

Sustainability Management Initiatives

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Food shortages due to the globally rising population, labor shortages in advanced economies due to aging and shrinking demography, climate change caused by global warming, problems of human rights, and a loss of biodiversity: These increasingly serious issues affect the sustainability of the AFF industries in which the Bank operates. Against this backdrop, corporations are expected to take measures to address such environmental and social issues.

Based on an understanding of such global trends, the Bank performs initiatives of sustainability management to address global-level issues through its business operations, based on discussions at the Sustainability Committee, which operates under the Board of Directors. The Bank strives to achieve a sustainable society as it works to realize its Purpose, identify its Important Issues to achieve its Purpose and to implement its Medium-Term Vision for 2030.

| Initiatives to Reduce GHG Emissions

The Bank joined the Net Zero Banking Alliance (NZBA) in March 2023 and announced its commitment to achieve 2050 Net Zero. Through engagement with its investees and borrowers to reduce GHG emissions, The Bank provides solutions for decarbonization, such as sustainable finance initiatives and GHG measurement support services in collaboration with external companies and others. In addition, the Bank works with JForest members to restore and reforest devastated private forests to secure CO₂ absorption. The Norinchukin Group's GHG emissions were 15,075 tCO₂ as of March 2023.

| Initiatives to Increase the Income of Farmers, Fishermen, and Foresters

The Bank engages in consulting activities to address management issues faced by AFF corporations and leaders, and in supporting the establishment of value chains by investing in and financing food & agriculture-related companies, etc. In fiscal 2023, consulting services were provided to 306 such corporations/leaders via JA Bank*.

* JA Bank is the nation-wide financial network which consists of JA, JA Shinnoren (Prefectural Banking Federations of Agricultural Cooperatives), and the Bank. JA Bank functions essentially as a single institution.

| Sustainable Finance Initiatives

The Bank conducted new sustainable finance with an accumulated total of ¥7.7 trillion through the first half of fiscal 2024, which represents about 77% progress toward the medium/long-term goal of ¥10 trillion, a steady advance towards the goal. In addition, the Bank conducts impact measurement and management assessments in some asset classes to clarify the impact of investment and financing activities on environmental and social issues and to facilitate quantitative management.

| Natural Capital and Biodiversity Initiatives

As represented by the announcement of the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) in September 2023, natural capital and biodiversity initiatives are increasingly important on a global scale.

HIDESHIMA Hirotaka, Executive Advisor of the Bank, serves as a member of the TNFD, contributing to the development and dissemination of global disclosure rules. In July 2024, the Bank published the "Climate & Nature Report 2024,"—the first report by a Japanese bank to disclose information on climate change and natural capital in an integrated manner. The Bank also provides disclosure consulting for corporate clients in collaboration with its group companies and other organizations and also promoting initiatives to raise the attractiveness of regions recognized for nature-positive activities.

| Initiatives to promote Diversity, Equity & Inclusion

Through multifaceted efforts such as providing support for a balance between work and childcare, promoting work-style reforms, and encouraging male employees to take childcare leave, the Bank promotes initiatives to allow the active engagement of various employees, including efforts to increase the ratio of women in managerial positions.

The Bank compiled such efforts into the "Diversity & Inclusion Book," which was published in January 2024. (<https://www.nochubank.or.jp/en/sustainability/social/diversity/>)