## **Sustainability Issues Surrounding the AFF Industries**

Sustainability issues in the AFF industries are increasingly grave with each passing year. The Norinchukin Bank recognizes that these issues go to the foundation of our businesses.

Sustainability Issues Surrounding the AFF Industries

Sustainability Management at The Norinchukin Bank

#### Sustainable Food System

- Various issues have surfaced from the site of production to the dining table
- Some estimates suggest that food loss in Japan is equivalent to each Japanese citizen throwing away a bowl of cooked rice every day
- The issue of animal welfare has gathered attention
- Food manufacturers and distributors are beginning to show preferences for certified products

#### Lack of Workers

• The number of farmers is expected to decline from 2.08 million (including 0.35 million aged 49 or younger) in 2015 to 1.31 million (0.28 million) in 2030

#### Climate Change

- Agriculture, forestry and other land use account for nearly one-quarter of the world's greenhouse gas emissions
- Natural disasters such as typhoons, floods and large-scale forest fires overseas are increasing in number year by year, causing significant damage to agricultural products
- High temperatures in Japan are causing issues with the growth and degradation of agricultural produce

### Foreign Worker Human Rights

- As the shortage of farmworkers becomes a challenge, dependence on foreign workers increases every year
- Illegal activities by employers are also a problem in agriculture

#### Management and Utilization of Forest Resources

- While many planted forests in Japan are reaching theis depletion period, reforestation efforts are not keeping up
- Factors include stagnant stumpage prices, increased costs of reforestation and difficulty in finding workers

#### Loss of Biodiversity

- One of every three types of plant life in Japan—3,600 species in all—are considered endangered
- Promoting agriculture in consideration of ecosystem diversity, species diversity and genetic diversity

# Sustainable Utilization of Fishery Resources

- Excessive use of fishery resources is becoming an international problem
- Some estimates say that the volume of marine plastic will exceed the volume of fish in the ocean by 2050 if no action is taken

Sustainability issues in the AFF industries are nothing less than the very foundation of The Norinchukin Bank business



We will contribute to solutions through our businesses