

Focus Area 4

Securing Highly Capable Human Resources

In this focus area, to ensure the growth and sustainability of the agriculture, fishery and forestry industries, the Norinchukin Bank trains high-quality human resources with both local and global perspectives. Moreover, at worksites, we ensure diversity and create a corporate culture where diverse human resources can perform to their fullest potential, striving to improve its organization-wide creativity and innovative capabilities.

Topics		Medium-Term Goals
Topic 4-1	Improve diversity and equal opportunities	We engage in initiatives to create an inclusive and diverse work environment where women, people with disabilities, and middle-aged to older workers can perform to their fullest potential. Also, we utilize and/or employ highly capable external human resources.
Topic 4-2	Enhance human resources development	We develop human resources capable of demonstrating their strengths in a self-starting fashion and taking on challenges boldly from the viewpoint of cooperatives and from a global perspective.

Major Initiatives

- Create a work environment where diverse human resources including women, people with disabilities and older workers can perform to their fullest potential
- Efforts to cultivate human resources targeted at employees
- Efforts to nurture a sense of sustainability among employees

Related SDGs



Improving Diversity and Equal Opportunities

Basic Principles

Basic Policy on Human Resource Management

Basic Policy

- Form a group of capable, motivated human resources capable of catching the winds of change in the business environment and executing new business strategies
- Nurture high employee satisfaction by helping each employee to understand the strategies and goals of the bank and its cooperative group, as well as helping them to grow through tenacious engagement in their business duties with self-motivated passion for contributing and tackling challenges

Future Vision

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

In line with this basic policy, our efforts are focused on the planning and management of personnel systems, including performance and competency assessment systems, as well as on personnel development.

In interviews between superiors and subordinates, goals are set and achievements are verified. Further, employee competencies demonstrated in a variety of work-related situations are reviewed. The repetition of this process allows us to promote employee awareness and effort toward contributing to performance and developing their own talents. We also offer support for these efforts with extensive training options.

Based on this system, we are building a structure to provide fair wages to each employee.

Communication Between Management and Staff

For the purpose of fostering employee engagement, the Norinchukin Bank conducts director seminars as an opportunity for employees to talk with directors. Specifically in these seminars, we set up forums for open discussion with directors, whom they would otherwise have limited opportunities to interact with, to exchange opinions, share thoughts from day-to-day work with management, and get a more intimate sense of where management stands. In this way, we are working to deepen bidirectional communication.

Employee Satisfaction Survey

The Bank conducts a staff awareness survey for all employees once a year. The employee awareness visualized using this survey is used as a basis for impactful measures as we seek to improve employee satisfaction and organizational vitality.

Anti-Harassment Measures

We are engaged in a variety of activities to prevent harassment at the workplace, including sexual harassment, power harassment, and harassment on the basis of pregnancy, childbirth, and childcare and nursing care leave. These activities include providing e-learning and position-by-position education, guidance and consultation by managers and staff charged with human rights responsibilities at each branch, and external contacts for consultation.

We have established and operate a harassment hotline that offers private consultations with employees. We are working to ensure broad awareness that employees can quickly access the harassment hotline whenever they need to. Further, we strive to protect the privacy of the persons concerned and to take prompt action.

Initiatives for Hiring People with Disabilities

The Norinchukin Bank strives to make a workplace where people with disabilities can carry out their duties in a vibrant manner, with a sense of fulfillment and security.

As an effort to this end, we established Norinchukin Business Assist Co., Ltd., an organization mainly engaging in finance-related administrative work outsourced by the bank and group companies to expand the employment of people with disabilities.

Norinchukin Business Assist Co., Ltd.'s management philosophy is to assist each director and employee in working with earnestness and integrity so that they can develop their abilities and strive for self-realization through their work, and to create a workplace where directors and employees can always feel a sense of security and fulfillment in their work, valuing the consideration and communication of all individuals and enabling them to carry out their duties in a vibrant manner.

To offer a pleasant working environment, offices are designed to provide bright and spacious room for working comfortably, while providing single-occupancy relaxation spaces and a break room where people can lie down.

Supporting the Success of Senior Talent

To support the success of senior talent, the bank offers career design training for understanding of self, understanding of environmental changes, and consideration of their personal and professional lives with a view on a post-retirement second career.

In addition, we have introduced a senior staff system, a meister system (a system for training skilled laborers), and more as options for them to continue to play an active role in our organization in the form of re-employment after retirement.

Initiatives for Workstyle Reform

The Norinchukin Bank has for some time operated a flexible work hour system designed to contribute to the diversification of employee workstyles and the improvement of productivity.

Since fiscal 2019, as part of efforts toward workstyle reform, we have newly introduced a telecommuting system, as well as full-scale work interval systems and staggered shift systems. A work interval system is a health issue prevention measure stipulating that certain intervals be ensured between the end of work on the previous day and the start of work on the following day.

A staggered shift system allows employees to select their own start and end work times. This focused work improves productivity, streamlines working hours, and raises employee awareness.

Further, a telecommuting system allows employees to work from home, shared offices, or other locations, in line with diversification of workplaces.

Results of Workstyle Reforms

	FY2017	FY2018	FY2019
Actual Work Hours	1,931	1,882	1,854
Average Overtime Hours			
All Employees	15.1	11.6	11.0
Career Track	22.2	15.2	14.6
Regional	8.6	7.0	6.7
Rate of Paid Leave Taken	61.9%	71.9%	72.7%

Major Workstyle Reform Systems

- **Half-day paid leave acquisition system**

→System allowing annual paid leave to be taken in half-day units

- **Work interval system**

→System requiring a certain time interval between the end of a day's work and the beginning of the next shift

- **Telecommuting system**

→System allowing employees to work from home, in shared offices, or other locations for the purpose of improving work productivity

- **Flexible work hour system**

→System allowing employees agreeing to fall under the system to work in a manner that is not constrained by prescribed start/end work times

Initiatives Supporting the Raising of Next-Generation Children and Promoting the Active Participation of Women

The Norinchukin Bank is working to support work-life balances and the ability to both raise a child and have a career. We are also encouraging male employees to take parental leave. In addition to these measures and our efforts to increase the rate of women among new graduate hires, we are helping to build a network among female employees by holding Women Employee Career Forums.

In order to promote the active participation of female employees based on the Act on the Promotion of Female Participation and Career Advancement in the Workplace and the Act on Advancement of Measures to Support Raising Next-Generation Children, we have established a General Employers Action Plan and are making efforts in this area. Our first action plan from 2016 has completed and been succeeded by a new plan launched in April 2019.

The Bank will continue to make multifaceted efforts to enhance the vitality of the organization and to create a work environment in which diverse employees can fully demonstrate their abilities and individuality, as well as remain active over a long period.

Results of Promotion of Active Participation of Women

	FY2017	FY2018	FY2019
Ratio of Women Hired			
Career Track	22%	25%	26%
Specified Roles	56%	60%	100%
Regional	83%	82%	75%
Share of Women Employees	33.2%	33.9%	34.2%
Share of Women Managers	5.1%	5.9%	6.2%
Share of Women Directors	0.0%	4.0%	4.7%

Action Plan for the Act on the Promotion of Female Participation and Career Advancement in the Workplace and the Act on Advancement of Measures to Support Raising Next-Generation Children (FY2016-FY2018)

- Target 1
Share of women in career-track new graduate hires: 20%
→Target met
- Target 2
Rate of parental leave taken by men: 20%
→Target met

Action Plan for the Act on the Promotion of Female Participation and Career Advancement in the Workplace and the Act on Advancement of Measures to Support Raising Next-Generation Children (FY2019-FY2021)

- Target 1
Share of women in career-track/specified role new graduate hires: 20%
- Target 2
Implement, entrench various measures to promote workstyle reforms

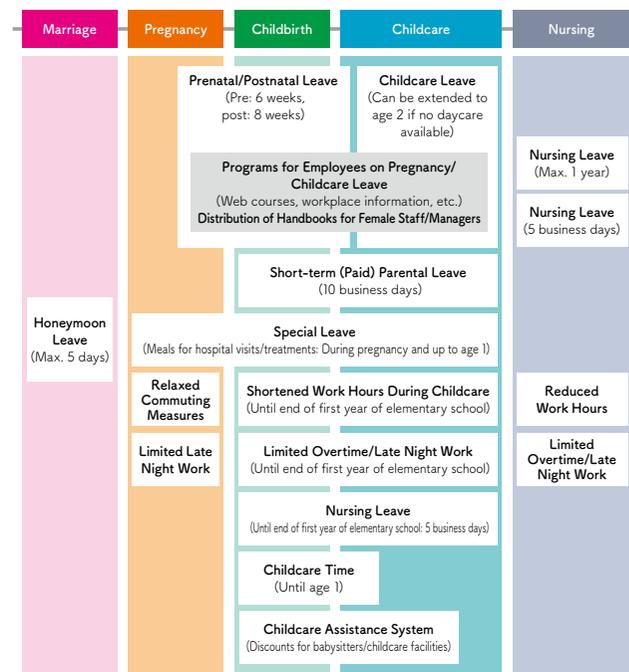
Childcare Support

In order to enhance our work-family balance support system, we have implemented a variety of systems to support employee childcare. Specifically, we have up systems for employees to take special leave for pregnancy and childbirth, as well as childcare leave further. In addition, we have developed services that let employees access online courses (e.g. return-to-work courses) and company intranet message boards. These services are part of a program to provide information to employees who are on pregnancy or childcare leave.

We also provide a number of support options for childcare, such as offering pre-return interviews to employees who have taken pregnancy and/or childcare leave so that they can smoothly return to work.



Kurumi Certified



Occupational Health and Safety

The Norinchukin Bank engaged in developing working environments where employees can perform their duties in good health and with a sense of security.

Our health management policy is formulated each year by its Occupational Hygiene Committee. This policy prescribes measures to be taken to reinforce the management of the physical and mental health of employees and help promote their health.

While ensuring that all employees take regular health checkups, we urge their families to take health checkups as well.

According to the results of these checkups, health guidance is provided by industrial doctors and medical staff. Efforts are also being made to reduce working hours, considering the possible adverse impact of long hours of labor on employee health.

As part of its efforts to ensure mental health at the workplace, we advise self-care methods for employees, offer counseling and other consultation opportunities, and conduct position-by-position mental health education. In addition, we carry out stress checks, offer readily available self-checking functions and have the Mental Health Consultation Room in place to provide consultations as required at the medical office in the head office of the bank.

To increase the health consciousness of employees and establish the practice of doing moderate exercise on a regular basis, we offer a wide range of educational programs and welfare services. Specifically, we subsidize sports club memberships and have health leaders lead health promotion activities.

Labor Relations

The Norinchukin Bank has an employee union as a counterpart organization to its management. In addition, this employee union employs a union shop system. As a general rule, all employees become union members on joining the bank.

Our employee union has the authority to negotiate with management on important matters such as the maintenance and improvement of labor conditions for its members. Further, surveys are conducted with members to aid in negotiation with management, and forums have been established for offering various recommendations to management. For any changes in personnel and labor-related systems that would exert significant impact on the lives and workstyles of union members, management is required to come to an agreement with the employee union, whether through management committee, labor committee, or other negotiations.

Enhancing Human Resources Development

Providing Opportunities to Develop Various Skills

For the development of employee careers, we deploy and assigns the right personnel in the right job based on the competency, aptitude, and career perspective of each person, as well as supports self-fulfillment through work, by adopting the Career Challenge Program (a job transfer application system) and the Career Change Program. In addition, the bank is aggressively recruiting and employing highly competitive external human resources.

When recruiting and assigning employees, care is taken not to exercise any type of discrimination.

With the goal of training core personnel in each headquarters, the bank is actively providing opportunities for them to develop their skills in order to support the self-motivated efforts of each and every employee. For example, in addition to subsidy programs for correspondence courses, certification exams, foreign language study, and sending employees to overseas study and cross-industry seminars, we hold after-work training for each headquarters. We also hold after-work training, group study, and other programs for employees based on their years of service and/or rank.

New Employees

In addition to the three-week entry training, new employees are sent to JA and agricultural corporations so that they can have diverse experience in Japan and overseas. The Bank also provides on-the-job training and offers a mentoring system for each new employee.

Young, Mid-Career and Manager-Level Employees

For young, mid-career, and manager-level employees, we help them develop their careers for further growth through such measures as placing them in temporary posts at JA and

JA Shinnoren.

We are also deepening employee understanding of our fundamental mission by holding workshops led by specialists in the cooperative system and the agriculture, fishery and forestry industries. These are designed to develop human resources who can play a role as employees of a cooperative organization.

Management-Level Employees

To raise the management capabilities of management-level employees, we offer programs for study at European and U.S. business schools, as well as personal coaching to help managers to implement our management plan.

Career Development Support System

To help employees proactively work on their own career development, the Bank has implemented the Career Development Support System. Employees are able to take inventory of their own abilities and clarify their goals thanks to our career development training and career development interviews conducted with their superiors. After defining their career goals, they are encouraged to carry out career development based on the job capability requirements of employees in each headquarters.

Principal Human Resource Programs

Group Training

- Career development training: Foster an awareness of career development by taking an inventory of employee abilities and through self-analysis
- Management training: Acquire and improve knowledge and business skills needed for management, including leadership, junior staff development, vision making, and work efficiency
- Managerial development training: Acquire and improve knowledge required for organizational management, division and branch management, etc.
- The Norinchukin Bank Business School: Improve and deepen understanding of basic business management theory and consulting abilities, and build cross-departmental networks

Personal Development Support

- Financial support for correspondence courses, gaining external certifications, and foreign language training: Support for employee self-directed career development by partially subsidizing various studies

Outside Studies

- Graduate School of Business (managers program): Acquire advanced management skills at domestic and overseas universities
- Overseas study: Acquire specialized knowledge and global viewpoints through attendance at an MBA or LL.M program
- Overseas branch trainee system: Foster global perspectives in less-experienced staff by posting them at overseas branches
- Exchange personnel and acquire specialized knowledge by sending staff to cross-industry training, management companies, JA, and JA Shinnoren

New Employee Training

- Workplace training system for new employees, instructor training, mentorship system
- Entry training, on-site training at JA, on-site training at agricultural corporations

Other

- After-work training
- Lectures by specialists from cooperatives, fostering of awareness as employees of the cooperative system through staff workshops
- Business English language lessons
- e-Learning

Development and Skills Enhancement of Cooperative Member Human Resources

In alliance with Norinchukin Academy Co., Ltd., a training specialist for cooperative members, the Norinchukin Bank is working to develop human resources that meet the trust and expectations of individual members and customers, targeted at the directors and employees of JA Bank, JF Marine Bank and JForest Group, by pursuing initiatives to (1) nurture and strengthen the power of Reform Leaders who promote the practice of prefectural and JA strategies and (2) promote the acquisition and enhancement of specialized skills and knowledge.

Strengthened Human Resource Training Initiatives to Achieve JA Bank Medium-Term Strategies

We continue to hold the JA Bank Central Academy – Managers Course targeted at directors in charge of JA's banking business, the Senior Executives Course targeted at senior managers in charge of JA's banking business, the Seminar for JA Presidents/Board Chairpersons targeted at JA presidents/board chairpersons and the Block Symposium targeted at JA's branch managers and mid-career employees. Through these training courses designed to develop human resources who can lead the reform of JA and JA Shinnoren, we have supported the business reform of JA Bank.

We are also engaged in the development of the human resources required to promote the measures of the JA Bank Medium-Term Strategies by offering training options allowing them to acquire specialized skills and financial knowledge, including group trainings, correspondence courses, and qualifying tests.

Human Resource Training Initiatives at JF Marine Bank

For JF Marine Bank, we are focused on developing the human resources necessary to enhance the fishery financial function by continuing its group trainings, such as the JF Marine Bank Training: Store Operation Course targeted at store managers of JF Shingyoren and the Fishery Industry Financial Consultants Step-Up Seminar targeted at fishery industry financial consultants, as well as offering Training for Improving Financial Statement Analysis Capability, Life Planning Training, and Sales Skills Development Training with dispatched trainers.

Supporting Human Resources Training at the JForest Group

We support the JForest Group's organizational reform initiatives by helping to nurture human resources leading their organization. We do this through holding the Seminars for JForest targeting top executives at JForest and JForest Moriren (Prefectural Federations of Forestry Cooperatives), as well as JForest Cooperatives Counsellor Training aimed at personnel holding the title of counsellor, who support the backbone of JForest's practical management.

Personnel Exchanges between the Bank, JA, and JA Shinnoren

The Norinchukin Bank has enhanced personnel exchanges with JA and JA Shinnoren, and has been working to achieve mutual understanding and sharing of know-how within the JA Bank Group.

Specifically, we accept trainees from JA, educating them so that they can play a key role in the banking business and gain wide-ranging business know-how. We also accept staff and trainees seconded from JA Shinnoren, who work in various areas such as retail planning, administration, systems, agricultural and corporate loans, and securities investment. Moreover, we second staff to cooperative organizations (e.g., JA and JA Shinnoren) in order to deepen their understanding of the actual work of cooperatives from the point of view of employees of the central organization for cooperatives and of a financial institution for farmers, fishermen, and foresters.

Sustainability Workshop

When practicing sustainability management, it is important to foster employee awareness and mindfulness of sustainability. In July 2019, Mr. Kenji Fuma, representative of Neural Inc., joined us as a lecturer for a workshop held for all bank directors and employees and broadcast live to all bank locations, including those overseas. This workshop's theme was The Agriculture, Fishery and Forestry Industries and Sustainability Management. Participants offered a variety of opinions, such as "I came to recognize the reality that the agriculture, fishery, and forestry industries put a burden on the environment," and "I would like to think about initiatives that would be unique to the Norinchukin Bank."

Going forward, we plan to hold more workshops on sustainability with the aim of raising awareness among directors and employees.



Mr. Fuma delivers a lecture at the Sustainability Workshop

e-Learning Course

In order to improve knowledge and foster awareness about sustainability among directors and employees, we held an e-Learning course in November 2019 for all directors and employees themed on sustainability management.

The course consisted of ten questions ranging from basic knowledge to recent trends and bank efforts, and was designed for participants to deepen understanding through repeating the course until reaching the criteria to pass.

We plan to hold e-Learning courses annually in fiscal 2020 and beyond.

e-Learning Example Questions

Q: Of the following, which is incorrect regarding ESG investment?

- (1) The term ESG combines the first letters of the words "environment," "social," and "governance."
- (2) ESG investment is investment placing importance on social contribution and environmental consideration, and for that reason profitability may have to be compromised.
- (3) Though corporate value has traditionally been measured primarily using financial information such as cash flow and profit margins, non-financial ESG factors are also important in evaluating a company's long-term value; therefore, we are seeing broader corporate valuation and investment with a focus on ESG.
- (4) In Japan, interest has grown among institutional investors in non-financial information with the publishing of the Japanese edition of the Stewardship Code in February 2014.

Further, in September 2015, GPIF, the world's largest institutional investor (asset owner) became a signatory to the PRI, making it clear that it treats ESG as important and jumpstarting this trend.

Correct answer: (2)

Explanation: ESG investment is investment that increases long-term profits through social contribution and environmental consideration.

Data on Human Resources

Basic Human Resources Data

	FY2017	FY2018	FY2019
No. of Employees	3,646	3,659	3,645
Men	2,436	2,417	2,398
Women	1,210	1,242	1,247
No. of Non-core Employees	462	500	540
No. of New Graduate Hires	153	188	125
Men	78	97	64
Women	75	91	61
No. of Mid-career Hires	54	27	34
Men	42	22	29
Women	12	5	5
Share of Employees Retained for 10 Consecutive Years of Service (%) ^{*1}			
Men	84.7	85.9	82.5
Women	58.4	57.8	57.2
Employee Turnover Ratio	1%	2%	2%
	FY2017	FY2018	FY2019
Share of Disabled Persons Hired (%) ^{*2}	2.23	2.56	2.71

Childcare/Nursing-Related Data

	FY2017	FY2018	FY2019
No. of Employees Taking Childcare Leave			
Men	78	57	78
Women	35	43	35
Share of Employees Taking Childcare Leave			
Men ^{*3}	57%	51%	61%
Women ^{*4}	100%	100%	113%
Share of Employees Returning After Childcare Leave ^{*5}	100%	98%	97%
Days of Nursing Leave Taken	305.0	366.5	459.5

*1 Percentage of employees hired 9 to 11 fiscal years ago who continue to work as of this report

*2 Aggregate hiring ratio from the Norinchukin Bank, Group subsidiaries, and special subsidiaries

*3 The number of employees taking childcare leave divided by the number of employees with spouses who gave birth (if leave and childbirth do not fall in the same fiscal year, these figures are counted toward the fiscal year where leave began)

*4 The number of employees taking childcare leave divided by the number of employees giving birth (if leave and childbirth do not fall in the same fiscal year, these figures are counted toward the fiscal year where leave began)

*5 Percentage of female employees who gave birth who continued to work (including periods of childcare leave) until their child's first birthday