

Basic Policy for Investment and Loans

The primary mission of the Norinchukin Bank (hereinafter referred to as "the Bank") Group*, a national financial institution group for cooperative organizations whose membership comprises agricultural, forestry and fisheries cooperatives, is to enhance, through the provision of financial services to the cooperatives, the economic and social standing of its member institutions as well as their membership consisting of agriculture, forestry and fisheries workers. An additional mission of the Bank Group as a financial institution group specializing in primary industries is to contribute not only to the development of Japan's agricultural, forestry, fisheries and other related industries, but also to the revitalization of local communities.

In order to fulfill these missions, the Bank Group assumes a vital role in meeting the financial needs of its members and other users by working in unison with the agricultural, forestry and fisheries cooperatives. The Bank Group also plays an important role in sharing its funds with local communities, as well as contributing to the development of the national economy through the broad and efficient utilization of funds in domestic and international markets, all while maintaining the financial stability and soundness of the cooperative credit business. Further, the Bank Group bears the important mission of returning profits with members of the cooperative system and other relevant parties.

Given the significant importance of the role the Bank Group's investment and loan activities in view of these fundamental missions and roles, it is important that said activities are to be performed appropriately. Fully recognizing its public and social responsibilities as a member of the financial system, the Norinchukin Bank hereby establishes the Basic Policy for Investment and Loans as the basic guidelines applicable to all credit extensions and securities investments, taking into consideration the compliance perspective, the separately stipulated the Code of Ethics, Environmental Policy, Human Rights Policy, the Basic Policies for Risk Management, and other relevant policies.

*: The Norinchukin Bank and the 9 companies listed below
The Norinchukin Trust & Banking Co., Ltd.,
Norinchukin Australia Pty Limited,

Norinchukin Bank Europe N.V.,
Norinchukin Value Investments Co., Ltd.,
Kyodo Housing Loan Co., Ltd.,
Norinchukin Zenkyoren Asset Management Co., Ltd.,
The Agribusiness Investment & Consultation Co., Ltd.
Norinchukin Capital Co., Ltd.
Nochu JAML Investment Advisors Co., Ltd.,

- I Investment and loan activities shall be performed in accordance with the following basic principles, taking into consideration the fundamental missions and roles of the Bank Group.
 - 1 The Norinchukin Bank Law and any relevant laws, ordinances, guidelines and internal rules of the Bank Group shall be strictly observed to ensure that loan and investment activities are conducted fairly, with integrity, in compliance with social norms.
 - 2 Keeping the global financial standard in mind, the Bank Group shall conduct sound and fair investment and loan activities with a strong awareness of high-level public responsibilities and a broad range of social responsibilities, including consideration to the maintenance of a sustainable business environment.
 - 3 The Bank Group shall conduct investment and loan activities not in an excessively profit-oriented manner but in a manner that ensures an appropriate and stable level of profitability that takes into consideration the risk-return relationship and capital efficiency.
 - 4 In conducting investment and loan activities, the Bank Group shall place importance on accountability not only with respect to the relevant investment or loan as of the time of the execution but also with respect to possible changes in future situations.

- II As regards investments and loans, the following shall be taken into full consideration, in addition to the basic principles on investments and loans, with respect to all credits or investments in securities for the purpose of making profits on credit risks.
 - 1 Investment and loan activities shall be undertaken in compliance with the Norinchukin Bank Law and other relevant laws and ordinances, and the appropriateness thereof shall be considered fully in light of public and social responsibilities. Investment and loan activities contradictory to the Bank Group's

- fundamental missions and roles shall not be undertaken.
- 2 The Bank Group shall not invest in or provide loans for funds that are intended for purposes that run counter to social justice and/or deemed unacceptable under conventional social norms.
 - 3 The amount of any investment or loan shall be set within the necessary range with due consideration of fund usage and financial resources for repayment.
 - 4 In addition giving full consideration to the appropriateness of the term, repayment method and other conditions, consideration shall also be given to liquidity in order to avoid illiquidity of funds.
 - 5 A conservative approach shall be taken with respect to valuation and other processes relating to collaterals and guarantees. However, investment and loan activities shall not be undertaken based merely on proof of guarantees and collateral, but shall be based on full validation of the necessity and admissibility of such guarantees and collateral.

III When extending credit to borrowers through negotiated transactions, the following shall apply in addition to the principles set forth in I and II above.

- 1 The Bank Group shall extend credit that will effectively contribute to the mutual growth of the Bank Group and its borrowers.
- 2 Usage of funds shall be thoroughly traced, and credit shall not be extended to funding for speculative purposes or loans for falsifying insolvency.
- 3 Contractual coverage (including changes in the terms and conditions of contracts) and other details shall be explained thoroughly to borrowers, guarantors and providers of collateral, and the intentions of each party shall be verified.

The Bank Group, its executives and employees shall perform investment and loan activities in compliance with the provisions of this Basic Policy for Investment and Loans and shall give sufficient consideration to the full intent of the Policy when establishing policies or stipulating regulations pertaining to investment and loans.

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