

Solving Environmental and Social Issues Through Sustainable Finance

The Norinchukin Bank Sustainable Finance Goals

As a member of cooperative organizations supporting the industries, the Norinchukin Bank understands that our businesses are part of the life and natural environment sustained through these industries. We pursue sustainability management, including support for the SDGs, to solve environmental and social issues, pursuing sustainability

in society (including the AFF industries) and our business activities.

Our main contribution to this goal is through finance. We approach sustainable finance through the dual aspects of securing business opportunities and engaging in risk management.

In addition to credit decisions based on traditional finance risk, the Norinchukin Bank has also adopted the ESG Integration framework. We use this framework not only for internal controls, but also as a tool to engage in dialogue with our business partners.

Secure Business Opportunities

Sustainable Finance → P26 · 27

We conduct investment and financing activities to generate profit and to contribute to the development of sustainable environments and societies, and to the growth of the AFF industries.

FY2020 New finance Roughly **¥600 billion** Held balance at end March 2021 Roughly **¥2.4 trillion** 2030 medium/long-term goals New finance **¥10 trillion**

Our sustainable finance refers to the following:

- Investment and finance
 - Sustainability linked loans, green loans, social loans, sustainability loans
 - Investment and lending to companies with ESG-related certification, and authorized investment and lending
 - Other investment and lending for the resolution of environmental and social issues
- Funding
 - Sustainability related funding

JA Bank Efforts Toward Renewable Energy Demand → P28

ESG Integration → P26 · 29

We are striving to build a decision-making process for investment and finance decisions that integrates a recognition of environmental and social risk into credit decisions based on the traditional financial risk evaluation process.

This framework is a tool not only for internal controls, but also for engaging in dialogue with customers based on non-financial information.

Risk Management

Environmental and Social Risk Management (ESRM) → P29

We have built an ESRM framework to assess and manage environmental risks and social risks prior to making investment and financing decisions for individual customers and projects.

■ The ESRM Framework

