

Company Name: The Gunma Bank, Ltd.
Representative: Akihiko Fukai, President
Stock Exchange Listing: Tokyo (code: 8334)
For Inquiry: Takeo Uchibori, Managing Executive Officer and General Manager,
Corporate Planning Department

**Announcement regarding the determination of terms and conditions
for the issuance of Basel III-compliant Subordinated Bonds
(Sustainability Bond)**

The Gunma Bank, Ltd. hereby announces that it has determined the following terms and conditions for the issuance of Basel III-compliant Subordinated Bonds (Sustainability Bond). It also announced the parties that have pledged to invest in the bonds under those conditions, as outlined below.

「 JPY 10,000,000,000 Subordinated Unsecured Bond (Sustainability Bond) due October 29, 2031 」

Issuance amount	10 billion yen
Denomination of each bond	100 million yen
Interest rate	(i) For the first five years (until October 29, 2026): 0.49% per annum (ii) thereafter: 6-month JPY TIBOR plus 0.33%
Issue price	100% of the denomination of each bond
Redemption price	100% of the denomination of each bond
Maturity	10 years (with Early Redemption Clause)
Maturity date	October 29, 2031
Callable date	Any interest payment date on or after October 29, 2026
Interest payment date	April 29 and October 29 of each year
Type of offering	Public offering in Japan
Payment date	October 29, 2021

Use of proceeds	<p>Funds raised from the issuing of this bond shall be appropriated to new or existing investments / loans that meet following Green / Social projects.</p> <p><Green Projects></p> <p>① Renewable energy ② Energy efficiency ③ Clean transportation ④ Green buildings</p> <p><Social Projects></p> <p>① Maintenance and generation of employment ② Support for reconstruction and recovery from disasters ③ Support for revitalization and sustainability of regional economies ④ Support for medical and welfare services</p>
Book-entry transfer institution	Japan Securities Depository Center, Inc.
Underwriters	<p>Nomura Securities Co., Ltd. Daiwa Securities Co., Ltd. SMBC Nikko Securities Inc. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Mizuho Securities Co., Ltd (Notes) Nomura Securities consign part of handling of the offer of this Subordinated Bonds to Gungin Securities Co., Ltd.</p>
Structuring agent	Nomura Securities Co., Ltd.
Second-party opinion	As a sustainability bond, The Gunma Bank, Ltd. has obtained a second-party opinion on the alignment with related principles and guidelines as a sustainability bond from the external reviewer Rating and Investment Information, Inc.
Rating	<p>A (Rating and Investment Information, Inc.) AA – (Japan Credit Rating Agency, Ltd.)</p>

■ Investment statement

Listed below are investors who announced investment in this Subordinated Bonds.

(As of October 22, 2021 Listed in alphabetical order)

- I・D・A Co.,Ltd.
- Ikehara Kougyou Co.,Ltd.
- Credit Guarantee Corporation of Ibaraki-Ken
- EHIME PREFECTURE'S GENERAL AFFAIRS ASSOCIATION OF CITIES AND TOWNS
- OTEC CORPORATION
- KANSAN CORPORATION
- The Kyoei Fire and Marine Insurance Company, Limited
- The Kyoto Chuo Shinkin Bank
- Gunei Chemical Industry Co.,Ltd.
- Credit Guarantee Corporation of Gunma-ken
- Gunma Nissan Motor Corporated
- Sata Construction Co.,Ltd.
- SANYO FOODS Co.,Ltd.
- Jomo Shimbun, Inc.
- SAISON AUTOMOBILE&FIRE INSURANCE CO.,LTD
- Daiichi Kensetsu Corporation

- TAIYO LIFE INSURANCE COMPANY
- Tokio Marine Asset Management Co.,Ltd.
- Numata City
- JA Fukuoka Shinren
- Real Estate Guarantee Co.,Ltd.
- Hokkaido University of Science
- MATSUMI Co.Ltd.

Note:

This document is a press release to announce the issuance of The Gunma Bank, Ltd. to the general public. It is not prepared for the purpose of soliciting investment. Investors should review the shelf registration prospectus and supplementary shelf registration prospectus, prepared by The Gunma Bank, Ltd. prior to making any investment decisions, and should make such decisions at their own discretion.