Value Creation Process at the Gunma Bank Group

Through business activities based on our Purpose, the Gunma Bank Group endeavors to realize a sustainable society and create economic value by providing value to the stakeholders including customers, regional communities, shareholders, investors, and employees.

Value creation will result in even a higher value creation through increasing capital of the Bank Group and raising its corporate value.



to spin the threads of the future for local communities

Social Issues Financial capital Decreasing birthrate Deposits and increasing aging population Loans and bills discounted Consolidated total capital ratio 14.86% Population decline (Consolidated) Ratio of female managers Number of specialist qualification holders *1 Shift in Number of IT monetary policy passport holders The Group's Use of digital technologies

Decarbonization of society

Persistently high energy and raw material prices

Frequent natural disasters

Inputs

As of March 31, 2024

8,316.2 billion yen

6,467.8 billion yen

Human capital

Number of employees

2,983 people

266 people

19.0%

1,224 people

"I Total number holding qualifications as Small and Medium Enterprise
Management Consultant, 1st grade Certified Skilled Professional of Financial
Planning, Certified Member Analyst of the Securities Analysts Association of
Japan, Certified Anti-Money Laundering Specialist, Information Technology
Engineer (advanced) or Registered Information Security Specialist

Intellectual capital

comprehensive strengths

Group companies: 9

159

Number of domestic branches

Number of domestic branches

overseas bases 1 branch, 3 representative

Share of deposits *1 Gunma Pref.: 37.8%

Share of loans*1

Gunma Pref.: 34.6%

Main bank share Gunma Pref.: 45.83%

*1 End of March 2023 (Source: The Financial Journal Special Issue "Financial

Mapping" 2024 version)

*2 Taken from 2023 survey on main banks of companies in Gunma Prefecture by Teikoku Databank

Natural capital

Abundant natural resources*1

425,000 hectares of forests (No.1 in Kanto)

Rich tourism resources*2

96 hot spring areas (No.1 in Kanto)

*1 Source: "Gunma's Forests and Forestry"
*2 Source: "Data on Hot Springs," Ministry of the Environment

Mid-Term **Business Plan**

Innovation for "Purpose"

Implementation of Digital Strategies "Connections and Spinning

as the Foundation the Threads"

†or

Risk Management

Strengths of the **Gunma Bank Group**

Information, trust. human resources network, etc.

Expectations from society and customers

Financial intermediation Consulting Regional vitalization Matching, etc.

Corporate Governance

Sales process reform **Business process reform Channel innovation**

> **Human resource innovation** External collaboration reform

Reinforce strengths in "Connections" by five reform initiatives

Reinforce strengths in "Connections" by five reform initiatives in order to "deepen (our existing strengths)" and "extend (new strengths)"

Active contribution to regional sustainability initiatives Financial, core business, and business succession support to companies **Consulting for individuals** Deepening and exploring with the Group's comprehensive strengths Strengthen our management structure

"Spinning the Threads" of the future by exercising our strengths in "Connections"

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

Compliance

Outcomes

Sustainable development of local communities and the Gunma Bank Group

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Customers

Financial services that meet their Resolution of management issues such as business succession Asset building to accommodate

each stage of life

Regional community

Preservation and creation of the global environment Promotion of partnerships

Shareholders and investors

Maximization of shareholder alue on a mid- to long-term basis

Employees

Transformation into a self-sustaining and dynamic organization Promotion of a variety of human

resources into active positions Realization of well-being



. Sustainable development of regional economy

eservation and creation of the global

4. Promotion of partnerships

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