

Dedicated to sustaining all life.

The Norinchukin Bank Company Presentation



NORINCHUKIN

June 2023

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I . Overview of The Norinchukin Bank

~Dedicated to sustaining all life~

We work together with our stakeholders to foster AFF^{※1} industries and create a prosperous future for food and lifestyles, and thereby contribute to a sustainable global environment.

※1 AFF: Agriculture, Fishery and Forestry

Overview of The Norinchukin Bank

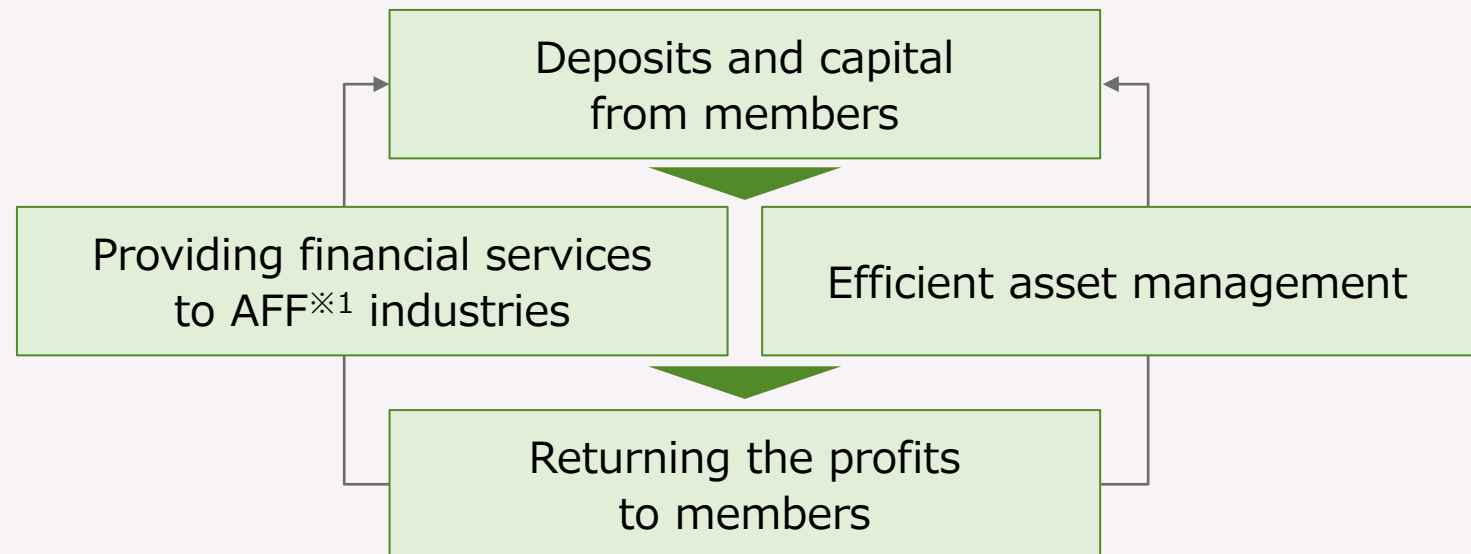
Organization

A national-level financial institution of cooperative organizations, whose members (the Bank's shareholders) include AFF^{※1} Cooperatives

Our Missions

1. Facilitating financial functions for cooperative organizations
2. Supporting the advancement of AFF^{※1} industries
3. Contributing to the development of the nation's economy

Our Role



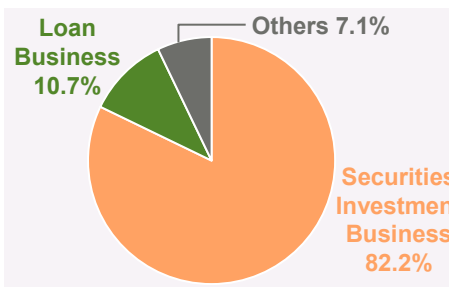
※1 AFF: Agriculture, Fishery and Forestry

Key Information of The Norinchukin Bank

(in JPY bn for financial figures)

 FY2022 (Consolidated)

Name	The Norinchukin Bank	
Date of Establishment	December 20, 1923	
Legal Basis	The Norinchukin Bank Act (Act No.93 of 2001)	
Ratings^{※1}	A (S&P) / A1 (Moody's)	
Members^{※2, 3} (Shareholders)	JA, JF, JForest and related federations, as well as other agricultural, fishery and forestry cooperative organizations that have invested in the Bank Number of members: 3,277	
Main Business Under Cooperative Bank Structure (JA Bank System)^{※4}	Central Bank	The Norinchukin Bank
	Regional Bank ^{※5}	JA Shinnoren (32 institutions)
	Local Bank ^{※5}	JA Cooperatives (538 institutions)

Total Assets	94,504.9
Total Net Assets	5,673.5
Paid-in Capital	4,040.1
Total Capital Ratio^{※6,7}	22.03%
Ordinary Income^{※8}	2,177.5
Ordinary Income^{※8} per Business	
Ordinary Profits^{※9}	40.4
Profit Attributable to Owners of Parent	50.9

^{※1} Ratings of Long-term debt, as of Mar. 31, 2023; ^{※2} JA: Japan Agricultural Cooperative(s), JF: Japan Fishery Cooperative(s), JForest: Japan Forest Owners' Cooperative(s) and related federations; ^{※3} As of Mar. 31, 2023; ^{※4} For detailed definition, please refer to p.34; ^{※5} As of Apr. 1, 2023; ^{※6} Total capital divided by risk-weighted assets; ^{※7} Capital ratios are calculated under fully-loaded finalized Basel III standard, whose adoption was approved for the period ending Mar. 31, 2023 and onwards; ^{※8} Total income less certain special income (gains on disposal of fixed assets); ^{※9} Ordinary income minus ordinary expenses. Ordinary expenses: Total expenses minus certain special expenses (losses on disposal of fixed assets, losses on impairment of fixed assets and other extraordinary losses)

Overview of the Cooperative System

- JA Shinnoren, JA Cooperatives and the Bank are collectively referred to as JA Bank
- The Bank's funding is mostly based on deposits, which give the Bank sufficient liquidity
- Working as the ultimate manager of funds from members

Organization Structure (As of Apr. 1, 2023)

Flow of Funds (As of Mar. 31, 2023)^{※1}


Overview of The Norinchukin Bank
The Latest Financial Results
Initiatives for Achieving Sustainability Management

National Level 1

The Norinchukin Bank^{※2}

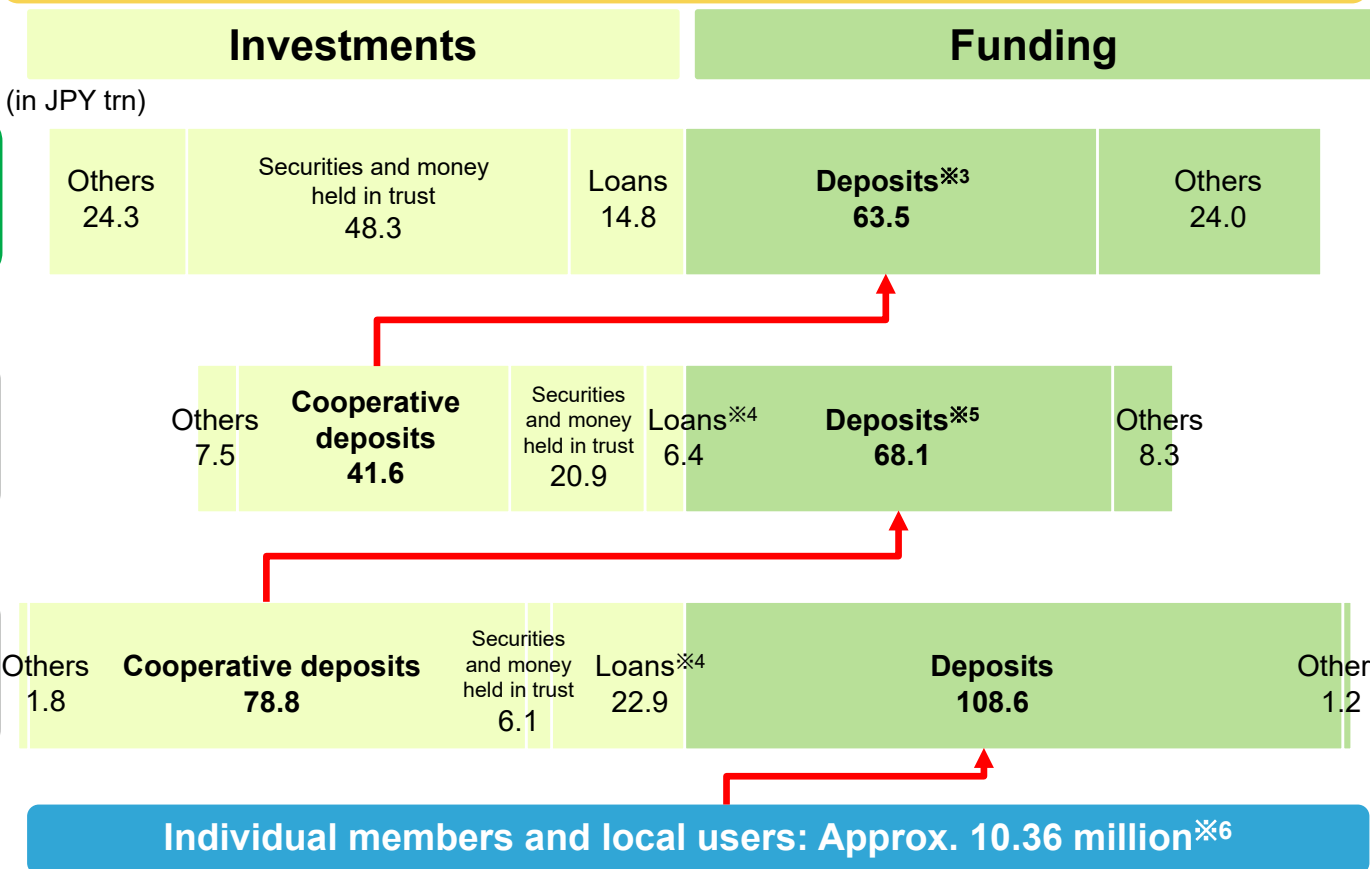


Prefectural Level 32

JA Shinnoren 
(Prefectural Banking Federations of Agricultural Cooperatives)

Municipal Level 538

JA Cooperatives^{※7}
(banking business)

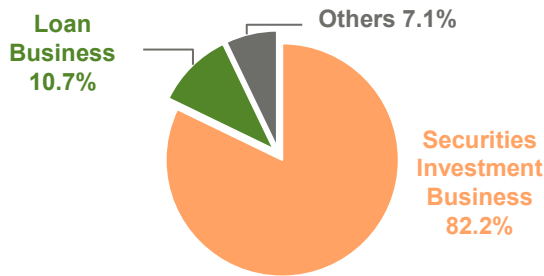



^{※1} Total of "investment" and "funding" may not equal the sum of their components due to rounding. Please note that only the main organizations such as JA Shinnoren and JA are mentioned. For details, please refer to p.34. The Norinchukin Bank is also a national-level organization of JF Marine Bank.
^{※2} Overseas accounts have been excluded from The Norinchukin Bank's balances.
^{※3} The Norinchukin Bank's deposits include not only those from JA Group but also those from JF and JForest Groups and other financial institutions.
^{※4} The loan balances of JA and JA Shinnoren do not include lending to financial institutions.
^{※5} In some prefectures, JA may make direct deposits to The Norinchukin Bank. JA Shinnoren's deposits include not only those from JA Group but also those from other financial institutions.
^{※6} Number of JA cooperative members; Source: Comprehensive Agricultural Cooperatives Statistical Tables (2021), Ministry of Agriculture, Forestry and Fisheries
^{※7} Figures of JA cooperatives are currently tentative as of June. 30, 2023.

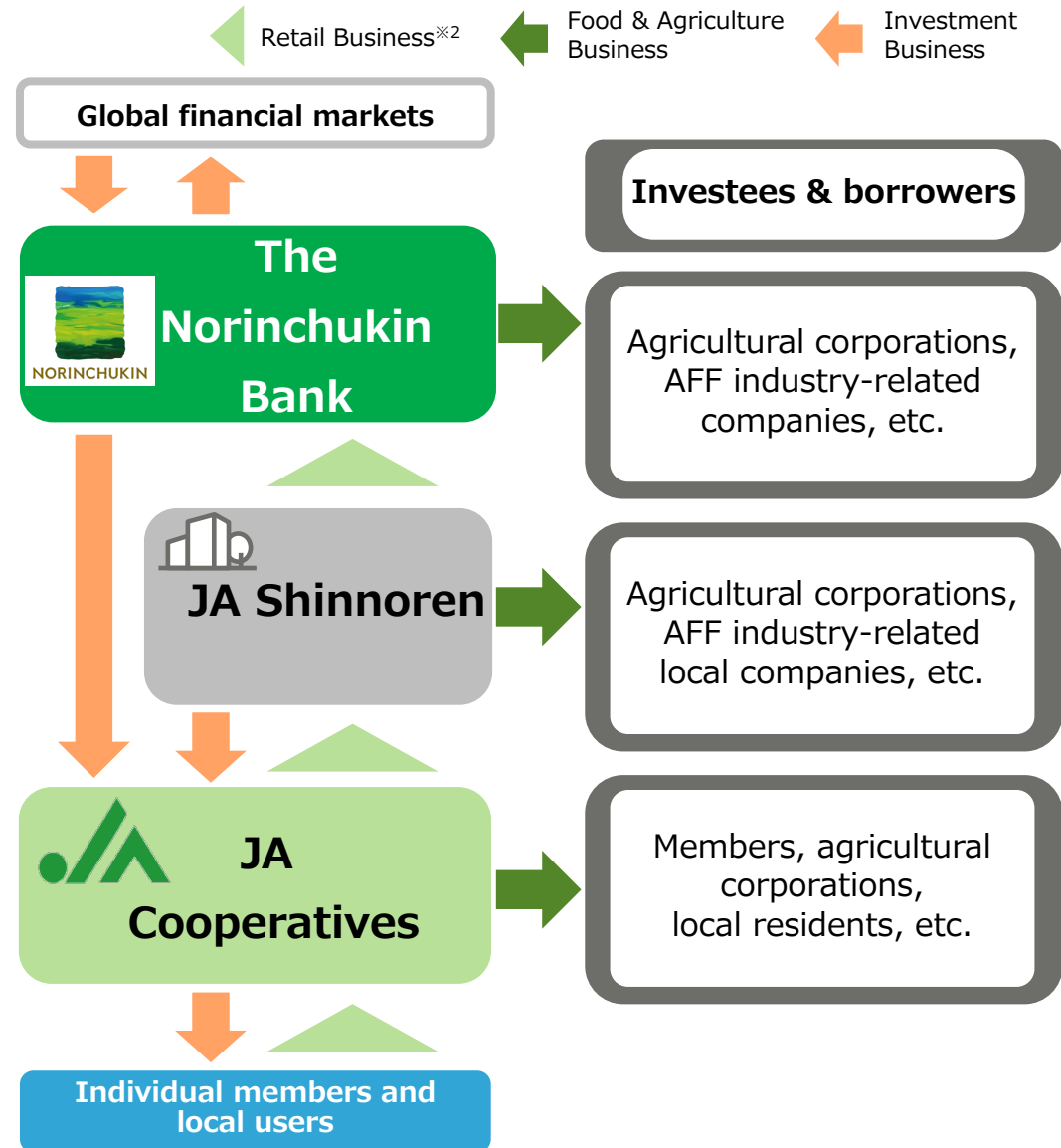
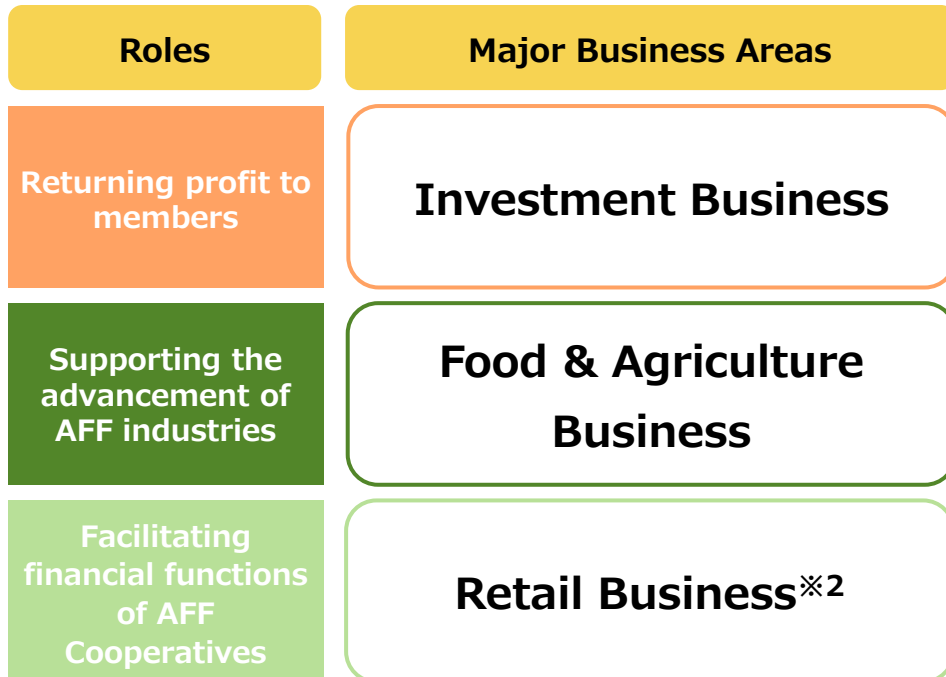
Three Business Areas

- The Bank achieves its missions through three major businesses: “Investment”, “Food & Agriculture” and “Retail”

Breakdown of Consolidated Ordinary Income^{※1} (FY2022)



Overview of The Norinchukin Bank
The Latest Financial Results
Initiatives for Achieving Sustainability Management

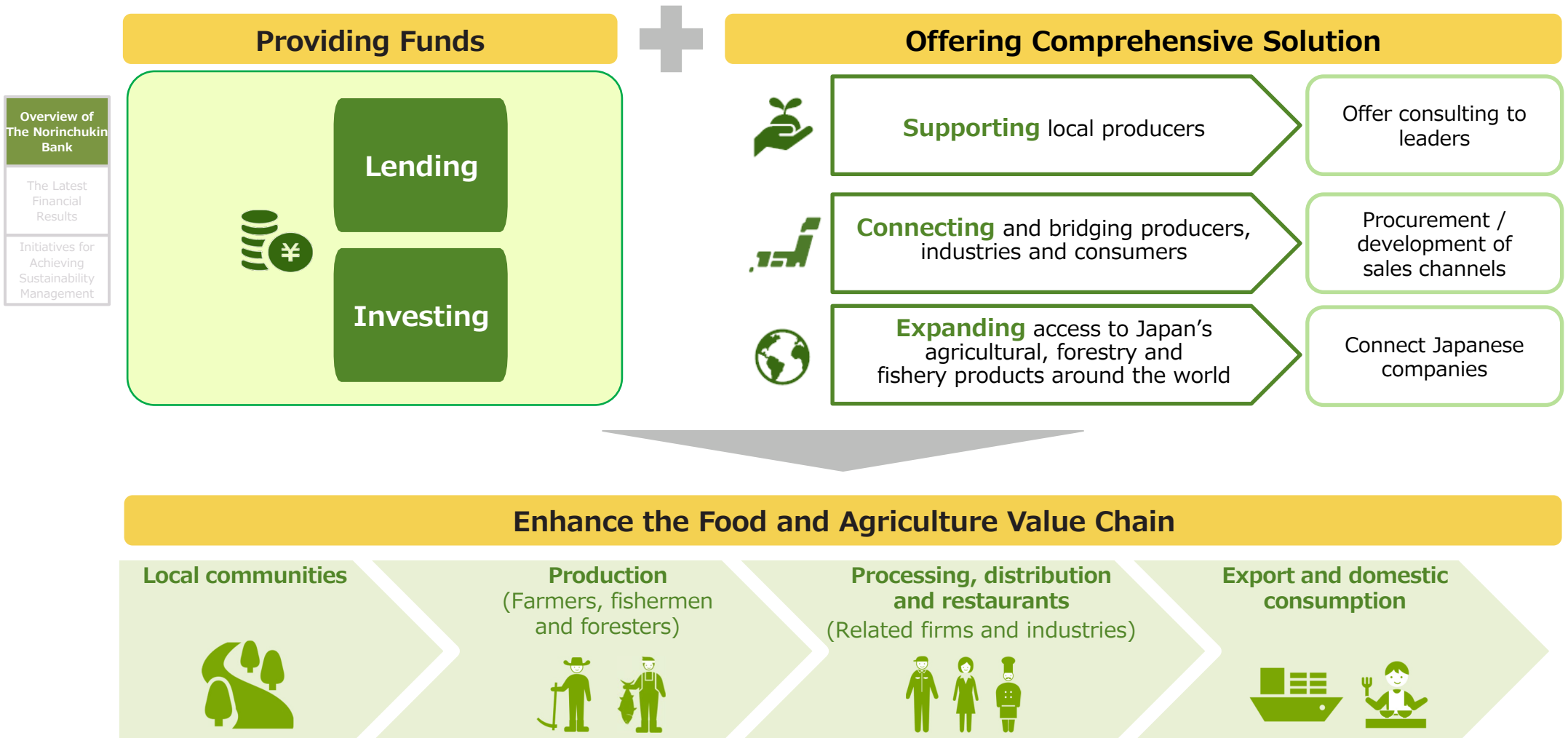


※1 Total income less certain special income (gains on disposal of fixed assets)

※2 In the Retail Business, the Bank offers product development and system operation to JA Cooperatives and also gives management improvement guidance to ensure JA Cooperatives' business management soundness as a national-level organization of JA Bank.

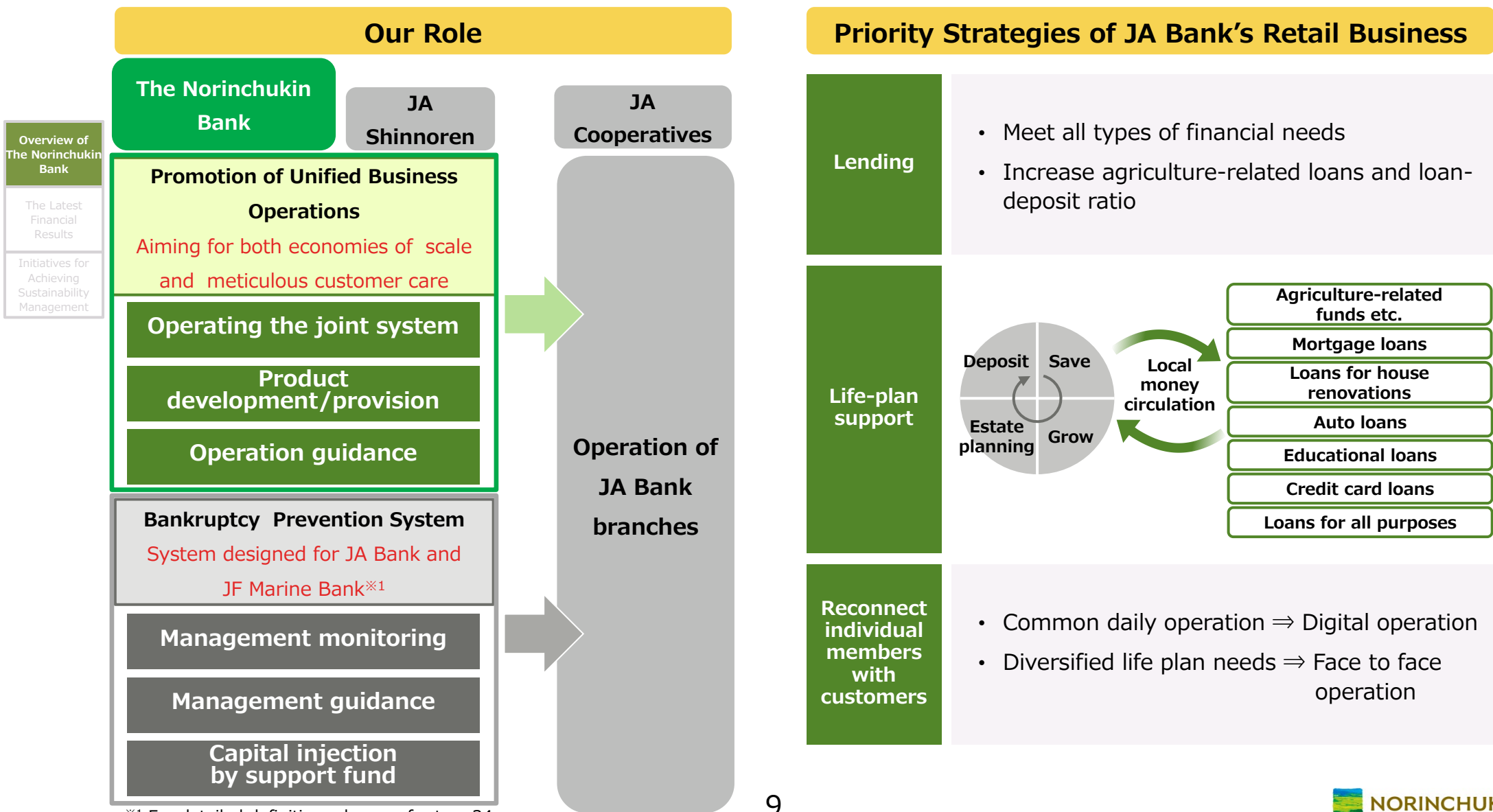
Food & Agriculture Business

- Lending and providing funds to the AFF industries and various other industries
- Focusing on providing a comprehensive solution to enhance the Food and Agriculture value chain



Retail Business

- The Bank provides consulting and support to JA Bank across the country in an integrated manner and provides supervisory guidance to ensure business soundness
- JA Shinnoren and JA Cooperatives engaged in banking are independent entities



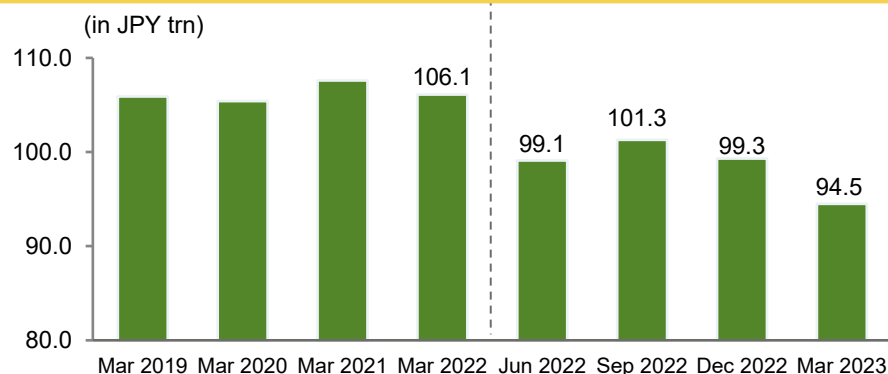
※1 For detailed definition, please refer to p.34.

II. The Latest Financial Results

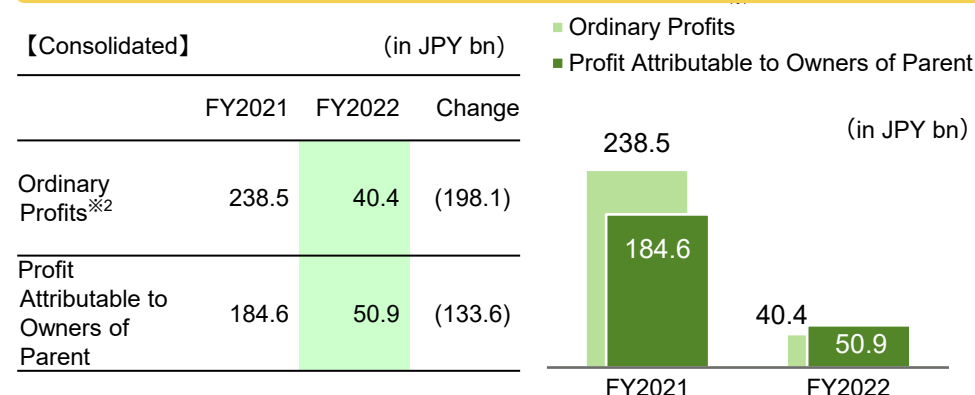
Financial Highlights for FY2022

- As a notable move during FY2022, the Bank has kept prudential soundness the first priority and shrunk its balance sheet, which helped creating the room for future investment flexibility
- Although ordinary profits decreased mainly due to the increase of foreign currency funding costs, capital position continues to maintain robust soundness including unrealized losses

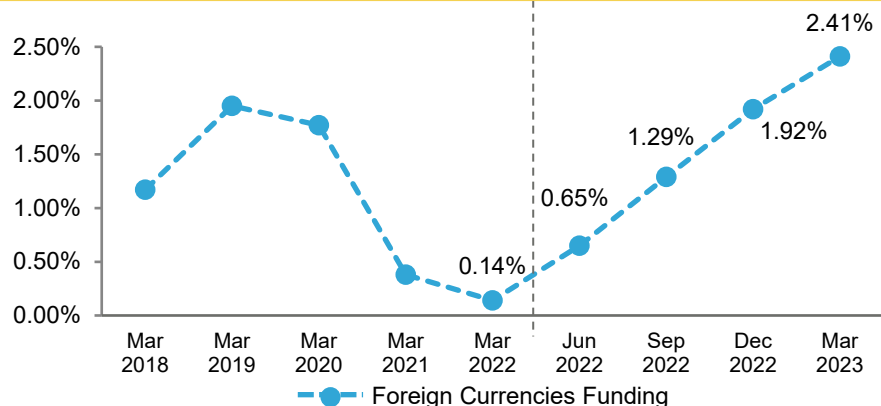
Total Asset Balance



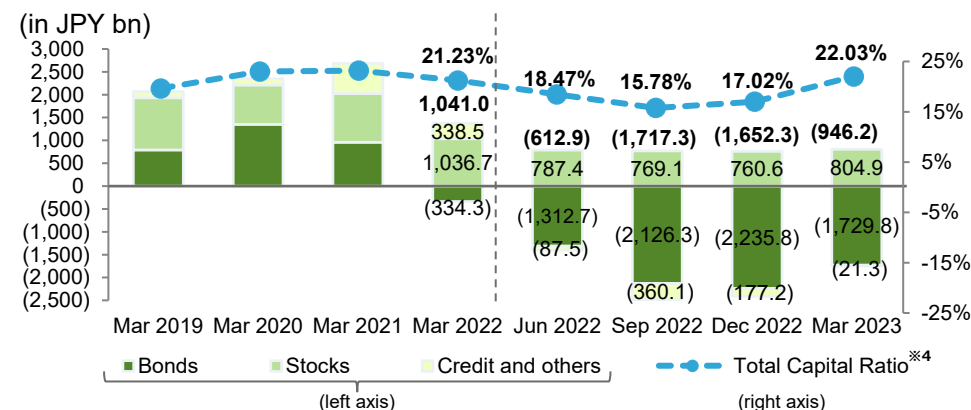
Profits



Foreign Currency Funding Yield^{※1} (Non-Consolidated)



Net Unrealized Gains and Losses^{※3} (Non-Consolidated)



※1 Including currency swaps, etc.

※2 Ordinary income minus ordinary expenses. Ordinary income: Total income less certain special income (gains on disposal of fixed assets).

Ordinary expenses: Total expenses minus certain special expenses (losses on disposal of fixed assets, losses on impairment of fixed assets and other extraordinary losses)

※3 Net profit or loss from valuation before the tax effect accounting is applied.

※4 Total capital divided by risk-weighted assets

Income Statement Summary

- Ordinary profits decreased mainly due to the increase of foreign currency funding costs as a result of the rapid rise in policy rate mainly in the U.S. and Europe

【Consolidated】 (in JPY bn)

	FY2021	FY2022	Change
1 Ordinary Income^{※1}	1242.3	2,177.5	935.2
2 Interest Income	715.7	1,290.2	574.5
3 <Interest and Dividends on Securities>	601.8	991.8	390.0
4 <Interest on Loans and Bills Discounted>	97.9	229.9	131.9
5 Other Operating Income	100.1	556.9	456.8
6 Other Ordinary Income	397.3	299.2	(98.1)
7 Ordinary Expenses^{※2}	1,003.7	2,137.1	1,133.3
8 Interest Expenses	514.5	1,352.7	838.2
9 Other Operating Expenses	294.3	482.2	187.8
10 General and Administrative Expenses	146.0	158.5	12.4
11 Other Ordinary Expenses	33.4	126.5	93.1
12 Ordinary Profits^{※3}	238.5	40.4	(198.1)
13 Income before Income Taxes	263.5	63.3	(200.2)
14 Profit Attributable to Owners of Parent	184.6	50.9	(133.6)

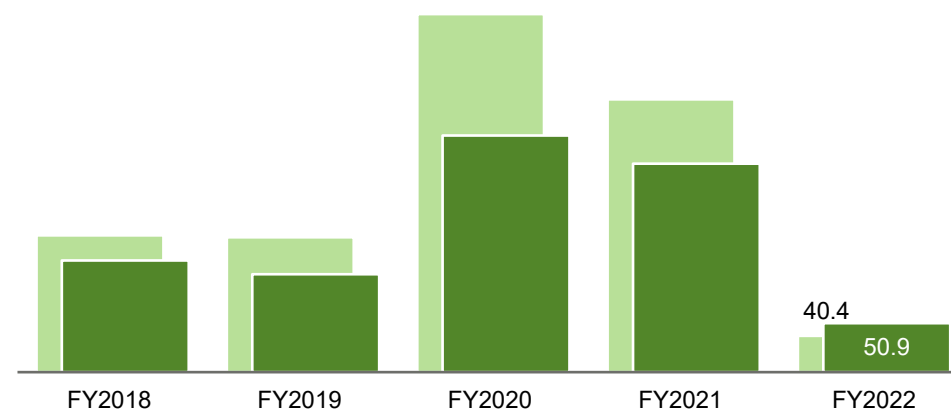
Interest Income
Increased due to interest rate hikes and the Japanese yen depreciation against the U.S. dollar etc.

Other Ordinary Income / Expenses
Other Operating Income / Expenses
Increased or decreased due to the sales of securities, conducted from a risk management perspective

Interest Expenses
Increased due to the rise in foreign currency funding costs as a result of the rapid rise in interest rates, mainly in the U.S. and Europe

Ordinary Profits^{※3} (Consolidated)

(in JPY bn) ■ Ordinary Profits ■ Profit Attributable to Owners of Parent



【Non-consolidated】 (in JPY bn)

	FY2021	FY2022	Change
15 Ordinary Profits ^{※3}	219.0	23.4	(195.6)
16 Net Income	172.6	43.2	(129.4)
17 Net Gains/Losses on Sales of Securities	(65.4)	72.7	138.2
18 Net Gains (Losses) from Redemption of Investment Trusts and from Sales of Assets included in Money Held in Trust	(117.1)	(72.4)	44.7
19 Credit Costs ^{※4}	17.6	(6.0)	(23.7)
20 Write-off of Securities	2.6	-	(2.6)

※1 Total income less certain special income (gains on disposal of fixed assets)

※2 Total expenses minus certain special expenses (losses on disposal of fixed assets, losses on impairment of fixed assets and other extraordinary losses)

※3 Ordinary income minus ordinary expenses

※4 Negative numbers for credit-related expenses indicate reversals

Balance Sheet Summary

- The Bank has shrunk its balance sheet, prioritizing prudential soundness in response to sharp interest rate hikes

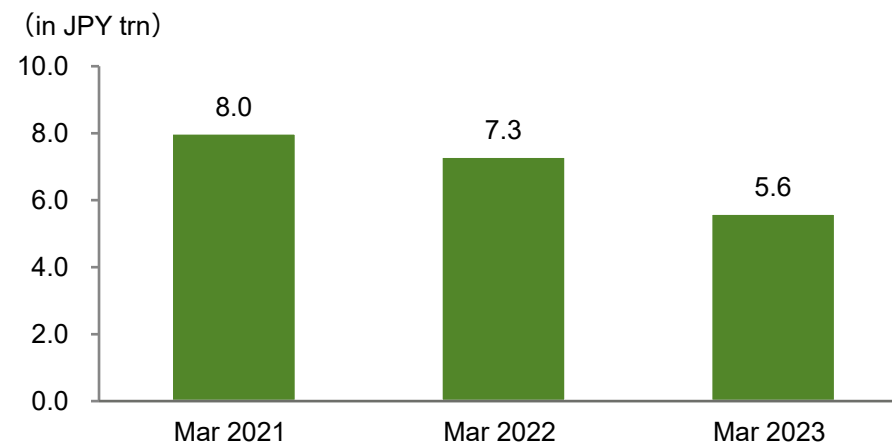
【Consolidated】		(in JPY bn)		
		Mar 2022	Mar 2023	Change
1	Loans and Bills Discounted	23,341.8	17,414.1	(5,927.7)
2	Securities	46,748.5	39,725.7	(7,022.8)
3	Money Held in Trust	10,867.9	8,419.3	(2,448.6)
4	Cash and Due from Banks	18,140.5	23,430.6	4,290.1
5	Others	7,039.4	6,515.0	(524.3)
6	Total Assets	106,138.3	94,504.9	(11,633.4)
7	Deposit	64,009.8	63,809.4	(200.4)
8	Debentures	360.2	454.0	93.7
9	Payables under Repurchase Agreements	19,327.6	10,613.4	(8,714.1)
10	Others	14,461.1	13,157.0	(1,304.1)
11	Total Liabilities	98,843.6	88,831.4	(10,012.2)
12	Total Net Assets	7,294.6	5,673.5	(1,621.1)

【Non-consolidated】		(in JPY bn)		
		Mar 2022	Mar 2023	Change
13	Total Assets	103,366.3	91,425.4	(11,940.9)
14	Total Liabilities	96,221.8	85,955.3	(10,266.4)
15	Total Net Assets	7,144.5	5,470.0	(1,674.4)
16	Gains/Losses on Revaluation of Securities	1,041.0	(946.2)	(1,987.3)

Total Assets over Time (Consolidated)



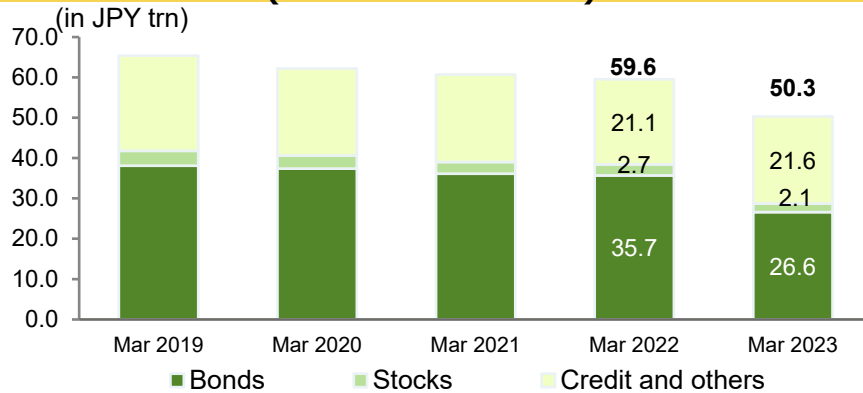
Net Assets over Time (Consolidated)



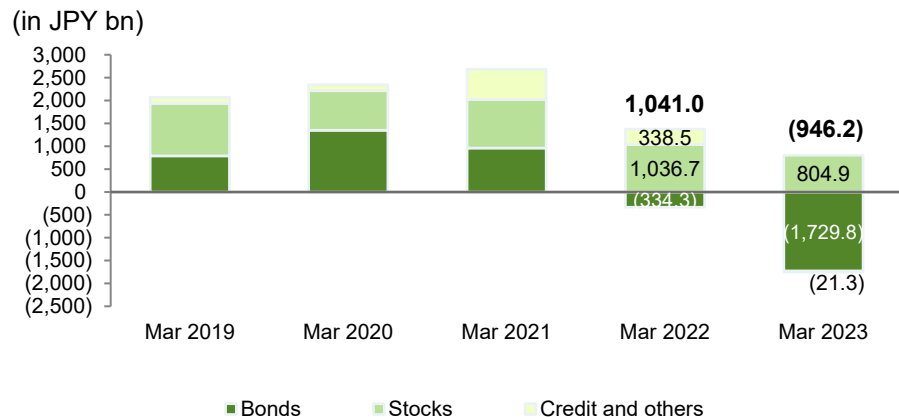
Globally Diversified Investments

- The Bank conducts globally diversified investments to achieve profitability and portfolio resiliency to withstand economic cycles
- Prioritizing prudential soundness, the Bank has reduced foreign bonds holdings mainly, which also helped creating future investment flexibility
- The Bank's market investment portfolio continues to maintain high credit quality

**Market Investment Portfolio Balance
(Non-Consolidated)**

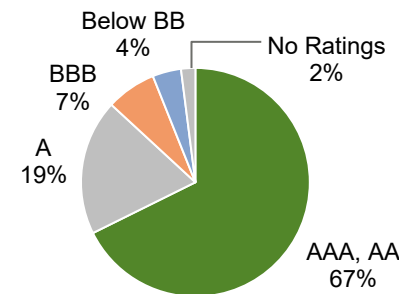


**Net Unrealized Gains and Losses^{※1}
(Non-Consolidated)**

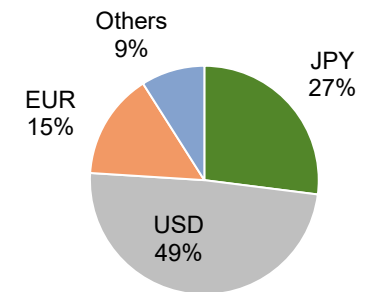


**Market Investment Portfolio^{※2}
(Non-Consolidated)**

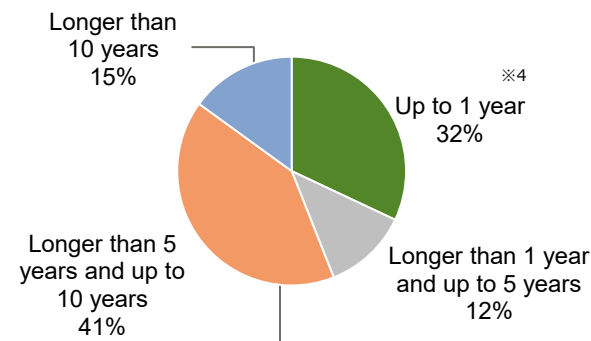
By Rating



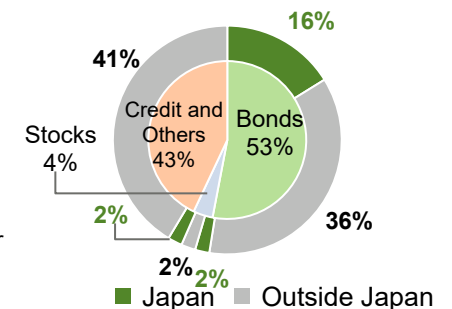
By Currency



**By Rate Reset Maturity^{※3}
(Bond and Credit Only)**



By Asset Class / Geographical Area



※1 Net profit or loss from valuation before the tax effect accounting is applied.

※2 As of Mar. 31, 2023

※3 Except for bonds and credit without maturity

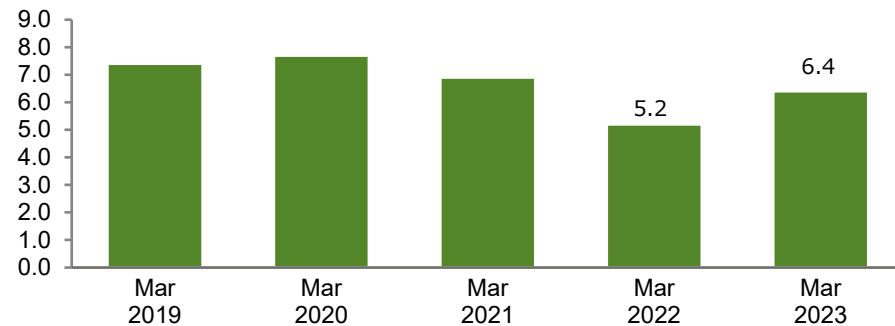
※4 Including floating interest rate

Our Investment in CLOs

- The Bank applies a consistent approach to robust due diligence and disciplined risk management in CLO investments

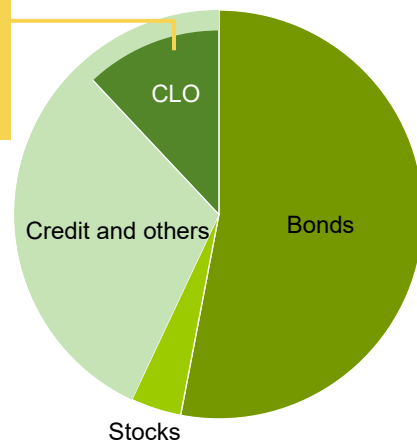
The Norinchukin Bank's CLO Holdings

(in JPY trn)



Market Investment Portfolio^{※1}

- 13% of investment portfolio
- Only triple-A rated and held-to-maturity securities



※1 As of Mar. 31, 2023

Due Diligence and Risk Management

Investment Guidelines

- Solely invest in the most senior, triple-A rated tranche
- Strict requirements on stipulations and underlying assets
- Bank-original, rigorous stress-test scenarios

Investment Process

- Credit review process on each transaction by the Credit Risk Management Division in addition to the analysis by the investment team

Managers

- Select collateral managers with good track-records and disciplined investment style

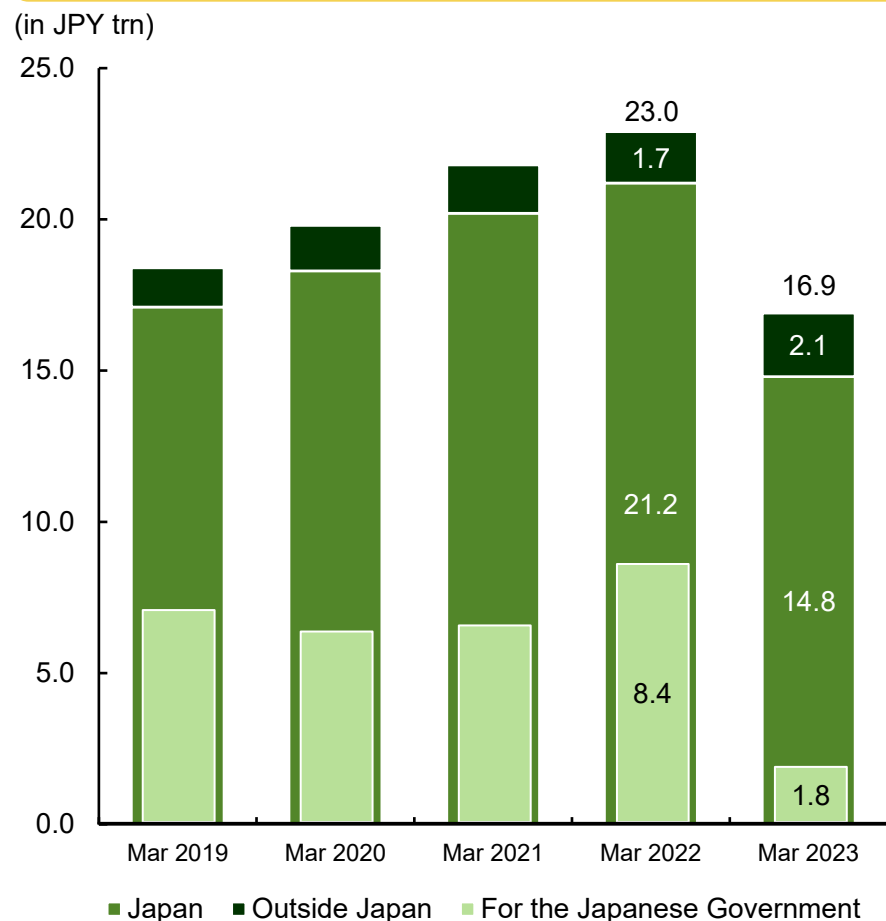
Monitoring

- Periodic review on the compliance status of tests and underlying asset quality
- Frequent communication with the managers

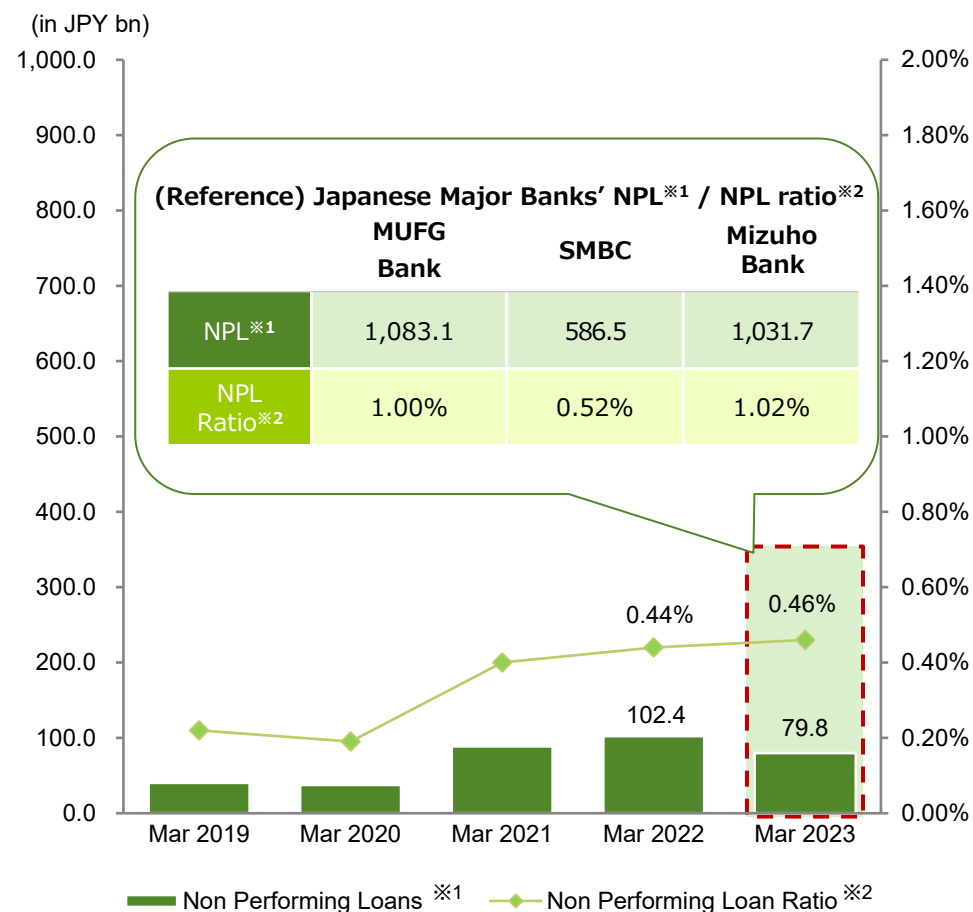
Loan and Bills Discounted

- Loans and bills discounted decreased due to a decrease in loans for the government
- The Bank maintains a low level of non-performing loans and low NPL ratio

Loans and Bills Discounted (Non-Consolidated)



Non-performing Loans^{※1} (Non-Consolidated)



※1 Sum of claims classified under "Bankrupt or de facto bankrupt", "Doubtful" and "Special attention" under the Norinchukin Bank Act (Same definitions as the mandatory disclosure exposures under the Financial Revitalization Act)

※2 The ratio of NPLs to the Bank's total claims (i.e. NPLs and normal loans)

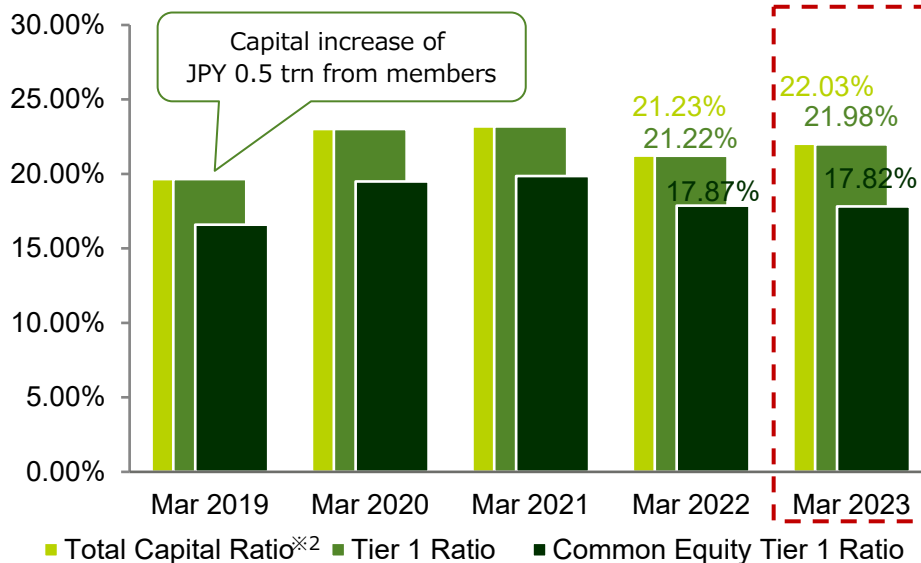
Strong Capital Position with Investments from Members

- The Bank continues to maintain sufficient capital ratio backed by stable funds from members and stays top-tier among Japanese domestic peers

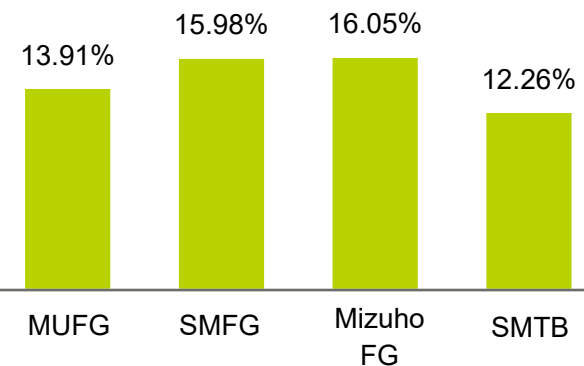
- Offering Summary
- Overview of The Norinchukin Bank
- The Latest Financial Results**
- Initiatives for Achieving Sustainability Management

Investments from members

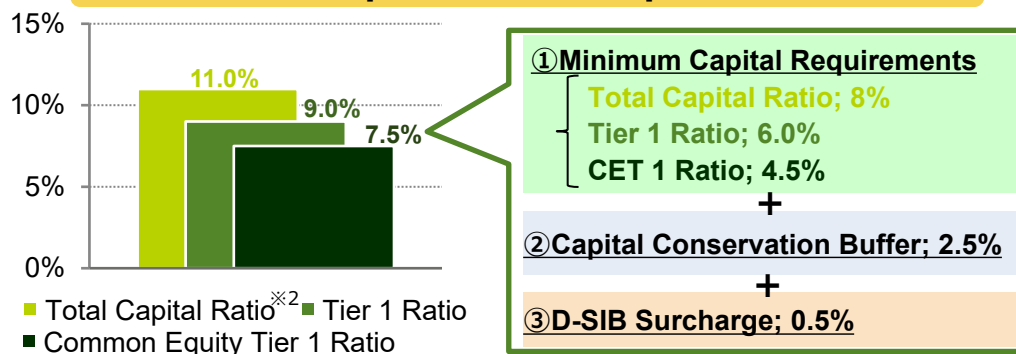
Capital Ratios ※1 (Consolidated)



(Reference) Japanese Major Banks' Total Capital Ratio (Consolidated, Mar. 31, 2023)



Minimum Capital Ratio Requirements ※3,4



Credit Ratings ※5

The Norinchukin Bank's Rating

Moody's	A1
S&P	A

Japanese Major Banks' Rating

	MUFG	SMFG	Mizuho FG	SMTB
Moody's	A1	A1	A1	A1
S&P	A-	A-	A-	A

※1 Capital ratios are calculated under fully-loaded finalized Basel III standard, whose adoption was approved for the period ending Mar. 31, 2023 and onwards.

※2 Total capital divided by risk-weighted assets

※3 as of Mar 31, 2023; ※4 Countercyclical buffer is not included

※5 Ratings of Long-term debt, as of Mar. 31, 2023

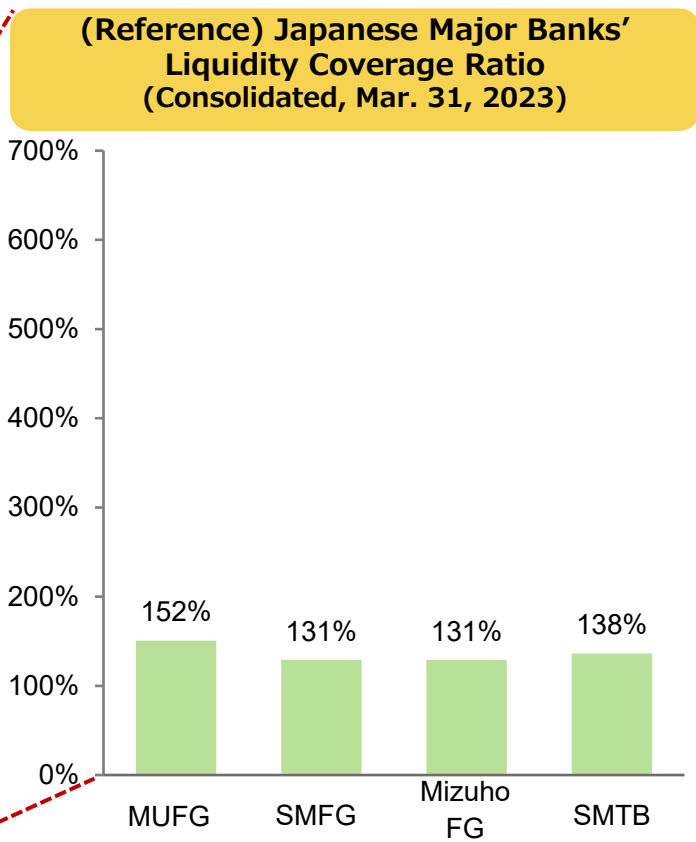
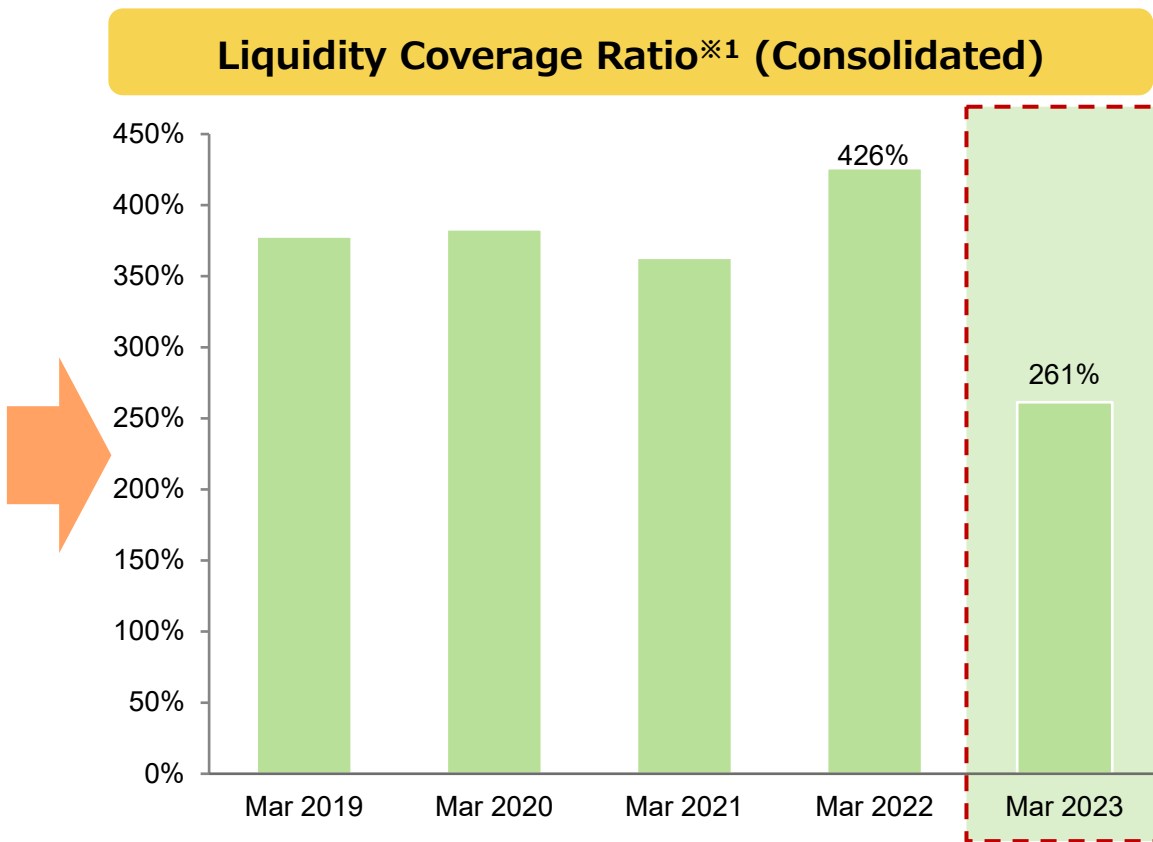
Source: Company Information

High Liquidity with Deposits from Members and Low Leverage

- As with its capital ratio, the Bank continues to maintain a high level of liquidity ratio thanks to stable deposits from members
- The ratio is higher than the Bank's domestic peers

Overview of The Norinchukin Bank
The Latest Financial Results
Initiatives for Achieving Sustainability Management

Deposits from members



【Consolidated】	Mar 2019	Mar 2020	Mar 2021	Mar 2022	Mar 2023
Leverage Ratio ^{※2}	7.87%	8.04%	10.19%	9.15%	8.86%
Net Stable Funding Ratio ^{※3}	-	-	-	129.1%	130.0%

(Reference) Japanese Major Banks' Leverage Ratio and Net Stable Funding Ratio (Consolidated, Mar. 31, 2023)				
Bank	Leverage Ratio (%)	Net Stable Funding Ratio (%)		
MUFG	4.70%	132.8%		
SMFG	5.03%	124.1%		
Mizuho FG	4.46%	122.5%		
SMTB	4.80%	114.8%		

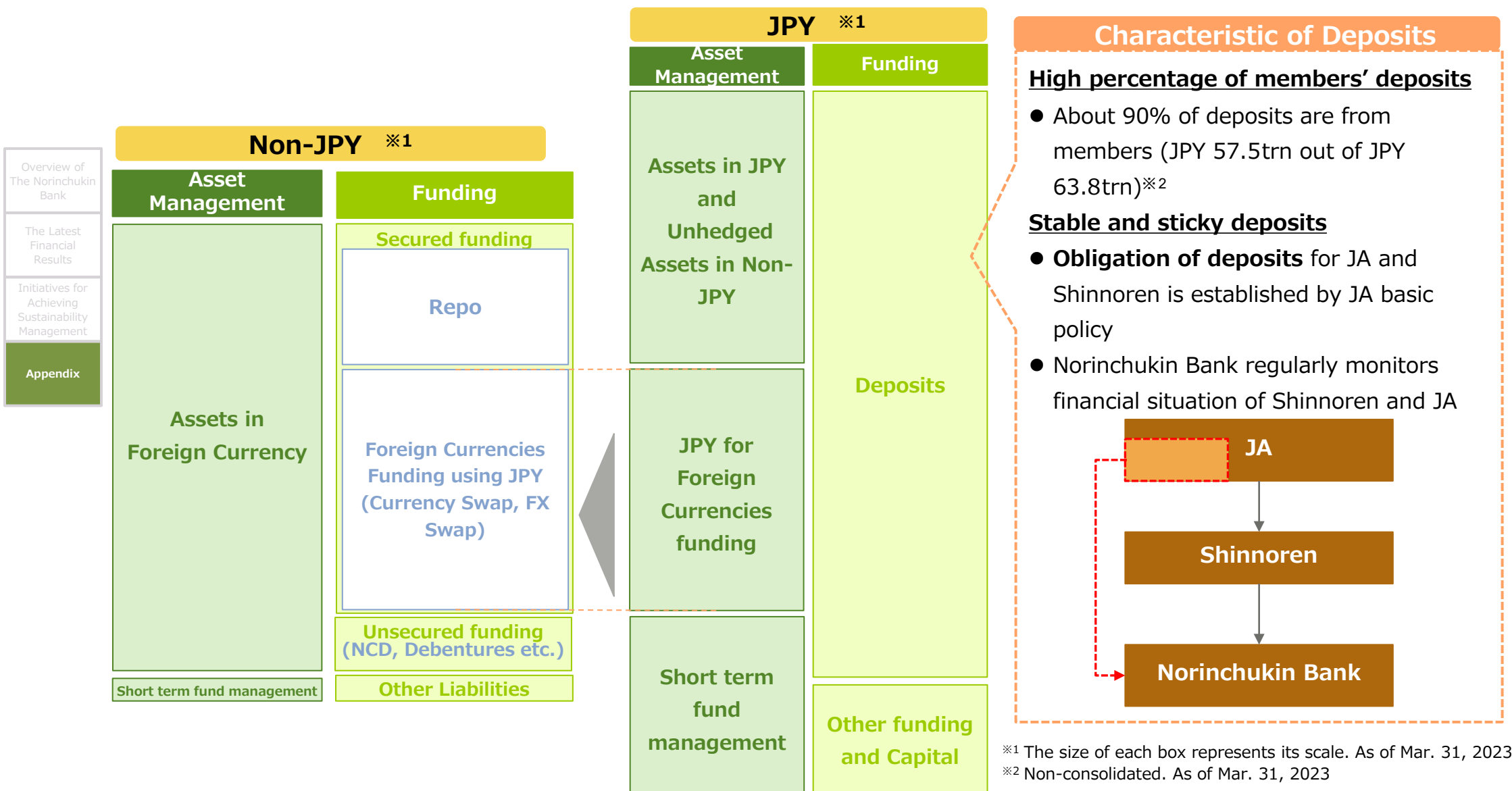
※1 Simple averages of observations over the previous quarter

※2 Pursuant to the Financial Services Agency and the Ministry of Agriculture, Forestry and Fisheries regulatory revision (as of Jun. 30, 2020), the deposit to the Bank of Japan is excluded from total exposure amount. This change is reflected in the figures as of Mar 2021, Mar 2022 and Mar 2023.

※3 Disclosure requirement in Japan started from September 2021.

Funding Structure

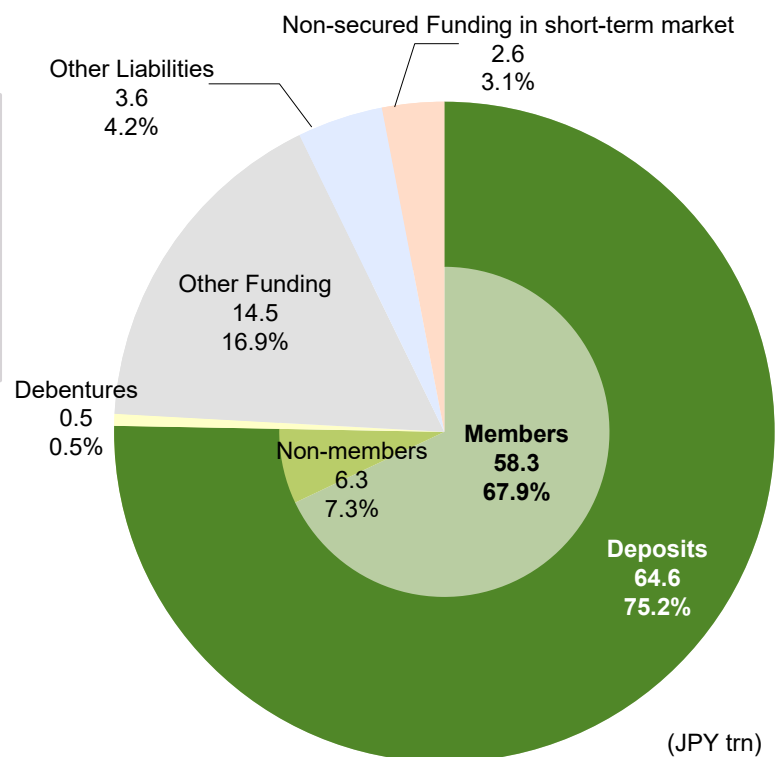
- Investment in foreign currency is maintained by secured funding mainly, which are non-JPY funding whose collateral is ample JPY deposits from members, and repo transactions using high quality liquid assets



Deposits (※)

- Approximately 90% of deposits are from members, and both balances and composition ratios have remained stable

Breakdown of Funding (Non-Consolidated)



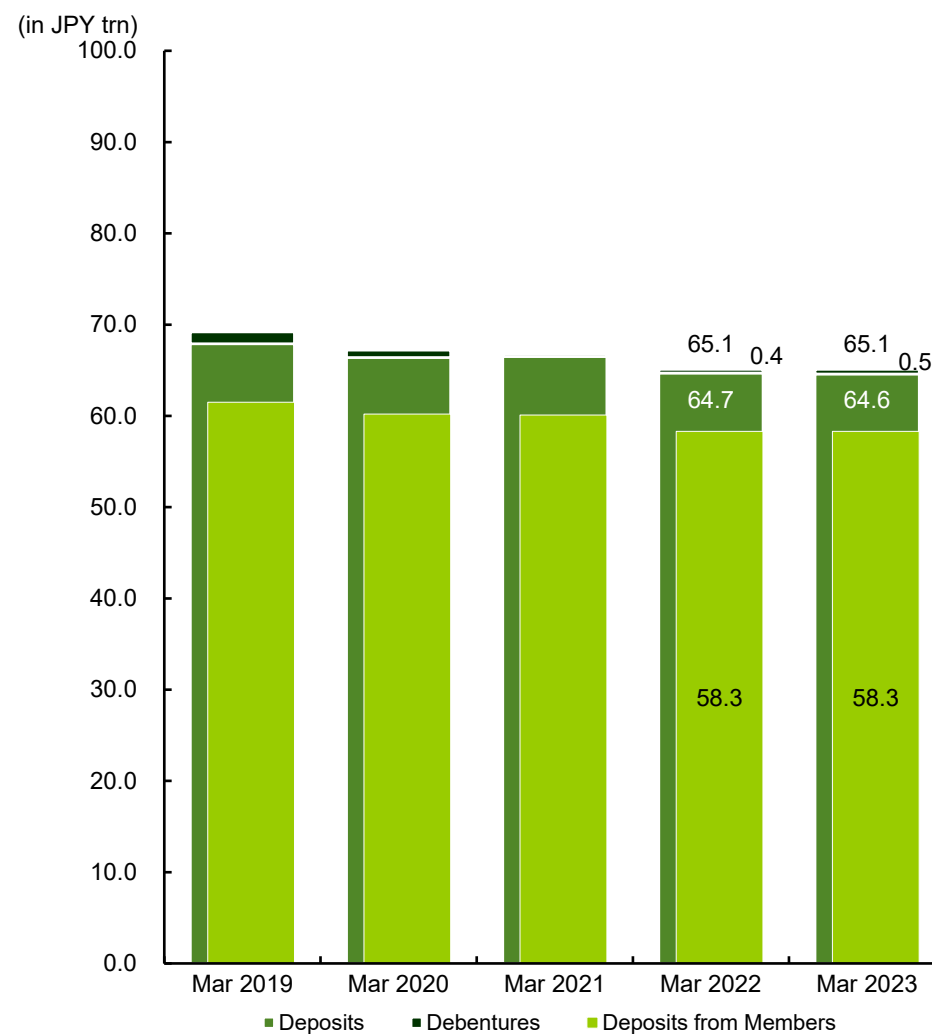
Total Liabilities: JPY 85.9 trn

(※) This is an excerpt from our disclosed "Financial Summary for Fiscal Year 2022".

Non-consolidated. As of Mar. 31, 2023

Deposits include deposits and entrusted funds (the majority are deposits from members) for accounting purpose. Other funding includes borrowed money (secured and subordinated loans), payables under repurchase agreements and payables under securities lending transactions. Other liabilities include acceptances & guarantees and reserves. Short-term unsecured funding from markets include trading liabilities, negotiable certificates of deposit, and unsecured call money.

Deposits and Debentures over Time (Non-Consolidated)



III. Initiatives for Achieving Sustainability Management

Overview of Medium/Long-Term Goals

- The Bank has progressed its initiatives toward the Medium/Long-Term Goals to fulfill its Purpose
- In FY2022, the Bank updated its goals as "Reduce GHG emissions Net Zero by 2050" to promote further initiatives toward carbon-free society

Medium/Long-Term Goals

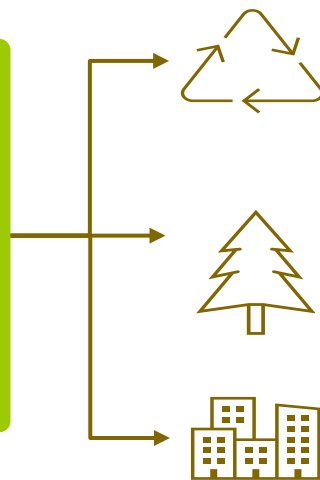
Overview of
The Norinchukin
Bank

The Latest
Financial
Results

Initiatives for
Achieving
Sustainability
Management



**Reduce GHG emissions
Net Zero by 2050**



Reduce financed emissions

Interim target for FY2030 toward "Net Zero by 2050" (vs. FY2019)

Lending : Power sector 138–165g CO₂ e/kWh

(Plans to expand to other sectors accordingly)

Investment : 49% reduction of assumed emissions based on the economic activity of the Bank's investees.

Increase the forest CO₂ absorption, together with JForest members

9 million tons per year as of FY2030

Reduce GHG emissions by the Bank itself

Net Zero by FY2030



**Increase the income of farmers,
fishermen and foresters**



Execute New Sustainable Finance

JPY 10 trillion by FY2030



Promote Active Participation of Women in Managerial Positions

Target share of female managers: 13% by FY2030, 30% by FY2040

Reduction of GHG Emissions

- The Bank set an interim target for FY2030 to achieve “Net Zero by 2050”
- With our stakeholders, the Bank takes initiatives to reduce financed emissions, increase the forest CO2 absorption together with JForest members, and reduce GHG emissions by the Bank itself

“Net Zero by 2050”

Reducing GHG emissions of investees and borrowers

- The Bank joined the Net-Zero Banking Alliance (NZBA), a global alliance of banks whose members have committed to achieve net-zero emissions across their respective lending and investing activities by 2050. To achieve “Net Zero by 2050,” the Bank has set an interim target for FY2030.
- The Bank undertakes engagement (constructive dialogue) with its customers to support their transition to a post-carbon society.

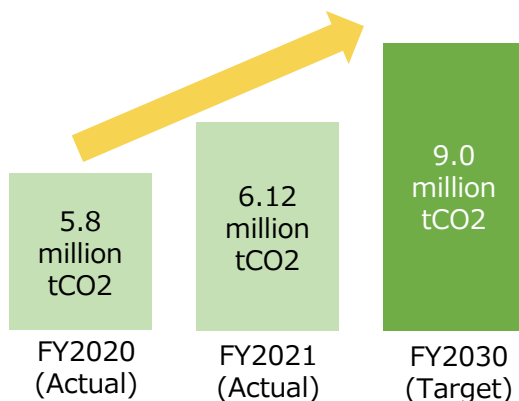
	FY2019	FY2020 (Preliminary figures)	FY2030 Target
Scope 3 figures			
Lending Portfolio*1 (Power Sector)	213 gCO2e/kWh	217 ※2 gCO2e/kWh	138-165 gCO2e/kWh
Investment Portfolio	0.66 tCO2e/ million yen	0.55 tCO2e/ million yen (17% reduction compared to FY2019)	49% reduction Compared to FY2019

※1 Plans to expand to other sectors accordingly.

※2 The increase of the figures for lending portfolio of FY2020 compared to FY2019 was due to an increase in the number of business partners categorized in the power sector as a result of system registrations, in addition to an increase in the lending amount during the COVID-19 pandemic.

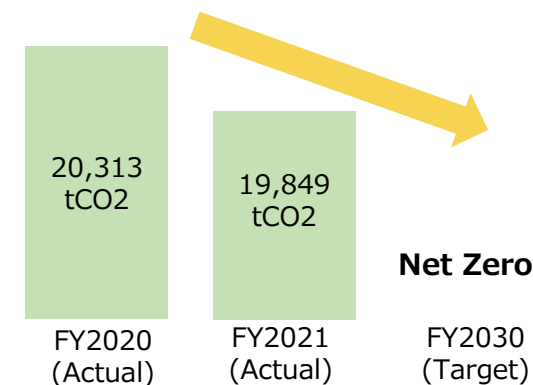
Increasing the forest CO2 absorption with JForest members

- In collaboration with JForest members, the Bank crystalized its forest CO2 absorption target as 9 million tons by FY2030.
- The Bank has supported JForest members’ forestry operations through Nochu Potential Forest Productivity Fund and Forestry Labor Safety Improvement Measures.
- In FY2022, the Bank launched a new platform to support JForest members from production to distribution of their forest credits.



Reducing GHG emissions by the Bank itself

- The Bank aims to reduce GHG emissions from its own facilities to Net Zero by FY2030.
- The Bank takes reduction efforts through further energy efficiency improvements and switching its electricity sources to renewable energy etc.



Initiatives to Increase the income of Farmers, Fishermen and Foresters

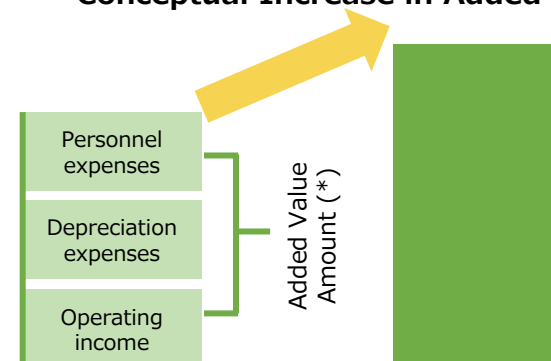
- The Bank pursues to increase the income of farmers, fishermen and foresters through consulting activity for AFF corporations and leaders

Contributing to Sustainable AFF Industries and Regions

Initiatives to increase the income of AFF corporations and leaders

- The Bank defines "Added Value Amount" as an indicator to measure the extent of income growth of AFF corporations and leaders, and it aims to continuously contribute to increasing the income of workers in the industries and regions.
- The Bank offers proposals to resolve a wide variety of management issues that relevant local leaders faced in collaboration with JA Shinnoren and Japan Agricultural Cooperatives (JA). (FY2021: 186 cases, FY2022: 301 cases)
- In addition to providing proposals and solutions to the AFF corporations and leaders, the Bank contributes to following the progress and resulting effects of the formulated action plans.

Conceptual Increase in Added Value



(*) The Bank defines "Added Value Amount" (the sum of operating income, depreciation expenses and personnel expenses) to include not only the perspective of "profit improvement" but also concepts such as "appropriate capital expenditure" and "investment in human resources."

[Topics] Consulting activity for AFF corporations and leaders

- The Bank started a consultation project with its client, Himi Inazumi Ume Co., Ltd. (the "company") from FY2021. The Bank proposed to deploy "V-shaped trimmed tree cultivation method" to plum trees for the first time in Japan, along with carrying out periodical planting activities with students from a local agricultural high school in cooperation with a prefectural agricultural promotion center.
- The implementation of the proposed solutions is expected to enable the company to acquire local youth supporters, reduce significant working hours, and improve profitability. In the next step, the Bank will continue its support to increase "Added Value Amount" of the company, while following up the progress and resulting effects of the proposed action plans.



A scene of plum planting activity with students

New Sustainable Finance

- **Newly executed sustainable finance during FY2022 reached approximately JPY 2.9 trillion**
(Cumulative amount of sustainable finance from the beginning of FY2021; JPY 4.4 trillion)

New Sustainable Finance

Breakdown of new sustainable finance (FY2022)

Investments & Loans	Market Investment Assets etc.	JPY 1.4 trillion
	Project Finance	JPY 0.8 trillion
	ESG Loans	JPY 0.6 trillion
Funding	Green Bonds and Green Deposits	JPY 0.1 trillion

Examples

"Sustainability Linked Loan" to an AFF corporation

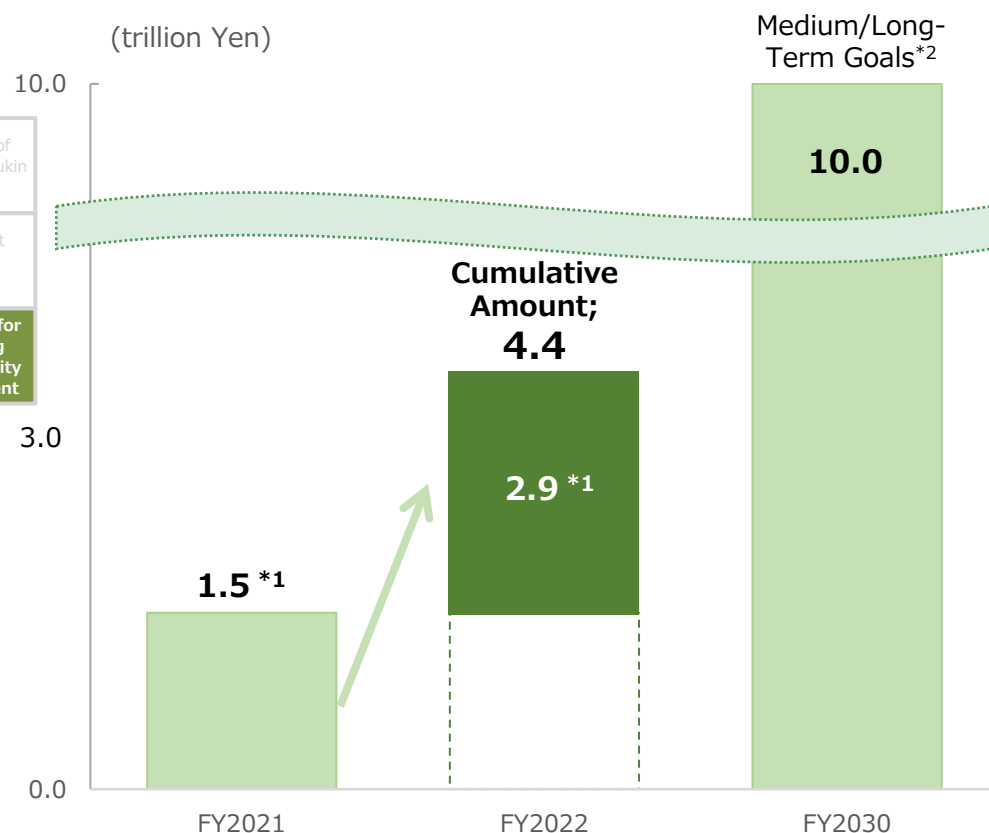
- Executed sustainability linked loan with an AFF corporation, setting sustainability performance targets that correspond to the borrower's GHG reduction goal

"Sustainability Linked Loan" to a power company

- Executed sustainability linked loan with a power company, setting sustainability performance targets that correspond to the borrower's decarbonization

Investment in "Feed-Africa Bond"

- Invested in the "Feed Africa" Theme Bond issued by the African Development Bank (the "AfDB"), aiming to support the AfDB's initiatives and contribute to the increase in food production in Africa.



*1 Investments and loans focusing on Environment are 0.7 and 0.8 trillion JPY in FY2021 and FY2022 respectively.

*2 Cumulative amount of new sustainable finance from FY2021 to FY2030 (10 years)

The Bank's Initiatives to Create Impact Through Investments and Financing Activities

- Signed "Japan Impact-driven Financing Initiatives" which is a collaborative initiative of Japanese financial institutions in November 2022
- Promoting efforts to create and visualize positive and measurable impacts on environmental and social issues through investment and financing

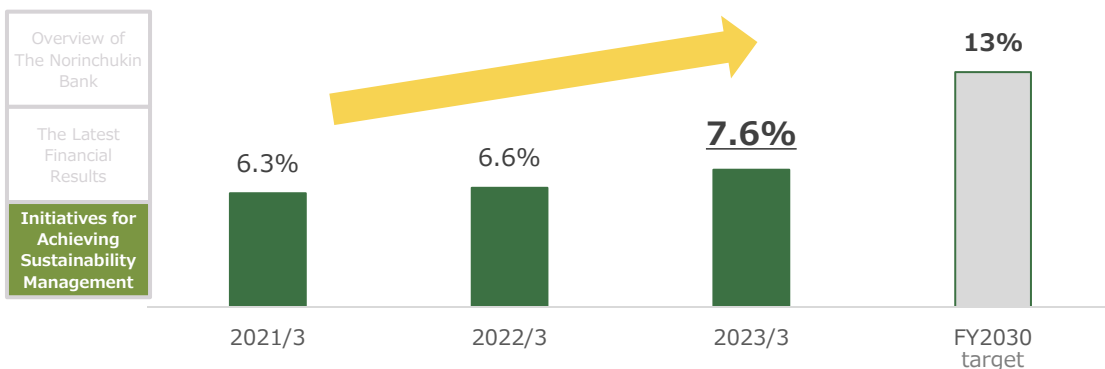
Participation of Women in Managerial Positions

- The Bank makes multifaceted efforts to promote active participation of women in managerial positions by supporting female employees and fostering awareness among its directors and employees

Initiatives Toward the Target Share of Female Managers

Trend in Percentage of Female Managers

- Steady progress toward achieving Medium/Long-Term Goal of 13% by FY2030 (Actual: 7.6% as of the end of March 2023)



Firm-wide Efforts to Foster Awareness and Behavior

- Lectures by guest speakers targeting all directors and employees to foster their awareness of the importance of promoting diversity and inclusion.
- Active management messages to promote diversity and inclusion via newsletters and videos.



Initiatives to Promote Active Participation of Women

- Introduced external mentor programs and training programs for cross-industry exchanges for women.
- Introduced a flextime policy without core-hour requirement in certain divisions in advance in April 2022, and expanded its application scope to majority of divisions in April 2023.
- Expressed support for the “Work Interval Declaration” initiative in Japan to adopt and comply with nine-hour work interval policy.
- Held seminars for expecting mothers and fathers as well as for managerial employees to promote taking paternity leaves.

- Employee-led working groups on the following topics:

- ① **Work-life balance support:** Both male/female employees who just returned to workplaces from their childcare leaves discussed issues and potentially useful support before, during, and after those leaves.
- ② **Fostering awareness among managers:** Male managers discussed how to promote women’s active participation and work style changes in their divisions and offices.
- ③ **Round-table discussions with managers:** Round-table discussions were held with managers and mid-level employees to discuss how rewarding becoming a manager is and how to balance work and private lives.



Working group members’ voices are incorporated to the Bank’s D&I initiatives

Initiatives for Nature Capital and Biodiversity

- As the global importance of nature capital and biodiversity increases, the Bank is progressing initiatives to identify and disclose related risks and opportunities in collaboration with the stakeholders

Initiatives to Nature Positive^{※1} and Participation in the TNFD Framework Development Efforts

The Bank's Progress in FY2022

The Bank's portfolio analysis and disclosure

- Along with the progress of global discussion about nature capital and biodiversity, the Bank conducted analysis to identify the degree of nature-dependency and impact on the Bank's portfolio, which was disclosed in March 2023.

Finance Alliance for Nature Positive Solutions (FANPS)

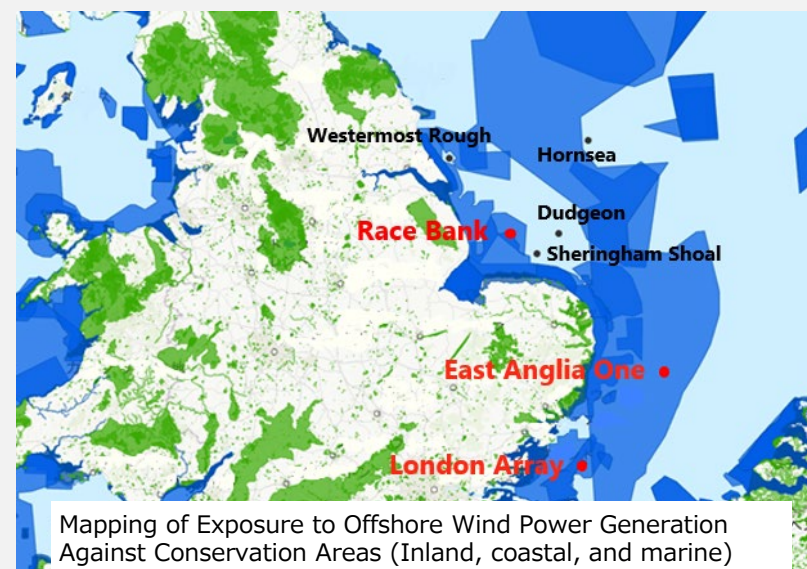
- To promote and support its investees and borrowers a transition to a nature positive approach in their business activities, the Bank launched the FANPS together with Sumitomo Mitsui Financial Group, Inc., MS&AD Insurance Group Holdings, Inc., and Development Bank of Japan Inc.

Toward the Completion of TNFD^{※2} Framework (v1.0)

- The Bank participates in an international rule-making as a TNFD task force member and is contributing currently to the development of a global disclosure framework – TNFD Framework (v1.0) that is scheduled to be completed in September 2023.
- Incorporating the upcoming TNFD Framework (v1.0) and domestic and overseas trends, the Bank continues its efforts to identify, analyze, and disclose its nature-related risks and opportunities.

Insights from the Bank's portfolio analysis of nature capital risks and opportunities

- From the analysis on its portfolio, the Bank identifies significant dependencies and impacts from water resources in the utilities sector.
- The Bank further conducted detailed analysis on offshore wind power generation projects in the U.K. and North Sea as an example.



Mapping of Exposure to Offshore Wind Power Generation Against Conservation Areas (Inland, coastal, and marine)

The Bank's analysis presented in the UNEP FI report: "Unboxing Nature-related Risks Insights from the UNEP FI-led TNFD Piloting Programme" (April 2023)

Recent Topics: Investing in World Bank Bonds on Biodiversity

- Invested in Sustainable Development Bonds issued by the World Bank for the purpose of raising awareness of biodiversity and natural ecosystem services.

(※1) Nature positive: a state of nature capital and biodiversity in loss-mitigation and/or recovery trend.

(※2) Taskforce on Nature-related Financial Disclosures: the international initiative to develop and deliver a risk management and disclosure framework for nature-related financial information.

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Key Management Indicators

Key Management Indicators (Consolidated)

(in JPY bn)	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
1 Ordinary Income ^{※1}	1,449.9	1,732.1	1,544.5	1,358.8	1,242.3	2,177.5
2 Ordinary Profits ^{※2}	171.0	124.5	122.9	310.0	238.5	40.4
3 Profit Attributable to Owner of Parent	147.6	103.5	92.0	208.2	184.6	50.9
4 Total Net Assets	6,746.0	7,473.2	7,261.6	7,955.5	7,294.6	5,673.5
5 Total Assets	104,927.7	105,953.9	105,482.0	107,647.8	106,138.3	94,504.9
Capital Adequacy Ratio (BIS) ^{※3}						
6 Common Equity Tier 1 Ratio (%)	19.02	16.59	19.49	19.86	17.87	17.82
7 Tier 1 Ratio (%)	19.02	19.65	23.02	23.19	21.22	21.98
8 Total Capital Ratio (%) ^{※4}	23.50	19.65	23.02	23.19	21.23	22.03

※1 Total income less certain special income (gains on disposal of fixed assets)

※2 Ordinary income minus ordinary expenses. Ordinary expenses: Total expenses minus certain special expenses (losses on disposal of fixed assets, losses on impairment of fixed assets and other extraordinary losses)

※3 Capital ratios are calculated under fully-loaded finalized Basel III standard, whose adoption was approved for the period ending Mar. 31, 2023 and onwards

※4 Total capital divided by risk-weighted assets

Investment and Yield

- The sum of securities and money held in trust accounts for approximately 50% of the Bank's total assets on a consolidated basis and securities denominated in foreign currencies have enabled the Bank to achieve stable management of its total portfolio

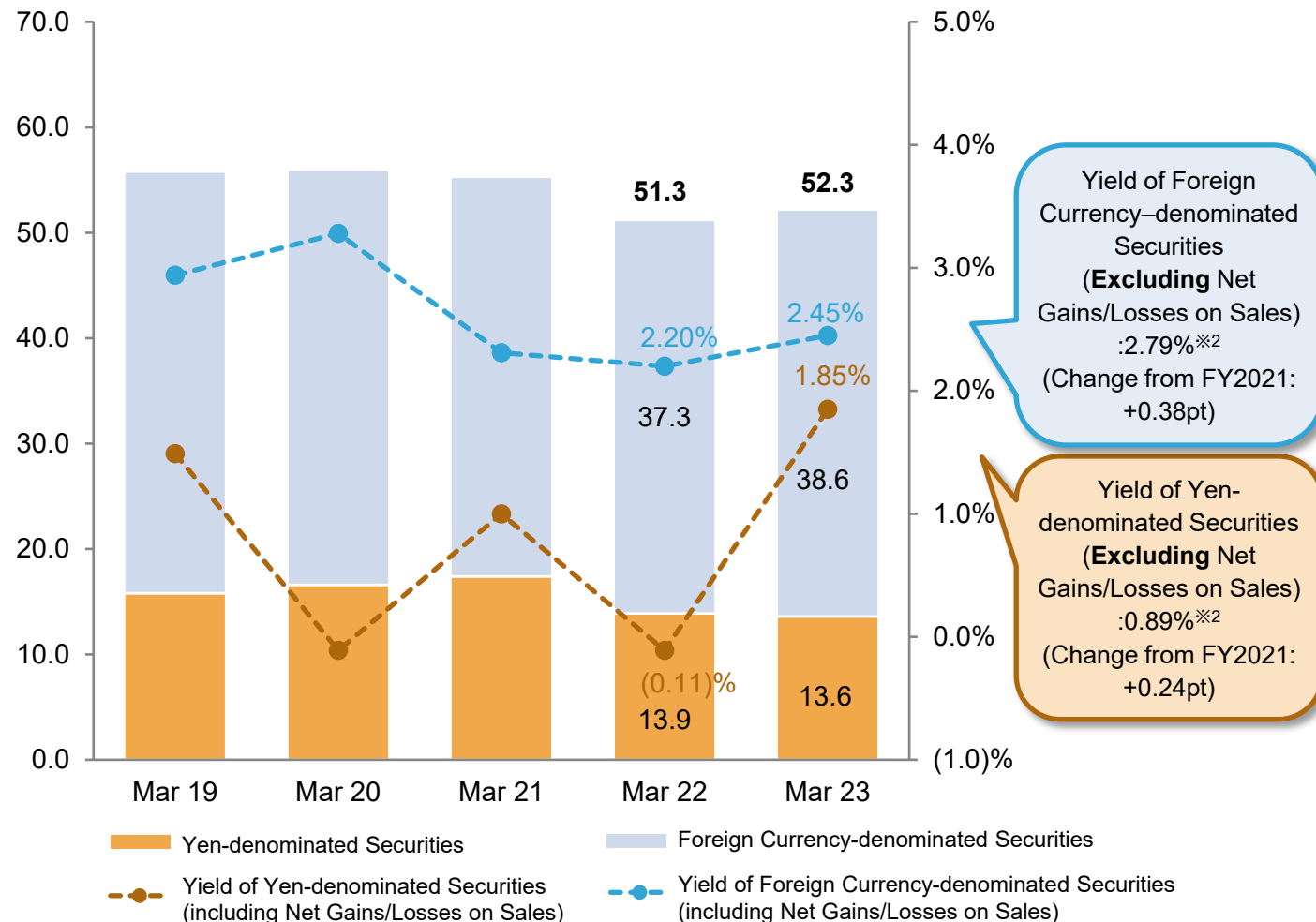
B/S Summary (Consolidated, Mar 31, 2023)

(in JPY trn)



Yen and Foreign Currency-denominated Securities (Average^{※1}) and Yield (Non-Consolidated)

(in JPY trn)



※1 Average balances are calculated on a daily basis using a 365-day year.

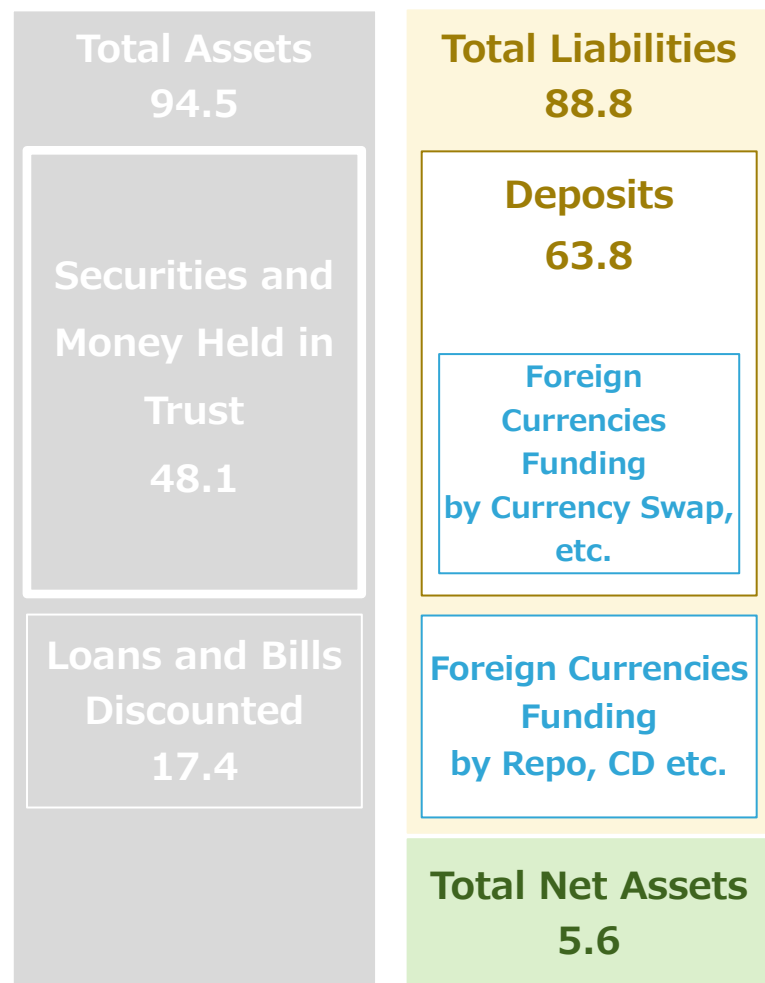
※2 FY2022

Funding and Yield

- Stable deposits from members and a capital base provided by members have made the Bank's financing base stable

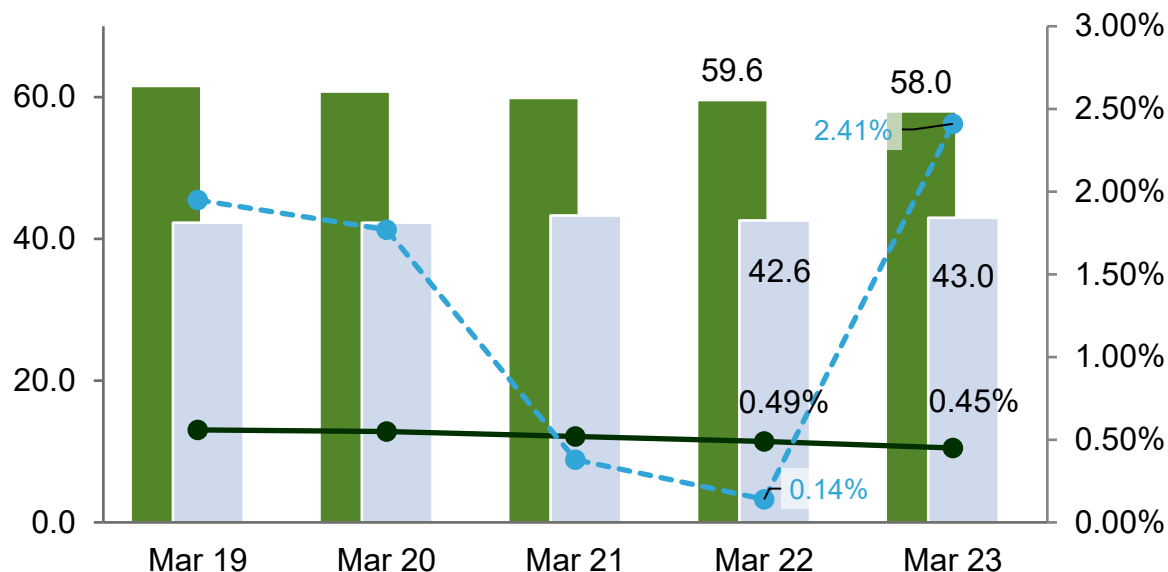
B/S Summary (Consolidated, Mar 31, 2023)

(in JPY trn)



Funding (Average^{※1}) and Yield (Non-Consolidated)

(in JPY trn)



Foreign Currencies Funding^{※2}

From Member Banks

Members (Shareholders)^{※3}
(Consolidated)

Paid-in Capital
(Non-Consolidated)

3,277
(As of Mar. 31, 2023)

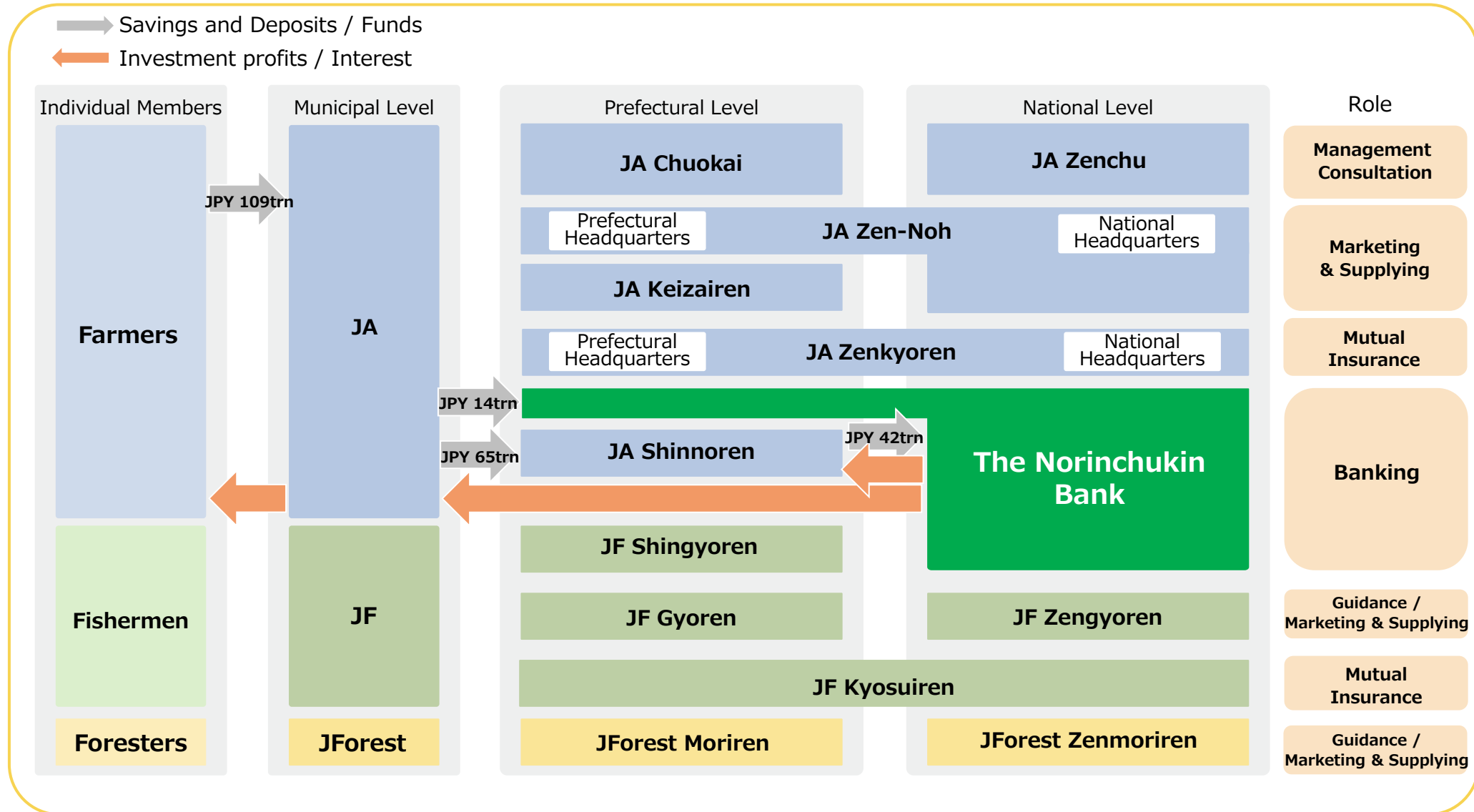
JPY 4.0 trn
(As of Mar. 31, 2023)

※1 Average balances are calculated on a daily basis using a 365-day year. ※2 Including currency swaps, etc.

※3 JA: Japan Agricultural Cooperative(s), JF: Japan Fishery Cooperative(s), JForest: Japan Forest Owners' Cooperative(s) and related federations

Structure of the Cooperative System in Japan

- The Bank is a national-level institution in the system and acts as the ultimate manager of funds from its members



* As of Mar. 31, 2023; The Norinchukin Bank is also a national-level organization of JF Marine Bank.

Cooperative Bank System

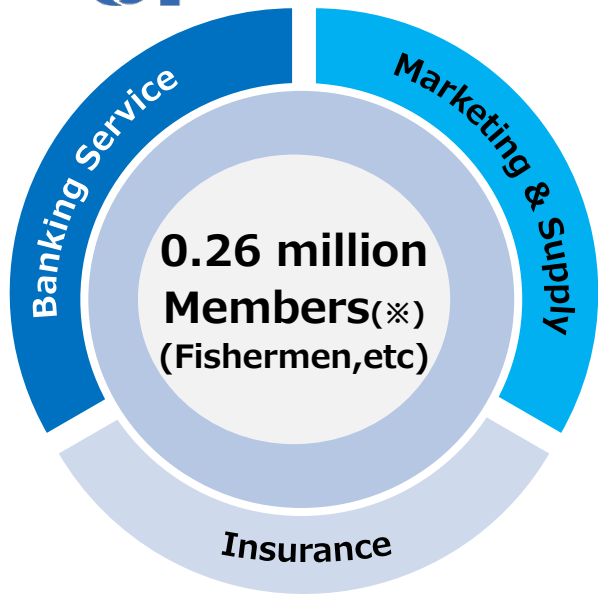
Name	Description
The Cooperative System	<ul style="list-style-type: none"> The Bank's member organizations consist of JA, JF and JForest at the municipal level and their respective federations and unions at the prefectural and national levels. This nationwide structure from the municipal level to the national level is generally known as the "cooperative system." The framework and functions of the Banking businesses of JA and JF at the municipal level, JA Shinnoren and JF Shingyoren at the prefectural level and us at the national level are referred to collectively as the "cooperative banking business."
Japan Agricultural Cooperatives (JA)	<ul style="list-style-type: none"> JA, established under the Agricultural Cooperative Act, conduct a wide range of businesses and activities in the spirit of mutual assistance. The principal business activities of JA include offering guidance for the improvement and management of farms and standards of living for individual members. JA also provide marketing for farmers as well as support various farming activities, including the gathering and selling of crops and supplying materials needed for production and daily living. Additionally, JA provide mutual insurance, such as life and auto insurance and offer various banking services, such as accepting deposits, making loans and remitting funds.
Japan Fishery Cooperatives (JF)	<ul style="list-style-type: none"> JF established under the Fishery Cooperative Act, have the objective of overseeing and protecting the businesses and lives of fishermen. The principal business activities of JF include providing guidance for the management of marine resources and for the improvement of the management of the businesses and production technology of individual members. JF also help fishermen with marketing and supplying logistics surrounding the storage, processing and sale of caught fish and other marine products, and supply materials required for their businesses and daily lives. Additionally, JF also offer various banking services, including the acceptance of deposits and making loans in addition to providing mutual life and non-life insurance.
JForest Group	<ul style="list-style-type: none"> JForest are established under the Forestry Cooperative Act for private forest owners. The ownership structure of Japan's forests consists mostly of small forest owners, and forestry cooperatives play an important role in organizing and representing their interests. The principal business activity of JForest is forest improvement, which involves planting, undergrowth removal and the thinning of forests owned by individual members, as well as the sale of forest products, such as logs and timber.
JA Bank System	<ul style="list-style-type: none"> The JA Bank System consists of JA, JA Shinnoren and us, which together are referred to as JA Bank members. The JA Bank System functions essentially as one financial institution, possessing one of the largest networks among private financial group in Japan.
JF Marine Bank System	<ul style="list-style-type: none"> JF Marine Bank is the name of a nationwide financial group consisting of JF Marine Bank members, which are JF that engage in banking business, JF Shingyoren and us.

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Overview of JA, JF, JForest Group

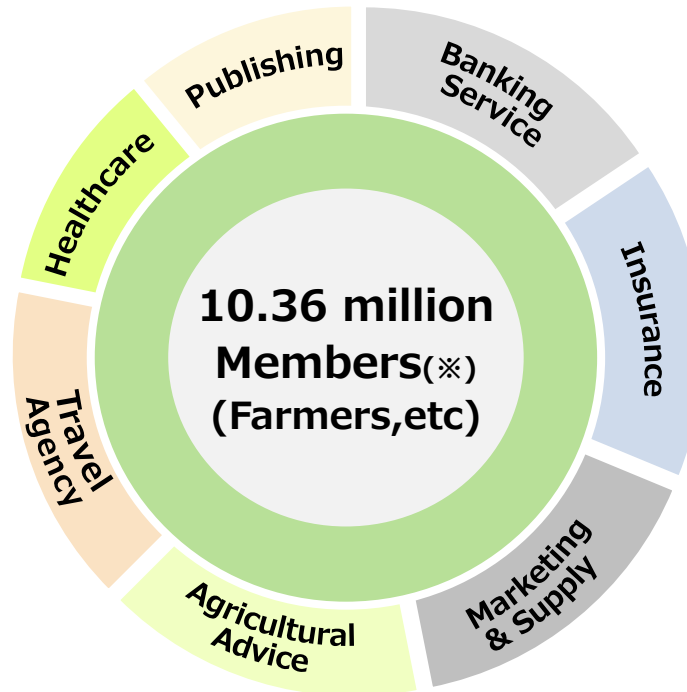
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JF JF Group



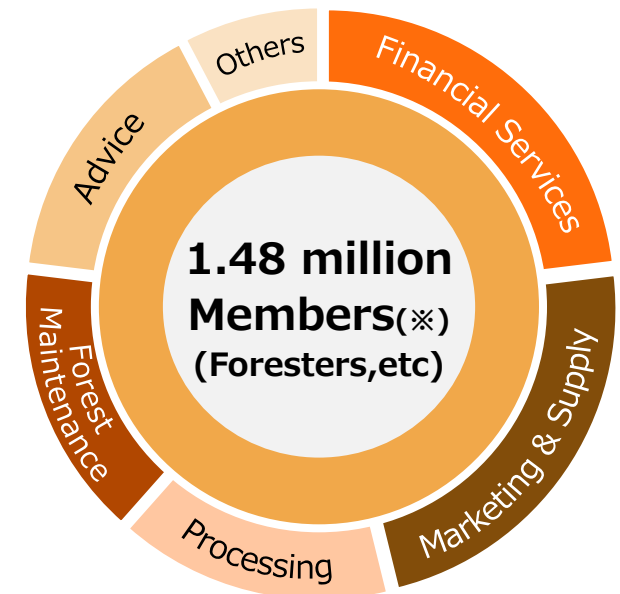
JF Group serves members through various businesses including guidance through the maintenance and management of fishing grounds and fishery resources

JA Group



JA Group aims to enhance agricultural productivity and improve the economic and social status of farmers

JForest JForest



JForest Group aims to enhance economic and social status of the cooperatives, maintain and cultivate forests, and increase forest productivity

※ As of FY2021
 ※ Source: MAFF HP

Status of Shareholders and Voting Rights

- JA, JF, JForest Cooperatives, and related federations, as well as other AFF cooperative organizations are the shareholders of The Norinchukin Bank
- Unlike stock companies, in principle one member has one vote regardless of the number of investment units

Members and the election of delegates (As of Mar. 31, 2023)

Council of Delegates

Council of delegates is democratically controlled based on the philosophy of cooperative organization

Voting In principle one delegate has one vote regardless of the number of investment units

Delegates

Delegates shall be elected among members by the districts and business categories on specific rules

Election

Shareholders

Common Stock (including lower dividend rate stocks)^{※1}

Type of Organization	Number of Members	Stocks Owned
Agricultural Cooperatives	681	8,561,669,920
Federations of Agricultural Cooperatives	97	30,333,856,390
Forest Owners' Cooperatives	599	19,616,220
Forestry Production Cooperatives	10	14,050
Federations of Forest Owners' Cooperatives	46	22,921,100
Fishery Cooperatives	904	159,542,851
Fishery Production Cooperatives	17	21,140
Federations of Fishery Cooperatives	63	1,021,500,389
Marine Products Processing Cooperatives	34	544,400
Federations of Marine Products Processing Cooperatives	6	694,650
Mutual Insurance Federation of Fishery Cooperative Associations	1	7,064,800
Agricultural Mutual Relief Insurance Associations	44	1,338,100
Federations of Agricultural Mutual Relief Insurance Associations	3	21,000
Fishing Boat Insurance Association	1	2,454,350
Agricultural Credit Guarantee Fund Associations	10	139,650
Fishery Credit Guarantee Fund Associations	4	17,158,100
Fishery Mutual Relief Insurance Associations	11	132,000
Federation of Fishery Mutual Relief Insurance Associations	1	292,800
Land Improvement Districts	727	2,870,440
Federations of Land Improvement Districts	3	2,450
Medium and Small-Sized Enterprise Cooperative Associations Related to Sericulture, Forestry or Salt Production	15	133,500
Total	3,277	40,151,988,300

※1 The face value of one common stock is JPY 100.

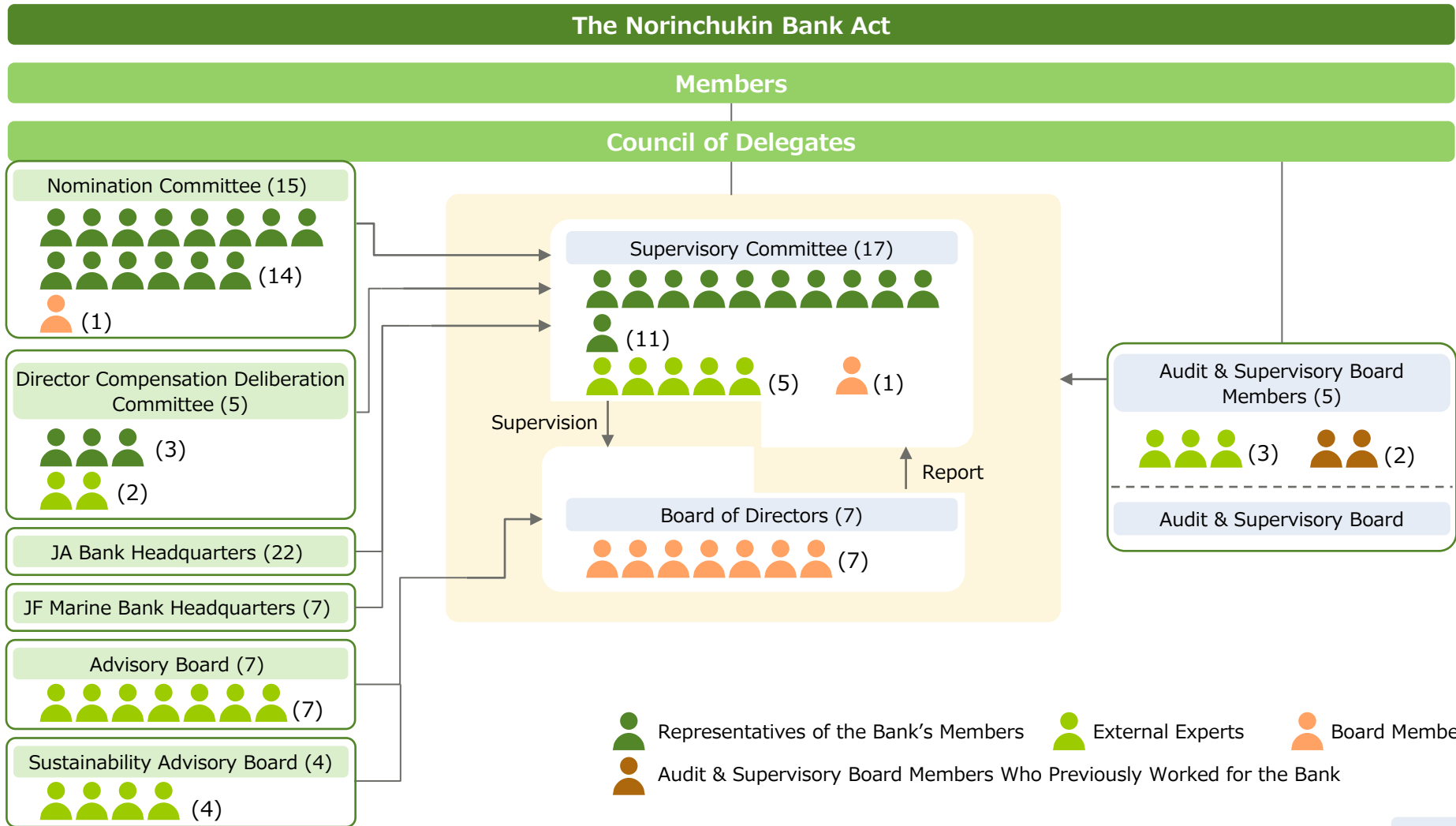
Members

**Total
3,277**

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Our Management System (Governance)

Management System of the Bank (As of Jul. 1, 2022)

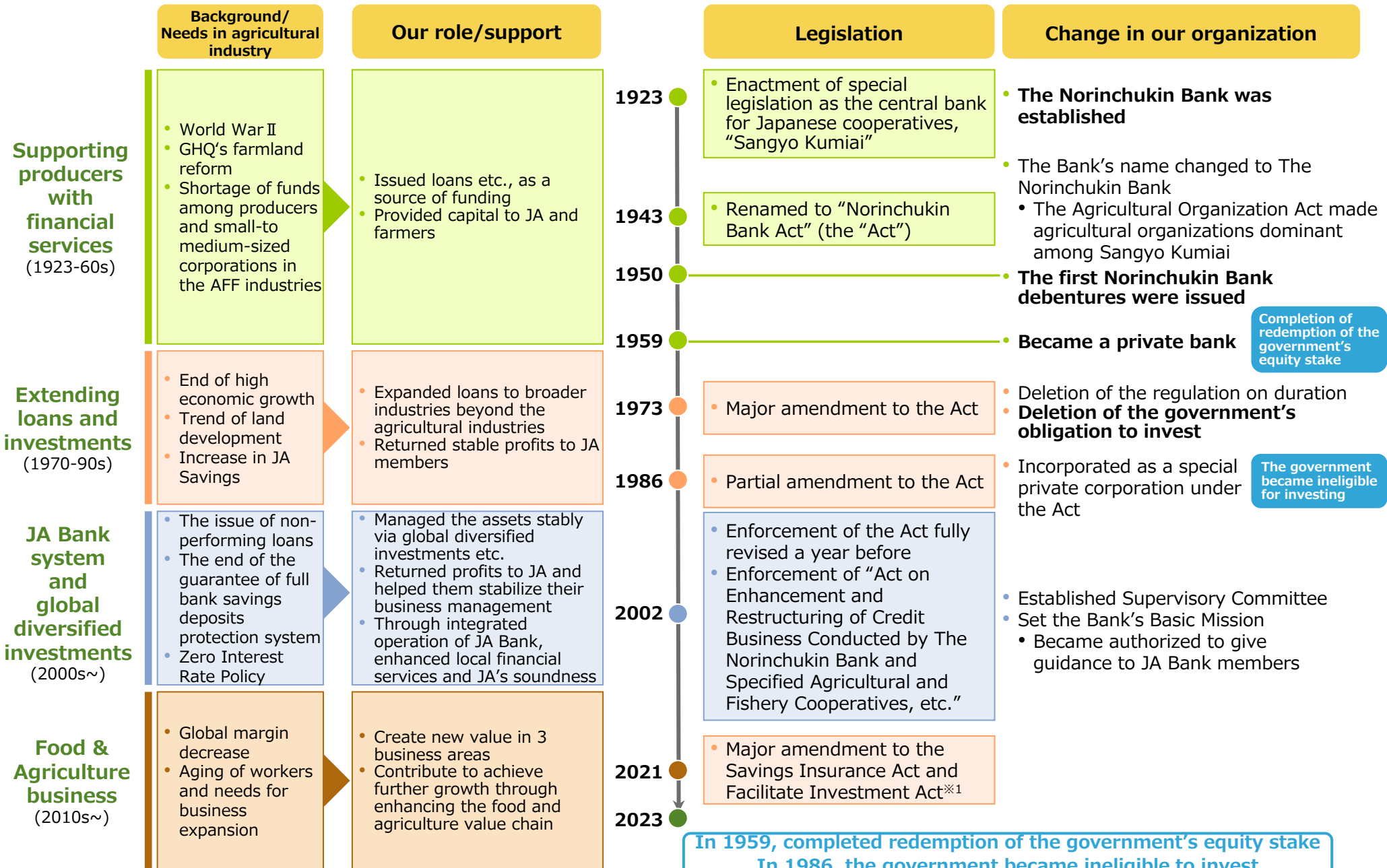


※ Numbers in parentheses represent the number of people.

※ Latest information as of Jul. 1 2023 will be disclosed in our annual report 2023, which will be released on Aug. 30 2023.

Our Features and History of Amendment of Related Laws

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※1 Act on Special Measures to Facilitate Investment in Agricultural Corporations

Medium-Term Management Plan

- The Bank targets self-reform of its organization to meet customer expectations and create value
- The Bank aims to contribute to sustainability-oriented management through its Food & Agriculture Business, Retail Business and Investment Business

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Medium-Term Management Plan (FY2019-2023)

Basic Policy

- Demonstrate true, customer-oriented business value
- Lead the AFF industries
- Engage in proactive digital innovation
- Engage in forward-looking business transformation
- Establish a sustainable financial base

The Bank's Vision

A leading bank supporting the AFF industries, food production and consumption and the daily lives of local communities

Medium-Term Management Plan

Catching the winds of change to create new value

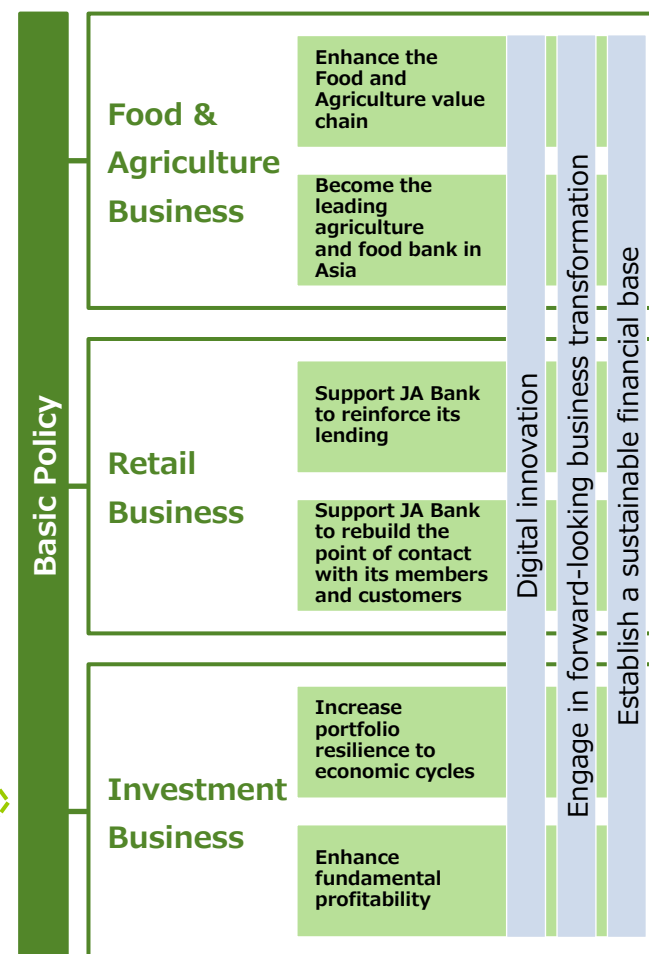
Beginning in

1923

The Bank has supported AFF industries as a national-level financial institution based on cooperatives related to those industries

Era of Discontinuous Changes

Three Priority Business Strategies



Safeguards under Related Regulation (1/2)

- The Bank is subject to the Savings Insurance Act^{※1}, which is a similar framework to the Deposit Insurance Act for commercial banks
- Formal measures to ensure the Bank's safety and soundness:
 1. Prior to Point of Non Viability (PoNV)^{※2}: Item 1 Measures to provide capital injection to prevent a Failure
 2. PoNV (Financial Difficulties^{※3} or Insolvency has occurred): Item 2 Measures

Summary of the Safeguards to Ensure the Bank's Safety and Soundness

Article 97-1	Applicable Institutions	Requirements	Measures	Notes	PoNV
Item 1 Measures <i>(dai ichigo sochi)</i>	Agricultural and Fishery Cooperation ("AFC") ^{※4} (Excluding those applicable to Item 2 Measures)	If the Minister of Agriculture, Forestry and Fisheries and the Commissioner of the Financial Services Agency find that, if the measures are not taken, it may extremely seriously hinder the maintenance of an orderly credit system in Japan or in a certain region	Capital injection	<ul style="list-style-type: none"> - The Savings Insurance Corporation^{※5} is to execute the Subscription for the Preferred Shares, etc., upon receiving an application from AFC with Confirmation pertaining to the Item 1 Measures - Upon the application, AFC is to submit a management soundness improvement plan 	Not Deemed
Item 2 Measures <i>(dai nigo sochi)</i>	AFC with Financial Difficulties ^{※6} or AFC which is unable to fully perform its obligations with its assets (insolvent)		Financial assistance exceeding payout cost	<ul style="list-style-type: none"> - AFC with Confirmation pertaining to the Item 2 Measures immediately becomes subject to a disposition by a provisional administrator ordering management 	Deemed

※1 Agricultural and Fishery Cooperation Savings Insurance Act

※2 When, based on capital adequacy requirements applicable to The Norinchukin Bank, all Basel III eligible AT1 and Tier 2 instruments will be fully written down.

※3 The term "Financial Difficulties" as used in this Act means when repayment of Savings, etc. (meaning the performance of obligations pertaining to Savings, etc.; the same applies hereinafter) has been suspended or repayment of Savings, etc. is likely to be suspended in light of the status of its business or property.

※4 Includes The Norinchukin Bank, agricultural cooperatives (only those which conduct a credit business), credit federation of agricultural cooperatives, fishery cooperatives (only those which conduct a credit business), credit federation of fishery cooperatives and marine product processing cooperatives (only those which conduct a credit business).

※5 Agricultural and Fishery Cooperation Savings Insurance Corporation

※6 The term "AFC with Financial Difficulties" as used in this Act means an Agricultural and Fishery Cooperation that has suspended repayment of Savings, etc. or is likely to suspend repayment of Savings, etc. in light of the status of its business or property.

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Safeguards under Related Regulation (2/2)

- With the amendment to the Savings Insurance Act^{※1} enacted in May 2021, Measures for Orderly Resolution of Assets and Liabilities for Ensuring Stability in Financial Systems (Article 110-2) were introduced

Summary of the Safeguard to Ensure Stability in Financial Systems

Article 110-2	Applicable Institutions	Requirements	Measures	Notes
<p>Specified Measures (tokutei sochi)^{※2}</p>	The Norinchukin Bank	<ul style="list-style-type: none"> If the Minister of Agriculture, Forestry and Fisheries and the Commissioner of the Financial Services Agency find that, if the measures are not taken, it may cause severe disruption in Japan's financial market and any other financial systems 	<ul style="list-style-type: none"> Liquidity support Capital injection 	<ul style="list-style-type: none"> Upon the application of the Specified Measures, The Norinchukin Bank will be designated as the entity whose execution of business, and management and disposal of assets will be placed under the monitoring of the Savings Insurance Corporation Upon receiving an application from The Norinchukin Bank, the Savings Insurance Corporation may provide the loan or the guarantee of obligations when it finds it necessary Upon receiving an application from The Norinchukin Bank, the Savings Insurance Corporation is to execute the Subscription for the Preferred Shares, etc. following a determination by the Minister of Agriculture, Forestry and Fisheries and the Commissioner of the Financial Services Agency

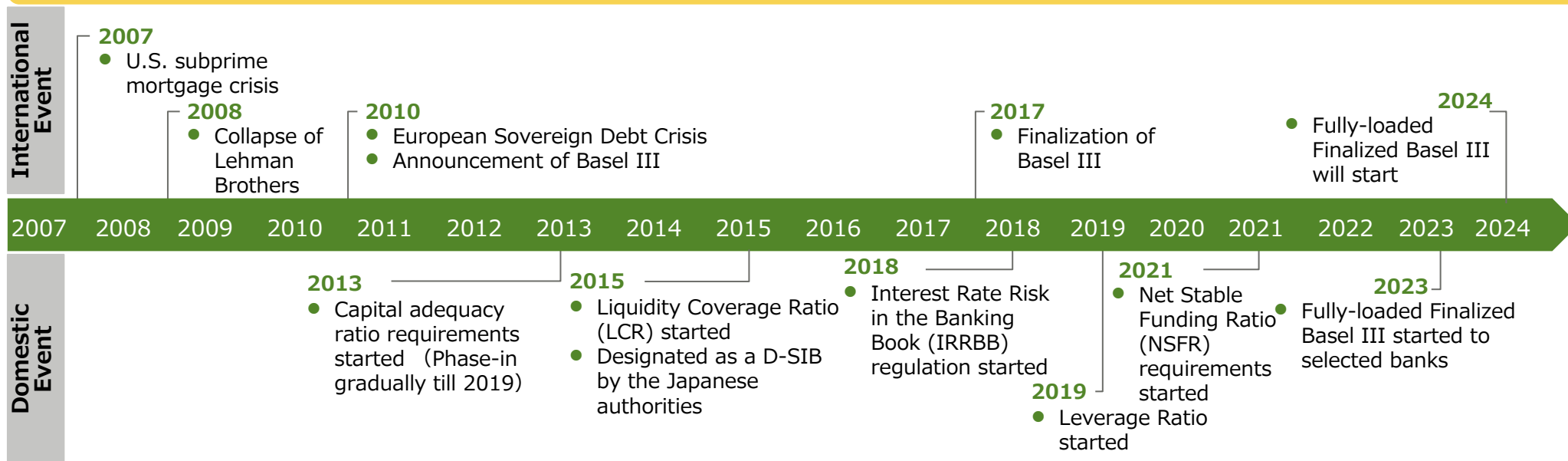
※1 Agricultural and Fishery Cooperation Savings Insurance Act

※2 Specified Measures will be taken before The Norinchukin Bank becomes insolvent.

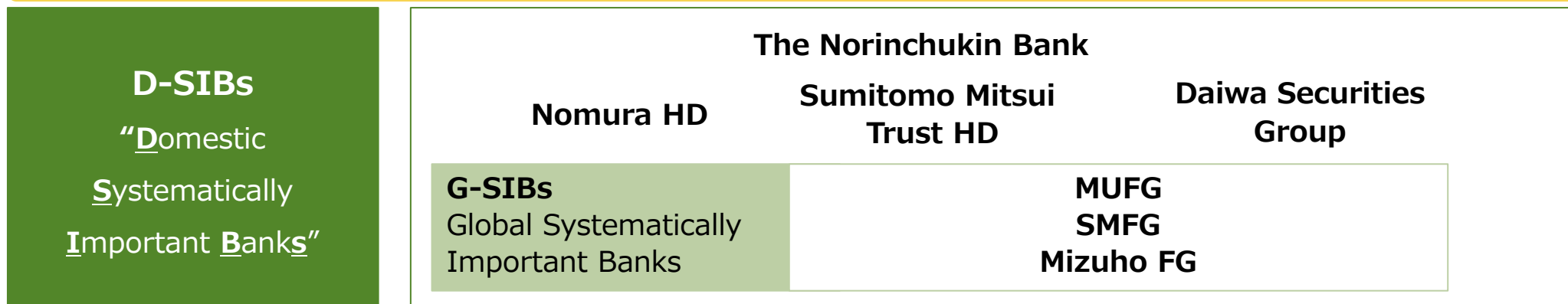
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Compliance with the Basel Banking Regulations

Compliance with the Basel III Regulations as implemented in Japan after the Global Financial Crisis of 2007-2008



About D-SIBs



* In accordance with The Norinchukin Bank Act, the Bank is subject to the capital adequacy requirements equivalent to those applicable to Internationally Active Bank under the Banking Act.

Source: Company Information, Bloomberg

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Initiatives for Achieving Sustainability Management

- The Bank has identified five focus areas and 14 topics related to sustainability and has been developing specific activities in each business area

Future Vision

Develop essential human resources and cultivate employee engagement to realize our mission of becoming a leading bank that supports the AFF industries, food production and consumption and the daily lives of local communities

Relevant SDGs



Sustainability Topics (Five Focus Areas and 14 Topics)

Focus Area	1 Create a positive impact on the AFF industries, food and local communities	2 Promote responsible finance	3 Promote sustainability management	4 Securing highly capable human resources	5 Maintain customer trust as a financial institution
Topic	1-1. Contribute to sustainable AFF industries 1-2. Contribute to a safe and secure food supply 1-3. Contribute to sustainable local communities 1-4. Conserve the natural environment which is the foundation of the AFF industries 1-5. Create business innovation	2-1. Promote sustainable finance 2-2. Contribute to sustainable energy utilization 2-3. Realize financing for everybody	3-1. Ensure a transparent organizational governing structure 3-2. Reinforce the management of environmental and social risks 3-3. Reinforce stakeholder engagement	4-1. Improve diversity and equal opportunities 4-2. Enhance human resources development	5-1. Further reinforce our compliance framework

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Initiatives to Manage Environmental and Social Risks

- Under the Bank's Environmental and Social Risk Management (ESRM) framework, the frontline department assesses environmental and social risks, and the risk management department monitors and confirms such risks
- In addition, an internal escalation process for decision making at the management level as needed basis has been established

Investment and Financing Sector Policy

Environmental Policy

Human Rights Policy

Basic Policy for Investment and Loans

Policy on Environmental and Social Considerations in Financing and Investment Activities

ESG Integration

Recognition of environmental and social risk by engaging in dialogue with the Bank's customer

Global Investments HQ

Credit Risk Management Div.

Food & Agri HQ

Credit decisions based on the traditional financial risks evaluation process

Responding to Environmental and Social Incidents

TV, newspaper and other media reports

Information from external information vendors

Norinchukin internal information collection and sharing

Discussion between Credit Risk Management Division and frontline departments

Interviews with investment and finance clients

Equator Principles

1) Finance Application Project Information

2) Project Information

Investment Finance Clients

Frontline Divisions

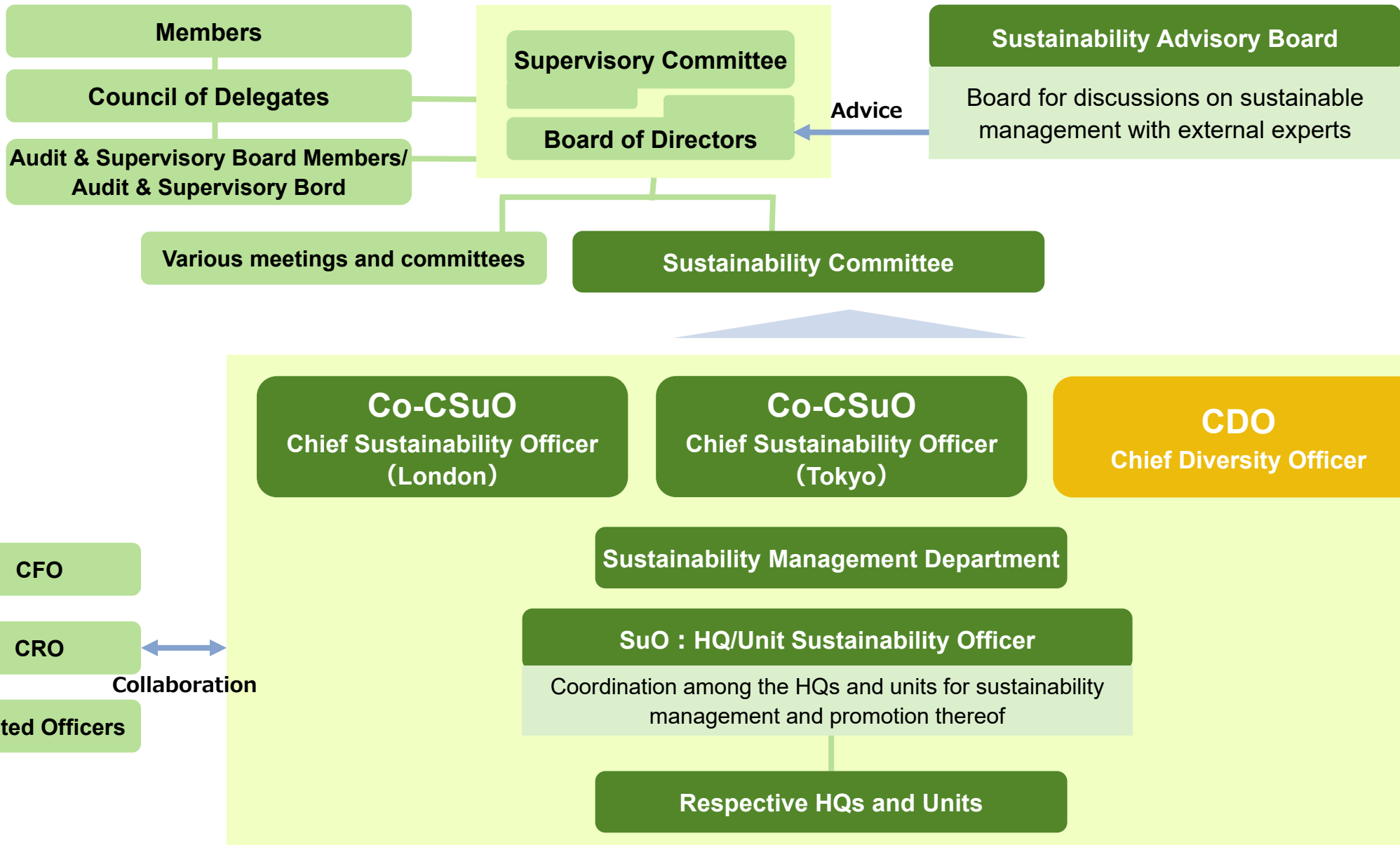
Credit Risk Management Division Equator Principal Review Team

3) Confirm Compliance

Investment Decision Authority (Credit Risk Management Division, etc.)

Sustainability Promotion Structure

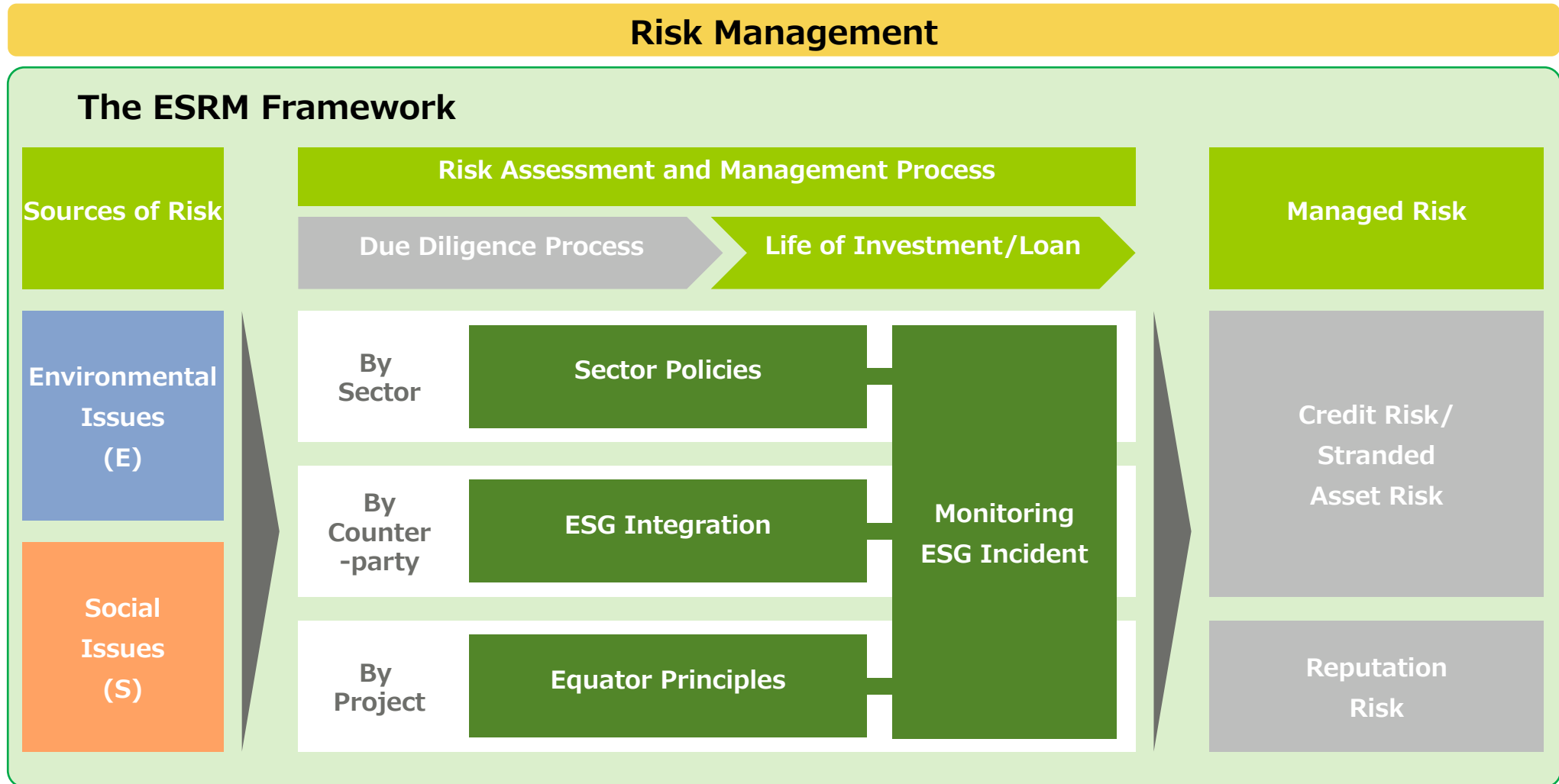
- The Bank is strengthening its organizational structure to enhance sustainability management.



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Environmental and Social Risk Management (ESRM)

- The Bank has built an ESRM framework to assess and manage environmental risks and social risks prior to making investment and financing decisions for individual customers and project



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Participation in Initiatives

NZBA

- Net-Zero Banking Alliance (NZBA) is a global alliance of banks whose members have committed to achieve net-zero emissions across their respective lending and investing activities by 2050, in alignment with the Paris Agreement.
- The Bank announced its participation in March 2023.

Asia Investor Group on Climate Change (AIGCC) and Climate Action 100+ (CA100+)

- AIGCC is an initiative to create awareness and encourage action among Asia's asset owners and financial institutions about the risks and opportunities associated with climate change and low carbon investing.
- CA100+ is a global initiative led by institutional investors who engage with companies about climate-related issues.
- The Bank announced its participation in June 2022.



Taskforce on Nature-related Financial Disclosures (TNFD) Forum

- TNFD Forum is a global multi-disciplinary consultative group of institutions with over 400 members that supports the Taskforce whose aim is to develop and deliver a risk management and disclosure framework for organizations to report and act on evolving nature-related risks. The Bank announced its participation in June 2022.



PRB

- The Principles for Responsible Banking are a unique framework for ensuring that signatory banks' strategy and practice align with the vision society has set out for its future in the Sustainable Development Goals and the Paris Climate Agreement. The Bank signed PRB in April 2022.



PCAF

- PCAF is a global partnership of financial institutions that work together to develop and implement a harmonized approach to assess and disclose the greenhouse gas (GHG) emissions associated with their loans and investments. The Bank signed PCAF in April 2022.



Task Force on Climate-related Financial Disclosures (TCFD)

- The TCFD was established in December 2015 by the Financial Stability Board (FSB). The Bank adopted the TCFD's recommendations in April 2019. Going forward, the Bank will address the impact and risks of climate change on its business and work to expand its initiatives and disclosures.



CDP

- The CDP is an NGO that conducts international activities. In response to requests from institutional investors, the CDP sends major international corporations a questionnaire related to climate change, water resources, forests and commodities. The CDP then analyzes, evaluates, and discloses the responses, thereby exerting significant influence on global ESG investments. The Bank signed on to the CDP in March 2017.



Equator Principles

- The Equator Principles is an international risk management framework adopted voluntarily by financial institutions for assessing and managing environmental and social risks in project finance and other areas. The Bank adopted the Equator Principles in May 2017.



United Nations Global Compact

- The United Nations Global Compact is a voluntary initiative whereby signatory companies and organizations act as upstanding members of society by demonstrating responsible and creative leadership, participating in the creation of a global framework for achieving sustainable growth. The Bank signed the Global Compact in November 2016.



SGX Sustainable Fixed Income Initiative

- SGX (Singapore Exchange) Sustainable Fixed Income Initiative recognizes fixed income securities listed on SGX that meets recognized standards for green social or sustainability fixed income securities.
- Our green bonds are recognized as eligible securities under the Initiative.



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Promoting Sustainable Finance

- **The Bank will strive to make contribution to improve environmental and social sustainability of the society as well as sustainability of its businesses**

Investment in Hydrogen infrastructure fund

The Bank invested in Clean H2 Infra Fund S.L.P managed by Hy24, joint venture between Ardian, a world-leading private investment house and FiveT Hydrogen, an investment manager specializing purely in clean hydrogen investments.

The Fund is the world's largest renewable hydrogen infrastructure fund in which financial players and industrial hydrogen related companies such as Air Liquide, TotalEnergies, and VINCI have participated. The Fund will invest in renewable hydrogen-related projects around the world, from upstream projects like green hydrogen production to downstream projects like captive fleet and refueling stations. The Fund is aiming to realize decarbonized society by accelerating the use of hydrogen which does not emit CO2 when used. The Fund has its sustainable investment objective in accordance with Article 9 under the SFDR.

Investment in the World Bank's "Sustainable Development Bond"

The Bank invested in "Sustainable Development Bond" issued by the World Bank (International Bank for Reconstruction and Development).

The Bond has been issued with the aim of spreading awareness of the need to safeguard biodiversity. By contributing toward the realization of three of the 17 Sustainable Development Goals ("SDGs") proposed by the United Nations: SDG13(Climate Action), SDG14(Life below Water) and SDG15(Life on land) – the Bank's investment will, in collaboration with the World Bank, act as a catalyst for making the world aware of the importance of taking steps to achieve the SDGs.

In recent years, the need for efforts on "nature positive" to halt the loss of natural capital and biodiversity and put the Earth on the road to recovery, has become steadily stronger year by year on a global scale. The World Bank has supported the financing of sustainable development projects and programs in member countries across a range of sectors in line with its mission to end extreme poverty and promote shared prosperity. Biodiversity is the World Bank's strategic theme to achieve the two goals sustainably.

Worldwide Action in Project Finance

In its investment business, the Bank is fully engaged in project finance. Unlike corporate finance, which provides loans according to the creditworthiness of the corporation receiving the loan, project finance targets a specific business/project and then evaluates its profitability before making a loan.

Project Finance Examples^{※1}

Renewable Energy Projects

Financing offshore wind, solar and other projects Total lending: JPY 1,028.4 bn

Offshore wind and undersea power transmission lines in the United Kingdom and Continental Europe, as well as solar power station projects in the Middle East and Japan.



Social Infrastructure Projects

Financing desalination and sewage treatment projects Total lending: JPY 1,056.1 bn

• Water treatment projects in Australia and the Middle East.
• Public facility projects such as school and hospital in Australia, the United Kingdom and the Middle East.



※1 Lending amount is as of Mar. 31, 2023.

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Green Bond Framework – Overview

- The Bank has established the Green Bond Framework in alignment with the Green Bond Principles (GBP), 2021, as administered by the International Capital Market Association

01



Use of Proceeds

- The Bank intends to use an amount equal to the net proceeds of the Green Bonds to finance or refinance, in whole or in part, existing or future projects, which include investments made by the Bank or by its subsidiaries that meet the “Eligibility Criteria”



02



Project Evaluation and Selection

- ESG risk assessment and management are governed by the policy and procedures based on the Bank’s Environmental and Social Risk Management (“ESRM”) framework. After being qualified through the basic ESRM framework, the Eligible Green Projects are identified to align with the Eligibility Criteria via the process
- All Green Projects, as with all other investment assets of the Bank, shall be under periodical monitoring by the front business units during the entire lifecycle of the assets until they are redeemed on maturity or sold to the market

03



Management of Proceeds

- The Bank has established an internal tracking system to monitor and account for the proceeds
- Until full allocation of an amount equal to the net proceeds, proceeds will be held temporarily in cash, cash equivalents, or in a bank account or invested in current funds
- In the case of divestment or if a project no longer meets the Eligibility Criteria, the funds will be reallocated to other Eligible Green Projects. Payment of principal and interest will be made from the Bank’s general account and will not be linked to the performance of eligible projects

04



Reporting

- The Bank will publish a Green Bond Report on its website at least annually until full allocation of the net proceeds, or an amount equal thereto, from the Bank Green Bond issuance
- After the full allocation, the report will be updated at least annually. Each Green Bond Report is expected to contain an Allocation Report and an Impact Report

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External Reviewer



Green Bond Framework – Eligibility Criteria

GBP Eligible Project Category	Eligibility Criteria and Example Projects	Environmental Objective	SDG Alignment	Example KPI
<p>Renewable Energy</p> 	<ul style="list-style-type: none"> Funds to finance or refinance renewable energy projects (including power generation / transmission) with the emission threshold of 100g of CO₂ per kwh or less: <ol style="list-style-type: none"> Construction, maintenance and/or operation of solar, solar thermal, wind (onshore and offshore), geothermal power assets Construction, maintenance and/or operation of biomass power plant using virgin wood (chips and pellets) from the forestry with a suitable certification on resource conservation and management 	<ul style="list-style-type: none"> Climate change mitigation Pollution prevention and control 	<ul style="list-style-type: none"> 7. Affordable and Clean Energy 	<ul style="list-style-type: none"> estimated CO₂ emission avoidance and the proportion of the loans
<p>Clean Transportation</p> 	<ul style="list-style-type: none"> Funds to finance or refinance exclusively use for clean transportation projects with emission threshold of 50g of CO₂ per passenger-km or less: <ol style="list-style-type: none"> Construction, maintenance and/or operation of light rail lines and/or high speed rail line projects Construction, maintenance and/or operation of tunnels for clean transports such as electric trains Manufacture of electric trains, including spares and related parts for sale or lease 	<ul style="list-style-type: none"> Climate change mitigation Pollution prevention and control 	<ul style="list-style-type: none"> 11. Sustainable Cities and Communities 	<ul style="list-style-type: none"> estimated CO₂ emission avoidance
<p>Green Buildings</p> 	<ul style="list-style-type: none"> Funds to finance or refinance real-estate properties (including those owned by Japanese Real Estate Investment Trusts (J-REITs)) which have earned or is expected to earn one of the following: <ol style="list-style-type: none"> Gold or Platinum rating under LEED Excellent or Outstanding rating under BREEAM A or S rating under CASBEE 4 or 5 stars under DBJ Green Building Certification 	<ul style="list-style-type: none"> Climate change mitigation Pollution prevention and control 	<ul style="list-style-type: none"> 9. Industry, Innovation and Infrastructure 	<ul style="list-style-type: none"> estimated CO₂ emission avoidance

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Green Bond Framework

– Process for Project Evaluation and Selection

Process for Project Evaluation and Selection

- **Application of Eligibility Criteria in Project Selection**
 - The Bank's Project Finance Division and Real-estate Investment and Solution Division draft the list of Eligible Green Projects
 - The Treasury and Forex Division, which oversees the Green Bond implementation of the allocation and selection process, combines the candidate lists into one Eligible Green Projects List and double-checks them against the framework criteria
 - The Bank's Corporate Planning Division jointly authorizes the Eligible Green Projects List together with all the divisions mentioned above
- **Monitoring Projects**
 - All Green Projects, as with all other investment assets of the Bank, shall be under periodical monitoring by the front business units during the entire lifecycle of the assets until they are redeemed on maturity or sold to the market

Management of Proceeds

- **The Bank has established an internal tracking system to monitor and account for the proceeds**
 - Until full allocation of an amount equal to the net proceeds, proceeds will be held temporarily in cash, cash equivalents, or in a bank account or invested in current funds
- **In the case of divestment or if a project no longer meets the Eligibility Criteria, the funds will be reallocated to other Eligible Green Projects**
 - Payment of principal and interest will be made from the Bank's general account and will not be linked to the performance of eligible projects

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Green Bond Framework – Reporting

- **Allocation Report**

- The amount of net proceeds allocated to Eligible Projects
- The outstanding amount of net proceeds yet to be allocated to projects at the end of the reporting period

- **Impact Report**

- The list of Eligible Projects including the information listed in the box below with brief descriptions and expected impact metrics such as GHGs emissions avoided in tonnes of CO₂ equivalent, where feasible

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Type of Eligible Project Category	Additional information to be reported
Renewable Energy	<ul style="list-style-type: none"> • Distribution by sub-sector and location • Annual power generation • Subject to confidentiality and clients' prior consent, high-level description of select projects • Where feasible, quantitative assessment of expected positive environmental impacts on an aggregate basis (Example KPI: estimated CO₂ emission avoidance and the proportion of the loans)
Clean Transportation	<ul style="list-style-type: none"> • Distribution by sub-sector and location • Subject to confidentiality and clients' prior consent, high-level description of select projects • Where feasible, quantitative assessment of expected positive environmental impacts on an aggregate basis (Example KPI: estimated CO₂ emission avoidance)
Green Buildings	<ul style="list-style-type: none"> • Certification vintage • Subject to confidentiality and clients' prior consent, two or three case studies of underlying REITs and real estate properties funded with the relevant Green Bond (Example KPI: estimated CO₂ emission avoidance)

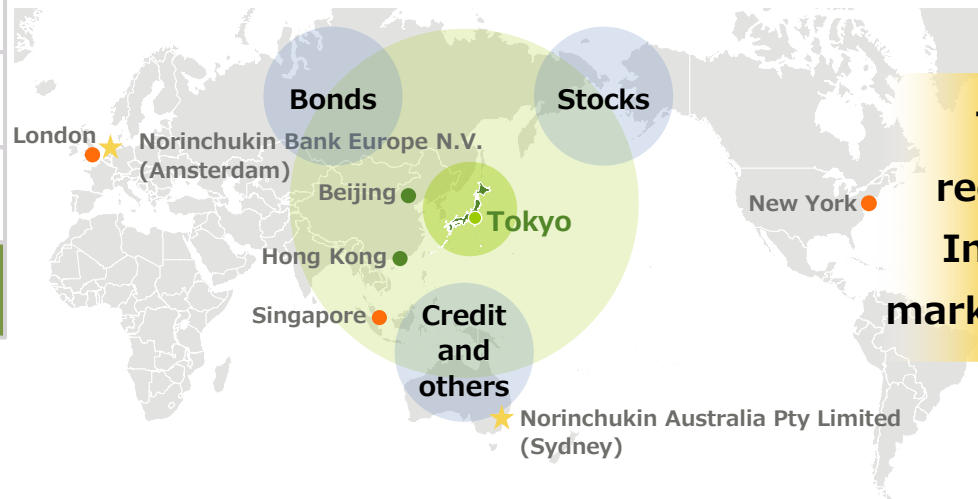
※ The Bank will publish a Green Bond Report on its website at least annually until full allocation of the net proceeds, or an amount equal thereto, from The Bank Green Bond issuance. After the full allocation, the report will be updated at least annually. Second-Party Opinions are available on Sustainalytics website.

Upgrade of Globally Diversified Investments

- Considering the impact of tighter regulations and increasing market volatility, the Bank seeks a new investment business model beyond globally diversified investments

Globally Diversified Investments

Globally diversified investments by building a global network



- ★ Local Firm of the Bank
- Branch
- Representative Office

※1 Norinchukin Zenkyoren Asset Management

Seeking a New Investment Business Model

Tighter regulations
Increasing market volatility

Efficient capital Management

- ✓ Risk asset management
- ✓ Efficient capital allocation

Globally diversified investments

Increase portfolio resiliency to economic cycles

- ✓ New overseas subsidiaries
- ✓ Overseas deal sourcing

Enhance profitability

- ✓ Expanding primary investment
- ✓ Providing asset management service to investors
 - Partial Consolidation of JA Group's investment Management Functions at NZAM※1
 - Establishment of Norinchukin Capital Co., Ltd.
 - Establishment of Nochu-JAML Investment Advisors Co., Ltd. (real estate asset management company)

Loan Portfolio by industries

- The Bank provides loan business to wide range of industries

[Non-Consolidated]

(Amount is in JPY bn and Percentage in %)

	Mar 31, 2022		Mar 31, 2023	
	Amount	Percentage	Amount	Percentage
Domestic offices (excluding Japan offshore market accounts):				
Manufacturing	2,471.2	10.8	2,536.9	15.0
Agriculture	63.1	0.3	64.3	0.4
Forestry	4.3	0.0	3.1	0.0
Fishery	14.9	0.1	12.4	0.1
Mining	111.8	0.5	172.5	1.0
Construction	182.8	0.8	212.5	1.3
Electric, gas, heat supply and water	1,192.7	5.2	1,407.3	8.3
Information and communications	107.4	0.5	101.6	0.6
Transportation	871.4	3.8	834.6	4.9
Wholesale and retail	1,239.2	5.4	1,266.0	7.5
Finance and insurance	3,727.2	16.2	3,514.2	20.8
Real estate	1,012.6	4.4	1,175.9	7.0
Services	1,886.3	8.2	1,709.0	10.1
Local government	4.2	0.0	2.9	0.0
Other	8,352.0	36.4	1,799.4	10.6
Total domestic (A)	21,241.9	92.5	14,813.2	87.6
Overseas branches and offshore (including Japan offshore market accounts):				
Financial institutions	720.5	3.1	802.8	4.8
Other	992.9	4.3	1,286.4	7.6
Total overseas (B)	1,713.5	7.5	2,089.3	12.4
Total (A + B)	22,955.4	100.0	16,902.5	100.0

*1 "Domestic" refers to domestic branches (excluding the Special International Financial Transactions Account), and "Overseas" refers to overseas branches and the Special International Financial Transactions Account.

*2 "Other" in Japan includes loans to the government (JPY 8,352.0 billion as of Mar. 31, 2022 and JPY 1,799.4 billion as of Mar. 31, 2023).

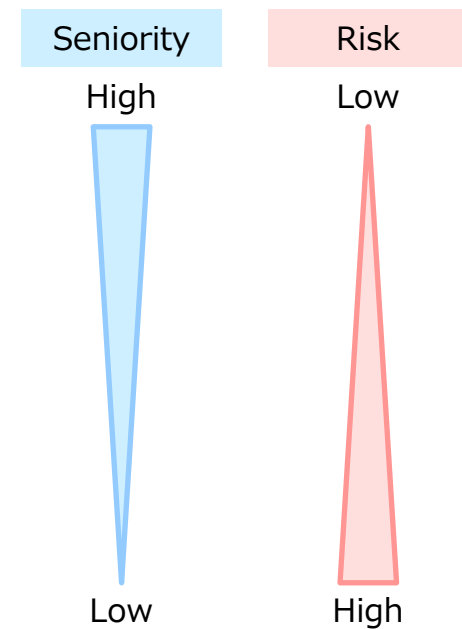
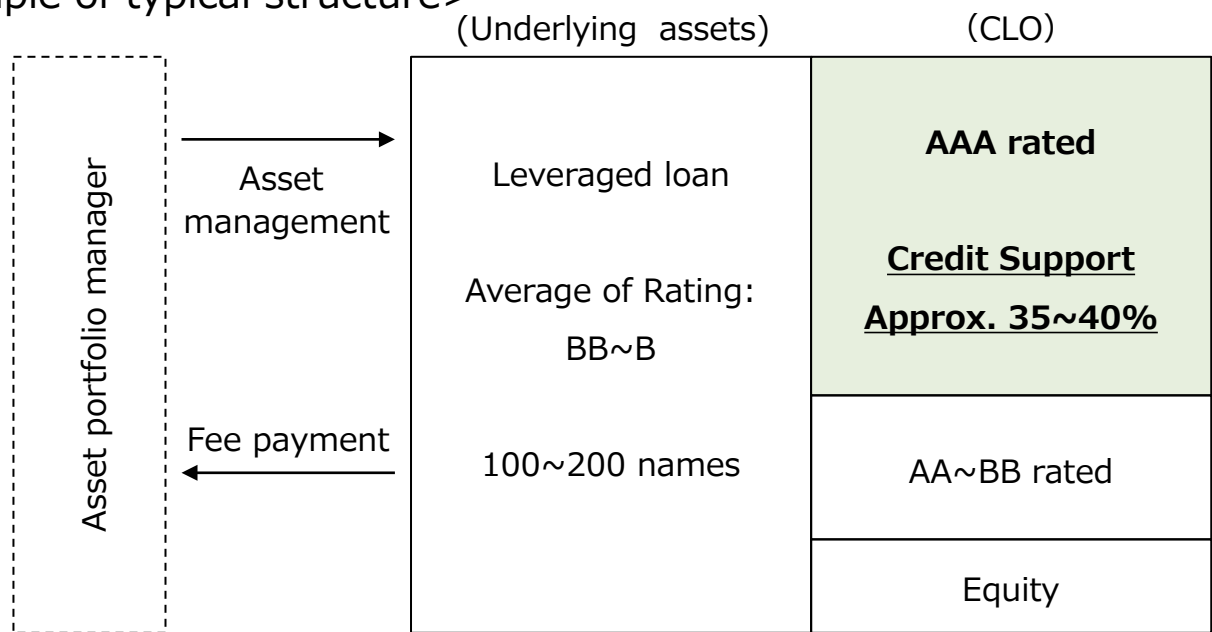
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CLO (Collateralized Loan Obligation)

- CLO (Collateralized Loan Obligation) is a type of structured credit with a pool of leveraged loans comprised of different lien debt acting as the collateral
- Leveraged loans are senior-secured loans mainly to below investment-grade (under BB+) companies and enjoy the senior-most claim on all the related company's assets in the event of a bankruptcy
- For a triple-A rated tranche, the Bank has never experienced a loss of principal both before and after the Global Financial Crisis of 2007-2008
- Main investors are banks, insurance companies and pension funds, etc. with stable and long funding bases

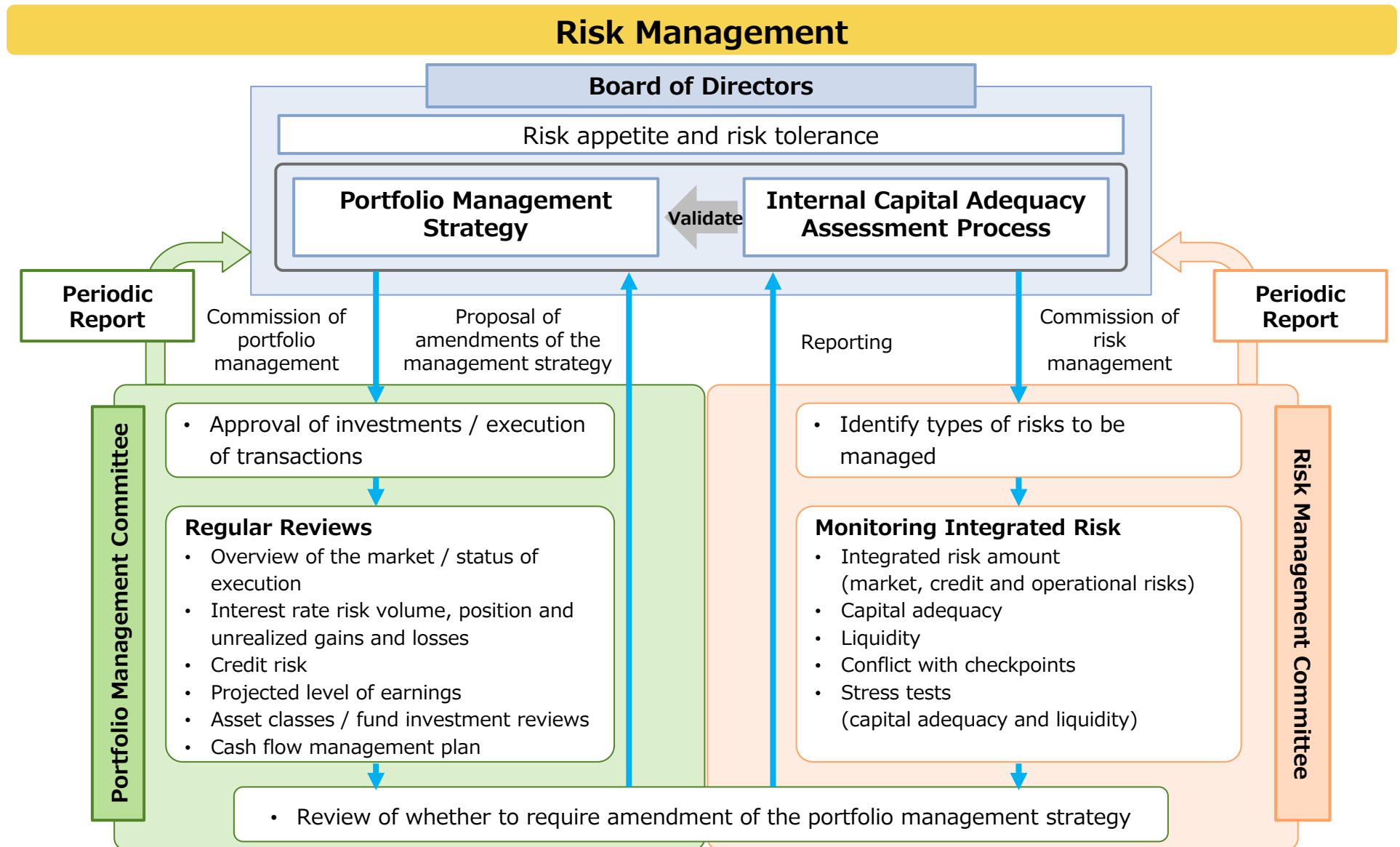
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<Example of typical structure>



Sophisticated Risk Management

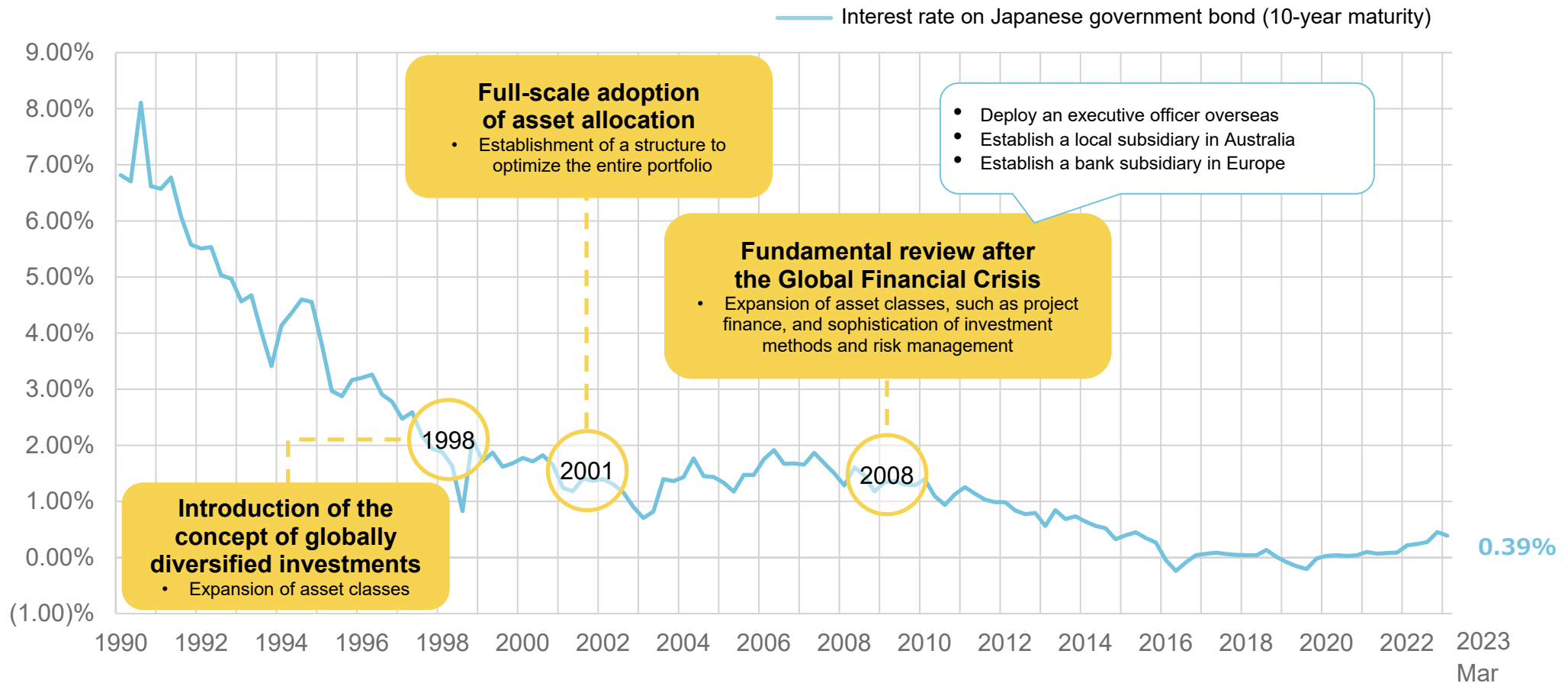
- Under the internal management control, the Bank's integrated risk management framework is carried out consistently with the Bank's financial management framework



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Historical Interest Rate of Japanese Government Bonds

Progress in Globally Diversified Investments



Source: Ministry of Finance Japan as of Mar. 31, 2023

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