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The Gunma Bank, Ltd.

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https://www.gunmabank.co.jp/ir/library/en/

The corporate governance of The Gunma Bank, Ltd. (the "Bank") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information

1. Basic Views

While always keeping in mind the development of regional communities, the Bank's basic policy is to respond appropriately to the financial needs of customers, enhance corporate value by ensuring asset soundness and strengthening its profitability, and to be highly evaluated by shareholders and the market.

To realize this basic policy, we have positioned the enhancement of corporate governance as the most important management issue, and are working on the following three points:

(1) Decision-making through appropriate management and establishment of an efficient business operations system

(2) Enhancement of compliance and risk management systems that form the basis of sound management

(3) Timely and appropriate disclosure of corporate information and active IR activities aimed at transparent management

The Bank has an Audit & Supervisory Board Member System with the five members of the Audit & Supervisory Board (including three Outside Audit & Supervisory Board Members). In addition, the Board of Directors consists of 10 Directors, including four Outside Directors. To achieve our management goals, we believe that it is effective to enhance the Audit & Supervisory Board Member System by appointing Inside and Outside Audit & Supervisory Board Members, as well as to strengthen management oversight functions by the presence of Outside Directors and Outside Audit & Supervisory Board Members.

In addition, to enhance corporate governance and manage oversight functions of the entire Group, the Group Management Meeting is held every six months to report and discuss management policies and operational status of each Group company on the executive level. In addition, the "Group Operation Committee" meets as necessary to ensure that instructions and communications from the Bank are thoroughly implemented.

Reasons for Non-compliance with the Principles of the Corporate Governance Code

The Bank is in compliance with each Principle of the Corporate Governance Code.

Disclosure Based on each Principle of the Corporate Governance Code

[Principle 1.4 Cross-Shareholdings]

□Policy on Cross-Shareholdings

The Bank has established a basic policy to reduce cross-shareholdings where possible and only maintain cross shareholdings in the event that the significance of holding these shares for maintaining and strengthening business relationships with the counterparties and stimulating the local economy is acknowledged.

In this context, in November 2022, we set a target of reducing the book value of listed cross-shareholdings by 20.0 billion yen by the end of March 2027 (approximately 50% of the book value of cross-shareholdings as of the end of March 2022), from the perspective of capital efficiency and compliance with international financial regulations. As of the end of March 2026, we have achieved a reduction of approximately 16.8 billion yen in book value.

The market value of cross-shareholdings (excluding shares held in subsidiaries and affiliate companies) compared to the total consolidated net assets has been reduced from 32.5% prior to the enactment of Japan's Corporate Governance Code (as of the end of March 2015) to 16.6% as of the end of March 2026.

The Bank's Mid-Term Business Plan "Growth with 'Purpose'", launched in April 2025, calls for reducing the percentage of cross-shareholdings (market value) in consolidated net assets to less than 10% by the end of March 2028.

□Verification of the propriety of holdings

Individual cross shareholdings are reported regularly to the Board of Directors after comprehensively examining the suitability of these holdings based on an in-depth review of the medium- to long-term business relationship and economic rationality.

Economic rationality involves examining whether Return on Risk-Weighted Assets (RORA)* calculated based on profits obtained from transactions with individual business partners exceeds the threshold calculated using the Bank's ROE.

* RORA = (Profit After Expenses and Credit Costs + Dividends Received) × (1－Effective Tax Rate of 30.5%) ÷ Risk Assets of Borrowings and Stock)

As a result of the verification as of the end of March 2026, approximately 90% of listed stock issues exceed the threshold.

Even in cases where holdings are deemed appropriate, the Bank's basic policy is to reduce them. The Bank will aim to further reduce holdings, based on sufficient dialogue with the counterparties.

□Criteria for the exercise of voting rights on cross-shareholdings

Based on the recognition that the exercise of voting rights in relation to individual cross-shareholdings is a means of expressing the Bank's intentions as a shareholder toward the management of the counterparty and an important right of shareholders, the Bank's primary objective is to increase or prevent damage to shareholder interests from a long-term perspective, and it will appropriately determine whether to approve or disapprove each proposal in accordance with "Rules of Management for Exercising Voting Rights on Shares."

With respect to the following important proposals that may have a significant impact on the corporate value of the cross-shareholding counterparties and the Bank's interests as a shareholder, the Bank will make more careful decisions on whether to approve or disapprove of such proposals, including by holding individual discussions with counterparties as necessary.

○Proposals for the election of Directors and Audit & Supervisory Board Members and the presentation of retirement benefits in the event of misconduct or in the event of consecutive deficits or failures to pay dividends over a fixed period

○Proposals for appropriation of retained earnings that may significantly damage financial soundness

○Proposals for defense measures against takeovers

○Proposals related to restructuring, etc.

[Principle 1.7 Related Party Transactions]

The Bank stipulates that transactions involving conflicts of interest between Directors and the Bank and transactions by Directors with competitors shall be approved by the Board of Directors and that material facts shall be reported to the Board of Directors.

Furthermore, in order to avoid any mutual loss, the Bank and each Group company abide by the arm's length rule in accordance with Rules of Management of Group Companies.

[Supplementary Principle 2.4.1 Ensuring Diversity in the Promotion to Core Human Resources]

□Our approach to ensuring diversity

The Bank's Corporate Philosophy is based on "the value of face-to-face communication within our organization," and the Gunma Bank Group Sustainability Policy states "enhancing human capital" as one of the materialities (priority issues for the realization of our Purpose). Based on these concepts, we hire without regard to gender or nationality, and conduct mid-career hiring activities throughout the year. In addition, when appointing employees to management positions, fair evaluation and treatment are conducted regardless of gender or nationality, and equally considering mid-career hires.

□Voluntary and measurable targets to ensure diversity, and status of these targets

In order to actively promote women to higher positions and maintain a workplace environment in which women can work comfortably, we have set a target of "30% or higher for the percentage of female managers" by the end of March 2028 in the Mid-Term Business Plan, launched in April 2025, and the "General Business Owner Action Plan," formulated based on the Act on the Promotion of Women's Active Engagement in Professional Life in 2025. The percentage of female managers was 23.4% at the end of March 2026, and we intend to continue active promotions of women for further growth.

In addition to ensuring diversity, we intend to actively hire highly specialized human resources from outside the Bank to meet the increasingly sophisticated and diverse needs of our customers and local communities, and the Mid-Term Business Plan aims to raise "the ratio of mid-career hires to 30% or higher" by the end of March 2028. The diversification of our recruitment methods (channels) and expansion of points of contact with job applicants led to the ratio of mid-career hires of 39.6% as of the end of March 2026, exceeding the target set in the Mid-Term Business Plan. In addition, we actively provide opportunities for mid-career hires to play an active role by promoting them to management positions on the same basis as new graduate hires. As of the end of March 2026, the percentage of mid-career hires promoted to management positions is 47.3%, compared to 52.7% for hiring of new graduates.

Moreover, the Bank has appointed external persons with specialized knowledge and a wealth of experience as senior executives such as the Representative Director of Gunma Regional Advanced Solution Partners, Co., Ltd. (a subsidiary wholly owned by the Bank which specializes in investment) and the Executive Officer and General Manager of the HR (Human Resources) Management Department of the Bank.

Regarding foreign nationals, we have not set "voluntary and measurable targets" because we are a group of regional financial institutions whose main business is in Japan and the number of foreign employees is small. However, we have six non-Japanese employees at our overseas bases as of the end of March 2026.

Going forward, we will strive to develop an environment in which diverse human resources can maximize their individual

abilities.

□Personnel Development Policy and Internal Environment Improvement Policy to ensure diversity, and status of these policies

As part of our efforts to promote a variety of human resources into active positions, we have set up the DE&I Promotion Committee, and are working to allocate human resources and train managers so that a variety of human resources can play an active role in a wider range of areas. We are also developing a system that enables these human resources to maximize their potential. In addition, the Bank has continued team activities to identify issues to build better workplaces from the perspective of the front lines and propose specific measures to address these issues. We are also implementing diversity that leads to enhancing the vitality of the company, and engaging in work style reform to support each employee's performance. Please refer to [Others] in "III.3. Status of Measures to Ensure Due Respect for Stakeholders" in this report for details.

Please refer to [Supplementary Principle 3.1.3 Sustainability Initiatives] below for information on the Personnel Development Policy and the Internal Environment Improvement Policy.

[Principle 2.6 Roles of Corporate Pension Funds as Asset Owners]

The Bank's corporate pension deposits are managed by the Gunma Bank's corporate pension fund. In managing the plan assets, the fund aims to maximize the beneficiaries' profits based on the "Basic Policy for Management of Pension Assets" established in accordance with the guidelines of the Ministry of Health, Labour and Welfare of Japan.

The fund has confirmed that all trustees have accepted the "Principles for Responsible Institutional Investors (Japan's Stewardship Code)." The fund also appropriately manages conflicts of interest that may arise between beneficiaries and the Bank by contractually entrusting the selection of individual investee companies and the exercise of voting rights to the trustees. In addition, the fund works in collaboration with the corporate pension funds of participating banks in the TSUBASA Alliance and has expressed its support for the "Asset Owner Principles" formulated and published by the Cabinet Secretariat in August 2024 and declared its acceptance.

The fund is staffed with suitable human resources who have backgrounds and qualifications which include experience working in the Bank's market division. In addition, the Asset Management Committee has been established to advise the Board of Directors on matters such as the basic investment policy, and asset composition of strategically held shares and the selection and evaluation of investment trustees, with the Director in charge of the Bank's Risk Management Department and the General Manager of the Market Finance Department also appointed as members.

[Principle 3.1 Full Disclosure]

□Corporate Philosophy, Purpose, Management Strategy and Business Plan

The Bank's Corporate Philosophy and Purpose are as follows, and through their realization, the Bank strives to achieve sustainable growth and increase its corporate value over the medium- to long-term.

(1) Corporate Philosophy

○It is our mission to take actions that will foster the development of regional communities.

○The foundation of our business is to strengthen a creative relationship with our customers.

○Our operations are based on the motto "Be a good citizen first to become a good entrepreneur."

○Our corporate culture is based on the value of face-to-face communication within our organization.

(2) Purpose

○We use our strengths in connections to spin the threads of the future for local communities

The Bank's Purpose is its most important concept, along with the Corporate Philosophy, and it expresses the meaning of the Group's existence. Based on the Purpose, we will work to create a "future" in which a sustainable society is realized not only through economic prosperity, but also by addressing social issues such as global environmental conservation and the aging of society, through "connecting" regions, businesses, and individuals not only through money (financing), but also through our services, information, and other resources.

The Bank's Mid-Term Business Plan, launched in April 2025, sets forth the goals of promoting further purpose-driven management based on this Purpose and achieving sustainable growth of "our customers and the local community," "our Group," and "every one of our executives and employees."

Please refer to the Bank's website for details on the Corporate Philosophy, Purpose, and Mid-Term Business Plan.

○Corporate Philosophy and Purpose

https://www.gunmabank.co.jp/ir/library/en/pdf/purpose.pdf

○Mid-Term Business Plan

https://www.gunmabank.co.jp/ir/library/en/pdf/mid-term.pdf

□Basic Views Concerning Corporate Governance

Please refer to "I. 1. Basic Views" in this report for the Bank's basic perspective on corporate governance.

□Policies and Procedures for Determining Remuneration of Directors, etc.

Please refer to "Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods" in "Director Remuneration" within "II. 1. Organizational Composition and Operation" for information on the policy and procedures for determining the remuneration of Directors, etc.

□Policies and Procedures for Election, Dismissal and Nomination of Directors, etc.

(1) Policies and Procedures for Nominating Candidates for Inside Directors

Based on the Bank's management philosophy, the Nomination Advisory Committee, of which a majority of members are independent Outside Directors, will deliberate on the nomination of individuals recommended by the Representative Director who are knowledgeable, experienced, and have sufficient social credibility to carry out accurate, fair, and efficient management of the Bank, and the Board of Directors then makes a decision.

Regarding the selection of Representative Directors, the Nomination Advisory Committee will deliberate on the most suitable person from among the Directors to represent the Bank, and the Board of Directors then makes a decision.

In the light of appropriately structuring the skills matrix of the Board of Directors for the future and strengthening the supervisory function with an eye to nominating a representative director, the Bank has a system whereby the Board of Directors and the Nomination Advisory Committee receive regular reports on the status of securing and training not only candidates for directors but also a wider range of potential future managerial talents.

(2) Policies and Procedures for Nominating Candidates for Outside Directors

The Representative Director will recommend candidates with extensive knowledge and experience in corporate management and various specialized fields, with the insight to contribute to the strengthening of the Board of Directors' management supervisory function as well as the Bank's sustainable growth and enhancement of corporate value over the medium- to long-term, and who has social credibility. The Board of Directors then makes a decision after deliberation by the Nomination Advisory Committee, majority of which are independent Outside Directors.

(3) Policies and Procedures for Nominating Candidates for Audit & Supervisory Board Members

The Representative Director recommends individuals who are knowledgeable, experienced, and have sufficient social credibility to carry out accurate, fair, and efficient supervision of the execution of duties by Directors. The Board of Directors then makes a decision after receiving approval from the Audit & Supervisory Board.

□Explanation of the Individual Selection and Nomination of Candidates for Senior Management, Directors, and Audit & Supervisory Board Members

When selecting or nominating candidates for Directors and Audit & Supervisory Board Members, the Bank discloses the reasons for individual selection or nomination in the Notice of Convocation of the General Meeting of Shareholders.

[Supplementary Principle 3.1.3 Sustainability Initiatives]

□Sustainability Initiatives

The Bank has established the "Gunma Bank Group Sustainability Policy" and positions sustainability initiatives as one of the most important management issues. The Policy defines the materiality of the Group as "priority issues for the realization of our Purpose," and prioritizes them from the perspective of both "importance to society" and "importance to the Bank" based on factors such as the internal and external environments, defining approaches for addressing six materialities of high importance. In June 2019, we also adopted the "SDGs Management Indicators (revised to "Sustainability Indicators" in April 2025)" as a non-financial indicator among the evaluation indicators of performance-linked share remuneration for Inside Directors, in order to raise awareness of their contribution to the enhancement of corporate value over the medium- to long-term. In addition, we are promoting sustainability initiatives throughout the Bank, including the establishment of the SDGs & ESG Management Office within the Corporate Planning Department in June 2020 and the Sustainability Committee chaired by the Representative Director in April 2022.

In response to climate change, we have set targets for "net zero greenhouse gas emissions by FY2030" and "cumulative amount of sustainable financing" by FY2030, and are working to achieve sustainability in the region. In addition, we have expressed our support for the Task Force on Climate-related Change Financial Disclosure (TCFD) recommendations, and we are working to enhance disclosure based on the TCFD framework by collecting and analyzing data on the risk related to climate change and the impact of opportunities on earnings. Moreover, in response to natural capital and biodiversity, we have expressed our support for the Task Force on Nature-related Financial Disclosure (TNFD) recommendations, and we are working to enhance disclosure in accordance with these recommendations and strengthen our initiatives aimed at natural capital and biodiversity conservation.

Please refer to [Implementation of Environmental Preservation Activities, and CSR Activities, etc.] in "III.3. Status of Measures

to Ensure Due Respect for Stakeholders" in this report or the Bank's website for details.

○Climate change initiatives

https://www.gunmabank.co.jp/about/csr/torikumi/kikohendo.html

○Natural capital and biodiversity initiatives

https://www.gunmabank.co.jp/about/csr/torikumi/kankyo.html

○The Gunma Bank Group Sustainability Policy and Disclosures Under the TCFD Recommendations

https://www.gunmabank.co.jp/ir/library/en/pdf/env_sustain.pdf

○Integrated Report

https://www.gunmabank.co.jp/ir/library/en/en5.html

□Investments in human capital, etc.

The Bank has established the "Personnel Development Policy" and "Social Environment Improvement Policy." To nurture employees who can exercise their creativity and offer what customers truly need in response to increasingly sophisticated and diverse customer needs, we shifted from uniform personnel development to personnel development tailored to the motivations, abilities, and aptitudes of each individual employee. In April 2025, aiming to maximize human capital, the Bank changed the name of the Personnel Department to the "HR (Human Resources) Management Department" and redefined its roles.

In addition, we introduced the "engagement survey" in May 2021 to promote the well-being of each and every employee and further enhance their sense of fulfillment at work, and we are continuously working to assess and improve our employees' work engagement. Moreover, in June 2025, aiming to enhance employee engagement, foster a sense of ownership in the company, and raise awareness of the Bank's stock price, we introduced the "employee stock-price-linked compensation."

Please refer to the Bank's website for details on the Personnel Development Policy, Social Environment Improvement Policy, and human capital.

○ Human capital (Personnel Development Policy, Internal Environment Improvement Policy, etc.)

https://www.gunmabank.co.jp/ir/library/en/pdf/social_imp.pdf

□Investments in intellectual property, etc.

The Bank believes that information, digital technology, customer networks, and various accumulated know-how are intellectual property serving as a source of competitive advantage, and will accordingly create new values by actively utilizing these assets. More specifically, in May 2018, seven regional banks concluded the Fincross Partnership (eight banks as of the end of March 2025), making advancement in initiatives toward improving operational efficiency and sophisticated sales activities through advanced data analysis that aggregates data from multiple banks and implementation of joint digital marketing initiatives. In December 2020, we joined the TSUBASA Alliance, an association of nine regional banks, to jointly implement a variety of digital initiatives such as the introduction of the TSUBASA FinTech common platform and banking apps. In addition, in April 2025, we established the "AI and Data Strategic Office" and the "DX Promotion Group" in the Digital Innovation Department to work toward "use of AI," "enhancement of data utilization" and "promoting DX and business reforms."

With respect to the use of AI, we established the "AI Policy" in April 2026, which sets out our basic principles for the proactive, appropriate, and secure use of AI.

Regarding the upgrade of the next-generation core banking system and its related sub-systems, we established the "Next-Generation Core Banking System Promotion Office" in the Digital Innovation Department in June 2025 and have been advancing our planning for the launch during FY2029. In addition, in January 2026, we decided to participate in the joint use of the TSUBASA core systems and signed a memorandum of understanding.

[Supplementary Principle 4.1.1 The Scope and Content of Matters Delegated to the Management]
The Bank has set up an Executive Committee in order to ensure proper management decision-making and an efficient business execution system. It consists of the President and Executive Directors who discuss and decide on matters delegated by the Board of Directors, including implementation policies and plans based on the basic policies decided by the Board of Directors and other important matters related to the Bank's operations. The delegation of authority is stipulated in the Regulations of the Board of Directors, the Regulations of the Executive Committee, and the Rules of Administrative Authority.

[Principle 4.9 Independence Standards and Qualification for Independent Outside Directors]
Please refer to "II. 1. [Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members] Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members" in this report for an overview of the criteria for determining the independence of Outside Directors at the Bank.

[Principle 4.10.1 The Authority and Responsibilities of the Nomination Committee and the Remuneration Committee]
The Bank has established the Nomination Advisory Committee and the Compensation Advisory Committee as advisory bodies to the Board of Directors. For details, please refer to [Supplementary Explanation] in "II. 1. Organizational Composition and Operation" in this report.

[Supplementary Principle 4.11.1 Policy on the Balance, Diversity and Size of the Board of Directors as a Whole]
The Board of Directors consists of Inside Directors who are familiar with the Bank's business operations as well as independent Outside Directors who provide supervision from an independent and objective standpoint. Our policy is to ensure an appropriate balance of knowledge, experience, and abilities necessary for the Board of Directors to effectively fulfill its roles and responsibilities. Independent Outside Directors include individuals with management experience at other companies. In addition, Audit & Supervisory Board Members include individuals with expertise in finance, accounting, legal affairs, and other areas.
We identified the specific skills that the Board of Directors should have and created a "skills matrix" to conduct appropriate candidate nomination procedures for the diverse composition of the Board of Directors, which we disclose in our Notice of Convocation for General Meeting of Shareholders and our Integrated Report. The Board of Directors is composed of an appropriate number of members to ensure that it functions efficiently and effectively.
Please refer to the end of this document or the Bank's website for information on the skills matrix.

○Notice of Convocation of the 141st Annual General Meeting of Shareholders (Pages 19 to 20)
https://www.gunmabank.co.jp/ir/library/en/pdf/meeting2026.pdf

[Supplementary Principle 4.11.2 Situation of Directors and Audit & Supervisory Board Members Who Are in the Management at Other Companies]

In order for Directors and Audit & Supervisory Board Members to properly fulfill their roles and responsibilities, the Bank's policy is to limit the number of positions Directors and Audit & Supervisory Board Members concurrently hold at other listed companies to a reasonable extent.

As of the date of submission of this report, executive officer roles at other listed companies are as follows.

Kuniko Nishikawa (Independent Outside Director): Outside Director, Kewpie Corporation

Kazuhito Osugi (Independent Outside Director): Outside Director, Nissha Co., Ltd.

Takuji Kanai (Independent Outside Director): Outside Director, Eisai Co., Ltd.

Mari Kano (Independent Outside Director): Outside Director, Tokyo Rope Mfg. Co., Ltd.

[Supplementary Principle 4.11.3 Analysis and Evaluation for Effectiveness of Board of Directors as a Whole]

Every fiscal year, the Bank analyzes and evaluates the effectiveness of the Board of Directors as a whole with the support of an external consultant to ensure and enhance overall effectiveness.

Specifically, we develop a survey based on the external consultant's opinions, and each Director and Audit & Supervisory Board Member conducts a self-assessment by responding to the survey. The external consultant then analyzes and evaluates the self-assessment results. For FY2025, the analysis and evaluation through the survey covered such areas as "Composition and operation," "Management strategy and business plan," "Risk management," "Nomination and remuneration," and "Dialogue with shareholders." In order to ensure anonymity and objectivity, we outsourced the collection and analysis to an external consultant.

Based on the results and analysis of the survey, an evaluation was made at the meeting of the Board of Directors held in May 2026 where it was confirmed that the effectiveness of the Board of Directors has been ensured.

With the business integration with Daishi Hokuetsu Financial Group scheduled for April 2027, the Bank recognizes that the importance of Group governance is increasing. Under the new structure following the business integration, we will work to strengthen the Board of Directors' oversight of the execution of operations at each Group company.

The Bank also recognizes that, in order for the Board of Directors to respond appropriately to the rapidly changing business environment, it is essential not only to leverage the expertise of each Director but also to ensure their continuous learning on the latest important topics. Accordingly, we will remain committed to providing Directors with study sessions on key topics led by external experts and enhancing training opportunities for newly appointed Outside Directors to facilitate their ability to understand the background and details of the management issues. Through a series of these initiatives, we will aim to further enhance the effectiveness of the Board of Directors.

[Supplementary Principle 4.14.2 Training policy for Directors and Audit & Supervisory Board Members]

In order for Directors and Audit & Supervisory Board Members to properly fulfill their roles and responsibilities, the Bank provides opportunities for them to acquire the necessary knowledge and study for appropriate updates and supports the cost of such studies.

[Principle 5.1 Policy for a Constructive Dialog with Shareholders]

□Constructive dialogue with shareholders

The Director in charge of the Corporate Planning Department oversees the overall dialogue with shareholders, and actively seeks to provide opportunities for dialogue within a reasonable scope. In addition to the President and the Director in charge, other officers participate in the dialogue as needed.

□Structure to facilitate dialogue

The Corporate Planning Department serves as the point of contact for dialogue, and IR staff work closely with relevant departments to collect and analyze management information for use in dialogue.

□Enhancement of means of dialogue with shareholders

To contribute to enhancement of dialogue with shareholders, the bank engages in the following initiatives as part of its core business.

- ○ IR briefings by the President for analysts and institutional investors
- ○ Individual meetings by the President with overseas institutional investors (overseas IR briefings)
- ○ Regular IR briefings by the President for individual investors
  (IR presentation: https://www.gunmabank.co.jp/ir/library/en/en1.html)
- ○ Delivering CEO Message in English on the Web
  (CEO Message: https://www.gunmabank.co.jp/ir/library/en/)
- ○ Disclosing information through the IR website, Integrated Report, etc.
  (Integrated Report: https://www.gunmabank.co.jp/ir/library/en/en5.html)

□Feedback

Opinions and other information obtained in the dialogue are reported to the President appropriately and, as necessary, to other officers and the Board of Directors.

□Management of insider information

When engaging in dialogue, the Bank strives to ensure appropriate management of insider information and fairness of disclosure by establishing internal rules and disseminating them to all employees.

[Status of dialogue with shareholders, etc.]

The Bank strives to enhance dialogues with actively working to hold IR briefings for investors and analysts and overseas IR briefings for institutional investors in Europe, the US, and Asia. Please refer to the Bank's website for details on the status of dialogue with shareholders and investors and questions and answers in the IR briefings for institutional investors and analysts for the fiscal year ended March 2026.

○Communication with Our Shareholders and Investors
https://www.gunmabank.co.jp/ir/library/en/pdf/integrated/2024/02_01.pdf

Actions to Implement Management that Is Conscious of Cost of Capital and Stock Price

Details	Disclosure of initiatives (updated)
Disclosure in English	Available
Update Date	November 24, 2026

Explanation for Applicable Items

Please refer to the following for an outline of actions to achieve management conscious of cost of capital and stock price.

○ IR presentation (Financial Results Briefing for the First Half of 2026 <held on November 26, 2026>)

https://www.gunmabank.co.jp/ir/library/en/en1.html

○ Integrated Report: https://www.gunmabank.co.jp/ir/library/en/en5.html

2. Capital Structure

Foreign Shareholding Ratio	20% or more but less than 30%

Status of Major Shareholders

Name or Company Name	Number of Shares Owned	Percentage (%)
The Master Trust bank of Japan, Ltd. (Account in trust)	51,354,800	13.56
STATE STREET BANK AND TRUST COMPANY 505001	23,959,162	6.33
Custody Bank of Japan, Ltd. (Account in trust)	21,661,200	5.72
Meiji Yasuda Life Insurance Company	10,898,959	2.87
Sumitomo Life Insurance Company	10,657,000	2.81
Gunma Bank Employees' Shareholding Association	9,241,219	2.44
Toyo Seikan Group Holdings, Ltd.	7,330,274	1.93
Nippon Life Insurance Company	6,467,038	1.70
STATE STREET BANK AND TRUST COMPANY 505103	5,097,337	1.34
JP MORGAN CHASE BANK 385781	5,058,458	1.33

Name of Controlling Shareholder, if applicable (excluding Parent Companies)	———
Name of Parent Company, if applicable	Not Applicable

Supplementary Explanation

The above information is current as of March 31, 2026.

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Prime Market
Fiscal Year-End	March
Business Sector	Banks
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	¥100 billion or more but less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	Fewer than 10

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances which May have a Material Impact on Corporate Governance

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II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System	Company with Audit and Supervisory Board*

*Referred to as "Company with *Kansayaku* Board" in the Corporate Governance Code reference translation

Directors

Number of Directors Stipulated in Articles of Incorporation	20
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors	10
Election of Outside Directors	Elected
Number of Outside Directors	4
Number of Independent Directors	4

Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Kuniko Nishikawa	From another company								○			
Kazuhito Osugi	From another company								○			
Takuji Kanai	CPA								○			
Mari Kano	From another company								○			

*Categories for "Relationship with the Company".
(Use "○" when the Director presently falls or has recently fallen under the category; "△" when the Director fell under the category in the past; "●" when a close relative of the Director presently falls or has recently fallen under the category; and "▲" when a close relative of the Director fell under the category in the past.)

a. Person who executes business for the Company or its subsidiary
b. Person who executes business for or a non-executive Director of the Company's parent company
c. Person who executes business for a fellow subsidiary
d. Person/entity for which the Company is a major client or a person who executes business for said person/entity
e. Major client of the Company or a person who executes business for said client
f. Consultant, accounting expert, or legal expert who receives a large amount of monetary consideration or other assets from the Company in addition to remuneration as a Director/Audit and Supervisory Board Member
g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to Director him/herself only)
i. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to Director him/herself only)
j. Person who executes business for an entity receiving donations from the Company (applies to Director him/herself only)
k. Others

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Kuniko Nishikawa	○	There are normal banking transactions with the individual. A summary of the above transactions is omitted because, in light of the size and nature of the transactions, it is considered that there is no risk of influencing the judgment of shareholders and investors. There are no relevant items with the companies of which she is the Representative Director and President.	She has a wealth of experience and broad insight into corporate management, having founded First Star Healthcare and continuing to serve as its Representative Director, and serving as Representative Director and Outside Director at several other companies. The Bank has nominated her because the Bank has judged that she will be able to apply such experience and knowledge to the management of the Bank as an Outside Director. In addition, she has served as an Outside Director since June 2020, and is appropriately fulfilling these duties and responsibilities. The Bank expects that she will continue to supervise its business execution from an objective standpoint and be involved in the review process as a member of the Nomination Advisory Committee and the Compensation Advisory Committee. She has been designated as an independent Director due to her independence as there is no risk of a conflict of interest with general shareholders.
Kazuhito Osugi	○	There are normal banking transactions with the individual. Moreover, there are ordinary transactions such as deposits and borrowings with the Bank of Japan, where the individual has previous work experience. In addition, there are normal banking transactions with Nippon Express Holdings Inc., where he was Advisor of Security Transport Business	He has a high degree of expertise and extensive practical experience in all aspects of finance, having served as Director-General of Internal Auditors' Office, Director-General of Secretariat of the Policy Board, and Auditor at Bank of Japan. In addition, he has broad insight gained through his experience at Industrial Revitalization Corporation of

		Division. A summary of the above transactions is omitted because, in light of the size and nature of the transactions, it is considered that there is no risk of influencing the judgment of shareholders and investors.	Japan (IRCJ) in the business turnaround of private companies and as an Outside Director at several companies. The Bank has nominated him because the bank has judged that he will be able to apply such experience and knowledge to the management of the Bank as an Outside Director. In addition, he has served as an Outside Director since June 2021, and is appropriately fulfilling these duties and responsibilities. The Bank expects that he will continue to supervise its business execution from an objective standpoint and be involved in the review process as a member of the Nomination Advisory Committee and the Compensation Advisory Committee. He has been designated as an independent Director due to his independence as there is no risk of a conflict of interest with general shareholders.
Takuji Kanai	○	There are normal banking transactions with the individual. Moreover, the individual was a partner of KPMG AZSA LLC, but retired from KPMG AZSA LLC in June 2024. Although there are transactions including consulting and other contracts for individual cases with KPMG AZSA LLC, the amount accounts for less than 1% of the net sales of KPMG AZSA LLC. A summary of the above transactions is omitted because, in light of the size and nature of the transactions, it is considered that there is no risk of influencing the judgment of shareholders and investors.	He has been engaged in corporate accounting audit work for many years as a certified public accountant, and has a wide range of knowledge in corporate finance, accounting, auditing, internal control, and risk management, as well as extensive practical experience. Additionally, he possesses diverse management experience in global firms and audit corporations and a high level of insight into the management of global companies gained as a partner at an audit corporation. We have selected him as an Outside Director because the Bank has judged that he will be able to apply such experience and knowledge to the

			management of the Bank as an Outside Director. In addition, he has served as an Outside Director since June 2024, and is appropriately fulfilling these duties and responsibilities. The Bank expects that he will continue to supervise its business execution from an objective standpoint and be involved in the review process as a member of the Nomination Advisory Committee and the Compensation Advisory Committee. He has been designated as an independent Director due to his independence as there is no risk of a conflict of interest with general shareholders.
Mari Kano	○	There are normal banking transactions with Mitsubishi UFJ NICOS Co., Ltd., where the individual used to work. A summary of the above transactions is omitted because, in light of the size and nature of the transactions, it is considered that there is no risk of influencing the judgment of shareholders and investors.	She has extensive knowledge of corporate finance as well as management experience with global perspectives, gained from her work experience at a mega bank for many years including serving as a head of office overseas, and possesses a wide range of insight through her experience as the head of international exchange center at a university and an outside director at multiple companies. The Bank has judged that her experience and knowledge can contribute to the management of the Bank as Outside Director. The Bank expects her to supervise its business execution from an objective standpoint and participate in examination processes as a member of the Nomination Advisory Committee and the Compensation Advisory Committee. She has been designated as an

			independent Director due to her independence as there is no risk of a conflict of interest with general shareholders.

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee	Established

Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination Advisory Committee	5	0	1	4	0	0	Inside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Compensation Advisory Committee	5	0	1	4	0	0	Inside Director

Supplementary Explanation

□Role and status of activities

In order to establish a system in which independent Outside Directors are appropriately involved in the decision-making process for nomination and remuneration of the Directors, to increase the objectivity and transparency of the process, the Bank established the Nomination Advisory Committee and the Compensation Advisory Committee as advisory bodies to the Board of Directors.

The Nomination Advisory Committee is responsible for discussing the following matters and providing advice and recommendations to the Board of Directors.

○Proposals for the General Meeting of Shareholders on Directors' selection and dismissal

○Selection and dismissal of Representative Directors

○Selection and dismissal of Executive Directors

○Succession plan for the President

○Independence criteria for independent Directors

○Basic policies needed to discuss the above matters

○Other matters deemed necessary by the Nomination Advisory Committee

The Compensation Advisory Committee is responsible for discussing the following matters and providing advice and recommendations to the Board of Directors.

○Proposals for the General Meeting of Shareholders on the remuneration received by Directors and Audit & Supervisory Board

Members

○Policies and systems regarding the remuneration received by Directors

○Basic policies needed to discuss the above matters

○Other matters deemed necessary by the Compensation Advisory Committee

In FY2025, the Nomination Advisory Committee met twice, and the Compensation Advisory Committee met three times.

□Current composition of committee members

The Board of Directors appoints the President and Representative Director, and four independent Outside Directors as members of the Nomination Advisory Committee and the Compensation Advisory Committee, respectively, for a total of five members, and selects the President and Representative Director as the committee chairperson for both committees. The term of office of each of them will expire at the conclusion of the 142nd Ordinary General Meeting of Shareholders. The majority of the members of both committees are independent Outside Directors, ensuring their independence.

Audit and Supervisory Board Member*

*Referred to as "*kansayaku*" in Corporate Governance Code reference translation

Establishment of Audit and Supervisory Board	Established
Number of Audit and Supervisory Board Members Stipulated in Articles of Incorporation	5
Number of Audit and Supervisory Board Members	5

Cooperation among Audit and Supervisory Board Members, Accounting Auditors and Internal Audit Departments

Audit & Supervisory Board Members, accounting auditors, and internal auditing (Inspection & Audit Department) hold "three-way audit meetings" (held three times in FY2025) to exchange opinions and information on their respective audit plans and policies, audit implementation status, in an effort to strengthen cooperation.

In addition to the collaboration through these "three-way meetings," Audit & Supervisory Board Members regularly hear from the accounting auditors on the status of their audits, and exchange opinions as necessary through the attendance of audits by the accounting auditors, thereby deepening mutual collaboration and ensuring the effectiveness of audits.

In addition, one Standing Audit & Supervisory Board Member attends monthly meetings for the assessment of branch audits, and Audit & Supervisory Board Members receive reports on audit results directly from the Inspection & Audit Department and also conduct periodic meetings with the Audit Department and attend branch audits by the Inspection & Audit Department.

In addition, Audit & Supervisory Board Members exchange opinions as needed based on the results of their audits of branches and headquarters, to ensure close collaboration. The Inspection & Audit Department and accounting auditors exchange opinions as needed to deepen mutual cooperation and ensure the effectiveness of audits.

Appointment of Outside Audit and Supervisory Board Members	Appointed
Number of Outside Audit and Supervisory Board	3

Members	
Number of Independent Audit and Supervisory Board Members	3

Outside Audit and Supervisory Board Members' Relationship with the Company (1)

Name	Attributes			Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k	l	m
Yasuo Kamiya	Lawyer										○			
Hiroshi Kasahara	Other										○		△	
Sumiko Suzuki	CPA										○			

*Categories for "Relationship with the Company".
(Use "○" when the Director presently falls or has recently fallen under the category; "△" when the Director fell under the category in the past; "●" when a close relative of the Director presently falls or has recently fallen under the category; and "▲" when a close relative of the Director fell under the category in the past.)

a. Person who executes business for the Company or its subsidiary
b. A non-executive Director or accounting advisor of the Company or its subsidiaries
c. Person who executes business for or a non-executive Director of the Company's parent company
d. An Audit and Supervisory Board Member of a parent company of the Company
e. Person who executes business for a fellow subsidiary
f. Person/entity for which the Company is a major client or a person who executes business for said person/entity
g. Major client of the Company or a person who executes business for said client
h. Consultant, accounting expert, or legal expert who receives a large amount of monetary consideration or other assets from the Company in addition to remuneration as a Director/ Audit & Supervisory Board Member
i. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
j. Person who executes business for a client of the Company (excluding persons categorized as any of f, g, or h above) (applies to Audit & Supervisory Board Member him/herself only)
k. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to Audit & Supervisory Board Member him/herself only)
l. Person who executes business for an entity receiving donations from the Company (applies to Audit & Supervisory Board Member him/herself only)
m. Others

Outside Audit and Supervisory Board Members' Relationship with the Company (2)

Name	Designation as Independent Audit and Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons for Appointment
Yasuo Kamiya	○	There are normal banking transactions with the individual. A summary of the above transactions is omitted because, in light of the size and nature of the transactions, it is considered that there is no risk of influencing the judgment of shareholders and investors.	Although he has not been directly involved in the management of a company in the past, he has a wealth of experience as an attorney-at-law and specialized knowledge in the legal profession. He also maintains a wide range of knowledge, such as serving as the Chairman of the Gunma Bar Association and the chairman of the Gunma Prefectural Public Safety

			Commission. Additionally, he has served as an Outside Audit & Supervisory Board Member since June 2020, and is appropriately fulfilling these duties and responsibilities. The Bank has nominated him because the Bank has judged that he will be able to apply such experience and knowledge to the appropriate execution of duties as an Outside Audit & Supervisory Board Member of the Bank. He has been designated as an independent executive officer due to his independence as there is no risk of a conflict of interest with general shareholders.
Hiroshi Kasahara	○	There are normal banking transactions with the individual. In addition, the Bank has normal banking transactions and transactions as a designated financial institution with Gunma Prefecture, where he is originally from, and has made donations to Gunma Prefecture. A summary of the above transactions is omitted because, in light of the size and nature of the transactions, and because Gunma Prefecture is a local government, it is considered that there is no risk of influencing the judgment of shareholders and investors.	Although he has not been directly involved in the management of a company in the past, he has many years of experience and a track record in local administration in Gunma Prefecture, such as serving as the General Manager of the Corporate Planning Department of Gunma Prefecture and the Superintendent of Education at Gunma Prefectural Board of Education, and maintains a wide range of knowledge. Additionally, he has served as an Outside Audit & Supervisory Board Member since June 2022, and is appropriately fulfilling these duties and responsibilities. The Bank has nominated him because the Bank has judged that he will be able to apply such experience and knowledge to the appropriate execution of duties as an Outside Director of the Bank. He has been designated as an

			independent executive officer due to his independence as there is no risk of a conflict of interest with general shareholders.
Sumiko Suzuki	○	There are normal banking transactions with the individual. A summary of the above transactions is omitted because, in light of the size and nature of the transactions, it is considered that there is no risk of influencing the judgment of shareholders and investors.	Although she has not been directly involved in the management of a company in the past, she has a wide range of knowledge with abundant experience as a certified public accountant and a tax accountant. Additionally, she has served as an Outside Audit & Supervisory Board Member since June 2024, and is appropriately fulfilling these duties and responsibilities. The Bank has nominated her because the Bank has judged that she will be able to apply such experience and knowledge to the appropriate execution of duties as an Outside Audit & Supervisory Board Member of the Bank. She has been designated as an independent executive officer due to her independence as there is no risk of a conflict of interest with general shareholders.

Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

Number of Independent Directors and Independent Audit and Supervisory Board Members	7

Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

The Bank designates all outside officers who meet the qualifications of independent officer as independent officer.

＜Summary of the Independence Criteria for Outside Officers of the Bank＞

The Bank determines that a candidate for Outside Director / Outside Audit & Supervisory Board Member of the Bank is independent of the Bank in the event that none of the following items applies to such candidate.

(1) A person whose main business partner is the Bank, or, if it is a corporate or legal entity, its executive officer.

(2) A person who is a major business partner of the Bank, or, if it is a corporate or legal entity, its executive officer.

(3) A consultant, professional accountant or legal professional who has gained a “large amount” (Note 1) of fees or other properties in addition to executive remuneration from the Bank (in the case a recipient is an entity, such as a corporation or partnership, a person belonging to such entity).

(4) A person who “recently” (Note 2) fell under (1), (2), or (3).

(5) A “close relative” (Note 4) of a person who falls under any of the following items from A to D (excluding those who are not considered “important” (Note 3).

A. A person who falls under (1) to (4) above

B. An executive officer of the Bank’s subsidiary

C. A director who is not an executive officer of the Bank’s subsidiary

D. A person who “recently” fell under B or C above or was an executive officer of the Bank

(Note 1) “Large amount” refers to, on average over the past three years, an amount of 10 million yen or more in the case a recipient is a person; an amount of 2% of the consolidated sales of the entity or 10 million yen, whichever is higher in the case a recipient is an entity.

(Note 2) “Recently” can be regarded as being almost equal to “presently.” For example, at the time when the content of the proposals was determined for the General Meeting of Shareholders where the person was elected as an Outside Director or Outside Audit & Supervisory Board Member.

(Note 3) “Important” refers to those who are directors, general managers and the like (executive officers); and certified public accountants and lawyers (accounting professionals and legal experts).

(Note 4) “Close relative” refers to first and second-degree relatives.

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Introduction of Performance-linked Remuneration Scheme

Supplementary Explanation for Applicable Items

In accordance with a resolution of the 134th Annual General Meeting of Shareholders held on June 25, 2019, the Bank introduced a restricted share remuneration plan and a performance-linked share remuneration plan for internal directors.

Persons Eligible for Stock Options	

Supplementary Explanation for Applicable Items

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Director Remuneration

Status of Disclosure of Individual Director's Remuneration	No Disclosure for any Directors

Supplementary Explanation for Applicable Items

Board member remuneration for FY2025 is presented below.

Officer category	Number of officers	Total (millions of yen)	Monthly remuneration	Bonus	Stock remuneration with transfer restrictions	Performance-linked share
Directors (excluding Outside Directors)	7	364	209	88	52	13
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	2	49	49	–	–	–
Outside Officers	7	72	72	–	–	–

Notes:

1. Amounts listed are rounded down to the nearest unit.
2. Bonuses and performance-linked shares are paid to Directors, excluding Outside Directors, as performance-linked remuneration.

   The details of the evaluation indicators selected as the basis for calculating bonuses, the reasons for their selection, and the method of calculation are described in "Basic Policy for Executive Remuneration, 5: Performance-linked Remuneration (1) Bonuses." Furthermore, net income attributable to owners of the parent for the fiscal year under review totaled 58,863 million yen.

   The details of the evaluation indicators selected as the basis for calculating performance-linked shares, the reasons for their selection, and the method of calculation are described in "Basic Policy for Executive Remuneration, 5: Performance-linked Remuneration (2) Performance-linked Shares." In addition, the results related to the performance indicators used in the calculation are presented below.

Performance evaluation period (immediately preceding three fiscal years)	FY2022	FY2023	FY2024
(i) Profit indicator: Consolidated earnings per share growth rate	7.7%	15.0%	45.1%
(ii) Efficiency indicator: Consolidated over-head-ratio (OHR)	56.6%	53.4%	49.6%
(iii) Shareholder value indicator: Total shareholder return (TSR)	30.2%	103.2%	45.4%
(iv) Non-financial indicator: (sustainability indicator: ratio of female department and branch managers)	6.1%	6.8%	6.8%

   * From the evaluation period for this purpose (three years from FY2022), the figures excluding gains or losses on cancellation of investment trusts are used.

3. Share remuneration, consisting of restricted share remuneration and performance-linked shares, is provided to directors, excluding outside directors, as non-monetary remuneration. Details are described in "Basic Policy for Executive Remuneration 3. Remuneration Structure (1) Directors excluding Outside Directors [Summary of Remuneration Structure], and 5. Performance-linked Remuneration (2) Performance-linked Shares."
4. Matters concerning resolutions of the General Meeting of Shareholders regarding the remuneration of Directors and Audit & Supervisory Board Members

   ○ At the 127th Annual General Meeting of Shareholders held on June 26, 2012, it was resolved that the amount of

remuneration for Directors (fixed-amount remuneration and bonuses) shall not exceed 360 million yen per year, and the amount of remuneration for Audit & Supervisory Board Members shall not exceed 80 million yen per year. At the conclusion of the same Annual General Meeting of Shareholders, there were 12 Directors (including one Outside Director) and five Audit & Supervisory Board Members.

○ At the 134th Annual General Meeting of Shareholders held on June 25, 2019, approval was granted for the introduction of a restricted share remuneration plan and a performance-linked share remuneration plan for Directors, excluding Outside Directors, for a total of up to 120 million yen and 500,000 shares per year. At the conclusion of the same Annual General Meeting of Shareholders, there were nine Directors (including two Outside Directors).

○ Resolution was passed at the 135th Annual General Meeting of Shareholders held on June 24, 2020 wherein the reappointed Directors be allocated the same number of restricted shares in exchange for forfeiting the previously-granted, unexercised share remuneration stock options as a measure for transition from share remuneration stock options to restricted shares, and to be acquired free by the Bank. In order to transition to this system, a separate limit was set for fiscal 2020 permitting existing cash remuneration and stock remuneration of up to 240 million and up to 440,300 shares per year. At the conclusion of the same Annual General Meeting of Shareholders, there were nine Directors (including three Outside Directors).

5. Since performance-linked shares are issued in the form of the Bank's common shares according to the term in office during the performance evaluation period (immediately preceding three fiscal years), the number of board members includes four Directors who retired during the performance evaluation period.

Furthermore, there are no officers whose total remuneration is 100 million yen or more.

Policy on Determining Remuneration Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The Basic Policy for Executive Remuneration stipulates below the Bank's basic policy on determining the amount of remuneration for officers and the method of calculating it. Since the Compensation Advisory Committee conducts a multifaceted examination in line with this policy to determine the details of remuneration, etc., for individual Directors, the Board of Directors has basically determined that the remuneration is in line with the Bank's determination policy based on the committee's advice and recommendations.

1. Basic perspective on the directors' remuneration system

In order to create a directors' remuneration system that contributes to realization of the Bank's management policy, our basic perspective on the directors' remuneration system is based on the principles of the Corporate Governance Code as follows:

○ To further motivate the Directors to contribute to sustainable growth of the Bank and increase the corporate value of the Bank over the medium- to long-term,

○ To share profit awareness with shareholders and raise management awareness focusing on shareholders,

○ To maintain proper linkage with business performance and give a sound incentive,

○ To avoid inappropriate risk taking,

○ To be able to hire or secure excellent managerial talent,

○ Because the Directors are primarily responsible for the performance of the entire Bank, individual evaluation for incentive remuneration is more focused on contributing to the overall performance of the Bank than the performance of the business in which the Director is in charge, and

○ To show an objective and transparent decision-making process.

2. Governance for determining remuneration

With regard to the following matters, in accordance with the separately stipulated Compensation Advisory Committee Regulations, three or more members, and at least half of the members, shall be independent Outside Directors.

The Compensation Advisory Committee deliberates in response to the inquiry of the Board of Directors, and the Board of Directors makes decisions based on the advice and recommendations of the Compensation Advisory Committee.

○ Proposal for the General Meeting of Shareholders on Director and Audit & Supervisory Board Member Remuneration,

○ Policy for remuneration of Directors (including the Basic Policy for Executive Remuneration)

○ Remuneration system for Directors (including amount of remuneration by individuals),

○ Items such as policies needed when deliberating each of the above items, which are deemed necessary by the Compensation Advisory Committee

The remuneration of Audit & Supervisory Board Members is determined through consultation among Audit & Supervisory Board Members

3. Remuneration structure

(1) Directors, excluding Outside Directors

Remuneration for Directors, excluding Outside Directors, consists of base remuneration, which is fixed remuneration, and variable remuneration, which fluctuates depending on business performance and other factors.

Variable remuneration consists of bonuses as short-term incentive remuneration based on business performance for each fiscal year, and share remuneration as medium- to long-term incentive remuneration that leads to sustainable growth of corporate value over the medium- to-long term.

Share remuneration further consists of restricted share remuneration, which is a pre-delivery type conditional on a person to serve as a Director of the Bank for a certain period of time, and performance-linked shares, which are a post-delivery type conditional on the achievement of performance evaluation indicators determined in advance in addition to the above condition.

The executive remuneration for individuals shall be set at a ratio of 3:1:1 in the following order: 1) Base remuneration, 2) Short-term incentive remuneration, and 3) Medium- to long-term incentive remuneration, taking into account the absolute amount of remuneration.

(2) Outside Directors and Audit & Supervisory Board Members

Remuneration for Outside Directors and Audit & Supervisory Board Members shall consist of only base remuneration, considering their role and independent status.

4. Remuneration level

The Bank determines the appropriate amount of remuneration based on its business performance, the environment surrounding the Bank, social and economic conditions, and industry trends.

Also, as a leading company in the region, we are aware of the appropriate level of remuneration received by executives of regional businesses through survey data from obtained by regularly participating in surveys conducted by external research organizations (so-called executive remuneration survey, etc.) and use this information as a reference in determining our own remuneration.

5. Performance-linked remuneration

(1) Bonus

Due to the nature of short-term incentive remuneration, consolidated current net income is adopted as an evaluation indicator with the aim of increasing motivation to contribute to business performance for each fiscal year. For the performance-linked portion, the amount of remuneration is determined within the range of 0 to 200% depending on the status of achievement of consolidated current net income.

(2) Performance-linked share

Due to the nature of medium- to long-term incentive remuneration, with the objective of increasing motivation to contribute to the enhancement of corporate value over the medium- to long-term, as well as sharing profit awareness with shareholders and raising management awareness that emphasizes shareholders, the Bank adopts four evaluation indicators: namely, (i) consolidated net income per share (consolidated EPS), (ii) consolidated gross operating expense ratio (consolidated OHR), (iii) total shareholder return (TSR), and (iv) sustainability indicators, and determines the amount of remuneration within the range of 0 to 200% depending on the achievement rate.

In principle, the Bank issues the Bank's common shares equivalent to the above remuneration in each fiscal year after being reasonably adjusted in accordance with the executive tenure during the evaluation period (the immediately preceding three fiscal years).

The reasons for the selection of evaluation indicators used to calculate the amount of remuneration for performance-linked shares are presented below.

(i) Consolidated net income per share (Consolidated EPS)

Earnings per share (EPS) is a profit indicator that shows the profitability of how much current net profit is generated for each share. The Bank regards performance-linked shares as one type of medium- to long-term incentive remuneration, and based on the recognition that remuneration should reflect medium- to long-term "results" due to its nature, the Bank cites the profit indicator as the first indicator to measure such "results." On top of that, instead of simply using consolidated net profit, the Bank will use the amount of growth in consolidated EPS, which is regarded as important by shareholders, as an evaluation indicator.

(ii) Consolidated gross operating expense ratio (Consolidated OHR)

Over-head-ratio (OHR) is the ratio of operating expenses to gross operating profit. The lower the percentage, the more operating gross profit is being generated with fewer operating expenses. In light of the improvement of corporate productivity and efficiency becoming a social requirement, especially in Japan, and the fact that the banking sector, to which the Bank belongs, is closely monitoring its efforts to reduce expenses, the Bank will adopt the consolidated OHR, which is also set as a numerical target in the Mid-Term Business Plan, as an evaluation indicator.

(iii) Total shareholder return (TSR)

Total shareholder return is a measure of the profitability of investments for shareholders, indicating how much dividends

and capital gains a shareholder, who purchased shares at the beginning of the period, received on the initial share price and how much the shareholder earned. The Bank believes that the adoption of these shareholder value indicators as evaluation indicators is in line with the purpose of introducing the share remuneration plan, which is to "share profit awareness with shareholders and raise management awareness focusing on shareholders."

(iv) Sustainability indicator

Based on the Gunma Bank Group Sustainability Policy, the Bank's Group strives to realize a sustainable society and the enhancement of corporate value through its business activities. Among the 17 SDGs adopted by the United Nations, the Bank will adopt as evaluation indicators from those economic indicators related to the 13 SDGs in the Policy determined to be targets where the Bank can especially contribute.

6. Perspective on the forfeiture and recovery clauses for remuneration

To prevent excessive risk taking and ensure the soundness of management, and to prevent serious scandals, such as accounting fraud or significant corrections required for past fiscal year financial statements, which may be caused by excessive incentives, we established the clauses (Clawback clause and Malus clause) for the recovery and forfeiture of all or part of the share remuneration in the event of the circumstances.

7. Perspective on holding treasury shares

In order to share awareness of the interest with shareholders and raise awareness of management with the emphasis on shareholders, we introduce a share remuneration plan to the Directors, excluding Outside Directors, and encourage them to hold a certain amount or more of the Bank's common shares depending on their positions in accordance with the "Share Ownership Guidelines."

8. Disclosure policy

The Bank will appropriately disclose the Basic Policy for Executive Remuneration to stakeholders through disclosure materials and media such as annual securities reports, reference documents for the General Meeting of Shareholders, reports on corporate governance, and the Bank's website.

Support System for Outside Directors (and/or Outside Audit and Supervisory Board Members)

The Secretariat, which is responsible as the secretariat of the Board of Directors, has a key role in supporting Outside Directors while distributing materials for the Board of Directors in advance. The Bank provides necessary support, such as securing time needed for preliminary preparations to facilitate full discussions, allowing for Outside Directors to view materials at the same time as Internal Directors. Along with supplying information on the Bank's new initiatives in advance and IR for employees, the Bank provides opportunities for information exchange by securing venues for exchanging opinions with the Representative Directors and Audit & Supervisory Board members. The Bank also provides opportunities for sharing information by arranging discussion meeting with Outside Directors. Through these efforts, we are working to create an environment where the Outside Directors can always make useful recommendations to the Board.

Outside Audit & Supervisory Board Members are also provided with the materials for the Board of Directors in advance in a similar fashion as Outside Directors, and the dedicated staff in the Audit & Supervisory Board Members' Office offers the necessary support for auditing operations by distributing materials for the Audit & Supervisory Board in advance. In addition, at the Audit & Supervisory Board, the Standing Audit & Supervisory Board Member explains the agenda of the Board of Directors and minutes of the Executive Committee in detail to the Outside Audit & Supervisory Board Member and shares

information such as reports on the status of audits conducted by the Standing Audit & Supervisory Board Member. Additionally, the Bank provides opportunities for information exchange by securing venues for exchanging opinions with the Representative Directors.

Status of Persons who have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) after Retiring as Representative Director and President, etc.

Name	Job title/ position	Responsibilities	Terms and Conditions of Employment (Full/part time, with/without remuneration, etc.)	Date when former role as president/ CEO ended	Term
Kazuo Saito	*Sodanyaku*	Activities for financial world and advisory in response to inquiries from executive management	Part-time/Receives remuneration	June 24, 2022	5 years

Number of Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) After Retiring as Representative Director and President, etc.	1

Other Related Matters

In accordance with a resolution of the Board of Directors, he was appointed as a *Sodanyaku* for a five-year term and is paid annual remuneration of 3,600,000 yen. His position is part-time and does not have a dedicated office, but have access to company car if necessary. He is not involved in management decision-making and the Bank does not believe this position poses any problems in terms of governance. The executive management team receives useful advice from him through opinion exchange meetings.

2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)

□Overview of Corporate Governance System

The Bank has an Audit & Supervisory Board Member System with the five members of the Audit and Supervisory Board (including three Outside Audit & Supervisory Board Members). In addition, the Board of Directors consists of 10 Directors, including four Outside Directors. To achieve our management goals, we believe that it is effective to enhance the Audit & Supervisory Board Member System by appointing Inside and Outside Audit & Supervisory Board Members, as well as to strengthen management oversight functions by the presence of Outside Directors and Outside Audit & Supervisory Board Members. Outside Directors are responsible of management oversight for the Board of Directors, and Outside Audit & Supervisory Board Members are responsible of the auditing in the Audit & Supervisory Board Member System, and all have the role of management monitoring and supervising for corporate governance.

□Methods of business execution, audit, and supervision, and status of activities, etc.

The Board of Directors makes decisions on basic management matters and important aspects of business execution, supervises the execution of business operations by each Director, meets monthly in principle in accordance with the Board of Directors Regulations, and convenes extraordinary meetings as necessary. For the execution of important business operations based on management policies determined by the Board of Directors, the Company has established a system whereby the Executive Committee, which is a consultative body to the President, meets once a week in principle pursuant to the Executive Committee Regulations to conduct sufficient deliberations for decision-making to ensure prompt and smooth execution.

The term of Directors is set at one year to build a management system that can respond more quickly to changes in the business environment. In addition, the Bank has adopted an executive officer system to enhance corporate governance and separate management decision-making from business operations and promote the role of the Board of Directors.

The Audit & Supervisory Board meets once a month in principle, and its members make decisions based on discussions on how to resolve various issues. Additionally, each member of the Audit & Supervisory Board reports on the results of audits, and shares information, and exchanges opinions with the others when necessary. Also, the Audit & Supervisory Board Office consisting of dedicated staff members, has been set up directly under the Audit & Supervisory Board, and is working to maintain a more effective audit system.

The members of the Audit & Supervisory Board conduct audits in accordance with the auditing policies, audit plans, and assignment of audit duties established by the Audit & Supervisory Board. The performance of duties by the Directors is monitored and verified through attendance at the Board of Directors and other important meetings, audits of the headquarters, visits to branch offices, investigations of Group company operations, examinations of important documents, and surveys of the operations and assets of the Bank. In addition, the Bank is working to share awareness of management policies, management issues, and important auditing issues by meeting regularly with the President and Outside Directors.

Internal audits are conducted by the Inspection & Audit Department (33 members as of the end of March 2026) which is an organization set up directly under the Board of Directors independent of the audited departments, targeting headquarters, branch offices, and Group companies based on the audit plan and audit policy decided by the Board of Directors each fiscal year. The results of the audit are reported to the Audit & Supervisory Board Members as needed and to the Board of Directors every six months. In addition, in June 2026, with the aim of improving the quality of internal audit activities, we established a framework

under which the General Manager of the Inspection & Audit Department may attend internal meetings, including the Compliance Committee, as necessary, and significant issues, risks, and other matters can be identified at an early stage and promptly reflected in internal audit activities.

☐Liability limitation agreements

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Bank has entered into agreements with Outside Directors and Outside Audit & Supervisory Board Members to limit their liability for compensation under Article 423, Paragraph 1 of the Companies Act up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, if they perform their duties in good faith and without gross negligence.

☐Overview of Accounting Audits

With regard to accounting audits, the Bank has entered into an audit agreement with Ernst & Young ShinNihon LLC pursuant to the Companies Act and the Financial Instruments and Exchange Act. Audits are conducted in accordance with the audit plan formulated by the audit firm. There are no special interests between the executive officers of Ernst & Young ShinNihon LLC and the Bank.

The names of the certified public accountants who executed their duties in FY2025, the names of the audit corporation to which they belong, and the composition of assistants related to audit work are as follows.

○ Name of audit corporation: Ernst & Young ShinNihon LLC

○ Continuous years of service: 44 years

○ Certified Public Accountants who executed the work:

Toshihiro Morishige

Osamu Yamada

○ Composition of assistants for audit work

5 Certified Public Accountants, 4 Certified Public Accountant qualification holders, and 14 others

○ Remuneration in FY2025: 264 million yen

The total amount of money and other property benefits payable by the Bank and its consolidated subsidiaries to the Accounting Auditor is 287 million yen.

The amount of remuneration for audit attestation service for the Bank includes audit fees of 195 million yen concerning consolidated financial statements audit to be included in the registration statements, etc. based on the US Securities Act.

Since the audit contract between the Bank and the Accounting Auditor does not clearly distinguish the amount of audit fees for audits under the Companies Act and audits under the Financial Instruments and Exchange Act, and since these cannot be substantially classified, the total amount of these fees is stated in the above remuneration, etc.

☐Functions for determination of nomination and remuneration

In order to increase the objectivity and transparency of decision-making regarding the nomination and remuneration of Directors, the Bank has established the Nomination Advisory Committee and the Compensation Advisory Committee as advisory bodies to the Board of Directors, and is working to further enhance its corporate governance system. For information regarding the composition of the Nomination Advisory Committee and the Compensation Advisory Committee, please refer to

"Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson" and "Supplementary Explanation" found in "II. 1. Organizational Composition and Operation" of this report.

3. Reasons for Adoption of Current Corporate Governance System

The Bank has Audit & Supervisory Board Member System with the five members of the Audit and Supervisory Board (including three Outside Audit & Supervisory Board Members). In addition, the Board of Directors consists of ten Directors, including four Outside Directors. To achieve our management goals, we believe that it is effective to enhance Audit & Supervisory Board Member System by appointing Inside and Outside Audit & Supervisory Board Members, as well as to strengthen management oversight functions by the presence of Outside Directors and Outside Audit & Supervisory Board Members.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights

	Supplementary Explanation
Early Posting of Notice of the General Meeting of Shareholders	The notice of convocation of the 141st Ordinary General Meeting of Shareholders held on June 23, 2026 was sent on June 2, 2026 (21 days prior). In addition, in response to the system of electronic provision of materials for the General Meeting of Shareholders, the Bank discloses materials for the General Meeting of Shareholders on the Bank's website and on the website of the Tokyo Stock Exchange.
Scheduling of the General Meeting of Shareholders on a Non-Peak Day	The Bank sets the date to avoid the days when many other companies hold their meetings.
Electronic Exercise of Voting Rights	Voting rights can be exercised over the Internet.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The Bank uses the electronic voting platform for institutional investors operated by ICJ, Inc.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	An English translation of the convocation notice is prepared and posted on the Bank's website and the website of the Tokyo Stock Exchange at the same time as the original Japanese version
Other	The details of the disclosure of the results of the exercise of voting rights in the extraordinary report are posted on the Bank's website.

2. Status of IR-related Activities

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	The Bank releases this disclosure policy publicly to stakeholders appropriately through media and the following disclosure materials: securities reports, reference documents for the General Meeting of Shareholders, reports on corporate governance, its website, etc.	
Regular Investor Briefings held for Individual Investors	In FY2025, the Bank held two IR briefings for local individual investors in Gunma Prefecture (a total of approximately 220 attendees).	Held
Regular Investor Briefings held for Analysts and Institutional Investors	After the announcement of the full-year and semi-annual financial results, the Bank holds financial results briefings for analysts and institutional investors (a total	Held

	of 262 attendees). The Bank also holds small meetings on a quarterly basis (four times in total, a total of 76 attendees). At briefing sessions, the Representative Director provides an explanation on business performance (forecasts), efforts to improve corporate value, management strategies, capital policies, etc. In FY2025, the Bank held Outside Directors' first IR meeting (attended by 16 analysts). At the IR meeting, an active exchange of views took place with participating securities analysts on ensuring transparency in corporate governance and enhancing corporate value over the medium to long term.	
Regular Investor Briefings held for Overseas Investors	The Representative Director, etc., visits overseas investors (two times in total, a total of 12 destinations), participates in domestic conferences, or conducts online interviews.	Held
Online Disclosure of IR Information	The Bank posts financial results, annual securities reports and financial results briefing materials, as well as live stream videos of briefings for investors. The Bank also delivers live stream videos of CEO Message in English. Materials in Japanese: https://www.gunmabank.co.jp/ir/ Materials in English: https://www.gunmabank.co.jp/ir/library/en/	
Establishment of Department and/or Placement of a Manager in Charge of IR	The department in charge of IR is the Business Management Office of the Corporate Planning Department, and the officer in charge of IR is the Officer in charge of the Corporate Planning Department	

3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	The Bank has established its basic stance toward stakeholders in its Corporate Philosophy and Corporate Ethics, and reflects this in its management plans and business operation policies as an embodiment of these stances.
Implementation of Environmental Preservation Activities and CSR Activities, etc.	The Bank's environmental preservation activities and CSR activities, etc. for FY2025 onward are as follows. <Initiatives to resolve environmental and social issues such as climate change> In April 2025, among the evaluation indicators for performance-linked share remuneration, the Bank revised the "SDGs Management Indicators" adopted for non-financial indicators to the "Sustainability Indicators." In August 2025, as a project to commemorate its 90th anniversary, the Bank completed the introduction of electric vehicles (EVs) at all branches, achieving the initial target of 100 vehicles in total. In March 2026, the Bank obtained ZEB certification for the new Kaneko Branch and Kuragano Branch and started operations. In April 2026, the Bank switched electricity for all of its branches (excluding tenant branches) to electricity derived from renewable energy by utilizing programs provided by Gunma Prefecture, such as the "Local Production and Local Consumption PPA" and the "Green Basic Plan (Gunma Prefecture-Produced Non-Fossil Fuel Certificates)," In addition, the Bank renewed the Prefectural Forest Maintenance Partner Project Implementation Agreement concluded with Gunma Prefecture. In addition to the above, the Bank engaged in the following initiatives for activities to benefit the regional community and the development of the next generation. ○ Sponsorship of the Gunma Marathon and sponsorship of the Gunma Symphony Orchestra, etc. which contribute to the improvement of local music culture ○ Hosting of Gungin Cup Mothers' Volleyball Tournament ○ Participation in community and volunteer activities for local events, etc. ○ Holding of the Gunma Tournament of the National High School Finance and Economics Quiz Championship "Economics Koshien" as a venue for financial and economic education for high school students ○ Lectures on finance at universities and high schools in Gunma Prefecture ○ Finance-related lectures for high school students given by young bank

	employees ○ Hosting of workplace visits for high school students ○ Hosting of workplace training for special needs school students Moreover, the Bank engaged in the following initiatives for projects by the GUNGIN Foundation. <Environmental-related projects> The Bank implemented “awareness-raising activities” to raise awareness of the environment and “subsidy activities” for the activities of organizations and schools working on environmental preservation. <Subsidy projects for public funds> The Bank ensured the proper maintenance and conservation of the forest environment, which is a shared asset of the prefecture’s residents, through support for the “Gunma Green Prefectural Fund.” <Subsidy projects through open application> To support the sustainable development of Gunma Prefecture as a whole, the Bank provided support for efforts to strengthen child abuse prevention and care systems as a social welfare initiative, and support for projects commemorating the 80th anniversary of the founding of the Gunma Symphony Orchestra as a cultural and artistic initiative. [Reference] Major initiatives up to March 2025 <Initiatives for sustainable finance, etc.> Dec. 2018 Started handling Gungin SDGs Private Placement Bonds May 2021 Formulated the Gunma Bank Group Green/Social/Sustainability Bond Framework, which added social projects that contribute to solving social issues as one of the uses of the funds, in addition to green projects Jun. 2021 Started handling Sustainability-Linked Loans Oct. 2021 Became the first regional bank to issue sustainability bonds Apr. 2022 Set a target of “1.5 trillion yen in total executed amount of sustainable finance by FY2030 (including 1 trillion yen in the environmental field)” Jun. 2022 Started handling Gungin SLL Sep. 2022 Started handling SDGs Initiative Support Service Aug. 2023 Started handling Positive Impact Finance, Green Loans, and Social Loans Sep. 2023 Raised the target for of “total executed amount of sustainable

	finance" to 3 trillion yen in total (including 1.5 trillion yen in the environmental field)"
	Oct. 2023 Started handling Carbon Neutral Loans
	Jul. 2024 Started handling Carbon Offset Type private placement bonds
	Aug. 2024 Started handling the Gungin SDGs/ESG Management Evaluation and Diagnostic Service
	Mar. 2025 Started handling Gungin SX Support Loans and Gungin SLL Plus
	<Initiatives to resolve environmental and social issues such as climate change>
	Apr. 2011 Concluded the Prefectural Forest Maintenance Partner Project Implementation Agreement with Gunma Prefecture
	Apr. 2016 Renewed the Prefectural Forest Maintenance Partner Project Implementation Agreement concluded with Gunma Prefecture
	Feb. 2019 Established the Gunma Bank Group SDGs Declaration
	Jun. 2020 Established the SDGs & ESG Management Office within the Corporate Planning Department
	Jul. 2020 Announced the endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
	Apr. 2021 Renewed the Prefectural Forest Maintenance Partner Project Implementation Agreement concluded with Gunma Prefecture
	Jun. 2021 Established the Environmentally and Socially Conscious Investment and Loan Policy
	Jan. 2022 Revised the greenhouse gas emissions reduction target to net zero greenhouse gas emissions by FY2030
	Apr. 2022 Established the Sustainability Committee chaired by the Representative Director Switched all electricity for head office building to electricity derived from renewable energy
	Jul. 2022 Jointly established with local business operators a regional power generation company, Kanto Yawaragi Energy Co., Ltd. through a fund operated by Gunma Regional Advanced Solution Partners Co., Ltd., a wholly owned subsidiary Concluded a PPA and installed solar panels on the roofs of four buildings, including the Bank's Takasaki-Tamachi Branch and Kiryu Branch
	Nov. 2022 Began introducing eco-friendly electric vehicles (EVs) at all branches as a project to commemorate its 90th anniversary

	Apr. 2023 Switched all electricity for the computer center to electricity derived from renewable energy Jun. 2023 Acquired the naming rights to the Oze Katashina Power Plant and named it “Gungin Oze Katashina Power Plant” Jan. 2024 Used energy derived from the “Gungin Oze Katashina Power Plant” at the nine branches in the Hokumou area Apr. 2024 Announced the endorsement of the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) Dec. 2024 Switched the heavy oil used in the head office building and computer center to carbon offset fuel, which utilizes J-Credits Feb. 2025 Changed the name of the Gunma Bank Group SDGs Declaration to the Gunma Bank Group Sustainability Policy Mar. 2025 Started operations of the new Sakai Branch, the Bank’s first branch designed to specifications for ZEB certification
Formulation of Policies, etc. on Provision of Information to Stakeholders	In addition to disclosing important information, we have established the Disclosure Policy, which stipulates our basic policy on information disclosure, and we strive to disclose corporate information that is useful for stakeholders to understand the Bank in a timely, appropriate, and easy-to-understand manner. From the perspective of fair disclosure, the Bank also operates and manages information in consideration of fairness so that information disclosure does not selectively disclose information to specific investors, etc.
Other	The initiatives for promotion of a variety of human resources into active positions for FY2025 onward are as follows. <Diversity> In April 2025, the Bank obtained “Platinum Eruboshi” certification from the Minister of Health, Labour and Welfare as a certified general employer that conforms to standards based on the Act on Promotion of Women’s Participation and Advancement in the Workplace. In June 2025, the Bank changed the name of the Women’s Participation and Advancement Promotion Committee, which was launched in 2015, to the Diversity, Equity & Inclusion (DE&I) Promotion Committee in order to further promote the advancement of a variety of human resources into active positions. In August 2025, the Bank introduced a “Referral Hiring System” in which employees can refer friends or acquaintances who wish to work at the Bank, with the aim of promoting mid-career hiring and revitalizing the organization. In October 2025, the Bank expanded the existing “Shortened Working Hours

	System for Childcare" and introduced a new "Staggered Working Hours System for Childcare" to promote flexible work arrangements during the child-rearing years and enable employees raising children who have not yet entered elementary school to utilize either the "Staggered Working Hours System for Childcare" or the "Shortened Working Hours System for Childcare." Furthermore, as part of efforts to enhance employee engagement and support self-directed career development, the Bank expanded the range of positions open for application under the "Job Posting System" to include various roles such as headquarters departments, branch manager positions, group companies, and secondments outside the Bank, and introduced the "Internal FA System," which allows employees who meet certain requirements voluntarily declare up to three preferred positions or department assignments of their choice. <Work style reform> In May 2026, for the second consecutive year, the Bank was jointly selected by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange in the KENKO Investment for Health Stock Selection program, which selects companies that consider the health management of employees from a management perspective and strategically implement relevant initiatives. <Human resources development> In November 2025, the Bank started support for obtaining the Generative AI Passport certification to promote the bank-wide adoption of generative AI and improve AI literacy. [Reference] Major initiatives up to March 2025 <Diversity> Apr. 2015 Launched the project team "L-NEXT" toward female participation and career advancement Feb. 2017 Established an allowance for early return to work from childcare leave. In addition, established an integrated follow-up system to facilitate the return to work for employees who have taken childcare leave Aug. 2017 Established new childcare support allowance for employees who have given birth to a child. In addition, newly established a special five-day annual leave for the purpose of infertility treatment

	Apr. 2020	Introduced a talent management system to centralize management of personnel information
	May 2022	Added male members to the “L-NEXT” from the perspective of creating a workplace where all employees can thrive regardless of age or gender
	Dec. 2022	Introduced an alumni hiring system, which provides reentry opportunities for former employees
	Apr. 2024	Revised the systems to make it possible for employees who are raising a child entering an elementary school to use shortened working hours (up to four months while the child is in the first grade of elementary school)
	Jun. 2024	Revised the personnel system to introduce the job-based personnel system to improve the engagement of bank employees and revitalize the Bank’s entire organization
	Dec. 2024	Obtained “Platinum Kurumin Plus” certification
	Feb. 2025	Introduced the “Job Skill Assessment System” to promote visualization of each employee’s operational skills
	<Work style reform>	
	Apr. 2015	Introduced voluntary no-overtime day, where each employee chooses in advance one day per month to leave work at the end of business hours, in addition to the four regular no-overtime days per month
	Jul. 2017	Signed the agreement in Gunma Prefecture with the Gunma Labor Bureau (first agreement for Gunma Prefecture) with the objective of improving the productivity of local companies and revitalizing the regional economy
	Jul. 2018	Introduced paid leave that can be taken in hourly increments (timely leave) totaling up to 5 days per year
	Aug. 2018	Introduced a work from home option
	Sep. 2018	Established the Declaration of Health and Productivity Management
	Oct. 2018	Established a new work interval system
	Apr. 2019	Created the Work-Life Balance Handbook in collaboration with the employee labor union
	Aug. 2020	Reviewed the scope of application and working hours (start time, end time, and hourly increments) to enable more flexible use of the staggered working hours system
	Jan. 2021	Expanded the eligibility for childcare leave from the fourth

		grade of elementary school and younger to pre-junior high school
	Apr. 2021	Revised the eligibility to allow employees with preschool children and elementary school age children to take five days' leave for elementary school students regardless of the order in which they are taken Set the reference time to leave work at around 6:30 pm. In addition, established a new Work-Life Balance Leave
	Oct. 2023	Established a leave system to support career continuation which is available for employees who wish to leave for a certain period for reskilling or accompanying their partners for relocation, in addition to infertility treatment, which has been covered Introduced business casual and office casual
	<Human resources development>	
	Apr. 2020	Enhanced training video contents, led by Gungin Financial College (ongoing initiative)
	Oct. 2020	Began holding 1-on-1 meetings at sales branches. Subsequently, gradually expanded the scope to include all headquarters
	Jun. 2021	Introduced the engagement analysis tool called "wevox"
	Apr. 2022	Began support for the acquisition of IT passports
	Sep. 2023	Established the Career Support Desk, which allows employees of all ages to consult on career issues
	Nov. 2023	Began support for the acquisition of SME consultants and Level 1 financial planners, etc.
	Jun. 2024	Introduced "Career ∞ Lab," a learning platform for bank employees
	Jul. 2024	Began support for the acquisition of IT-related certifications (33 certifications including the Systems Auditor Examination, etc.)

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development

The Bank's Board of Directors has adopted the following basic policy and is working to develop an internal control system.

□Basic Policy of developing the system to ensure the appropriateness of business operations

(1) System to ensure that the execution of duties by Directors and employees complies with laws and regulations and the Articles of Incorporation

○ Positioning compliance as a top priority management issue, the Bank has established "Corporate Ethics," "Action Guidelines," and "Compliance Regulations," which set out the basic rules for compliance, as norms for all officers and employees to act in compliance with laws, regulations, the Articles of Incorporation, and the Corporate Philosophy.

○ To ensure thorough compliance, the Risk Management Department is designated as the department in charge, and in accordance with the Compliance Action Plan approved by the Board of Directors, it supervises compliance initiatives throughout the Bank and regularly reports the status of implementation to the Board of Directors.

○ The Compliance Committee convenes regularly to discuss important matters related to compliance and to confirm the status of implementation. In addition, a Compliance Hotline will be established based on the Internal Whistleblowing System Handling Regulations.

○ The Bank will sever relationships with anti-social forces and establish an internal system to eliminate them.

○ Based on the recognition that the products and services provided by the Bank can be used for money laundering and terrorist financing, the Bank will establish an effective management system to prevent such activities.

○ The Board of Directors supervises the execution of duties by Directors and strives to establish a system to ensure the proper execution of operations.

○ The Inspection & Audit Department, which is independent of the Audit & Supervisory Board Members and the business execution departments, conducts audits related to compliance.

○ In order to ensure the appropriateness of financial reporting, the Bank established the "Basic Regulations on Internal Control for Financial Reporting" and will build a system to appropriately develop and operate internal control related to financial reporting.

(2) System for the storage and management of information related to the execution of duties by Directors

○ Information related to the execution of duties by Directors is appropriately and reliably stored and managed in accordance with the provisions of laws and regulations, as well as internal regulations regarding the preservation and management of documents such as meeting minutes and headquarters application forms.

○ A storage system will be established in which Directors and Audit & Supervisory Board Members can view information as necessary.

(3) Regulations and other systems for managing the risk of loss

○ The Bank has established the Basic Policy on Risk Management, as well as appropriately identifies and manages risks by recognizing the risks to be managed, appointing a department responsible for managing individual risks, and establishing the Risk Management Department to oversee risk management for the entire bank.

○ The Board of Directors determines important matters such as basic rules on risk management and receives regular reports on the status of important risks.

○ The Bank formulated a Crisis Management Plan that assumes unforeseen circumstances such as large-scale disasters and large-scale system failures, and conducts regular training drills.

(4) System to ensure the efficient execution of duties by Directors

○ The Bank has established “Discussion Standards” and “Reporting Standards” in the Board of Directors Regulations to ensure appropriate and efficient operations.

○ In the execution of duties, the executive authority and the person responsible for execution is determined in accordance with the Office Organizational Regulations, Division of Duties Regulations, and Administrative Authority Regulations.

(5) System to ensure the appropriateness of business operations of the corporate group consisting of the Bank and its subsidiaries

○ In accordance with the Group Company Operation Rules, important business matters of the Group are managed in consultation with the Bank. In addition, the Group Management Meeting is convened regularly to understand the status of business execution and financial conditions, and to share information.

○ Each Group company has established regulations related to compliance and risk management, and put into place a compliance system and a risk management system. The Bank has also established an Internal Whistleblowing System and makes use of its Compliance Hotline.

○ Matters involving significant risks are audited by the Inspection & Internal Audit Department from the perspective of the interests of the entire corporate group.

○ The Bank and each Group company comply with the arms-length rules so as not to disadvantage each other.

(6) Matters concerning employees required to assist Audit & Supervisory Board Members in their duties

○ In order to assist the Audit & Supervisory Board Members in the performance of their duties, the Bank assigns at least one employee (Audit & Supervisory Board Member’s staff) who is responsible for assisting the Audit & Supervisory Board Members.

(7) Matters concerning the independence of the employees in the preceding paragraph from Directors and ensuring the effectiveness of instructions given to said employees

○ Audit & Supervisory Board Member’s staff do not hold concurrent positions related to the execution of business, and are employees who directly report to Audit & Supervisory Board Members not under the direction or supervision of Directors.

○ The consent of the Audit & Supervisory Board Members shall be obtained for the transfer of the Audit & Supervisory Board Member’s staff.

(8) System for Directors and employees to report to Audit & Supervisory Board Members and other systems for reporting to Audit & Supervisory Board Members

○ Audit & Supervisory Board Members attend meetings of the Executive Committee and the Group Management Meeting, and ensure opportunities for them to express their opinions.

○ Officers and employees of the Bank and its Group companies, in the event that they discover a fact that may cause significant damage to the Bank or the Group, report to the Audit & Supervisory Board Members any matter related to the facts and other matters deemed necessary by the Audit & Supervisory Board Members.

○ The Bank maintains an appropriate system for reporting to Audit & Supervisory Board Members regarding violations of laws and regulations and other matters contrary to compliance of the Bank and Group companies by appropriately implementing the Internal Whistleblowing System Handling Regulations.

(9) System to ensure that the person who made the report referred to in the preceding paragraph is not treated unfavorably because of the report

○ Officers and employees of the Bank and Group companies who have made the report described in the preceding paragraph are not be treated in any disadvantageous way on the grounds that they have made said report.

(10) Procedures for advance payment or reimbursement of expenses incurred in the execution of duties by Audit & Supervisory Board Members, other expenses incurred in the execution of such duties, and matters concerning policies related to the processing of liabilities

○ When an Audit & Supervisory Board Member makes a request for advance payment of expenses or reimbursement of debts in connection with the execution of their duties, the Bank promptly pays the expenses or reimbursement of the debts in advance, except in cases where it is recognized that the expenses or debts pertaining to the request are not necessary for the execution of the duties of the Audit & Supervisory Board Members.

(11) System to ensure that audits by Audit & Supervisory Board Members are conducted effectively

○ The Representative Director holds regular meetings with the Audit & Supervisory Board Members to exchange opinions on the operation of the Bank and communicate with them, thereby maintaining a relationship of mutual recognition and trust.

○ The Board of Directors strives to improve the auditing environment by ensuring the attendance of Audit & Supervisory Board Members at meetings that are important for ensuring the appropriateness of business operations, and respects the Audit Standards of Audit & Supervisory Board Members established by the Audit & Supervisory Board.

□Summary of the operational status of the system for ensuring the appropriateness of operations

The Bank regularly checks the system to ensure the appropriateness of its business operations once a year in principle and reviews it as necessary. At its meeting held in April 2026, the Board of Directors conducted an annual review of the development and operation status of the system in the current fiscal year.

(1) Compliance system

In accordance with its Corporate Philosophy, the Bank has established “Corporate Ethics,” which represents the basic policy for compliance, the Action Guidelines, which represents a set of standards for compliance, and the Compliance Regulations, which are the basic rules of compliance. The Compliance Committee meets once a month in principle to discuss the formulation of the Compliance Action Plan and the status of its achievement.

In addition, the Bank established the Anti-Money Laundering and Anti-Terrorist Financing Policy, which stipulate the basic policy and organizational structure for the prevention of money laundering and the financing of terrorism, worked to strengthen our system for preventing money laundering, etc. by holding meetings of the Financial Crimes Countermeasures Committee once a month in principle, and disclosed the Basic Policy for Preventing Money Laundering, etc. to clearly indicate this management system. In the current fiscal year, from the perspective of working to further improve effectiveness, we have formulated the new “Annual Action Plan for Anti-Money Laundering Measures” as our action plan for preventing money laundering that was previously part of the Compliance Action Plan, and established a system to report the status of its progress to the Board of Directors.

In the current fiscal year, from the perspective of maintaining and enhancing our system for the prevention of money laundering, etc., we have formulated the new “Plan for Verification of the Effectiveness of Anti-Money Laundering Measures” and established a system to report the status of its progress to the Board of Directors.

(2) Risk management system

The Basic Policy on Risk Management defines the Risk Management Department as the department responsible for bank-wide risks and provides for the types of risks to be managed. The Risk Management Department works with the departments related to risk management to identify and manage risks for the Group as a whole. Additionally, the Board of Directors determines important matters such as basic rules on risk management and receives regular reports on the status of important risks.

In the current fiscal year, a system failure response drill assuming damages caused by a ransomware attack was conducted for the entire Group. In this drill, we confirmed the emergency response process, etc. in case of a failure of an important system that has an impact on business continuity. Moreover, as a part of this drill, the Emergency Response Committee was convened without prior announcement of a drill scenario, to enhance our flexible responsiveness to unexpected situations.

(3) System to ensure efficient execution of duties by Directors

In accordance with the Board of Directors Regulations, the Board of Directors meets monthly in principle, and on an ad hoc basis as necessary. While striving to enhance the support system for Directors by distributing materials for meetings of the Board of Directors in advance to ensure that they have time to prepare for sufficient deliberations, the Bank is working to continuously to improve the functions of the Board of Directors, such as conducting an objective and specialized analysis and evaluation of the effectiveness of the Board of Directors as a whole using an external organization once a year to identify issues.

Additionally, in order for Independent Outside Directors to be appropriately involved in the decision-making process for nomination and remuneration of the Directors, to increase the objectivity and transparency of the process, the Nomination Advisory Committee and the Compensation Advisory Committee were established as advisory bodies to the Board of Directors. In the current fiscal year, the Nomination Advisory Committee met twice and the Compensation Advisory Committee met three times. The Bank strives to improve the effectiveness of the Nomination Advisory Committee in the process of selecting candidates for Directors and appointing executive officers, such as by clarifying the skills and assessments of new candidates to the Independent Outside Directors who are members of the committee. In addition to these efforts, based on discussions in the evaluation of the effectiveness of the Board of Directors, in order to ensure that the Outside Directors can perform their duties properly, the Bank holds discussion meetings with Outside Officers, opinion exchange meetings with Outside Directors and Audit & Supervisory Board Members, and opinion exchange meetings for Outside Directors and the responsible department to discuss important themes.

(4) System to ensure the appropriateness of business operations of the Group

The “Rules of Management of Group Companies” define management of the Group companies, and the Bank works to maintain sound management, enhance management efficiency and achieve business objectives as the entire Group, as well as strengthening its collective strengths.

In addition, the Bank supervises the execution of important duties by consolidated subsidiaries and equity-method subsidiaries (hereinafter, the “Subsidiaries”), among the Group companies by determining important matters that must be discussed with the Bank in advance or be reported to the Bank. Additionally, the “Group Management Meeting” is established to understand and discuss the management policies and operational status of the Subsidiaries. In the current fiscal year, the Group Management Meeting met twice.

(5) Ensuring the effectiveness of audits by Audit & Supervisory Board Members

Audit & Supervisory Board Members receive reports from officers and employees of the Bank and Group companies on information necessary for audits as needed. They also have the opportunity to express their opinions by attending internal meetings such as the Executive Committee and the Group Management Meeting. In addition, Audit & Supervisory Board Member's staff are assigned to the Audit & Supervisory Board Members Office under the direct control of the Audit & Supervisory Board to ensure smooth audits and other duties by Audit & Supervisory Board Members and operation of the Audit & Supervisory Board meetings. The staff assist with duties of Audit & Supervisory Board Members, from a position independent of business execution.

In the current fiscal year, the Bank ensured the effectiveness of audits by Audit & Supervisory Board Members by striving to facilitate communication, such as the continuous exchange of opinions between Executive Directors, including the Representative Director, and Standing Audit & Supervisory Board Members, in addition to the regular exchange of opinions between the Representative Director and the Audit & Supervisory Board Members held twice a year and the regular exchange of opinions between the Outside Directors and the Audit & Supervisory Board Members held four times a year.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

(1) Basic Views on Measures for Eliminating Anti-Social Forces

The Bank's policy of severing relationships with anti-social forces and steadfastly eliminating them is set forth in the "Corporate Ethics" and "Action Guidelines."

(2) Status of developments for Eliminating Anti-Social Forces

The Bank has established the Regulations on Handling Anti-Social Forces and Manual for Handling Anti-Social Forces and has formulated established rules for eliminating anti-social forces.

The Risk Management Department is the department that oversees the handling of anti-social forces. It receives consultations from sales branches and provides instructions to related departments. In addition, the Bank has established an organizational system, including assigning a person in charge of preventing unreasonable demands to each branch and having them play a role in dealing with anti-social forces at branches.

The Bank collects information on anti-social forces from newspaper reports and sales branches, builds a database, and uses this database to eliminate transactions with anti-social forces.

The Bank has established a cooperative system in collaboration with external specialized organizations such as legal counsel and the police.

In addition to including the key points of "Corporate Ethics," "Action Guidelines," and "Manual for Handling Anti-Social Forces" in the Compliance Guidelines, the Bank is working to make all employees known through compliance training and other means.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation for Applicable Items
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2. Other Matters Concerning the Corporate Governance System

[Overview of timely disclosure system]

The status of the Bank's internal system for the timely disclosure of corporate information is presented below:

1. Timely disclosure operations

(1) Department that manages timely disclosure

The Corporate Planning Department manages timely disclosures.

(2) Main department responsible for timely disclosures

A. Information concerning decisions that have been made

Corporate Planning Department, General Affairs Department, and HR Management Department

B. Information concerning events that have occurred

Corporate Planning Department, Risk Management Department, and General Affairs Department

C. Information concerning financial results

Corporate Planning Department

*Timely disclosure information pertaining to subsidiaries is reported to the Corporate Planning Department.

(3) Handling of timely disclosures

Corporate information related to timely disclosure is handled as follows for each category of information.

A. Information concerning decisions that have been made

(i) Information concerning decisions that have been made regarding the Bank's important measures (issuance or sale of shares, etc., acquisition and disposal of treasury shares, transfer of capital, etc.) is promptly reported to the Corporate Planning Department by the department in charge after the decision has been made.

(ii) The Corporate Planning Department considers whether or not to disclose the report in accordance with the Securities Listing Regulations.

(iii) When making disclosures, the Corporate Planning Department reports the details of the timely disclosure to the Representative Director and President and promptly discloses it.

B. Information concerning events that have occurred

(i) Important information (e.g., inability or delay in collection of receivables, rumors, etc.) at sales branches and Group companies is promptly reported to the department responsible for of timely disclosure after the occurrence. The department responsible reports the occurrence to the Representative Director and President and to the Corporate Planning Department. In addition, important information at the headquarters is promptly reported by the department

responsible to the Representative and President after the occurrence, and is also reported to the Corporate Planning Department.

(ii) The Corporate Planning Department considers whether or not to disclose the report in accordance with the Securities Listing Regulations.

(iii) When making disclosures, the Corporate Planning Department reports the details of the timely disclosure to the Representative Director and President and promptly discloses it.

C. Information concerning financial results

(i) Information on financial results (fiscal year, interim, and quarterly) is reported by the Corporate Planning Department to the Representative Director and President, and promptly disclosed.

(ii) In the event that a fact arises that requires a revision of the earnings forecast, the Corporate Planning Department reports it to the Representative Director and President, and promptly discloses it.

(4) Consultation with the Accounting Auditor

The Corporate Planning Department discusses the necessity and content of disclosures with the Accounting Auditor and legal counsel when necessary, depending upon the case.

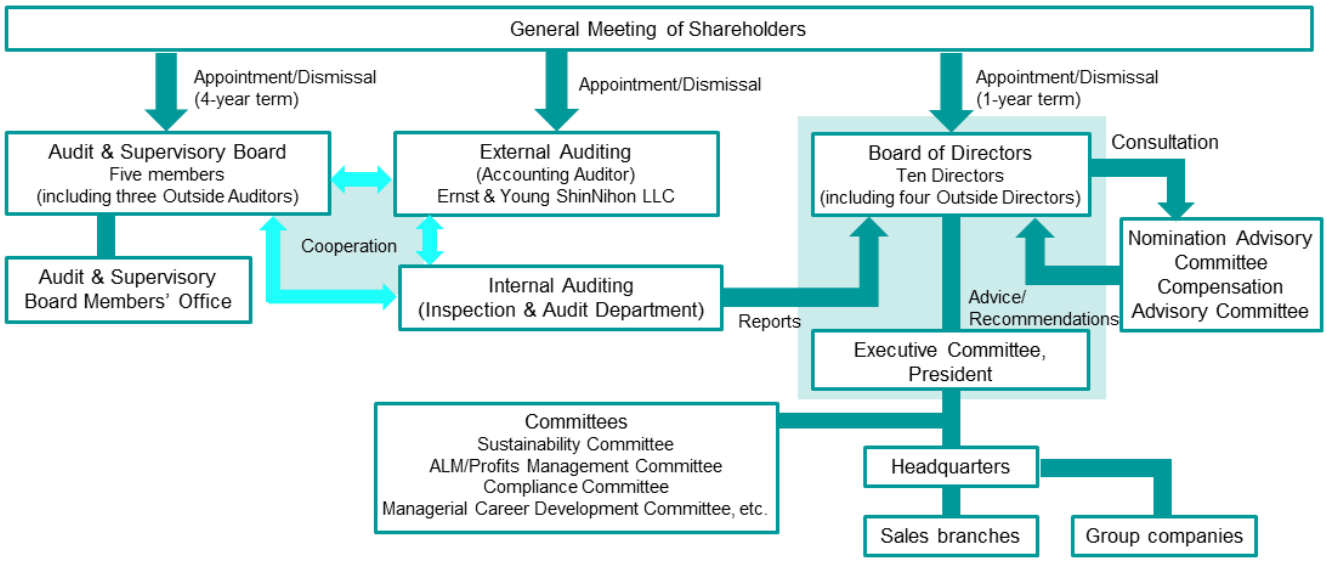
2. Audits of the appropriateness, etc. of timely disclosures

The Inspection & Audit Department verifies the appropriateness and effectiveness of the timely disclosure procedures by the department responsible above.

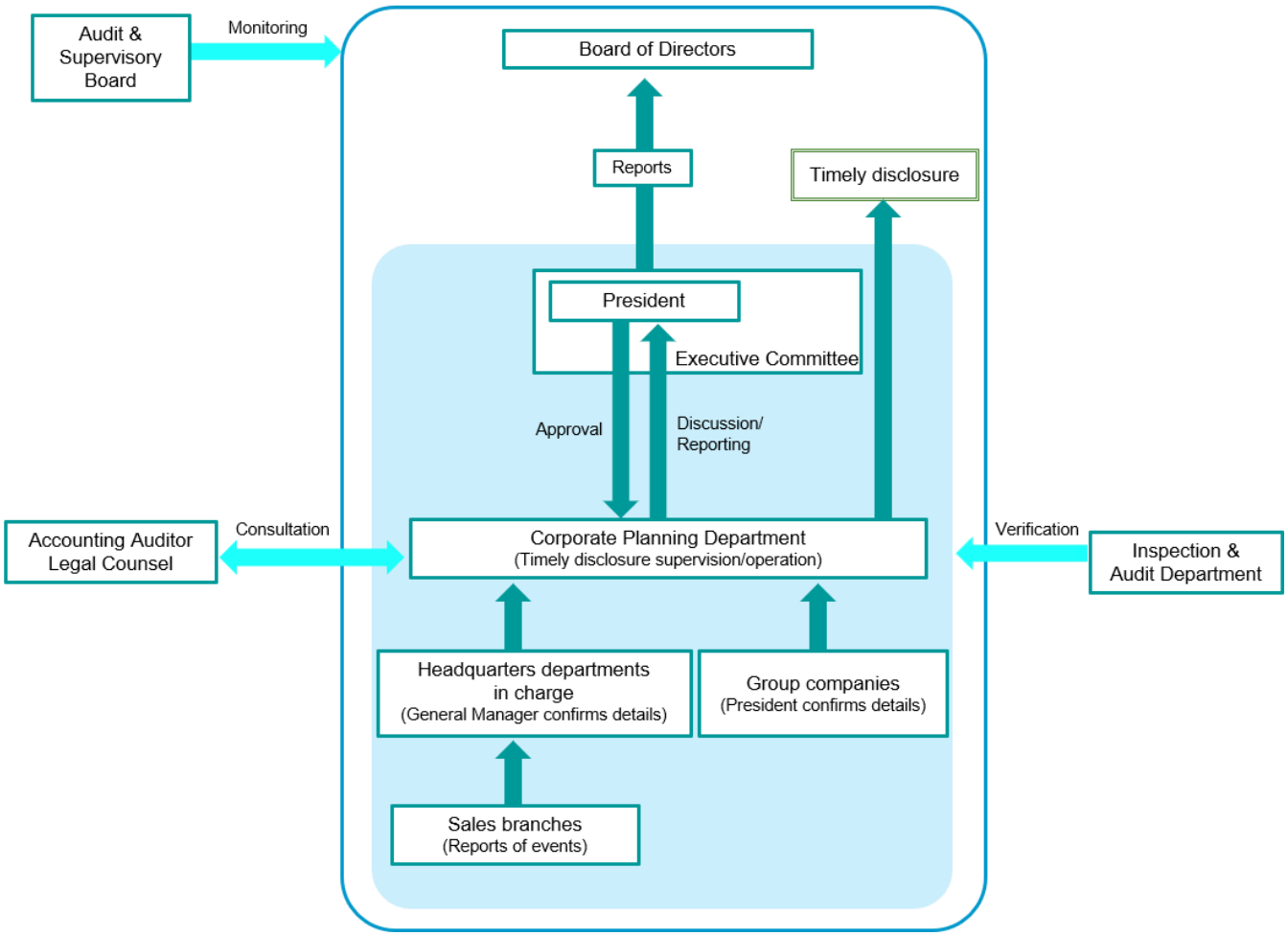
3. The Bank has established internal regulations for the above process and has clarified the division of duties and responsible departments. Furthermore, a diagram of the Bank's internal system for the timely disclosure of corporate information is presented below:

Reference diagram: Please refer to the "Appendix" at the end of this document.

[Corporate Governance System]



[Diagram of the Bank's internal system for timely disclosure of corporate information]



Expertise and experiences of Directors and Audit & Supervisory Board Members (Skills matrix)

[Internal Director and Audit & Supervisory Board Member]

Name	Position	Skill categories							
		Corporate governance/ Sustainability	Regional economy	Sales	Market operations	Corporate strategy/ Planning/ Compliance with applicable regulations/ New business development	Personnel	Risk management	Systems
Akihiko Fukai	Director and President	✓	✓	✓	✓	✓		✓	✓
Akihiro Goto	Director and Deputy President	✓		✓		✓	✓	✓	
Takeo Uchibori	Director and Deputy President	✓		✓	✓	✓			✓
Akihiko Horie	Senior Managing Director		✓	✓					
Hideyuki Saito	Managing Director	✓		✓		✓		✓	
Shizuo Otani	Managing Director	✓		✓		✓	✓		
Kimitoshi Mashimo	Audit & Supervisory Board Member			✓			✓	✓	
Masayoshi Watanabe	Audit & Supervisory Board Member	✓		✓		✓	✓	✓	

[Outside Director and Outside Audit & Supervisory Board Member]

Name	Position	Skill categories							
		Corporate management	Financials (Theories/ Administration/ Regulations)	Corporate finance & accounting (Practices/ Theories)	Corporate legal affairs (Practices/ Theories)	Macro-economics	Sustainability	IT/ Digitals/ Fintech	Regional economy/ administration
Kuniko Nishikawa	Director	✓					✓	✓	
Kazuhito Osugi	Director		✓			✓			
Takuji Kanai	Director	✓		✓					
Mari Kano	Director			✓			✓		
Yasuo Kamiya	Audit & Supervisory Board Member				✓				✓
Hiroshi Kasahara	Audit & Supervisory Board Member						✓		✓
Sumiko Suzuki	Audit & Supervisory Board Member			✓					

The above tables do not necessarily show all expertise, experiences, and knowledge that the Directors and Audit & Supervisory Board Members have.