

# Mid-Term Business Plan

## Mid-Term Business Plan “Innovation for Purpose”

We started a new mid-term business plan for the three years from April 2022 to March 2025, entitled “Innovation for Purpose.” The New Mid-Term clarifies that we will work on management based on the Purpose established in November 2021, “We use our strengths in connections to spin the threads of the future for local communities.” Its goal is to accelerate innovation, which was the goal of the Last Mid-Term.

The Gunma Bank Group will aim to achieve sustainable growth by proactively working to resolve issues faced

by society and customers (social value) and making a reasonable profit (economic value) as a result based on the Purpose.

Under the plan, we will exercise our strengths in “Connections” through investments and loans that contribute to solving social issues in areas including the environment, and through consulting services that contribute to the customer’s future. In this way, we will work to strengthen our profitability and management structure.

| Basic policy    | ① Implementation of Digital Strategies as the Foundation for “Connections and Spinning the Threads” ...P46  |  |  |
|-----------------|---|--|--|
|                 | ② Reinforce strengths in “Connections” by five reform initiatives   | ③ “Spinning the Threads” of the future by exercising our strengths in “Connections”  |  |
| Strategic Theme | <ul style="list-style-type: none"> <li>Sales Process Reforms with Emphasis on Progress and Autonomy — P44</li> <li>Business Process Reforms that Contribute to Increasing Productivity — P44</li> <li>Channel Reforms that Adapt to Changes in the Environment and Customer Needs — P45</li> <li>Innovations in Human Resources aimed at Making the Best Use of Creativity — P42</li> <li>Reforms in Collaboration with External Parties for Improving Strengths — P40</li> </ul> | <ul style="list-style-type: none"> <li>Involvement or the like in Regional Sustainability/Initiatives for SDGs and ESGs — P27</li> <li>Coronavirus-ready Support for Finance, Core Business and Succession of the Businesses — P34</li> <li>Personalized Consulting Service for Each Individual Customer — P36</li> <li>Exploring New Business Opportunities through the Group’s Comprehensive Capabilities and Deepening Existing Businesses — P38</li> <li>Reinforcement of Our Management Structure to Consistently Demonstrate Our Strengths in “Connections” — P48</li> </ul> |  |

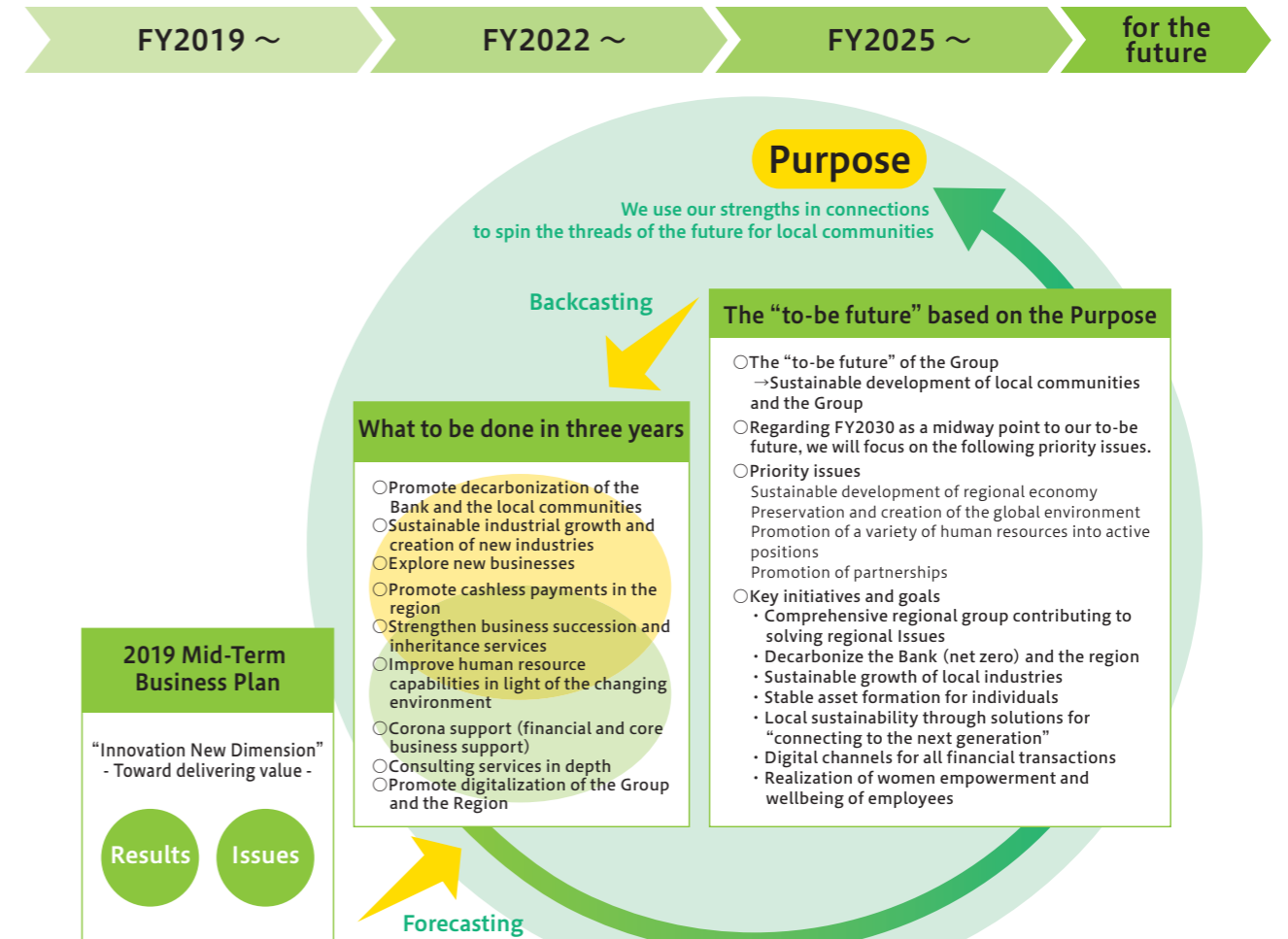
Reinforce strengths in “Connections” by five reform initiatives in order to “deepen (our existing strengths)” and “extend (new strengths)”

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



Numerical Plan: Consolidated quantitative target as of the final fiscal year of the plan (fiscal year ending March 31, 2025)

| Parameter   | Target          | Change from FY2021 |
|---|-----------------|--------------------|
| ■ Core business net income (excluding gain (loss) on cancellation of investment trusts) | 45 billion yen  | + 8.1 billion yen  |
| ■ Non-interest business income  | 25 billion yen  | + 4.4 billion yen  |
| ■ Profit attributable to owners of parent   | 30 billion yen  | + 3.5 billion yen  |
| ■ Consolidated final profit   | 4.0 billion yen | + 0.9 billion yen  |
| ■ RORA  | 0.7% or higher  | + 0.1%             |
| ■ OHR   | 55% or so       | (4.6)%             |
| ■ ROE   | 5% or above     | + 0.1%             |
| ■ Total Capital Ratio   | 13.5% or higher | + 1.1%             |



Numerical Plan (KPIs in Connections)\*

| KPIs in Connections                           | Parameter   | Target              |
|---|---|---------------------|
| “Connect” lender and borrower                 | ■ Amount of sustainable finance executed (three-year cumulative total)                  | 500.0 billion yen   |
|   | ■ Amount of housing loan executed (three-year cumulative total)                         | 400.0 billion yen   |
|   | ■ Balance of unsecured consumer loan (as of March 31, 2025)                             | 75.0 billion yen    |
| “Connect” customers                           | ■ Number of business matching cases (cumulative for three years)                        | 3,000 cases         |
| “Connect” businesses and individuals          | ■ Number of staffing cases closed (cumulative for three years)                          | 200 cases           |
|   | ■ Balance of customers’ deposited financial assets (consolidated, as of March 31, 2025) | 1,250.0 billion yen |
| “Connect” customers’ asset with their Future  | ■ Of which, investment trusts (consolidated, as of March 31, 2025)                      | 400.0 billion yen   |
|   | ■ Number of business succession issues resolved (cumulative for three years)            | 600 cases           |
| “Connect” for the next generation             | ■ Number of contracts for inheritance-related services (cumulative for three years)     | 1,000 cases         |
|   | ■ Profit on loans (FY2024)  | 54.5 billion yen    |
| Key figures for Purpose-based sales operation | ■ Corporate service revenue (FY2024, consolidated)                                      | 6.5 billion yen     |
|   | ■ Customers’ deposited financial asset revenue (FY2024, consolidated)                   | 9.0 billion yen     |

\*KPIs in Connections are concrete quantitative targets established in order to achieve both the realization of Purpose and the Bank’s profit targets.