

### Allocation of Green Bond and Reporting of the environmental benefit

Based on The Gunma Bank, Ltd. Green Bond Framework, The Bank announces about Allocation of Green Bond and Reporting of the environmental benefit.

As long as there is a green bond issue balance, The Bank will annually release the same kind of reporting.

#### 1. Reporting of Allocation

As of September 30, 2020

Eligibility Criteria Category	Reporting of Allocation	Reporting of the environmental benefit
	Net Bond Proceeds Allocation	CO <sub>2</sub> reduction
Net Proceeds from Green Bond Issuance	9,950 million yen	—
Allocated Proceeds	8,513 million yen	—
a. Renewable energy	8,489 million yen	7,083 t-CO <sub>2</sub> /y
Solar power generation business	8,447 million yen	3,057 t-CO <sub>2</sub> /y
Hydro power generation business	42 million yen	4,026 t-CO <sub>2</sub> /y
b. Energy efficiency	4 million yen	8 t-CO <sub>2</sub> /y
c. Clean transportation	19 million yen	3,650 kg-CO <sub>2</sub> /y
Unallocated Proceeds	1,436 million yen	—

Allocated Proceeds	8,513 million yen
New loan	8,513 million yen
Refinancing of existing loan	—

2. Example of the project

Use of proceeds	Location	Amount of loan	Term
Purchase and operation of the solar power generation equipment.	Annaka city, Gunma pref.	3,000 million yen	18 years and 11 months
	Project financing of the mega solar business.(Attending syndicated loan) Dimensions : 138 million m <sup>2</sup> . Panel output of the equipment: 63.2MW Cooperate output of the equipment: 42.8MW		

※The Bank has positively financed for the projects have highly environmental benefits in the past.  
The amount of the loan for solar power generation business which is core of the projects is 97,641 million yen as of September 30, 2020. And the amount of new loan after issuing Green Bond (Allocated Proceeds) is 8,447 million yen, as above.

(Reference) Overview of the Bond

Bond name	The Gunma Bank, Ltd. 5th Issuance of Basel III- compliant Subordinated Bonds(Green Bond)
Issuance amount / Maturity	10 billion yen / 10 years (with Early Redemption Clause)
Payment date	November,26 2019