

Message from the CEO

## Practicing Sustainability Management Unique to Norinchukin



President and Chief Executive Officer,  
the Norinchukin Bank

**OKU Kazuto**

### Supporting the Development of AFF Industries in Times of Rapid Change

The Norinchukin Bank is a member of cooperative organizations that support the AFF industries. We provide financial services to members that include Japan Agricultural Cooperatives (JA), Japan Fisheries Cooperatives (JF), and Japan Forest Owners' Cooperatives (JForest). In so doing, we contribute to the development of the agriculture, forestry, and fisheries, while also contributing to national economic prosperity. This social duty, which is defined under Article 1 of the Norinchukin Bank Act, is a unique mission that no officer or employee at Norinchukin can forget, no matter what role we serve. To fulfill this duty, we engage various activities and underlying corporate functions within our Food and Agriculture Business, our Retail Business, and our Investment Business. Throughout FY2020, we saw an acceleration in the global decarbonization movement as a measure to fight global warming. In addition, the impact of COVID-19 taught everyone the importance of corporate and social resilience in the face of pandemics.

COVID-19 amplified a disruptive change in approaches to lifestyles and values, causing rapid changes in society and altering the environment surrounding our customers, members, employees, and all stakeholders in dramatic ways. In particular, the pandemic continues to have a severe impact on the AFF industries and the food and agriculture value chains.

We have now experienced the potential of disasters of this type. We recognize that new issues have emerged as we engage in sustainable management: Strengthen initiatives to solve environmental and social issues such as climate change, strengthen the AFF industry and food and agriculture value chains, and strengthen our resilience as a

financial institution.

These and other rapidly advancing global-scale issues threaten to rattle the very foundations of our business: the loss of biodiversity and the significant impact on AFF industries; food shortages due to global population growth; and labor shortages due to declining birthrates and aging populations in advanced nations. The Paris Agreement, the UN's Sustainable Development Goals (SDGs), and other social initiatives for social sustainability give rise each year to expectations for companies to resolve social issues. We recognize that our stakeholders require us to conduct our businesses in ways that reflect society's expectations and demands.

At the same time, domestic AFF industries, which form the foundation of our business, are irreplaceable industries that produce life-nurturing food. These industries also offer the potential for regional revitalization, land conservation, and more. From an alternative perspective, these industries may be the most susceptible to climate change and other issues related to the natural environment. Also, AFF industries themselves burden the environment through greenhouse gas (GHG) emissions and other factors. In Japan, these industries contribute significantly to the environment through eco-friendly agricultural initiatives, resource-managed fisheries, and multi-function forests, accomplished through thinning and reforestation. Recognizing the present situation and issues clearly, we believe it is necessary for us to be proactive in leveraging our businesses to take on GHG emissions reductions and other global-level issues. I feel strongly that we must consider together with our stakeholders and conduct our business activities in a way to create sustainable societies.

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### Engaging from a Medium/Long-Term Perspective to Achieve our Purpose

The environment surrounding the Bank and the AFF industries that serve as our foundation continues to change rapidly. These changes include deepening environmental and social issues such as climate change, transformed work styles, lifestyles, and values in the wake of the COVID-19 pandemic, and more. It is precisely at times like these that we have decided to take a fresh look at what the Bank should be doing for society in the future. Over the course of the past year, our board members and I held workshops, while employees also engaged in discussions. As a result, and based on input from our stakeholders, we defined our purpose.

→ For details, see pages 6 to 8.

Aiming to be the leading bank that supports the AFF industries, food production and consumption, and the daily lives of local communities. We defined our corporate brand statement as *Dedicated to sustaining all life*. We further distilled the concept of sustainable management and our brand statement of *Dedicated to sustaining all life* into the message, *The Chain of Life*. Human life, food (animals), and the earth (our planet) are all interconnected. We require food to live. The AFF industries are what bring us this food, or in other terms, the animals and plants that become our food. These animals and plants are nourished by the air and water that are the pure blessings of

nature. These blessings of nature are only available because of a sustainable global environment.

The following statement is the purpose that we defined for the Norinchukin Bank.

#### Dedicated to sustaining all life.

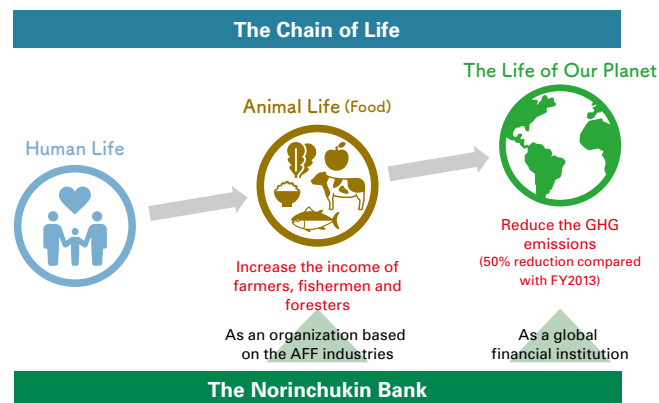
- Work together with our stakeholders to foster the AFF industries and to create a prosperous future for food and lifestyles, and thereby contribute to a sustainable global environment. -

We set two new goals to reach by the year FY2030 to achieve this purpose.

- Reduce the GHG emissions (50% reduction compared with FY2013)
  - Increase the income of farmers, fishermen and foresters
- Reducing the GHG emissions consists of three initiatives: (1) reduce the GHG emissions of the Bank's investees and borrowers; (2) increase the absorption of CO<sub>2</sub> via forests, together with JForest members; and (3) reduce the GHG emissions of the Norinchukin Bank.

An increase in the income of farmers, fishermen and foresters lead to rising populations of farmers and related workers, resulting in regional revitalization. This is our goal, which we will accomplish by raising the incomes of those involved in these regional industries in pursuit of sustainable AFF industries, as well as sustainable communities.

Based on this purpose, the Norinchukin Bank will engage daily in our work to grow together with our stakeholders by achieving our Medium/Long Goals.



#### The Philosophy Behind Our Corporate Logo



The logo of the Norinchukin Bank represents a Japanese landscape with vibrant AFF industries interconnected with many forms of life. The colors of the sea, land, and forest swirl together, showing our dedication to journey onward alongside the breath of the life.

Our businesses exist in harmony with the life that comes from the activities of AFF industries and the cycles of nature. As we carry out our businesses that are rooted deeply in our local communities, we work to resolve environmental and social issues and contribute to sustainable AFF industries. This is the traditional role of the Norinchukin Bank, and we will strive to make an even greater contribution in the future.