Workplace Environment Improvement

Workplace environment improvement policy

In order to foster a friendly workplace culture for diverse personnel that views human resources as valuable assets and values the individuality of each employee, the Bank has continuously engaged in work-style reform and the promotion of diversity. Based on a comfortable work environment, we strive to create a workplace where each and every one of our diverse employees can maximize their abilities and play an active role.

Initiatives for respect for human rights

The Hyakugo Bank Group recognized that respect for human rights is a basic issue to be addressed for the development of various business activities, and established the "Hyakugo Bank Group Human Rights Policy" in April 2022.

Moreover, we formulated a guideline for our executives and employees to deepen their understanding of gender diversity and to ensure that they act appropriately, and established a "Diversity & Inclusion Consultation Counter" for the executives and employees.

Going forward, we will continue to embrace diversity and contribute to the creation of a regional society where everyone can live their lives in their own way and with peace of mind.

| | ↗ | Hyakugo Bank Group Human Rights Policy , (Japanese only) https://www.hyakugo.co.jp/jinken-houshin | |
|--|---|---|--|
|--|---|---|--|

Implementation of healthy management practices

Based on the belief that the physical and mental health of our employees and their families is essential for the Bank to permanently develop and contribute to the regional community, the Bank established the Hyakugo Bank Health Declaration.

- ① Mental Health (prevention and care of mental illness)
- 2 Physical health (early detection of diseases and prevention of lifestyle-related diseases)
- 3 Occupational health (creating comfortable work environments)

With these three points as priority health measures, we are working to achieve healthy management.



Promotion of diverse working styles

We have developed systems to enable various work styles such as staggered work hours, hourly paid leave, working from home and secondary jobs so that each of our diverse human resources can maximize their abilities.

In addition, we have established systems to support employees in balancing work with childcare, nursing care, and medical treatment, and we are also working to promote understanding in the workplace for employees who have restrictions on working hours and locations.

Going forward, we will continue to enhance our systems to accommodate diverse working styles in order to create an environment where each and every employee can play an active role and continuously generate added value.

Well-being activities

Well-being activities have been conducted throughout the entire Bank with the aim of increasing employees' job satisfaction.

By returning the results of employee awareness surveys to each workplace and promoting the creation of an environment providing job satisfaction in each workplace, we will improve performance and motivation.

| | FY2021 | FY2022 | FY2023 |
|---|--------|--------|--------|
| Percentage of positive respons- es on job satisfaction in the employee awareness survey | 80.9% | 80.1% | 80.9% |

Support for employee asset building

As the needs of employees diversify and the need for self-help in future asset building increases, we have established a retirement benefit system that promotes the flexible formation of financial assets in accordance with their own life plans.

In addition, as part of our investment education, we provide our employees with "Mirai Navi," a defined contribution pension plan information app provided by Mirai Chokin Co., Ltd. Mirai Navi's functions allow employees to monitor their asset manage-



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of corporate

performance

ment status, provide investment information, and offer investment learning content, thereby improving their financial literacy. In addition, we have established an employee stock ownership plan as a mechanism to raise employees' awareness of their participation in management and to contribute to their asset building by increasing corporate value and stock price

One-on-one meetings

With the aim of enhancing employees' independence, career development, and engagement, we conduct one-on-one meetings between supervisors and subordinates.

By providing regular opportunities for dialogue in which employees can share their concerns and discuss their career aspirations and motivations, we encourage employees to deepen their understanding of each other and to seek self-growth.



In order to create a system in which careers are not interrupted by life events, we have enhanced a support system for achieving a balance between work with childcare and housework, and provide a variety of support services to enable female employees to work energetically and develop their careers independently. As a result, female employees have been promoted to management positions, and we will continue our efforts to promote women's active participation in management decision-making positions.



Promotion of male employees' participation in childcare

We have been conducting work-style reform and held "pre-father meetings" for male employees who are expected to have a baby so that male workers can take childcare leave without hesitation. This is to encourage male workers to participate in childcare by providing information on the childcare leave program and how to spend time during the leave so that both male and female employees can work while raising children.

| | FY2022 | FY2023 |
|---|--------|--------|
| Ratio of childcare and other leave utilized by male employees | 109% | 106% |

External certifications of Diversity & Inclusion initiatives

We received "Advanced" certification in the "D&I Award 2023," one of Japan's largest certification and award systems for diversity and inclusion (D&I) initiatives of companies and organizations nationwide, for the second consecutive year. We will continue to actively promote D&I for the realization of a workplace environment where each and every one of our employees can demonstrate their abilities to the fullest and play an active role. ⇒ For more information about external certifications, please refer to External Certifications on page 67.

eedback from one-on-one meeting participants

Supervisor

In these one-on-one meetings, subordinates share with me their concerns about their personal lives, personal relationships in the workplace, and how to do their work. We also discuss what challenges they want to take on in the medium to long term and their future career aspirations. In this way, I strive to clarify what they need now and to raise their motivation toward their work. As well as communicating with them in the course of day-to-day operations, I feel that these one-on-one meetings gives me the opportunity to quickly notice and resolve my subordinates' thoughts, worries, and concerns about their work. I will continue to deepen my relationships of trust with my subordinates and firmly support their growth through these one-on-one meetings.

Subordinate



semi-annual career development interviews.

Yasutaka Terada Nagoya Branch

Initiatives for employment of elderly employees

We have created an environment in which elderly employees who are willing to work can continue to work until the age of 70, making use of their wealth of knowledge and experience. Amid a declining population, falling birthrate, and aging population, it is important to secure a workforce with expertise and knowhow, and we are committed to providing a rewarding workplace for all regardless of age.

Initiatives for employment of persons with disabilities

The Hyakugo Group is actively engaged in initiatives for the employment of persons with disabilities centered on Hyakugo Kanri Service, which was certified as a special-purpose subsidiary of a regional bank in February 2016. To enable every person to feel satisfaction working as a member of the Hyakugo Bank Group, reasonable consideration is given to the characteristics of disabilities, in an effort to increase the retention rate.

Mid-career recruitment initiatives

In order to secure a diverse range of personnel, the Bank has been conducting mid-career recruitment as needed since FY2013, and personnel with a variety of skills and experience are working in a wide range of departments and positions. With the increasing mobility of human resources, we have also established a system to rehire mid-career retirees, and will continue to hire mid-career employees to revitalize the organization.

| | Breakdown | | |
|---|----------------------------------|-----------------------------------|-------------------|
| Number of enrolled mid-career hires (as of March 31, 2024) | Upper management positions | Middle management positions | General positions |
| 29 persons | 6 persons | 14 persons | 9 persons |

