

Revitalization of Local Communities

● Training of Next-Generation Farm Operators

As the main sponsor of AgriFuture Japan, the Bank encourages to train farm operators of the next generation through the Japan Institute of Agricultural Management operated by the association.

Since the opening of the institute in 2013, 72 students have graduated and started engaging in farming nationwide. At present, class of 2019 and 2020 students are studying hard, encouraging each other in the institute located inside The Norinchukin Bank Shinagawa Training Center.

● Stronger Collaboration with the Japan Agricultural Corporations Association

In February 2014, the Bank entered into a comprehensive partnership agreement with the Japan Agricultural Corporations Association, a public interest incorporated association, consisting of pioneering agricultural corporation members nationwide. By utilizing the Bank's network, the partnership enables the association's members to address issues they face as well as provides a wide range of supports for the creation of new customers and export of agricultural and livestock products.

In fiscal 2019, the Bank cosponsored the "Next Generation Agriculture Summit" and the "Farmers' & Kids' Festival."

● Agricultural, Forestry, and Fisheries Future Fund

To support initiatives of agricultural, fishery and forestry workers/business entities, the Bank established the "Agricultural, Forestry, and Fisheries Future Fund" in 2014, to which the Bank contributed ¥20.0 billion.

The Fund has provided subsidies for a total of 37 projects and conducted solicitation in fiscal 2019 as well.

● Initiatives to Donate Food and Farming Study Materials

Toward the development of local communities, the Bank supports and encourages initiatives such as donating study materials on the theme of agriculture and food for fifth graders in primary schools. Since fiscal 2008, the Bank has distributed more than 15 million books cumulatively to primary schools nationwide and Japanese schools overseas. In the first half of fiscal 2019, we donated 1.3 million books.

● Support for New Fishery Workers

To nurture leaders in local fishery business and contribute to maintaining the foundation of the business and revitalizing local communities, since fiscal 2016 the Bank has implemented projects to subsidize employment-related expenses for fishery business operators who employ new fishery workers or accept trainees. The Bank has provided such subsidies to a total of 540 fishery businesses to date.

● Wood Solution Network

In October 2016, we established the Wood Solution Network (WSN). Via the WSN, the industrial, government, academic and financial sectors collaborate to address various issues. In June 2019, the Bank produced a book to promote the use of wood for non-residential buildings: "Seize the Current Trend! Incorporate Wood Construction and Sustainable Lumber Use into Management Strategies to Increase Corporate Value."

● Expand Domestic Lumber Use and Provide Wood Use Education

As support for initiatives that contribute to the expansion of domestic lumber use and forest conservation, the Bank has donated wood products made from locally produced lumber, sponsored tree-planting events and subsidized wood use education activities. In fiscal 2018, the Bank provided subsidies totaling ¥42 million for 49 projects in 46 prefectures.

JA Bank's Agriculture Financing

JA Bank supports farmers' agricultural management and livelihoods by providing various types of loans. As of March 31, 2019, JA Bank's outstanding balance of agricultural loans was ¥2,089.3 billion (of which loans to farmers amounted to ¥1,298.4 billion). The outstanding balance of loans in trust of the Japan Finance Corporation and other entities came to ¥473.4 billion.

- Notes: 1. "Direct agricultural loans" are non-policy-based loans funded by JA Bank.
 2. "Agricultural policy-based loans" refer to: (1) those financed directly or indirectly by local authorities; and (2) those provided by JA Bank at a low interest rate based on interest subsidies, etc., from local authorities.
 3. "Other policy-based loans" include agricultural management improvement promotion loans (New Super S Fund) and agricultural management assistance support loans.
 4. Of the "direct agricultural loans" funded by JA Bank, the outstanding balance of loans of The Norinchukin Bank excludes the source fund for financing facilities extended to JA Bank, such as the Bank of Japan's loan support program and other policy-based loans.

Outstanding Balance of Agricultural Loans, by Type

(Billions of Yen)

Type	March 31, 2019
Direct agricultural loans ¹	1,653.6
Agriculture policy-based loans ²	435.7
Agriculture Modernization Loans	175.1
Other policy-based loans ³	260.6
Total	2,089.3

Outstanding Balance of Agricultural Loans in Trust

(Billions of Yen)

Type	March 31, 2019
Japan Finance Corporation loans	473.0
Others	0.4
Total	473.4