase, Ltd.	Sports, entertainment, and venue business	January 30, 2026	100.00%	https://www.ccie.co.jp/
Regional Revitalization Business	HONEYBEE ISHIKAWA since 1975	The Honeybee Sports, Ltd.	Management of a women's handball team	November 20, 2024	0.00%(100% held by CCI Enterbase)	https://www.honeybee-ishikawa.co.jp/
Regional Revitalization Business	KANAZAWA SAMURAIZ	Kanazawa Samurais Co., Ltd.	Management of a men's basketball team	July 16, 2025	0.00%(100% held by CCI Enterbase)	https://samuraiz.jp/
Regional Revitalization Business	地域未来創造	The Regional Future Creation Co., Ltd.	Urban development proposals, regional trading company and e-commerce business	November 29, 2024	49.00%	https://rfc.corezo.co.jp/
Overseas Business	CCI CrossBorder	CCI CrossBorder, Ltd.	Overseas business	April 1, 2026	100.00%	https://www.ccix.co.jp/
Overseas Business	CC Innovation Singapore	CC Innovation Singapore Pte.Ltd.	Overseas business	October 3, 2022	0.00%(100% held by CCI Cross-Border)	https://ccisingapore.zohosites.jp/
Overseas Business	Thai CC Innovation	Thai CC Innovation Co., Ltd.	Overseas business	October 18, 2021	0.00%(49% held by CCI Cross-Border)	https://www.ccinnovation.co.th/
Overseas Business	CC Innovation Vietnam	CC Innovation Vietnam Co., Ltd.	Overseas business	November 13, 2021	0.00%(100% held by CCI Cross-Border)	https://ccinnovationvietnam.zohosites.jp/
Overseas Business	CC Innovation Africa	CC Innovation Africa Ltd	Overseas business	June 20, 2024	0.00%(100% held by CCI Cross-Border)	https://ccinnovationafrica.zohosites.jp/

*1 The above includes non-consolidated subsidiaries, second-tier subsidiaries, and affiliates. *2 Voting rights ratios are shown truncated to two decimal places. *3 The CCI Asset Partners, Ltd. changed its name from FDAlco Co., Ltd. on March 1, 2026. *4 The Company established CCI Enterbase, Ltd. a wholly owned subsidiary, on January 30, 2026. *5 During the fiscal year, the Company changed the voting rights ratios of Hokkoku General Leasing Co., Ltd. and Honeybee Sports Co., Ltd. to 0.00%. This reflects Hokkoku General Leasing Co., Ltd. becoming a subsidiary of the Hokkoku Bank on December 1, 2025, and The Honeybee Sports, Ltd. becoming a subsidiary of CCI Enterbase, Ltd. on February 27, 2026. *6 On February 27, 2026, Kanazawa Samurais Co., Ltd. became a Group company following the acquisition of its shares by CCI Enterbase, Ltd. a consolidated subsidiary of the Company. *7 The Company established CCI CrossBorder, Ltd. which oversees overseas businesses, on April 1, 2026. Accordingly, CCI CrossBorder, Ltd. acquired all shares in CC Innovation Singapore, Thai CC Innovation, CC Innovation Vietnam, and CC Innovation Africa previously held by The CC Innovation, Ltd.

About Integrated Report 2026

【Reporting Period】
April 1, 2025 to March 31, 2026
However, information outside this period may be included when it is appropriate to present historical context, data, or recent examples.

【Reporting Scope】
The report covers CCI Group, Inc. and its Group companies.

【Guidelines Referenced】
The International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC)
The Ministry of Economy, Trade and Industry's Guidance for Collaborative Value Creation
Recommendations of the TCFD (Task Force on Climate-related Financial Disclosures)

Editorial Policy
This report has been prepared to provide stakeholders with a clear understanding of the Group's long-term vision, strategies, performance, and other information. In addition to this report, we disclose information through a variety of other media, which we encourage readers to use to gain a deeper understanding of the Group.

Notes on Forward-Looking Statements
Forward-looking statements, including performance forecasts, contained in this report are based on outlooks, assumptions underlying plans, and projections as of the date of publication and do not constitute guarantees by the Company that such forecasts or projections will be achieved. Actual results may differ materially from these statements due to a variety of factors.

Information Disclosure System Framework

Main Disclosure Channels

Integrated Report (Published: July 2026)
https://www.ccig.co.jp/ir/annualreport/

Securities Report (Published: June 2026)
https://www.ccig.co.jp/ir/financial/as_report/

Disclosure Report (Published: July 2026)
https://www.ccig.co.jp/ir/disclosure/

IR Information
https://www.ccig.co.jp/ir/

Sustainability
https://www.ccig.co.jp/sustainability/

	Financial Information	Non-Financial Information
Reports	Integrated Report 2026 (this report)	Integrated Report 2026 (this report)
	Securities Report	Securities Report
	Disclosure Report	Disclosure Report
	IR Presentation Materials	IR Presentation Materials
WEB	IR Information	Sustainability

CCI Group, Inc.

2026

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