

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, 86 students have graduated and started engaging in farming nationwide. At present, class of 2020 and 2021 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 Bank provides a wide range of supports for the creation of new customers and export of agricultural and livestock products toward solving issues that the association's members face.

● 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 45 projects.

● 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 16 million books cumulatively to primary schools nationwide and Japanese schools overseas. In the fiscal 2020, we donated 1.3 million books.

● Wood Solution Network

Based on the research results from the endowed research department that the Bank established at the University of Tokyo and through the circulation of knowledge creation and wisdom through activities of the Wood Solution Network (WSN), the Bank is working to expand the use of wood and promote lumber use. In the second *cours* of WSN's activities, which started in October 2019, the Bank is conducting activities to disseminate and familiarize the fruit of the first *cours* and working on themes suited to current trends (e.g., the effective utilization of the Forest Environment Transfer Tax and the use of lumber from the perspective of investing in SDGs/ESGs).

● 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 2019, the Bank provided subsidies totaling ¥48 million for 61 projects in 46 prefectures.

● Support Project for JF Women's Groups/Youth Groups

To support the activities of JF Women's Groups/Youth Groups and maintain and rejuvenate the foundation of local fishery businesses, since fiscal 2013 the Bank has subsidized cooperatives' campaign activities and expenses for training sessions related to life plan support.

In addition, in alliance with *Umitonagisa*, a public fund for environmental beautification and to address oil contamination, the Bank has supplied cleaning tools for JF to support coastal cleaning activities.

● Initiatives to Cope with the Spread of COVID-19

As COVID-19 spreads, the agriculture, fishery and forestry industries, the foundation of the Bank's business, have been affected significantly. The Bank, as a member of JA Bank and JF Marine Bank, has continued to handle low-interest loans for agriculture, fishery and

forestry workers for the smooth supply of financing. Moreover, cooperating with government agencies and organizations related to the Bank, the Bank promotes non-financial initiatives as well, including helping to find buyers of agricultural produce, etc., to reduce excess inventory.

JA Bank's Agriculture Financing

JA Bank supports farmers' agricultural management and livelihoods by providing various types of loans. As of March 31, 2020, JA Bank's outstanding balance of agricultural loans was ¥2,096.1 billion (of which loans to farmers amounted to ¥1,311.0 billion). The outstanding balance of loans in trust of the Japan Finance Corporation and other entities came to ¥489.1 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, 2020
Direct agricultural loans ¹	1,668.2
Agricultural policy-based loans ²	427.9
Agriculture Modernization Loans	190.1
Other policy-based loans ³	237.8
Total	2,096.1

Outstanding Balance of Agricultural Loans in Trust (Billions of Yen)

Type	March 31, 2020
Japan Finance Corporation loans	488.8
Others	0.3
Total	489.1