Mid-Term Business Plan "Innovation for Purpose"

We have entered the second year of our Innovation for Purpose mid-term business plan which runs from April 2022 to March 2025. 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.

Along with working to strengthen our ability to "connect" by implementing five reforms while making use of digital technology, with this plan we are making efforts to demonstrate our ability to "connect" through investments and loans, and consulting activities, that help to solve the issues faced by society and our customers.

Implementation of Digital Strategies as the Foundation for "Connections and Spinning the Threads" ... P50 Basic Policy Spinning the Threads" of the Future Reinforce Strengths in "Connections" by Exercising Our Strengths in "Connections" by Five Reform Initiatives Sales Process Reforms with Emphasis on Progress and Autonomy Involvement or the like in Regional Sustainability /Initiatives for SDGs and ESGs Coronavirus-ready Support for Finance, Core Business and Succession of the **Businesses** Business Process Reforms that Contribute to Increasing Productivity Personalized Consulting Service for Strategic Channel Reforms that Adapt to Changes in the Environment and Customer Need Each Individual Custome Innovations in Human Resources Exploring New Business Opportunities through the **Group's** aimed at Making the Best Use of Creativity Comprehensive Capabilities and Deepening Existing Businesses — P38 Reforms in Collaboration with External Reinforcement of **Our** Management Structure to Consistently P42 Demonstrate Our Strengths in "Connections"

> Reinforce strengths in "Connections" by five reform initiatives in order to "deepen" 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

Strengths of the Gunma Bank Group

> Information, trust, human resources, network, etc.

24 GUNMA BANK REPORT 2023

Reinforce strengths Purpose

Exercise strengths

Financial intermediation, consulting, vitalizing regional industries, business matching, etc.

Expectations from society and customers

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

Numerical Plan: Consolidated quantitative target as of the final fiscal year of the plan (fiscal year ending March 31, 2025)				
Parameter	Target	Results (Mar. 2023)		
Core business net income (excluding gain (loss) on cancellation of investment trusts)	45 billion yen	39.9 billion yen		
Non-interest business income	25 billion yen	21.0 billion yen		
Profit attributable to owners of parent	30 billion yen	27.9 billion yen		
Consolidated final profit	4.0 billion yen	3.3 billion yen		
RORA	0.7% or above	0.72%		
OHR	Around 55%	56.4%		
ROE	5% or above	5.3%		
Total capital ratio	13.5% or above	13.82%		

FY2019~

FY2022 ~

FY2025 ~

for the future

Purpose

We use our strengths in "Connections' to spin the threads of the future for local communities

Backcasting

and the Group

- What to be done in three years
- OPromote decarbonization of the Bank and the local communities OSustainable industrial growth and creation of new industries Explore new businesses
- Promote cashless payments in the region Strengthen business succession and inheritance services
- Improve human resource capabilities in light of the changing environment
- ○Consulting services in depth ○Promote digitalization of the Group and the Region Corona support (financial and core business support)

Forecasting

The "to-be future" based on the Purpose

- ○The "to-be future" of the Group →Sustainable development of local communities
- ORegarding FY2030 as a midway point to our to-be future, we will focus on the following priority issues. OPriority issues
- Sustainable development of regional economy Preservation and creation of the global environment Promotion of a variety of human resources into active positions
- Promotion of partnerships OKey initiatives and goals
- ·Comprehensive regional group contributing to solving regional Issues
- ·Decarbonize the Bank (net zero) and the region •Sustainable growth of local industries
- ·Stable asset formation for individuals
- ·Local sustainability through solutions for "connecting to the next generation"
- ·Digital channels for all financial transactions •Realization of women empowerment and
- wellbeing of employees

9.0 billion yen

Numerical Plan (KPIs in Connections)*

2019 Mid-Term

Business Plan

'Innovation New Dimension'

- Toward delivering value -

"Conr

for Purpose-based sales operation

KPIs in Connections	Parameter	Target	Results (Mar. 2023)
"Connect" lender and borrower	Amount of sustainable finance executed (three-year cumulative total)	500.0 billion yen	266.2 billion yen
	Amount of housing loan executed (three-year cumulative total)	400.0 billion yen	113.5 billion yen
	Balance of unsecured consumer loan (as of March 31, 2025)	75.0 billion yen	62.9 billion yen
"Connect" customers	Number of business matching cases (cumulative for three years)	3,000 cases	1,000 cases
"Connect" businesses and individuals	Number of staffing cases closed (cumulative for three years)	200 cases	82 cases
"Connect" customers' asset with their Future	Balance of customers' deposited financial assets (consolidated, as of March 31, 2025)	1,250.0 billion yen	1,059.2 billion yen
	Of which, investment trusts (consolidated, as of March 31, 2025)	400.0 billion yen	296.1 billion yen
"Connect" for the next generation	Number of business succession issues resolved (cumulative for three years)	600 cases	330 cases
	Number of contracts for inheritance-related services (cumulative for three years)	1,000 cases	298 cases
Key figures for Purpose-based	Profit on loans (FY2024)	54.5 billion yen	53.4 billion yen
	Corporate service revenue (FY2024, consolidated)	6.5 billion yen	6.0 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.

Customers' deposited financial asset revenue

(FY2024, consolidated)

GUNMA BANK REPORT 2023 25

6.8 billion yen