

Measures for Corporate Customers

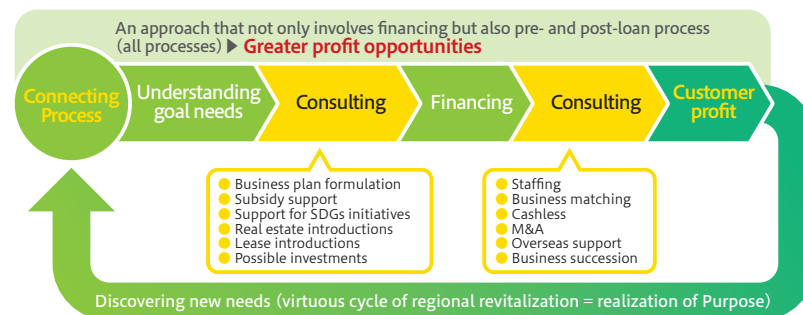
Connecting Process

Since October 2022, the Gunma Bank has been implementing a comprehensive sales activity framework known as the Connecting Process. This process begins with dialogue with our customers, continues through the sharing of goals and needs, and culminates in providing accurate solutions. We aim to share our customers' envisioned goals, future business directions, and the stories that generate business value. We offer tailored solutions by identifying the needs and management challenges necessary to bridge the gap between their current situation and their goals. In the 18 months since the initiative's launch, we have held meetings with 6,085 clients and identified over 17,000 needs.



Full-Spec Approach

In addition to meeting our customers' financial needs, we are expanding the Group's earnings by approaching both the preliminary and post-loan processes through the Connecting Process to offer solutions that leverage the full capabilities of the Group. We believe that this approach not only benefits our customers but also helps uncover new needs and by addressing them, ultimately contributes to regional revitalization.



Financial Support

The Gunma Bank's branches and headquarters are working closely together to provide support for the financial facilitation and business improvement. The Bank's Credit Department Internal Review Office is playing a central role in providing support and advice to business partners regarding the formulation of business improvement plans. The Bank also collaborates with external organizations, such as the Small and Medium Business Revitalization Council and the Regional Economy Vitalization Corporation of Japan (REVIC), as well as external experts, to enhance the effectiveness of the support we provide. We are also working with Group companies like Gungin Consulting and Gunma Regional Advanced Solution Partners to provide fundamental support for revitalization utilizing revitalization funds, capitalized borrowing, and other methods according to the business conditions of our business partners.

<Responding to the Guidelines for Personal Guarantee Provided by Business Owners>

Based on a full understanding of the meaning of the Guidelines for Personal Guarantee Provided by Business Owners (published by the Working Group of the Guidelines for Personal Guarantee Provided by Business Owners, on December 5, 2013), the Gunma Bank strives to respond faithfully and flexibly in accordance with these guidelines when a guarantee contract is entered into with a customer, when a customer requests a review of an existing guarantee contract, or when a customer requests to settle their guarantee obligations. In addition, when a customer enters into a guarantee contract, the Bank endeavors to explain in detail so that customers have a full understanding on what is lacking, why the guarantee is needed, and what improvements could be made to increase the likelihood of changing or canceling the guarantee contract. Furthermore, the Bank strives to ensure that this response is permeated and established as integral to our lending practices, working to provide loans that do not rely excessively on collateral or guarantees.

Core Business Support

■ Staffing ▶ See P.48 for details on Gungin Consulting

In addition to labor shortages and difficulties in finding business successors, local companies are facing major challenges in responding to the changing business environment. To help resolve these management issues in terms of securing the human resources businesses need, in January 2020, the Gunma Bank received licensing to act as a fee-charging employment agency, and launched a staffing service.

Currently, Gungin Consulting, a Group company, has obtained approval as an advanced banking service company and is engaged in the human resources solutions business.

KPIs in Connections		
	Target (FY2023-FY2025 cumulative)	Results (FY2023-FY2024 cumulative)
Staffing cases closed	200 cases	182 cases
Number of business matching cases	3,000 cases	2,099 cases

We will spin the threads of the future by connecting the various values of the Group and the region to businesses.

■ Business matching

Business matching is an area where the Bank can exercise its strength in "Connections" by utilizing its information and networks.

We utilize our wide-area network of bank clients, external partners, and alliances to match the clients of other banks with solutions to business needs such as sales channel expansion and finding business partners. The Bank has also introduced the Gungin Business Matching System to enhance our consulting sales capabilities, improve administrative efficiency, and enable more sophisticated business matching by creating a database of information on the needs of our business partners.

■ Subsidy support

As an organization supporting business innovation, the Bank provides useful information on subsidies as well as assistance with subsidy applications to business partners that need it.

To stimulate the latent equipment demand of our business partners, the Bank also provides useful information on interest subsidies and support with matters such as interest subsidy applications. In August 2023, we introduced Post-Subsidy Support, a total service designed to assist with the entire process of utilizing subsidies, from the initial application to the final reporting on status of commercialization. Additionally, in January 2024, we launched Tax Incentive Application Support, which aids in the preparation of applications and other documents related to tax incentives to be submitted to national and local governments.

Business Succession Support

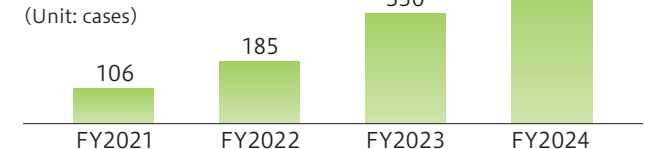
Management issues related to the business succession of local companies have become major issues related to the sustainability of the region in terms of passing down technology, maintaining supply chains, and maintaining employment. Our HQ and sales branches cooperate to understand the business succession and M&A needs of our business partners and provide them with appropriate proposals and advice, collaborating with external partners to do so when appropriate. We are also collaborating with our alliance partners in the fields of business succession and M&As.

In the previous Mid-Term Business Plan, we set a quantitative target for the number of business succession support cases. In three years, we gave presentations to approximately 7,000 customers on the valuation of their company's stock. In the three years of the current Mid-Term Business Plan, we will make proposals to business partners who received these presentations on how to resolve their issues. We will work to both realize the resolution of these issues and to make the Bank more profitable.

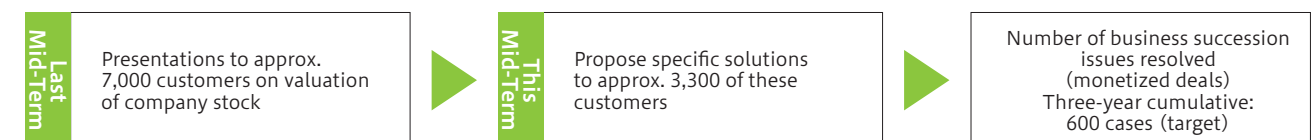
KPIs in Connections

	Target (FY2023-FY2025 cumulative)	Results (FY2023-FY2024 cumulative)
Number of business succession issues resolved	600 cases	774 cases

[Number of business succession issues resolved]



Main partners Gungin Consulting Co., Ltd.
Deloitte Tohmatsu Tax Co.
Gunma Prefecture Business Succession Support Center
Nihon M&A Center Inc.
Strike Co., Ltd.



Support for Overseas Transactions ▶ See P.81 for information on our overseas bases.

The Bank actively supports the overseas expansions of our business partners in collaboration with our overseas bases (one branch and three representative offices), Gungin Consulting, and external partners. The Corporate Consulting Division's Overseas Trade Support Office takes the lead in providing various services, including conducting inspections on the environment for overseas investment, offering advice on establishing bases for clients considering expanding overseas, support with opening local bank accounts, and assisting clients looking to develop international sales channels by listing potential local partners and arranging business meetings.



Visiting a local factory as part of the Vietnam Investment Environment Visit co-sponsored with Gunma Prefecture (October 2023)