

## Realization of a Sustainable Society

As a financial institution based in the agriculture, fishery, and forestry (AFF) industries, the Bank has placed sustainability at the core of its management activities and is advancing related initiatives across the entire organization. We are strengthening governance through such measures as establishing a statement of purpose and forming a Sustainability Advisory Board, while also actively participating in international rule-making as a member of the Task Force on Nature-related Financial Disclosures (TNFD). Through employee capacity building exercises and other initiatives, we are working to integrate sustainability into our business and create added value throughout the entire value chain of the agriculture, forestry, and fisheries industries. Going forward, we will continue to promote sustainable management by leveraging our strengths as a financial institution and collaborating with a wide range of stakeholders to realize a sustainable society.



**KAWASHIMA Kenji**

Managing Executive Officer  
(Business Administration Unit)  
Chief Strategy Officer  
Co-Chief Sustainability Officer  
(Co-CSuO)

**TSUCHIDA Tomoko**

Managing Executive Officer  
(Value Chain Unit)  
Co-Head of Food & Agri  
Banking Business  
Co-Chief Sustainability Officer  
(Co-CSuO)

## Sustainability Management Governance

### Fundamental approach to sustainability management

Intensifying climate change and the loss and degradation of nature are affecting economic activity and people's lives. As a financial institution rooted in the AFF industries while investing and lending globally on, we aim to make a positive environmental, social, and economic impact in the course of our business activities and are addressing related risks and business opportunities.

### Sustainability Promotion Structure

The Sustainability Management Committee was established under the Board of Directors to discuss issues related to sustainability management, as well as determining overall sustainability-related policies. Discussion topics are submitted and reported to the Board of Directors and the Supervisory Committee if necessary.

In addition, we have established a Sustainability Advisory Board as an advisory body to the Board of Directors to facilitate consultation with external experts and reflect their opinions in our efforts to enhance sustainability management.

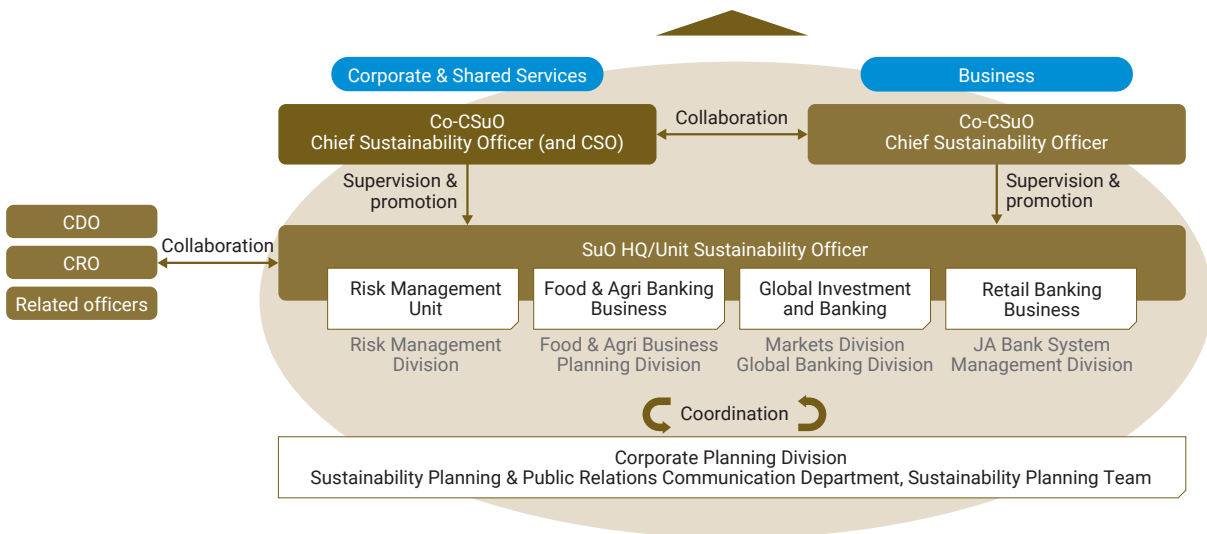
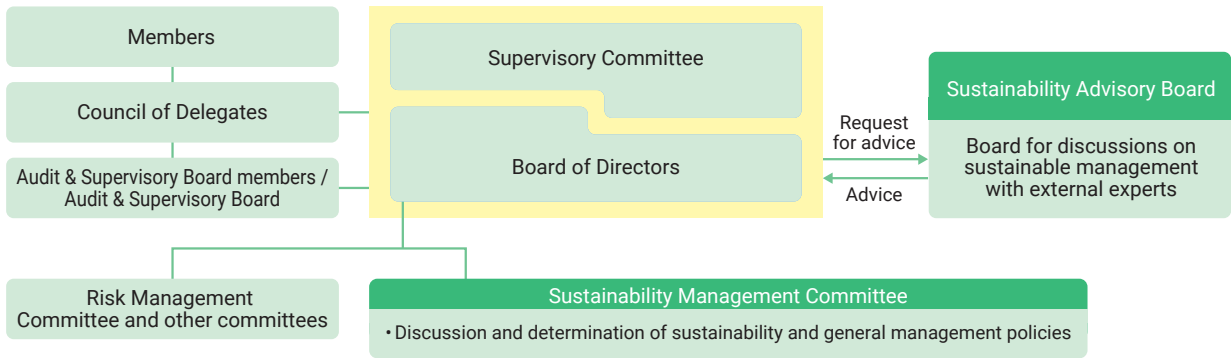
We have appointed two executive officers as Chief Sustainability Officers (Co-CSuO) to oversee and promote sustainable management. Moreover, to strengthen sustainability management across the organization, we have assigned each headquarters/units Sustainability Officers (SuO), who are responsible for advancing initiatives for each headquarters in accordance with the organization's policies and strengthening collaboration among headquarters/units.

\*The former Sustainability Committee performs this function until end of FY2024.

Meeting	Number of meetings in fiscal 2024	Chair, main members, etc.	Main agenda
<b>Sustainability Advisory Board</b>	2	Main members: Four external experts* (President and Co-CSuO of the Bank attend)	<ul style="list-style-type: none"> <li>Transition strategies for the food and agriculture value chains</li> <li>Future development of sustainable businesses, etc.</li> </ul>
<b>Sustainability Committee</b>	2	Main members: Relevant executives, division managers, etc.	<ul style="list-style-type: none"> <li>Initiatives and business performance (sustainability-related initiatives)</li> <li>Setting GHG-reduction targets for investment and loan portfolios (real estate, automotive, shipping sectors)</li> <li>Initiatives to increase farmer's income</li> <li>Agriculture-related human rights initiatives</li> </ul>

\* Refer to page 75 for External members of the Sustainability Advisory Board.

### Promotion Structure



### Sustainability Talent Development

Trends are evolving quickly in the sustainability domain, which encompasses a wide range of issues, including climate change, natural capital, biodiversity, human rights, and human capital. We invite external lecturers to participate in a Sustainability Roundtable, which brings together Chief Sustainability Officers and other relevant executives and staff to learn and exchange opinions on how to respond to business opportunities and risks related to sustainability. (Eight sessions were held in fiscal 2024.) In addition, we held bottom-up workshops with the Food & Agri Banking Business and Global Investment and Banking to discuss future opportunities for reviewing and promoting measures and objectives on our way to achieving our Vision for 2030.

Furthermore, we hold annual environmental and human rights training for all staff, provide sustainability training tailored to members of each staff layer, and disseminate information through our internal portal to promote organizational awareness of sustainability issues such as climate change and biodiversity and, thereby, ensure capacity-building that benefits our officers and employees.

### Current Challenges and Direction of Responses

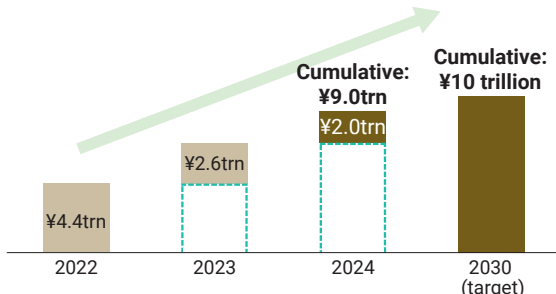
<b>Current Challenges</b>	<ul style="list-style-type: none"> <li>• In addition to decarbonization and nature positivity, it is essential to promote a transition across the entire food and agriculture value chain, from upstream to downstream, in order to enhance the sustainability of the industry as a whole.</li> <li>• We recognize the challenges involved quantitatively accessing environmental and social impacts of the Bank's initiatives, including sustainable finance, particularly in visualizing relationships and establishing appropriate evaluation metrics.</li> <li>• As staff across various business units engages in sustainability-related activities, it is essential to elevate the overall knowledge, awareness, and response capabilities of the entire organization.</li> </ul>
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<b>Direction of Responses</b>	<ul style="list-style-type: none"> <li>• Starting from the creation of impact toward the realization of sustainable food, agriculture, forestry and fisheries, we aim to identify challenges and develop concrete solutions by taking a comprehensive view of the entire food and agriculture value chain.</li> <li>• While steadily advancing efforts to achieve our sustainable finance target, we will also continue initiatives such as visualizing the environmental and social impacts of our financing / investing activities. In addition, we plan to review and update our sustainable finance target.</li> <li>• Promoting organization-wide understanding and expanding capacity building through training programs and e-learning for staff.</li> </ul>
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## Sustainable Finance Initiatives

In response to the environmental and social concerns described in our document, "Important Issues to Achieve Our Purpose," we have set a target of ¥10 trillion in new sustainable finance (cumulative from fiscal 2021 through fiscal 2030).

### New sustainable financing totals by fiscal year



### Breakdown of cumulative new execution amount (approx. 9.0 trillion yen)

Investment and loans	Marketable assets, etc. Equity funds (domestic and foreign), international agency bonds, IG funds, etc.	¥5.3trn (approx.)
	Project finance Finance for renewable energy projects and water treatment/schools/hospitals and other social projects, etc.	¥2.0trn (approx.)
Procurement	Loans Green loans, sustainability-linked loans, transition loans, etc.	¥1.3trn (approx.)
	Green bonds and green deposits	¥0.4trn (approx.)

## Initiatives for Creating Impact

To fulfill our purpose and resolve important issues, the Food and Agriculture, Retail, and Investment businesses work to generate appropriate economic returns through investment, lending, and engagement, while supporting our investee's and other stakeholder's initiatives that mitigate negative environmental and social effects and creating positive impact.

### Generating impact by financing food and agriculture-related companies

Positive Impact Finance (PIF) is a form of financing that analyzes and evaluates the holistic impact of corporate activities on society, the environment, and the economy, sets indicators and targets, and emphasizes continuous engagement through monitoring of progress.

Valor Holdings Co., Ltd. (hereinafter "Valor") operates supermarkets, home improvement stores, drugstores, sports clubs, and so on. In its Sustainability Vision 2030, Valor prioritizes the sustainability of its business activities and the proper management of their social and environmental impact and conducts various sustainability activities that contribute to the environment, local communities, and the people.

In the course of this financing, we have comprehensively evaluated and set impact KPIs for a range of sustainability initiatives, including fostering connections with local communities through business activities, supporting children who will shape the future, and preserving environmental resources for upcoming generations. This is the first PIF project\* for both the Bank and Valor and, as a financial institution with strengths in the AFF industries, we will support Valor in achieving its KPIs and realizing its vision of creating a sustainable society for children a century from now.

\* Impact analysis, evaluation, and KPI setting were conducted by the Bank.

### Key impact KPIs

#### Extending positive impact

Increase the number of health-promotion projects undertaken by 30% from fiscal 2023 through fiscal 2030

Install at least 300 food drive posts by fiscal 2026

Partner with at least 120 children's support organizations by fiscal 2026

Reemploy at least 700 retired people over a seven-year period starting in fiscal 2024

Obtain certification as a Nationally Certified Sustainability Managed Natural Sites for Omori no Komichi by fiscal 2025

#### Reducing negative impact

Achieve 40% reduction in greenhouse gas emissions in the supply chain by fiscal 2030 (versus fiscal 2019)

Reach zero greenhouse gas emissions in the supply chain by 2050 (versus fiscal 2020)

Increase the volume of renewable resources collected by 30% by fiscal 2030 versus fiscal 2024

Reduce food waste by 45% by fiscal 2029 compared with fiscal 2016

Reduce the percentage of employees with work restrictions by 5 points by fiscal 2030 compared with fiscal 2023

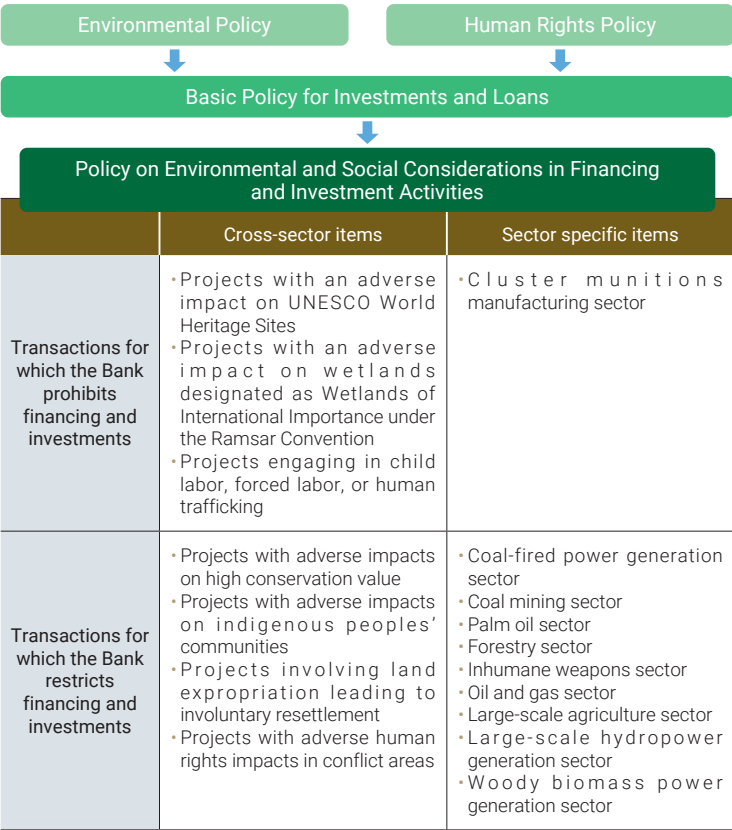
## Enhancement of environmental and social risk management

In order to properly implement a companywide risk management regime, the Bank has established its Basic Risk Management Policy, which defines the fundamental framework for recognizing and managing various types of risk and establishes and maintains a management system and methods for doing so. As described in the policy, the main risks managed by the Bank relate to credit, markets, and liquidity as well as model risk and operational risk. Environmental and social risks are also managed and controlled within each of these risk categories in accordance with their individual characteristics.

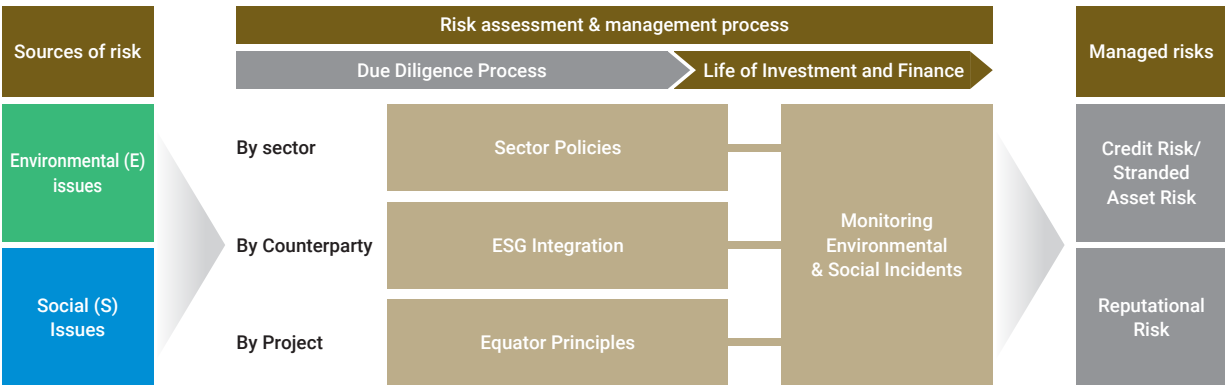
Under our Environmental and Social Risk Management (ESRM) framework, the front-line department assesses environmental and social risks, and the risk management department exercises the monitoring and checking function. In addition, an internal escalation process for decision-making at the management level on an as needed basis is established. We will work on enhancing our ESRM framework in a phased manner, aiming to incorporate the framework into integrated risk management.

In addition, we have established an Environmental Policy and a Human Rights Policy as basic policies to resolve environmental and social issues. We have also formulated policies to take into account environmental and social consciousness when providing investment and lending to businesses that may have a significant adverse impact on the environment and society. Based on these policies, we are appropriately managing risk with suitable priority.

Furthermore, we have adopted the Equator Principles for use in monitoring whether large-scale development projects we finance give proper weight to issues involving the natural environment and local communities.



### ESRM framework



### ESG Integration in Risk Management

We are integrating credit risk management into the internal rating system we use to evaluate client's credibility. This involves qualitative evaluation based on such considerations as the use of the "ES Risk Check Sheet," a tool for assessing responses from borrowers in certain sectors—particularly those with high transition risks related to climate change—to sector-specific environmental and social risk factors. We will review and expand the sectors covered by this initiative in light of external circumstances.

## Initiatives on Climate Change and Natural Capital/Biodiversity

The Bank uses JA and JF deposits entrusted to it by people involved in agriculture, forestry, and fisheries and local communities as capital to provide loans to members, AFF operators, and companies related to AFF industries, as well as to engage in various investment and financing activities in Japan and overseas. Therefore, we recognize that our operations are closely intertwined with nature across both upstream and downstream of the value chain, and that initiatives to manage climate and nature-related risks and capture opportunities are directly linked to the sustainability of our business operations and organizational foundation.

### Our relationship with nature



Climate and nature are interrelated, and related risks and opportunities cannot be addressed separately. Therefore, the Bank is working to jointly disclose climate- and nature-related information in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD).

### Climate & Nature Report 2025

For details on our climate- and nature-related initiatives, please refer to our Climate & Nature Report (currently in Japanese only).

[Click here for the latest version.](https://www.nochubank.or.jp/sustainability/disclosure/report/)

<https://www.nochubank.or.jp/sustainability/disclosure/report/>



## Core Principles for Solving Environmental Issues

Climate

Nature

The Board of Directors of the Bank has established the Environmental Policy, which stipulates that the Bank is to contribute to solving climate change, biodiversity, and other environmental challenges through our business activities and reduce their environmental impact of such activities.

In addition, we have positioned climate change, natural capital, and biodiversity as important issues of our Medium-Term Vision (Vision for 2030) for achieving our Purpose. As a financial institution, we promote initiatives that contribute to the simultaneous resolution of these environmental challenges to ensure the sustainability of AFF industries, as well as people's lives.

### 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 fellow members.
- (2) We declare our support and participation in international standards and initiatives to address environmental issues.
- (3) We 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 that serves as the backbone of our operations.

\* Supports and adopts the TCFD recommendations and TNFD recommendations and will promote initiatives based on the spirit of the recommendations.

## Climate- and nature-related risks and opportunities

Climate

Nature

Climate-related risks can be divided into transition risks and physical risks. Transition risks are those that occur in the transition to decarbonization (e.g. increased credit costs due to changes in policies, markets, and other areas). Physical risks are further classified into acute risks (e.g. increased extreme weather events such as flooding), and chronic risks (e.g. the impact of prolonged high temperatures on agriculture and fisheries).

Nature-related risks, on the other hand, refer to the potential impact on the economy and financial system of changes in the natural environment, such as biodiversity loss and climate change. Changes in the climate and other elements of the natural environment interact recursively with the causes and effects of climate change and can affect the financial system through various mechanisms, such as the degradation of ecosystem services and changes in policies and consumer behavior.

The effects of climate- and nature-related risks, which can produce adverse effects over the short-to-long term, also present business opportunities for their resolution. We are striving to capture new business as a financial institution by supporting the transition to a decarbonized society and a society in harmony with nature through financial and other solutions.

## Overview of Initiatives for achieving Net Zero

Climate

The Norinchukin Group is aiming to achieve net zero greenhouse gas (GHG) emissions by 2050 in response to the worsening climate change. As part of this effort, the Bank is promoting various initiatives, including setting targets and engaging with its investees and other parties to reduce GHG emissions. The related initiatives are summarized and systematized in the "Transition Plan for Achieving Net Zero by 2050."

### Transition plan: Net Zero by 2050

Foundation	Purpose																								
	Environmental Policy	Important Issues to Achieve Our Purpose																							
	Commitment to Achieving Net Zero by 2050																								
	<b>Vision for 2030: Create impact for the global environment, society, and economy</b> Harnessing the power of cooperatives and finance, we aspire to continue to create positive impact toward sustainable environment, society and economy.																								
Implementation Strategy	Promoting Sustainable Business	Strengthening Risk-Management Systems																							
	<ul style="list-style-type: none"> <li>Providing decarbonization solutions to investees and borrowers</li> <li>Supporting, in collaboration with members, the maintenance and creation of environmental value in AFF industries through initiatives to reduce the environmental impact of production activities and the creation of carbon credits</li> </ul>	<ul style="list-style-type: none"> <li>Responding to environmental and social risks based on an integrated risk management framework</li> <li>Enhancing scenario analysis</li> </ul>																							
Engagement Strategy	Engagement with Investees and Borrowers	Collaboration with Diverse Stakeholders																							
	<ul style="list-style-type: none"> <li>Pursue initiatives based on transition plans and responses among borrowers</li> <li>Engagement accordingly to asset class characteristics</li> <li>Raising effectiveness and gaining insights through collaborative engagement</li> </ul>	<ul style="list-style-type: none"> <li>Collaborating with members to solve local sustainability issues</li> <li>Cooperating with industry, government, and academia</li> <li>Participating in initiatives</li> </ul>																							
Metrics & Targets	Metrics and Targets for Strategy Execution																								
	<ul style="list-style-type: none"> <li>Greenhouse gas emissions reduction by investees and borrowers Interim targets for fiscal 2030 toward Net Zero by 2050 (base year: fiscal 2019)</li> </ul> <table border="1"> <thead> <tr> <th>Lending</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td rowspan="2">Power</td> <td>Oil &amp; gas</td> <td>138 to 165 gCO<sub>2</sub>e/kWh</td> </tr> <tr> <td>Coal</td> <td>Scope 1 &amp; 2: 3.1 gCO<sub>2</sub>e/MJ</td> </tr> <tr> <td rowspan="2">Steel</td> <td>Scope 3:</td> <td>-27.3%</td> </tr> <tr> <td>Real estate</td> <td>Qualitative targets</td> </tr> <tr> <td rowspan="2">Automobile</td> <td>Shipping</td> <td>1.54 to 1.73 tCO<sub>2</sub>e/t</td> </tr> <tr> <td>Shipping</td> <td>34.1 kgCO<sub>2</sub>e/m<sup>2</sup></td> </tr> <tr> <td>Investment</td> <td>Automobile</td> <td>111 gCO<sub>2</sub>e/vkm</td> </tr> <tr> <td></td> <td>Shipping</td> <td>PCA ≤ 0%</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>Investment: 49% reduction based on economic intensity</li> <li>Increase the forest carbon sink together with JForest members: 9 million tCO<sub>2</sub>/year as of fiscal 2030</li> <li>Reduce the Norinchukin Group facility GHG emissions: Net zero by fiscal 2030</li> <li>Execution of sustainable finance: ¥10 trillion by fiscal 2030</li> <li>Investments and loans for coal-fired power generation: Zero by fiscal 2040</li> </ul>		Lending			Power	Oil & gas	138 to 165 gCO <sub>2</sub> e/kWh	Coal	Scope 1 & 2: 3.1 gCO <sub>2</sub> e/MJ	Steel	Scope 3:	-27.3%	Real estate	Qualitative targets	Automobile	Shipping	1.54 to 1.73 tCO <sub>2</sub> e/t	Shipping	34.1 kgCO <sub>2</sub> e/m <sup>2</sup>	Investment	Automobile	111 gCO <sub>2</sub> e/vkm		Shipping
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Governance	Transition Plan Governance Stance																								
	<ul style="list-style-type: none"> <li>Major policies and significant revisions of the transition plan are discussed in the Sustainability Management Committee and resolved by the Board of Directors. Progress on specific execution based on these policies and any plan adjustments are reported and resolved in the Sustainability Management Committee, with the Board of Directors and the Supervisory Committee supervising the content (annual initiatives are reflected in the compensation of executives and staff through their engagement with these initiatives).</li> <li>The Chief Sustainability Officers oversee and direct sustainability; CSuO collaborates with HQ/unit sustainability officers within the organization.</li> <li>Periodic review of the details and the progress of the transition plan, reporting to external stakeholders.</li> <li>Capacity building (awareness-raising and education)</li> </ul>																								

Roadmap for Achieving Net Zero by 2050\*1

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2030	FY2040	FY2050	
Reduction of GHG emissions by investees and borrowers	<b>Loans</b>										
	Power	213 gCO <sub>2</sub> e/kWh	217 gCO <sub>2</sub> e/kWh	209 gCO <sub>2</sub> e/kWh	208 gCO <sub>2</sub> e/kWh			138-165 gCO <sub>2</sub> e/kWh			
	Oil and gas (Scopes 1 and 2)	8.9 gCO <sub>2</sub> e/MJ	10.7 gCO <sub>2</sub> e/MJ	17.5 gCO <sub>2</sub> e/MJ	13.9 gCO <sub>2</sub> e/MJ			3.1 gCO <sub>2</sub> e/MJ			
	(Scope 3)	0.51 Mt CO <sub>2</sub> e	0.46 Mt CO <sub>2</sub> e	0.20 Mt CO <sub>2</sub> e	0.29 Mt CO <sub>2</sub> e			Vs fiscal 2019 -27.3%			
	Coal	Response and engagement based on investment and loan sector policies									
	Steel	2.02 tCO <sub>2</sub> e/t	2.04 tCO <sub>2</sub> e/t	1.95 tCO <sub>2</sub> e/t	2.03 tCO <sub>2</sub> e/t			1.54~1.73 tCO <sub>2</sub> e/t			
	Real estate	82.7 KgCO <sub>2</sub> e/m <sup>2</sup>	70.0 KgCO <sub>2</sub> e/m <sup>2</sup>	53.2 KgCO <sub>2</sub> e/m <sup>2</sup>	48.8 KgCO <sub>2</sub> e/m <sup>2</sup>			34.1 kgCO <sub>2</sub> e/m <sup>2</sup>			
	Automobile	192.6 gCO <sub>2</sub> e/vkm	184.4 gCO <sub>2</sub> e/vkm	159.3 gCO <sub>2</sub> e/vkm	346.8 gCO <sub>2</sub> e/vkm			111 gCO <sub>2</sub> e/vkm			
	Shipping	(Base year: FY2023) Striving:36.9% Minimum:30.5%							PCA≤0%		
	Other sectors								Goals to be set sequentially		
<b>Investment</b>											
Stocks and bonds	0.83 tCO <sub>2</sub> e/¥1mn	0.74 tCO <sub>2</sub> e/¥1mn -11%	0.62 tCO <sub>2</sub> e/¥1mn -25%	0.75 tCO <sub>2</sub> e/¥1mn -10%			Vs fiscal 2019 -49%				
Reduction of GHG emissions at the Norinchukin Group itself	21,330 tCO <sub>2</sub>		20,487 tCO <sub>2</sub>		17,052 tCO <sub>2</sub>		15,075 tCO <sub>2</sub>		14,545 tCO <sub>2</sub> Net Zero		
Secure the amount of the forest carbon sink, together with JForest members	5.8 Mt CO <sub>2</sub>		6.12 Mt CO <sub>2</sub>		6.42 Mt CO <sub>2</sub>		6.71 Mt CO <sub>2</sub>		9 Mt CO <sub>2</sub>		
Sustainable Finance Target	¥9.0trn (fiscal 2021-2024 cumulative)							¥10trn			
Enhancement of environmental and social risk management systems	Coal-fired power generation and coal mining (general coal) sector Principle of prohibiting new investment and financing on a company-by-company basis and by use of funds										
Outstanding loans and investments for coal-fired power generation	¥36.7bn*2 (based on use of funds)							Zero balance			

Net Zero

\*1 Based on engagement with investees and borrowers to obtain data and revise disclosed information, as well as corrections to the calculation logic for financed emissions, we have revised certain actual figures from past fiscal years within the disclosed emission data.  
 \*2 Balance based on exchange rates at end-March 2025.

Climate-related targets

Climate

Reduction of GHG emissions by investees and borrowers

The Bank sets progressive GHG emission reduction targets for its loan portfolio. Considering the importance of the ration of investment assets in its investment and loan portfolio, the Bank established emissions reduction targets across its investment portfolio in line with such frameworks as the Net-Zero Initiative for institutional investors.

Loan Portfolio

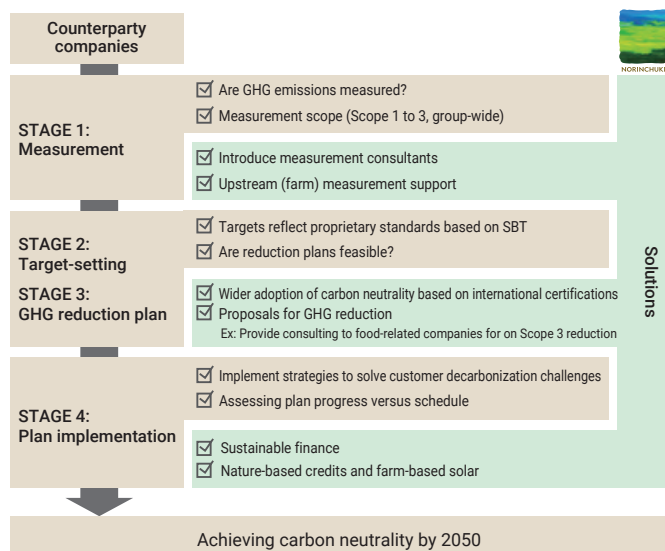
As per roadmap above, the Bank has set targets for: power (March 2023), oil and gas, coal, and steel (March 2024), and real estate, automobile, and shipping (March 2025).

To achieve these targets, the Bank engages with our borrowers. Based on an understanding of climate risk, we communicate with borrowers regarding their current status, challenges, and response measures, and work to develop and provide solutions that account for these factors.

We will continue to review our target setting and environmental approach from the perspective of factors such as loan balances and portfolio-related GHG emissions. In particular for the agriculture sector that underpins our business, we will more clearly define target areas and other elements through by comprehensively analyzing the value chain, spanning materials, production, processing, and distribution in the food and agriculture sectors.

Overview of engagement with borrowers

Solutions tailored to the circumstances and challenges of borrowers



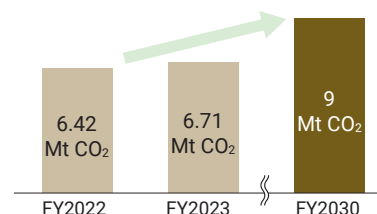
## Investment Portfolio

We have set emission reduction targets for equities and corporate bonds in our investment portfolio (see the roadmap written left). Given our portfolio's bias toward indirect investments through funds, asset management companies are our primary main engagement partners. Going forward, we will expand the scope of investment asset classes subject to the targets in view of progress with GHG measurement practices at the Bank.

### Secure the Amount of the Forest Carbon Sink, together with JForest Members

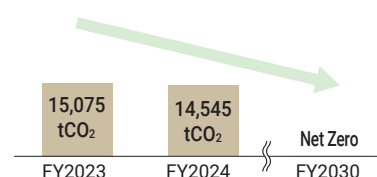
Based on projected forest management land area forecasts\* for JForest Group, we have set a forest carbon sink target of 9 million tons of CO<sub>2</sub> per year by fiscal 2030. While forests play an important role in CO<sub>2</sub> absorption and biodiversity conservation, they face various challenges, such as low prices for standing timber, reforestation costs, and finding willing entities to engage in forest leadership. To ensure CO<sub>2</sub> absorption, the Bank supports sustainable forest management by forestry cooperatives.

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



### Reduction of GHG emissions at the Norinchukin Group facilities

The Norinchukin Group aims to achieve net zero GHG emissions from its facilities by fiscal 2030 via the promotion of renewable energy and energy conservation measures in the buildings we occupy.



## Social Initiatives

### Identification and assessment of human rights issues and impacts

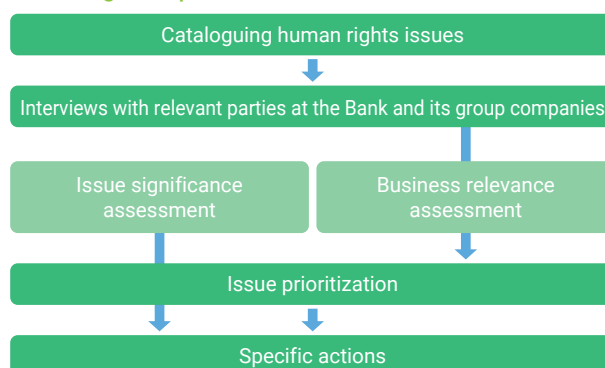
The United Nations Guiding Principles on Business and Human Rights (UNGPs), issued in 2011, clearly state that “businesses should respect human rights and ensure proper due diligence to prevent human rights abuses and address any adverse human rights impacts resulting from their activities.”

Through its human rights policy, the Bank has committed to making every effort in conducting due diligence to prevent or mitigate any adverse human rights impacts that may arise from the financial services it provides. Toward this end, we conduct human rights impact assessments of its business activities across the entire organization.

Our human rights assessments occur every three years. In our fiscal 2022 survey of our business activities and value chain, including group companies, we identified human rights issues through interviews with employees and other methods, with the cooperation of external experts.

We assessed the importance of the human rights issues we identified based on their severity for the rights holders and also on the opinions of external experts. We have identified the following as priority issues that the Norinchukin Group should address with a high sense of significance and necessity: modern slavery, the human rights impacts of money laundering, privacy and information security, diversity and inclusion, workplace harassment, and “forced labor and child labor in the supply chain.”

#### Human rights impact assessment



### Initiatives to respect foreign workers on human rights due diligence

In fiscal 2023, we obtained and collated information to serve as a basis for discussions on specific initiatives in sectors—agriculture, construction, and food manufacturing—assessed as having a high exposure to human rights transgressions against foreign workers in the supply chains of the Bank and its group companies with regard to the issue of modern slavery (forced or child labor). In collaboration with Norinchukin Research Institute (hereinafter referred to as “the Institute”), we analyzed publicly available information and interviewed experts, industry associations, and the Ministry of Agriculture, Forestry and Fisheries. We reached the following two conclusions.

- In high-risk sectors, companies engaged in labor-intensive work and whose scale ranges from extremely small to midsize are exposed to human rights abuses, such as forced labor, due to their tendency to employ vulnerable foreign workers.
- There is room for improvement in raising awareness of “vulnerabilities” and human rights, and improved efforts to prevent forced labor can be expected.

Based on the above survey results, in fiscal 2024, as a financial institution based on the AFF industries, we have first undertaken initiatives in the agricultural sector and created a Self-Assessment Set for Promoting the Active Participation of Foreigners in Agriculture and Improving the Workplace Environment (the “Self-Assessment” hereinafter), targeting agricultural corporations and farmers who employ foreign workers. We aim to prevent the occurrence of human rights issues by confirming understanding by administering self-checklists and supplying explanatory materials, and through case studies to raise attention and encourage good practice.

We proceeded with creating this initiative in cooperation with external experts, practitioners, agriculture-related organizations, and the Institute. During fiscal 2024, we held two meetings of the Agriculture and Human Rights Study Group, which included external experts, and exchanged opinions. We also conducted discussions with international staffing agencies, supervisory organizations, and related groups with ties to the Institute and ran pilot tests with 14 investees and borrowers. Overall, a total of 70 people from 41 organizations cooperated with us in preparing for the Self-Assessment.

Going forward, we will maintain dialogue with stakeholders in the agricultural sector and promote the use of the Self-Assessment. Through improvements in the workplace environment, we aim to contribute to the sustainable development of agriculture by securing and retaining a proper workforce.

事例 2	殺生を避ける文化への配慮 <span style="color: red;">○</span>
大課題	差別/ハラスメント
サブテーマ	宗教観
【概要】	仏教は、あらゆる生き物の命を奪うこと（殺生=せつじょう）を戒律の中でも最大の罪としています。そのため殺生（けいじん）な仏教徒は、虫さえ踏みません。害虫駆除などの仕事を依頼する際に、こうした宗教や文化に配慮して業務内容を調整（免除）することは、「人権の尊重」（労働者の意思に反した労働を強制しない）につながります。これは、農業分野で取り組まれている「よい農業の実践」（Good Agricultural Practices : GAP）が目指すことの一つです。
【対応例】	殺傷し、害虫駆除の業務ができるかどうかを事前に確認する。
【コメント】	仏教の宗教観や慣習が理解されずストレスを感じるなど、後になって問題がわかるケースもあります。従業員側から言い出しにくいこともあるため、念のため事前に確認しておきたいでしょう。

1. 外国の文化について、ご存知のものに○、ご存知ないものに×をつけてください。	
<input type="checkbox"/>	一部の国の文化では、顔を触られたりなでられたりすることを不快に感じる場合があること
<input type="checkbox"/>	東南アジアでは、人前で叱られることを嫌う文化があること
<input type="checkbox"/>	（特に未婚の）女性が男性と二人きりで行動することを避ける文化があること
<input type="checkbox"/>	害虫駆除を「殺生」として嫌う文化があること
<input type="checkbox"/>	一部の宗教では、糞（ふん）尿に触れることをタブーとする文化があること

An example of a self-assessment for promoting the participation of foreign workers and improving agricultural sector working conditions

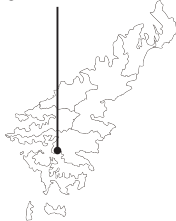
# Revitalization of local communities

## Promoting nature-positive and blue carbon initiatives in local communities

The Bank collaborates with local administrations and members to establish model cases for nature-positive and blue carbon initiatives in local communities. The town of Setouchi, located on Amami Oshima Island, and JF Setouchi are implementing a blue carbon project aimed at restoring marine resources and maintaining the marine environment through seaweed bed restoration and mangrove creation. We supported the application for some of the project areas and mangroves to be designated as a Nationally Certified Sustainably Managed Natural Site\* (hereinafter, "Certified Site") and, in September 2024, these were certified under the name, Setouchi Town Neriyakanaya no Umi, as a place where nature and fishery harmoniously coexist. In addition, in collaboration with group company Norinchukin Research Institute, we are supporting the formulation of strategies to add value to marine products and promote sustainable tourism by leveraging the area's Certified Site designation. We will continue to promote community-level nature positivity in cooperation with the local administration and our members.

\* A system in which the government certifies areas where biodiversity is being conserved through private-sector initiatives and other means, with the aim of achieving "30by30," which aims to conserve 30% of land and marine areas by 2030.

Setouchi, Amami Oshima, Kagoshima Prefecture



Seaweed bed (Provided by the town of Setouchi)

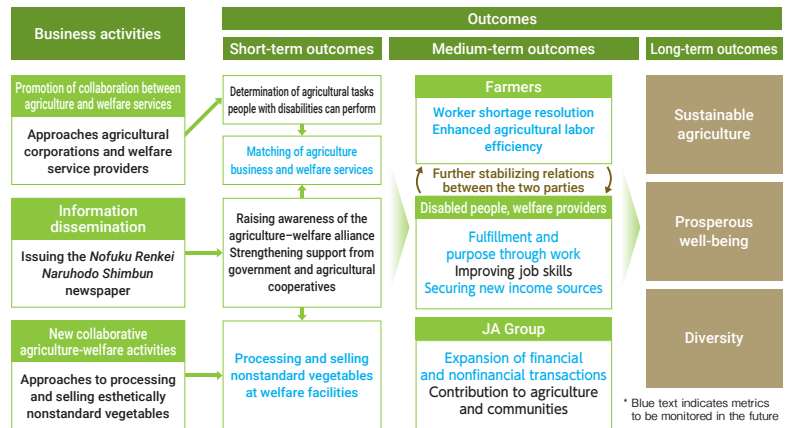


Mangroves

## Beneficial collaboration between agriculture and welfare services

In fiscal 2020, Maebashi Branch launched an initiative to promote collaboration between agriculture and welfare services aimed at creating sustainable communities by matching farmers facing labor shortages amid a declining workforce and people with disabilities looking for employment, thereby addressing challenges faced by both groups.

We have asked directly to farmers to understand their specific needs, while also visiting Gunma Prefecture's agriculture and welfare departments and social welfare offices to understand the requirements of welfare providers. Through individual matching activities and information dissemination (via publication of the Nofuku Renkei Naruhodo Shimbun newspaper), we had established seven partnerships as of fiscal 2024. Additionally, we are conducting logic-model impact assessments to address challenges that have been identified and improve our initiatives based on the results of measurable outcome indicators, with the ultimate goal of achieving sustainable agriculture, regional development, and diversity.



### VOICE Beneficial collaboration between agriculture and welfare services

#### ▶ Appropriate matching of farmers and people with disabilities

Agriculture-Welfare collaboration benefits both sides by addressing labor shortages in agricultural sector while promoting employment and social participation for people with disabilities. In matching agricultural and welfare needs, it is important to thoroughly understand the job description, working environment, and human resource needs of farmers, as well as the individual characteristics and work capabilities of people with disabilities, and also to act as an intermediary by considering each party's circumstances. By regularly visiting agricultural corporations and gaining an

understanding of farmers' circumstances, we can appropriately match them with people with disabilities through welfare service providers. In the welfare sector, we have received feedback from people with disabilities who participate in agricultural work, including such testimonials as, "Performing agricultural work allows me to exercise my body outdoors, which serves as rehabilitation and helps me refresh both mentally and physically." This reinforces our belief that agriculture-welfare collaboration contributes to both the agriculture industry and the local community.



**TODA Ayumi**

Maebashi Branch