

3. ESG Initiatives

Declaration of SDGs and Priority Issues

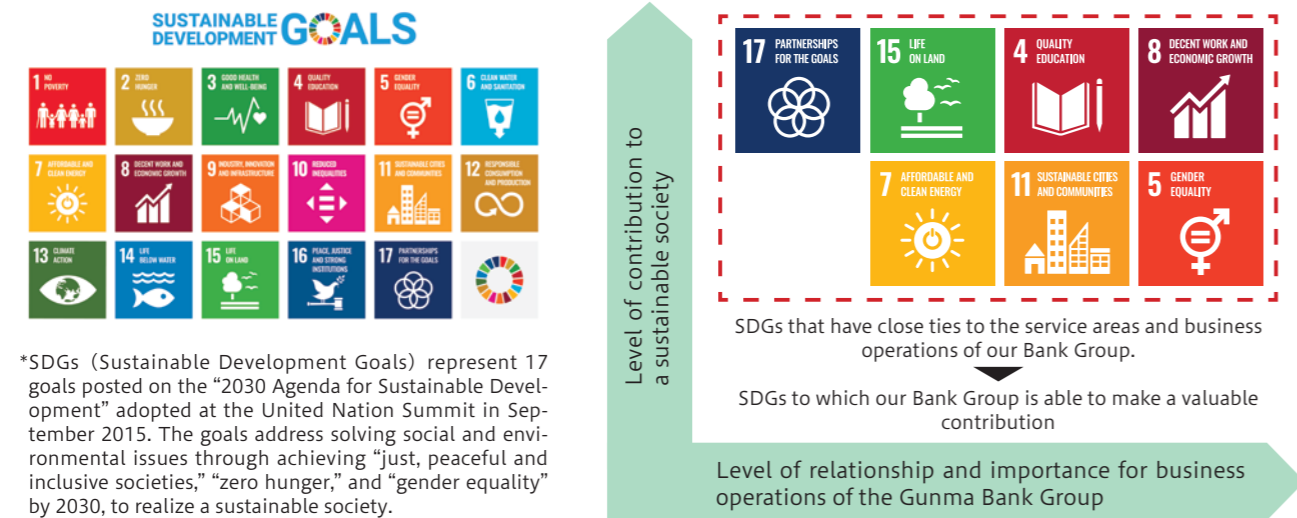
Perspective of the Declaration of SDGs

The Bank formulated and publicly released “The Gunma Bank Group SDGs Declaration” in February 2019 to promote actions tackled by the Group as a whole, toward achieving the “Sustainable Development Goals (SDGs)”* as adopted by the United Nations.

The Group’s corporate philosophy is as follows: “It is our mission to take actions that will foster the development of regional communities.” We hope to accomplish this by working to achieve the SDGs relevant to social and environmental issues, and proactively grapple with initiatives through our business activities.

In this context, upon declaring our SDGs, we have determined our priority issues and policies for action that are centered on seven out of 17 SDGs goals, and we hope to achieve these goals while recognizing the business contents and service areas of the Group.

Based on our declaration of SDGs, we are making efforts to further strengthen initiatives on social and environmental issues through our business activities as well as to realize a sustainable society and create economic value. In addition, we intend to expand SDGs actions to all the local communities by raising awareness and dissemination of SDGs for our customers and supporting them in their efforts to achieve the SDGs.



*SDGs (Sustainable Development Goals) represent 17 goals posted on the “2030 Agenda for Sustainable Development” adopted at the United Nation Summit in September 2015. The goals address solving social and environmental issues through achieving “just, peaceful and inclusive societies,” “zero hunger,” and “gender equality” by 2030, to realize a sustainable society.

Declaration of SDGs and the Mid-Term Business Plan

The “2019 Mid-Term Business Plan “Innovation New Dimension” – Toward Delivering Value” that started in April 2019 was based on the ideas expressed in the declaration of SDGs. The Gunma Bank Group is tackling actions toward achieving the Mid-Term Business Plan that will allow people to realize a rich fulfilling life that is closely tied to the development of sustainable communities in the region and to secure stable and sound revenues for the future. (For the Mid-Term Business Plan, please refer to pages 20-35.)

Corporate philosophy	It is our mission to take actions that will foster the development of regional communities.
Declaration of SDGs	We are working to achieve the SDGs through our business activities that will foster the development of regional communities as well as to realize a sustainable society and create economic value.
Mid-Term Business Plan “Innovation New Dimension” [Image of a company we aspire to be]	A regional financial group that responds to customer needs and delivers value by innovation of financial services

New Initiatives for Achieving the Gunma Bank Group SDGs Declaration

The SDGs Declaration identifies four priority issues, with a focus on seven goals to which the Group can make a particular contribution, based on the nature of its business and the areas in which it operates, and it is working to address social and environmental issues through its business activities. The Group is committed to contributing to the realization of a sustainable society and the creation of economic value by implementing each of the measures in its Mid-Term Business Plan, which is based on the perspective of the SDGs Declaration, as well as taking new initiatives to resolve the issues faced.



The Gunma Bank Group SDGs Declaration (GB Sustainability Policy 2030)

We are working to achieve the SDGs through our business activities that will foster the development of regional communities as well as to realize a sustainable society and create economic value.

[Priority issues]

1. Sustainable development of regional economy	2. Conservation and creation of the global environment
3. Promotion of a variety of human resources into active positions	4. Promotion of partnerships

Establishment of the SDGs & ESG Management Office

We established the SDGs & ESG Management Office within the Corporate Planning Department in June 2020 to manage and oversee efforts to achieve the SDGs, with the aim of stepping up and accelerating initiatives to achieve the SDGs. This office will continue to lead steady Group-wide efforts.

Setting Reduction Targets for Greenhouse Gas Emission and Paper Consumption Reduction

We have set new targets for the reduction of greenhouse gas emissions at the Bank as part of our efforts to address one of the key issues in the SDG declaration, conservation and creation of the global environment. As part of these initiatives, we have also set reduction targets for paper consumption, and we will continue to review operations that are dependent on paper and aim for a paperless environment through digitization.

Greenhouse gas emission reduction target

FY2025	Reduction of at least 23% compared to FY2013
FY2030	Reduction of at least 26% compared to FY2013

* Greenhouse gas emissions are calculated by fixing the emission factor for electricity to the FY2013 figures in order to eliminate the effect of changes in emission factors.
* The scope of the greenhouse gas emissions calculation is part of scope 1, scope 2, and scope 3 for the domestic offices of Gunma Bank

Paper (copy paper) usage reduction targets

FY2025	Reduction of at least 30% compared to FY2013
FY2030	Reduction of at least 40% compared to FY2013

Declaration of Support for the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

As the damage caused by extreme weather events and large-scale disasters has become increasingly severe in countries around the world recently, there has been a growing momentum to address climate change on a global scale. Companies are being required to improve their disclosure of information as the risks and opportunities of climate change have an impact on corporate financial information and strategies.

Against this backdrop, the Bank declared its support for the recommendations of TCFD in July 2020. The Group will continue to enhance its disclosure of information on climate-related risks and opportunities in line with the recommendations of the TCFD.

* The TCFD (Task Force on Climate-related Financial Disclosures) is a private-sector-led task force on climate-related financial disclosure established by the Financial Stability Board (FSB) in 2015 in response to a request from the G20 Finance Ministers and Central Bank Governors. It released its final report in 2017, recommending that companies and others disclose information about climate-change-related risks and opportunities in line with its recommendations.