

# A Society Leaving No One Behind

## Solving Social Issues Through Finance

### Investing in World Bank Bonds Aimed at Gender Equality

The Bank has invested US\$100 million in Sustainable Development Bonds ("Bonds") issued by the World Bank (officially known as the International Bank for Reconstruction and Development).

The Bonds focus on the achievement of one of the 17 Sustainable Development Goals (SDGs) proposed by the United Nations, specifically Goal 5: "Achieve Gender Equality." The Bonds highlight the importance of working toward the achievement of the SDGs through investment, and together with the World Bank, we aim to promote this message globally. By investing in the Bonds, we support the World Bank's efforts to eliminate the gender gap from an investor's perspective.

### Investment in Sustainable Development Bonds issued by the Inter-American Development Bank

The Bank has invested US\$100 million in Sustainable Development Bonds ("Bonds") issued by the IDB (officially known as the Inter-American Development Bank). Farming is a key theme of the Bonds, and proceeds from the Bonds will be used for projects aimed at solving problems related to farming in Central and South America and the Caribbean. Farming accounts for a large share of GDP in the regions, and while farming is an important industry, these regions face diverse challenges that include poverty among farmers, agricultural product safety, and poor price competitiveness. The investment in the Bonds will contribute to solving various agricultural problems in these regions, and through this investment, the Bank supports the IDB's efforts from the standpoint of an investor.

### Investment in Feed Africa Bond issued by the African Development Bank

The Bank has invested a total of US\$100 million in the Feed Africa Bonds ("Bonds"), a bond issued by the AfDB (official name: African Development Bank).

In Africa, the undernutrition rate in 2020 was 21% of the population, which means that approximately one in five people were considered starving or undernourished\*<sup>1</sup>. In Africa, farm workers account for more than 60% of the working population, but the poverty rate remains high, especially in large farm areas, due to low productivity and other factors\*<sup>2</sup>. To address these issues, Africa is addressing the challenge of transforming its farming sector and increasing food production. Proceeds from the Bonds will be used for projects that contribute to the resolution of these various issues. By investing in the Bonds, we support the efforts of the African Development Bank from an investor's perspective.

\*1 Source: [https://www.wfp.org/news/un-report-pandemic-year-marked-spike-world-hunger?\\_ga=2.192556586.1207686303.1689663423-1259415913.1689663423](https://www.wfp.org/news/un-report-pandemic-year-marked-spike-world-hunger?_ga=2.192556586.1207686303.1689663423-1259415913.1689663423)

\*2 Source: [https://afdb-org.jp/wp-content/uploads/2018/04/Feed-Africa\\_JP.pdf](https://afdb-org.jp/wp-content/uploads/2018/04/Feed-Africa_JP.pdf)

## Initiatives to Achieve Financial Inclusion

### Improving Financial Access in Each Location Throughout Japan using a Variety of Channels

The Bank aims to realize financing for everybody in order to promote responsible finance. By leveraging the strength of its comprehensive business, JA branches provide a variety of services. It is developing different channels to provide financial services to our members and users, even those in depopulated mountainous areas.

### Opening of Yoriso Plaza

We are introducing the Yoriso Plaza, at which customers can easily use JA Bank services even when there is no branch with a financial counter nearby. Financial services are provided via remote consultation booths and ATMs at branches that lack financial counters. We also expect that this to function as a community venue for exchanges.

### Introduction of mobile branches

JA Bank is promoting the implementation of mobile branches equipped with financial booths and ATM services for all JAs nationwide (as of March 31, 2023, 135 units had been deployed).

Mobile branches allow users to deposit and withdraw ordinary savings and update passbook entries. In addition to bank transfers and payment of taxes and utility bills, users can use consulting services about public pension benefit receipt, mutual insurance and more. These mobile branches are gaining greater recognition as the nearest financial institution in regions without a nearby consultation branch or ATM. These nationally deployed mobile branches normally serve as a lifeline for rural and depopulated areas and can be utilized in times of disaster, offering financial services to affected areas.



Mobile branches

### Handling of housing loans for the LGBTQIA+ community

As part of realizing diversity, social interest in LGBTQIA+ persons has been increasing. In addition, the trend of introducing a “partnership system,” which publicly recognizes the rights of LGBTQIA+ couples has accelerated in Japan in several local governments. In line with this trend, JA Bank commenced, in collaboration with Kyodo Housing Loan Co., Ltd. (KHL), a JA Bank Group company, the handling of housing loans that accept the qualification of LGBTQIA+ people, for which KHL’s corporate guarantee is effected, in several prefectures.

This loan product accepts the aggregation of a couple’s income for a housing loan for couples who are authorized by the partnership system of each local government.

In the future, we intend to increase the number of prefectures where this product is offered. In addition, we are proceeding with the investigation on the treatment of the guarantee offered by the Agriculture, Forestry and Fisheries Credit Foundations.

### Agricultural and Welfare Partnership Initiatives

The problem of shortages in Japan’s farming workforce is becoming more severe every year. At the same time, employment and independence for people with disabilities is a social issue.

To solve these problems, the Maebashi Branch of the Bank, in cooperation with the Gunma Agricultural Corporation Association, introduced disability welfare service offices for farmers in need of labor. The branch supports agriculture and welfare cooperation initiatives that contribute to securing labor for farms, while also supporting the independence of people with disabilities.

In addition, to promote understanding of agricultural and welfare partnerships, in September 2022, together with the aforementioned association, the Maebashi Branch held a seminar on agricultural and welfare partnerships for farming corporations.



(From left) Mr. Matsumura, chairman of Gunma Agricultural Corporation Association, and Mr. Hata, general manager (at the time) of the Maebashi Branch of the Bank, signed a comprehensive partnership agreement for the purpose of agricultural and welfare cooperation, etc.

#### Topics

### Collaboration with the Japan Agriculture and Welfare Partnership Association

The Japan Agriculture and Welfare Partnership Association (“Association”) serves as a platform for participation and collaboration among various groups and people involved in agriculture and welfare, including producers, welfare facilities, companies, organizations, governments, and consumers. We share the vision of the Association, which aims to revitalize local communities and build societies where people facing various difficulties, including those with disabilities, can live happily through collaborative agriculture and welfare initiatives. We entered into an annual sponsorship agreement with the Association in support of this vision.