

# Interview with an Outside Director



We have entered a time in which the Bank's Corporate Philosophy, namely, "It is our mission to take actions that will foster the development of regional communities" will be truly tested. It is important to firmly address "Human Resources Reform" as set forth in the Mid-Term Business Plan. In a time of dramatic change, I am even more aware than ever that "A company is its people."

**Jun Kondo**  
Director

Please see the list of executives (page 49) for Jun Kondo's career history.

## Q1. What do you think is your role as an Outside Director?

I think the role of an Outside Director is participating in the discussion at the Board of Directors from an external, third-party perspective to fulfill a management supervisory function.

I am from a manufacturing industry background and worried about what kind of role I could play without having had any involvement in finance. However, I believe that the fundamentals and points to look out for in management are the same in any industry and try to make comments based on my own experience.

Specifically, I try to keep in mind what kind of in-house discussions have preceded a proposal, whether the substance of the proposal reflects the corporate philosophy, and also how it feels from the user perspective, partly because I come from Gunma Prefecture and have been involved in corporate activities in the Gunma area for many years.

I also try to use opportunities such as meetings to exchange opinions with the Audit & Supervisory Board members and interviews with the executive officers to check up on the culture and character of the Bank, particularly whether there is a positive atmosphere.

## Q2. What are your thoughts on Gunma Bank's strengths and weaknesses?

The Bank's strengths are its strong relationships of trust with the region based on a long track record of activities focused on the regional economy, and its strong brand. I also think that the locational advantage of its proximity to the Tokyo metropolitan area, which is the center of the financial markets, is one of its strengths.

I also feel it is truly wonderful that the Bank is a company which represents the region, has many outstanding employees who come from Gunma, and has a corporate culture of being earnest about everything it does.

I am not sure if it can be described as a weakness, but in a society that is forecast to change dramatically going forward, I think it is important to try to develop human resources who can act quickly with a sense of crisis and make sure that employees are not just a group of "model students" who do whatever they are told.

## Q3. Looking ahead, what do you think Gunma Bank should focus on most?

We have entered a time in which the Bank's Corporate Philosophy, namely, "It is our mission to take actions that will foster the development of regional communities" will be truly tested.

The outlook is uncertain, but first of all I think it is important to achieve the targets under the Mid-term Business Plan "Innovation New Dimension," which the Bank has been working on since last year, and to conduct business activities in accordance with the SDGs Declaration.

To do this, It is important to firmly address the three reform initiatives for transforming the management platform which forms the basis for business activities, and, in particular, "Human Resources Reform".

"A company is its people" is a phrase that has been around a long time, but it is a phrase that I am even more aware of than ever in a time of dramatic change.

## Q4. What are your thoughts on Gunma Bank's efforts to strengthen governance going forward?

The Bank has been working steadily on strengthening its governance based on the Corporate Governance Code and analysis of the questionnaires for evaluating the effectiveness of the Board of Directors, and I think I can rate progress over the past few years as significant.

The first Independent Outside Director was appointed in 2015. In 2020, there are three Independent Outside Directors accounting for one third of the nine Directors. In 2018, the Nomination and Compensation Advisory Committees in which the Independent Outside Directors participate were established, increasing transparency.

People with different experience and characteristics are chosen as Outside Directors, so I think that the composition of the Board of Directors is very diverse, including a female Director.

The framework has been put in place, so I feel it is now the stage when the Outside Directors will play their role fully.

