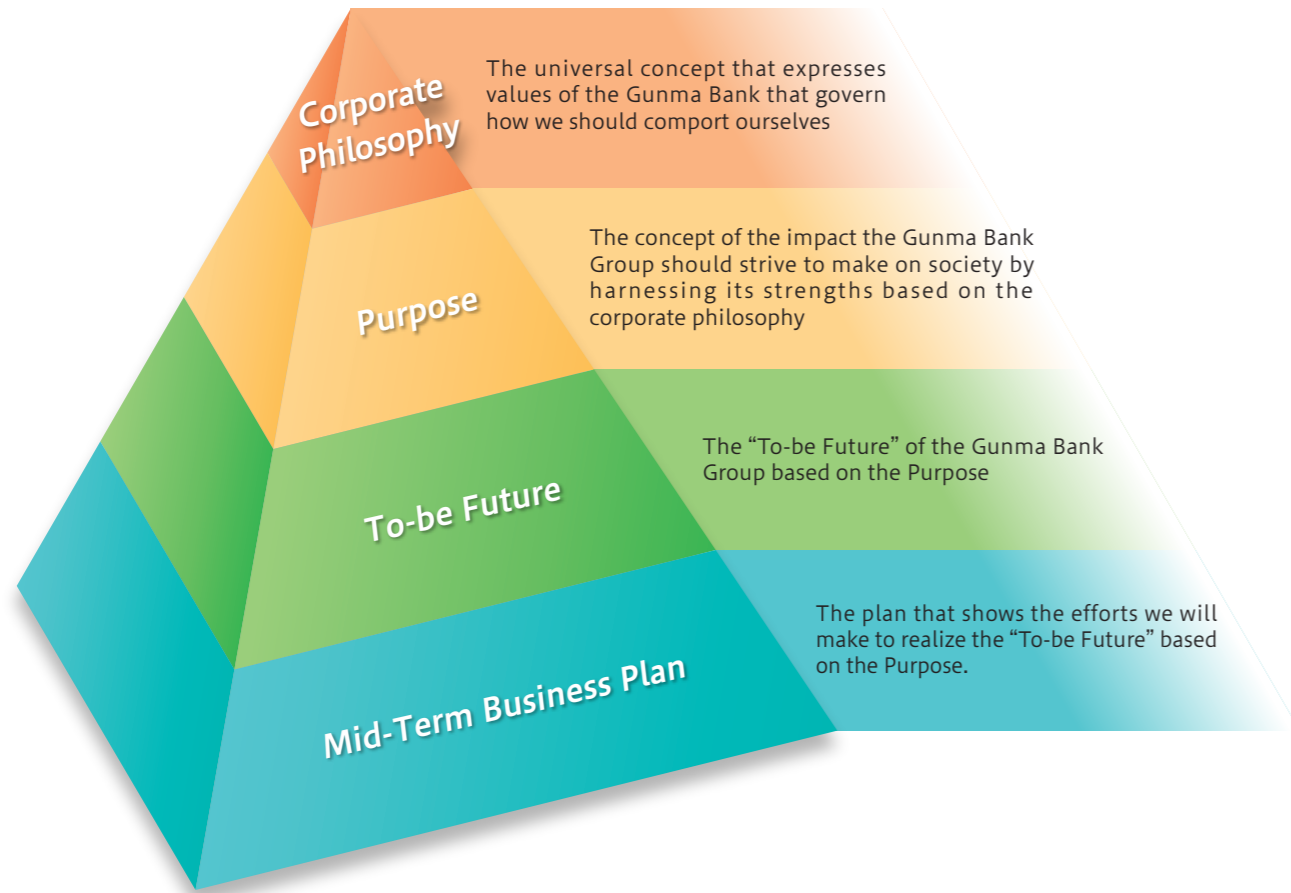


Corporate Philosophy / Purpose / To-be Future / Mid-Term Business Plan



Corporate Philosophy

It is our mission to take actions that will foster the development of regional communities.
 The foundation of our business is to strengthen a creative relationship with our customers.
 Our operations are based on the motto “Be a good citizen first to become a good entrepreneur.”
 Our corporate culture is based on the value of face-to-face communication within our organization.

Purpose

We use our strengths in “Connections” to spin the threads of the future for local communities

To-be Future

Sustainable development of local communities and the Gunma Bank Group

Mid-Term Business Plan

Innovation for “Purpose” (Plan period: April 2022–March 2025)

The Gunma Bank Group’s Purpose

We use our strengths in “Connections” to spin the threads of the future for local communities

The Gunma Bank Group established its new Purpose on November 20, 2021. Faced with so many social issues, we reexamined the meaning of our existence and established our Purpose based on the thought, “What is the purpose of our existence in society, and what impact can we have on the future of society?”

Using Our Strengths in Connections

Ever since our establishment as the Gunma Daido Bank in 1932, our roots have always been in connecting lenders and borrowers together. We receive deposits and offer loans to people in order to keep the economy running, and this has been and will continue to be a key role for us.

Apart from our work in finance, we connect local communities, companies and people together, and we also connect them with our services, information, and other resources. Through these efforts, we connect many kinds of value together, and create new value. We believe that this is what society expects from us.

To meet these expectations from society, we will harness our unique strengths that we have nurtured over the years to

engage in initiatives for each and every one of us to connect. For example, we can utilize our networks and information capabilities to connect our customers with our resources and solve management issues. We can also connect customers who have no successor with someone who can lead such customers’ businesses or the like to the next generation, thereby enabling a sustainable future for our customers and the local community. By connecting customers with global investment opportunities, we can also bring them a fulfilling and secure future. Each of these connections may be small by itself, but many of them together can produce a surging momentum like Japan’s mighty Tone River to bring an enriching future to local communities.

Spinning the Threads of the Future for Local Communities

By “local communities,” we do not refer only to Gunma Prefecture where our headquarters is located, but also all the regions, companies, people, and other stakeholders within our network.

We aim to utilize our strengths in “Connections” to create a future that is not only economically enriching, but that also brings about a sustainable society through the preservation of the global environment and efforts to tackle social issues including an aging and shrinking population.

Threads are spun using fibers from silkworm cocoons,

and the home of our headquarters in Gunma Prefecture is a central location within the development of the fiber industry, including the Tomioka Silk Mill, a World Heritage Site.

We use the phrase “spinning threads” in our Purpose to signify our desire to create an enriching future for the local community while cherishing and respecting its history.

The Gunma Bank Group will use its strengths in “Connections” to spin the threads of an enriching future while working with everyone in the local community.

Goal of Establishing the Purpose

Sharing of Decision Axes

By stating the meaning of our existence in society in the Purpose, the Group is able to share the decision axes of the Group and its executives and employees, allowing it to respond to change.

Increasing Individual Job Satisfaction

With jobs at the Bank becoming increasingly diverse and complex, clarifying the “Why?” behind each job to the employee performing it will lead to higher job satisfaction.

Empathizing with Stakeholders

Through the active outward dissemination and embodiment of the Purpose, we will be able to engage in business activities with higher empathy for and stronger relationships of trust with stakeholders such as our customers, regional community, shareholders, and executives and employees.

Steps to Purpose-Based Management

[Establishment] November 2021

- When considering the Purpose, we solicited and received 755 opinions from Group executives and employees regarding (1) through (3).
- (1) Essential strengths of the Group
- (2) Expectations from society
- (3) The meaning of the Group’s existence
- After repeated discussions based on these opinions, we decided on the Purpose after more than six months of consideration.
- It was announced to all executives and employees by the President in a video.



Discussion between President Fukai and young employees on the formulation of the Purpose

[Instillment] November 2021 and Beyond

- Individuals
 - Each executive and employee was asked to establish a “Personal Purpose” based on the Purpose.
 - Personal Purposes are shared within each department and branch to encourage mutual support of their realization.
 - Each executive and employee then sets goals based on their Personal Purpose.
- Districts, Branches
 - Regional Strategies are established based on the Purpose.
 - Each branch then sets their mid-term branch management policy based on the Purpose and Regional Strategy.
- Tools for Instilling the Purpose
 - Videos of the President explaining the Purpose to employees
 - Posters at branches and headquarters
 - Printing the Purpose on business cards, newspaper ads

[Implementation] April 2022 and Beyond

- The Mid-Term Business Plan Innovation for “Purpose” was established based on the Purpose.

Activities (processes) aimed not only at hitting profit targets, but at achieving the KPIs in Connections (quantitative targets aimed at the realization of the Purpose) and the realization of the Purpose are evaluated and commended.

Becoming a Group that achieves balance between “social value” and “economic value”