Solving Environmental and Social Issues Through Sustainable Finance

Norinchukin Bank Sustainable Finance Goals

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

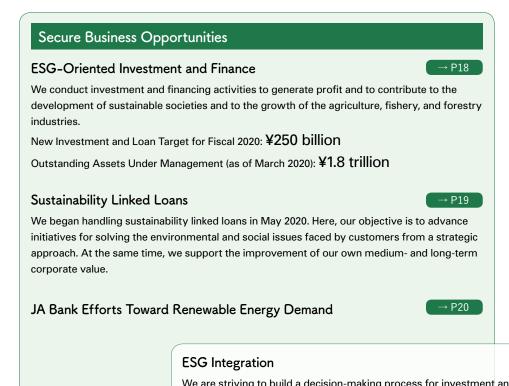
I Sustainability Management at the Norinchukin Bank

pursuing sustainability in society (including the agriculture, fishery, and forestry industries) and our business activities. Our main contribution to this goal is through sustainable

We approach sustainable finance through the dual aspects of securing business opportunities and engaging in risk

management.

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



Risk Management Environmental and Social Risk Management (ESRM) → P21 We have built an ESRM framework to assess and manage environmental risks and social risks prior to making investment and financing decisions for individual customers and projects. ■ The ESRM Framework Risk Assessment and Management Process Managed Sources of Risk Risk **Due Diligence Process** Life of Investment/Loan Environ-By Sector Sector Policies mental Issues Credit Risk/ (E) Stranded Βv Monitoring Asset Risk **ESG** Integration Counterparty **ESG** Incident Social Issues Reputation By Project **Equator Principles** (S) Risk → P18 · 21 We are striving to build a decision-making process for investment and loan decisions that integrates a recognition of environmental and social risk into credit decisions based on the traditional financial risks evaluation process. This framework is a tool not only for internal controls, but also for engaging in dialogue with customers based on non-financial information.