

Enhancing Human Capital

We believe that it is each of our executives and employees that drives the sustainable growth of local communities and the Gunma Bank Group and the realization of our Purpose and that each of them is a source of value, or capital.

To further enhance human capital, we will implement human capital strategies that are aligned with our management strategy.



Creating an environment in which every one of diverse employees can perform at their best

Hideko Tatsukawa
Executive Officer and General Manager,
HR Management Department

—You joined the Gunma Bank from another company in April 2025. What do you feel about the Bank?

I feel that employees are strongly committed to the organization. A sense of belonging and attachment to the region and the Gunma Bank Group have been developed among employees, which I think lead to their determination to contribute to local communities and the Bank and willingness to help each other.

At the Gunma Bank, with the new personnel system in place, recruitment of mid-career hires has been promoted. DE&I is instilled across the workplace. I feel that mid-career hires with different sets of experience are warmly welcomed.

—What are the issues the Group needs to address to achieve the objective of enhancing human capital set out in the Mid-Term Business Plan?

In the Mid-Term Business Plan, we have established human capital strategies aligned with our management strategy. One of them is “implementing recruitment, talent development, and career development support based on a job-based personnel system.” To ensure that a job-based personnel system is implemented organically, I think self-directed career development is essential. Self-directed career development means that each one looks into their career and takes charge of developing their own future path. It is said that people who demonstrate a high degree of autonomy in their career development are likely to have a high level of job satisfaction.

Career development is not just about considering what kind of position you want to reach in three years from now. It is also about various values such as how you approach your daily work and the direction of personal growth, as well as how you demonstrate the value of your existence and influence within the organization and how you build a good working relationship with your colleagues. I would like to support our executives and employees so that each of them can fully demonstrate career ownership by leveraging the job-based personnel system.

—Going forward, what would you like to focus on?

In April 2025, the Gunma Bank received Platinum Eruboshi certification in recognition of its high-level efforts to empower women at work. In addition, we are also working to

enhance employee well-being and make our workplace more comfortable. In March 2025, the Bank was selected under the KENKO Investment for Health Stock Selection program for its outstanding commitment to health-oriented business management. In December 2024, the Bank obtained Platinum Kurumin Plus certification in recognition of its status as a company that provides strong childcare support.

Going forward, I would like to further advance these efforts, which have been highly rated in external evaluations, in ways that help all employees, male or female, achieve their full potential in their own different manner. To this end, I strive to provide opportunities for success and environments that enable growth in a manner that is fair and equitable.

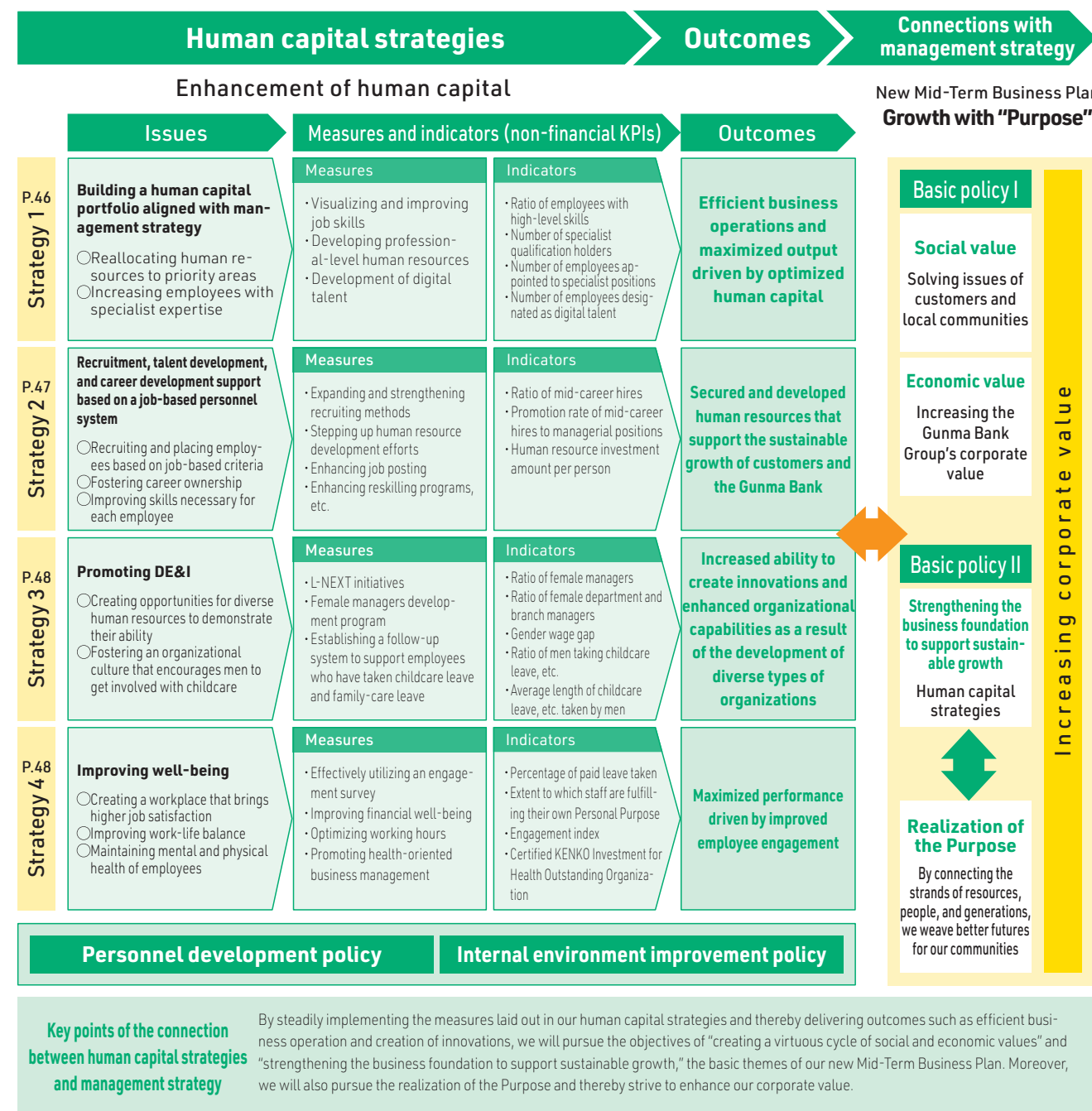
—What ambitions do you have for the future?

As I have been engaged in human resource management for many years, I have learned from experience that a new system poses challenges not just in the development and introduction phases but also in the implementation and consolidation phases. Currently, we are in a transitional period in which various human resource management measures are changing. To ensure that these new measures are properly implemented and take root in the Bank, I would like to make trials and errors and carry out improvement measures that may become necessary by working with employees.

In addition, I would also like to step up communication efforts to let people in and outside of the Gunma Bank Group know that the Group's human capital strategies are attractive.



Human capital strategies aligned with management strategy and value creation process



The Personnel Development Policy and Internal Environment Improvement Policy that serve as the foundations for our human capital strategies 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 “By connecting the strands of resources, people, and generations, we weave better futures for our 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 weave better futures 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, equity and inclusion, but also by providing opportunities for the right person in the right job to maximize their own unique abilities.

Strategy 1 Building a human capital portfolio aligned with management strategy

We consider that, as we implement our human capital strategies based on our management strategy, it is necessary to determine an appropriate number of employees engaged in each operational area, carry out reallocation, and eliminate the gap with what we should aim to achieve, and we will implement efforts to build a human capital portfolio that is aligned with our management policy.

Visualizing and improving employees' job skills

Job skills assessment system

At the Gunma Bank, in order to visualize each employee's job skills and develop human resources with specialist expertise, we have introduced our job skills assessment system in which the jobs in the Bank are categorized into ten career categories and each employee's skills are assessed with a three-level scale. To strengthen human resource reallocation to and human resource development in the consulting area in particular, we will, among other initiatives, reorganize our sales system and strengthen the recruitment of mid-career hires, while also increasing employees with high-level skills by providing training programs and other support.

Developing and strengthening professional-level human resources

Supporting the learning of professional knowledge, etc.

As we believe that in order to respond to changes in the environment surrounding the Bank, it is important to secure and develop human resources with specialist expertise, we actively recruit mid-career hires, while also working to develop such human resources in-house. To help learn higher-level specialist expertise and increase the number of specialist qualification holders, we actively dispatch employees to external specialist agencies and graduate schools and provide other support.

Professional job posting system

At the Gunma Bank, in line with the revision of the personnel system in June 2024, we have shifted to a multi-track personnel system that allows employees to develop a career path and to be treated appropriately using their specialist expertise. Under our professional job posting system, we appoint employees with specialist expertise to specialist positions as specialist human resources. As of April 1, 2025, 181 employees have been appointed to the positions.

Developing and strengthening digital talent

Digital talent designation system

At the Gunma Bank, we have implemented our digital talent designation system in which we designate employees who make changes in the Bank by utilizing information technology as "digital talent" based on their role and level of expertise, in an effort to meet customers' issues and needs that continue to change because of the rapid advance of information technology in recent years. We have also implemented various digital talent development initiatives such as providing support for employees who work to obtain specialist qualifications as well as sending employees to external training programs.

[Ratio of employees with high-level skills]

	Results	Target
Item	FY2024	FY2027
Ratio of employees with high-level skills*		
Corporate consulting	24.5%	30%
Individual consulting	26.9%	30%

*Ratio of employees who have been recognized as standing at the highest level in the in-house assessment that evaluates their job skills and attributes with a three-level scale.

Corporate consulting: Human resources who can contribute to enhancing the customer's corporate value by providing consulting services utilizing high-level skills (1st grade Certified Skilled Professional of Financial Planning, Small and Medium Enterprise Management Consultant, etc.)
Individual consulting: Human resources who have high-level professional knowledge about asset management and can conduct business in a customer-centric manner (1st grade Certified Skilled Professional of Financial Planning, Certified Member Analyst of the Securities Analysts Association of Japan, etc.)

[Number of specialist qualification holders]

	Results	Target
Item	FY2024	FY2027
Number of specialist qualification holders*	294	330

*Total number holding qualifications such 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, and Information Technology Engineer (advanced)

[Number of employees appointed to specialist positions]

	Results	Target
Item	FY2024	FY2027
Number of employees appointed to specialist positions*	181	250

*Number of employees in the position as of April of the next fiscal year

[Digital talent]

	Results	Target
	FY2024	FY2027
Role of digital talent		
Digital core talent	10	30
Digital middle talent	174	300
Digital base talent	996	1,500

Leading changes in the Gunma Bank Group, including new businesses, products and services and business reforms, by leveraging information technology (Information Technology Engineer (advanced), 2nd-grade Japan Statistical Society Certificate holder, etc.)

Proposing the utilization of information technology to customers, and supporting customers' efforts to introduce and consolidate information technology in their organization (IT Coordinator, level 1 or higher Information Technology Engineer, etc.)

Having basic knowledge about information technology and efficiently performing jobs by utilizing the Bank's internal IT system and other information technologies (IT passport holders, etc.)

Strategy 2 Implementing recruitment, talent development, and career development support based on a job-based personnel system

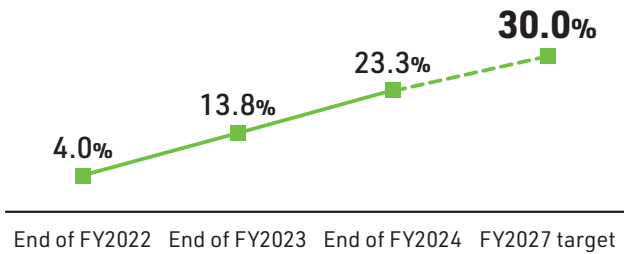
With the aim of transforming into a self-sustaining and dynamic organization, the Gunma Bank reformed its personnel system in June 2024, introducing a job-based personnel system. We will strive to improve employee engagement and re-energize our whole organization by properly implementing the new personnel system.

Expanding and strengthening recruiting methods to secure diverse human resources and helping employees perform at their best

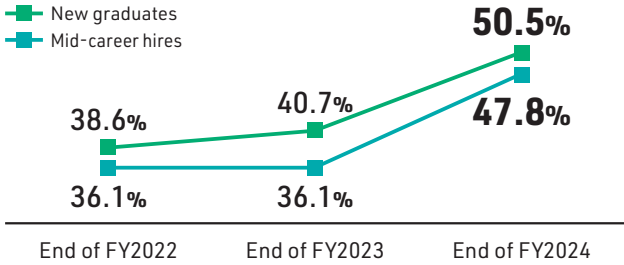
Strengthening mid-career hiring

Considering that, with the new personnel system in place, it is now easier for us to hire human resources with high-level specialist expertise, we will strengthen mid-career recruitment by utilizing methods such as direct recruiting, by which staffing service companies or the Bank directly approach candidates. Additionally, we will provide the same opportunities for mid-career hires as those for new graduates to demonstrate their ability in order to enhance the creation of innovations and reinforce our strengths in "connections."

[Ratio of mid-career hires]



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



Alumni hiring system

As part of efforts to expand hiring methods, in December 2022, we introduced an alumni hiring system, which provides reentry opportunities for former employees. Alumni who have re-entered the Bank by using this system are delivering a great performance by making the most of their experience outside the Bank.

Course-based hiring system

For hiring new graduates, we have introduced a course-based hiring system in which new graduates are appointed to dedicated departments at headquarters immediately after joining the Bank and are developed as specialist human resources. We will utilize this system to hire human resources with diverse sets of experience and backgrounds.

Strengthening special course-based hiring	• Wealth management course • System and digital course • Risk management and market course
---	--

Stepping up human resource development efforts and supporting self-directed career development

Active investment in human resource development

At the Gunma Bank, in order to strengthen our human capital, we support the self-directed career development of our employees by expanding talent development programs such as training programs aimed at fostering career ownership. We have set a target of increasing our investment in personnel development to 250,000 yen per employee and a total of 730 million yen by FY2027. We will continue to provide various training programs and support for employees' self-directed learning.

[Human resource investment amount per person]

	Results	Target
Item	FY2024	FY2027
Human resource investment amount per person (Total investment)	169,920 yen (488 million yen)	250,000 yen (730 million 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

Job posting system

As an effort to support self-directed and diverse career development, we have implemented a job posting system in which we seek employees who wish to be appointed to posted jobs. We seek employees who want to be appointed to dedicated departments at headquarters as well as other various jobs such as Branch General Manager and deployment to an outside organization and place them in those positions.

Appointments to designated positions implemented in the job posting system	• Appointed to the position of Branch General Manager or Branch Deputy General Manager for the first time	10 employees
	• Appointed to the position of Deputy Section Chief or Section Chief or other managerial positions for the first time	13 employees
	• Appointed to dedicated departments at headquarters	7 employees
	Total	30 employees

*Among the employees who were transferred to different positions as of April 1, 2025, the number of those who were appointed in the job posting system

Overall picture of talent development

Training system	On-the-Job Training (OJT)			Off-the-Job Training (OFF-JT)				
	Business training system	Mentor system	Client relations internship	Rookie	Category-based training	Job intern trainee	Video content	
Self-fulfillment support	Workplace revitalization		Professional personnel development		Next-generation leadership development		DE&I promotion support	Reskilling
	1-on-1 meetings		Job skills assessment		MBA program		L-NEXT	Internal training
	Career support desk		Personnel development plan		Dispatched to regional bank association courses		Follow-up system for employees who have taken childbirth leave and childcare leave	Dispatched for external training
	Engagement survey		Digital skills training program, etc.		Female managers development program		Female managers networking event	Video training
	Job posting							
Support for self-development	Support measures							
	Weekend and evening classes		Correspondence courses		Qualification examinations		Exam prep seminars	
	Self-development incentive		Self-development point		Learning platform (Career+Lab)			

Strategy 3 Promoting diversity, equity, and inclusion

We consider that fostering a workplace culture in which employees with diverse sets of experience and different perspectives can demonstrate their ability as well as creating opportunities for them to do so are essential to further enhancing our human capital. We will step up efforts to secure and take advantage of diversity in our organization.

Promotion of a variety of human resources into active positions and support to help them demonstrate their ability

○L-NEXT initiatives

The project team “L-NEXT*” leads initiatives to create an environment in which a variety of human resources can perform at their best and to pass down the advantages of such environments to the next generation. The team has carried out various initiatives, such as organizing networking events with alliance banks and its effort to identify and analyze the Bank’s issues and make proposals to the management team based on the results. Many measures have been developed from these initiatives and already implemented.

○Female managers development program

We have implemented a female managers development program to increase motivation and foster awareness about career development. Additionally, we have stepped up efforts to foster an organizational culture that contributes to the further empowerment of female employees by, among others, implementing an initiative to eliminate unconscious gender biases in the Bank and hosting networking events for female managers. We will continue to actively promote female employees to senior positions and other leadership roles.

○Establishing a follow-up system to support employees who have taken childcare leave and family-care leave

Since April 2025, we have implemented a trial run of our Sales Branch Support Team initiative, an effort to support sales branches in the event of their members taking short-term leave due to childcare, family care, or other reasons. We will utilize this program to create an environment in which employees can play a major, active role in their childcare and family care. We will also work to foster a culture of the mother and father cooperating in childcare by encouraging male employees to take childcare leave and strive to create a virtuous cycle of work and family life and help female employees demonstrate their ability.

[Past results]

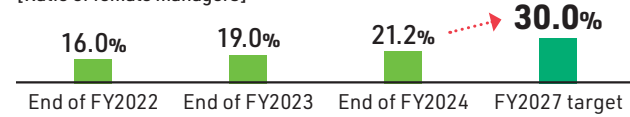
Measures developed from L-NEXT initiatives and implemented	• Introduction of hourly leave • Change of prescribed working hours • Follow-up system for employees who have taken childbirth leave and childcare leave
--	--

*Origin of L-NEXT

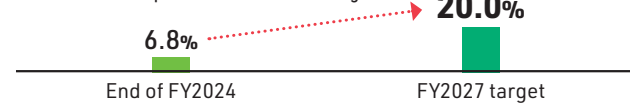
“L” represents luminous (to shine), life (respect for each individual’s life), liberty (thinking freely, without being bound by formality), and local (contribution to local communities).

“NEXT” represents our commitment to connection to the next generation.

[Ratio of female managers]



[Ratio of female department and branch managers]



[Ratio of men taking childcare leave, etc./Average length of childcare leave, etc. taken by men]

Item	Results	Target
	FY2024	FY2027
Ratio of men taking childcare leave, etc.	101.8%	100%
Average length of childcare leave, etc. taken by men	24.9 days	30 days or more

*Includes paternity leave (spousal childbirth leave)

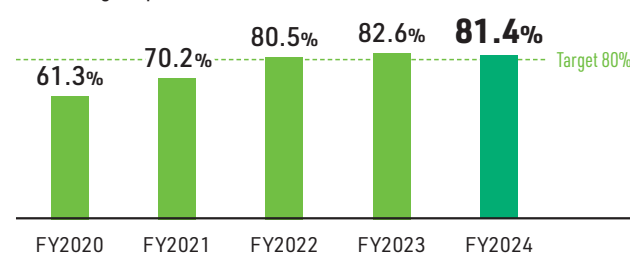
Strategy 4 Efforts to improve the well-being of executives and employees

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 career 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 by improving their well-being.

○Conducting an engagement survey

To visualize the state of employee engagement, we have conducted an engagement survey. Using the results of the engagement survey carried out in FY2024 as the baseline (setting the results to an index of 100), we will work to achieve continuous improvement in employee engagement. To accomplish continuous improvement, we will implement a variety of initiatives such as continuing to hold one-on-one meetings and taking measures to improve the percentage of paid leave taken.

[Percentage of paid leave taken]



○Improving financial well-being

We believe that improving employees’ financial well-being leads to the improvement of their motivation and well-being. At the Gunma Bank, we have introduced an employee stock ownership plan, a defined contribution pension plan, an employee asset-building saving plan, and other programs for improving employees’ financial well-being. Through these efforts and also by implementing various training programs and providing relevant information to promote employees’ understanding of asset building, we will work to support their self-directed asset building toward the future.

Advancing health-oriented business management

We believe that the physical and mental well-being of our employees and their families is crucial not only for enhancing job satisfaction and engagement but also as a key element in realizing our Purpose. Therefore, we actively promote health-oriented business management. We have issued our Health-Oriented Business Management Declaration and are committed to achieving each employee’s well-being, creating a dynamic organization, and fostering a corporate culture that brings employees a high level of job satisfaction by actively supporting employees’ efforts to prevent disease and enhance health through collaboration with our health insurance association (Collab Health). To sustainably contribute to the revitalization and development of the local community through our business, it is essential to create an environment where employees can thrive in good physical and mental health, fostering a dynamic organization and a workplace culture where people find their work fulfilling. By raising health awareness among employees and encouraging healthy lifestyles, we aim to reduce the risk of disease, lower medical costs, and improve productivity

through better health. Additionally, we seek to energize the organization through the implementation of health-oriented business management initiatives. Furthermore, by optimizing working hours and creating a good work life balance, we strive to enhance employee satisfaction.

[Outline of health-oriented business management]



External evaluations

At the Gunma Bank, we have obtained external certifications as part of our efforts to evaluate the internal environment that supports employees in achieving well-being at various life stages.

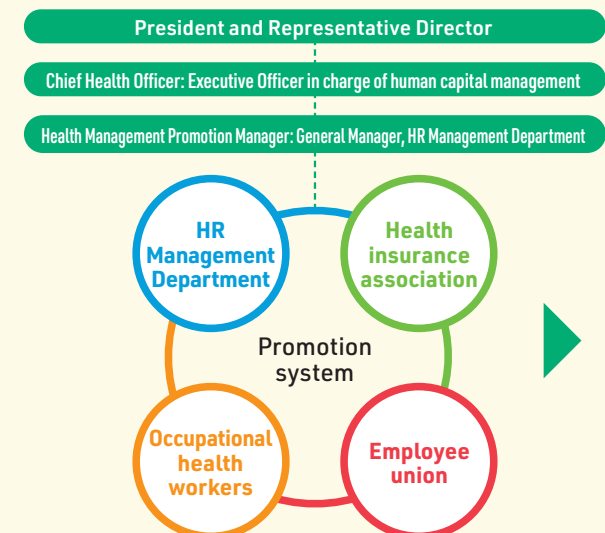
We have been recognized as a KENKO Investment for Health Outstanding Organization for seven consecutive years, and we are the only institution in Gunma Prefecture to have received the White 500 certification for seven consecutive years. Moreover, in March 2025, the Bank was for the first time selected under the KENKO Investment for Health Stock Selection program, which is the joint project of the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange to select, out of the White 500 enterprises, corporations that consider employee health management from a business perspective and work on the issue strategically.

Furthermore, in April 2025, the Gunma Bank obtained Platinum Eruboshi certification, becoming the first company in Gunma Prefecture certified as a general employer that conforms to standards as provided for in the Act on the Promotion of Women’s Active Engagement in Professional Life.



Supporting employees’ and their families’ health

At the Gunma Bank Group, the management team, employee union, health insurance association, occupational health professionals, and the HR Management Department work together to develop and implement various initiatives aimed at safeguarding the physical and mental health of employees and their families. These efforts are designed to support a fulfilling lifestyle and enhance overall well-being.



Work-life balance	• Introduction of work interval system • Timely leave • Paternity leave • Setting leave work early or on-time dates • Remote work • Work-life balance leave • Leave before 18:30
Disease prevention	• Branch-wide visits by public health nurse (affiliated with Bank) • Various medical examination cost subsidies • Influenza vaccination cost subsidy • Incorporating cancer screenings as standard in comprehensive medical checkup • Fully subsidized smoking cessation treatment costs • Establishment of an external health consultation desk (support for balancing work with the four major diseases, cancer treatment, etc.) • Registration as a Gunma Prefecture Cancer Prevention Partnership Company • Health fairs • Health classes • E-learning course to improve health • Evaluating rates of follow-up screenings and participation in specific health guidance through performance awards
Mental Health	• Mental health care training and seminars • Creation of mental health care guide distributed to managers • Consultations with mental health specialist • Provision of outsourced counseling services
Encouraging Exercise	• Sports festival • Gungin refresh exercises • Subsidy for free sports and recreation (for each district) • Club activity support • Walking campaigns • Participation in the Health Walking Event (sponsored by Gunma Labour Standards Association) • Completion award for finishers of the Gunma Marathon • Opening of the Gunma Bank Sports Center