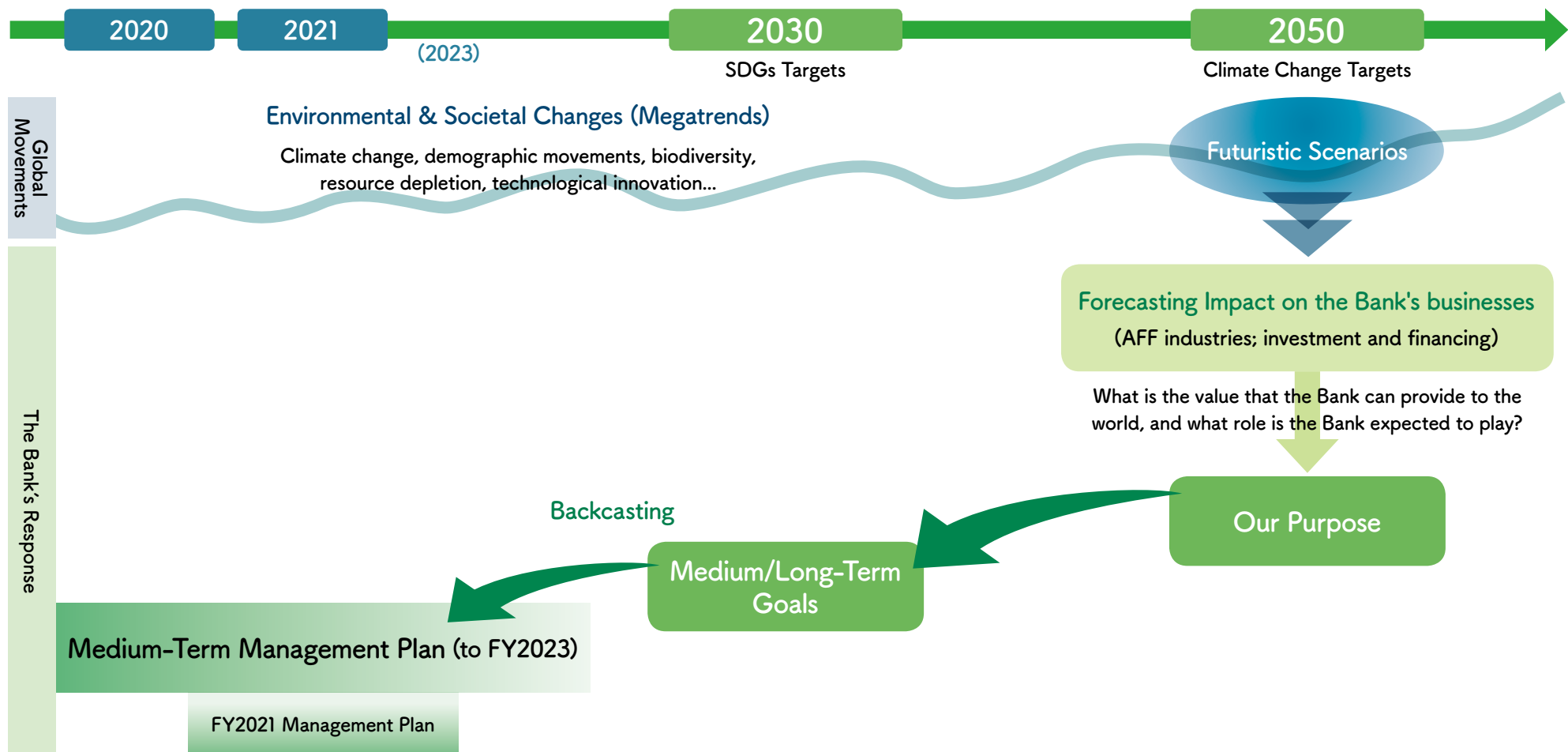


Formulation of Purpose of the Bank and the Medium/Long-Term Goals

Sustainability has become a greater topic. The discussions and measures are underway globally in order to address climate change include the Paris Agreement by 2050, and to achieve the SDGs by 2030. Japan's Prime Minister Yoshihide Suga has declared a goal for Japan to become a carbon-neutral, decarbonized society by 2050. Instead of merely formulating a three- to five-year business plan as we have done in the past, we have taken a medium/long-term perspective in redefining our vision of the Norinchukin Bank and the value we provide to the society. We also recognize the importance of setting and executing on specific goals to achieve these aspirations. Based on this vision, we have defined as our Purpose reflecting the Bank's vision, value and role that it can offer society in the year 2050, and the Medium/Long-Term Goals which we will achieve by the year 2030.



In formulating our Purpose and Medium/Long-Term Goals, we held monthly workshops throughout 2020, attended by the CEO, Directors and Executive Officers. After putting together forecasts the global environment and societal changes for the year 2050 (megatrends), we used the concept of backcasting, carrying out discussions under the following approach. Details of discussions were shared with the Supervisory Committee members and the Bank employees, and we formulated the plan after receiving opinions and responses to questionnaires.



Group discussions in an executives workshop

Discussion Process

- (1) Share futuristic scenarios for the year 2050 in consideration of Medium/Long-Term changes in the environment and society (megatrends)
- (2) Forecast the impact that these futuristic scenarios could have on Bank's foundation and businesses (the AFF industries; investment and financing).
- (3) For (2), above, discuss the value that the Bank can provide to the society and the role that we are expected to play (our Purpose).
- (4) Discuss goals to be achieved by 2030 (our Medium/Long-Term Goals) based on our Purpose.
- (5) Reflect these details in our management plan and realign the Norinchukin Bank Vision → P9

Megatrends to keep in mind looking toward 2050

	Possible Impacts (Examples)
1 Climate Change	<ul style="list-style-type: none"> ■ Decline in the quality of agricultural products, changes to arable land ■ Changes in marine resource ecoregions, decrease in fish catch volume ■ Natural disasters, rise in sea levels
2 Loss of Biodiversity and Ecosystems	<ul style="list-style-type: none"> ■ Lack of resilience in the AFF industries (changes in suitable areas) ■ Loss of forest function ■ Impact of microplastics on ecosystems
3 Demographic Movements	<ul style="list-style-type: none"> ■ Higher greenhouse gas emissions resulting from growing populations in developing countries ■ Rural depopulation and labor shortages by declining population in Japan ■ Loss of domestic companies and human resources, hollowing out of industries
4 Resource Depletion (Food, Water)	<ul style="list-style-type: none"> ■ Growing global population leading to increased competition for food and water resources ■ Domestic food security ■ Absolute decrease in fossil fuels
5 Technological Innovation	<ul style="list-style-type: none"> ■ Use smart agriculture to solve issues of labor shortages ■ Reduce greenhouse gas emissions generated by agriculture ■ Renewable energy, blue carbon, utilization of forest resources

Action ↑

Priority Issues for the Norinchukin Bank

- A Contribute to reducing the risk of climate change and achieving carbon-free society
- B Contribute to sustainable AFF industries and value chains to maintain AFF industry production bases and to secure safe and secure food resources
- C Contribute to maintaining regional communities in the face of declining birthrates and aging populations.

We formulated our Purpose based upon discussions held in executive workshops, taking into account responses in employee questionnaires and input from the Supervisory Committee. We refined our brand statement, *Dedicated to Sustaining All Life*, to clearly express the value we provide to society and the ways in which we contribute, as well as to serve as a foundation for making value judgments upon which executives and employees can rely in business.

