

Digital Strategies as the Foundation for “Connections and Spinning the Threads”

Concept of Digital Strategy

The basic concept of our digital strategy is the digitalization of three areas: the community, customer contact points, and internal bank operations. The various policies that the Gunma Bank will pursue are closely connected to the digitalization of these three areas. The promotion of

digitalization in all three is fundamental to the realization of the Gunma Bank’s management strategy. We will also develop the human resources needed to support these digitalization efforts. (For more on our digital human resource development, see P46.)

Furthering initiatives such as advanced data utilization and organizational reforms to promote digitalization in three areas

- 1 Digitalization of the community
- 2 Digitalization of customer contact points
- 3 Digitalization of internal bank operations

Status of Main Initiatives

Digitalization of the community

The Gunma Bank supports digitalization for customers through help implementing IT and IT consulting that contributes to work efficiency for customers in the community. As well as promoting a cashless society by starting to handle debit cards in January 2024 (scheduled), we are building a digital ecosystem in the community by providing new value such as advertising and customer referrals that utilize payment data.

Digitalization of customer contact points

We are adding new functions to the Gungin App, launched in April 2022, to improve convenience for customers. And as well as launching the Gungin Business Portal in July 2023, a portal site for corporations and sole proprietors, we are creating more digital customer contact points, with for example, the introduction of in-branch tablets (scheduled for January 2024).

Digitalization of internal bank operations

With the introduction of Office 365, we are promoting paperless operations, creating a work style not restricted by time or place. Moreover, from July 2023, we have been using a dashboard to visualize all necessary information, such as figures and progress of all various measures. In

the future, we will gradually add more features to the dashboard so reports will no longer need to be submitted.

[Main Recent Initiatives]

- Launch of the Gungin App (April 2022)
- Gunma Bank Mikatano Works
 - Gunma Bank Mikatano Financial Management
 - Launch of Gunma Bank Mikatano Invoice Management (December 2022)
- Website renewal (December 2022)
- Certified as a DX-certified operator (Ministry of Economy, Trade and Industry; January 2023)



- Launched the Gungin Business Portal, a portal site for corporate and sole proprietor customers (July 2023)

[Planned Initiatives]

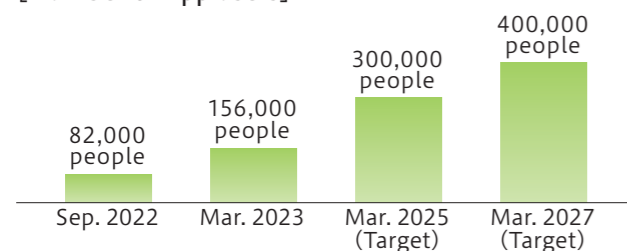
- In-branch tablets (January 2024) [▶ See page 48](#)
- Debit card service (January 2024)

Added features to the Gungin App

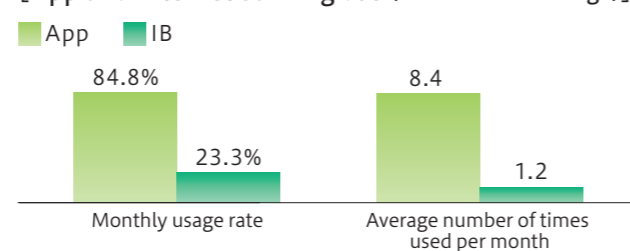
Launched in April 2022, the Gungin App is positioned as the main channel for customers to use as their closest point of contact with the Bank. As of the end of March 2023, about 156,000 people have been using the app, with both the usage rate (percentage of users who have logged in at least once) and the average number of times used

greatly exceeding that of our existing Internet banking channels. As well as adding the functionality in March 2023 to collect tax and public money and view standing orders, we have plans to add functions for dealing in investment trusts (scheduled for September 2023), and document digitalization (FY2024).

[Number of App users]



[App and Internet banking use (March 2023 average)]



Promote digitalization as a base for each strategic theme in order to reinforce strengths in “Connections” and spin the threads of the future

Launch of the Gungin Business Portal

In July 2023, we launched the Gungin Business Portal, a portal site for corporations and sole proprietors.

The portal comes with a range of features including a function whereby users can see graphs of transactions from multiple bank accounts, the ability to carry out various tasks without the need to visit a branch, and a function that recommends the best products, services and information tailored to each customer.

We will continue to add functions in the future, for example with the ability to apply for various products and services within the portal.

Picture shown is an image



Advanced data utilization

The Bank accumulates and stores a vast amount of data, including customer transaction histories. By analyzing these data, we can gain insights into a wide range of things, including the products customers are truly seeking, their financial needs, and so on. We are working on a number of

initiatives aimed at furthering advanced data utilization. One such initiative is building a data cycle that solves problems and creates value by collecting, accumulating, and analyzing data.

Contribution to Revitalization through Data Utilization

Region

Providing new services using data

- As well as promoting cashless payments within the region, we are working to circulate and expand the local ecosystem by providing new services for customers’ business expansion through data utilization.
- The start of a debit card service to build up payment data, and combining it with account information, etc., will lead to more advanced marketing and cooperation with businesses in the local community.

Customers

Realize One-to-One Marketing

Delivery of information tailored to customers at the best time

- We will build a digital marketing platform to provide the services and information that customers need at the best time according to their own life events.
- We will recommend services that meet the customer’s life plan and needs through the most suitable channel for each customer.

Bank

Building of Data-Driven Management System

Utilizing visualized data for decision making

- We are working to visualize necessary information by automatically aggregating data taken from Data Lake on a dashboard which includes figures and progress of various measures.
- Bank employees themselves use analysis tools to build an analysis PDCA cycle (analysis, effect verification, and policy planning based on the analysis results) to work out how best to use the data.

