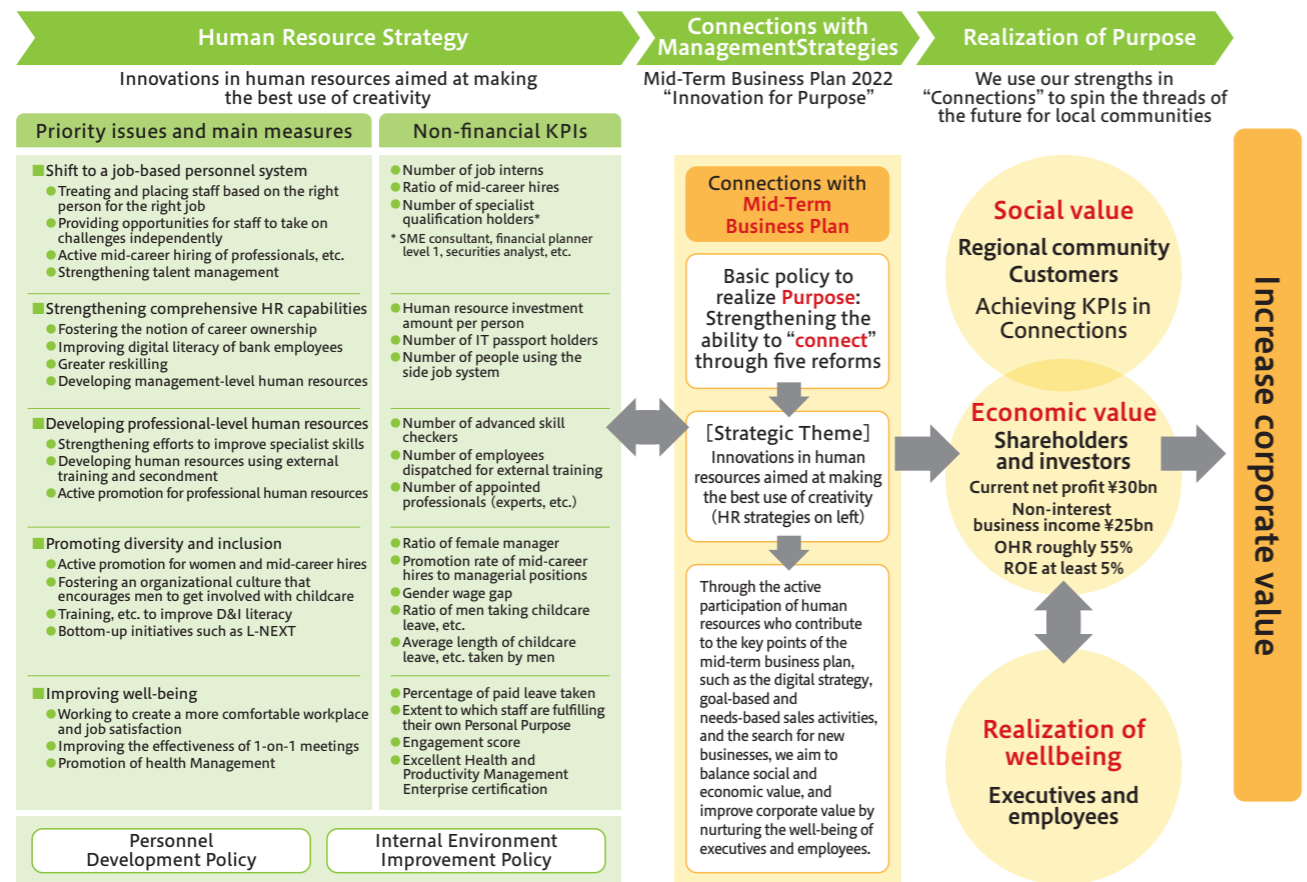


Innovations in Human Resources Aimed at Making the Best Use of Creativity (Improving Human Capital)

To realize our Purpose and achieve sustainable growth for the Group, it is important to enhance human capital. To enhance our human capital, the Gunma Bank will work on personnel reforms to demonstrate its creative power based on the human resource strategy of the mid-term business plan which was formulated from two perspectives, forecasting (working forward from the current issues) and backcasting (working backward from an ideal future state).



The Personnel Development Policy and Internal Environment Improvement Policy that serve as the foundation for our human resource strategy are as follows.

Personnel Development Policy

To achieve our Purpose, we will support employees to build their careers independently and take on challenges based on each individual's Personal Purpose to improve the value of our human resources.

In November 2021, the Gunma Bank Group established "We use our strengths in connections to spin the threads of the future for local communities" as its Purpose.

As the needs of customers and communities become more sophisticated and diversified, we will provide all executives and employees with opportunities to independently improve their abilities and gain motivation in order to strengthen their ability to "connect" to meet such oncoming demands. We will work with stakeholders both inside and outside the Group to demonstrate creativity and collective strength to develop human resources who can realize the Group's Purpose. Furthermore, each of our executives and employees will create innovations to spin the threads of the future for local communities by growing sustainably together with local communities.

Internal Environment Improvement Policy

We will create an environment where every executive and employee, who are the source of value creation, can continue to work in good physical and mental health while recognizing each other's individuality and abilities to create a sense of well-being.

As values related to work and career development diversify, we will build a healthy and comfortable working environment where all executives and employees can continue to work both actively and with satisfaction, aiming to create a sense of well-being for each and every employee. We will do this not only through work style reforms and proactive initiatives on diversity and inclusion, but also by providing opportunities for the right person in the right job to maximize their own unique abilities.

Refining the Gunma Bank's human resources to enhance our strength in "Connections"

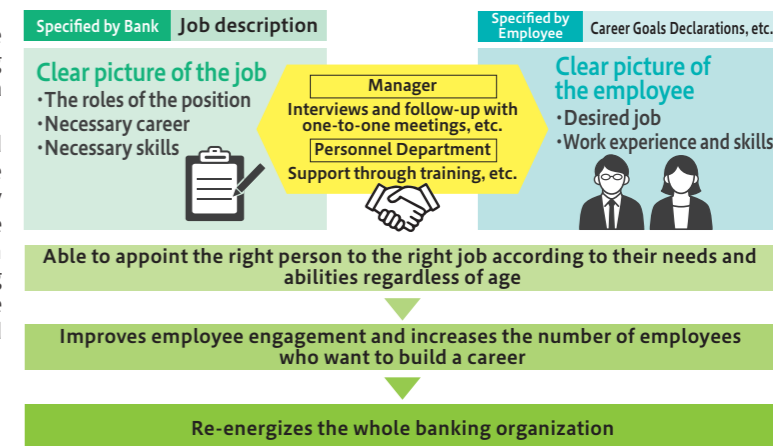
Aiming to Transform into a Self-Sustaining and Dynamic Organization through a Job-Based Personnel System

Until now, the Bank has used a personnel system based on abilities and grading with the aim of cultivating all-round employees who can play an active role in a wide range of fields, such as managers at branches and headquarters. However, with the current personnel system, various problems have become apparent, including a strong sense of seniority that leads to inflexible operation of the system and a passive sense of career development for bank employees.

To resolve these issues, we plan to make revisions in FY2024 to make a job-based personnel system so that we can appoint the right person to the right position, thereby improving employee engagement and reenergizing the whole banking organization.

The Concept of the New Personnel System

- Job descriptions clarify the role of the position and necessary skills, etc., making it easier to imagine a career by having a clear picture of what the job entails.
- At the same time, a system is created whereby employees can demonstrate the skills they have and the job they want. By understanding what human resources are available we can match the right person to the right job, thereby improving employee motivation and increasing the number of employees who want to build a career.



Shift to a Multi-Track System

- We will abolish the qualification system, which strongly emphasizes seniority, consolidating it into four job groups according to work responsibilities.
- Since the only difference currently between career positions and area career positions is the possibility of being transferred to a remote location, the new system based on job duties will be unified into the regular career position (with the prospect of promotion).
- We will shift from a single-track career development premised on training all-round employees to a multi-track system that allows career development in specialist fields outside of management.



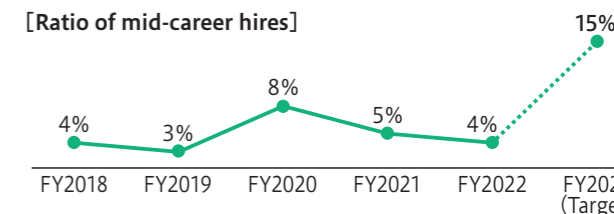
In light of the move to a new personnel system, we are offering job internships that allow employees to experience highly specialized work at the headquarters, etc., with the aim of providing opportunities for employees to take on challenges independently.

The new personnel system will make it easier to accept external employees with greater expertise, and in light of the expansion of recruitment opportunities due to the fluidity of the labor market, we will further strengthen mid-career hiring with the goal of increasing our mid-career recruitment ratio, which is currently at around 5%, to 15% by FY2024.

We will increase the number of people with specialist qualifications to strengthen our ability to "connect" by supporting career development and qualification acquisition for these employees and strengthening mid-career recruitment.

Parameter	Results		Target
	FYE2021	FYE2022	FYE2024
Number of job interns	33	49	80
Number of specialist qualification holders*	257	264	290

* Total number holding qualifications as Small and Medium Enterprise Management Consultant, 1st grade Certified Skilled Professional of Financial Planning, Certified Member Analyst of the Securities Analysts Association of Japan, Certified Anti-Money Laundering Specialist, Information Technology Engineer (advanced) or Registered Information Security Specialist



Strengthening the Comprehensive Capabilities of Human Resources That Contribute to the Needs of Society and Customers

To support the self-directed career development of our employees, the Gunma Bank will foster career ownership and increase the amount invested in human resources per person to strengthen human capital.

As a result of the support we provided under the mid-term business plan with the target of 1,000 IT passport holders by the end of FY2024 to ultimately improve IT literacy of Group executives and employees, we achieved this goal ahead of schedule in April 2023. We will continue to work to increase the number of IT passport holders and hold digital-related in-house training and seminars.

The Bank will reassign the personnel in charge of operations and management, including staff at branches and headquarters, to personnel with a prospect of sales promotion after reskilling based on a streamlining of operations through a reorganization of our branches and

digitalization. And in light of the fact that the number of people over the age of 60 who continue to work as senior staff is increasing, we will focus on reskilling older employees and those with experience in managerial positions, such as branch managers.

Parameter	Results			Target
	FY2020	FY2021	FY2022	FY2024
Human resource investment amount per person	88,000 yen	80,000 yen	109,000 yen	130,000 yen

* Human resource investment amount per person = Expenses related to training (qualifications, expenses for dispatched trainees, training centers, etc.) ÷ average annual number of full-time employees

Parameter	Results			Target
	FYE2021	FYE2022	May 2023	FY2024
Number of IT passport holders	109	785	1,073	

TOPIC Side Job System

In August 2022 we introduced a side job system. The idea of the system is to help employees realize the Purpose by creating an environment that makes it easy to take on challenges in businesses other than banking. It also attempts to encourage growth by increasing the diversity and expertise of our employees through wider experience and personal connections that cannot be gained from working at the bank alone.

As of the end of March 2023, 21 people had other jobs making use of their qualifications and skills by doing work such as giving lectures and writing, selling paintings and crafts, working as an artist, sports coach or referee, etc.



Strengthening the Development of Professional-Level Human Resources in Light of the Changing Environment

In addition to actively recruiting mid-career personnel with specialist knowledge, we will also focus on in-house training.

In order to develop human resources with expertise that can meet the needs of our customers, the Gunma Bank has been increasing the number of advanced skill checkers in six areas, namely, financial assets in custody, screening, corporate sales, personal loans, administrative work (sales), and administrative work (financing and foreign exchange). To acquire a high level of expertise that is difficult to gain through in-house training and work experience alone, we actively dispatch employees to external specialist agencies, financial institutions, and graduate schools, etc.

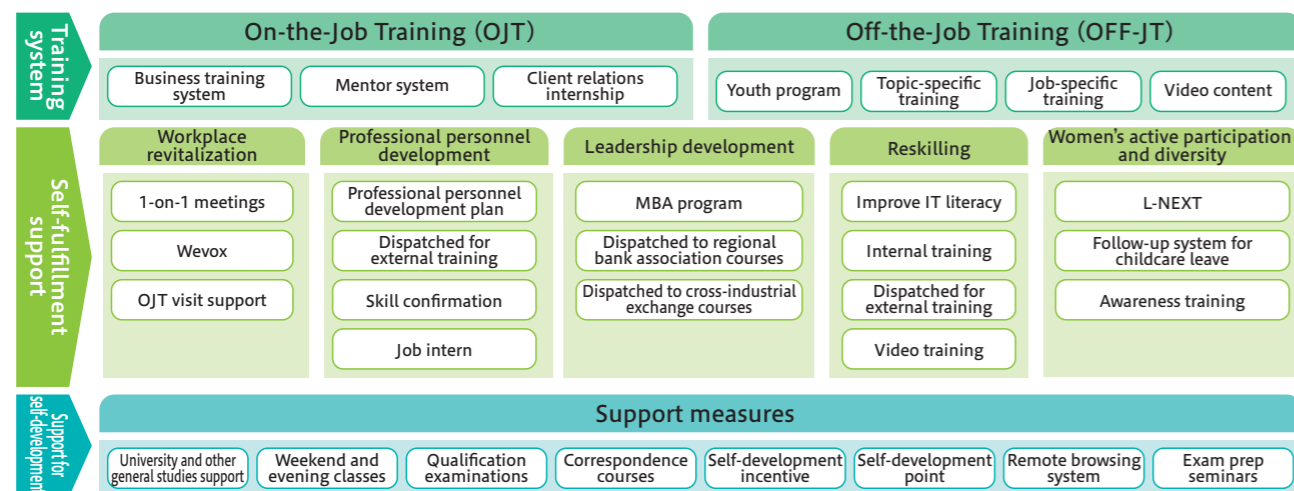
The Gunma Bank has also established a professional human resource system, appointing human resources with

particularly high levels of expertise as experts or senior experts.

Parameter	Results			Target
	FY2020	FY2021	FY2022	FY2024
Number of employees dispatched for external training	45	64	68	100
Number of advanced skill checkers (total)	426	654	767	850

Parameter	Results			Target
	April 2021	April 2022	April 2023	April 2025
Number of appointed professionals	3	8	11	15

Overall Picture of Talent Development



Working to Foster a Corporate Culture by Promoting Diversity and Inclusion

The Gunma Bank will ensure organizational diversity by creating opportunities for diverse human resources including women, seniors, mid-career hires, and people with disabilities, to succeed. At the same time, we will also promote initiatives that leverage our diversity.

In terms of women's active participation in the workplace, since FY2022 we have added male members to the L-NEXT team (promoting women's advancement). We also conducted surveys on job satisfaction for all employees and exchanged information with the Daishi Hokuetsu Bank, with which we have an alliance agreement. In April 2023, the ratio of female managers reached 18.6%, surpassing the 2024 target of 18%. And we are also aiming to reduce or eliminate the wage gap between men and women by actively appointing women to higher positions.

Mid-career hires are also actively being promoted to managerial positions with the rate of promotion remaining at the same level as that of new graduates. In December 2022, we introduced an alumni hiring system, which provides reentry opportunities for former employees, with the alumni who have used this system making the most of their experience outside the Bank. An alumni website was also launched in March 2023 as a place for former employees to interact.

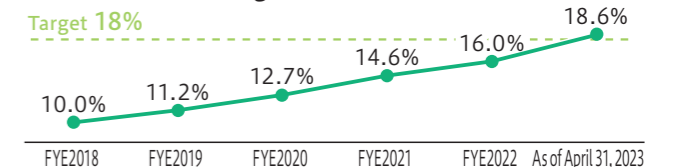
L-NEXT (team to promote women's advancement) main initiatives

- 2015 Career talks before maternity leave, return-to-work support seminars, talks before returning to work started
- 2018 New timely leave (one hour increments) system introduced
- 2019 Creation of WLB handbook
Elimination of specific working hour days (set start time and work hours as standard)
- 2021 Quicker unofficial notification on job transfer

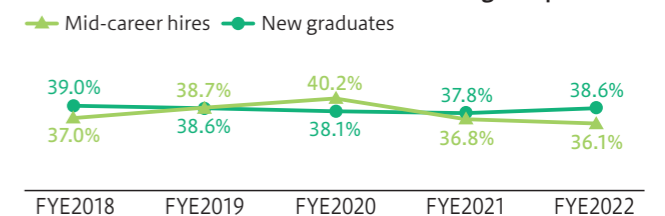
Parameter	Results			Target
	FY2020	FY2021	FY2022	FY2024
Percentage of childcare leave taken, etc.*	123.8%	113.6%	116.2%	100.0%
Ratio of men taking childcare leave, etc.*	158.9%	130.1%	133.3%	100.0%
Days of male childcare leave, etc.	3.5	6.5	10.8	6.5 or more

* Includes paternity leave (spousal childbirth leave)

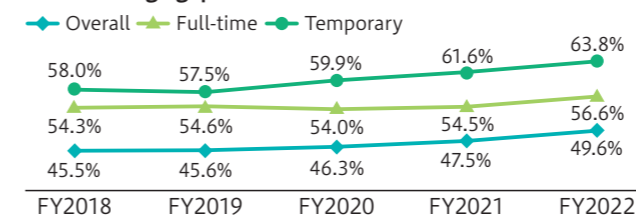
[Ratio of female manager]



[Promotion rate of mid-career hires to managerial positions]



[Gender wage gap]



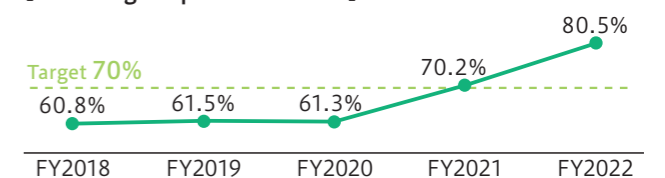
Strengthening Efforts to Improve the Wellbeing of Each Executive and Employee

The Gunma Bank defines well-being as "a good working environment where each and every executive and employee is in good shape, physically, mentally, and socially, and satisfied in their job by independently following the carer path of their choice while achieving a good work-life balance." As such, we are working to create an environment where each and every employee can maximize their abilities. We believe that efforts to improve well-being will strengthen the organization and improve our performance and corporate value, leading to a realization of the Group's Purpose and the individual's Personal Purpose.

To visualize the state of employee engagement, we use the Wevox engagement survey to measure the effectiveness of surveys and one-on-one meetings. And from the perspective of increasing engagement by having employees attain their own Personal Purpose, we plan to measure the extent to which staff are fulfilling their own Personal Purpose in the future.

In addition, as a leading health management company (White 500 of Excellent Health and Productivity Management Enterprise) in the region, we will continue to actively address employees' health issues, thereby improving corporate vitality and further promoting job satisfaction and ease of work.

[Percentage of paid leave taken]



[External evaluations]

