



MUNINOVA

Muninova Group

SOCIAL FINANCE FRAMEWORK

1. Introduction

1.1 Company Profile

On April 1, 2026, the AIFUL Group transitioned to a holding company structure with the establishment of Muninova Holdings Inc. Muninova Holdings and its subsidiaries are collectively referred to as the Muninova Group (hereinafter, the “Group”). In this Framework, “the Company” refers to Muninova Holdings, and “Group Companies” refers to those entities within the Group that raise funds in accordance with this Framework.

The group aims to become a global financial group that is trusted and needed in Japan and around the world, providing services and products that surpass customer expectations.

In the loan business in Japan, AIFUL handles unsecured consumer loans and small business loan, and AG BUSINESS SUPPORT also handles small business loan. In the Credit Card Business, LIFECARD issues cards with international brands such as Mastercard, Visa and JCB, and provides acquiring services for Mastercard and Visa. In the credit guarantee business, the Group provides guarantees to financial institutions under both AIFUL and LIFECARD brands. In the overseas business, A&A (AIRA & AIFUL) is engaged in the unsecured loan business for consumers in the Kingdom of Thailand, and REKSA FINANCE is engaged in the used car loan business in the Republic of Indonesia.

In addition, the Group is engaged in the prepaid card business (at LIFECARD and BitCash), factoring (at AG BUSINESS SUPPORT), medical loan secured by medical fee receivables (at AG MEDICAL), debt collection and restructuring businesses (at AG Loan Services), venture capital (at AG Capital), rent guarantee business (at Anshin Guarantor Service), and receiving agent service and installment credit sales businesses (at AG Payment Service).

1.2 The Group's Corporate Philosophy and VISION/MISSION/VALUE

With the corporate philosophy of "Earn the trust of society through corporate activity based in integrity," our mission is to contribute to the economy and society by supporting our customers' sound consumption and business activities, and we aim to "grow as an IT financial group by reforming our organization and systems in response to changes in the business environment and utilizing digital technologies" in order to create corporate value.

【The Group's Corporate Philosophy】

Corporate Philosophy

Earn the trust of society through corporate activity based in integrity

In April 2021, the Group defined our VISION, MISSION, VALUE as concrete goals suited for the present age for redeveloping the system of our philosophy.

【The Group's VISION/MISSION/VALUE】

VISION / MISSION / VALUE

| VISION |

For Colorful Life.

For realizing a society in which your traits will shine



VISION	
For Colorful Life.	For realizing a society where each person can play an active role

MISSION	
Go beyond	We go beyond customers' expectations.
Step forward	We work towards a better tomorrow.
Be unique	We respect each other's individuality.

VALUE			
Be honest	Sincerity	Try harder	Effort
Build relationship	Trust	Be grateful	Grateful

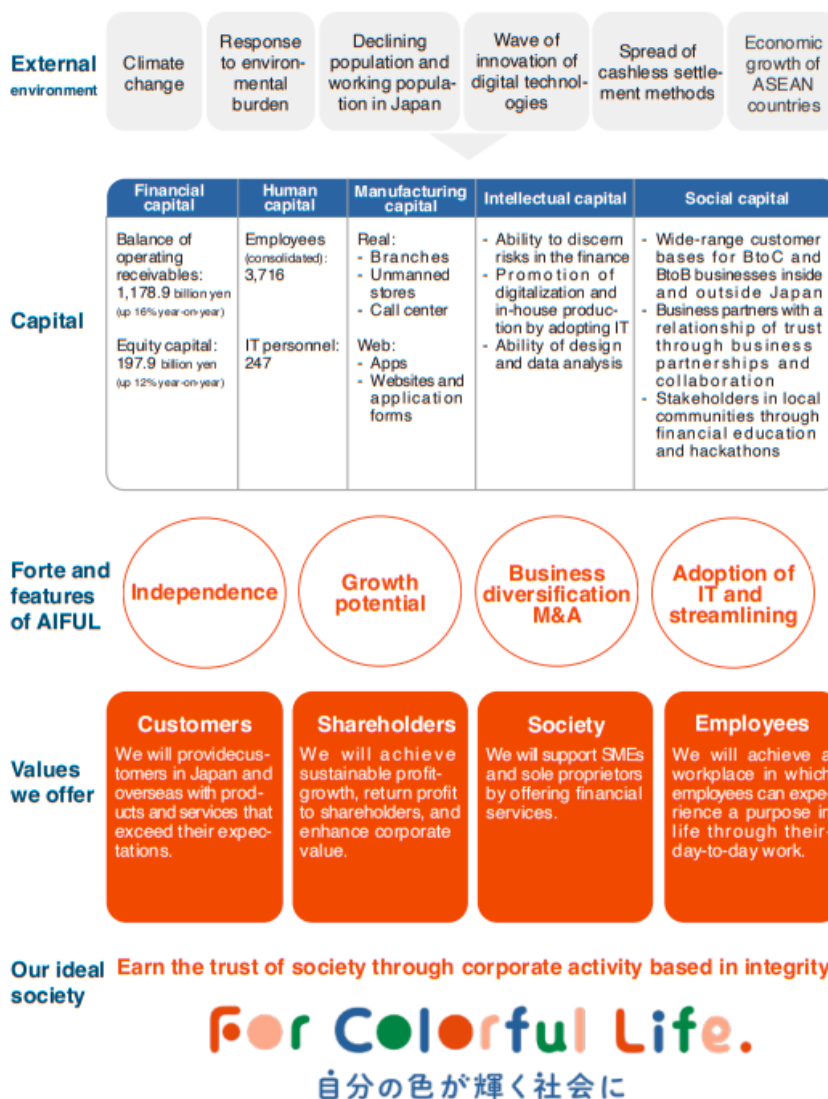
Based on our aim to create a society in which each and every stakeholder can be themselves, the Group has formulated the following values to be provided.

- Customers: We will continue to provide customers in Japan and overseas with products and services that exceed their expectations.

- Shareholders: We will achieve sustainable profit growth and shareholder return, and strive to enhance corporate value.
- Society: We support the consumption and economic activities of sole proprietorships as a financial system.
- Employees: We will achieve a workplace in which employees experience both company and personal growth and can experience a purpose in life through their day-to-day work.

In order to create a future in which all people can be themselves, we aim to achieve both "realization of a sustainable society" and "growth of the Group" through SDGs initiatives.

Initiatives to Create Corporate Value





2. The Group's Sustainability Initiatives






2.1 The Group's Corporate Philosophy and Basic Sustainability Policy

The Group has set out Compliance Code of Conduct as its guidelines for action with its corporate philosophy of "Earn the trust of society through corporate activity based in integrity." In the "Basic Stance" of the Code of Conduct, it is stated that "Our mission is to contribute to society through all of our business activities while meeting the expectations of our customers, the society that supports us, our employees, business partners, and shareholders. In order to achieve this mission, we will conduct our business activities as good members of society."

We believe that our corporate philosophy is embodied in our commitment to enhance our corporate value by fulfilling our corporate social responsibility and earning the trust of all stakeholders, and in our ongoing efforts to contribute to the development of a sustainable society by continuously addressing the issues of "environmental issues," "social contribution and coexistence with local communities," "workplace and work environment," "promoting diversity," "customers" and "management system."

【Basic Sustainability Policy】

Challenges	Initiatives	Relevant SDGs
Addressing Key Environmental Issues		
Realization of a carbon-free society	Management of energy consumption	 7 AFFORDABLE AND CLEAN ENERGY
	"Cool Biz" and "Warm Biz" Activities	
	Endorsement of "COOL CHOICE"	
	Efforts to improve operational efficiency	 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
	Reducing the number of multifunction devices	
	Management of air conditioner operating hours	
Promotion of stair use	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	
Promoting Resource Recycling	Waste separation and recycling	 13 CLIMATE ACTION
	Eco-cap campaign	
	"Green Fund-raising" activities	 15 LIFE ON LAND
	Reuse of stationery among departments	
	Promotion of paper-saving campaigns	
	Introduction of paperless, online statements	

Addressing Key Social Issues		
Creating Products that Meet Society's Expectations	Product development to meet the diverse financial needs of customers	-
	Service quality improvement by collecting customer feedback and using it to enhance our services	
	Establish a comprehensive support system for customers	
	Provide products that complete non-face-to-face way	
Workplace and Work Environment	AIFUL-CSIRT (formation of an early warning and resolve team for cyber-attacks)	
	Establishment of the Human Resources Outline	
	Harassment hotline	
	Conduct an awareness and satisfaction survey through employee self-assessment surveys	
	Employee stock ownership plan	
	Expanding Human resource development system	
	Diverse support for personal development	
	Flextime system	
	Promoting health checkups and stress checkups	
	Purchase of emergency stockpiles of disaster	
	Introduction of Telework and Staggered working hours	
	Supervising working hours and paid leave acquisition	
Promoting Diversity	Barrier-Free Building	
	Hold emergency drills	
	Platinum Kurumin certification	
	Expand hiring female	
	Development and promotion of female employees	
Social Contribution and Coexisting with the Local Community	Retiree re-employment system	  
	Employment of persons with disabilities	
	Sponsorship of Hackathon	
	Volunteer leave system	
	Blood donation activities	
	Neighborhood clean-up project	
	Installation of AEDs and hold life-saving seminars	
Initiatives for donations associated with large-scale disasters		
Social Contribution through Credit Cards		
Charity Course (point donation system)		
Loan secured by medical fees receivables		

In accordance with Basic Sustainability Policy, we strengthen our efforts to address each issue and aim to achieve a sustainable society and the growth of the Group. In our efforts, we think globally in terms of both the environment and social, and actively promote activities rooted in each region with our stakeholders.

2.2 The Group's Initiatives for Financial Inclusion

Japan's financial industry has been maturing, and over-competition has become an issue in its industry structure. However, despite this industry structure, some people are unable to enjoy financial services under the current framework of the financial industry. As a service provider to these customers, the Group has been working to develop products based on the concept of financial inclusion.

In addition, based on our corporate philosophy of "Earn the trust of society through corporate activity based in integrity," we will contribute to development of domestic industries by supporting companies that take on new challenges to achieve their future dreams. At the same time, we will contribute to society by providing business support for the medical and welfare fields, which have become major social issues due to the aging of the population.

For many customers to enjoy the current financial services, it is necessary to create a new system. The Group aims to "grow as an IT financial group by reforming our organization and systems in response to changes in the business environment and utilizing digital technologies." We will further expand our business and provide financial services through the creation of a new system utilizing information technology.

Provision of Alternate Payment Method for Individuals Without Access to Payment Instruments

- Providing Access to Payment Methods for Individuals Without Credit Cards through LIFE CARD, in Support of Financial Inclusion

The Group aims to enhance the quality of life for a broader range of individuals by providing access to payment methods through cashless payment solutions, which have become indispensable in everyday life.

In response to the increasing shift toward a cashless society, LIFE CARD, under the concept of financial inclusion, seeks to provide payment methods to customers who are

unable to hold conventional credit cards due to factors such as insufficient credit history or creditworthiness. Specifically, LIFECARD offers “deposit-type credit cards”, in which the deposited amount serves as the credit limit, and leverages the Group’s proprietary credit assessment capabilities to issue cards to as many individuals as possible. Through these initiatives, LIFECARD aims to contribute to enriching the daily lives of its cardholders and to grow together with its customers by expanding access to secure and convenient payment methods.

- Providing Payment Methods through Prepaid Electronic Money Services by BitCash

In June 2024, the Group welcomed BitCash as a member of the Group, strengthening its service provision structure and expanding its business domains. BitCash issues prepaid electronic money under the brand “BitCash” and provides electronic payment services that enable online transactions. BitCash offers a safe and convenient payment method that does not require the input of personal information from purchase to payment and eliminates the risk of overspending. As a result, BitCash provides access to digital payment solutions for individuals who do not use credit cards or bank accounts, as well as those who are hesitant to enter credit card information online or place a high priority on security—people who have traditionally faced barriers to accessing conventional financial services. Through its prepaid payment services, BitCash aims to expand the range of available payment options and contribute to the realization of a more inclusive cashless society, thereby creating greater opportunities for participation in the digital economy.

Support for SMEs and Sole Proprietors

- Business funding support for SMEs through LIFECARD's Business Light Plus (credit card)

As cashless payments become indispensable in today's world, credit card companies have strict screening procedures for start-up companies and sole proprietors such as freelancers, which often handicaps them in terms of payment methods and cash flow. In order to support such corporations and sole proprietors, LIFECARD provides business funding support by offering Business Light Plus (credit cards) that do not require financial statements for examination and can be issued within three business days instead of the two to four weeks it normally takes.
- SME support through AG BUSINESS SUPPORT’s business loans

Although small business loans are an area of high interest to local financial institutions from the perspective of regional revitalization, few financial institutions have expertise in micro-finance and are unable to provide enough funds. Against this backdrop, AG BUSINESS SUPPORT provides financial support for SMEs by leveraging the credit know-how it has

accumulated over many years to meet the funding needs of SMEs and other businesses. In accordance with Basic Loan Operation Regulations set by AG BUSINESS SUPPORT, loans are not available for "adult-entertainment businesses (Act on Control and Improvement of Amusement Business) and gambling (Penal Code 188)."

- AG Capital's support for the growth of medium-sized companies and startups

As "a home doctor" of medium-sized companies and startups, AG Capital provides consulting services for corporate growth to go public. In addition, AG Capital has worked sincerely to resolve social and environmental issues by confirming SDGs criteria at the time of screening so that it can create a better future through investing activities.

Support for Medical and Nursing Care Facilities

- AG MEDICAL's support for business funding of healthcare and nursing care providers such as hospitals and nursing care facilities

In response to the recent increasing social importance of the healthcare industry including medical and nursing care, AG MEDICAL took over the medical fee secured loan business for hospitals and nursing care providers from AG BUSINESS SUPPORT, and launched a financial services business specializing in the healthcare industry in July 2021. Small-scale medical and nursing care providers often face challenges in securing investment capital for additional floors and equipment, as well as working capital, to ensure the survival of their business. AG Medical provides financial support to businesses by offering loans for working capital in the early years of business, loans for various other purposes, and structured repayment plans.

Provision of Financial Services to Individuals and SMEs in Emerging Countries

- Used commercial vehicles purchasing support by REKSA FINANCE for sole proprietors and small and medium enterprises in the Republic of Indonesia

In the Republic of Indonesia, the penetration rate of automobiles is rising in line with economic growth. On the other hand, new car prices are relatively high compare to the average annual income. As a result, there is a growing need for used car auto loans, but there is also an increase in the occurrence of non-performing loan problems. Auto loans for used cars require both strict credit control and used car appraisal skills and experience. In May 2017, the Group took part in the management of REKSA FINANCE, which handles the used car auto loan business in the Republic of Indonesia. By combining REKSA FINANCE's know-how with the Group's credit know-how, we assist sole proprietors and small and medium enterprises in the Republic of Indonesia in acquiring used commercial vehicles.

- Provision of access to financial services for people in the Kingdom of Thailand by A&A (AIRA&AIFUL)

In the Kingdom of Thailand, while the development of financial infrastructure has progressed against the backdrop of international support, including that of Japan, there are

still only a limited number of people who have access to borrowing from banks and other financial institutions, and there are many cases in which borrowing is from non-formal financial institutions. In the Kingdom of Thailand, where financial literacy has not penetrated in this way, Muninova established AIRA & AIFUL Public Company Limited as a joint venture with a local company, AIRA Capital, in December 2014, and has developed its consumer finance business to build a sound financial system. In May 2020, we introduced a new scoring system and other measures to leverage the know-how we have cultivated in Japan in the consumer finance business to provide financial support, mainly to younger, low-income earners, and to expand financial services in the Kingdom of Thailand. In this way, we are promoting financial inclusion and contributing to the improvement of financial literacy.

Others

In addition to the above, the Group also offers products and services that are not easily accessible through existing financial services, such as providing loan services for high qualification fees for lawyers, judicial scriveners, administrative scriveners, etc. through AG Payment Service for skill development and reskilling in these days when the value of human resources must be increased, and supporting the revitalization of hotels and inns in distress by leveraging our expertise in business restructuring and debt management accumulated over many years in debt collection through AG Partners.

3. Background to the Formulation of Social Finance Framework

As a financial system, the Group is engaged in the aforementioned various businesses that support consumption and economic activities of sole proprietors under the theme of financial inclusion. We have formulated this framework to further accelerate these initiatives in the future. We will utilize the funds raised to contribute to the realization of a society that provides access to financial services for everyone.

4. Social Finance Framework

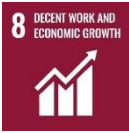



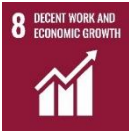


The Group will raise funds through social bonds and social loans in accordance with this framework. This framework is based on the Social Bond Principles 2025 established by International Capital Markets Association (ICMA), Social Loan Principles 2025 established by Loan and Market Association (LMA) in the UK, and Social Bond Guidelines 2021 issued by Japan's Financial Services Agency and consists of the following four elements.

- I. Use of raised funds
- II. Process for evaluating and selecting projects
- III. Management of raised funds
- IV. Reporting

4.1 Use of Raised Funds

Funds raised through social bonds and social loans will be used for new expenditures or refinancing with respect to qualified social projects as described below through group companies. If the funds are to be used for refinancing, the expenditure must be executed within three years prior to the date of issuance of the social bond or the date of execution of the social loan.

<Eligible Social Projects>

Project Category	SBP Category	Eligible Social Project's Outline and Project	SDGs
<p>Support for small and medium Enterprise</p>	<p>Financing for SMEs and job creation</p>	<p>Support for business funding for SMEs in need of funds for business growth and continuity</p> <p><Project></p> <ul style="list-style-type: none"> •Business loans of AG BUSINESS SUPPORT, which provides business financing support to SMEs •AG Capital's growth-oriented funding support for medium-sized companies and startups <p>【Targets】</p> <p>SMEs in need of funds for business growth and continuity</p>	 
<p>Support for medical and nursing care facilities</p>	<p>Access to essential services</p>	<p>Support for business funds for hospitals and nursing care facilities</p> <p><Project></p> <ul style="list-style-type: none"> •AG MEDICAL's business funding support for healthcare and nursing care providers such as hospitals and nursing care facilities <p>【Targets】</p> <p>People in need of medical and nursing care services or businesses in need of business financing to continue medical and nursing care services</p>	 
<p>Provision of financial services to individuals in emerging countries</p>	<p>Access to essential services</p>	<p>Improvement of financial literacy by providing individuals with access to financial services in emerging economies with immature financial services</p> <p><Project></p> <ul style="list-style-type: none"> •Provision of access to financial services for people in the Kingdom of Thailand by A&A (AIRA&AIFUL) <p>【Targets】</p> <p>Individuals with difficulty in raising funds in countries with immature financial services</p>	  

4.2 Process for evaluating and selecting projects

Eligible projects are drafted by Finance Department of the Company, and after confirming the consistency with Basic Sustainability Policy and Compliance Code of Conduct, the final decision will be made by Executive Officers and Directors (including President) in charge of promoting our sustainability.

When evaluating and selecting a specific eligible project, Finance Department of the Company selects it after confirming the consistency with Basic Sustainability Policy and the Code of Conduct and compliance with various laws and regulations and determining eligibility. Executive Officers and Directors (including President) in charge of promoting our sustainability will make the final decision.

The same project evaluation and selection process will be applied when raising funds at the Group.

Initiatives to reduce significant adverse social and environmental impacts

The Group implements a range of measures to prevent the deterioration of customers' financial conditions and to mitigate the risk of issues such as excessive indebtedness. These measures include the assessment of customers' repayment capacity based on data obtained from personal credit information agencies, the Group's proprietary credit screening systems, ongoing credit reviews conducted throughout the customer relationship, and the continuous enhancement and tightening of credit standards.

In addition, the Group considers "thorough compliance" to be of the utmost importance, and in order to prevent the occurrence of misconduct incidents, such as violations of laws and regulations related to the money lending business and installment sales or leaks of information, the Company has established Compliance Committee (four times a year) as a direct advisory body to the Board of Directors. Through the collection of compliance-related information and the implementation of preventive measures against legal violations, the Compliance Committee monitors, verifies, and oversees the effectiveness of the Company's compliance framework on a company-wide basis. Furthermore, the Group Compliance Committee (twice a year) has been established for the purpose of sharing unified corporate ethics throughout the Group and establishing a compliance system for the entire Group. In April 2007, we strengthened our internal control functions and legal compliance system by unifying the management of hotlines (internal reporting system), strengthening the functions to collect information on compliance, and unifying the functions related to rewards and penalties. In addition, we have formulated

businesses rules equipped with a function for enlightenment of legal compliance, strengthened the acquisition of legal knowledge and awareness of compliance with laws and regulations through internal education, strengthened the effectiveness of internal audits such as call monitoring, and took other measures. At the same time, we have put in place a system to review these measures as appropriate. To reinforce these activities, the Group has installed Three Lines Model. The first line is on-site monitoring through self-inspection and the establishment of a Compliance Office in business divisions. The second line is internal control such as awareness-raising, education, and follow-ups by the Corporate Risk Management Department, the division in charge of controlling compliance. The third line is corrective measures determined based on appropriateness and effectiveness as evaluated in internal audits of the entire Group, including group companies and overseas subsidiaries, by the independent Group Internal Auditing Department. The Group strives to “sever ties with antisocial forces,” to “partner with specialist organizations,” and to “respond to unreasonable demands in a resolute manner,” based on its Basic Policy on Antisocial Forces. To prevent money laundering and financing of terrorism, the Group also carries out KYC (know your customer) in response to the requests of international organizations such as the FATF (Financial Action Task Force), law enforcement, and supervisory authorities.

4.3 Management of Raised Funds

Funds raised by the Company and the Group will be allocated to eligible social projects through each group company, and each group company will manage the funds. In addition, Finance Department of the Company conducts monitoring on a regular basis (at least annually) to ensure that an equivalent or greater amount of funds raised in accordance with this framework are allocated to qualified social projects, as long as the balance of the raised funds remains available.

Our policy is to manage such funds as cash or cash equivalents until they are appropriated or if unused funds arise.

4.4 Reporting

<Funding Status Reporting>

As long as there is an outstanding balance of funds raised by the Company and the Group in accordance with this framework, the following benchmarks will be disclosed annually on our website.

- Allocation amount for each business segment of qualified projects (including the ratio of new expenditure and refinancing)
- Unallocated amount
- Funding balance

The Company will disclose in a timely manner any significant changes in funding conditions after the raised funds have been allocated.

<Impact Reporting>

As long as there is an outstanding balance of funds raised in accordance with this framework, the following items related to social impact from qualified projects will be disclosed on our website on an annual basis to the extent that it is practicable to disclose:

Project category	Impact reporting items		
	Output	Outcome	Impact
Support for Small and Medium Enterprise	Number and amount of funding for each category of services provided	Approximate number of businesses and employees receiving funding support for each category of services provided	Supporting the growth of SMEs and startups from the perspective of financial inclusion and maintaining employment by improving the stability of management
Support for medical and nursing care facilities	Number and amount of funding for each category of applicable facility	Estimated number of beds or employees providing medical or nursing services that have received financial support for each category of applicable facility	Providing access to medical and nursing care services to those in need and maintaining and improving medical and nursing care services
Provision of financial services to individuals in emerging countries	Number and amount of funding for services provided	Number and amount of financial services provided to young people (in their 20s and 30s)	Improving financial literacy by providing individuals with access to financial services