

Norinchukin Bank

Type of Engagement: Annual Review

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Engagement Team:

Kajal Chaubey, kajal.chaubey@morningstar.com

Introduction

The Norinchukin Bank (“Nochu”) issued green bonds between September 2021 and October 2024 (collectively the “Green Bonds”)¹ amounting to USD 2,500 million to finance or refinance projects that are expected to provide positive impacts. In June 2025, Nochu engaged Sustainalytics to review the projects financed with proceeds from the green bonds (the “Nominated Expenditures”) and provide an assessment as to whether they meet the use of proceeds criteria and whether Nochu complied with the reporting commitments in the Norinchukin Bank Sustainable Bond Framework.² Sustainalytics provided a Second-Party Opinion on the Framework in February 2024.³ This is Sustainalytics’ fourth annual review of allocation and reporting of the instruments issued under the Framework, following a previous review in June 2022, June 2023 and September 2024.^{4, 5, 6}

Evaluation Criteria

Sustainalytics evaluated the Nominated Expenditures and Nochu's reporting based on whether they:

1. Meet the use of proceeds and eligibility criteria defined in the Framework; and
2. Reported on at least one key performance indicator (KPI) for each use of proceeds category defined in the Framework.

Table 1: Use of Proceeds Categories, Eligibility Criteria and Associated KPIs

| Use of Proceeds Category | Eligibility Criteria | Key Performance Indicators |
|--------------------------|---|--|
| Renewable Energy | <p>Funds to finance or refinance renewable energy projects (including construction, maintenance and/or operation of power generation and/or transmission)</p> <ol style="list-style-type: none"> a. Solar, solar thermal, wind (onshore and offshore), geothermal power assets (with the emission threshold of 100g of CO₂ per kwh or less) b. Biomass power plant using virgin wood (chips and pellets) from the forestry with a suitable certification on resource conservation and management (with | <ul style="list-style-type: none"> ▪ Distribution by sub-sector and location ▪ Annual power generation ▪ Subject to confidentiality and clients’ prior consent, high-level description of select projects ▪ Where feasible, quantitative assessment of expected positive environmental impacts on an aggregate basis (example KPI: |

¹ Green Bonds includes a USD 500 million five-year green bond and a USD 500 million ten-year green bond issued in September 2021 (together, the “2021 Green Bonds”); a USD 500 million five-year green bond in September 2022 (the “2022 Green Bond”); a USD 500 million five-year green bond issued in March 2023 (the “2023 Green Bond”); and an USD 500 million five-year green bond issued in October 2024 (the “2024 Green Bond”).

² Nochu, “Norinchukin Sustainable Bond Framework”, at:

https://www.nochubank.or.jp/en/ir/fixed_income_information/green_bond_information/pdf/Sustainable_Bond_Framework.pdf

³ Sustainalytics, “Second-Party Opinion, Norinchukin Bank Sustainable Bond Framework”, (2023), at:

https://www.nochubank.or.jp/en/ir/fixed_income_information/green_bond_information/pdf/Sustainable_Bond_Framework_Second-Party_Opinion.pdf

⁴ Sustainalytics, “Annual Review, Norinchukin Bank”, (2022), at: [https://www.sustainalytics.com/corporate-solutions/sustainable-finance-and-lending/published-projects/project/the-norinchukin-bank/the-norinchukin-bank-green-bond-2021-annual-review-\(2022\)/the-norinchukin-bank-green-bond-2021-annual-review-\(2022\)](https://www.sustainalytics.com/corporate-solutions/sustainable-finance-and-lending/published-projects/project/the-norinchukin-bank/the-norinchukin-bank-green-bond-2021-annual-review-(2022)/the-norinchukin-bank-green-bond-2021-annual-review-(2022))

⁵ Sustainalytics, “Annual Review, Norinchukin Bank”, (2023), at: [https://www.sustainalytics.com/corporate-solutions/sustainable-finance-and-lending/published-projects/project/the-norinchukin-bank/the-norinchukin-bank-green-bonds-2021--green-bond-2022-and-green-bond-2023-annual-review-\(2023\)/the-norinchukin-bank-green-bonds-2021--green-bond-2022-and-green-bond-2023-annual-review-\(2023\)](https://www.sustainalytics.com/corporate-solutions/sustainable-finance-and-lending/published-projects/project/the-norinchukin-bank/the-norinchukin-bank-green-bonds-2021--green-bond-2022-and-green-bond-2023-annual-review-(2023)/the-norinchukin-bank-green-bonds-2021--green-bond-2022-and-green-bond-2023-annual-review-(2023))

⁶ Sustainalytics, “Annual Review, Norinchukin Bank”, (2024), at:

https://www.nochubank.or.jp/en/ir/fixed_income_information/green_bond_information/pdf/Sustainalytics_Annual_Review-2024.pdf

| | | |
|------------------------------|--|--|
| | <p>the emission threshold of 100g of CO₂ per kwh or less)</p> <p>c. Green hydrogen and/or green ammonia production facilities (with the emission threshold of below 3 tCO₂e/tH₂)</p> <p>d. Transmission and distribution of renewable energy (including power lines and related infrastructure such as substations) on the condition that more than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100 gCO₂e/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period</p> | <p>estimated CO₂ emission avoidance)</p> |
| <p>Green Building</p> | <p>Funds to finance or refinance real estate properties [including those owned by Japanese Real Estate Investment Trusts (JREITs)], which have earned or are expected to earn one of the following:</p> <p>a. Gold or Platinum rating under LEED</p> <p>b. Excellent or Outstanding rating under BREEAM</p> <p>c. A or S rating under CASBEE</p> <p>d. 4 or 5 stars under DBJ Green Building Certification</p> | <ul style="list-style-type: none"> ▪ Certification vintage ▪ Subject to confidentiality and clients' prior consent, high-level description of select projects ▪ Where feasible, quantitative assessment of expected positive environmental impacts on an aggregate basis (example KPI: estimated CO₂ emission avoidance) |

Issuer's Responsibility

Nochu is responsible for providing accurate information and documentation relating to the details of the projects, including descriptions, amounts allocated and impact.

Independence and Quality Control

Sustainalytics, a leading provider of ESG research and ratings, conducted the verification of the use of proceeds from Nochu's green bonds. The work undertaken as part of this engagement included collection of documentation from Nochu and review of said documentation to assess conformance with the Framework.

Sustainalytics relied on the information and facts presented by Nochu. Sustainalytics is not responsible nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by Nochu.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight of the review.

Conclusion

Based on the limited assurance procedures conducted,⁷ nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the Nominated Expenditures do not conform with the use of proceeds criteria and reporting commitments in the Framework. Nochu has disclosed to Sustainalytics that the proceeds from the green bonds were fully allocated as of 31 March 2025.

⁷ Sustainalytics' limited assurance process includes reviewing documentation relating to details of projects, as provided by the issuing entity, which is responsible for providing accurate information. These may include descriptions of projects, estimated and realized costs, and reported impact. Sustainalytics has not conducted on-site visits to projects.

Detailed Findings

Table 2: Detailed Findings

| Framework Requirements | Procedure Performed | Factual Findings | Error or Exceptions Identified |
|---------------------------------|---|--|---------------------------------------|
| Use of Proceeds Criteria | Verification of projects to determine alignment with the use of proceeds criteria outlined in the Framework. | The Nominated Expenditures comply with the use of proceeds criteria. | None |
| Reporting Criteria | Verification of projects or assets to determine if impact was reported in line with the KPIs outlined in the Framework. | Nochu reported on at least one KPI per use of proceeds category. | None |

Appendices

Appendix 1: Allocation Reporting

Table 3: Allocation of proceeds from the 2021 green bond (USD 500 million, five-year)

| Use of Proceeds Category | Sub-Category | Number of projects | Country | Amount Allocated (USD million) |
|----------------------------------|---------------|--------------------|---------|--------------------------------|
| Renewable Energy | Offshore Wind | 2 | UK | 229 |
| | Offshore Wind | 2 | Germany | 56 |
| | Onshore Wind | 1 | Canada | 37 |
| | Solar | 5 | Japan | 142 |
| Green Building | Office | 1 | Japan | 19 |
| | Office | 1 | Japan | 17 |
| Total Allocated Amount | | | | 500 |
| Total Unallocated Amount | | | | 0 |
| Total Net Proceeds Raised | | | | 500 |

Table 4: Allocation of proceeds from the 2021 green bond (USD 500 million, ten-year)

| Use of Proceeds Category | Sub-Category | Number of projects | Country | Amount Allocated (USD million) |
|----------------------------------|---------------|--------------------|---------|--------------------------------|
| Renewable Energy | Offshore Wind | 2 | UK | 341 |
| | Solar | 4 | Japan | 159 |
| Total Allocated Amount | | | | 500 |
| Total Unallocated Amount | | | | 0 |
| Total Net Proceeds Raised | | | | 500 |

Table 5: Allocation of proceeds from the 2022 green bond (USD 500 million, five-year)

| Use of Proceeds Category | Sub-Category | Number of projects | Country | Amount Allocated (USD million) |
|----------------------------------|---------------|--------------------|---------|--------------------------------|
| Renewable Energy | Offshore Wind | 3 | UK | 458 |
| | Solar | 1 | Japan | 42 |
| Total Allocated Amount | | | | 500 |
| Total Unallocated Amount | | | | 0 |
| Total Net Proceeds Raised | | | | 500 |

Table 6: Allocation of proceeds from the 2023 green bond (USD 500 million, five-year)

| Use of Proceeds Category | Sub-Category | Number of projects | Country | Amount Allocated (USD million) |
|----------------------------------|---------------|--------------------|---------|--------------------------------|
| Renewable Energy | Offshore Wind | 1 | US | 173 |
| | Offshore Wind | 1 | UK | 148 |
| | Onshore Wind | 1 | Canada | 78 |
| | Solar | 1 | Japan | 77 |
| | Solar | 1 | US | 24 |
| Total Allocated Amount | | | | 500 |
| Total Unallocated Amount | | | | 0 |
| Total Net Proceeds Raised | | | | 500 |

Table 7: Allocation of proceeds from the 2024 green bond (USD 500 million, five-year)

| Use of Proceeds Category | Sub-Category | Number of projects | Country | Amount Allocated (USD million) |
|----------------------------------|---------------|--------------------|--------------|--------------------------------|
| Renewable Energy | Offshore Wind | 1 | UK | 216 |
| | Solar | 1 | Saudi Arabia | 67 |
| | Solar | 1 | US | 44 |
| | Solar | 1 | Japan | 173 |
| Total Allocated Amount | | | | 500 |
| Total Unallocated Amount | | | | 0 |
| Total Net Proceeds Raised | | | | 500 |

Appendix 2: Reported impact ⁸

Table 8: Reported impact from the 2021 green bond (USD 500 million, five-year)

| Use of Proceeds Category | Sub-Category | Number of projects | Country | Certification | CO ₂ Emissions Reduction (Nochu's Contribution) (tCO ₂ /year) |
|--------------------------|---------------|--------------------|---------|---------------|---|
| Renewable Energy | Offshore Wind | 2 | UK | N.A. | 58,099 |
| | Offshore Wind | 2 | Germany | N.A. | 42,243 |
| | Onshore Wind | 1 | Canada | N.A. | 19,330 |
| | Solar | 5 | Japan | N.A. | 44,922 |
| Green Building | Office | 1 | Japan | CASBEES | 243 |
| | Office | 1 | Japan | DBJ 5 Stars | 31 |
| Total | | | | | 164,869 |

Table 9: Reported impact from the 2021 green bonds (USD 500 million, ten-year)

| Use of Proceeds Category | Sub-Category | Number of projects | Country | CO ₂ Emissions Reduction (Nochu's Contribution) (tCO ₂ /year) |
|--------------------------|---------------|--------------------|---------|---|
| Renewable Energy | Offshore Wind | 2 | UK | 46,942 |
| | Solar | 4 | Japan | 37,589 |
| Total | | | | 84,531 |

⁸ The impact for green bonds is calculated on a pro-rata basis

Table 10: Reported impact from the 2022 green bond (USD 500 million, five-year)

| Use of Proceeds Category | Sub-Category | Number of projects | Country | CO ₂ Emissions Reduction (Nochu's Contribution) (tCO ₂ /year) |
|--------------------------|---------------|--------------------|---------|---|
| Renewable Energy | Offshore Wind | 3 | UK | 235,959 |
| | Solar | 1 | Japan | 9,388 |
| Total | | | | 245,347 |

Table 11: Reported impact from the 2023 green bond (USD 500 million, five-year)

| Use of Proceeds Category | Sub-Category | Number of projects | Country | CO ₂ Emissions Reduction (Nochu's Contribution) (tCO ₂ /year) |
|-------------------------------|---------------|--------------------|---------|---|
| Renewable Energy | Offshore Wind | 1 | US | 42,227 |
| | Offshore Wind | 1 | UK | 78,390 |
| | Onshore Wind | 1 | Canada | 30,710 |
| | Solar | 1 | Japan | 18,217 |
| | Solar | 1 | US | 7,613 |
| Total Allocated Amount | | | | 177,156 |

Table 12: Reported impact from the 2024 green bond (USD 500 million, five-year)

| Use of Proceeds Category | Sub-Category | Number of projects | Country | CO ₂ Emissions Reduction (Nochu's Contribution) (tCO ₂ /year) |
|--------------------------|---------------|--------------------|--------------|---|
| Renewable Energy | Offshore Wind | 1 | UK | 126,058 |
| | Solar | 1 | Saudi Arabia | 17,027 |
| | Solar | 1 | US | 16,973 |
| | Solar | 1 | Japan | 45,265 |
| Total | | | | 205,323 |

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