

Reinforce strengths in “Connections” Reforms in Collaboration with External Parties for Improving Strengths

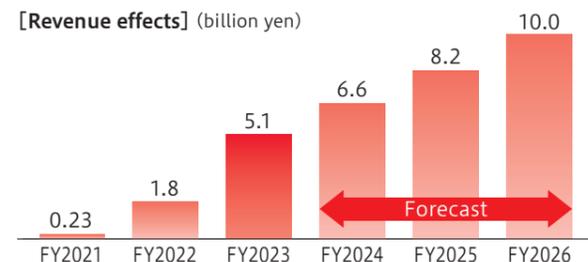
The Gunma Bank Group is working on wide-area collaborations such as the TSUBASA Alliance and the Fincross Partnership, regional collaborations such as the Gunma and Daishi Hokuetsu Alliance and the Ryomo Regional Revitalization Partnership, and collaborations with financial institutions in the prefecture. We will enhance our strengths in “Connections” by leveraging outside resources.

TSUBASA Alliance

The Bank joined the TSUBASA Alliance, a wide-area collaborative effort among 10 top regional banks, in 2020. The goal of the TSUBASA Alliance is to achieve the sustainable growth of the region and enhance its financial system while improving the top line and reducing the costs of participating banks by collaborating on common issues. Distinct from mergers or business integrations, the alliance promotes collaboration in a broad range of areas while respecting the individuality of each participating bank.

As well as achieving results in syndicated loan joint arrangements and M&A in FY2022, we launched the Gungin App and the TSUBASA electronic-exchange-compatible package jointly developed with participating banks.

Going forward, we will continue to strive to provide financial services with higher added value by harnessing knowledge from every participating bank and taking advantage of economies of scale.



- Main alliance dealings**
- Joint arrangement of various types of finance
 - Shared office work and systems
 - Matching between customers
 - Joint seminars for customers
 - Joint training for executives and employees

Fincross Partnership

The Fincross Partnership was concluded among seven (currently eight) regional banks in 2018 to form FinX DIGITAL Co., Ltd. in order to promote collaboration on research and development aimed at the digitalization of finance.

The eight participating banks have collaborated on development efforts while allocating resources proportionally. To date, the Bank has introduced new AI-based systems including a financial product recommendation system and an internal digital document retrieval system.

The partnership is currently building a cloud-based data lake and data analysis infrastructure (data accumulation and collection infrastructure) to aggregate data from multiple banks. By doing so, it will promote advanced data analysis and other measures that cannot be implemented by the Bank alone.



Participating Banks (Japanese syllabary order)

- The Senshu Ikeda Bank, Ltd. The Kiraboshi Bank, Ltd.
- The Gunma Bank The San-in Godo Bank, Ltd.
- The Shikoku Bank, Ltd. The Chiba Kogyo Bank, Ltd.
- The Tsukuba Bank, Ltd. The Fukui Bank, Ltd.

Enhancing the Gunma Bank Group’s strengths in “Connections” by leveraging outside resources

The Gunma and Daishi Hokuetsu Alliance

In December 2021, we concluded the Gunma and Daishi Hokuetsu Alliance together with the Daishi Hokuetsu Bank. The purpose of the alliance is to utilize the geographical characteristics of the two banks’ adjacent business areas to work together to promote regional revitalization, thereby achieving sustainable growth in both Gunma and Niigata prefectures.

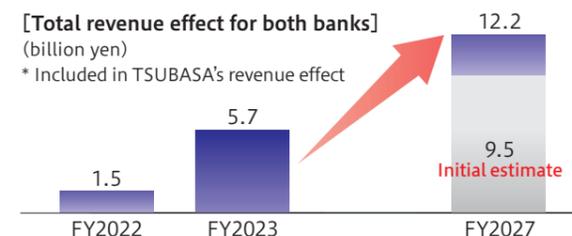
In FY2022, the two banks jointly offered an SDGs private placement bond (donation support type) called the Green & Food Support Plan, issuing bonds at a total amount of 16.4 billion yen. As well as partnering up to provide free use of their ATMs during weekdays, the two banks joined forces in March 2023 to open the first joint branch by moving the Daishi Hokuetsu Bank’s Takasaki Branch inside the premises of the Gunma Bank’s Takasaki-Tamachi Branch.



The joint branch which opened in March 2023

Main alliance dealings

- Cooperation on tourism and product promotion, and regional revitalization in both prefectures
- Business succession, M&A, and business matching utilizing the customer bases of both banks
- Collaboration and mutual use of expertise in both banking Groups
- Shared use of banking outlets owned by both branches



The Ryomo Regional Revitalization Partnership

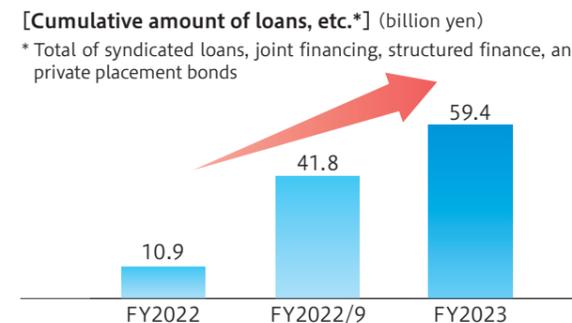
In January 2022, we concluded the Ryomo Regional Revitalization Partnership with Ashikaga Bank. The objective of the partnership is to increase our contribution to the region more than ever before through collaborations in the overlapping areas of the two banks, particularly the Ryomo region (southeastern Gunma and southwestern Tochigi). Specifically, these collaborations will be aimed at revitalizing industry and solving issues, and at improving customer service.

By utilizing the overlapping sales regions, not only have we jointly financed up to 59.4 billion yen (see chart), but we are also working together to solve issues in the field of sustainability with, for example, decarbonization and support for regional industries with a focus on the automobile industry.



Main alliance dealings

- Partnerships on syndicate loans and sustainable finance, etc.
- Support for growth, management improvement, business revitalization, change of business, etc. for regional companies by utilizing the two banks’ specialist investment arms, etc.
- Cooperation in core business support such as business succession and M&A support



Cooperation with Financial Institutions in the Gunma Prefecture

[Main Initiatives in Recent Years]

- March 2020 Signed the Gunma Future Co-Creation Declaration with Gunma Prefecture and the Towa Bank
- Concluded an M&A Business Partnership Agreement with Takasaki Shinkin Bank, Kiryu Shinkin Bank, and Shinonome Shinkin Bank
- August 2022 Partial Sharing of ATMs Kiosks with Shinonome Shinkin Bank
- September 2022 ATM Collaboration with Kiryu Shinkin Bank