Key Contents

ANNUAL REPORT

2024

Integrated Report

NORINCHUKIN

Our work at The Norinchukin Bank won't change the world overnight.

**Our focus is on the agriculture, fishery, and forestry industries.
This means that nature is our partner,
and nothing in nature bears fruit overnight.
Industries in this sector don't make things
—they produce and nurture life as a legacy for future generations.**

**This is precisely why we maintain a century-long dedication to
serving those who sustain these industries
and their local communities, no matter how small the scale of their operations.
And as the sole financial institution wholly devoted to this sector
—the very cornerstone of our nation, we strive consistently
to generate solid outcomes in the global financial markets.**

**But that is no longer enough.
We must take on a greater role than ever before so that
the agriculture, fishery, and forestry industries continue developing
in response to the changing times.**

**We must harness our financial knowledge to make
new contributions that extend beyond our past functions and scope.
We must do our utmost to address on-the-ground issues.
We must respond to the needs not only of producers,
but also to those of processors, distributors and consumers.**

**The life generated by the agriculture, fishery, and forestry industries
sprouts the workings of all life well into the future.**

**Now is the time for each and every one of us to give our all.
We aim to make the chain of life that connects us to the future
more bounteous and more certain.**

Dedicated to sustaining all life.

The Norinchukin Bank

**In this report, agriculture, fishery and forestry are collectively referred to as "AFF,"
Japan Agricultural Cooperatives are referred to as JA,
Japan Fishery Cooperatives as JF and Japan Forest Owners' Cooperatives as JForest.**

Message from the Management

We would like to sincerely thank all our stakeholders for supporting the day-to-day operations of The Norinchukin Bank ("the Bank").

In addition, we would like to express our deepest condolences and sympathy to those affected by the 2024 Noto Peninsula Earthquake. We also extend our deep respect for the efforts of those who have been engaged in support, recovery and reconstruction.

Our annual report contains the overview of the Bank and its business performance for fiscal 2023. We hope this report will help you better understand us, our recent progress and the challenges we face.

Addressing food security risks is now a key issue for the global community given the high rise in food, energy, and other commodity prices against the backdrop of climate change, global population growth, and the intensification of international tensions. In Japan, which relies on imports for grain, fertilizers and feedstuff, agricultural management has been seriously affected by problems such as persistently high production material costs and slow progress of the cost transfer to sales prices.

Together with JA Bank, JF Marine Bank, and JForest Group, the Bank will work to provide maximum support while fulfilling its unique cooperative roles and functions, aim to be the financial institution and organization of trust, and contribute to the development of the AFF industries and communities.

One of the important roles of the Bank is to provide a stable return of profits to its members. Currently, with the understanding of our members, we are working to strengthen our profitability over the medium to long term. We will continue to fulfill this role going forward, and we are committed to doing our utmost to earn the trust of all our stakeholders.

Finally, we ask for your continued support of JA Bank, JF Marine Bank, JForest Group, and the Bank.

July 2024

YAMANO Toru
Chairman of the Supervisory Committee

OKU Kazuto
President and Chief Executive Officer

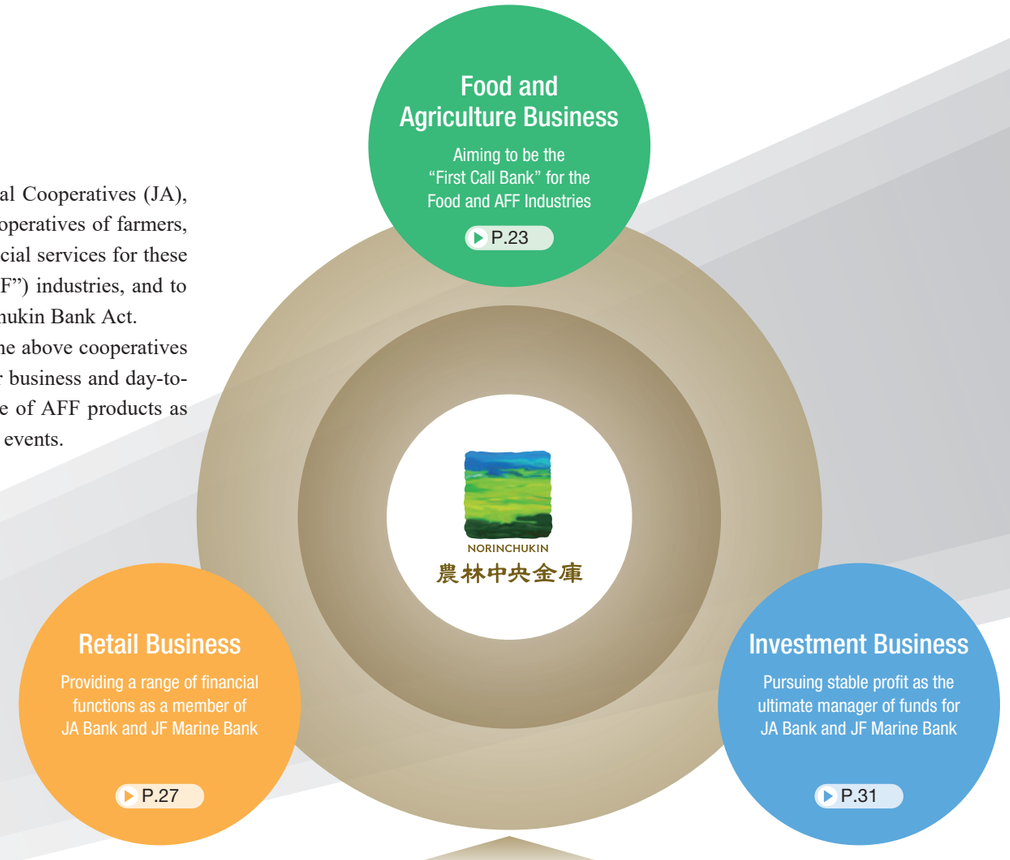
Our Features - About The Norinchukin Bank -

The Norinchukin Bank (the "Bank") is a private financial institution with Japan Agricultural Cooperatives (JA), Japan Fishery Cooperatives (JF), Japan Forest Owners' Cooperatives (JForest), and other cooperatives of farmers, fishermen, and foresters as its members. We aim to facilitate the smooth functioning of financial services for these cooperatives, to contribute to the development of the agriculture, fishery, and forestry ("AFF") industries, and to thereby contribute to the development of the national economy, as per Article 1 of the Norinchukin Bank Act.

In addition to the banking business, which involves accepting deposits and making loans, the above cooperatives also engage in a variety of other business activities. Among these are providing guidance for business and day-to-day matters for farmers, fishermen, and foresters; marketing and supplying through the sale of AFF products as well as the procurement of production materials; and mutual insurance for various unforeseen events.

What is the Cooperative System?

Cooperative members comprise JA, JF, and JForest at the municipal level that perform wide range of activities as described above and their respective federations and unions at the prefectural level, as well as those at the national level, including the Bank, (as indicated in the accompanying chart). This nationwide structure from the municipal level to the national level is generally known as the cooperative system.



Corporate & Shared Services

In addition to providing functions that support the three businesses, addressing new issues

* For major initiatives of Corporate & Shared Services, please see "Initiatives for Advancement of Human Resources Management" and "Digital Transformation (DX)", etc. on page 47~56.

Our Purpose

Dedicated to sustaining all life.

Work together with our stakeholders to foster the AFF industries and to create a prosperous future for food and lifestyles, and thereby contribute to a sustainable global environment

Three Business Areas for Achieve Our Purpose

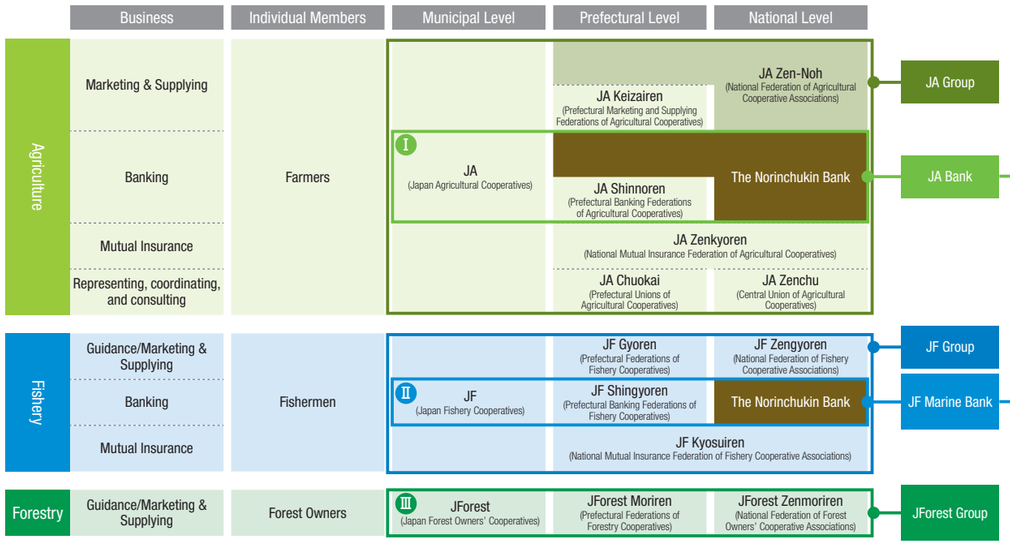
The business environment surrounding the AFF industries is changing with the times. Under this situation, the Bank has been changing its business model flexibly in order to continue to play its role as a sole private financial institution which contributes to the development of the AFF industries through its financial services.

To Achieve our Purpose for the present and future, we mainly focus on the three business areas of Food and Agriculture Business, Retail Business, and Investment Business as our role. The Corporate & Shared Services is the foundation to support these businesses while tackling new challenges.

Structure of the Cooperative System

The framework and functions of the banking businesses of JA and JF at the municipal level, JA Shinnoren (Prefectural Banking Federations of Agricultural Cooperatives) and JF Shingyoren (Prefectural Banking Federations of Fishery Cooperatives) at the prefectural level, and the Bank at the national level are referred to collectively as the cooperative banking business, which has evolved as JA Bank and JF Marine Bank essentially as one financial institution.

It also cooperates in close alliance with JForest Group, which does not conduct banking business, providing support/subsidies for its activities and human resource development.



The Bank's funds are derived from member deposits (majority of them are made from savings held by indivisual members of JA and JF) and raised in the market. These financial resources are then lent to farmers, fishermen, and foresters, as well as companies related to these industries. In addition to such activities, the Bank efficiently manages its funds through investments in securities and other financial instruments. The Bank strives to stably return profits on investment and lending activities to its members and provides various other financial services.

JA Bank : Organization Overview As of April 1, 2024

JA Bank	JA (Japan Agricultural Cooperatives)*1	JA Shinnoren	The Norinchukin Bank
Role	• Lending agriculture and livelihood funds based on deposits from farmers and local residents • Depositing surplus funds to JA Shinnoren and the Bank • Returning the profit to farmers	• Managing funds from JA through lending and investments in securities and other financial instruments to return the profits to JA, etc. (depositing surplus funds to the Bank) • Coordinating and guiding financial functions of JA within the jurisdiction	• Managing funds from JA and JA Shinnoren through lending and investments in securities and other financial instruments to return the profits • Conducting integrated financial business operations of 508 JAs nationwide, etc. and guidance for ensuring sound business management, as a national institution of JA Bank
Number of cooperative members	508	32	1

*1 The number of JAs (Japan Agricultural Cooperatives), 508, is the number of JA Bank members

JF Marine Bank : Organization Overview As of April 1, 2024

JF Marine Bank	JF (Japan Fishery Cooperatives)*2	JF Shingyoren	The Norinchukin Bank
Role	• Lending fishery and livelihood funds based on deposits from fishermen and local residents • Depositing surplus funds to JF Shingyoren and the Bank • Returning the profit to fishermen	• Managing funds from deposits from fishermen and local residents and funds from JF through lending and investments in securities and other financial instruments to return the profits to JF, etc. (depositing surplus funds to the Bank) • Coordinating and guiding financial functions of JF within the jurisdiction	• Managing funds from JF and JF Shingyoren through lending and investments in securities and other financial instruments to return the profits • Conducting integrated financial business operations of 72 JFs nationwide, etc. and guidance for ensuring sound business management, as a national institution of JF Marine Bank
Number of cooperative members	72	10	1

*2 The number of JFs (Japan Fishery Cooperatives), 72, is the number of JF Marine Bank members

Our History

Constant Mission Over 100 Years: Transforming Itself to Meet the Needs of the Times

Since its establishment in 1923, the Bank has been managed under special legislation, initially "Sangyo Kumiai Chuo Kinko Act" (Act on the Central Bank for Japan's Industrial Cooperatives) and renamed subsequently to "the Norinchukin Bank Act."

Since our establishment, we have continued to provide support for everyone engaged in the AFF industries for over 100 years while constantly transforming in line with changes in the environment surrounding the AFF industries.

1923-

Meeting the demand for funding in the AFF industries before and after World War II

Launched as the central bank for Japan's industrial cooperatives
Supporting producers with financial services, including loans through cooperative organizations, with the spirit of helping one another

The Bank was established in 1923 to address the shortage of funds Japan's AFF industries had faced during pre- and post- world war periods, until Japan entered into the era of high economic growth. As a financial institution founded on AFF cooperative organizations, the Bank has supplied funds to AFF cooperatives throughout Japan, which in turn have provided loans to producers and meet the demand for large-scale funding beyond the capacity of individual cooperatives. The basis of these actions stems from our spirit of helping one another—"one for all, all for one."

1970-

In light of the increase in JA savings due to economic growth

Extending loans and investments into wider financial markets in addition to the AFF industries in response to the needs of the times

Since the 1970s, when savings deposited by individual members and local users increased considerably, we have met Japan's strong demand for funds through loans and investments for companies related to the AFF industries, the supply of funds to Japan's short-term capital markets, and investment in Japanese government bonds. Moreover, from the latter half of the 1990s, we quickly moved into top gear on globally diversified investments in global financial markets. We have returned stable earnings to members of JA, JF, and JForest even in a low-interest-rate environment.

2016-

A bridge between the AFF industries and the business community

Amid the ongoing significant changes in the nation's needs for the AFF industries, we have come to believe that the delivery of safe and secure domestic produce which consumers, restaurants, and food companies want will pave the way to turning the AFF industries into growth industries. Leveraging our deep ties with producers and longstanding business relationships with companies related to the AFF industries, we intend to build bridges among AFF and other industries. In 2016, we had a full-scale launch of such an initiative. Our food and agriculture business offers diverse solutions to both producers and consumers.

2019-

Start of sustainability management

To meet the expectations for companies to solve environmental and social issues, the Bank has started sustainability management. In addition, we established "Our Purpose" in 2021 in response to increasingly severe environmental and social issues and growing uncertainties, particularly within our business base of the AFF industries.

In addition, to achieve this Purpose, we have identified our "Important Issues," which we will face in the medium to long term, and defined our "Medium-Term Vision" for resolving these issues. To achieve this Vision, all officers and employees of the Bank share as "Shared Values" the mindset that we should set as the foundation of daily business activities.

P. 7-8

2023

The 100th Anniversary

2024-

Formulation of the Medium-Term Vision

For the past 100 years, the Bank has operated its business with a strong commitment to the maintenance and development of the AFF industries.

Meanwhile, the stable environment is a thing of the past and an era of discontinuous changes has arrived. Based on the idea that management that responds flexibly and nimbly to these changes is important in order to achieve our Purpose, we have formulated the Medium-Term Vision of the Norinchukin Bank Group (hereafter the "Bank Group") targeting the near future (2030) by back-casting from environmental and social changes that can be expected to occur.

We will operate our business by positioning the five "visions" set forth in our Medium-Term Vision as the compass of our management.

P. 21-22

Our Purpose

Dedicated to sustaining all life.

Work together with our stakeholders to foster the AFF industries and to create a prosperous future for food and lifestyles, and thereby contribute to a sustainable global environment

Our Cultivated Strength

Various management capitals to achieve Our Purpose

Social and relationship capital

- Social and relationship capital/capital equipment

Approx. 11.98 million people	6,166 branches	138 Units
The number of JA, JF, and JForest individual members*1	Total number of JA Bank and JF Marine Bank branches across the country*2	The number of JA Bank mobile branches that offer financial services in rural and depopulated areas

Intellectual capital

- Inherited knowledge

101 years	22 years	26 years
History of supporting the AFF industries through finance	Integrated management of JA Bank composed of 508 JAs, 32 JA Shinnorens and the Bank	Engaging in globally diversified investments ahead of the times

Human capital

- Expert human resources with diversity

¥29.0 billion	3,314 people	121 people
Total assets per employee (non-consolidated basis)	Number of employees	Number of employees who obtained global top-tier MBA/LL.M degrees through the Bank's sponsorship program

Financial capital

- Sound financial base

¥99.8 trillion	¥4.4 trillion	A1/A
Total assets	Net assets	Moody's/S&P credit ratings

*1 The simple sum of the numbers of individual members of the JA, JF, and JForest cooperatives sourced from the relevant FY2022 statistics of the Ministry of Agriculture, Forestry and Fisheries, Japan.
*2 The total number of branches that handle the domestic exchange business as of March 31, 2024, operated by the Bank, JA Shinnoren, JA, JF Shingyoren, and JF.

Our Purpose, Important Issues, Vision and Shared Value

To enhance our organizational ability to solve problems amid ongoing change, we believe it is necessary to have a culture that encourages ourselves to share the Bank's philosophy, to recognize our own roles, and in which officers and employees actively pursue our own roles. To this end, we have defined "Our Purpose" to answer the question of "What kind of contribution will we make to the future for a sustainable environment and society?"

Based on this Purpose, we have defined "Important Issues" (Materiality) as the environmental and social challenges we will face over the medium to long term, and "Medium-Term Vision" for resolving these issues.

In order to realize this Vision, we have also established "Shared Values" as the foundation on which we practice our daily business activities.

Philosophy

Purpose

What kind of contribution will we make to the future for a sustainable environment and society?

Materiality

Environmental and social issues that we will face in the medium to long term

Business Activities

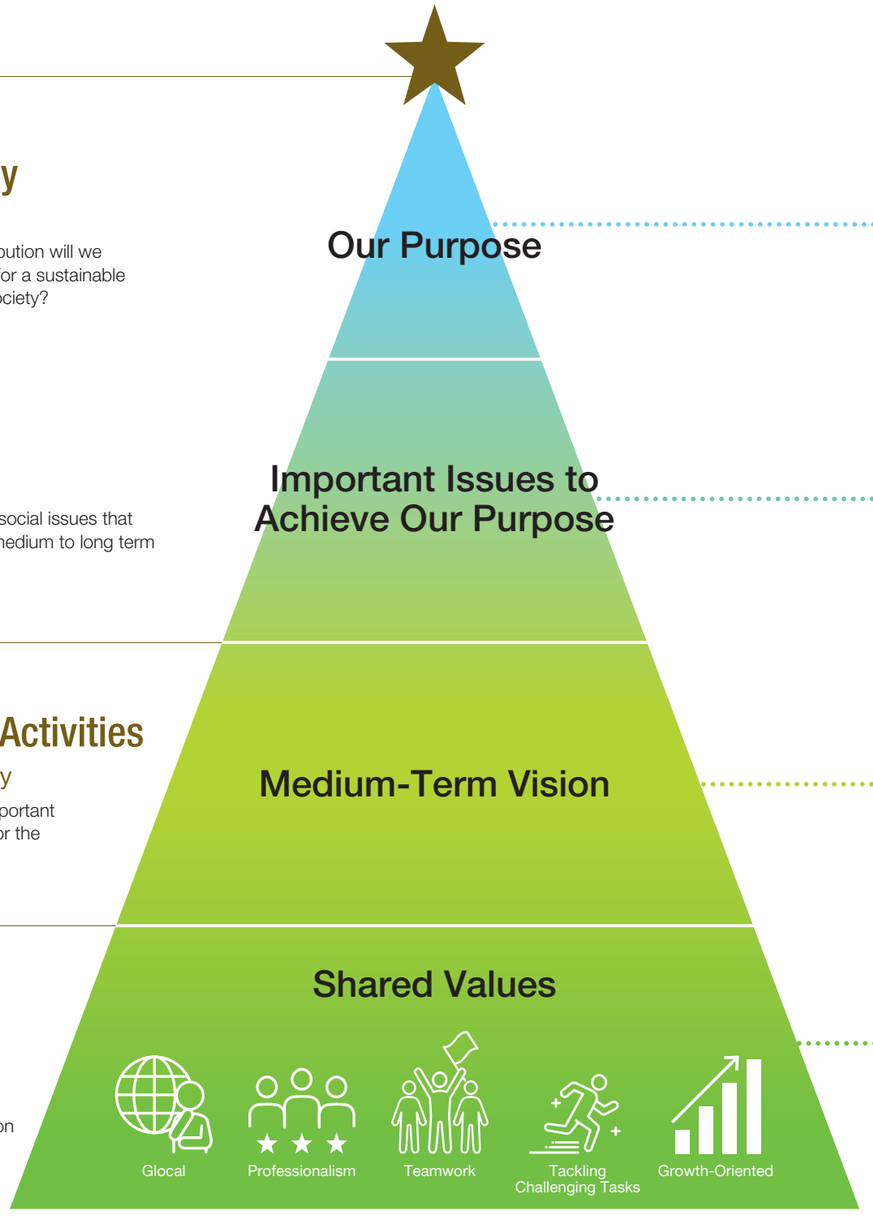
Vision/Strategy

Towards solving important issues, Our vision for the medium term

Values

Shared Value

Towards the realization of our vision, the foundation for practicing our daily work



Our Purpose

The life of people, the life of food (living organisms) and the life of the earth (planet) are all connected.
We need food to live. That food is delivered by the AFF industries.
The foods produced by the AFF industries, derived from animals and plants,
benefit from the blessings of nature such as water and air.
These blessings of nature are only available because of a sustainable global environment.
To ensure this "chain of life," we have established "Our Purpose" as follows by further developing our corporate brand tagline "Dedicated to sustaining all life."

Dedicated to sustaining all life.

Work together with our stakeholders to foster the AFF industries and to create a prosperous future for food and lifestyles, and thereby contribute to a sustainable global environment

► Please see pages 75~76 for details on the Bank's stakeholders.

Important Issues to Achieve Our Purpose

In order to achieve our Purpose, we have defined the following Important Issues that we must resolve.

- Realizing a carbon-neutral society
- Realizing a society living in harmony with nature
- Strengthening the "earning power" of the AFF industries
- Realizing a resilient food sytem
- Achieving well-being at both local and international level

► Please see pages 9 to 10 and pages 36 for details.

Medium-Term Vision

Nochu Vision 2030 - Taking on challenges of a changing world as we look to the future -

We have formulated the "Medium-Term Vision" for the period from FY2024 to FY2030. We operate our business by positioning "Vision for 2030" set forth in our Medium-Term Vision as the compass of our management.

► Please see pages 21 to 22 for details.

Shared Values

We have established the following five values to be cherished by all officers and employees of the Bank.

[Glocal]
We, the Norinchukin Bank, are a financial institution rooted in local cooperative organizations. At the same time, we also play a social role by contributing to the AFF industries and local communities through the global utilization of our funds, information, and expertise. We strive to fulfill our mission through unique initiatives that are characteristic of the Bank, where each individual is mindful of the glocal perspective, connecting global and local aspects in both directions.

[Professionalism]
As the environment surrounding financial institutions and the AFF industries has changed over time, the Bank has adapted by transforming itself from its establishment to the present, fulfilling its mission for over 100 years. To continue fulfilling our mission for the next 100 years, we will strive to become a presence that is truly needed by our stakeholders by pursuing professionalism and a high level of expertise and providing value that is unique to the Bank.

[Teamwork]
To meet the diverse expectations of our stakeholders, it is necessary for officers and employees from various backgrounds to collaborate and co-create. As individuals, we will maintain a sense of purpose and self-responsibility. As a team, we will be considerate of each other, trust and respect each other, and value communication to maximize our teamwork.

[Tackling Challenging Tasks]
In an era of rapid change, it is essential to continually create new value to meet the expectations of our stakeholders while maintaining the soundness of our management. With our eyes fixed firmly on Our Purpose, we view change as an opportunity and proactively tackle challenging tasks.

[Growth-Oriented]
In order for us to continue to archieve our Purpose, we must achieve sustainable growth and continue to be needed by our stakeholders. By achieving growth as an organization through the realization of growth by each individual, we aim to provide further value to society.

Important Issues to Achieve Our Purpose (Materiality)

The Bank has defined our Purpose with a view to environmental and social changes toward 2050. The Bank has also organized "Important Issues to Achieve Our Purpose" as important themes considering risks and opportunities and possible impacts for the Bank, expectations from stakeholders. Through our daily business activities based on the Medium-Term Vision, we will work to address the risks and opportunities associated with these Important Issues, as well as to create positive impacts and reduce negative impacts.

► Please see page 36 for "Materiality Identification Process."

Important Issues to Achieve Our Purpose	Examples of financial effects and impacts			Major initiatives
	Risk	Opportunities	Impacts	
1 Realizing a carbon-neutral society	• Increase in credit costs due to changing policies, markets, etc., as well as natural disasters • Criticism against business activities that do not take climate change into account • Impact on the business base due to lower sustainability of the AFF industries and local communities	• Extend investments/loans and business related to climate change	• Contribute to reducing GHG emissions and curbing the rise in global temperatures through stakeholder engagement	• Take actions to reduce financed GHG emissions – Net Zero by 2050 • Initiatives to secure the amount of forest carbon sink, together with JForest members – 9 million tCO_2/year in FY2030 • Take actions to reduce GHG emissions by the Bank Group itself – Net Zero by 2030 • Execute new sustainable finance (¥10 trillion by FY2030*)
2 Realizing a society living in harmony with nature	• Increase in credit costs due to changing policies, markets, etc., as well as natural disasters • Criticism against business activities that are not environmentally friendly • Impact on the business base due to lower sustainability of the AFF industries and local communities	• Extend investments/loans and business related to natural capital and biodiversity	• Contribute to a nature-positive society through stakeholder engagement	• Enrich and advance the provision of analysis, disclosure, and solutions • Support transitioning to a circular economy and circular AFF industries through cooperation with members and investees/borrowers
3 Strengthening the "earning power" of the AFF industries	• Impact on the business base due to labor shortages in the AFF industries and shrinking local economies	• Conduct investments and loans to the AFF industries and food and agriculture-related companies, etc., and extend business using IT/digital technologies, etc.	• Contribute to increasing the income of farmers, fishermen, and foresters in collaboration with members	• Provide consulting solutions to management issues faced by leaders
4 Realizing a resilient food sytem	• Impact on the business base due to lower sustainability of the AFF industries caused by disruption of global supply chains, etc.	• Conduct investments and loans to the AFF industries and food and agriculture-related companies, etc., and extend business using IT/digital technologies, etc.	• Contribute to strengthening the domestic production base and improving Japan's food self-sufficiency rate, through investments and loans as well as building a new food and agriculture value chain in collaboration with members	• Supply growth capital to farmers, fishermen, and foresters, the food and agriculture value chain, and innovative companies
5 Achieving well-being at both local and international level	• Impact on the business base mainly caused by the aging and declining population in domestic communities • Criticism for failure to consider inclusion and equity in the business activities in Japan and overseas • Impact on the business activities due to global social unrest	• Develop local financial services using IT/digital technologies, etc. • Extend investments/loans and business that contribute to the resolution of social-related issues such as inequality and social infrastructure	• Improve wellbeing in local communities • Improve social diversity and inclusion and contribute to healthy economic growth through the business activities	• Support members in fulfilling their financial intermediary functions • Response based on the Human Rights Policy • Improve diversity, equity and inclusion (share of women in managerial positions : 13% by FY2030, 30% by FY2040)

* Initiatives common to all Important Issues

Value Creation Process

Our Purpose

Dedicated to sustaining all life.

- Work together with our stakeholders to foster the AFF industries and to create a prosperous future for food and lifestyles, and thereby contribute to a sustainable global environment. -

Important Issues to Achieve Our Purpose

- Realizing a carbon-neutral society
- Realizing a society living in harmony with nature
- Strengthening the "earning power" of the AFF industries
- Realizing a resilient food sytem
- Achieving well-being at both local and international level

Input/Management capital

Natural capital

- Global environment and ecosystem services

Social and relationship capital

- Nationwide network of the AFF industries cooperatives
- Relationships with investees and borrowers

Capital equipment

- Business sites and financial infrastructure

Financial capital

- Sound financial base

Intellectual capital

- Inherited knowledge

Human capital

- Expert human resources with diversity

Business activities

Initiatives based on Medium-Term Vision

- Food and Agriculture Business
- Retail Business
- Investment Business

Corporate & Shared Services

Output (results produced by the business activities)

Sustainability

- Sustainable finance
- Engagement with investees and borrowers
- Support for sustainable AFF industries

The AFF industries / Local communities

- Supply growth capital and business support to farmers, fishermen, and foresters and the food and agriculture value chain companies, etc.

Members

- Support JA Bank and JF Marine Bank in performing the comprehensive nature of business and financial intermediary function

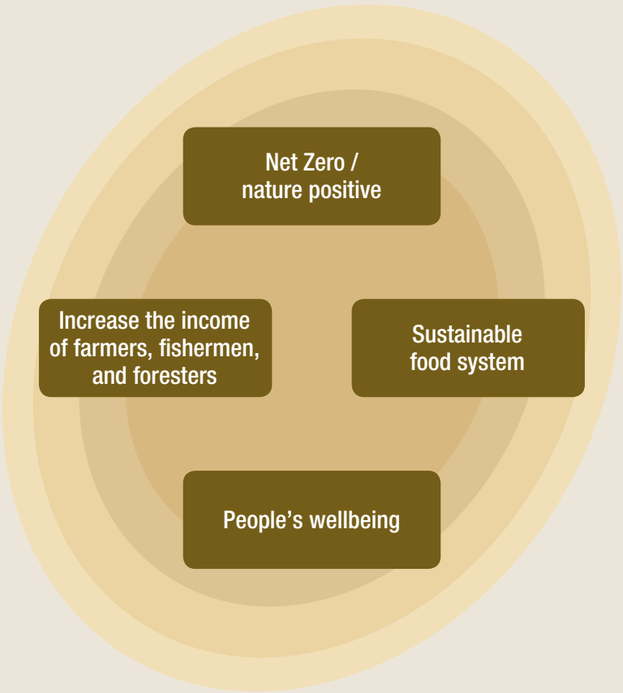
Profit / Financial

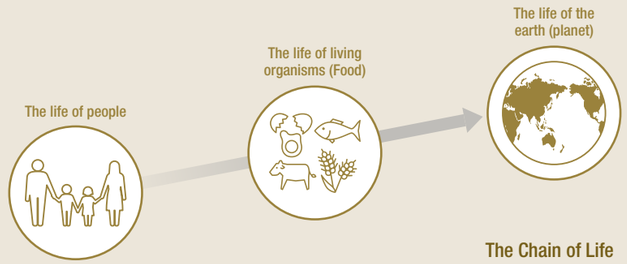
- Secure profit and return the profit to members through deepening the management of market portfolios, lending business, and asset management business

Organization

- Higher engagement scores within the organization
- Improve the diversity and expertise of human resources
- Promote DX and increase productivity
- Sophisticate management system and governance

Outcome (value returned to society)





OKU Kazuto
President and Chief Executive Officer
The Norinchukin Bank

100 years thus far, and 100 years ahead

— Contributing to the future of AFF industries, our members, and the global environment —

Changes after the COVID-19 pandemic Agriculture, fishery and forestry industries confront tough times

In May 2023, all restrictions on activity associated with the spread of COVID-19 were lifted in Japan. It felt as though I had warped through time to a future world where generative AI is in full swing, similar to the opening line in Yasunari Kawabata's novel, Snow Country, in which he writes, "The train came out of the long tunnel into *yukiguni* (snow country)." I also feel that the mindset of business managers has changed drastically from the deflationary economy and shrinking consumption tendencies that had lasted for over 30 years. Since the beginning of 2024, the Nikkei stock average has increased by over 40,000 yen, and the overall market shows signs of vitality. The depreciating yen helps improve exporting company's financial performance, which contributes to stock price positively, and even to the current trend of increase in basic salary.

Meanwhile, the AFF industries continue to face harsh conditions, such as sharp price surges in production inputs over the past few years. While gasoline prices have stabilized somewhat compared to before, feedstuff and fertilizer prices remain high, putting a strain on the production environment and making it especially difficult for AFF industries producers to pass on rising costs in the sales price.

Our very mission is to respond to our members and the global environment, centered around AFF industries producers

AFF industries' producers are the core stakeholders of the Bank. In this difficult environment, our goal remains unchanged: to continue providing our utmost support. To make AFF industries sustainable, first and foremost, we need enough farmers, fishermen, and foresters, and increasing this working population dictates the necessity to raise incomes. As such, the Bank promotes improved income for AFF industries producers as a major goal. Not only is the Bank directly involved in efforts to achieve this goal but we also engage in indirect efforts through our members, including JA, JF, and JForest. This highlights the importance of stabilizing the management base of our members who collectively support AFF industries producers. We therefore return profits and provide many other features to our members as well as providing support as needed.

Another element essential for making AFF industries sustainable is the stabilization of the global environment, including the climate. With this point in mind, the Bank is also actively involved in global environmental issues. Responding to the core AFF industries producers, the members who support that core, and the underpinning global environment, is the mission of the Bank.

Sustainability management of the Norinchukin Bank Using our medium-term vision as a beacon to fulfill our purpose

While the Bank is engaged in sustainability management, we do not see this as a solitary effort. It is a concerted effort that involves AFF industries producers, members such as JA, JF, and JForest, and the group organizations associated with those members. I see sustainability management as the pursuit of providing value to society through the Group's collective efforts. This value, in terms of the JA Group, is to provide consumers with an endless supply of safe and secure food. This necessitates financial resources as well as the ability to brainstorm and implement various initiatives in collaboration with non-financial organizations.

Based on this premise, and while sustainability management is linked to our Purpose we set forth, the Bank itself must first consider what direction to take toward achieving its medium-term goals and use that as a beacon for managing the business. To that end, we have formulated the Medium-term Vision and set forth five visions for where we want to be in 2030.

In order to supply food, it is important that AFF industries are sustainable. To this end, we have set engagement in environmental issues as our first aspiration: engaging in initiatives that create a positive impact on the global environment as well as on local communities in terms of the environment, society, and economy.

And the key to producing farmers, fishermen and foresters lies in increased income. Which brings us to our second aspiration: raising the income of farmers, fishermen and foresters; and striving for sustainable development of AFF industries and local communities.

We will continue with our consulting efforts for AFF corporations and leaders, but we also intend to work on visualization using data wherever possible. For example, in agriculture, there is a world of tacit knowledge otherwise known as expert skills, which, if visualized with data, may allow us to understand what constitutes tastiness. Combining this with the global environmental efforts described earlier, we may even be able to propose methods to scientifically optimize fertilizer usage. We intend to expand this initiative from not just efforts by the Bank but to a widespread effort through collaboration with JA and other members.

In addition to consulting, we will continue to focus our efforts on initiatives with an emphasis on food value chains. Many areas of agriculture allow for the application of various technologies. Incorporating robotics and smart agriculture to address labor shortages is an important aspect. Furthermore, distribution is also key to making and delivering agricultural produce. Because the Bank is connected to companies that fulfill this role through financial transactions and the like, we will study and implement various solutions that offer the best way to deliver produce to consumers. It is also necessary to expand the value chain outside Japan. With a declining population, there is only so much we can do if we think only of consumption in Japan. Japanese sake and fishery products are now popular export goods, but how we go about producing and selling goods that are in demand outside of Japan will become a key issue, which we will support.

The third aspiration calls for providing robust support for the business operations of JA and JF. In the case of JA, this calls for us to work with JA to make it the preferred choice of local business operators and farmers so that they consider JA a worthy partner. For this to happen, JA must have its own customer handling skills, and it is important that JA not fall behind the recent digitalization movement. For our part, we need to send the message that we want to become an organization that supports farmers, and that we're willing to work hard together.

In order to realize these three aspirations, the Bank needs to acquire competencies for securing profits and solving a variety of problems. Profitability is a major point in and of itself, and so is our fourth aspiration. Nothing raises profitability more than the organization and its people. Building a foundation that draws out the desire of employees to make things happen is an important element. We emphasize this as our fifth aspiration. We are currently looking ahead to 2030, but we know the environment and other circumstances will continue to be volatile. In that sense, this may seem like an abstract vision, but knowing that it cannot be made without aspirations, we have expressed our vision in words.

Diversity is a strength
Realizing employee job satisfaction

The employees of the Bank are tasked with various duties ranging from AFF industries and the global environment to investing. As a result, we have many talented human resources with a good balance of skills, which makes our employees highly attractive. At the same time, this balance may be what discourages individuals from taking an active role in forging ahead. I truly believe that diversity is a strength and that it is important for an organization to have a diverse pool of individuals. Homogenous organizations are strong when the tasks and means for accomplishing those tasks are defined. However, in the face of unpredictable events and unexpected outcomes, everyone must feel and think independently while pursuing shared goals. Only then can they follow the best path for the circumstances at the time. Expanding diversity is an initiative we intend to continue focusing on.

Another appealing factor of the Bank is our many employees, who have a strong desire to be of help and support the AFF industries. The core of job satisfaction is not only compensation for labor, such as receiving a salary, but also a combination of fulfillment and being in an area they want to be involved in. We want to firmly encourage each and every employee to achieve that desire.

Aspirations of a flat organization
Accepting adversity as a sign of growth

There is a concept of a teal organization, which states that an organization evolves through seven steps. The sixth step is the so-called flat organization. This is considered to be a state where values and organizational direction are shared, where employees have various personality types, and where a variety of opinions come from the bottom up. I have always been fond of an organization that is flat and conducive to dialogue, and while we have made various attempts to achieve this sixth step, it does have its difficulties.

In the face of these difficulties, which may be big or small, or even painful, I remember the words of Friedrich von Schiller, a German philosopher, "Genuine morality is preserved only in the school of adversity," and try to accept the feeling of adversity as a sign of growth. I would like to realize my version of an ideal organization while drawing encouragement from the words of Jules Verne: "Anything you can imagine, you can make real."

Over the course of a century, roles have changed
Moving beyond difficulties toward the next 100 years

Lastly, the Bank celebrated its 100th anniversary in December 2023. The history of the Bank started with a 50-year time-limited statute. The purpose of its creation was to provide loans to farmers who desperately needed financing for their operations. From there, through economic growth and other factors, the Bank was given an additional role to "manage funds and return profits to our members." Consequently, the time-limited nature disappeared. The history that led up to this 100th anniversary has profoundly moved me, and this past year has served as a time to personally reflect about how we want to approach the next 100 years.

In order to fulfill our role of managing funds and returning profits to members, the Bank established a business model of making globally diversified investments as an institutional investor. In particular, after the 2008 financial crisis, the Bank primarily invested in bonds because of the creditworthiness of the issuer and their liquidity. However, over the past two to three years, we have been significantly impacted by rising interest rates outside of Japan, particularly in the U.S. With regards to the soundness of the Bank, despite these conditions, we have maintained a high level of capital adequacy compared to other peer banks in addition to meeting various regulatory standards.

Meanwhile, in order for the Bank to continue fulfilling its role, we are working to improve our current investment portfolio in recognition of the necessity to strengthen our medium- to long-term profitability. To carry this out steadily, we are currently proceeding with our members for capital enhancement of the Bank.

We have clear responsibility to overcome obstacles to meet up with our members' expectation especially on this occasion of our 100th anniversary. I am determined to overcome this challenging time and fulfill my responsibilities toward the next 100 years.

Contents

02 ··· Message from the Management

03 ··· Our Features

05 ··· Our History

07 ··· Our Purpose, Important Issues, Vision and Shared Value

09 ··· Important Issues to Achieve Our Purpose (Materiality)

11 ··· Value Creation Process

13 ··· Message from the CEO

17 ··· Contents and Editorial Policy

19 ··· Message from the CFO

21 ··· Medium-Term Vision
(Nochu Vision 2030: Taking on challenges of a changing world as we look to the future)

23 ··· Food and Agriculture Business

27 ··· Retail Business

31 ··· Investment Business

35 ··· Sustainability Management Initiatives

47 ··· Initiatives to Advance Human Resource Management

55 ··· Digital Transformation (DX)

57 ··· Message from a Supervisory Committee Member

59 ··· Corporate Governance

65 ··· Management

69 ··· Framework for Business Administration (Risk Appetite Framework)

71 ··· Compliance

73 ··· Cybersecurity

75 ··· Stakeholder Communication

77 ··· Data Collection

Editorial Policy

- This Integrated Report is intended to help Norinchukin Bank (the Bank) stakeholders understand the Bank's initiatives for sustainable value creation. It was prepared with reference to the International Integrated Reporting Framework issued by the IFRS Foundation.
- For detailed information about the Bank's sustainability initiatives, please see the "Sustainability" section of the Bank's website: (https://www.nochubank.or.jp/en/sustainability/).
- This document is the Bank's annual report prepared in accordance with Article 81 of the Norinchukin Bank Act. It contains information about the financial condition and performance of the Bank as of March 31, 2024 (unless otherwise stated), as well as forward-looking statements pertaining to the prospects, business plans, targets, etc., of the Bank. The forward-looking statements are based on our current expectations and are subject to risks and uncertainties that might affect our businesses and could cause actual results to differ materially from those currently anticipated.
- In accordance with the Bank's disclosure policy, the content of this report was verified as appropriate by the Disclosure Committee, then reported to and discussed by the Supervisory Committee and the Board of Directors, which are statutory bodies under the Norinchukin Bank Act, and finally approved by the director in charge of disclosure.

Read our Disclosure Policy here:
https://www.nochubank.or.jp/en/dsclpolicy/

Message from the CFO

The Bank's Financial Management

Because the Bank exists as a financial institution for cooperative organizations designed to facilitate smooth financial intermediation, we engage in initiatives toward building a sustainable financial base to stably return profits to our members and continue to offer our value to a diverse range of stakeholders. To achieve that, we introduced the risk appetite framework and continue to advance our governance, financial management and risk management.

For our financial management, it is important to ensure three elements: continuing "stable returns" to members, maintaining "soundness" as a financial institution and maximizing profitability to the extent the first two elements are achieved. We conduct financial management in consideration of the balance of these three elements.

We are currently working to enhance our portfolio with a view to augmenting our profitability over the longer term while maintaining our financial management with keeping prudential soundness at top priority. We are in proceeding with our members regarding capital enhancement in order to bring these efforts to fruition.

Financial and Economic Circumstances

Global economy made solid growth in fiscal 2023, particularly in the United States, which led to major central banks continuing their tightened monetary policies. Whilst the tightened monetary policies led inflation to ease, concerns about high inflation becoming entrenched amid buoyant private sector demand and employment conditions persisted.

Turning to the financial markets, the equity markets both in Japan and overseas performed strongly under the solid economic growth. In the bond markets, both short- and long-term interest rates rose amid ongoing monetary tightening in Japan and overseas. Japan saw a notable shift in its long-lasting monetary policy stance, with the Bank of Japan progressively abandoning yield curve control and ending its negative interest rate policy. In the foreign currency markets, the yen weakened as a result of difference of interest rate conditions and the anticipated speed of monetary policy changes between Japan and abroad.

Financial Results and Capital Adequacy in Fiscal 2023

In fiscal 2023, interest and dividend income increased as a result of yen depreciation and interest rate rise, particularly in the United States and Europe, but foreign currency funding costs also increased. As a result, the Bank recorded consolidated ordinary profit of 134.2 billion yen and profit attributable to owners of parent of 63.6 billion yen. The Bank's capital adequacy ratios on a consolidated basis were maintained at a sufficiently sound level, with a common equity Tier 1 capital ratio of 16.43%, a Tier 1 capital ratio of 21.18% and a total capital ratio of 21.23%.

Summary of Earnings

(Billions of Yen)

	FY2021	FY2022	**FY2023**
Ordinary Profit	238.5	40.4	**134.2**
Profit Attributable to Owners of Parent	184.6	50.9	**63.6**
Net Assets	7,294.6	5,673.5	**4,440.3**
Common Equity Tier 1 Capital Ratio	17.87%	17.82%	**16.43%**
Tier 1 Capital Ratio	21.22%	21.98%	**21.18%**
Total Capital Ratio	21.23%	22.03%	**21.23%**

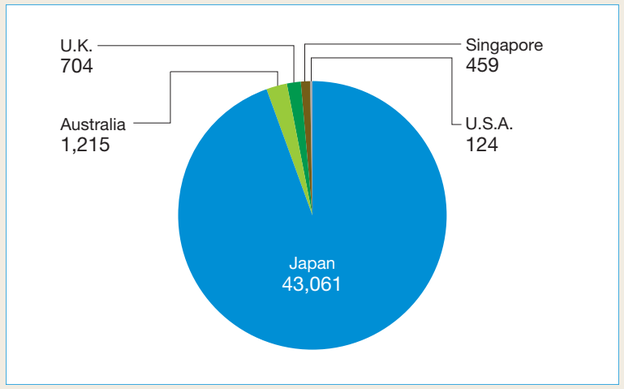
Efforts to Enhance Tax Compliance

The appropriate fulfillment of tax obligations is one of the critical social responsibilities of a company. With the business model of globally diversified investments, the Bank exercises its tax obligations not only in Japan but also with awareness of foreign tax laws and regulations concerning overseas lending and investing activities from Japan and business operations at its overseas locations, as well as international initiatives such as the BEPS Actions agreed by major jurisdictions at the OECD and implemented in Japan.

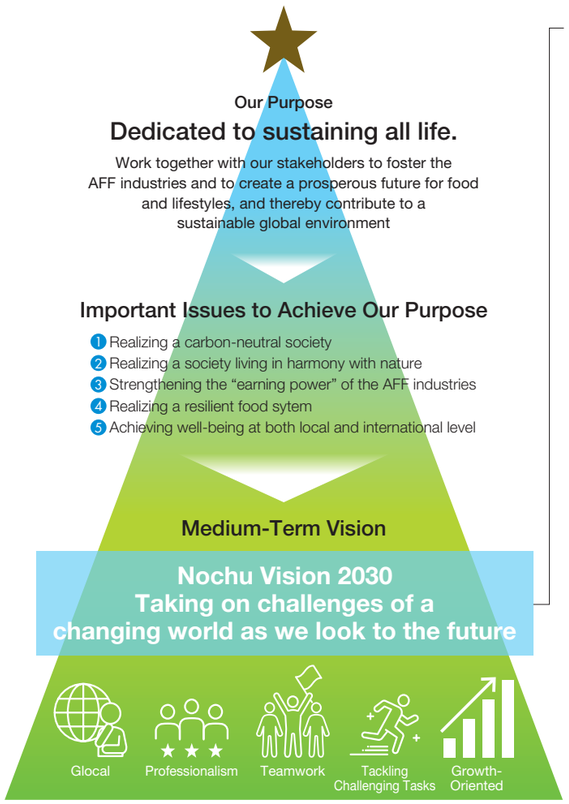
The Bank also conducts efforts to enhance tax compliance within the organization with the aim of increasing its medium- to long-term corporate value through sustainable growth. Specifically, the Bank provides its officers and employees with seminars designed to increase their tax literacy and will make continued efforts to increase awareness of tax compliance and reinforce tax governance.

Amount of Tax Payment by Jurisdictions (As of March 31, 2023)

(Millions of Yen)



Medium-Term Vision
(Nochu Vision 2030 - Taking on challenges of a changing world as we look to the future -)



Background to formulating Medium-Term Vision

The Bank has formulated its Medium-Term Vision "Nochu Vision 2030 - Taking on challenges of a changing world as we look to the future -" covering FY2024-2030.

In the past few years, many unpredictable events have occurred, including increased awareness of more sustainable societies, development of AI and other technologies, progressing global inflation, and rapid tightening of monetary policy to control inflation. And we believe that the business environment surrounding the Bank Group will continue to change in a complex and accelerated manner.

Under this outlook, in order for the Bank Group to collectively archieve our Purpose, instead of accurately predicting changes several years ahead and formulating detailed plans, we believe that it is important to define the "visions" of the Bank Group in the medium term, and to manage the Group flexibly and agilely in response to changes in the external environment toward the idealized visions.

The Bank has therefore decided to formulate a Medium-Term Vision. Targeting the near future of 2030, we have defined the following five "visions" of the Bank Group by back-casting from environmental and social changes that can be expected to occur. We will position these "visions" as the compass of our management, and operate our business while formulating annual initiatives to realize these visions.

Vision for 2030

Create impact for the global environment, society, and economy

Harnessing the power of cooperatives and finance, we aspire to continue to create positive impact toward sustainable environment, society and economy.

Support sustainable development of AFF industries and local communities

Developing data businesses that utilize digital IT technologies as a First Call Bank for food, agriculture, forestry and fisheries industries, and building new food and agriculture value chains, we aspire to provide more added value and realize the sustainable development of the primary industry and the cooperative organizations.

Create value for cooperative members and users through optimal integration of digital and real

Integrating digital and real in a way that is unique to cooperative financial institutions and pursuing optimal solutions, we aspire to continue to support JA and JF to further demonstrate their enhanced financial intermediation and their strengths of multi-business functions, creating values that impress cooperative members and users.

Ensure stable returns and play a role as the national level banking institution for the AFF cooperatives

Working together to respond flexibly to the rapidly changing market environment and customer/business partner needs, as well as taking on challenges for new areas and fields, and maintaining a sustainable financial and revenue base, we aspire to continue to ensure stable returns to its members and play its role as the national level banking institution for Japan's agricultural, fishery and forestry cooperatives.

Realize a flexible and resilient organization that continues to take on challenge of changes

With an open-minded corporate culture, diverse human resources learning and enhancing mutually, and the full use of digital IT technologies and data, we aspire to realize a flexible and resilient organization by continuing to take on challenges for change.

Major Initiatives for Realizing Our Vision for 2030

Vision for 2030	Major initiatives	Initiative entity
Create impact for the global environment, society, and economy	• Initiatives for realizing "Net Zero by 2050" • Enrich disclosure based on the TNFD recommendations and support initiatives of the clients for nature positive mainly through providing solutions • Support transitioning to a circular economy and circular AFF industries	Sustainability management Page 35
Support sustainable development of AFF industries and local communities	• Provide consulting functions and develop data businesses by utilizing IT and digital technologies in the AFF industries • Support building a new glocal value chain free of the traditional one • Extend investments and loans to farmers, fishermen, and foresters, the food and agriculture value chain, and innovative companies • Build a domestic production base and circular agriculture as the basis of food security	Food and Agriculture Page 23
Create value for cooperative members and users through optimal integration of digital and real	• Enrich digital functions and provide specialized services at the branches in order to establish JA and JF as financial institutions of choice • Initiatives for cross-sector collaboration through performing the unique financial intermediary function and comprehensive nature of the business of JA and JF	Retail Page 27
Ensure stable returns and play a role as the national level banking institution for the AFF cooperatives	• Ensure stable profit by diversifying methods of globally diversified investments • Build a lending portfolio that is resilient to interest rate and economic fluctuations • Strengthen the asset management business through the integrated efforts of the Bank Group	Investment Page 31
Realize a flexible and resilient organization that continues to take on challenge of changes	• Enhance expertise by gathering human resources with diverse thoughts • Create new business value and realize increased productivity through disseminating the use of IT/digital technologies and data • Build a flexible, strong, and resilient organization to continue to take on changes	Initiatives to Advance Human Resource Management Page 47 Digital Transformation (DX) Page 55

Pick Up Encouraging employees to take on autonomous challenges (launch of an in-house entrepreneurship program)

Our newly formulated Medium-Term Vision is based on the theme of "Taking on challenges of a changing world as we look to the future," and has established "Realize a flexible and resilient organization that continues to take on challenge of changes" as one of visions.

As one of the various initiatives the Bank is pursuing to achieve this vision, we launched the "In-house Entrepreneurship Program - Nochu Seeds" in FY2024 to create opportunities for employees to create new businesses, challenge themselves, and grow.

The main purpose of this program is to encourage employees to take on autonomous challenges and to foster a sense of responsibility and a managerial perspective through the experience of advancing the business on their own, thereby leading to talent development. In addition, through challenges that transcend existing concepts and frameworks within the Bank Group, we expect new ideas and businesses to emerge that contribute to solving stakeholder issues. At present, we are working to help employees develop business ideas through workshops and other means, in addition to employees submitting voluntary business proposals.

Workshop scene for employees to develop new business ideas

Aiming to be the "First Call Bank" for the Food and AFF Industries

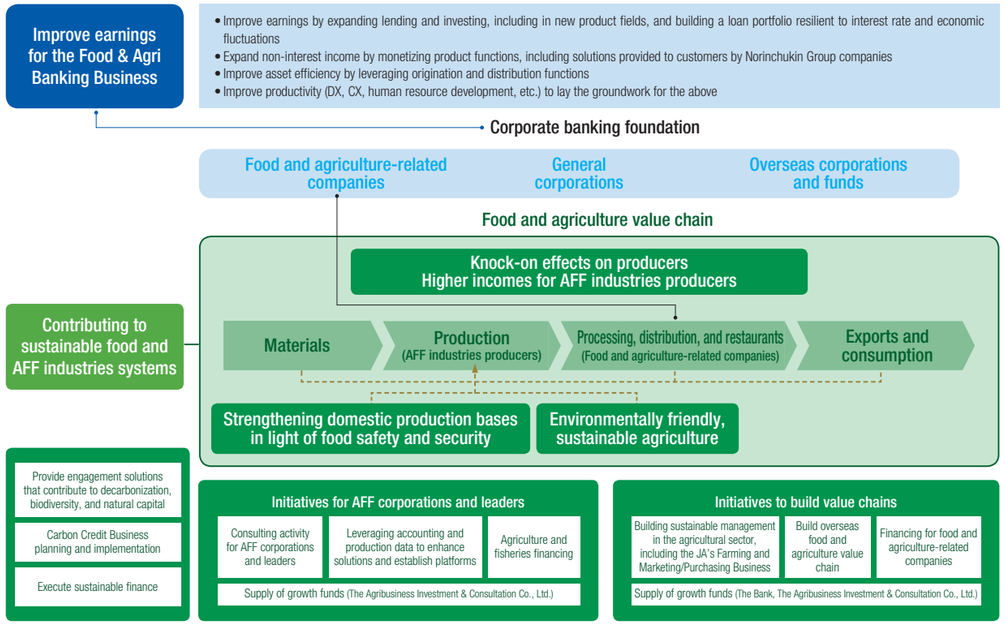
Representative Director and Managing Executive Officer
Member of the Board of Directors
Chief Operating Officer
YAGI Masanobu

Business Overview

Toward a deepening of the Food and Agriculture Business

The Food and Agriculture Business creates and provides added value in order to turn the AFF industries into growth industries, lift incomes and strengthen production foundations. But it cannot realize these through support for producers alone. Initiatives covering the entire food and agriculture value chain are necessary, from the manufacture of machinery and materials used in production through to processing, distribution, restaurants, retailing, exports, and consumption. Backed by our strength of a broad range of transactions spanning from upstream to downstream, we serve as a "bridge" between AFF producers and some 1,700 client companies throughout Japan. By coordinating between producers and companies, we are working to build up a track record of high-quality projects that can lead to higher incomes, address sustainability topics and solve business challenges faced by client companies.

Taking a two-pronged approach to deepen the Food and Agriculture Business, we are providing services leveraging the expertise of the Norinchukin Group and working to expand lending and investing, including in new product fields, as well as to build a loan portfolio resilient to fluctuations in interest rates and the economy. Our aim is to expand earnings of the Food & Agri Banking Business.



Food and Agriculture Business in Our Medium-Term Vision

The business environment in 2030 (Food and Agriculture Business)

- Japanese society is aging rapidly, with the population declining along with the birth rate. The number of sole operators in the AFF industries is decreasing, with an ongoing shift to corporate management.
- With advances in the smart-agri market, there are expectations to provide advisory functions that leverage IT and digital technology, such as robot tractors and drones as labor substitutes. Use of food agriculture x digital technology is accelerating.
- In light of geopolitical risk, issues such as soaring production materials prices have emerged, and productivity and sustainability in the food and agriculture value chain must be improved. Japan needs to build a domestic production base and circular agriculture, which are the foundations for food safety and security.
- There is also growing interest in the utilization of nature-derived credits such as J-Credit, and expectations remain high for sustainable initiatives.

Concept for Achieving Our Vision for 2030

We will work to achieve sustainable development of AFF industries producers and cooperative organizations by developing data businesses, including providing advisory functions using IT and digital technology, and by building a new "glocal value chain" beyond the existing value chain. We are also focusing on "maintaining production bases" and "environmentally sustainable agriculture" in view of improving incomes and mutually beneficial food safety and security.

Key phrases for achievement

1	Digitization	Introduction of smart agriculture, digitization of production management, farmland, and food chains, and measuring environmental effectiveness
2	Strengthen management capabilities	Data-based management (provide DX services to support this, wide range of consulting functions)
3	Build a glocal value chain	Expand sales channels for environmentally friendly agricultural products, create market-oriented export production areas
4	Decarbonization and greening	Reduction of fertilizer and agrochemicals (agricultural collaboration, material self-sufficiency, organic farming), impact finance, J-Credits

Main Initiatives

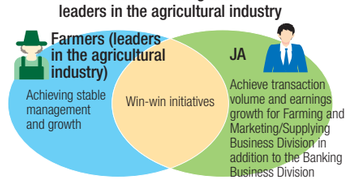
Initiatives to increase the incomes of farmers, fishermen, and foresters

Strengthening consulting activity for AFF corporations and leaders

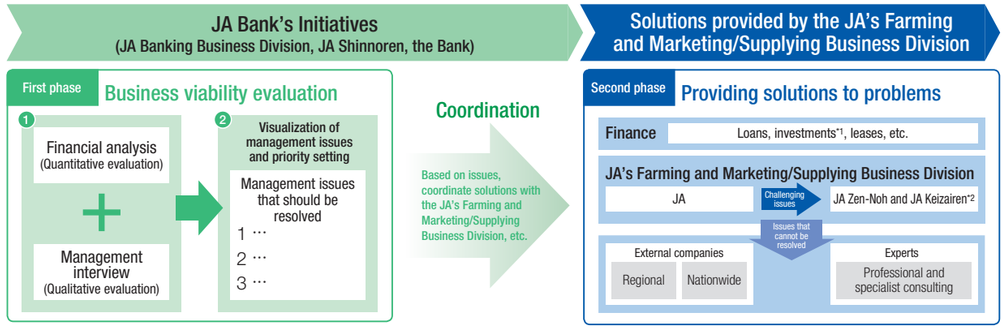
The Bank is working with JA and JA Shinnoren to strengthen consulting activities to leaders in the agricultural industry. The activities are being spearheaded by JA Bank (JA, JA Shinnoren, and the Bank), with consultations provided to 306 cases in fiscal 2023.

Led by JA's Banking Business Division, JA Shinnoren, or the Bank, a financial analysis is performed and interviews held with farmers, fishermen, and foresters, with business viability evaluated from both quantitative and qualitative perspectives. Solutions are proposed to the various business challenges that emerge through the process. The solutions are linked not just to JA's Banking Business Division but also to JA's Farming and Marketing/Supplying Business Divisionand other business divisions. By harnessing the comprehensive strengths of the JA Group, we are providing a broad range of proposals not limited to just financing. After proposing solutions, continued support is provided to farmers, fishermen, and foresters, including the monitoring of progress in solving issues.

Overview of consulting activities to leaders in the agricultural industry



Process of consulting activities to leaders in the agricultural industry



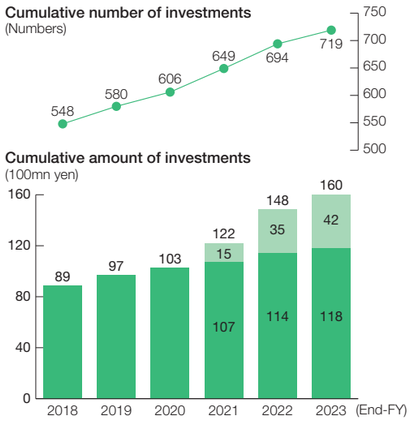
*1 Investment via The Agribusiness Investment & Consultation Co., Ltd.
*2 Federation of JA Group marketing/supplying businesses at the nationwide and prefectural level

Initiatives to Build and Strengthen the Food and Agriculture Value Chain

Supply of equity to AFF industries and food and agriculture-related companies

As a means of investing in AFF industries producers and food and agriculture-related companies, we broadly supply growth funds through Group company Agri-invest. As of late, we have invested in agricultural corporations and companies in various stages of growth, including a business that produces organic sweet potatoes over an area of 50ha, which are then processed into dried potato and sold in Japan and overseas and a business that upcycles unused resources using proprietary drying technology to powderize non-standard agricultural products and materials. We have invested a total of around 16 billion yen across 719 deals (as of end-March 2024) to achieve one of Japan's biggest investment track records.

* In the above chart, the differently shaded portions for fiscal 2021-23 represent investments in food and agriculture-related companies (the remainder is to AFF industries corporations, including agricultural corporations). Totals for investments may not match due to rounding. The number and amount of investments in food and agriculture-related companies includes funds transferred from the Banks' F&A(Food and Agri) Growth Industrialization Investment Framework.



Initiatives to Raise Incomes for AFF Industries Producers

Export support for domestic agriculture, fisheries and forestry products

The Bank supports export growth of agricultural, fisheries and forestry products in part by leveraging our network and bringing together producers who are wanting to export with domestic trading companies and overseas companies.

In fact, the Bank's Sendai and Aomori branches have provided export support for the local delicacy of brown rice soup with scallops and vegetables, achieving its first export to Singapore.

To provide this export support we also teamed up with our Singapore branch, and after starting with a sample export, we not only introduced the marketability of the product to local buyers but also the story behind the making of it. As a result, the product received a great reception from local buyers, leading to its first export.

Export achieved for brown rice soup with scallops and vegetables

Creating and Selling Forest-derived Credits

Established a platform in collaboration with JForest

With efforts to achieve carbon neutrality accelerating across the globe, interest in forest-derived carbon credits has increased. In fiscal 2022 in collaboration with JForest Moriren, the Bank launched FC BASE-C, a platform that supports the creation of forest-derived credits. With the aim of supporting the Japan Forest Owners' Cooperative (JForest), which is engaged in the creation of forest-derived credits, the Bank provides an expansive line-up of support, spanning from explanations of the J-Credit Shceme and simple calculations of CO_2 absorption through to applications for holding briefing sessions and consultations on formulating project plans and the like.

In fiscal 2023, the Bank launched FC BASE-M, a platform that supports the sale of forest-derived credits developed by JForest and local governments. Combined with FC BASE-C, the Bank has put in place an integrated framework to support the creation and sales of forest-derived credits from the JForest Group. The first transaction was completed in March 2024. J-Credit proceeds can be used by JForest and others to establish forests in the future, and the system is expected to encourage sustainable forest management. Going forward, the Bank plans to contribute to achieving a decarbonized society by focusing on expanding forest-derived credits together with JForest Group and supporting sustainable forest management.

Forest created as a result of FC BASE-M transactions

Case study Consulting Services Aimed at Improving Incomes for Farmers, Fishermen and Foresters

Utsunomiya Branch, Food and Agriculture Business Team (Currently ZEN-NOH Partnership Business Division)

HIDAKA Yue

Visualizing the gap between stakeholders' visions and their current situations

JA Bank's consulting initiative involves understanding the background of each individual farmer, then proposing solutions that leverage the expertise of our network organizations from finance to the farming and marketing/supplying businesses. This is a notable feature of our consulting services, and I think it helps to differentiate us from other financial institutions' consulting services.

In Tochigi Prefecture, where I had been positioned, this initiative was undertaken by the Bank as well as the prefectural JA. The local farmers told us that through consulting they were able to look at their own management practices from a third person perspective, prompting them to start thinking about medium- and long-term management. I saw not only significant benefits in terms of improving management but also improving JA consulting capabilities.

In my view, the clues to solving issues and keys to growth lie with the farmers themselves. As a result, I think my team's role in this initiative has always been to visualize the gap between stakeholders' visions and their current situations.

Strawberry farmers whom I looked after in Tochigi Prefecture had said they eyed becoming a corporate entity with the vision of improving their current profitability. First of all, using the financial analytical abilities of JA Bank and analyzing the current profitability of individual strawberry varieties, we pinpointed the strong profitability of Tochi-Aika strawberries. Next, we received advice from JA's Farming and Marketing/Supplying Business Division. While considering the necessary labor and equipment, we visualized the profitability at the point in time when increasing Tochi-Aika strawberries.

As a result, the farmers who had engaged in the consulting told me that the need for converting plots, which had been a vague thought, had become clear through visualization using hard numbers. Since the introduction of consulting services, the percentage of Tochi-Aika strawberries has increased substantially.

Such careful dialogue and co-creation are a strength of our consulting, and I'd like to continue contributing, even if slightly, to realizing the visions painted by our working population.

Case study Building a Self-funded Marine Resource Conservation Model

Okayama Branch, JF Marine Bank Team Manager

MATSUMOTO Ryuya

Public-private sector joining together to preserve marine resources and solve regional issues

We are advancing the Tottori Blue Carbon Project, which is being led by the Tottori Prefecture Fishery Cooperative (JF Tottori Prefecture), Tottori Prefecture, and the Bank, to address nationwide issues such as the decline in greenhouse gas (GHG) sinks and biodiversity in the wake of the loss of seaweed beds (along the coast where seaweed varieties had thrived) caused by the propagation of purple sea urchins. The project is trialing sea urchin propagation using grants from the Nippon Foundation's *Umi to Nihon Project.* This is promoting the development of sea urchin propagation technology utilizing local vegetable residue in Tottori Prefecture as well as the holding of sea urchin-themed events, and the development of new menu offerings featuring sea urchins with people from local communities. As a result, more people are learnings about marine issues and efforts are continuously implemented for assuring the future of a bountiful sea.

As the Nippon Foundation's Umi to Nihon Project ends after three years, we are aiming to establish a self-funded initiative that does not rely on grants from the fourth year. Because the loss of seaweed beds is a nationwide issue, we intend to build a self-sustained model and promote it throughout Japan in the future.

Case study Mediating Our First Carbon Credit Transaction and Future Expansion

Fukuoka Branch, Corporate Business 5th Team

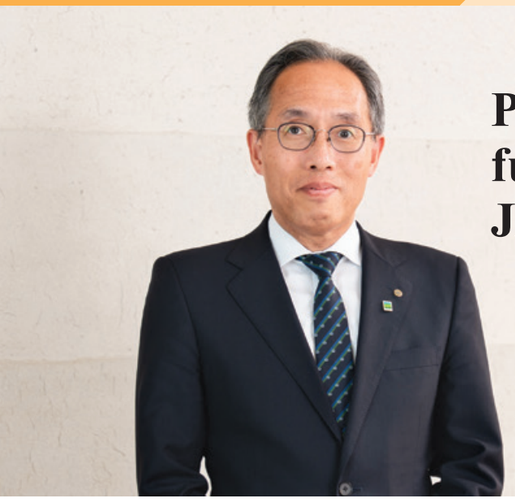
SHIROISHI Kota

Working Toward Carbon Neutrality with JForest Group

The Yamakuni River Basin Forest Association of Oita Prefecture worked to receive J-Credits for the appropriate management of forests under its control, becoming the first JForest Group in Kyushu to obtain forest-derived credits (112t). In the future, the Association plans to work with the Bank for credit certification. Proceeds from the sale of credits are likely to be used for forest conservation activities, such as forest preservation activities such as thinning in forests under its jurisdiction and reforestation, as well as the restoration of forest roads.

The Fukuoka Branch provided comprehensive support for the application, supporting the creation of application documents for the credit certification from the Association and handling responses to verifications by the review body. The main issues when it comes to creating forest-derived credits are the lack of system understanding and the complexity of application procedures. At the Fukuoka Branch, the Bank has accumulated expertise in credit creation applications through interviews with the J-Credit Office and other leading players. It has also held study meetings and scheme briefings to help those considering JForest Group credit creation.

Going forward, the Bank will continue to provide credit creation support from the Fukuoka Branch, while building a sustainable creation system together with JForest Group, contributing to forest conservation in Kyushu Area.



Providing a range of financial functions as a member of JA Bank and JF Marine Bank

Director and Managing Executive Officer
Member of the Board of Directors
Co-Head of JA and JF Business Support

AKIYOSHI Ryo

Business overview

JA Bank and JF Marine Bank

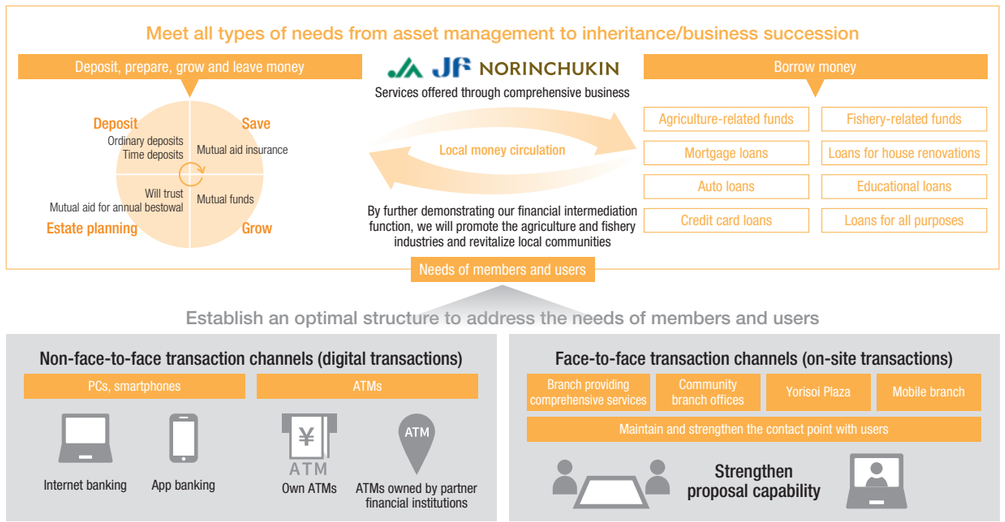
JA and JF are independent financial institutions providing financial services finely tuned to the varying requirements of different regions, individual members and users throughout Japan. To provide these retail services more efficiently and effectively, the Bank at the national level works together with JA Shinnoren and JF Shigyoren at the prefectural level to operate integrated businesses in the form of JA Bank and JF Marine Bank.

JA Bank not only provides agricultural loans and other financial support for production activity but also offers appropriate financial products and services tailored to customers' life events, such as starting work, getting married, buying a house and retiring, and supports stable financial asset building and management. We call these services the "life-plan support business," through which JA Bank provides mutual fund and will trust services, as well as various financial services such as savings, settlements and housing loans. Incorporating services provided by other businesses operated by JA (such as guidance, economic and mutual assistance services) enables us to serve customers of all ages in a way that only a comprehensive service provider can.

We are also strengthening and expanding our non-face-to-face transaction channels by enhancing the functions of JA online banking and the JA Bank app. In addition, we are restructuring our face-to-face transaction channels via, for example, full-service branches staffed by specialists and client-relationship managers and Yorisoi Plaza facilities that strengthen points of contact with users while increasing the Bank's efficiency.

JF Marine Bank leverages its expertise as a financial institution specializing in the fishery industry and also provides lifestyle support loans and business succession consultations to help customers manage life events, thereby supporting the lives of people and areas dependent on the fishery industry.

Offering new value to daily lives of local communities



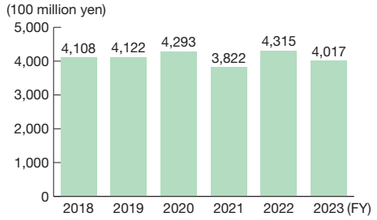
JA Bank and JF Marine Bank by numbers

Number of JA members	JA's savings balance	JA's loan balance
Approx. 10.27 million	108.3 trillion yen	23.5 trillion yen
Source: Ministry of Agriculture, Forestry and Fisheries FY2022 data	Source: The Norinchukin Bank (March 31, 2024)	Source: The Norinchukin Bank (March 31, 2024)

Number of JA Bank branches	Number of JA Bank mobile branches introduced	Number of JF members
6,006 branches	138 units	Approx. 0.25 million
Source: The Norinchukin Bank (total number of JA Bank, JA Shinnoren and Norinchukin Bank branches handling domestic exchange business as of March 31, 2024)	Source: The Norinchukin Bank (March 31, 2024)	Source: Ministry of Agriculture, Forestry and Fisheries, fishery industry cooperatives FY2022 data (fishery cooperatives with prefectural governor approval)

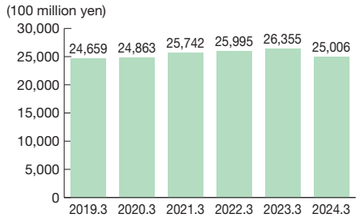
JF Marine Bank savings balance	JF Marine Bank loan balance	Number of JF Marine Bank branches
2.6 trillion yen	0.5 trillion yen	179 branches
Source: The Norinchukin Bank (Total for JF Marine Bank and JF Shingyoren as of March 31, 2024)	Source: The Norinchukin Bank (Total for JF Marine Bank and JF Shingyoren as of March 31, 2024)	Source: the Norinchukin Bank (total number of JF Marine Bank, JF Shingyoren and Norinchukin Bank branches handling domestic exchange business as of March 31, 2024)

Trends in the amount of new agricultural loans executed by JA Bank*



* Total for JA, JA Shinnoren and the Norinchukin Bank

JA Bank's the balance of agriculture-related loans*



* Total for JA, JA Shinnoren and the Norinchukin Bank

The Norinchukin Bank's role in the Retail Business

The Norinchukin Bank plays a role as the nationwide headquarters for the business conducted by JA Bank and JF Marine Bank.

In addition to strategizing and planning products and services for JA Bank and JF Marine Bank, the Bank works with them to determine how best to market these products and services to members and users. We have determined JA Bank Medium-Term Strategies (fiscal 2022-24) and JF Marine Bank Medium-Term Strategies (fiscal 2024-26) as overarching nationwide strategy. Strategies tailored to the requirements of individual prefectures and to those of individual JAs and JFs are then devised and implemented based on these.

The Bank also provides the digital infrastructure and unified administrative procedures that JAs and JFs use nationwide. We coordinate a range of requirements from the provision of a settlements network to ensuring regulatory compliance.

The issues that individual JA and JF institutions encounter vary, including by region. We are currently encouraging and supporting individual JAs and JFs in clarifying their optimal management strategies, while respecting their autonomy. The Bank also provides the requisite management guidance and support to individual JA and JF institutions based on the JA Bank Basic Policy and JF Marine Bank Basic Policy in order to ensure the stability and soundness of the JA Bank System and JF Marine Bank System.

The Retail Business in our Medium-Term Vision

The business environment in 2030 (Retail Business)

- We see a growing need for further operational efficiency enhancement and business transformation amid change in the conditions underlying JA's and JF's businesses, including the shrinkage and ageing of the Japanese population.
- Migration from rural to urban areas is gathering pace. The value and expectations society places on JA and JF institutions as full-service providers key to regional economies and infrastructure is increasing as concern about primary industries grows and other industries enter the scene.
- We are transitioning to a world in which all generations utilize lower-cost non-face-to-face channels for simple financial transactions as a result of rapid advances in digital services. The desire to consult a trusted financial institution strongly rooted in its local community, particularly regarding asset management, remains high, however. The ability to provide expert face-to-face advice could be a source of competitiveness for a financial institution.

Concept for Achieving Our Vision for 2030

The Bank has a tight focus on the uses of digital data in, for example, the provision of business support, and aims thereby to improve credit business efficiency and to provide advanced services to users.

In order to maintain our business base, we must provide the kind of value that encourages users to choose our services as well as utilize digital technology that appeals to a broad customer base. We aim to achieve this by improving the user interface (UI) and user experience (UX) of our non-face-to-face channels, including via partnerships with other businesses.

We will double down on current initiatives to enhance JA and JF management and their ability to propose solutions to users.

Main Initiatives

Initiatives relating to the 2024 Noto Peninsula earthquake

Support for JA Bank and JF Marine Bank users affected by the earthquake
Disaster support desk, emergency savings account payments

JA Bank and JF Marine Bank have been working to provide support to users affected by the earthquake by swiftly setting up a disaster support desk and promoting user awareness about the type of financial support available. In addition to establishing disaster relief funds to quickly respond to the recovery funding needs of those affected by the disaster, they have also provided support to existing loan users regarding the use of the natural disaster guidelines and loan forbearance.

As an emergency measure, JA Bank allowed JA users in Ishikawa Prefecture to withdraw savings at any JA nationwide without presenting their passbook or registered signature stamp, while JF Marine Bank did the same for users within the JF East Japan Shingyoren service area. JA Bank pulled together to provide financial services tailored to the support of earthquake victims as a single integrated entity, for example allowing them to notify losses and apply for the reissue of passbooks and cash cards, as well as withdraw savings, at other JAs. There have been more than 2,000 such requests as of the end of March 2024.

Dispatch of mobile branch vehicles

JA Bank has been using mobile branch vehicles since fiscal 2016 with the aim of providing financial services that connect agricultural and regional users, and thereby contribute to local communities. A total of 138 of these vehicles were in service by the end of March 2024.

A JA that cannot conduct business as a result of damage sustained in a natural disaster can request support from a mobile branch, which is dispatched after investigations as to which area is best placed to send one. After the Noto earthquake, a vehicle was dispatched from JA Kamiina in Nagano Prefecture to JA Noto in Ishikawa Prefecture, some of whose branches were unable to operate for this reason, to provide financial services to their users.

JA Kamiina's mobile branch vehicle (in front of JA Noto)

Non-face-to-face service initiatives

Improving JA Bank app user satisfaction

JA Bank launched the JA Bank app in December 2019. This is now widely used, with around 2.7 million downloads by the end of fiscal 2023. Because older users make up a large proportion of JA Bank's user base, the JA Bank app is designed for a simple user interface (UI) and user experience (UX), making it easy and intuitive for anyone to use. It won a Good Design Award in 2021.

With the world rapidly shifting to digital interactions, JA Bank recognizes the importance of providing virtual services with high user satisfaction. It sees the app and other non-face-to-face channels as new points of contact with users, and will continue to work to improve user satisfaction by adding and expanding functionality.

JA Bank app

Initiatives to strengthen proposal-making that puts customer interest first

Asset Building Support Program to strengthen proposal-making

JA Bank introduced an Asset Building Support Program in fiscal 2018 in order to strengthen its ability to propose solutions to users. Under this program, the Bank seconds employees to JAs so that they can learn how to make proposals aligned with users' asset building and asset management needs by, for example, accompanying JA employees on visits to users.

Our fiduciary duty to customers (business guided solely by the interests of the customer) requires that we recommend a package of products and services based on a thorough understanding of a user's needs, rather than selling particular individual products.

Employees undergoing Asset Building Support Program training for proposal-making

Case study Mobile branch vehicle dispatch following the Noto Peninsula earthquake

JA Bank System Business Transformation Division Senior Manager, Cooperative Bank System Digital Planning Group

JINBO Naoki

Helping to meet post-disaster financial needs in the spirit of mutual support

Many of the members, users and employees of JA Noto, which serves the cities of Wajima and Suzu and towns of Anamizu and Noto in Ishikawa Prefecture, were affected by the earthquake that struck the Noto Peninsula on January 1, 2024. It was hard to predict when some branches would be able to reopen given the damage to facilities such as branch buildings and ATMs.

JA Noto initially resumed business by sending its own mobile branch vehicle to the parking lots of affected branches. However, as it became impossible to meet the growing volume of transactions with a single vehicle, JA Noto requested the Bank dispatch a further mobile branch vehicle.

The Bank investigated which areas might be able to spare a vehicle. When we asked JA Nagano Shinnoren, it emerged that JA Kamiina uniquely within Nagano had two mobile branch vehicles and was able dispatch one of them.

JA Kamiina had only a very short time between agreeing the request and dispatching the vehicle, and had to make preparations very quickly. They said they received warm encouragement from cooperative members and users, being dubbed a "friend in need". I really felt the spirit of unstinting mutual support for fellow JAs and their members and users when JA Kamiina handed over water, food and other supplies along with the mobile branch vehicle.

During the one-month it served JA Noto, JA Kamiina's mobile branch vehicle appeared to be a really big help in responding to the financial needs of JA members and users in the anxious days after the earthquake, clocking up 2,579 user transactions, including deposits and withdrawals, and passbook registrations.

Case study JA Bank app development to support the spread of non-face-to-face services

JA Bank System Business Transformation Division Customer Service Platform Group

NAKAMOTO Makoto

Pursuing user satisfaction by listening to the improvements users ask for

The advance and spread of digital technology is making it even more important to be able to complete straightforward financial transactions, such as checking your account balance, on a smartphone, and the number of JA Bank app users continues to grow by the year.

I see my role and that of the app development team in achieving JA Bank's purpose as increasing the wellbeing of users and other stakeholders by providing high-quality, unique virtual financial services. In developing the app, we are constantly asking ourselves how we can make it easier to use as well as how to appeal to more users to use it.

Users have kindly given the app high app store ratings. They have commented favorably on its simplicity and ease of use, the helpfulness of being able to confirm your account balance and transaction details at any time, and the convenience of not having to go to the bank counter or ATM. They have also asked us via app stores and our call centers to make it even more convenient. In response, we are leveraging our agile development* strengths to improve the quality of the app on a timely basis.

* Our development system prioritizes the development of functions users tell us they most want and we release these sequentially as soon as they are available.

Case study Asset Building Support Program to enhance JA employee proposal capabilities

JA Bank System Retail Innovation, Consulting and Practice Division Life-Plan Support Business Practice Group

TAKAKI Yusuke

Supporting customers' futures by understanding their life plans

We see the Asset Building Support Program not merely as a training program but also as an organizational initiative to transform the way JA evolves and the way it relates to its customers.

For this reason, we engaged in repeated dialog with JA management to promote this program for about six months before we started seconding staff. Moreover, JA's that have introduced the program have seen an upskilling in proposal-making and this has fed through into growth in mutual fund sales.

Customers have told us that they did not previously realize they could seek advice from JA about asset management, and that the thorough and careful explanations they received eliminated any concerns they had about buying mutual funds. The program is designed to support our users in steadily building and managing their assets by offering them appropriate proposals. I see the role of our team as lessening user fears about the future and enhancing their sense of satisfaction (in other words, pursuing their best interests).

Going forward, we plan to focus on also providing services virtually (for example, our JA Bank Investment Trust Net Service) and restructuring customer contact by fusing the real with the digital. This program, however, will help us to continue enhancing JA Bank's core strength of proposing solutions to our customers face-to-face, and to help more JA members and users to achieve a richer, fuller life.

Pursuing stable profit as the ultimate manager of funds for JA Bank and JF Marine Bank

Director and Managing Executive Officer
Member of the Board of Directors
Co-Chief Investment Officer
Head of Global Banking

IMAI Masato

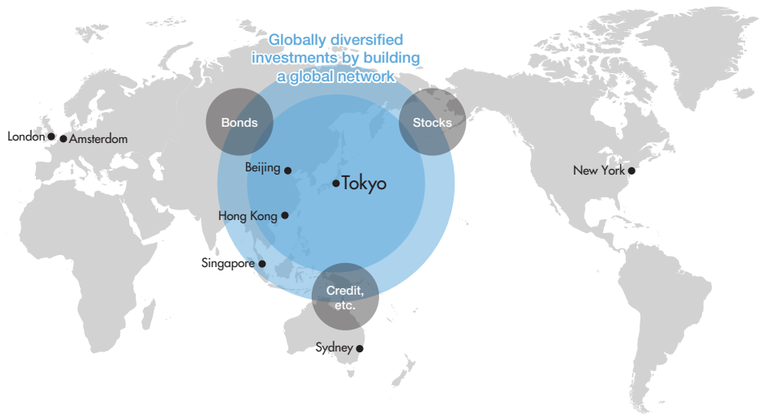
Business overview

Ensuring stable profit over the medium to long term through globally diversified investments based on advanced risk management

The Bank plays the role as ultimate manager of funds entrusted with JA Bank and JF Marine Bank. To fulfill this role, the Investment Business effectively manages funds by taking advantage of economies of scale to meet its ultimate goal of ensuring stable profit over the medium to long term and continuing to return investment profits to our members.

In striving to achieve this goal, the Investment Business was one of the first to pursue "globally diversified investments" in global financial markets when Japan entered an era of low interest rates some 25 years ago. We are building a global network using overseas sites, including local subsidiaries. We control the risk of our overall portfolio (investment assets) through careful scrutiny of ample data and by diversifying our investments in markets and assets with different risk-return characteristics rather than concentrating investments in limited markets and asset classes. To pursue the utmost stability of profits for the medium and long term, we constantly review our investment methods and risk management and will continue to take on the challenge of upgrading our globally diversified investments.

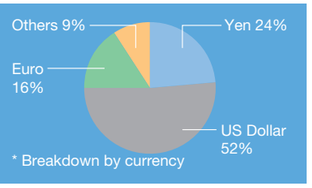
In our Investment Business, we are also engaged in sustainable finance. For example, by actively investing in bonds focusing on the important theme of risk management for natural disasters, we support the development of a sustainable environment, society and AFF industries from an investment perspective.



Market Investment Portfolio

Approx. 56 trillion yen

(As of March 31, 2024)



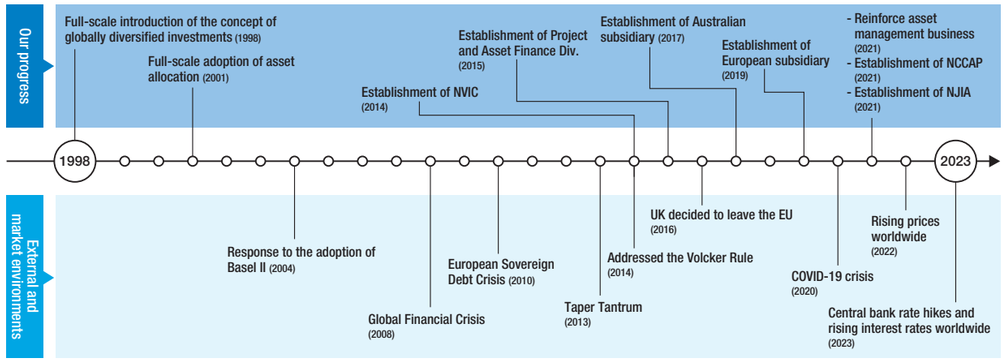
* Breakdown by currency

New sustainable finance in the Investment Business

Approx. 6 trillion yen

* Total amount of market investment assets, project finance and funding (green bonds), etc., including for group companies, over fiscal 2021-23.

Changes in globally diversified investments



Further bolstering asset management business

Making group-wide efforts to diversify revenue sources

Under the policy of reinforcing our asset management business, we transferred our credit and alternative investment functions to group company Norinchukin Zenkyoren Asset Management (NZAM) in fiscal 2021. In the same year, we established Norinchukin Capital (NCCAP), for private equity investment, and Nochu-JAML Investment Advisors (NJIA), for managing a domestic real estate private REIT. In addition to these new companies, our asset management business centers on five group companies, including The Norinchukin Trust & Banking and Norinchukin Value Investments (NVIC). We will continue to use our management experience to meet the diversified needs of customers.

With the aim of achieving more integrated functioning of the Bank itself and group companies, the Bank newly established a dedicated team within its Credit and Alternative Investments Division—on the frontline of the investment business—to support the asset management business. We continue to aim to further strengthen the asset management business on a group-wide basis. Through the diversification of revenue sources by acquiring management fees less vulnerable to economic fluctuations, we will increase and stabilize Investment Business revenue, ultimately fulfilling and demonstrating the Bank's Purpose.

Asset Management Group Companies of the Bank ~ Providing customers with an extensive product lineup ~

Group companies	Products	Overview
Norinchukin Zenkyoren Asset Management NZAM	Government bonds, listed stocks, credit, alternatives	• NZAM offers a wide variety of investment products. In August 2022, it launched its credit flagship fund, enabling it to offer a full lineup of products according to economic cycles. It is also embarking on expanding initiatives in the ESG field, including structuring credit products related to ESG investment. • NZAM also holds seminars for JA users and workshops for JA employees to support JA Bank asset formation and asset management initiatives.
Norinchukin Trust & Banking 農中信託銀行株式会社	Fund management, trust products, etc.	• The Norinchukin Trust & Banking provides a variety of asset management and funding solutions such as loan securitization, syndicated loans, and real estate business matching, including offering alternative products through fund trusts (designated non-monetary trusts). In addition, the company provides will trust services to individual customers through JA and JA Shinnoren.
Norinchukin Value Investments (NVIC) Norinchukin Value Investments Co.,Ltd.	Listed stocks	• NVIC is an investment business targeting long-term returns under the concept of long-term concentrated investments in carefully selected stocks. In addition to institutional investors, it also offers the Ohbune series of mutual funds for individual investors. NVIC is also focusing on developing potential investors, including holding seminars for students.
NCCAP NORIN CHUKIN CAPITAL	Private equity, corporate venture capital	• NCCAP manages private equity funds and invests in companies in various stages of growth from start-ups to mature companies. • In fiscal 2023, NCCAP was involved in two new buyout investments, launched a new innovation investment fund, and strategically invested in a variety of domestic and overseas companies with a focus on startups.
Nochu-JAML Investment Advisors NJIA	Domestic private REIT	• NJIA began managing a private REIT (Nochu JAML REIT Investment Corporation) in fiscal 2022. While investing in a wide range of domestic real estate, including office buildings, retail facilities, residential properties, and logistics facilities, it is meeting the needs of investors seeking stable real estate income. It also responding to the corporate real estate (CRE) strategy needs of Norinchukin Group customers.

Investment Business in Our Medium-Term Vision

The business environment in 2030 (Investment Business)

- Changes are underway in the investment environment, with the demise of the Great Moderation (low inflation, low interest rates, and low volatility), a resurgence of rising interest rates across the globe, and policy adjustments taking place at a greater frequency. On the other hand, there have been no major changes in the economic cycle to a certain degree or strict financial regulation faced by the Bank.
- We aim to improve and diversify earnings sources while bearing in mind what changes and what stays the same over the long term.

Concept for Achieving Our Vision for 2030

As we look back on our financial management to date, we will further develop globally diversified investments, including a review of the investment and lending portfolio, while taking into account expected changes in the environment.

As we work to improve the earnings of our lending and asset management businesses, we will strive to build and maintain a sustainable financial and earnings base as well as meet member expectations for stable earnings and functional returns.

Main Initiatives

Initiatives by Norinchukin Zenkyoren Asset Management (NZAM)

Support for asset building and expansion of the asset management business backed by JA

NZAM's strength is its ability to access a full lineup of assets, including credit and alternative investments. Backed by this strength, it aims to provide a wide range of products to nationwide institutional investors, including JA Shinnoren, develop specialists, and further expand solutions functions for portfolio and risk management.

For individuals, meanwhile, NZAM offers a large number of investment trust products through JA etc. The company supports the management of individuals' assets by holding training and seminars for JA employees responsible for investment trust sales and for cooperative members and users who actually buy such products, leveraging its know-how and expertise as an asset management company.

Seminar image

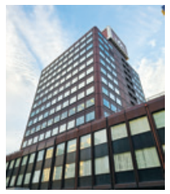
Initiatives to enhance real estate ESG integration

Advances in ESG integration and effective use of cooperative assets

Across the entire organization, the Bank aims to contribute to a sustainable society and has set a target of 10 trillion yen in new sustainable finance by fiscal 2030. We are pursuing ESG integration*1 in the real estate investment and financing field, where sustainable financing should be accelerated, and in September 2021, became a GRESB*2 investor member. We are strengthening ESG integration through GRESB Assessments and green building certifications as well as investing in real estate funds that proactively engage in ESG initiatives.

To further improve ESG integration, we hold dialogues (engagement) with all domestic real estate asset managers and reflect ESG assessments in our investment decisions (whether to invest, investment amount and share). In this way, we are promoting bolstered ESG initiatives in the real estate field from the standpoint of an investor.

Based on these initiatives and our policy, we support the acquisition of ESG certifications for older buildings likely to achieve enhanced value, especially assets held by the cooperative organization. Specifically, JA Mitsui Leasing and NJIA (Nochu-JAML Investment Advisors) have teamed up for work on the JA Kyosai Saitama Building.



JA Kyosai Saitama Bldg

Overview of ESG integration

Due diligence (DD)
- Focus on ESG from the initial stages of DD
- GRESB participation and track record, use of GB certification data

Investment opinion
- Reflect ESG assessments in investment decisions (allocations)
- Use of GRESB performance data

Engagement
- Recommend obtainment of ESG certifications, dialogues with investees about GHG reductions (all investees nationwide)

Monitoring
- Continued monitoring of finances as well as ESG initiatives
- Use of GRESB data

*1 When making investment decisions, we make a comprehensive decision based on the financial data of investees as well as ESG-related initiatives.
*2 GRESB (Global Real Estate Sustainability Benchmark) is an organization that operates and provides benchmark assessments measuring environmental, social, and governance (ESG) initiatives for real assets. The GRESB Real Estate Assessment is the benchmark for listed and private real estate funds and listed real estate companies that invest directly in real estate and has become the global reporting standard.

Case study NZAM asset building support through training and seminars

Norinchukin Zenkyoren
Asset Management
Sales Division
Senior Manager

FUKASAWA Yuriko

NZAM leveraging its expertise to support JA initiatives

Individual investors' interest in asset management has increased with the launch of the new NISA. In response, JA is stepping up efforts to enhance financial service functions, including over-the-counter sales of investment trusts.

In addition to providing products for JA's over-the-counter investment trust sales, NZAM is also focusing on initiatives linked to JA Bank's life-plan support by leveraging its expertise as an asset management company.

Initiatives that have rapidly expanded in recent years in particular include asset management and mutual funds training for JA employees and customer seminars held by JA. In fiscal 2023, NZAM talked at more than 230 training sessions and at more than 100 seminars.

To provide proper support for customer asset management, we are focused on more careful explanations immediately prior to customer purchase of products, including funds allocation and risk tolerance, in our training and seminars. Additionally, if the seller does not have an appreciation of the investment product, they cannot successfully sell the product. In our view, it is important for all JA employees to understand the value and appeal of the product.

JA plays a key role in the agricultural, lifestyle, and regional fields, and asset management is important when it comes to "lifestyles." Going forward, NZAM aims to continue asset management support for cooperative members and users by sharing its expertise through training, seminars and the like.

Case study Advances in ESG integration and effective use of assets held by cooperative organizations

Real Estate Investment Division
Manager

ITOU Ryousuke

Striving to expand ESG initiatives also in real estate investment

Private REITs and funds are also making progress in obtaining ESG certifications, but from the perspective of real estate investors, profitability and ESG do not always go hand in hand.

The Bank has adopted an ESG approach for its real estate portfolio by incorporating expectations for the maintenance and improvement of asset value over the medium to long term through ESG initiatives, and reflecting this in investment value and investment share. With this approach, we are receiving feedback from external asset managers that they are incentivized to engage in ESG initiatives, and more new private REITs at the pre-launch stage have announced that they will join GRESB based on the Bank's policy.

As an extension of this, the Bank is working to reduce CO_2 emissions and maximize investment income by renovating older properties and ensuring their long life.

Specifically, NJIA and JA Mitsui Leasing Group have teamed up to acquire and commence renovations for JA Kyosai Saitama Building, which is owned by the National Mutual Insurance Federation of Agricultural Cooperatives. For assets held by the cooperative organization, like this building, long-term continuous management by enhancing the value of older buildings and other properties with connections to the community will be an area of focus in the future also from an ESG perspective.

Additionally, ESG initiatives to date have tended to focus on the environment side in particular, but going forward we intend to focus on real estate with deep connections to local communities as well as take up the challenge of real estate investment with positive impacts.

Sustainability Management Initiatives

Basic Approach to Sustainability Management of the Bank

Intensifying climate change as well as the ongoing loss and degradation of nature are affecting economic activities and even people's lives. The Bank, as a financial institution which is based on the AFF industries while conducting investment and loan activities globally, is committed to responding to the relevant risks and business opportunities in the aim to create positive impacts on the environment, society, and economy through the business activities.

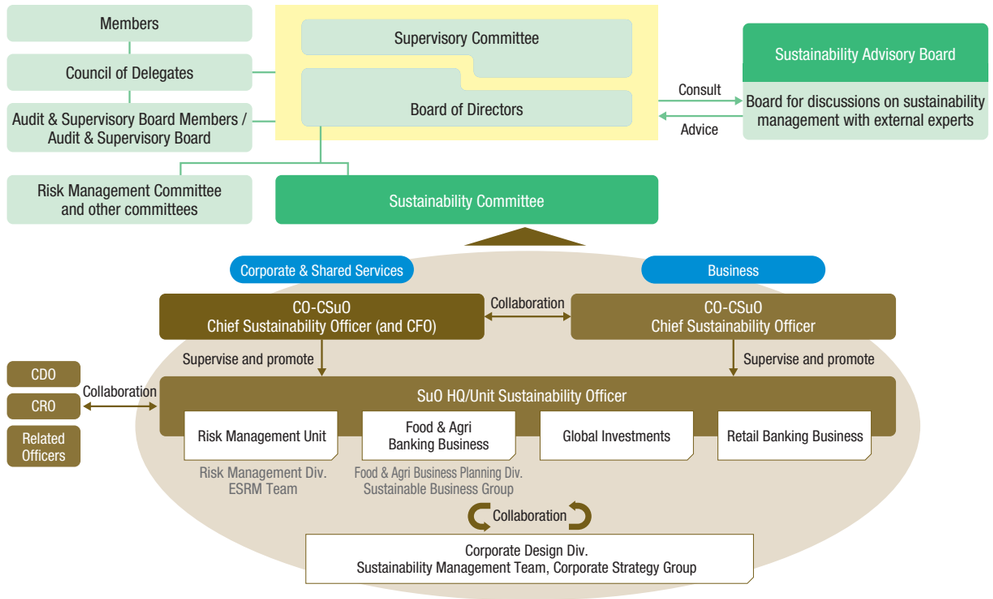
Sustainability Promotion Structure

The Sustainability Committee was established under the Board of Directors to discuss mainly general policies and management issues related to sustainability management. The content discussed at these committees is proposed or reported to and discussed by the Board of Directors and/or the Supervisory Committee, as required.

As an advisory body to the Board of Directors, the Sustainability Advisory Board was also established to consult with external experts and reflect their opinions in the advancement of our sustainability management.

The Bank assigned two Chief Sustainability Officers (Co-CSuOs) as the responsible persons for supervising and promoting sustainability management. To achieve strengthened sustainability management throughout the Bank in a unified manner, we have assigned HQ/Unit Sustainability Officers (SuOs). The SuOs are responsible for promoting the initiatives of the respective headquarters/units based on the organizational policies as well as for strengthening collaboration among the headquarters/units.

Sustainability Promotion Structure



Sustainability Talent Development

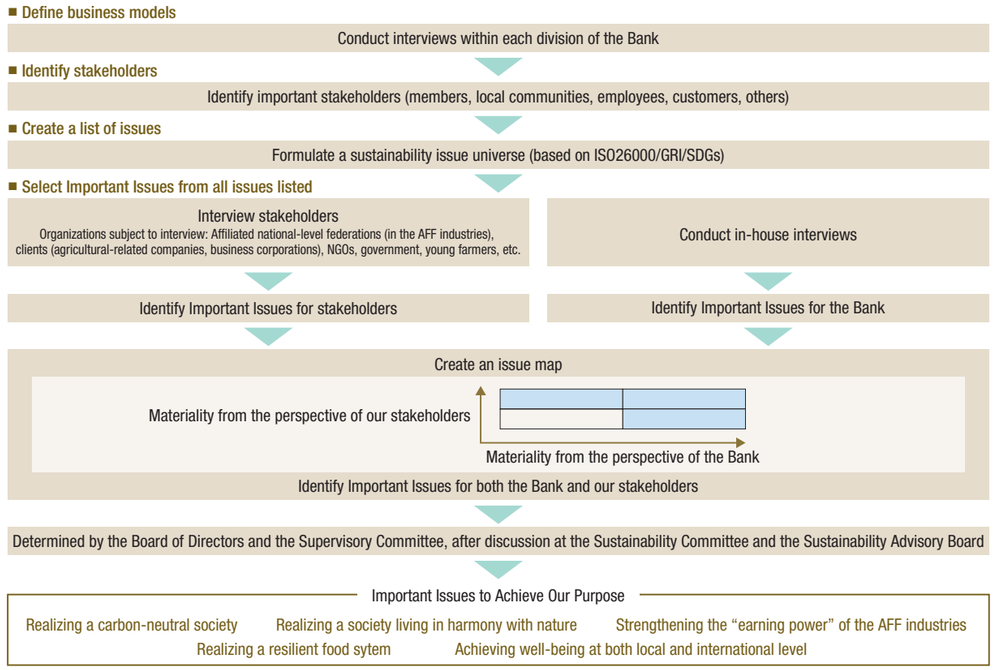
Trends in various themes related to sustainability, such as climate change, natural capital and biodiversity, human rights, and human capital are rapidly changing. The Bank holds the Sustainability Round Table, to which outside lecturers are invited and Chief Sustainability Officers and other relevant officers and employees are assembled, having held 10 meetings in total in FY2023. In a meeting, the participants can obtain business opportunities related to sustainability and learn and exchange opinions about how to address the relevant risks.

In addition, we are engaged in capacity building for officers and employees, through internal dissemination of sustainability issues such as climate change and biodiversity by conducting hierarchical sustainability training for employees and distributing information via an internal portal.

Important Issues to Achieve Our Purpose

We organized "Important Issues to Achieve Our Purpose" while considering the importance for the Bank (i.e., risks and opportunities) and expectations of stakeholders. (Refer to pages 9 to 10.) The Bank continues to work on resolving these issues through the business activities.

Identification Process



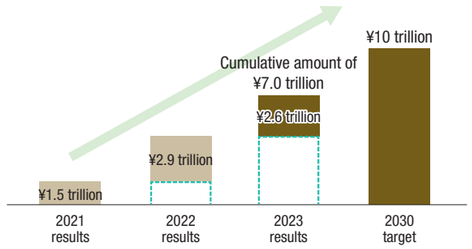
Participation in Major Initiatives

We recognize that as it is impossible to fulfill the response to environmental/social issues only by ourselves, what is important is to participate in discussions and form practice together in partnership with a wide range of stakeholders. To advance those efforts, the Bank participates in various initiatives in Japan and overseas.

Sustainable Finance Initiatives

The Bank established a target of ¥10 trillion in new sustainable finance (cumulative for FY2021-2030) as our response to the environmental/social issues under "Important Issues to Achieve Our Purpose."

Execution of New Sustainable Finance



Breakdown of newly executed cumulative amount of ¥7.0 trillion (Approx.)		
Investments and loans	**Market investment assets, etc.** ESG equity funds (domestic and foreign), international agency bonds, IG funds, etc.	¥4.3 trillion (Approx.)
	Project finance Finance for renewable energy projects and water treatment/schools/hospitals and other social projects, etc.	¥1.5 trillion (Approx.)
	ESG loans Green loans, sustainability-linked loans, transition loans, etc.	¥1.0 trillion (Approx.)
Funding	Green bonds, Green deposits	¥0.3 trillion (Approx.)

Initiatives for Impact Creation

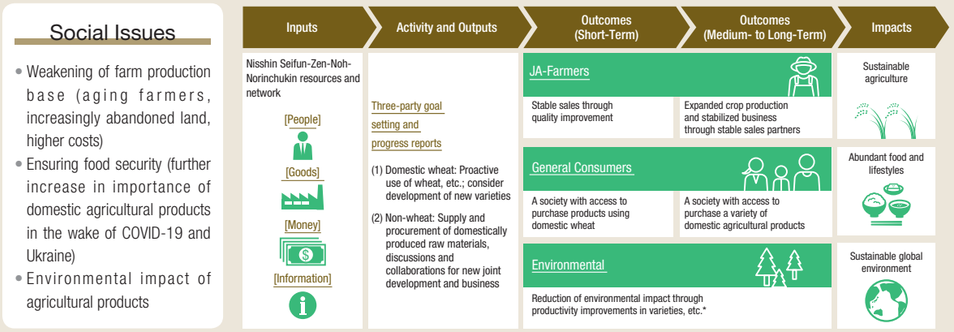
The Bank implements Impact Measurement and Management. This enables visualization and quantitative management of the impact of our investment and loan activities on environmental and social issues.

Creating Impact Through Investments in Food and Agriculture Companies

National Federation of Agricultural Cooperative Associations (Zen-Noh) and the Norinchukin Bank entered into a capital alliance with Nisshin Seifun Group Inc. holding company (Nisshin Seifun), acquiring common stock equivalent to approximately 1% of the Nisshin Seifun outstanding total (published November 17, 2020).

Japan's agriculture sector is dealing with environmental and social issues that include such a shortage of farmers. Japan has a particularly low self-sufficiency rate for wheat, and the government is pushing a shift in cultivation to wheat from rice, increasing the cultivated area and production volume. A further issue is how to grow demand in line with this increase in production. Recognizing these issues, Zen-Noh and the Bank invested in Nisshin Seifun, which is the industry leader at 40% of the domestic flour market. The objective of this investment is to encourage production and expand demand for domestically produced wheat. The three parties discussed and established common goals related to this investment. We receive regular progress reports and have confirmed that efforts are having a gradual effect on encouraging domestic wheat product and increasing demand. According to Nisshin Seifun, the company has entered into joint development to secure a stable supply of domestic wheat and other domestic agricultural and livestock products, while extending its product lineup. Zen-Noh indicated that the organization is developing production and variety development based on demand with input from Nisshin Seifun. The Bank will continue to provide support for funds and smooth communications, encouraging the three-way efforts to resolve issues throughout the value chain.

Logic Model for Creating Environmental and Social Impact



*Increased domestic wheat productivity also means a decrease in the amount of pesticides and fertilizers used per unit of production. Therefore, higher wheat productivity leads to expected reductions in environmental impact.

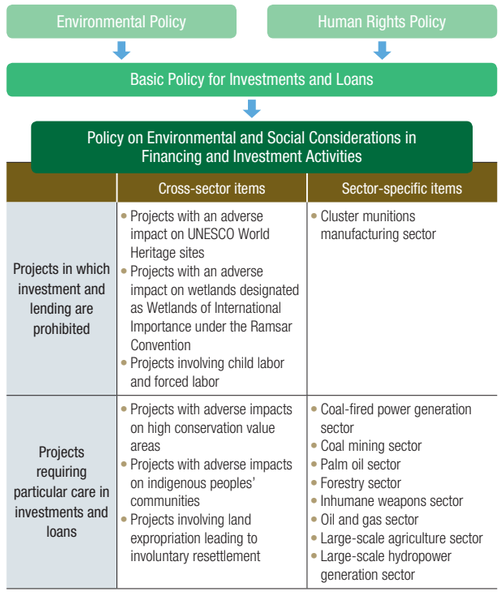
Upgrade of the Environmental and Social Risk Management Framework

To implement appropriate company-wide risk management, the Board of Directors of the Bank has formulated the Basic Policies for Risk Management, committed to upgrading its risk management framework constantly. These policies identify the types of risks to be managed and the basic framework for risk management, including organizational structure and methodology. Major risks that the Bank manages according to the policies include credit risks, market risks, liquidity risks, model risks, and operational risks. Under each of these risk categories, environmental and social risks also shall be managed/controlled depending on the individual risk profiles and characteristics.

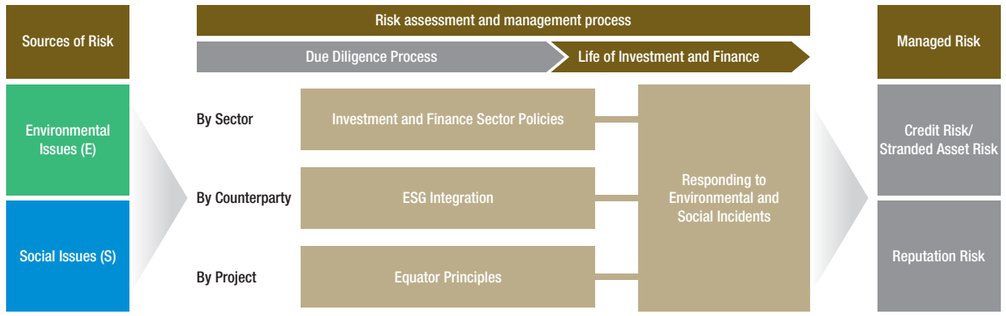
Under the Environmental and Social Risk Management (ESRM) framework, the Bank has built a framework for escalation in case risk control or checking function at the risk management department or decision-making by management is required, in addition to the assessment and judgment of environmental and social risks at the front-office sections. We will work on advancing the sophistication of our ESRM framework in a phased manner, aiming to incorporate the framework into integrated risk management.

In addition, the Bank has established the Environmental Policy and the Human Rights Policy, which are basic policies for solving environmental and social problems. The Bank has also stipulated a policy to address environmental and social considerations in lending and investing activities for the sectors where significant negative effects on the environment and society are suspected, and conducts appropriate risk management according to the priority.

Furthermore, the Bank has adopted the Equator Principles, which the Bank applies to large-scale development project finance by monitoring whether appropriate consideration is given in such projects to the natural environment and the local communities concerned.



The ESRM Framework



▶ESG Integration in Risk Management

We work to integrate credit risk management into the internal rating system, which evaluates the credibility of credit clients. To do so, we rate environmental and social risk factors as qualitative evaluation factors using tools such as the ES Risk Check sheet, which is a tool for assessing the status of response to such risk factors depending on their sectors, within the system for clients in certain sectors, mainly high transition risk sectors regarding climate change. In addition, we will take external factors into account and consider reviewing and expanding targeted sectors of this initiative.

Initiatives for Climate Change and Natural Capital/Biodiversity

The Bank's funds are derived from deposits of people in the AFF industries and local communities to JA and JF. These financial resources are then not only lent to members, farmers, fishermen, and foresters, and companies related to the AFF industries, etc., but also used for various investments and loans in Japan and overseas. Therefore, the Bank has a close relationship with nature both in the upper and lower stream of the value chain, and we recognize that initiatives for managing climate- and nature-related risks and capturing opportunities are directly linked to sustainability of our business operations and organizational base.

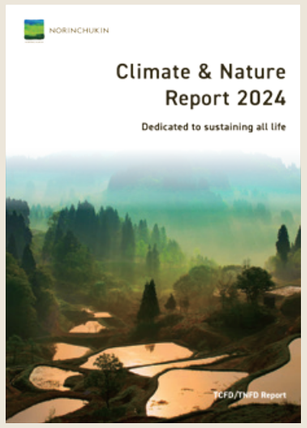
Relationship Between the Bank and Nature

While considering climate has a correlation with nature and initiatives for risks and opportunities associated with climate and nature cannot be separated, we are making integral disclosure of climate and nature components based on the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations.

Climate & Nature Report 2024

For detailed information about the Bank's initiatives related to climate and nature, please see the Climate & Nature Report 2024.

https://www.nochubank.or.jp/en/sustainability/backnumber/pdf/2024/climate_nature.pdf



Core Principles Toward Solving Environmental Issues

Climate Nature

The Board of Directors of the Bank formulated an Environmental Policy. Under this policy, we commit to contributing to the solution of environmental issues such as climate change and biodiversity through our business activities and to reducing the environmental burden of our business activities.

In addition, our action against climate change and natural capital/biodiversity is set forth in the Important Issues to Achieve Our Purpose and the Medium-Term Vision (Vision for 2030). We will promote initiatives to contribute as a financial institute to the simultaneous solution of such environmental issues in order to make the AFF industries and people's lives sustainable.

Environmental Policy: Key Points

1. Reflecting on our basic mission, we declare that we will contribute to the creation of a sustainable society through partnership and collaboration with cooperative members.
2. We declare our support for and participation in international standards and initiatives to address environmental issues.
3. We declare that we will implement concrete initiatives based on the Environmental Policy through our core financing and lending business.
4. We declare that, as a financial institution founded on the AFF industries, climate change and biodiversity* are particularly important environmental issues, and that we will respond to these issues through our business activities.
5. We declare that we shall strive to respond to environmental issues as an element tied closely to our ability to foster a sound corporate culture, the backbone of our operations.

* Mentioning that we will support/adopt the TCFD recommendations and the TNFD recommendations and drive initiatives based on them

Climate- and Nature-Related Risks and Opportunities

Climate Nature

Climate-related risks can be divided into transition risks and physical risks. Transition risks are risks that occur in the transition process for decarbonization, such as increased credit costs due to changing policies, markets, etc., while physical risks are classified into acute risks, such as increased flooding or other extreme weather events, and chronic risks, such as the agricultural/fishery impact of prolonged high temperatures.

Nature-related risks, in contrast, refer to potential economic and financial impacts from changes in the natural environment, such as biodiversity loss and climate change. Changes in the natural environment also have an impact on financial systems in interacting with the causes and effects of climate change, through degradation of ecosystem services, including climate change and changes in policy and consumption behavior.

Climate- and nature-related issues are to be managed in the short to medium/long term. At the same time, we can find business opportunities in solving those risks. We are striving to secure business opportunities as a financial institution by continuing to support the transition toward a carbon-free society and a natural symbiotic society with the use of finance and other solutions.

The Entire Picture of Initiatives to Net Zero

Climate

The Bank Group aims to reduce greenhouse gas (GHG) emissions to Net Zero by 2050 as our response to escalating climate change. As part of this effort, the Bank joined the Net-Zero Banking Alliance (NZBA)*, under which it promotes various initiatives, including target setting and engagement for reducing financed emissions. A series of relevant initiatives are organized and systematized in the Transition Plan for Achieving Net Zero Emissions by 2050.

* An international initiative among banks that aims to achieve net-zero GHG emissions through an investment and loan portfolio by 2050, under the Glasgow Financial Alliance for Net Zero (GFANZ).

Transition Plan for Achieving Net Zero Emissions by 2050

Basis	**Our Purpose**	
	Environmental Policy	**Important Issues to Achieve Our Purpose** / **Commitment to Achieving Net Zero by 2050**
	Vision for 2030: Harnessing the power of cooperatives and finance, we aspire to continue to create positive impact toward sustainable environment, society and economy.	
Implementation strategies	**Promote sustainable business**	**Strengthen the risk management framework**
	■ Provide decarbonization solutions to investees and borrowers ■ Collaborate with members and support the maintenance/creation of environmental value in the AFF industries through initiatives for reducing the environmental burden of production activities, creation of carbon credits, etc.	■ Respond to environmental and social risks based on the integrated risk management framework ■ Expand scenario analysis
Engagement strategies	**Engagement with investees and borrowers**	**Collaborate with various stakeholders**
	■ Drive initiatives based on the transition plan and response status of borrowers ■ Engagement based on the characteristics of the asset class ■ Improve the effectiveness and gain knowledge by participating in collaborative engagement	■ Collaborate with members for solving the sustainability issues in local communities ■ Collaborate with industry, government, and academia ■ Participate in major initiatives
Metrics & Targets	**Metrics and targets for implementation of the strategies**	
	■ Reduce financed GHG emissions: FY2030 Interim target toward Net Zero GHG emissions by 2050 (vs. FY2019 as the base year) Lending: <Power generation> 138-165 gCO_2e/kWh <Oil and Gas> [Scope 1 and 2] 3.1 gCO_2e/MJ, [Scope 3] –27.3% <Coal> Qualitative policy <Iron and steel> 1.54-1.73 tCO_2e/t <Other sectors> Targets to be set sequentially Investment: emissions per unit of investment basis: –49% ■ Secure the amount of the forest carbon sink together with JForest members: 9 million tCO_2/year, as of FY2030 ■ Reduce GHG emissions by the Bank itself: Net Zero by FY2030 ■ Execute new sustainable finance: ¥10 trillion by FY2030 ■ Investments and loans for coal-fired power generation: Zero by FY2040	
Governance	**Governance structure on the transition plan**	
	■ Determined by the Board of Directors after discussion at the Sustainability Committee, and the progress monitored by the Board of Directors and the Supervisory Committee (major initiatives reflected in compensation for officers and employees through business activities) ■ Supervised and promoted by Chief Sustainability Officers, and collaboration within the organization led by HQ/Unit Sustainability Officers ■ Content and progress of transition plans reviewed regularly and then reported to external stakeholders ■ Sustainability Talent Development (internally disseminating and awareness-raising)	

Roadmap Toward Net Zero 2050

		FY2019	FY2020	FY2021	FY2022	FY2023	-FY2025	FY2030	FY2040	FY2050
Reduce financed GHG emissions	Lending <Power generation>	213 gCO_2e/kWh	217 gCO_2e/kWh	209 gCO_2e/kWh				138-165 gCO_2e/kWh		Net Zero
	<Oil and Gas> Financed Scope 1 and 2	8.9 gCO_2e/MJ	10.7 gCO_2e/MJ	14.5 gCO_2e/MJ				3.1 gCO_2e/MJ		
	Financed Scope 3	0.51 Mt CO_2e	0.54 Mt CO_2e	0.20 Mt CO_2e				Compared to FY 2019 –27.3%		
	<Coal>	Response and engagement based oninvestment and loan sector policies								
	<Iron and steel>	1.99 tCO_2e/t	2.02 tCO_2e/t	2.06 tCO_2e/t				1.54-1.73 tCO_2e/t		
	<Other sectors>					Targets to be set sequentially				
	Investment <Stocks and bonds>	0.66 tCO_2e/million yen	0.55 tCO_2e/million yen –17%	0.54 tCO_2e/million yen –18%				Compared to FY 2019 –49%		
Reduce GHG emissions at the Bank Group facilities			21,330 tCO_2	20,487 tCO_2	17,052 tCO_2			Net Zero		
Secure the amount of forest carbon sink together with JForest members			5.8 million tCO_2	6.12 million tCO_2	6.42 million tCO_2			9 million tCO_2		
Sustainable Finance Target						¥7.0 trillion (Cumulative for FY2021 to FY2023)		¥10 trillion		
Upgrade environmental and social risk management systems							Coal-fired power generation and coal mining (general coal) sector In principle, preclude new investments and loans on a company-by-company basis and by use of funds			
	<Investment and loan balance for coal-fired power generation>			¥39.0 billion* on a fund usage basis					Zero Balance	

* Balance based on exchange rates as of March 31, 2024

Climate-related Targets

Climate

Reduce financed GHG emissions

The Bank is sequentially setting emissions reduction targets in lending portfolio for the nine carbon-intensive sectors (power generation, oil and gas, iron and steel, coal, agriculture, commercial and residential real estate, transport, cement, and aluminum) the NZBA identified. We have also set emissions reduction targets in our investment portfolio by considering the importance of the proportion of investment assets in the Bank's investment and loan portfolio. In setting these targets, we referenced the Net Zero initiative framework for institutional investors, etc. as well.

Lending portfolio

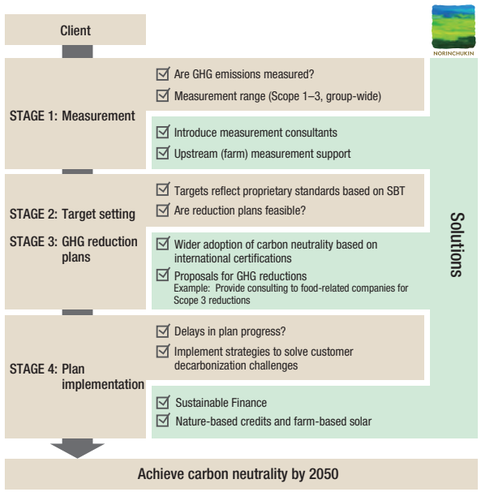
The Bank has set targets for the power generation sector at the same time as joining the NZBA in March 2023, followed by an additional announcement on targets for the oil and gas, coal, and iron and steel sectors in March 2024. (Refer to the roadmap above.)

We are driving engagement with our borrowers toward achieving the targets. We engage in dialogue with borrowers about their current conditions, issues, and response, by reflecting an understanding of their awareness related to the risks associated with climate change. Based on these dialogues, we develop and provide solutions according to their needs.

We continue to consider our target setting and approach in terms of the balances of loans, GHG emissions, and other factors in the portfolio. Above all, we continue to identify areas of target setting, etc. for the agriculture sector, our business base, by seeing from a higher perspective the value chain of raw materials to production, processing, and distribution associated with agriculture and food.

Overview of Engagement with Borrowers

Provide solutions depending on the situation and issues of borrowers



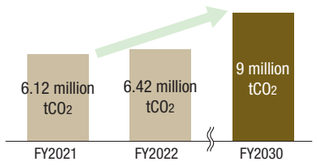
Investment portfolio

Emissions reduction targets in our investment portfolio have been set and cover stocks and bonds. (Refer to the roadmap above.) Given our investment portfolio consists largely of indirect investments through funds, we are working to engage mainly with investment management companies. Going forward, the Bank will continue to expand the investment asset classes covered by these targets in light of developments in GHG measurement practices at the Bank.

Secure the amount of the forest carbon sink together with JForest members

We set a target for the amount of the forest carbon sink of 9 million tCO_2/year, as of FY2030, based on a forecast of projected areas of operations* in line with targets set by forestry cooperatives nationwide (JForest).

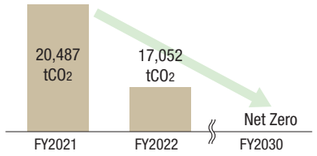
Forests play an important role in absorbing CO_2 and conserving biodiversity while facing numerous challenges. These challenges include low prices for standing timber, costs associated with reforestation, and finding workers who are willing to lead in the forestry sector. To ensure CO_2 absorption, the Bank supports sustainable forest operations across forestry cooperatives.



* Forest management including new planting (reforestation), undercutting, clearing, thinning, and main cutting

Reduce GHG emissions by the Norinchukin Group itself

We aim to achieve net-zero GHG emissions from Norinchukin Group's sites by FY2030. To achieve the target, we are engaged in introducing renewable energy, etc., and promoting energy conservation in our occupied buildings.



Climate-Related Risk Assessment and Scenario Analysis

Climate

We conduct scenario analyses to understand the impact of the risks associated with climate change on our credit portfolio, etc., based on risk assessment by sector.

Climate Change-Related Risk Assessment by Sector

Low — Risk — High

Transition Risk Assessment*

Sector	2030			2040			2050		
	Japan	EU	US	Japan	EU	US	Japan	EU	US
Electric utilities									
Oil-gas-coal									
Chemical									
Metal and mining									
Food and agriculture									
Beverages									
Railroad									
Land transport									
Marine transport									

Physical Risk Assessment*

Sector	2030			2040			2050		
	Japan	EU	US	Japan	EU	US	Japan	EU	US
Chemical									
Real estate management and development									
Real estate-related finance									
Insurance									
Paper and forest products									
Food and agriculture									
Beverages									
Metal and mining									
Electric utilities									
Oil-gas-coal									
Railroad									

* Transition risks are assessed based on a 2°C scenario in which additional policy measures mitigate climate change, while physical risks are assessed based on a 4°C scenario in which global warming advances.

Scenario Analysis Overview

	Transition risk	Physical risk	
		Acute risk	Chronic risk
Target sector, analysis scope, etc.	• Electric utilities, Oil-Gas-Coal, Food and Agriculture, Beverages, Chemicals	• Critical sites of borrowers in Japan and overseas • Real estate collateral pledged to the Bank • The Norinchukin Group's sites	• Agriculture: rice cultivation, livestock production (milk and beef cattle) • Fishery (bonito)
Scenario	• NGFS: Current Policies, Delayed Transition, NetZero 2050 • Scenarios published by the IEA or the FAO, etc.	• IPCC RCP2.6 and RCP8.5	• IPCC RCP2.6 and RCP8.5
Analysis details	• Conduct analysis for the above sectors, evaluating changes through 2050 in credit costs caused by the progress of decarbonization	• Analyze the impact of flood damage on the above sites, etc.	• Analyze the impact of climate change, including rising air and sea-surface temperatures on the income of producers/fishermen, etc.
Results	• Credit cost increase of approximately ¥3 billion to ¥22 billion per fiscal year until 2050. (The effects on the credit portfolio would be limited.)	• Credit cost increase and asset damage of approximately cumulative ¥23 billion through 2100. (The effects would be limited.)	• Although the impact of climate change leads to a decrease in income, such decrease can be controlled by introducing adaptation measures

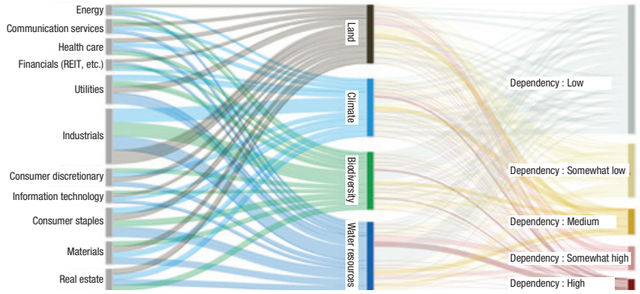
Nature-Related Risk Assessment and Scenario Analysis

Nature

To identify nature-related risks and opportunities, the Bank has analyzed the dependence and impact of the overall investment and loan portfolio for business companies and implemented experimental scenario analysis.

As a result, we found the dependence and impact of some sectors relatively high, such as the consumer staples sector (the food-related sector, etc.), which is deeply linked to the AFF industries of our foundation, and the utilities sector (the power generation sector, etc.) with which the Bank has a relatively large exposure.

Image of Analysis (Dependence on Nature by Sector)



Note: The size of the bar on the left axis is proportional to the size of exposure to the sector, while the size of the bar on the right axis is proportional to the size of exposure corresponding to each level of dependence.
Source: Compiled by the Bank

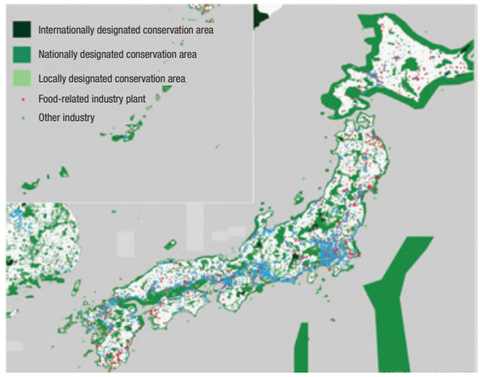
Analysis That Takes Into Account Value Chains of Investees and Borrowers

We have conducted analysis reflecting the supply chain of our investees and borrowers, to evaluate the impact on nature with consideration of the value chains. For the food-related sector, whose dependence and impact on nature was identified as high, through analysis for direct operations, we analyzed the cumulative environmental impact of up to the upper stream of the value chain (e.g., GHG emissions and amount of water consumption/pollution from meat sector upstream to livestock production and feed production/manufacturing, etc.).

Risk Analysis That Takes Locations Into Account

We have analyzed nature-related risks by utilizing location data on critical sites of our borrowers (plants, etc.) which were used in the analysis of physical risks (acute risks, flood risks) associated with climate change. Putting our borrowers' critical sites as well as conservation areas onto a map to indicate the relationship between them visualized which sites are located within conservation areas.

Through the analysis, we revealed that management of the impact on water and forest resources and local ecosystems in those sites was being implemented. (The nature-related risks caused by the exposure were assessed as limited.)



Source: Compiled by the Bank using ArcGIS

Nature-related Scenario Analysis

We have implemented experimentally qualitative analysis of nature-related scenarios by utilizing FPS + Nature, which is an integrated nature and climate scenario for use by investors. After organizing the transition risks anticipated by the scenarios, we evaluated by region and in the medium and long term the degree of the physical risks anticipated by the transition scenario under FPS + Nature, in terms of parameters related to water shortage and pollination, which are deeply linked to the food and agriculture sector. This analysis, as a result, enabled us to discover the possibility, particularly in North America, of additional costs for freshwater utilization and shutdown risks due to water withdrawal restrictions.

		2030	2050
Region	State of nature	Risk	Risk
Japan/Korea	Water shortage	Low	Low
	Pollination	Low	Medium
North America	Water shortage	Medium	High
	Pollination	Low	Low
EU	Water shortage	Low	Low
	Pollination	Low	Low

Source: Compiled by the Bank, with reference to IPR FPS + Nature

Initiatives to Integrally Understand Climate- and Nature-Related Risks

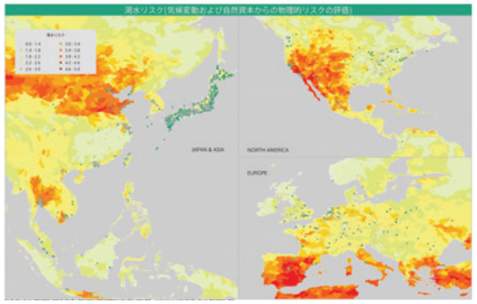
Climate Nature

Analysis of The Relationship Between Climate Change and Nature-related Physical Risks

We have conducted analysis with consideration of natural capital and biodiversity, based on the results of scenario analysis of physical risks (acute risks) associated with climate change. The analysis showed that sectors with high levels of dependence on water resources were more likely to own their critical sites such as plants near rivers or in coastal areas, leading to high physical risks.

Climate change can not only cause disaster events, including flood, but also pose nature-related physical risks (acute risks and chronic risks) such as depletion of underground water, changes in surface water, and water quality degradation. We will leverage our understanding of climate- and nature-related risks that our investees and borrowers face to provide better dialogue and solutions going forward.

Image of Analysis (Heat Map of Drought Risks)



Source: Compiled by the Bank using ArcGIS
Notes: 1. The green represents critical sites of food sectors, and the grey represents those of other sectors
2. n = 283,287 (critical sites such as plants)

Analysis of The Impact of Climate Change on Biodiversity

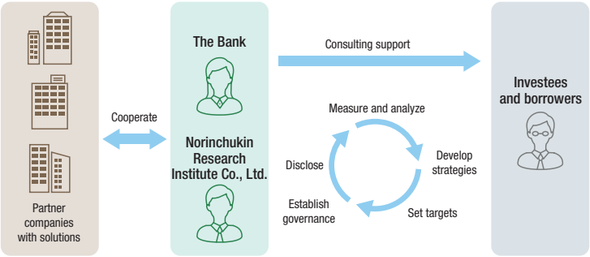
The Bank has analyzed nature-related risks based on data about GHG emissions of its investment and loan portfolio (i.e., financed emissions), working on the biodiversity footprint through collaboration with external parties. In order to understand the impact of climate change on biodiversity, we have estimated a footprint indicator (EINES indicator, which is an indicator measuring biological extinction risk) using Life Cycle Assessment (LCA) measures.

Initiatives to Capture Nature-Related Opportunities

Nature

Nature-related Engagement

We engage in dialogue with borrowers about their current conditions, issues, and other aspects by reflecting an understanding of the importance of natural capital/biodiversity and their awareness related to the risks associated with future changes, etc. Based on these dialogues, we plan and propose solutions according to their priority issues. As part of this effort, Norinchukin Research Institute Co., Ltd. under the Norinchukin Group provides solutions such as TNFD disclosure support and assistance in developing nature-related risk management strategies.



Partnership With other Financial Institutions

Sumitomo Mitsui Financial Group, Inc., MS&AD Insurance Group Holdings, Inc., Development Bank of Japan Inc. and the Bank established the Finance Alliance for Nature Positive Solutions (FANPS) in February 2023. We launched a simple diagnostic tool to view the TNFD compliance status and published a solution catalogue which contributes to nature positive in March 2024. We will progressively develop quadripartite collaborative initiatives in terms of helping companies shift to nature positive.

Policy for Future Actions in the Climate and Nature Sector

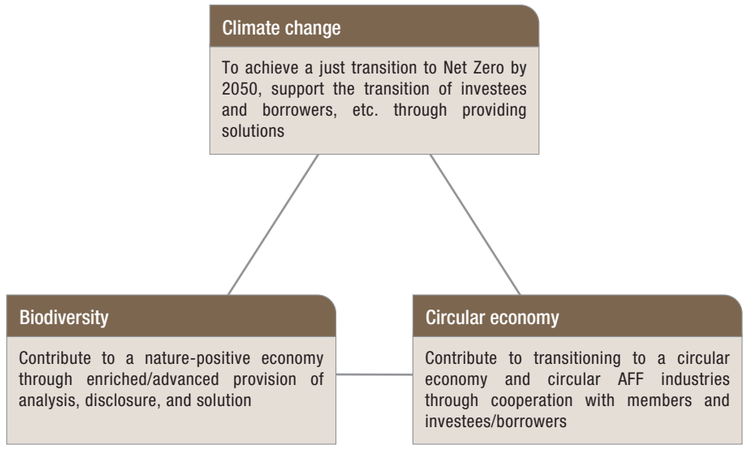
Climate Nature

Toward realizing the 1.5°C target by achieving Net Zero by 2050 and realizing a nature-positive society, the Bank continues to capture and steadily address issues on climate change and natural capital/biodiversity in an integrated manner.

As for climate change, we will not only be committed to expanding the GHG reduction targets, but also promote the implementation of the transition plan through upgrading scenario analysis and risk management and target-based deep engagement activities with our investees and borrowers, etc.

We will, as for natural capital/biodiversity, continue to work on risk management and opportunity capture. To this end, we intend to further expand analysis evaluating the dependence and impact on nature in the investment and loan portfolio as well as analysis of the value chains, locations, and scenarios. In addition to making use of those analysis results, in collaboration with our partner companies we will help our investees and borrowers, etc., with their initiatives toward nature positive, through dialogues.

In promoting those initiatives, we will also consider a perspective of a circular economy, which is integral for the whole society to realize net zero and nature positive, and will keep exploring approaches to solving both climate and nature-related issues simultaneously.



Contribution to a circular economy through effective use of local resources

In considering solutions toward net zero and nature positive, it is crucial to explore from the perspective of a circular economy. The Bank promotes the initiatives that contribute to a circular economy in collaboration with its clients.

Ogawa & Co., Ltd., (the "Company") is engaged in efforts to contribute to the effective utilization of agricultural products produced in Okayama Prefecture and efforts to revitalize the local community. The Bank has entered into a business collaboration agreement between the Company and the Okayama Headquarters of JA Zen-Noh.

This is aimed to appropriately connect the Company to producers who have unutilized resources of AFF products (fruit peels to be discarded, etc.) through the use of the JA Group network, and for the Company to develop ingredients for fragrances using such unutilized resources. Specifically, through the use of peach blossoms harvested during the peach production process, the Company created a fragrance using "Okayama Peach Blossoms," leveraging this renowned local product from Okayama Prefecture. In addition, a fragrance using "Okayama White Peaches" has been created using peach skins discarded during the processing of peach products. We also expect that using this renowned local product as ingredients for fragrances can improve the brand awareness and value.

Initiatives to Advance Human Resource Management

Enabling employees to autonomously enhance their expertise so they can play active roles both internally and externally, resulting in advancement of the organization

Representative Director and Managing Executive Officer
Member of the Board of Directors
Chief Operating Officer

YAGI Masanobu

Human resources strategy

In order to continue to fulfil our purpose in a world of accelerating change in the business environment, working practices and values, we believe we must transform into an organization capable of autonomously honing our expertise and playing an active role. Based on this understanding, our human resources management policy seeks to continuously support human resources who continue to autonomously take on challenges and make changes.

Human Resources Management Policy	Ongoing support for human resources who continue to autonomously take on challenges and make changes as financial professionals with a sense of contributing to the AFF industries and local communities.

The human resources management with two major pillars: autonomy and expertise

Based on this policy, the Bank implemented a revision of its personnel system in April 2023, with two major conceptual pillars of “autonomy” and “expertise,” aimed at enabling employees to autonomously enhance their expertise so they can play active roles both internally and externally, resulting in advancement of the organization.

In fiscal 2024, we instituted a “job group” system that classifies our businesses according to which customers they serve, what value they deliver and how this value is provided. This system involves employees signing up to a job group based on their own aspirations and career history. In principle, they then undertake work classified under this job group, thereby honing their expertise over the longer term.

We have established a number of systems to help our employees carve out an autonomous career path and to realize their ambitions, including a firm-wide open job posting that enables employees to choose their business area for themselves, a Trainee System providing opportunities to gain business experience inside and outside Japan, and a Course Change Program for employees wishing to enlarge their scope of activity.

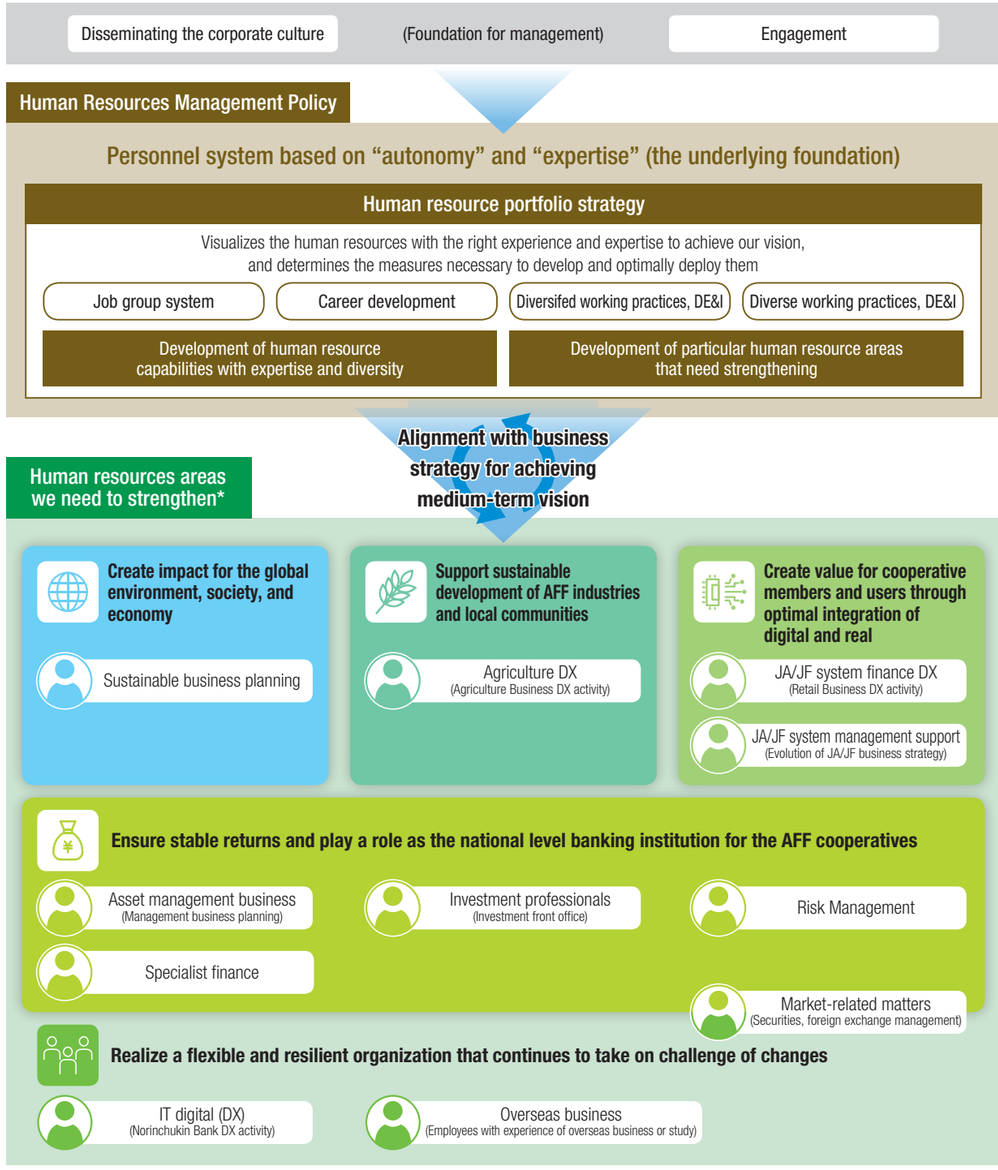
For human resource development, we have introduced the notion of job competency, or required abilities for particular duties and functions, in addition to common competency, which defines commonly required abilities. Through interviews between supervisors and subordinates, we confirm the required abilities (competencies) and review and evaluate the behaviors demonstrated in various work-related situations, with the results being fed back to promote staff awareness and commitment to enhancing expertise.

Business strategy and human resource strategy alignment

In terms of aligning this personnel system based on our human resources management policy with the business strategy required to achieve our Medium-Term Vision, we have formulated a human resources portfolio strategy as a framework for developing the requisite types of human resources capabilities.

As well as developing the specialist and diversified types of human resources required by the organization as a whole, this enables us to take a strategic approach to building our human resource capabilities. We utilize backcasting to identify the specialisms necessary to achieve our business vision, enabling a top-down approach to building up the particular areas of human resource we need to strengthen, and a continuous PDCA cycle to support their development.

Human resource strategy overview



* Our medium-term vision is our management guiding light. Accordingly, we identify the human resource areas we need to strengthen as those necessary to execute the business strategies (main initiatives) toward achieving this vision, and are working to determine and implement the measures needed to do so.

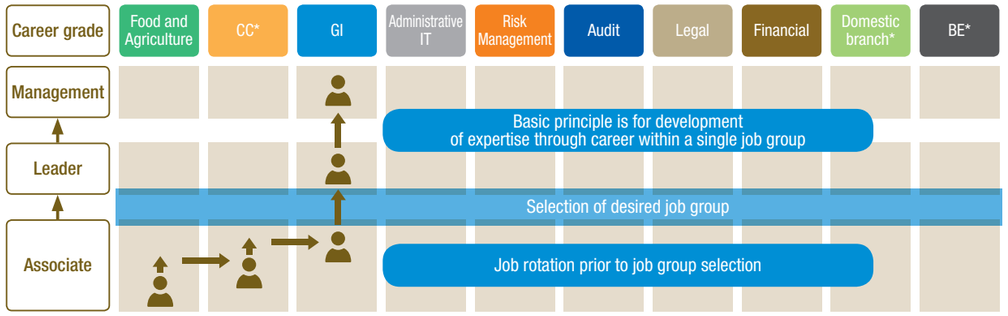
Job Group System

The job group system involves employees signing up to a job group based on their own aspirations and career history. In principle, they then undertake work classified under this job group, thereby honing their expertise over the longer term.

We have formulated a group job description for each job group, defined the requisite expertise for each function and career grade, and set job competencies for development and evaluation that form the basis of this expertise. We aim thereby to enhance the Bank's expertise.

For Associate grade employees (mainly younger employees), we offer opportunities through job rotation and have introduced an internal internship program that enables them to gain brief experience of business in different job groups to help them when it comes to signing up to a job group in the future. We have also initiated the job selection open recruitment system that allows them to select the next business area they will engage in for themselves.

Job Group System Overview



CC: Corporate Central Banking; GI: Global Investments; BE: Business Expert
* CC: operates Retail Business as the central bank for the JA/JF banking system; Domestic branch: operates Food and Agriculture Business and Retail Business within local communities; BE: provides support for planning and front-office operations and handles business development, application and efficiency

Human Resource Development Initiatives

Strengthening Training Program for Each Job Group

We are nurturing expertise by strengthening our training program for each job group. Taking the Food and Agriculture Business as an example, we have taken steps to effectively link on-the-job (OJT) and off-the-job (Off-JT) training to develop effective human resources. In OJT, we support employee growth through a cycle of one-on-one reviews of everyday business performance and workplace practice, with the job competencies providing shared yardsticks for managers and subordinates. In Off-JT, we support employees in taking systematic training courses suited to their level of expertise. These training courses are designed to progressively upskill employees by utilizing practical content relating to client proposal-making and prioritizing the use and retention of learning.

Example: Human resource development for the Food and Agriculture Group

Strengthening the Organization-wide Training System

(1) Nurturing Leaders and Managers

Fostering the abilities of those in leader and management grade roles is key to developing our human resources based on our human resource management policy. The Bank has instituted a system of training programs tailored to each role level to help Leaders and Managers learn how to support the development of their subordinates through effective dialog. By linking the programs to workplace practices, we hope that Leaders and Managers will really assimilate what they learn, rather than seeing training as something purely separate from daily working life.

Example: Training for New Managers

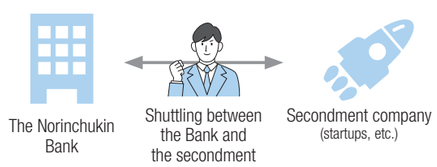
The Bank supports the systematic acquisition of the leadership skills new managers need through repeated cycles of training courses and workplace practice, and by providing one-on-one coaching sessions with external instructors following a 360-degree workplace review to encourage self-reflection.

(2) Acquiring a Diverse Range of Experiences and Ideas

The Bank also provides cross-border training (opportunities to transcend the boundaries of the organization and gain experience in other industries as well as for learning and co-creation through interaction with employees from other industries) so that employees can encounter ideas, values and working practices that do not exist within our organization, thereby making for a more diverse workforce.

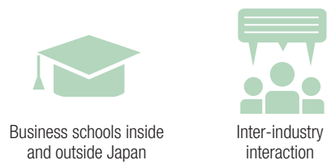
Multi-industry Cross-border Training

Employee secondment to a wide range of companies, including startups with close relations with the Bank and JA Group



Inter-industry Interaction Cross-border Training

Employee attendance at business schools, workshops involving interaction with employees from other industries



(3) Autonomous Career Development

The Bank facilitates autonomous career development for its employees in all business streams by providing support for upskilling, reskilling and career autonomy. We also have an overseas trainee program enabling employees to gain experience working in overseas bases and offer opportunities to study overseas (for an MBA or LL.M) through open recruitment.

Upskilling training

- Identification and solution of issues
- Relationship building
- Holistic bird's-eye view
- Ability to support subordinates' growth
- Coaching

Reskilling support

- Online learning content
- Support for gaining qualifications Distance learning support

Career autonomy support

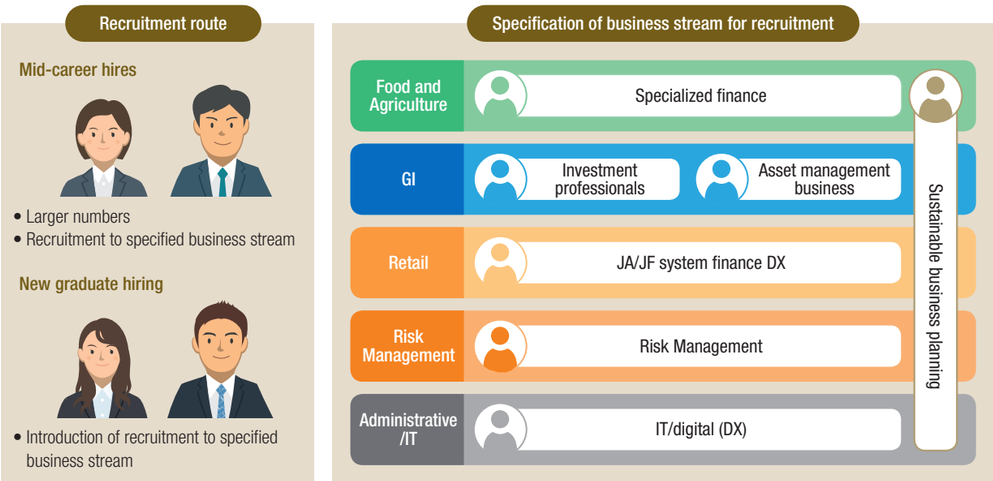
- Internal internships: Opportunities to experience business in multiple job groups *Planned for introduction in fiscal 2024.
- Career design training
- Career counseling

Trainee/study overseas

- Overseas trainee: Chance for young employees to experience overseas operations (NY, LDN, SGP, NLD)
- Overseas study program (open application): Study for MBA or LL.M in US/Europe

Recruitment Initiatives

Based on our human resource portfolio strategy, the Bank is stepping up mid-career hiring as one means of acquiring specialist and diverse human resources and strengthening particular areas of human resource capability where necessary. Specifically, we have increased our fiscal 2024 target for mid-career hires by fifty percent compared to fiscal 2023. We are also broadening our recruitment methods and recruiting to specified business streams in order to increase hiring in different business areas. Further, we are hiring new graduates to work in specified divisions for those individuals who already know what area they want to specialize in.



Work-style Diversification Initiatives

As part of our development of specialist and diversified human resources, the Bank seeks to provide an environment that allows employees to choose a style of working that fits their own individual life circumstances, such as those surrounding marriage and child-bearing, parenting or other caring responsibilities, and to autonomously carve out a career path unique to them.

Working Practice Reforms

Transfer by choice	Severing of any relationship between position and transfer requirement, enabling employees to choose whether or not to transfer based on their own life circumstances
Super flexitime	A super flexitime system with no core hours supporting a diversity of autonomous working styles
Spousal transfer sabbaticals	Enables a married employee to take a sabbatical without harming their career prospects in the event their spouse is transferred
Alumni recruitment	Recruitment of people who have resigned in order to advance their careers, acquiring employees who can work outside as well as inside the organization

Initiatives to Promote Diversity, Equity & Inclusion (DE&I)

The Bank is focusing on the promotion of diversity, equity and inclusion (DE&I) to support a corporate culture in which individuals can develop expertise and work and grow as employees autonomously.

The Bank aspires that its employees "respect and welcome their different attributes and views of the world, enjoy and actively accept different views and ideas, and frankly and actively exchange ideas and opinions with each other in a psychologically safe environment, thereby creating new ideas and ways of thinking and putting them into practice." The Bank is implementing a range of measures to further DE&I by combining our diversity initiatives with the perspectives of "inclusion" (acceptance and inclusion of diversity) and "equity" (the provision of due support and care to each individual).

Diversity & Inclusion Book

Since 2022, when our Diversity Year One began, the Bank has introduced and promoted a wide range of DE&I initiatives relating to women in the workplace, inclusivity, disability, older workers, different nationalities and LGBTQ+ employees in a visual, lively, easy-to-understand way.

Our DE&I initiatives embody our aspirations for an active workforce and our corporate evolution.

Diversity & Inclusion Book eBook
https://www.nochubank.or.jp/en/sustainability/di_book/2023/

Diversity & Inclusion Book PDF
https://www.nochubank.or.jp/en/sustainability/backnumber/pdf/2023/di_book.pdf

Initiatives Supporting the Raising of Next-Generation Children and Promoting the Active Participation of Women

The Bank received the Platinum Kurumin Certification for Childcare Support Company for its efforts in realizing a work-life balance and supporting the balance between work and childrearing, including a support program for employees who take childbirth and childcare leave, infertility leave, shortened work hours for parents, and use of a corporate childcare facility. In addition, the Bank is working to promote and embed measures to drive work-style reform, such as flexible working hours, paid leave by the hour, a defined minimum interval between work hours, and teleworking. As well as increasing the proportion of women in our new graduate intakes, the Bank is supporting female career advancement through external mentoring programs and external cross-industry seminars, one-on-one meetings between the Chief Diversity Officer and female Leader grade employees and help with building female employee networks. We are also implementing initiatives that raise awareness among Bank officers and employees by inviting outside lecturers to provide seminars on promoting women's participation and work-style reform.

VOICE DE&I Promotion

Human Resources Division
Senior Manager, Diversity & Inclusion Dept.
MIKAMI Chiharu

Creating an organization where everyone can be themselves at work

I have been in charge of diversity promotion since April.

I myself have continued to work through having and raising my children and caring for other family members. While I have worried about balancing work and life at every stage, I have been able to work in a way that suited me thanks to the understanding and cooperation of my family and coworkers.

I am very grateful to everyone who helped me on my way. At the same time, I want us to take all the steps we can to make everyone who works in the Norinchukin Bank Group feel that they can be themselves at work, including by reflecting on all the thoughts and feelings I have had along the way and the things I thought would have made it even easier for me to work in a way that suited my own lifestyle.

I want to help build an organization where we can all work and grow and develop our expertise autonomously, in a way that works best for us.

Initiatives for Hiring People with Disabilities

The Bank is working to create opportunities and a workplace environment where people with disabilities can continue to work with peace of mind and play an active role while fully demonstrating their abilities and individuality, and to deepen mutual understanding among employees. In 2023, the Bank signed a sponsorship agreement with the Japan Agricultural Cooperative Association, and has been working towards resolving social issues by supporting the Association's drive to expand and develop its initiatives.

Initiatives for Global Human Resources

With globally diversified investments being a pillar of the Bank's business, its globalization is progressing further by locally employing staff with high expertise. In this context, the Bank is currently working to bring its overseas operations into closer alignment with its senior management perspective. In 2023, head office instituted a working group, bringing together the overseas bases led by the Chief Diversity Officer. The group has had a lively exchange of ideas on the theme of how to further DE&I globally, including the use of AI-based communication and seminars about different cultures to deepen mutual understanding.

Initiatives for Senior Human Resources

Senior employees are active in a variety of fields, making the most of their rich knowledge, experience and abilities. The Bank provides support for career and capacity development through training and other programs to enable each employee to choose a career that would make them continuously active inside and outside the organization in line with their own career perspectives and working styles, while autonomously enhancing their expertise. We also hold seminars on topics including nursing care to help employees balance working life with nursing care and other such demands and to support their continued activity.

Deepening Understanding of LGBTQ+ Issues

The Bank holds externally run training programs for all staff to create a workplace where employees can work as they like regardless of their sexual orientation or gender identity and remain free from harassment and discrimination. It is also working to raise awareness through internal information delivery and e-learning. Top management has endorsed the Pride1000 Ally Network and is working to deepen LGBTQ+ understanding among all staff.

Foundation-building Management Initiatives

Promoting the spread of our corporate culture

In order to remain an organization in which directors and employees have a shared sense of purpose, the Bank pursues a range of initiatives to permeate a set of shared values throughout the organization as the foundation on which day-to-day business to realize our purpose is based. Examples include the following.

My Purpose Project

JA Farming Support Team

The Bank launched the My Purpose Project in fiscal 2022 to provide an opportunity for directors and employees to reconfirm for what purpose and for whom they work.

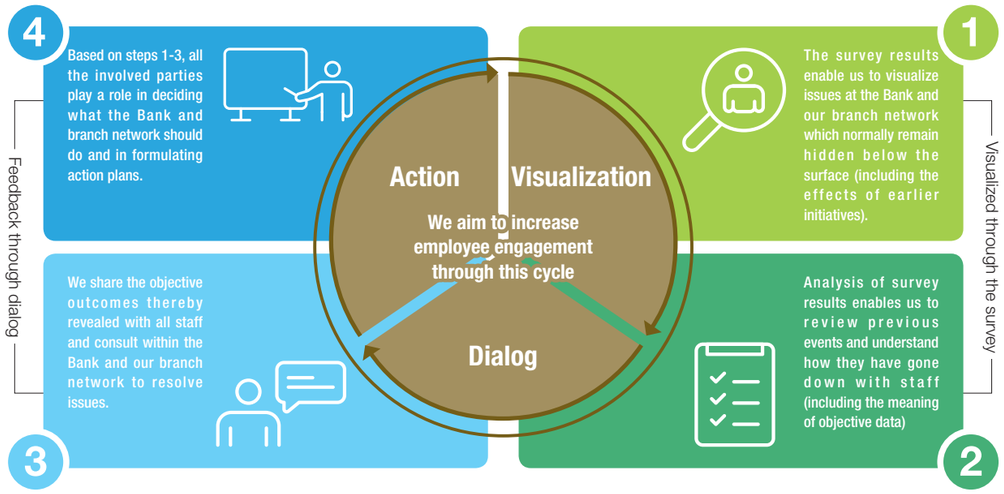
As a part of the project, the Bank's directors and employees have visited farmers to do farm work by joining the JA Farming Support Team. A total of 603 directors and employees had participated in the team's 23 visits as of 31 March 2024.

Internal Public Relations Initiatives

The Bank started internal PR activities through a corporate portal, with the aim that such delivery of internal information and communication among directors and employees would help them identify with the Bank's purpose and see it as their own personal purpose. This information communicates best-practice examples of how staff are implementing our shared values and how diverse people are working actively within the Bank. In fiscal 2023, internal information was delivered 74 times.

Improving Employee Engagement

The company conducts a survey on employee engagement at least once a year. The results of these surveys are reported to the Board of Directors and other relevant bodies. Through analysis of the survey results and identification of issues, we discuss and implement effective measures to ensure that employees feel valued in their work and work environment, increasing their engagement and, as a result, we aim to enhance the vitality of the organization.



New initiatives to improve engagement

- Introduction and content expansion of internal PR activity (e.g., increased information disclosure by directors)
- Increased DX initiatives (introduction of generative AI, system environment upgrade, etc.)
- Training for and systematization of one-on-one meetings to make sure they embed

Digital Transformation (DX)

Initiatives for DX of the Bank

IT/digital technologies have been advanced rapidly, and stakeholders' actions have been changed using these technologies. Even under such ongoing discontinuous environmental changes, the Bank has been promoting the DX project initiatives toward evolving into a problem-solving organization that demonstrates the true value of business from a stakeholder perspective, including rationalization of our various operations through digitalization.

In addition, to help our officers and employees master further knowledge of IT/digital technologies, we maintain and develop a training system according to degree of advancement, and endeavor to develop core talents who can play a leading role in DX. AgVenture Lab was established in May 2019 with organizations related to the JA Group, where we have tried to create new value through active use of IT/digital technologies. For example, we held the JA Accelerator Program, whose goal is to strengthen the partnership with startup companies, implemented events for the Bank and cooperative systems, and provided them with information.

In the overall Norinchukin Group, in contrast, these initiatives are made only within certain limited departments or operations. Therefore, we are reinforcing our efforts to create new business value and increase the productivity, which includes expanding the initiatives to the entire Group, creating expected outcomes sustainably, and utilizing the data held by the Norinchukin Group.

Startup companies selected for the JA Accelerator Program

DX strategies

To continue to strengthen these efforts, the Bank defined as its DX strategy: "By combining business and IT/digital, create new business value and realize increased productivity through disseminating the use of IT/digital technologies and data," a priority initiative under the Medium-Term Vision.

In line with this DX strategy, while also making DX-related investments for 2030, we are working on the four following initiatives: (1) Create the future, (2) Evolve the present, (3) Strengthen the management base, and (4) Promote DX.

DX strategies

DX strategies By combining business and IT/digital, create new business value and realize increased productivity through disseminating the use of IT/digital technologies and data

Create the future
- Try to create new business value through co-creation using open innovation, together with our stakeholders

Evolve the present
- Evolve our stakeholder-based business and realize increased productivity

Strengthen the management base
- Utilize management data to enable swift and accurate decision-making

Promote DX
- Expand DX structure/talents/culture which can implement combinations of business and IT/digital, to ensure all the employees use IT/digital technologies and data

Create the future

We are strengthening the Norinchukin Group business by making active use of generative AI and other advanced technologies in addition to the JA Accelerator Program and cross-industry collaborations that create new business value.

In addition, by connecting the various IT systems used by the Bank through APIs*1, we aim to build a system architecture (the overall picture of the system) that can respond flexibly and quickly to the speed of business changes. Together with our stakeholders, we are challenging ourselves to create new business value through co-creation via open innovation.

Evolve the present

We are working on both evolving our stakeholder-based business and realizing increased productivity. Those initiatives include making use of IT/digital technologies and data in each business, implementing business process reform (BPR*2) for overall optimization using IT/digital technologies, and strengthening the infrastructure across the Norinchukin Group for use of IT/digital technologies and data.

Strengthen the management base

We are working to enhance predictive and problem-solving management through advanced data management. These efforts include the design and operation of dashboards that visualize the progress of each management strategy, after identifying and visualizing the data necessary for management decisions and developing rules and processes for their operation, aiming to achieve swift and accurate decision-making.

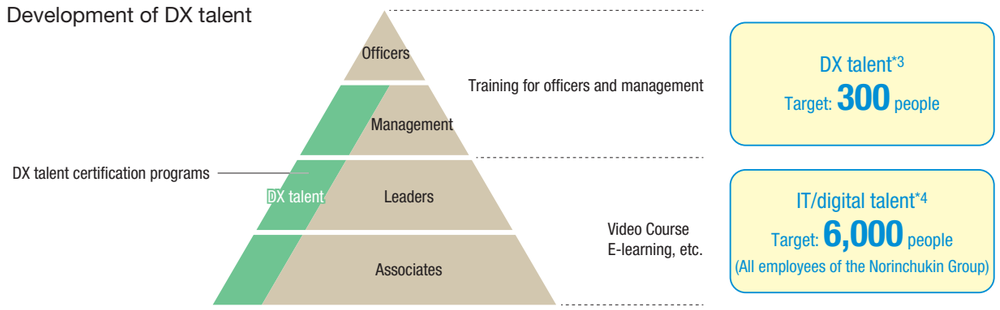
Promote DX

We are promoting initiatives to expand DX structure/talents/culture which can implement combinations of business and IT/digital to ensure all the employees use IT/digital technologies and data. These initiatives include strengthening the combination structure of business and IT/digital to implement DX, building a DX talent portfolio, and reforming the organization for promoting DX.

Among them, building a DX talent portfolio aims to secure DX talent of 300 people by 2030 and to develop all the employees into IT/digital talent who can utilize IT/digital technologies and data for their operations. A DX talent is defined as a person who has advanced knowledge and skills in IT/digital technologies and data and can promote DX using them.

*1 Application Programming Interface Specifications for sharing certain functions among systems
*2 Business Process Re-engineering

Development of DX talent



*3 DX talent: A person who has advanced knowledge and skills in IT/digital technologies and data and can promote DX using them
*4 IT/digital talent: A person who has knowledge and skills in IT/digital technologies and data and can utilize them for the operations

- The Bank has promoted the modernization of the core systems supporting its financial business and the digitization of its operations by renewing its groupware and introducing cutting-edge solutions such as SaaS.
- Under the DX strategy, which is a priority strategy of the Medium-Term Vision, we have established the "DX Co-Creation Group" by consolidating departments in charge of digital affairs that were previously divided by function, such as planning, promotion, and talent development. Through this initiative, we aim to further create business value and improve productivity by fostering greater collaboration with businesses.

Director and Managing Executive Officer
Chief Information & Digital Officer
HAMBA Yuji

Message from a Supervisory Committee Member

The Norinchukin Bank's role is to meet our members' expectations

I believe the public has become much more aware that the increase in abandoned farmland and the decline of rural communities is no longer someone else's problem but affects Japan as a whole. People are beginning to envision the words of Tao Yuanming, "The countryside is becoming desolate," and have started to think about how we can revitalize agriculture and farming villages in society as a whole.

Supporting the AFF industries frontlines are the people of cooperative systems such as JA, JF, and JForest and members of the Norinchukin Bank. A major expectation that members have of the Bank is to appropriately manage funds and provide economic support, but in addition to this, they also seek advice and support for their activities. First and foremost, the Bank must deliver on those expectations.

Toward AFF industries, communities, society, and the global environment

As a national institute of cooperative systems, the Bank is looked upon to deal with issues that affect AFF industries by providing a wide range of information to our members. But it is not enough to just provide information. The Bank must engage in activities alongside those on the frontlines. For example, it should be possible to demonstrate our consulting skills and provide the necessary financing. JA is an organization with people and resources rooted in the community, but it would be even better if we could expand community-building activities by working together with JA and other members.

The Bank is a financial institution with a large amount of funds, and sometimes the question is raised about whether these funds are being directed to AFF industries. Lately, I sense there is a stronger desire to see these funds directed at not only AFF industries but also at solving regional, social, or even global environmental issues. The Bank has set a goal of providing a cumulative total of 10 trillion yen in new sustainable financing by fiscal 2030, and it is important that we steadily move forward toward that goal.

Leading monetizing schemes with a fresh perspective

I have been working as a supervisory committee member since 2017. The Bank's supervisory committee functions much like the board of directors does in a private company, approving resolutions in accordance with legislation. But I believe the way the committee sits at the same table with representatives from JA, JF, and JForest, who are members of the Bank, and outside committee members to discuss issues is quite unique. There is also an opportunity for the informal exchange of opinions on specific topics in the form of roundtable meetings. The coverage of a wide range of topics, from agricultural policy to international financial affairs, serves as a reminder of the diverse business areas of the Bank.

Through these activities, I have recently become aware of the significant role the Bank has to play as a financial institution. That role is to lead the design of monetization schemes from a fresh perspective. Forest-derived credit is a prime example of this. While forests play an important role in absorbing CO_2, the desolation of forests is upon us faster than it is for the countryside, raising the issue of how to go about reforestation amidst serious labor shortages. Naturally, reforestation requires funding, but these challenges must be addressed not only by industries close to forests but also by all industries that benefit from the global environment. The Bank is collaborating with JForest to create a platform that links these activities with forest-derived credits. As society as a whole grows increasingly concerned about greenhouse gas emissions, I think we can advance efforts based on credits by creating a similar scheme in the agriculture and fisheries industries.

The Norinchukin Bank's human capital management

The foundation of the Bank is the idea of cooperation. All executives of the Bank value the role it should play and will promote the social integration of functions such as monetization by steadily generating and returning profits. It is important to know how to utilize capital and link it to wealth. Employees are the human capital that supports this.

I have been consistently involved in policies for women, and during my time as director of the gender equality bureau cabinet office, we decided to increase the number of women participating in policymaking in all fields to 30% by 2020. At the same time, the Bank has set a goal of increasing the number of female managers to 13% by fiscal 2030 and 30% by fiscal 2040, but I feel this pales in comparison with the general public. That said, it is not realistic to suddenly appoint women with limited experience to management positions. It is very important to create a pipeline that sends the message to new employees, male or female, that "we have high expectations for you" from the time they join the company, give them ample opportunities to participate in projects and take on challenges to develop their human skills and competencies, and then promote them to managerial positions.

Additionally, firms and organizations are increasingly accepting not only women but also the elderly, foreign nationals, and people with disabilities, and I sense a similar trend in the agricultural field. It is also necessary to develop a diverse pool of human resources into so-called job-type advanced professionals. One of the strengths of the Bank is that it has many specialized and highly experienced personnel, including in the field of fund management. But now that international finance is gaining traction, I believe that our future direction will require us to accept foreign nationals as well. I believe it is important to maintain a balance between human resources and those who support the entire organization over the long term.

Corporate Governance

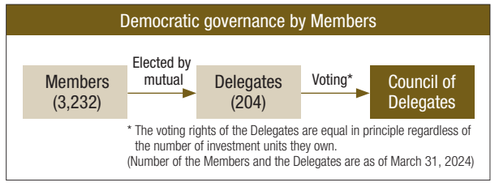
The Norinchukin Bank's Management System

The Bank is both the national-level organization for Japan's AFF cooperatives and an institutional investor that plays a major role in the financial and capital markets through investment of large amounts of funds in Japan and overseas. Accordingly, while adhering to decisions made by the Council of Delegates, the Bank's decision-making duties are shared and coordinated by the Supervisory Committee and the Board of Directors, as stipulated by the Norinchukin Bank Act, while taking into consideration the internal and external situations of the cooperatives.

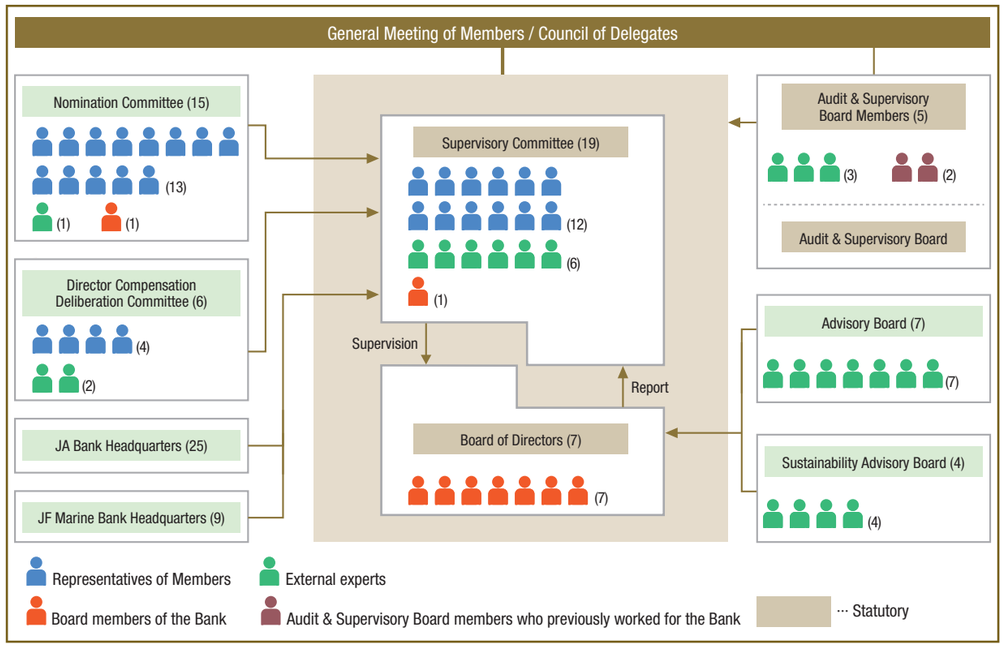
General Meeting of Members / Council of Delegates

The Norinchukin Bank Act and the Bank's Articles of Incorporation stipulate the General Meeting of Members as the supreme decision-making organization, and that the Council of Delegates is a decision-making organization that substitutes for the General Meeting of Members. The Norinchukin Bank's regular decision-making is based on the Council of Delegates.

Unlike stock companies, where one share represents one vote, the voting rights of the Delegates, who are elected by the mutual vote of members, are equal in principle at the Council of Delegates, regardless of the number of investment units they own, where organizational decisions are made on business reports and appropriation of surplus, as well as amendments to the Articles of Incorporation and the election of the Supervisory Committee Members.



Management System of the Bank (As of July 1, 2024)



Supervisory Committee

The Supervisory Committee makes decisions regarding issues to be proposed at or reported to the Council of Delegates as well as important issues related to the AFF cooperatives. The Supervisory Committee also has the authority to oversee business activities performed by directors. This includes the authority to request that board members attend meetings to explain their business activities and to request the Council of Delegates to dismiss board members. The Supervisory Committee members have been selected from senior management of member cooperative organizations; people engaged in the AFF industries; and individuals with an in-depth knowledge of finance. Supervisory Committee members are recommended by the Nomination Committee, which mainly consists of representatives of the Bank's member cooperatives, and are then appointed by the Council of Delegates.

As of July 1, 2024, the Supervisory Committee has 19 members, consisting of 12 members elected from among top management of the AFF cooperative organizations as the representatives of the Bank's members (shareholders), six external experts with in-depth knowledge of finance, and one board member of the Bank.

Under the jurisdiction of the Supervisory Committee are the Nomination Committee, the Director Compensation Deliberation Committee, the JA Bank Headquarters, and the JF Marine Bank Headquarters. (For details, see page 61.)

Expected roles of representative members and external experts

The following roles are expected of representative members, from a standpoint of representing people engaged in the AFF industries and cooperative organizations, and of external experts from an independent and objective standpoint

- Supervise the Directors' business execution and conflicts of interest
- Contribute to achieving the Purpose of the Bank
- Make appropriate decisions in response to proposals from the business execution side
- Provide opinions, advice, and requests to the business executors and have discussions with them, based on skills and experience

Board of Directors

The Board of Directors makes decisions regarding the execution of business activities, excluding those matters under the jurisdiction of the Supervisory Committee, and the Directors mutually supervise the execution of their business affairs. Members of the Board are elected by the Supervisory Committee and assume their positions upon the approval of the Council of Delegates. Of the seven board members, one is appointed as a member of the Supervisory Committee. Hence, decisions made by the Supervisory Committee and the Board of Directors are closely coordinated.

Effectiveness Evaluation of the Supervisory Committee and the Board of Directors

The Bank conducts evaluations of the effectiveness of the Supervisory Committee and the Board of Directors periodically. Effectiveness analyses and evaluations of these management bodies are performed based on the questionnaires and interviews targeted at Supervisory Committee Members, Directors, and Audit & Supervisory Board Members, and Executive Officers. The result of the evaluations is reported at the Supervisory Committee and Board meetings to improve management.

A summary of the effectiveness evaluation for FY2023 is as follows.

(1) Supervisory Committee

The effectiveness evaluation of the Supervisory Committee began in FY2023 and as a result of the Bank's efforts to review the member composition of the Committee, provide training opportunities, and carefully select topics for discussion, it was confirmed that discussions have become more productive and that the Supervisory Committee has appropriately fulfilled its expected role.

To further advance the management of the Committee, the Bank will continue to make improvements in such areas as reviewing meeting materials to realize more productive meetings, efficient meeting management, deepening discussions on more important themes in light of the business environment, and further strengthening the follow-ups of business execution by the Board.

(2) Board of Directors

As a result of continuous efforts to enhance the management of the Board meetings, it was evaluated that the effectiveness continued to be improving, while further improvement is expected in the areas of reviewing meeting materials to realize more productive meetings and efficient meeting management, as in the case of the Supervisory Committee, as well as integrally discussing risk and return during strategy reviews.

Based on these analyses and evaluations, the Bank will work to further improve effectiveness by constantly reviewing the way the materials are presented and by refining the overall strategic direction through comparing the expected returns and resource inputs across strategies using the Risk Appetite Framework and other tools. This approach will facilitate more in-depth discussions on more important themes in light of the management issues surrounding the Bank.

Audit & Supervisory Board Members / Audit & Supervisory Board

Audit & Supervisory Board Members are elected directly by the Council of Delegates and are responsible for auditing the decisions of the Supervisory Committee and the Board of Directors as well as for general oversight of the Supervisory Committee and board members' business activities. Moreover, the Audit & Supervisory Board, comprising Audit & Supervisory Board Members, is established in accordance with the Norinchukin Bank Act.

In addition, of the five Audit & Supervisory Board Members, three satisfy the conditions stated in Article 24-3 of the Norinchukin Bank Act and are equivalent to external auditors in publicly traded companies.

* According to Article 24-3 of the Norinchukin Bank Act, at least one of the Audit & Supervisory Board Members must satisfy all the following conditions:
1) The member must not be a director or employee of a corporation that is a member of The Norinchukin Bank.
2) The member must not have held the positions of director, member of the Supervisory Committee or employee of The Norinchukin Bank, or the position of director, accounting advisor (if the advisor is a corporation, then an employee who performs such duties), executive officer or employee of one of the Bank's subsidiaries, in the five years prior to their appointment.
3) The member must not be the spouse or relative within the second degree of kinship of a Norinchukin Bank director, Supervisory Committee member, manager or other principal employee.

Functions under Supervisory Committee

Nomination Committee

In 2001, the Bank installed the Nomination Committee to deliberate on the selection of candidates for Supervisory Committee members, Directors, and Audit & Supervisory Board members and make recommendations to the Supervisory Committee and the Council of Delegates. As of July 1, 2024, the Nomination Committee has 15 members, consisting of 13 representatives of the Bank's members, one external expert and one director of the Bank.

Director Compensation Deliberation Committee

The Bank installed the Director Compensation Deliberation Committee in 2010 to deliberate on issues related to compensation and retirement benefits of officers as a subcommittee of the Supervisory Committee. As of July 1, 2024, the Director Compensation Deliberation Committee has six members, consisting of four representatives of the Bank's members and two external experts.

JA Bank Headquarters, JF Marine Bank Headquarters

The JA Bank Headquarters and the JF Marine Bank Headquarters mainly consist of senior management of member cooperative organizations, which represent the Bank's members, and the Bank's Directors. These committees deliberate on basic policies of the banking business conducted by the agricultural and fishery cooperative organizations as well as on operational guidance for the Bank's members acting in the name of the headquarters.

As of July 1, 2024, the JA Bank Headquarters has 25 members, consisting of 23 external representatives of the Bank's members and two Directors of the Bank. In addition, the JF Marine Bank Headquarters has nine members, consisting of seven external representatives of the Bank's members and two Directors of the Bank.

FY2023 Activity Status of Supervisory Committee and Subcommittee Meetings

Committee name	Number of meetings	Attendance ratio
Supervisory Committee	14 times	90.1%
Nomination Committee	3 times	81.6%
Director Compensation Deliberation Committee	2 times	83.3%
JA Bank Headquarters Committee	12 times	89.7%
JF Marine Bank Headquarters Committee	11 times	92.9%

Advisory Board

In April 2021, the Bank established the Advisory Board as an advisory body to the Board of Directors to deliberate on the Bank's roles and adequacy of its initiatives to develop the AFF industries and strengthen local communities.

Members of the Advisory Board are external experts with in-depth knowledge in the fields of the food/agriculture value chain, IT/digital, socioeconomics, and locality/food.

The Advisory Board has seven members as of May 31, 2024.

Advisory Board Members

Name	Organization
ISHII Hayato	Editor-in-chief of Kyodonews Agri Laboratories (Former Director of K.K. Kyodo News) Specially Appointed Professor at Miyagi University
KIUCHI Hirokazu	Representative Director of WAGOEN Representative Director of WAGO
KOBAYASHI Eizo	Director Emeritus of ITOCHU Corporation (Member of the Supervisory Committee of the Bank)
TAKASHIMA Kohey	Representative Director, CEO of Oisix ra daichi Inc.
NOGUCHI Sakae	President & CEO of JA Zen-Noh
HAYASHI Mikako	Visiting Professor of Graduate School of Agriculture, Research Faculty of Agriculture, Hokkaido University Ph.D. Project Professor of Graduate School of SDM, Keio University
MIWA Yasufumi	Expert of the Center for the Strategy of Emergence, The Japan Research Institute, Limited

(As of May 31, 2024, in Japanese phonetic order)

Sustainability Advisory Board

In April 2022, the Bank established the Sustainability Advisory Board as an advisory body to the Board of Directors to deliberate on the direction of the Bank's roles and adequacy of its initiatives to achieve its Purpose based on a good understanding of the domestic and overseas trends on sustainability issues.

Members of the Sustainability Advisory Board are external experts with in-depth knowledge in such fields as financial business and corporate management as well as the domestic and international trends of regulations concerning sustainability.

The Board has four members as of July 1, 2024.

Sustainability Advisory Board Members

Name	Organization
ADACHI Eiichiro	Senior Counselor of The Japan Research Institute, Limited
SATO Takafumi	Member of the Supervisory Committee of the Bank (Former Vice-Chairman of the IFRS Foundation)
TAKAMURA Yukari	Professor, The University of Tokyo Institute for Future Initiatives
MIZOUCHI Ryosuke	Professional Advisor, Kirin Holdings Company, Limited

(As of July 1, 2024, in Japanese phonetic order)

Basic Policy on Governance

Given the spirit of the Corporate Governance Code of Japan issued by Japan Exchange Group, Inc. (JPX), the Bank has formulated the Basic Policy on The Norinchukin Bank Governance. Details are described in "About The Norinchukin Bank—Corporate Governance" on the Bank's website (https://www.nochubank.or.jp/en/governance).

Strategic Shareholdings—Holding Business Partner Firm's Securities

Policy for Holding Strategic Shareholdings

Based on an understanding of the outline of the Corporate Governance Code, which the Bank has adopted, and the increasingly stringent environment around international financial regulations, the Bank has made it an overall policy to reduce the balance of its strategic shareholdings after detailed dialogue with its clients.

The Bank's strategic shareholdings are regularly examined for their merit and effectiveness from a comprehensive perspective based on quantitative criteria combined with qualitative evaluations, and the results are reported to the Board of Directors. The strategic shareholdings deemed to have merit and effectiveness refer to such shareholdings that contribute to supporting the AFF industries and the food/agricultural value chain through the enhancement of the Bank and its cooperative organizations' business value and the growth of food and agricultural businesses, based on the comprehensive business relationships with the business partners.

The Bank, in principle, will take action to sell the strategic shareholdings of which the merit and effectiveness of the holdings are not recognized as a result of its examination.

Criteria for Exercising Voting Rights

Concerning the voting rights associated with strategic shareholdings held by the Bank, the Bank exercises such voting rights, in principle, making judgment for or against each proposal based on the following criteria:

1. Whether the proposal contributes to improving the medium- to long-term corporate value of the business partner
2. Whether the proposal contributes to improving the value of the Bank's business

In particular, regarding the following proposals that could have a significant impact on the above viewpoints, the judgment will be made upon due consideration through dialogue with the issuers and other means.

- Proposal on appropriation of surplus (in the case of a significant lack of balance between growth investments and internal reserves)
- Proposal on election of directors and corporate auditors (in the case of violation of law or misconduct, etc., or negative earnings successively for a certain period, etc.)
- Proposals on retirement benefits / increasing directors' compensation (in the case of performance-based compensation, compensation increase despite the event of misconduct, etc.)
- Proposal on appointment of the accounting auditor
- Proposal on takeover defense measures
- Proposal on organizational restructuring (e.g., acquisitions, mergers)
- Shareholder proposals
- Proposals on social issues and environmental problems, etc.

Directors' Compensation System

Directors' Compensation Policy

The Bank is a financial institution founded by AFF workers' cooperative organizations based on The Norinchukin Bank Act. Through the provision of financial and various other functions for these cooperative organizations, the Bank aims to contribute to the development of the AFF industries and the nation's economy. To help the Bank realize this aim, the Bank has designed its director compensation system.

Compensation Structure

The compensation for the Bank's directors consists of directors' compensation and retirement benefits, in principle.

The compensation for Directors consists of fixed and variable compensation, whereas the compensation for Supervisory Committee Members and Audit & Supervisory Board Members consists only of fixed compensation from the standpoint of ensuring effective fulfillment of their responsibilities.

As for the retirement benefits, a common structure is applied for Directors, Supervisory Committee Members, and Audit & Supervisory Board Members.

Compensation Determination Process

The process for determination of the directors' compensation is as follows: Based on the result of deliberations by the Director Compensation Deliberation Committee, the Supervisory Committee determines proposals on the total amount of directors' compensation and presentation of retirement benefits. Said proposals are finally deliberated and adopted at a meeting of the Council of Delegates.

The individual amounts of compensation for Directors, Supervisory Committee Members, and Audit & Supervisory Board Members are decided by the Board of Directors, the Supervisory Committee, and by consultation among the Audit & Supervisory Board Members, respectively, within the range of the total amount resolved by the Council of Delegates.

In addition, upon the resolution of the Council of Delegates, the specific amounts, etc., of retirement benefits for Directors, Supervisory Committee Members, and Audit & Supervisory Board Members are decided by the Board of Directors, the Supervisory Committee, and by consultation among the Audit & Supervisory Board Members, respectively.

Outline of the Compensation Structure for Directors

Type of compensation		Description	
Directors' compensation	Fixed compensation	• The fixed compensation is determined on the basis of the titles and positions, etc., of directors, while considering the Bank's special nature as the central bank and the specialized financial institution for cooperatives as well as the trends in cooperative organizations and other business sectors.	70%
	Variable compensation	• As a sound incentive toward sustainable growth, the variable compensation is determined based on the achievement of targets, etc., set forth in the annual initiatives based on the Medium-Term Vision to enhance sustainability management, contribute to the AFF industries and local communities, reinforce the managerial foundation of members, and contribute to employee engagement. • Part of the variable compensation is offered according to the quantitative and qualitative evaluations, etc., based on the degree of achievement of targets in the annual initiatives entered by each director/officer.	30%
Retirement benefits		• Retirement benefits are calculated by applying a fixed weighting based on a director's term of office and his or her compensation during the term in line with the retirement benefit payment rule.	

Management

Supervisory Committee Members (As of July 1, 2024)

YAMANO Toru
Chairman of the Supervisory Committee

2012 Member of the Supervisory Committee of JA Kagoshima Shinnoren
Member of the Supervisory Committee of JA Kagoshima Keizairen
2017 Chairman of the Supervisory Committee of Kagoshima Kouseiren
Chairman of JA Zenkyoren Kagoshima Prefectural Headquarters Administrative Committee
Chairman and Director of JA Soo-Kagoshima
2019 Representative Director and Chairman of JA Kagoshima Chuokai
2023 Director of JA Zenkouren
Representative Director and Chairman of JA Zenchu
Member of the Nomination Committee of the Bank
Member of the Director Compensation Deliberation Committee of the Bank
Chairman of the Supervisory Committee of the Bank

SAKAMOTO Masanobu
Supervisory Committee Member

2009 Director of Chiba Gyosai
Representative Director and Cooperative President of JF Choshi
2012 Representative Director and Chairman of JF Chiba Gyoren
2022 Representative Director and Chairman of JF Zengyoren
Member of the Nomination Committee of the Bank
Member of the Director Compensation Deliberation Committee of the Bank
Member of the Supervisory Committee of the Bank

ITO Seikoh
Supervisory Committee Member

2023 Chairman and Director of JA Hanamaki
Representative Director and Chairman of JA Iwate Chuokai
Chairman of the Supervisory Committee of JA Iwate Shinnoren
Representative Director and Chairman of JA Iwate Kouseiren
Chairman of JA Zen-Noh Iwate Prefectural Headquarters Administrative Committee
Chairman of JA Zenkyoren Iwate Prefectural Headquarters Administrative Committee
Member of the Nomination Committee of the Bank
Director of The Japan Agricultural News
Member of the Supervisory Committee of the Bank
Vice President of IE-NO-HIKARI ASSOCIATION

SAITO Taneji
Supervisory Committee Member

2020 Representative Director and Cooperative President of JA Nishi-Mikawa
Member of the Supervisory Committee of JA Aichi Keizairen
Member of the Supervisory Committee of JA Aichi Kouseiren
Member of JA Zenkyoren Aichi Prefectural Headquarters Administrative Committee
2023 Director of JA Aichi Chuokai
Chairman of the Supervisory Committee of JA Aichi Shinnoren
Member of the Supervisory Committee of the Bank

URABE Hiromichi
Supervisory Committee Member

2022 Representative Director and Cooperative President of JA Fukuyamashi
Member of the Supervisory Committee of JA Hiroshima Kouseiren
Member of JA Zen-Noh Hiroshima Prefectural Headquarters Administrative Committee
Member of JA Zenkyoren Hiroshima Prefectural Headquarters Administrative Committee
2023 Vice Chairman and Director of JA Hiroshima Chuokai
Chairman of the Supervisory Committee of JA Hiroshima Shinnoren
Member of the Supervisory Committee of the Bank

TERASHITA Saburo
Supervisory Committee Member

2017 Representative Director and Cooperative President of JA Sakaishi
2022 Representative Director and Chairman of JA Osaka Chuokai
Chairman of the Supervisory Committee of JA Osaka Shinnoren
Chairman of JA Zen-Noh Osaka Prefectural Headquarters Administrative Committee
Chairman of JA Zenkyoren Osaka Prefectural Headquarters Administrative Committee
Member of the Supervisory Committee of JA Zenkyoren
Member of the Supervisory Committee of the Bank
2023 Representative Auditor of IE-NO-HIKARI ASSOCIATION
Chair of National Council of JA Bank Representatives
Chairman of JA Bank Headquarters
Member of the Nomination Committee of the Bank
Member of the Director Compensation Deliberation Committee of the Bank

NAKAZAKI Kazuhisa
Supervisory Committee Member

2005 Representative Director and Cooperative President of JForest Kuzumaki
2011 Representative Director and Chairman of JForest Iwate Moriren
2021 Representative Director and Chairman of JForest Zenmoriren
Member of the Nomination Committee of the Bank
Member of the Director Compensation Deliberation Committee of the Bank
Member of the Supervisory Committee of the Bank

HIRAMOTO Mitsuo
Supervisory Committee Member

2020 Representative Director and Chairman of JA Yokohama
2023 Member of the Supervisory Committee of the Bank
Representative Director and Chairman of JA Kanagawa Chuokai
Chairman of the Supervisory Committee of JA Kanagawa Shinnoren
Chairman of the Supervisory Committee of Kanagawa Kouseiren
Chairman of JA Zen-Noh Kanagawa Prefectural Headquarters Administrative Committee
Chairman of JA Zenkyoren Kanagawa Prefectural Headquarters Administrative Committee
Auditor of JA Zenchu
Director of IE-NO-HIKARI ASSOCIATION

FUKUMOTO Hiroyuki
Supervisory Committee Member

2020 Representative Director and Cooperative President of JA Hyogo-Nishi
Member of the Supervisory Committee of JA Zenkyoren
Chairman of JA Zenkyoren Hyogo Prefectural Headquarters Administrative Committee
Representative Director and Chairman of JA Hyogo Kouseiren
2023 Chairman of the Supervisory Committee of JA Hyogo Shinnoren
Representative Director and Chairman of JA Hyogo Chuokai
Chairman of JA Zen-Noh Hyogo Prefectural Headquarters Administrative Committee
Member of the Supervisory Committee of the Bank

SHIROUZU Kiyohiro
Supervisory Committee Member

2016 Representative Director and Cooperative President of JA Chikushi
2020 Director of JA Fukuoka Chuokai
2023 Chairman of the Supervisory Committee of JA Fukuoka Shinnoren
Member of the Supervisory Committee of the Bank

KUBOTA Tadashi
Supervisory Committee Member

2016 Member of the Supervisory Committee of the Bank
2019 Chairman of JF Marine Bank Headquarters
2021 Chairman of the Supervisory Committee of JF Kyushu inter-regional Shingyoren
2022 Vice President of JF Zengyoren

BANDO Mariko
Supervisory Committee Member

1969 Joined Prime Minister's Office (currently, Cabinet Office)
1994 Cabinet Secretariat and Director-General of the Bureau for Gender Equality
1995 Vice-Governor of Saitama Prefecture
1998 Japanese consul general in Brisbane, Australia
2001 Director-General of the Gender Equality Bureau, Cabinet Office of Japan
2007 President of Showa Women's University
2008 Chairman of the Rural Women Empowerment and Life Improvement Association
2014 Chancellor of Showa Women's University
2017 Outside Director of MS&AD Insurance Group Holdings, Inc.
Member of the Supervisory Committee of the Bank
2019 Outside Director of Mitsubishi Research Institute, Inc.
2023 External Director of Itoki Corporation
Distinguished Professor, Center for General Education, Showa Women's University

KOBAYASHI Eizo
Supervisory Committee Member

1972 Joined C. Itoh & Co. Ltd. (Former name of ITOCHU Corporation)
2000 Executive Officer of ITOCHU
2002 Managing Executive Officer of ITOCHU
2003 Managing Director of ITOCHU
2004 Senior Managing Director of ITOCHU
President & C.E.O. of ITOCHU
2010 Chairman of ITOCHU
2020 Director Emeritus of ITOCHU
Member of the Supervisory Committee of the Bank

MINAGAWA Yoshitsugu
Supervisory Committee Member

1978 Joined the Ministry of Agriculture, Forestry and Fisheries (MAFF), Japan
2006 Director-General of Staple Food Department, General Food Policy Bureau, MAFF
2007 Deputy Director-General of Forestry Agency
2008 Deputy Director-General of Rural Development Bureau, MAFF
2009 Director-General of Kanto Regional Agricultural Administration Office, MAFF
2010 Director-General of Forestry Agency
2012 Vice-Minister of Agriculture, Forestry and Fisheries
2016 Chief Counselor of Norinchukin Research Institute Co., Ltd.
2020 Member of the Supervisory Committee of the Bank
2024 Member of the Director Compensation Deliberation Committee of the Bank

OKU Kazuto
Supervisory Committee Member

1983 Joined The Norinchukin Bank
2003 Deputy General Manager, Corporate Planning Div.
2004 Head of Business Development Dept. Corporate Planning Div.
2007 General Manager, JA Bank System Management Div.
2009 General Manager, Corporate Planning Div.
2011 Managing Director, Member of the Board of Directors
2013 Senior Managing Director, Member of the Board of Directors
2016 Senior Managing Director, Member of the Board of Directors, Head of Corporate and Shared Services
2017 Representative Director, Senior Managing Director, Member of the Board of Directors, Head of Corporate and Shared Services
2018 Representative Director, Senior Managing Director, Member of the Board of Directors
Representative Director and President, Chief Executive Officer, Member of the Board of Directors, Member of the Supervisory Committee

MAEKAWA Osamu
Supervisory Committee Member

1993 Member of the Kumamoto Prefectural Assembly
2011 Representative Director and Chairman of JForest Kumamoto Moriren
2018 Chairman of the Federation of Kumamoto Liberal Democratic Party Branch
2020 Member of the Supervisory Committee of the Bank
2023 Vice Chairman and Director of JForest Zenmoriren

TANABE Masanori
Supervisory Committee Member

1975 Joined Bank of Japan
2001 Deputy Director-General, Credit Systems Department (in charge of credit systems), Bank of Japan
2004 Director-General, Credit Systems Department, Bank of Japan
2010 Governor of Deposit Insurance Corporation of Japan
2015 Director and Chairman of AXA Life Insurance Co., Ltd.
Chairman of AXA GENERAL INSURANCE COMPANY LIMITED
Visiting Professor, Musashino University
2016 Director and Chairman of AXA Investment Managers
2019 Member of the Supervisory Committee of the Bank

SATO Takafumi
Supervisory Committee Member

1973 Joined the Ministry of Finance, Japan
2001 Deputy Director-General, Planning and Coordination Bureau, Financial Services Agency, Japan
2002 Director-General, Inspection Bureau, Financial Services Agency
2004 Director-General, Supervisory Bureau, Financial Services Agency
2007 Commissioner, Financial Services Agency
2010 Professor, Hitotsubashi University Graduate School of Commerce (currently, Hitotsubashi University Graduate School of Business Administration)
2013 President, Tokyo Stock Exchange Regulation (currently, Japan Exchange Regulation (JPX-R))
2020 Member of the Supervisory Committee of the Bank

KUNIHIRO Tadashi
Supervisory Committee Member

1994 Managing Partner, Kunihiro Law Office (currently T. Kunihiro & Attorneys-at-Law)
2007 Outside Director, Tokyo Marine & Nichido Fire Insurance Co., Ltd.
2008 Member of the Director Compensation Deliberation Committee of the Bank
2012 Outside Audit & Supervisory Board Member, Mitsubishi Corporation
2015 Outside Director, LINE Corporation (currently, LY Corporation)
2017 Outside Audit & Supervisory Board Member, OMRON Corporation
2021 Outside Director (Independent Director), Audit and Supervisory Committee Member, Z Holdings Corporation(currently, LY Corporation)
2022 Outside Auditor & Supervisory Board Member, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
2023 Member of the Supervisory Committee of the Bank
Member of the Nomination Committee of the Bank

Representatives of the Bank's members (representatives elected from among individuals representing AFF business organizations investing in the Bank)

Name	Organization
YAMANO Toru	Representative Director and Chairman of JA Zenchu
TERASHITA Saburo	Chair of National Council of JA Bank Representatives
SAKAMOTO Masanobu	Representative Director and Chairman of JF Zengyoren
NAKAZAKI Kazuhisa	Representative Director and Chairman of JForest Zenmoriren
ITO Seikoh	Chairman of the Supervisory Committee of JA Iwate Shinnoren
HIRAMOTO Mitsuo	Chairman of the Supervisory Committee of JA Kanagawa Shinnoren
SAITO Taneji	Chairman of the Supervisory Committee of JA Aichi Shinnoren
FUKUMOTO Hiroyuki	Chairman of the Supervisory Committee of JA Hyogo Shinnoren
URABE Hiromichi	Chairman of the Supervisory Committee of JA Hiroshima Shinnoren
SHIROUZU Kiyohiro	Chairman of the Supervisory Committee of JA Fukuoka Shinnoren
KUBOTA Tadashi	Chairman of the Supervisory Committee of JF Kyushu inter-regional Shingyoren
MAEKAWA Osamu	Representative Director and Chairman of JForest Kumamoto Moriren

External experts with in-depth knowledge of finance	
Name	Reason for the appointment
BANDO Mariko	Ms. Bando was appointed because she has assumed various posts, including Director-General of the Gender Equality Bureau, Cabinet Office of Japan, Chairman of the Rural Women Empowerment and Life Improvement Association, and Chancellor of Showa Women's University and possesses ample occupational experience and is highly knowledgeable in various social fields, including finance.
TANABE Masanori	Mr. Tanabe was appointed because he has assumed various posts such as Director-General, Credit Systems Department, Bank of Japan and Governor of Deposit Insurance Corporation of Japan and possesses in-depth knowledge and ample experience related to finance.
KOBAYASHI Eizo	Mr. Kobayashi was appointed because he has assumed various posts, including President & C.E.O. and Chairman of ITOCHU Corporation and possesses in-depth knowledge and ample experience in various social fields including finance.
SATO Takafumi	Mr. Sato was appointed because he has assumed various posts, including Director-General, Inspection Bureau and Supervisory Bureau, Commissioner, Financial Services Agency, Japan and President, Japan Exchange Regulation (JPX-R) and possesses in-depth knowledge and ample experience related to finance.
MINAGAWA Yoshitsugu	Mr. Minagawa was appointed because he has assumed various posts, including Director-General of Forestry Agency and Vice-Minister of Agriculture, Forestry and Fisheries, Japan and possesses in-depth knowledge and ample experience related to the AFF industries.
KUNIHIRO Tadashi	Mr. Kunihiro was appointed because, as the Managing Partner of T.Kunihiro & Attorneys-at-Law, he has deep insight and expertise in various legal affairs and regarding the establishment of corporate crisis and risk management systems.

Board members of the Bank	
Name	Title
OKU Kazuto	President and Chief Executive Officer

Directors (As of July 1, 2024)

OKU Kazuto

Representative Director and President, Chief Executive Officer

1983 Joined The Norinchukin Bank
2003 Deputy General Manager, Corporate Planning Div.
2004 Head of Business Development Dept. Corporate Planning Div.
2007 General Manager, JA Bank System Management Div.
2009 General Manager, Corporate Planning Div.
2011 Managing Director, Member of the Board of Directors
2013 Senior Managing Director, Member of the Board of Directors
2016 Senior Managing Director, Member of the Board of Directors, Head of Corporate and Shared Services
2017 Representative Director, Senior Managing Director, Member of the Board of Directors, Head of Corporate and Shared Services
2018 Representative Director, Senior Managing Director, Member of the Board of Directors
Representative Director and President, Chief Executive Officer, Member of the Board of Directors, Member of the Supervisory Committee

YAGI Masanobu

Representative Director and Managing Executive Officer
Chief Operating Officer

1988 Joined The Norinchukin Bank
2009 Deputy General Manager, Financial Planning & Control Div.
2010 Head of Branch Strategy & Management Dept, Corporate Planning Div.
2012 General Manager, Fixed Income Investment Div.
2013 General Manager, Human Resources Div.
2016 General Manager, Corporate Planning Div.
2017 Executive Officer, General Manager, Corporate Planning Div.
2018 Managing Executive Officer
2021 Representative Director and Managing Executive Officer, Member of the Board of Directors

KITABAYASHI Taro

Representative Director and Managing Executive Officer
Chief Financial Officer
Co-Chief Sustainability Officer

1994 Joined The Norinchukin Bank
2015 Deputy General Manager, Financial Planning & Control Div.
2017 General Manager, Secretariat
2018 General Manager, Coordination Div.
2021 Managing Executive Officer
2023 Director and Managing Executive Officer, Member of the Board of Directors
2024 Representative Director and Managing Executive Officer, Member of the Board of Directors

IMAI Masato

Director and Managing Executive Officer
Co-Chief Investment Officer
Head of Global Banking

1999 Joined The Norinchukin Bank
2012 Deputy General Manager, Financial Planning & Control Div.
2014 Deputy General Manager, Credit and Alternative Investments Div.
2015 General Manager, Project and Asset Finance Div.
2019 Managing Executive Officer
2024 Director and Managing Executive Officer, Member of the Board of Directors

AKIYOSHI Ryo

Director and Managing Executive Officer
Co-Head of JA and JF Business Support

1990 Joined The Norinchukin Bank
2011 Deputy General Manager, Next Generation JASTEM System Planning Div,Corporate Planning Div.
2013 Deputy General Manager, Systems Planning Div.
2014 General Manager, JA Bank System Monitoring & Consulting Div.
2017 Executive Officer, General Manager, JA Bank System Management Div.
2018 Managing Executive Officer
2021 Director and Managing Executive Officer, Member of the Board of Directors

HAMBA Yuji

Director and Managing Executive Officer
Chief Information & Digital Officer

1993 Joined The Norinchukin Bank
2014 Deputy General Manager, Systems Planning Div.
2016 General Manager, Corporate Planning Div.
2018 General Manager, IT & Systems Planning Div.
2021 General Manager, IT & Systems Planning Div. (EA Planning & Global Technology Research)
2023 Director and Managing Executive Officer, Member of the Board of Directors

YOSHIDA Hikaru

Director and Managing Executive Officer
Chief Risk Officer/Chief Compliance Officer

1990 Joined The Norinchukin Bank
2009 General Manager, Miyazaki Branch
2011 Deputy General Manager, JA Bank System Management Div, Corporate Planning Div.
Deputy General Manager, Cooperative System Human Resource Development Div, JA Bank System Management Div.
2012 Deputy General Manager, JA Bank System Planning & Promotion Div.
2014 General Manager, JA Bank System Planning & Promotion Div.
2016 General Manager, IT & Systems Planning Div.
2018 Managing Executive Officer
Managing Director, Member of the Board of Directors
2021 Director and Managing Executive Officer, Member of the Board of Directors

Skill Matrix of the Supervisory Committee Members and Directors (Expertise)

In order to realize our Purpose and Medium-Term Vision, as shown in the Skill Matrix, the Bank appoints a well-balanced group of officers. This group comprises Supervisory Committee Members who possess diverse knowledge and expertise as a financial institution, including management, AFF industries, and cooperatives, and Directors who, in addition to financial knowledge, possess unique knowledge and experience as a cooperative financial institution, including AFF industries and cooperatives.

		Management	Finance / Accounting	Legal Affairs / Risk Management	IT / Operation	AFF Industries	Cooperatives	International	Financial	ESG / Sustainability	Human Resource Development / DE&I
Supervisory Committee Members	Representative members (12) [Skills expected commonly are shown.]	●				●	●				
Supervisory Committee Members – External experts	BANDO Mariko	●		●			●	●		●	●
	TANABE Masanori	●	●	●				●	●		
	KOBAYASHI Eizo	●			●	●		●			
	SATO Takafumi	●	●	●				●	●	●	
	MINAGAWA Yoshitsugu			●		●	●			●	●
	KUNIHIRO Tadashi			●		●	●	●		●	
Supervisory Committee Members – Board members of the Bank	OKU Kazuto	●				●	●	●	●	●	●
	YAGI Masanobu	●				●			●	●	●
	KITABAYASHI Taro		●					●	●	●	●
	IMAI Masato		●					●	●	●	
	AKIYOSHI Ryo				●	●	●		●		
	HAMBA Yuji				●				●		
	YOSHIDA Hikaru			●	●		●		●		

Note: The matrix illustrates the fields of expertise that are particularly expected to demonstrate by the Supervisory Committee members and Directors, and does not include all the knowledge/experience they own.

Managing Executive Officers (As of July 1, 2024)

OZAKI Taro
Managing Executive Officer
Co-Head of Food, Agribusiness and Corporate Banking

TSUCHIDA Tomoko
Managing Executive Officer
Co-Head of Food, Agribusiness and Corporate Banking
Co-Chief Sustainability Officer

NAGANO Masaki
Managing Executive Officer
Treasurer
Global Head of ALM and Investor Relations

YAMADA Yukihiro
Managing Executive Officer
Co-Chief Investment Officer

KAWATA Junji
Managing Executive Officer
Co-Head of JA and JF Business Support
Head of Agriculture & Fisheries Banking and Regional Revitalization

TAKII Kazutaka
Managing Executive Officer
Co-Head of JA and JF Business Support

UTSUMI Tomoe
Managing Executive Officer
Head of Operations
Chief Diversity Officer

KAWASHIMA Kenji
Managing Executive Officer
Chief Administrative Officer/Chief Strategy Officer

Audit & Supervisory Board (As of July 1, 2024)

ITO Akiko

IWASO Satoshi

MUROI Masahiro

SAKAI Hiroyuki

TOCHIO Masaya

Note: Of the Audit & Supervisory Board Members, MUROI Masahiro, SAKAI Hiroyuki and TOCHIO Masaya satisfy the conditions stated in Article 24-3 of the Norinchukin Bank Act.

Framework for Business Administration (Risk Appetite Framework (RAF))

Basic Approach

The business environment surrounding financial institutions is changing radically. For the Bank to maintain its high soundness and continue to meet stakeholders' expectations and perform its basic roles, the forward-looking recognition of risks and the appropriate risk controls, as well as risk-taking in a disciplined manner, are increasingly important.

To implement such measures, the Bank has introduced the Risk Appetite Framework (RAF) for business administration. Under the RAF, the Bank aims to achieve the goals of the priority strategies and initiatives and works to foster and disseminate a sound risk culture that supports its business administration framework.

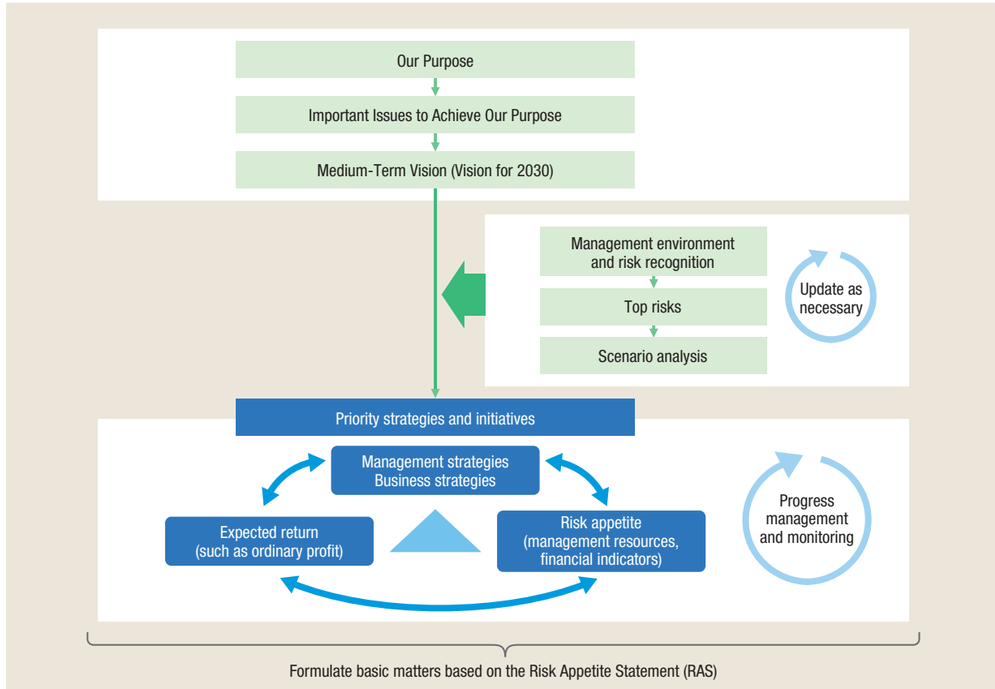
Risk Appetite Framework (RAF)

The Bank's RAF is a "framework for business administration leading to disciplined risk taking and optimizing the balance between risk and return" by clarifying the Bank's management strategies, business strategies, expected return (types and amounts of return that are set as goals), and risk appetite (types and amounts of risks that the Bank is willing to take or are acceptable to the Bank, and optimal management resources) and managing them in an integrated manner. Under the RAF, with the aim of an optimal balance between risk and return, the Bank further improves its soundness while adjusting to changes in the surrounding environment.

Implementation of the RAF

The Bank issues its Risk Appetite Statement, formulates, and documents the basic matters related to implementation of the RAF. To formulate management fields, based on the Risk Appetite Statement, the Bank identifies the "Top Risks" (risk events to which the Bank needs to pay special attention in the future), considering the management environment and risk recognition, and analyzes scenarios of risk events that could happen in the future. Based on the analysis results, the Bank clarifies the expected return from the implementation of the management strategies and business strategies as well as the risk appetite and formulates management fields. In addition to clarifying the policies for managing expected return and risk appetite, the Bank sets the Key Goal Indicators (KGIs) and Risk Appetite Indicators. During a fiscal year, while updating the information on the management environment and risk recognition, the Bank monitors the status of management strategies, business strategies, and expected return, as well as the risk appetite, and reviews them if necessary. Thus, the RAF is implemented with the PDCA cycle of initiatives.

Outline of the RAF



Examples of Top Risks

Risk events	Risk scenario (example)
Deterioration of financial standing and earnings due to rising and persistently high long-term and short-term interest rates	Decline in profitability and destabilization of the financial base due to interest-rate fluctuations
Rising inflation	Negative impact on the business base due to continued global inflation
Occurrence of damages caused by cyberattacks	Long-term suspension of customer services caused by damage to systems, payment of large amounts of damage compensation, and damage to the Bank's reputation
Climate change, biodiversity, and other sustainability-related issues	Deterioration of the financial base and reputation, loss of stakeholders, and adverse effect on the AFF industries and local communities due to the delayed implementation of measures to address environmental issues such as climate change and biodiversity
Weakening of the business base due to a decline in customers	Customer turnover leading to shrinkage of the Bank's business base due to not capturing the changing needs of customers amid increasingly severe competition and aging populations

Note: Please note that the above are a portion of the risks the Bank has identified to date.

Risk Culture

Corporate culture has a multifaceted nature that is formed collectively by the organizational norm of behavior, sense of value, and/or habits that are built on the thoughts and behavior of each officer and employee of the organization. At the same time, as a financial institution with social responsibility, it is necessary to ensure profitability through a certain level of risk taking to maintain its soundness and continue to fulfill its responsibilities consistently. To this end, it is especially important for the appropriate implementation of the RAF that officers and employees throughout the organization share the risk culture concerning risk recognition, risk taking, and risk management.

The Bank fosters a sound risk culture throughout the organization by defining and internally disseminating the Code of Conduct, so that all officers and employees of the Bank can always act with a mind-set to establish and maintain trust with diverse stakeholders.

Compliance

Compliance Initiatives

Basic Compliance Policies

As a financial institution whose business is founded first and foremost on trust and confidence, the Bank recognizes that the creation of an enhanced and more effective compliance framework is an increasingly important management objective, especially considering strong public criticism of corporate and other organizational improprieties and the significant public expectations of corporations today.

As a global financial institution that plays a central role in Japan's financial system, and the national-level financial institution serving as the umbrella organization for JA Bank and JF Marine Bank, the Bank is committed to fulfilling its basic mission and social responsibilities. To prove itself worthy of its customers' and members' trust and expectations considering changes in the social and business environment, the Bank continues its unceasing efforts in the area of compliance by managing its business in accordance with societal norms, for instance, by fully complying with laws and regulations based on the principle of total self-reliance. We are also constantly working to achieve a higher degree of transparency by emphasizing proper disclosure and accountability.

As part of this effort, the Bank has defined its basic compliance policy in its Code of Ethics, Environmental Policy, and Human Rights Policy. In addition, the Bank disseminates the Code of Conduct to all officers and employees to show the criteria for judgment and action to ensure good faith and fair execution of duties as a prerequisite for business operations and advises specific ways of thinking to put the Shared Values into action. These measures will ensure that compliance awareness is thoroughly understood and practiced by all officers and employees as they go about their daily business. In addition, internal audits are conducted regularly concerning the adequacy of the Bank's efforts, including those to ensure compliance and to instill a sound risk culture. In response to recent growing societal demand for greater customer protection, based on its Customer Protection Management Policy, the Bank has taken steps to reinforce its management systems as part of its compliance efforts aimed at winning customer trust. These steps include providing explanations to customers, handling customer complaints and inquiries, managing customer information, managing contractors in the case of outsourcing customer-related business, and managing transactions that might involve a conflict of interest with customers.

Compliance Activities Directly Linked to Management

The Bank's compliance framework comprises the Compliance Committee, the Compliance Division (Legal Affairs and Compliance Division), Legal Affairs and Compliance Officer, and the management divisions of relevant businesses, as well as personnel responsible for compliance, those in charge of compliance, and compliance leaders assigned to the Bank's divisions and branches. The Compliance Committee has been established as a body under the Board of Directors to deliberate on the Bank's basic compliance issues. Topics of high-level importance discussed by the Compliance Committee are subsequently approved by or reported to the Board of Directors.

In addition, the Subcommittee for Anti-Money Laundering / Counter Financing of Terrorism and the Human Rights Subcommittee, which are subcommittees under the Compliance Committee, are working to enhance discussions on the compliance framework and strengthen the PDCA cycle pertaining to the operation of the framework.

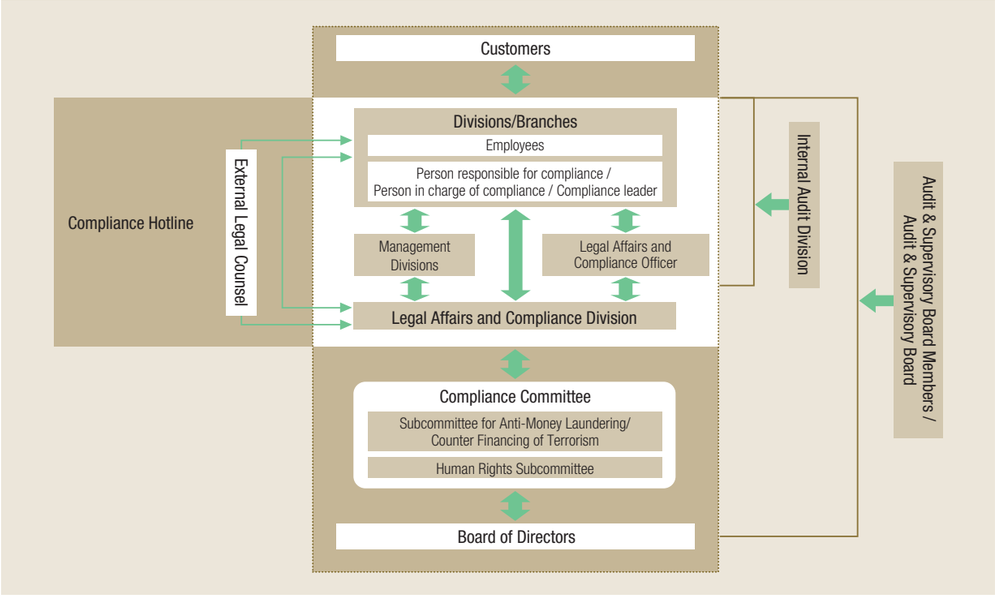
The Bank also has clarified its efforts to disseminate a sound risk culture and systematically prevent inappropriate behavior as part of its risk handling policy in the RAF.

Please review the Code of Ethics here:
https://www.nochubank.or.jp/en/about/ethics.html

Compliance Practices within the Bank

The Bank's compliance framework at branches and divisions is based on the combined efforts of each employee, primarily centered on the General Manager of each branch or division and other equivalent persons who are responsible for compliance, together with a person in charge of compliance and a compliance leader. Directly appointed by the General Manager of the Legal Affairs and Compliance Division, persons in charge of compliance oversee all compliance-related matters at their branches or divisions. They are expected to handle requests for advice or questions from other members of staff, to organize branch or divisional training and educational programs, and to liaise with, report to, and handle requests to the Legal Affairs and Compliance Division.

Compliance Framework



Legal Affairs and Compliance Officers appointed in the Food & Agri Banking Business, the Retail Banking Business, the Global Investments, and the Corporate & Shared Services headquarters have been responsible for supporting each headquarters' operations from the aspect of compliance.

The Legal Affairs and Compliance Division, supervising overall compliance activities, acts as the secretariat for the Compliance Committee. It strives to strengthen the Bank's compliance framework by conducting compliance reviews, responding to requests from branches and divisions for compliance-related advice, and conducting compliance monitoring, which includes visiting branches and divisions to verify their compliance practices directly while providing guidance.

The Legal Affairs and Compliance Division has also installed the Compliance Hotline to enable officers and employees to report on compliance issues by phone, email, or other means. The Compliance Hotline offers several contacts to report to the Legal Affairs and Compliance Division or outside lawyers while enabling the reporter to choose anonymity or non-anonymity. When a compliance issue is reported, the Bank maintains close contact with the whistle-blower, makes necessary improvements, and implements corrective measures. The Bank's compliance operation prioritizes protecting whistle-blowers such as prohibiting disadvantageous treatment of a whistle-blower and keeping the information of reported content secret. These are necessary efforts to improve officers' and employees' trust in the Bank.

The Legal Affairs and Compliance Division supervises compliance activities in the area of customer protection as well and ensures that branches and divisions are practicing compliance while collaborating with other related divisions.

Compliance Program

Each fiscal year, the Bank institutes a Compliance Program incorporating its management frameworks for compliance and customer protection, as well as promotion of initiatives, education, and training plans for them. The Legal Affairs and Compliance Division implements the Compliance Program and monitors its progress to further reinforce the Bank's compliance framework.

Cooperation with Group Companies

The Bank is taking steps to strengthen the compliance systems of the entire Norinchukin Group by promoting a common awareness of compliance issues discussed at regular meetings with compliance divisions of its group companies.

Cybersecurity

Information Security Initiatives

The Bank utilizes a variety of information obtained during transactions with customers, etc., for various kinds of operations. Amid the increasingly diverse environments and purposes for information handling due to the rapid progress and evolution of information technology, the Bank is focused on information security measures to protect and manage customers' information appropriately.

The Bank's Board of Directors has the ultimate responsibility for establishing and maintaining an information security management system. The Bank works systematically to enhance its information security, which is led by the Legal Affairs and Compliance Division with overall responsibility for information security planning, promotion, and progress management, together with the persons responsible for information security (General Managers) and other personnel in charge of information security of each branch or division. Also, important matters related to the improvement of the information security management frameworks are discussed mainly at the Operational Risk Management Committee.

Regarding the handling of personal information, the Bank has set out the Personal Information Protection Declaration and has established the security framework that complies with Japanese legal requirements as a Personal Information Handling Business Operator and Person in Charge of a Process Related to an Individual Number as defined under "Act on the Protection of Personal Information." For all employees, the Bank provides trainings on the appropriate handling of personal information to raise their awareness of the handling of customers' personal information. The Bank's policy extends to suppliers (outsourcing contractors) to ensure their appropriate personal information management in case outsourced work involves personal information. Specifically, the Bank's "Basic Policies for Risk Management" stipulates that processes and contractual relationships must be established to ensure the same level of risk management as if the Bank were performing the tasks internally.

Overseas, the Bank has established a privacy policy applicable to the Bank's London Branch and Norinchukin Bank Europe N.V., as well as a privacy policy for residents in the United States.

Cybersecurity Initiatives

The Bank is strengthening its cybersecurity measures as it recognizes the threat of increasingly sophisticated and intricate cyberattacks as an important managerial risk.

Basic Policy on Cybersecurity

The Bank has established a basic policy for cybersecurity management in the Basic Regulations on Cyber Security to minimize the risk of cyber incidents causing damage to the Bank's customers and/or disrupting the Bank's operations or the financial system as a whole.

Cybersecurity Structure

As for organizational structure, we designate the Director in charge of the IT & Systems Planning Division as the "Chief Cyber Security Officer" to clarify roles and responsibilities regarding cyber risks. Under the supervision of the Chief Information Security Officer, various measures are promoted, led by the IT & Systems Planning Division in charge of cybersecurity.

The occurrence of cyber incidents, threat trends and the status of cybersecurity measures in place are regularly reported to the Board of Directors and other management-level meetings such as the Business Infrastructure Committee and the Operational Risk Management Committee, where cybersecurity policies are discussed.

Within the IT & Systems Planning Division is a team specializing in cybersecurity called the Computer Security Incident Response Team (CSIRT). The Bank's CSIRT works closely with the SOC, or Security Operation Center, which is staffed by an external security vendor, and monitors events that could be a sign of a cyber incident 24 hours a day, 365 days a year, thereby preparing for an initial response when a cyber incident occurs. The CSIRT also collaborates with the government, law enforcement agencies, and various organizations such as ISAC to gather information on cyberattack tactics and new vulnerabilities and to strengthen countermeasures.

Furthermore, to ensure cyber resilience, the Bank established procedures and contingency plans for responding to cyber incidents and confirms the roles and procedures of each department through periodic incident response exercises.

Cybersecurity Management Process

Regarding the confidentiality, integrity, and availability of its information systems, the Bank assesses system risks based on the Security Guidelines on Computer Systems for Banking and Related Financial Institutions and other information from the Center for Financial Industry Information Systems ("FISC"), and implements necessary control measures.

As a cross-organizational cybersecurity management process, the Bank organizes cybersecurity programs in accordance with NIST's Cybersecurity Framework from the perspectives of "identify," "protect," "detect," "respond," and "recover," and reviews necessary measures based on external threats such as changes in attackers' tactics and internal vulnerabilities.

The effectiveness of these cybersecurity management efforts is confirmed through annual internal and external audits, as well as vulnerability assessments and penetration tests.

Education on Cybersecurity

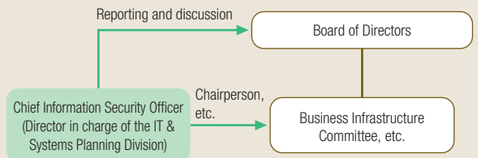
The Bank provides education for different purposes to improve the knowledge and awareness required of each of its officers and employees.

- E-learning for all officers and employees to acquire basic knowledge of security
- Newsletters for presenting cybersecurity-related articles to raise awareness of cybersecurity among all officers and employees
- Suspicious e-mail training for all officers and employees to increase their awareness of and readiness for targeted e-mail attacks
- Lectures by experts to improve the knowledge on cybersecurity of officers
- Incident response training for officers and staff of relevant departments to confirm response procedures in the event of a cyber incident
- Training by external experts to improve CSIRT's forensic skills

The Bank also established an external qualification incentive program to develop cybersecurity specialists and improve their professional skills.

Cybersecurity Structure

- The Board of Directors has ultimate responsibility for cybersecurity.
- The Director in charge of the IT & Systems Planning Division shall be the Chief Officer for cybersecurity.
- Important matters related to cybersecurity shall be reported to and discussed with the Business Infrastructure Committee, etc.
- The Corporate Design Division, the Legal Affairs and Compliance Division, and the IT & Systems Planning Division will work together to review the cybersecurity management system.
- The CSIRT will be set up within the IT & Systems Planning Division to respond to cyber incidents.
- The person responsible for incident response at the branch or division where the incident occurred shall be the General Manager of the branch or division.



IT & Systems Planning Division CSIRT
- Planning and promotion of cybersecurity

CSIRT Meeting
(working-level)

Information system service providers and persons in charge of system development and operation *
- Implement appropriate cybersecurity measures for the services provided

(*) IT & Systems Planning Division, Nochu Information System Co., Ltd. and the Bank's other divisions responsible for outsourcing specific information systems

Legal Affairs and Compliance Division
- Information security oversight
- Operational risk management oversight

Corporate Design Division
- Crisis management response
- Public relations handling
- Corporate planning
- Cooperation with Group companies

In addition, when divisions and branches participate in the development of a cybersecurity management system, they will participate in working-level coordination.
(e.g., strengthening measures against fraudulent remittances at online banks)

Stakeholder Communication

Basic Approach 〉 In order to archieve our Purpose, we practice the following communication to continue providing value to our stakeholders.

Our stakeholders		Main values we offer	Main communication methods
Members of JA, JF, JForest, etc. (3,232 organizations in total)	• JA, JF, JForest and other federations including various cooperative systems	▪ Stable returns as the ultimate manager of funds ▪ Planning and provision of various measures, system infrastructure, unified administrative procedures, etc. as the national-level organization of JA Bank and JF Marine Bank ▪ Support for growth and resolution of issues through the Bank's financial services, knowledge, and domestic and international networks	▪ Direct dialogue on a daily basis ▪ Discussions and exchanges of opinions at decision-making bodies, meetings, etc. (Council of Delegates, Supervisory Committee, JA Bank Headquarters Committee, JF Marine Bank Headquarters, etc.) ▪ Holding events to provide information and interaction among members
Individual cooperative members (i.e., people working in the AFF industries) Local communities	• Workers in AFF industries • Local residents, companies and organizations	▪ Supporting business activities and promoting income growth through measures coordinated with members ▪ Providing financial services as a member of JA Bank and JF Marine Bank to resolve issues and support life planning ▪ Contributing to solving local problems and revitalizing local communities	▪ Interaction through members ▪ Direct dialogue each time ▪ Holding events such as business meetings and seminars ▪ Dissemination of information through the home page, etc.
Our clients (deposit and savings, loans) including agriculture, fishery and forestry-related companies	• Agriculture, fishery and forestry-related companies • General companies, etc.	▪ Support for growth and resolution of issues through the Bank's financial services, knowledge, and domestic and international networks ▪ Realization of collaboration utilizing the foundations of the JA, JF and JForest Groups	▪ Direct dialogue through sales activities ▪ Engagement activities to enhance corporate value of business partners ▪ Holding events such as business meetings and seminars ▪ Dissemination of information through the home page, etc.
Investors	• Domestic and foreign institutional investors • Investors in U.S. dollar-denominated Norinchukin Bank debentures (green bonds), etc.	▪ Providing high quality (high credit) investment opportunities ▪ Providing financing opportunities for the Bank's climate change initiatives	▪ Holding meetings and briefings with overseas investors ▪ Dissemination of information through the home page, etc.
Business partners	• Financial institutions • Market participants • Contractors, etc.	▪ Support for growth and resolution of issues through the Bank's financial services, knowledge, and domestic and international networks	▪ Direct dialogue during business collaboration ▪ Interaction through industry organizations ▪ Dissemination of information through the home page, etc.
Governments and municipalities	• Competent ministry • Local governments, etc.	▪ Contributing to the transformation of the food and AFF industries into growth industries, and regional revitalization ▪ Realization of collaboration utilizing the Bank's financial services, knowledge, and domestic and international networks, as well as the foundations of JA, JF, and JForest Groups	▪ Direct dialogue through external relations activities ▪ Dissemination of information through the home page, etc.
Norinchukin Group employees	• Group employees	▪ Providing a work environment that gives a sense of satisfaction and achievement ▪ Providing career development and growth opportunities for officers and employees ▪ Realization of diverse work styles according to lifestyles	▪ 1-on-1 meetings between supervisors and subordinates, and interviews between officers and employees ▪ Conducting various training programs, seminars, briefings, etc. ▪ Conducting the survey on employee engagement ▪ Dissemination of information through internal PR measures

Data Collection

Key Financial Data (5 years)

(100 million yen)

Performance Summary (Consolidated)	FY2019	FY2020	FY2021	FY2022	FY2023
Ordinary Income	15,445	13,588	12,423	21,775	30,180
Ordinary Profit	1,229	3,100	2,385	404	1,342
Profit Attributable to Owners of Parent	920	2,082	1,846	509	636
Comprehensive Income	–1,111	7,698	–5,516	–14,793	–11,685
Balance Sheet Summary (Consolidated)					(100 million yen)
Assets (Total Assets)	**1,054,820**	**1,076,478**	**1,061,383**	**945,049**	**998,048**
Loans and Bills Discounted	200,588	221,025	233,418	174,141	175,992
Securities	545,332	480,938	467,485	397,257	438,002
Liabilities	**982,203**	**996,922**	**988,436**	**888,314**	**953,645**
Deposits	656,390	656,521	640,098	638,094	628,586
Negotiable Certificates of Deposit	24,069	31,002	21,409	22,964	23,822
Debentures	7,844	3,554	3,602	4,540	3,795
Net assets	**72,616**	**79,555**	**72,946**	**56,735**	**44,403**
Paid-in Capital	40,401	40,401	40,401	40,401	40,401
Capital Surplus	249	249	233	233	233
Retained Earnings	20,135	21,465	22,366	21,546	21,542
Capital Adequacy Ratio (Consolidated)					(%)
Common Equity Tier 1 Capital Ratio	19.49	19.86	17.87	17.82	16.43
Tier 1 Capital Ratio	23.02	23.19	21.22	21.98	21.18
Total Capital Ratio	23.02	23.19	21.23	22.03	21.23

Note: The calculation of the Bank's Consolidated BIS Capital Adequacy Ratio is based on the formula found in Notification No. 4 of the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries (Standards for Judging the Soundness of Management of the Norinchukin Bank) issued in 2006.

Non-financial Highlights

Reduce financed GHG emissions

GHG emissions from the investment and loan portfolio		FY2019 (base year result)	FY2021 (results)	FY2030 (target)
Lending	Electric utilities	213 gCO_2e/kWh	209 gCO_2e/kWh	138-165 gCO_2e/kWh
	Oil and gas (Scope 1 and 2)	8.9 gCO_2e/MJ	14.5 gCO_2e/MJ	3.1 gCO_2e/MJ
	Oil and gas (Scope 3)	0.51 Mt CO_2e	0.20 Mt CO_2e	–27.3% compared to FY 2019
	Coal	Implement response and engagement in accordance with the investment and finance sector policy		
	Iron and steel	1.99 tCO_2e/t	2.06 tCO_2e/t	1.54-1.73 tCO_2e/t
Investment	Stocks and bonds	0.66 tCO_2e/million yen	0.54 tCO_2e/million yen	–49% compared to FY2019

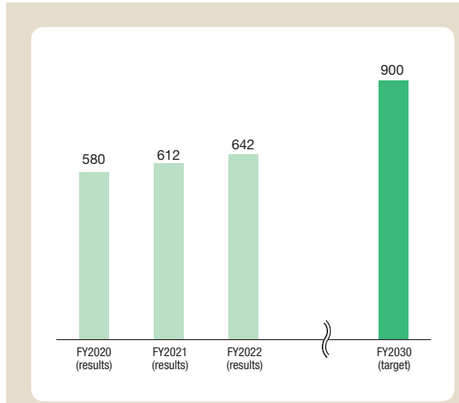
Measures based on "Policy on Environmental and Social Initiatives in Financing and Investment Activities"

	As of March 31, 2024 (results)	As of March 31, 2040 (expected)
Balance of investments and loans for coal-fired power generation	¥39.0 billion	Zero

Note: Balance based on exchange rates as of March 31, 2024

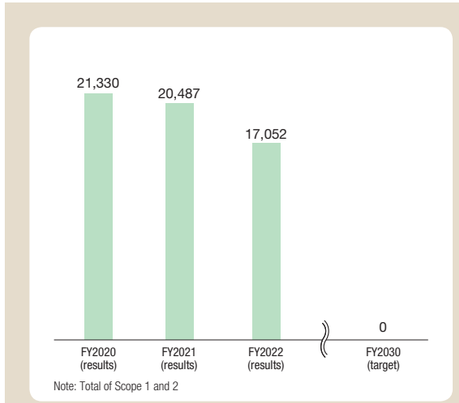
Secure the amount of the forest carbon sink in cooperation with JForest members

(10,000 tCO_2)



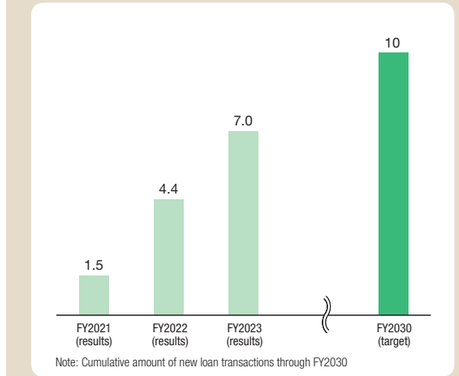
Reduce GHG emissions by the Norinchukin Group itself

(tCO_2)



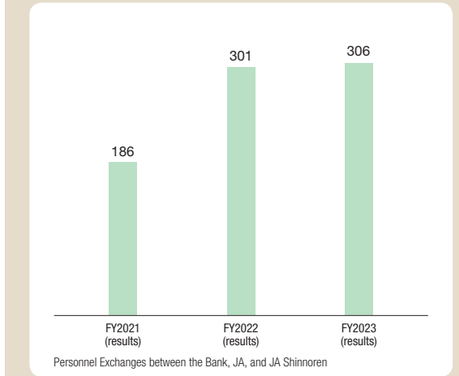
Execution of new sustainable finance

(Trillion yen)



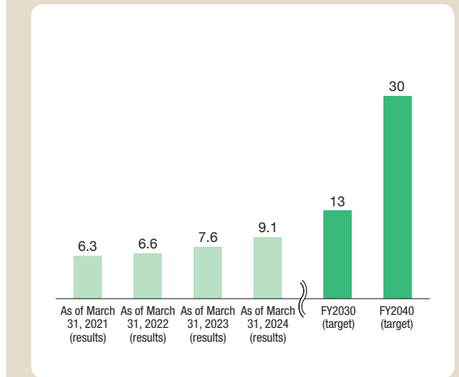
Number of consultations provided by JA Bank

(Cases)



Share of women in managerial positions

(%)



Rate of parental leave taken by male employees

(%)

Corporate Outline

Name	The Norinchukin Bank
Legal basis	The Norinchukin Bank Act (Act No. 93 of 2001)
Date of establishment	December 20, 1923
Chairman of the Supervisory Committee	YAMANO Toru
President and Chief Executive Officer	OKU Kazuto
Paid-in capital	¥4,040.1 billion (US$26.7 billion) (As of March 31, 2024) *All capital is from private parties (members).
Total assets (On a consolidated basis)	¥99,804.8 billion (US$659.6 billion) (As of March 31, 2024)
Capital ratio (On a consolidated basis, Basel III standard)	Common Equity Tier 1 Capital Ratio 16.43% (As of March 31, 2024) Tier 1 Capital Ratio 21.18% (As of March 31, 2024) Total Capital Ratio 21.23% (As of March 31, 2024)
Members	Japan Agricultural Cooperatives (JA), Japan Fishery Cooperatives (JF), Japan Forest Owners' Cooperatives (JForest), and related federations, as well as other agricultural, fishery and forestry cooperative organizations that have invested in the Bank (Number of shareholders: 3,232) (As of March 31, 2024)
Number of employees	3,314 (As of March 31, 2024)
Business locations	(In Japan) ▪ Head office: 1 ▪ Branch: 18 (Overseas) ▪ Branch: 3 ▪ Representative office: 1

(As of April 1, 2024)

Ratings (As of March 31, 2024)

Rating agency	Long-term debt	Short-term debt
S&P	A	A-1
Moody's Investors Service	A1	P-1

Contact Information

Head Office
2-1, Otemachi 1-chome, Chiyoda-ku, Tokyo 100-8155 Japan
URL: https://www.nochubank.or.jp/en/
SWIFT: NOCUJPJT

For Domestic Inquiry (Japan)
- The Bank's consultation and complaints reception desk:
  03-3279-0111

- Designated ADR organization under the Norinchukin Bank Act with which the Bank contracts:
  Japan Bankers Association Customer Relations Center:
  0570-017109, 03-5252-3772
  https://www.zenginkyo.or.jp/en/adr/foreign-languages/

- Financial Instruments Mediation Assistance Center (FINMAC):
  https://www.finmac.or.jp/english/

- JA Bank / JF Marine Bank Consultation Center (Japanese only):
  03-6837-1359 (matters related to JA Bank)
  03-6631-3226 (matters related to JF Marine Bank)

- Other ADR centers operated by Bar associations in Japan (in Japanese)
  https://www.nochubank.or.jp/pdf/20220406_lawyer.pdf

For Overseas Inquiry (United States; in English and Spanish)
- New York Branch External Whistleblower Hotline (open 24 hours a day, 7 days a week):
  Website: www.lighthouse-services.com/nochubank
  Telephone: 833-490-0007 (English, not available from Mexico)
  800-216-1288 (Spanish, from Mexico, dial 001-800-216-1288)
  E-mail: reports@lighthouse-services.com (must include Norinchukin's name with report)
  Fax: 215-689-3885 (must include Norinchukin's name with report)

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