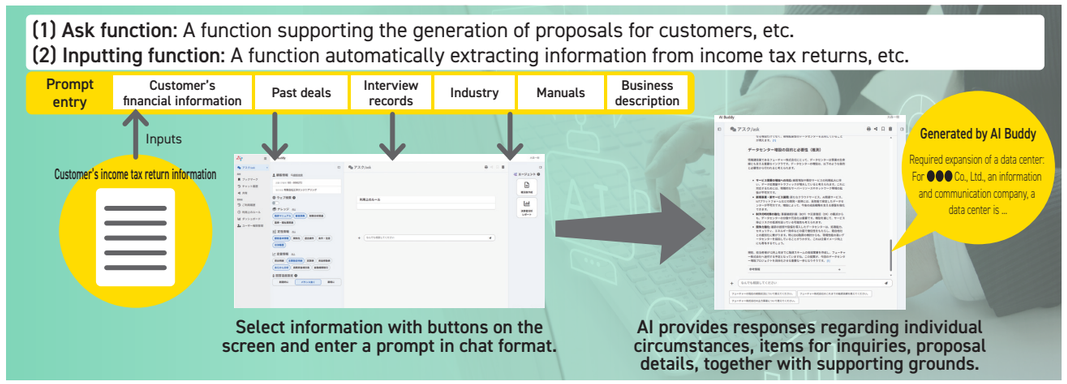
AI and Data Utilization and Digital Transformation Initiatives

Considering the enhancement of financial services and creation of new customer experiences with the utilization of AI as an important area for strategic investment leading to the sustainable development of regional communities, the Bank formulated the Gunma Bank AI Policy in April 2026. Under this policy, we will aim to solve the issues faced by our customers in the region and achieve the Group's sustainable growth by both enhancing sales activities and increasing operational efficiency and productivity. Simultaneously, we formulated the AI Management Rules, our uniform standard, to appropriately control the risks associated with the utilization of AI and maximize its effects. Through these initiatives, we have developed a rigorous control framework (governance framework) across departments.

Enhancing sales activities through the utilization of AI

Launch of AI Buddy, a generative AI tool supporting sales activities (May 2026)

This generative AI tool supports an employee as a buddy and provides assistance at stages from identifying issues to deal structuring based on the accumulated loan deal data, expertise, and records of interviews with customers. Experienced staff members' knowledge and expertise are shared through this AI tool with inexperienced employees, achieving both higher quality of loan negotiating activities and increased operational efficiency simultaneously.



AI and voice-based role-playing training for higher sales skills (October 2025)

We launched a voice-based training incorporating dialogue with AI in financial product sales and housing loan promotion. With such a training course, we create an environment where employees take courses for self-directed development, with no constraints on time and place. We will continue to increase our customer service quality and reinforce sales skills by utilizing AI to provide objective assessments and suggest improvements at a basic level.

Increasing operational efficiency and productivity through the utilization of AI

Introducing AI chatbot for increasing efficiency in internal inquiry operations (December 2025)

"Gungin AI Chat," a general generative AI-based tool available for all employees at the Bank, was introduced in July 2024. A function that summarizes and analyzes a file was added in July 2025, and other functions have been gradually added. The tool now has a function for handling operational inquiries by generating responses based on internal rules and manuals. This reduced work hours for handling inquiries at headquarters by approximately 3,500 hours a year. By handling inquiries from employees promptly with the tool, we will make full use of more time to improve customer service quality.

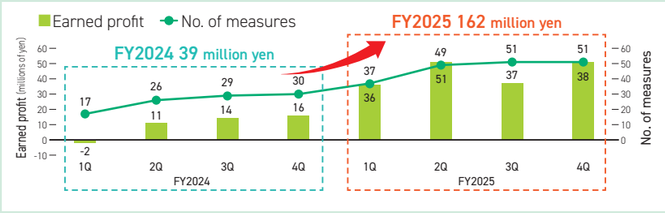
Introducing a tool in which AI automatically creates minutes, etc. based on audio of meetings (September 2025)

By utilizing this tool, minutes creation time was reduced by 75%, and approximately 98% of users felt that productivity increased. Going forward, use will be expanded to include the preparation of reports on meetings with customers and other front-line operations, promoting further efficiency and productivity increases.

Strengthening digital marketing

The number of measures to provide information to customers based on transaction statuses and behavior logs (automatic provision of emails, apps, ad banners, etc.) increased by around 50% with an aim to enhance information provision to customers. With this initiative, the earned profit for unsecured loans for FY2025 through the Bank's channels including emails and apps quadrupled from the previous fiscal year. Moreover, we started to deliver online video advertisements, promoting optimization of appeals based on data as well as increasing efficiency in advertising. We will continue to reinforce and enhance our measures to create more revenue opportunities.

Changes in unsecured loan profits due to digital marketing



Video ad for a Gungin App referral program, created by generative AI



Enhancing data-driven management

With the development of a dashboard that enables centralized management of sales promotion results and risk management indicators, the work hours spent on document preparation were reduced by 1,600 hours a year, while strengthening our efforts for rapid decision-making based on data and enhancement of governance. Moreover, a development team was formed within the Bank, which was responsible for the entire process from issue identification, requirement definition, prototype development, to operational improvement while working closely with the operational departments as one team. This has enabled us to establish a development and operation structure with greater speed and flexibility, which was hard to realize in the previous development structure that was dependent on external vendors.

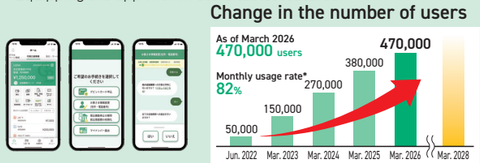
Strengthening customer touch points

We will elevate customer experience (UI/UX) to a higher level by continuously adding and improving functions of the Gungin App, our non-face-to-face channel closest to individual customers, and the Gungin Business Portal for corporate customers. We also worked on the utilization of rules-based AI in store tablets and added and enhanced new functions, thus achieving a reduction in waiting time and creation of new customer experiences. We will continue to enhance functions and services that increase customer convenience, aiming to develop all our channels to be easier-to-use and more reliable.

Gungin App

- Gradually rolling out features leading to improved customer convenience and top line
- Equipping the app with in-store tablet features

Change in the number of users

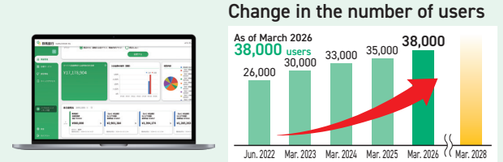


*Ratio of app users who logged in to the app in the past month (as of March 2026)

Gungin Business Portal

- Gradually rolling out features that help with daily transactions, simple procedures, and problem solving

Change in the number of users



	Functions added to date	Functions and services to be introduced
Gungin App	● App loan ● Opening ordinary deposit account ● Changing address and phone number ● Electronic document provision function (for investment trust-related document)	● Cardless transactions using ATMs located inside convenience stores ● Feature to raise transfer upper limits ● Household bookkeeping/life plan simulation service
Gungin Business Portal	● Subsidy diagnostic service	● Non-face-to-face reception of business debit card applications
In-store tablets	● Changing name ● Submission of My Number ● Loss report form/Discovery report form/Re-issuance application	● Expansion of the scope of support for entries to rule-based AI