Strategy for Realizing Our Purpose

Value Creation Process at the Gunma Bank

Through business activities based on our Purpose, the Gunma Bank Group endeavors to realize a sustainable society and create economic value by providing value to the stakeholders including customers, regional communities, shareholders, investors, and employees.

Value creation will result in even a higher value creation through increasing capital of the Bank Group and raising its corporate value.

Purpose We use our strengths in connections

to spin the threads of the future for local communities

Social Issues Decreasing birthrate and increasing aging population

Population decline

Prolonged low interest rates

Prolonged impact of COVID-19

> Advance of digitalization

Decarbonization of society

Frequent natural disasters

Inputs

As of March 31, 2022

Financial capital 7,970.4 billion yen Deposits Loans and bills **5,818.1** billion yen discounted

Consolidated total capital ratio 12.40%

Human capital

Number of employees 3,153 (Consolidated) 39 Specialized SME consultants human

resources Securities analysts Level 1 financial planners 136

Intellectual capital

Recipients of 13,879 proposed solutions* *FY2020

The Group's comprehensive strengths

Group Group companies: 9

Social capital

158 Number of domestic branches branch, 4 representative Number of overseas bases

Gunma Pref.: 36.1% Share of deposits*

Gunma Pref.: 35.5% Share of loans*

Number of total 34,631 business partners (FY2020)

(Source: The Financial Journal Special Issue "Financial Mapping"

Natural capital

Abundant natural resources*1

425,000 hectares of forests (No. 1 in Kanto)

Rich tourism resources*2

96 hot spring areas

*1 Source: "Gunma's Forests and Forestry" *2 Source: "Gunma is No. 1! The Attractions of Gunma" (Gunma Pref.)

Mid-Term Business Plan

Strengths of the

Information, trust,

human resources,

network, etc.

Expectations

from society and

customers

Financial intermediation.

consulting,

vitalizing regional

industries, business

matching, etc.

Corporate Governance

Gunma Bank Group

Innovation for "Purpose"

Implementation of Digital Strategies "Connections and Spinning

the Threads"

for

Sales process reform **Business process reform**

Channel innovation

Human resource innovation External collaboration reform

Reinforce strengths in "Connections" by five reform initiatives

Reinforce strengths in "Connections" by five reform initiatives in order to "deepen (our existing strengths)" and "extend (new strengths)"

Active contribution to regional sustainability initiatives

Financial, core business, and business succession support to companies **Consulting for individuals**

Deepening and exploring with the Group's comprehensive strengths

Strengthen our management structure

"Spinning the Threads" of the future by exercising our strengths in "Connections"

Spinning the threads of the future by exercising our strengths in "Connections" in order to meet expectations from society and customers, and both apparent and inapparent needs

Outcomes

Customers

Financial services that Resolution of management issues such as business succession

Asset building to accommodate each stage of life

Regional community

of regional economy

Shareholders

Maximization of shareholder value on a mid- to long-term basis

Employees

Promotion of a variety of human Realization of flexible working styles Realization of wellbeing

Sustainable deve development of nma Bank Group П Θ

local communities

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Sustainable development

Preservation and creation Promotion of partnerships

and investors

resources into active positions



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Compliance

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