

# 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 digitization 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 page 56)

**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, 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 in March 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)
- Launch of Gunma Bank Mikatano Works, Mikatano Financial Management, and 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)
- Debit card service (January 2024)
- In-branch tablets (March 2024)
- Introduction of generative AI (May 2024)

### [Planned Initiatives]

- Introduction of smartphones for work (FY2024)

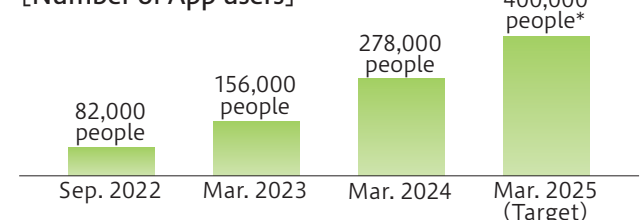
## Added features to the Gungin App

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 2024, approximately 278,000 people have used the app with banking transactions increasingly. Transactions are moving away from the

in-branch and internet banking to the app.

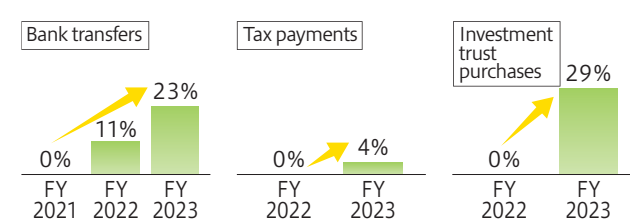
As well as adding the functionality in September 2023 for dealing in investment trusts, we have plans to add a digital document service and in-app loan functions in fiscal 2024.

### [Number of App users]



\* Target for end of March 2027 (400,000 app users) set ahead of schedule

### [Percentage of app to total bank transactions]



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 where-by 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.



The Gungin Business Portal website

## Introduction of In-branch Tablets ▶ See P.60

## 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.

