



National Mutual Insurance Federation
of Agricultural Cooperatives



Closer

Deliver

Connect

Supporting Each Other

Annual Report 2022 For the year ended March 31, 2022



*“ People certainly have no power one by one.
But if they unite together,
they can bring about such power: ”*

Father of Japan's cooperatives:
Toyohiko Kagawa

Unique Insurance Services For Agriculture and Local Communities in Japan

Zenkyoren (National Mutual Insurance Federation of Agricultural Cooperatives) was founded in 1951 as a cooperative insurance organization to insure members of the farming community under the motto “One for all, all for one.”

The 10-million member strong JA (Japan Agricultural Cooperatives) Group, to which Zenkyoren belongs, comprises Agricultural Cooperatives (JAs) at the local level and supporting organizations at the prefectural and national levels. The JA Group conducts a variety of businesses and provides a wide range of services through JAs. Zenkyoren is tasked with providing insurance coverage for JA members and policyholders against accidental loss of life and property damage, and assisting them with worry-free coverage throughout their lives.

The core goal of JA Kyosai is to help secure members' livelihoods through farming and elevate their standard of living. We meet this goal by identifying the needs of people in agriculture and their communities, then offering unique life and non-life insurance. Zenkyoren continues to strengthen cooperative relationships with local JAs to provide members and policyholders with improved services and a greater sense of security.

Regarding fractional figures

- Fractions in both yen and U.S. dollar amounts and the number of policies have been rounded down.
- Fractions in component ratios and year-on-year comparisons have been rounded off.

A Sound Foundation

(As of March 31, 2022)



Total Assets

¥58,192 billion



Working Assets

¥56,029 billion



Solvency Margin Ratio

1,357.3%



Comprehensive Life Insurance

22.0 million policies
(Policies in Force)



Building Endowment Insurance

9.3 million policies
(Policies in Force)



Automobile Insurance

8.2 million policies
(Policies in Force)



Contents

A Message from the Management	02
Who is the JA Group?	04
About JA Kyosai	06
JA Kyosai's Fundamental Approach to Business Development	08
Insurance Business	10
Asset Management and Reinsurance	12
JA Kyosai's SDGs	14
Initiatives for Local Community Contribution	15
Collaboration with Cooperatives in Japan and Overseas	21
Zenkyoren's Management	23
Business Operations	25
Balance Sheet	28
Income Statement	29
Zenkyoren Information	30

Regarding JA Kyosai and Zenkyoren

JA Kyosai: A mutual insurance business jointly run by agricultural cooperatives (JAs) and Zenkyoren.

Zenkyoren: An organization that operates the JA Kyosai business together with JAs. Please refer to P. 05 regarding each role of JAs and Zenkyoren in the JA Kyosai business.

A Message from the Management

We will strive to provide an ever-greater sense of security and confidence through the JA Kyosai business, keeping the philosophy of mutual aid, the fundamental principle of agricultural cooperatives, as the starting point for its business activities.



Introduction

We would like to offer our sincere condolences to everyone who has become ill with COVID-19, or whose livelihood has been severely impacted.

Under any circumstances, Zenkyoren will continue to focus all of our efforts toward the fulfillment of JA Kyosai's mission to serve members and policyholders, while also helping to bring the COVID-19 crisis to an end as quickly as possible.

Business Environment

A more pronounced population decline and farmer aging in rural areas continue to affect agriculture in Japan. Furthermore, large-scale farms and corporate involvement are increasing.

Under these circumstances, the target under the government's "Basic Plan for Food, Agriculture and Rural Areas" is to improve food self-sufficiency and establish food security through the promotion of exports, rural development, and acceleration of smart agriculture using advanced technology. In addition, the Strategy for

Sustainable Food Systems, "MeaDRI," illustrates that innovation will enhance potentials and ensure sustainability in a compatible manner, and promotes the development of innovative technologies and production systems.

Wide-area cooperation with other countries has been progressing in recent years, with the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (TPP11), the Economic Partnership Agreement (EPA) with the European Union, the Japan-U.S. Trade Agreement, the Japan-UK Comprehensive Economic Partnership Agreement, and most recently the Regional Comprehensive Economic Partnership (RCEP), which came into force in January 2022.

Due to the prospect of further price hikes for production materials arising from the situation in Ukraine, in addition to decreased demand for rice and raw milk caused by COVID-19, the severity of agricultural management is further increasing, and there are growing risks to the country's stable food supply with Japan relying on overseas suppliers for much of its food and agricultural materials.

Overview of Business Activities in Fiscal 2021

We implemented a range of measures based on the fiscal 2021 business plan, which was formulated as the final year of JA Kyosai's three-year business plan which began in fiscal 2019.

To provide coverage and services for people, and to thoroughly implement follow-up activities for policyholders, we conducted "3Q calls" ("thank you calls," 3 Q(uestions) that sounds like "thank you" in Japanese) and *Hito Hoshō Anshin Check* ("peace of mind check"), taking the opportunity presented by the introduction of Medical Insurance and the Healthy Body Project "Genki na Karada Project". In addition, in February and March 2022, we provided information about Medical Insurance and sent out e-mails as an opportunity of confirmation of forgotten insurance claims in light of the rapid spread of COVID-19 (including the Omicron variant). These activities were leading to support Life Advisors (LAs). In April 2021, we released the JA Kyosai App and Web MyPage as an initiative to create and develop new customer experiences and operational environment utilizing digital technology. These launches enable us to provide useful contents and various services to our members and users on the Web at any time. Also in April 2021, we rolled out our Common Role Members Buildup Support System ("Corombuss"), to centrally manage user information such as policies and information obtained from the Web MyPage and JA Kyosai App. The system has been utilized for responding to policyholders and sharing information within JA.

To thoroughly focus on member- and user-orientated activities, we have engaged in promotion activities with consideration for the elderly by checking in with relatives by phone.

To establish and implement proper administrative procedures, Zenkyoren has made direct payments for claims and refunds and delivered certificates to policyholders directly since April 2021.

Closing Remarks

For more than 70 years since the inception of JA Kyosai business, under the philosophy of mutual aid, we have expanded the circle of mutual assistance in local communities and worked to create prosperous communities where people can live with a sense of security.

We would like to express our sincere gratitude for the deep bonds we have with our members and users built through our activities rooted in local communities. Through these close relationships, we have steadily carried out the aforementioned activities even during the COVID-19 pandemic.

With a stronger sense of duty and passion, we will engage in good faith business activities through the provision of better coverage and services and sound management, so that we can deliver lasting security and satisfaction to members and policyholders under any future circumstances.

We look forward to your continued support.

August 2022

青江伯夫

Hakuo Aoe

Chairman of the Supervisory Board



柳井二三夫

Fumio Yanai

President of the Board of Directors



Who is the JA Group?



The power of cooperatives:
bringing prosperity to agriculture and local communities

Business of the JA Group

The JA (Japan Agricultural Cooperatives) Group, to which Zenkyoren belongs, is a national organization of farmers established in accordance with the Agricultural Cooperatives Act. Based on a spirit of mutual aid, the JA Group undertakes cooperative business and other activities, for the purpose of enhancing agricultural operations and improving the standard of living among farmers. The JA Group provides its members with various services including farming guidance, marketing and supply, credit, insurance, and welfare.

Structure of the JA Group

The agricultural cooperative system previously featured a three-tiered structure organized on local, prefectural, and national levels. Under this system, prefectural federations provided local-level JAs with supplementary functions, by conducting activities that the JAs themselves were unable to perform. The national federation provided complementary functions to support the prefectural federations and JAs, and make the Group's activities more effective.

To cope with intensified global competition, the JA Group is reforming the organization and its business operations, with the aim of further improving agricultural operations and the living standard of farmers in years to come. Integration of prefectural and national federations and the consolidation of local JAs are being encouraged as a way to enhance the functionality and effectiveness of the organizational structure.

Function of JA Kyosai Business

JA Kyosai business offers products and services designed to protect members' and policyholders' well-being, provide financial security, and improve their lifestyles.

In April 2000, Zenkyoren (then a national federation only) integrated with all prefectural insurance federations, thus forming a two-tiered operation with each tier performing distinct functions.

Representation, Coordination, and Consultation

Chuokai and Zenchu make agricultural policy proposals, assist JAs with organization, business, and management, conduct publicity activities and collaborate with international organizations.

Marketing and Supply

Keizairen and Zen-Noh conduct marketing and supply operations. Marketing involves delivering agricultural and livestock products produced by farmers to consumers. Supply involves providing members with materials needed to manage farms and daily necessities.

Credit

Shinren and The Norinchukin Bank provide members and local residents with financial services such as savings, loans, and exchange businesses.

Insurance

Guided by its business philosophy of "Mutual aid," Zenkyoren provides members and policyholders with wide-ranging of coverage against various risks affecting their lives.

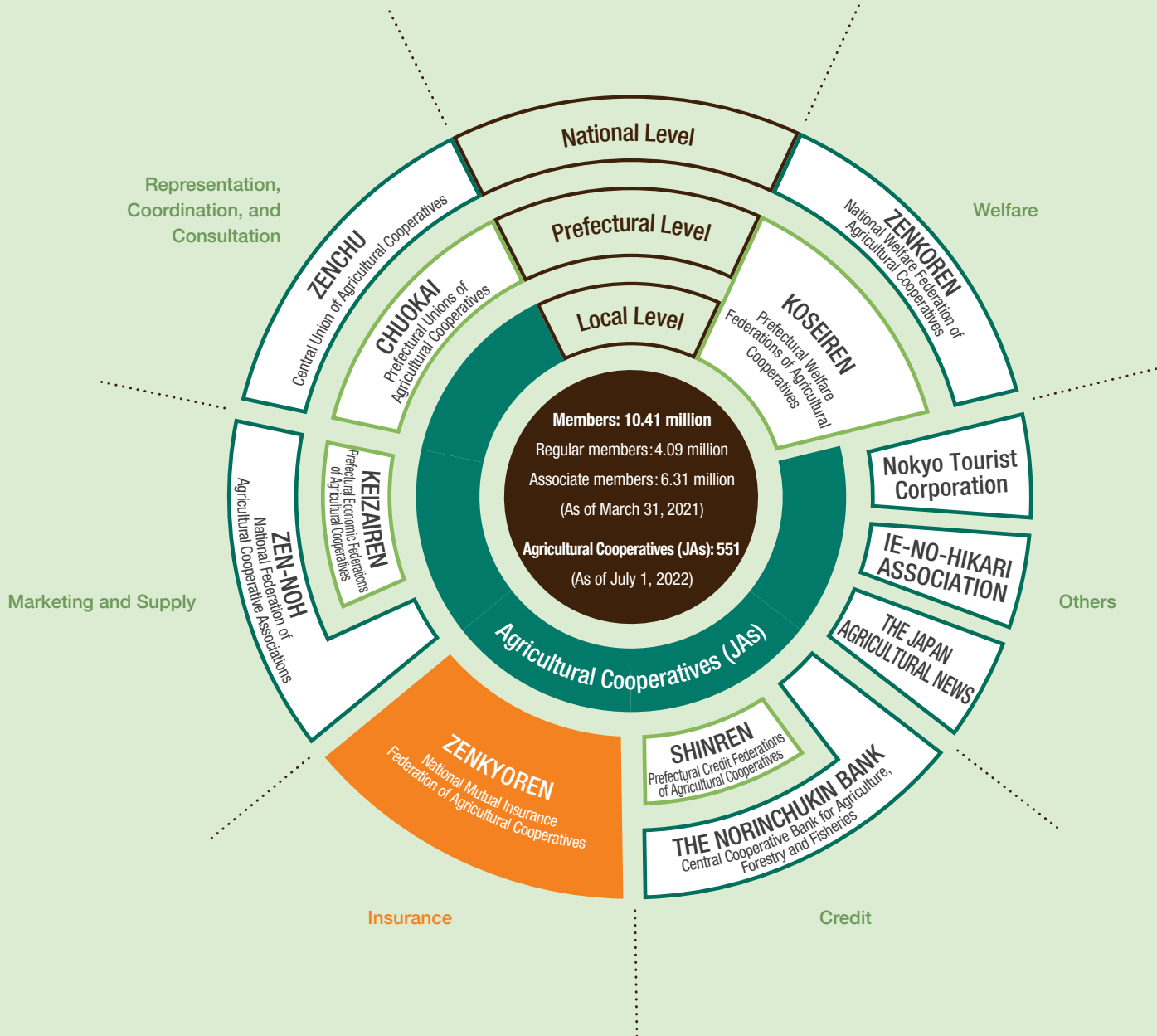
Welfare

Koseiren and Zenkoren set up and operate hospitals and clinics, along with providing members and local residents with health checkups and health maintenance activities, as well as nursing care services.

Others

Other businesses include newspaper information business, publishing and cultural program business, and tourism business (Japan Agricultural News, Ie-No-Hikari Association, Nokyo Tourist Corporation)

Structure of the JA Group



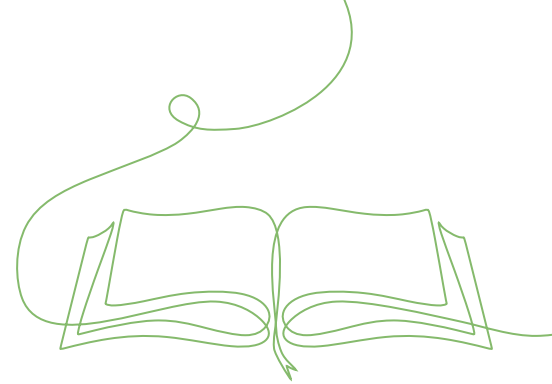
Agricultural Cooperatives (JAs):

With regard to insurance, local-level JAs provide direct liaison with members and policyholders and handle policy administration, processing, and contract maintenance, as well as the payment of claims. They also provide members and policyholders with various kinds of information related to the purchase of insurance policies.

Zenkyoren:

Zenkyoren engages in a wide range of JA insurance activities that include planning and management, product development, underwriting, claims assessments, and providing information and materials for sales promotion and public relations activities. It also manages investment funds, develops and operates information systems, holds training programs, and conducts welfare activities.

About JA Kyosai



Mission

JA Kyosai meets the trust and expectations of members and policyholders by providing security and satisfaction through business activities based on the philosophy of mutual aid that agricultural cooperatives strive for.

We help members and policyholders to secure and improve their living standards by providing comprehensive coverage of people, homes, and vehicles with the best securities, prices, and services.

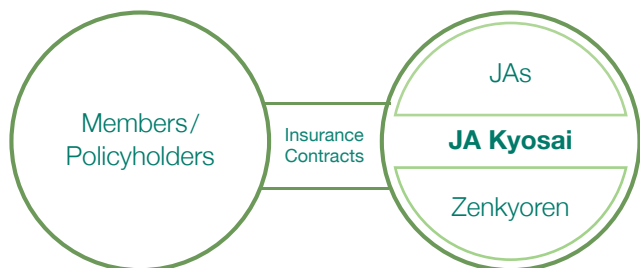
We contribute to the development of local communities where people can enjoy secure and affluent lives by actively pursuing its business activities.

Vision

JA Kyosai business will continue to protect the livelihoods of members and policyholders and contribute to the development of agriculture and local communities through the long-term development of business activities and effective adaption to change in the business environment, while also maintaining a strong integrated administrative structure between JAs and Zenkyoren.

Links between JA Kyosai and Members/Policyholders

Local-level JAs and Zenkyoren provide members and policyholders with a sense of security by jointly underwriting and administering insurance policies.



JAs and Zenkyoren collaborate to support insurance services.

The JA Kyosai Story

JA Kyosai was initiated in 1948 as agricultural cooperative insurance business. JA Kyosai, begun with the high ideal of building a society in which people could thrive by helping and supporting one another, has grown dramatically with the understanding and support of many people in local communities including members and users.

JA Kyosai Launched Under the Philosophy of Mutual Aid

JA Kyosai's origins can be traced back to the ideas of Toyohiko Kagawa, the father of JA Kyosai. Kagawa realized that farmers, who work with nature and can face unexpected problems, needed a system to prepare for unexpected illness and economic hardship in addition to medical expenses. He formulated a plan to create an insurance system that could be managed on a non-profit basis by agricultural cooperatives, allowing even impoverished farmers to obtain insurance cover at an affordable cost.

As a result of Kagawa's energetic work toward this goal, the Agricultural Cooperatives Act was enforced in 1947. This was followed in 1948 by the establishment of Hokkaido Mutual Insurance Federation of Agricultural Cooperatives in Hokkaido.

In January 1951, National Mutual Insurance Federation of Agricultural Cooperatives (Zenkyoren) was established to spread insurance services nationwide. By fiscal 1957, mutual insurance federations were operating in all of Japan's prefectures (with the exception of Okinawa).

Spreading the Spirit of Mutual Aid Nationwide

As agricultural cooperatives throughout Japan began to handle insurance business at full scale, promotion activities as an entire organization involving executives and employees of agricultural cooperatives, youth groups, and women's groups were initiated. Seminars and roundtable meetings in rural communities gave members opportunities to mutually assess their insurance coverage, and the spirit of mutual aid became widespread. New types of insurance were developed in response to changes in the social environment and members' needs. Life Insurance (now Endowment Life Insurance) was created amid the chaos of early postwar Japan as a way of meeting the needs of farmers and members throughout Japan. This commitment led to the expansion of product line-ups such as Building Endowment Insurance and Automobile Insurance. Today, JA



Promotion activity

Kyosai provides comprehensive insurance coverage for people, homes, and vehicles to members and users.

A closer presence providing peace of mind and satisfaction

In 1994, the Life Advisor (LA) system, under which specialist staff propose insurance cover and provide advice was launched. This system further enhanced our ability to respond to the diverse needs of members and users.

In April 2000, the 47 Prefectural Federations and Zenkyoren integrated to form the present Zenkyoren. This integration deepened ties with the JAs and led to delivering increased peace of mind and satisfaction to members and users.

For example, when natural disasters occur, claims investigators are dispatched from our national and prefectural headquarters to carry out timely and accurate assessments of losses in close cooperation with JAs. This ensures that claims payments can be provided quickly to members and users affected by the disasters.



Assessment of losses during natural disasters

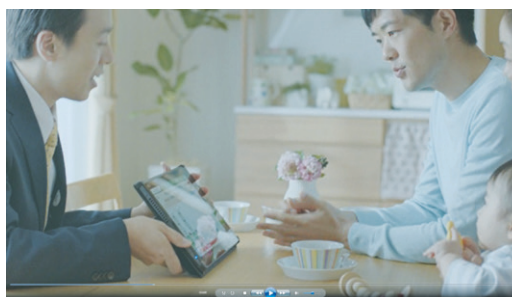
Standing together with Local Communities

Over time, the livelihoods of farmers and users have improved and become more secure. JA Kyosai has also grown and expanded this happy circle of mutual aid. At the same time, people's needs and desires are diversified on reflection of lifestyle change.

Changes are also occurring in agriculture, and agricultural and local communities. As members are aging and generational change comes to the fore, the development of relationships with succeeding generations and communication within local communities will become increasingly important.

Despite big environmental changes, JA Kyosai continues to provide members and users with unchanging peace of mind, aims to support the future of agriculture and livelihoods together with local communities, and proceeds with a variety of activities including policyholders' follow-up activities using virtual platforms in addition to face-to-face services and provision of insurance coverage for the expanding and increasingly diverse risks surrounding agriculture.

JA Kyosai remains committed to its work to create prosperous communities where people can live with a sense of security based on the founding philosophy of mutual aid.



Policyholder follow-up activity

JA Kyosai's Fundamental Approach to Business Development

The Current Three-Year Business Plan

Slogan

Unchanging peace of mind in the new era:
JA Kyosai supports the future of agriculture and livelihood

Fundamental Approach

Provide peace of mind and satisfaction by standing closer to members and users

Implement the concepts of **standing closer** to members and users, **delivering** comprehensive

Priority Initiatives

Priority Initiative 1

Accelerated response to new lifestyles

1 Policies and services

- Integrated development of coverage and services
- Development of policies based on needs
- Enhanced approach focused on life insurance coverage

2 Contact & procedures

- Procedure development by digital utilization
- Harmonization of face-to-face and non-face-to-face interactions








3 Contributing to agriculture and local communities

- Expanding initiatives of agricultural coverage
- Expanding connection with members and local residents, and strengthening SDG initiatives.

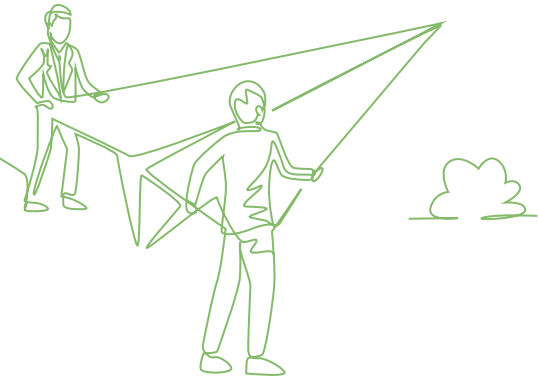
Priority Initiative 3

Creating frameworks and schemes to provide long-term security for policyholders

JA Kyosai's SDG Policy

Keywords	People	Homes and Vehicles
Priority issues and relevant SDGs   	<ul style="list-style-type: none"> • Health promotion • Promotion of preventive measures and healthcare • Welfare promotion 	    <ul style="list-style-type: none"> • Limitation of disaster-related damage • Traffic safety improvement
Our goal	Contribution to healthy and productive lifestyles We contribute to healthy and productive lifestyles through the provision of insurance cover, the services of health management and promotion as well as nursing care and welfare, and community contribution activities	Realization of safe and secure local communities We contribute to the realization of safe and secure local communities through the provision of insurance cover, the services of disaster prevention and mitigation as well as accident prevention, and community contribution activities

Under the three-year business plan for FY2022 to FY2024, JA Kyosai will continue to protect the livelihoods of members and policyholders and contribute to the development of agriculture and local communities through the development of business activities that adapt to change in the business environment, while also strengthening the integrated business operations between JAs and Zenkyoren.



together with local communities

Build and strengthen a sustainable business foundation for JAs

...ive security, and **connecting** with agriculture and local communities more broadly and deeply.

Priority Initiative 2

Long-term stable development of JA Kyosai business

1 Activities related to standing closer

- Engagement in “3Q calls” and startup activities
- Enhancement of training functions such as Life Advisor (LA)
- Development of project implementation structures

2 Reducing administrative workloads

- Simplification of administrative procedures, reduction of individual administrative tasks
- Improvement in efficiency for investigation and assessment processes, etc.

3 Support for PDCA activities

- Support for JA business management and improvement (PDCA)

1 Enhancing JA guidance and support

- Development of business implementation approach for Zenkyoren

2 Risk management

- Enhancement and reinforcement of enterprise risk management approach

3 Reliability enhancement

- CS improvement using members' voices
- Strengthening compliance approach

Agriculture



- Improvement in adaptability to natural disasters
- Increase of farmers' productivity and income



Contribution to sustainable agriculture

We contribute to sustainable agriculture through agriculture promotion and farmers' income increase, the provision of insurance cover and services to reduce agricultural risks, and community contribution activities

Environment

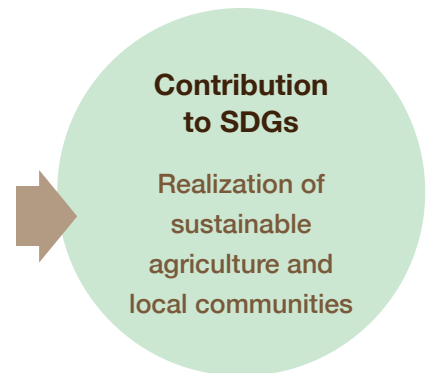


- Addressing climate change



Contribution to global environment

We contribute to solving global environmental problems, such as climate change, through global warming prevention and environmental conservation initiatives



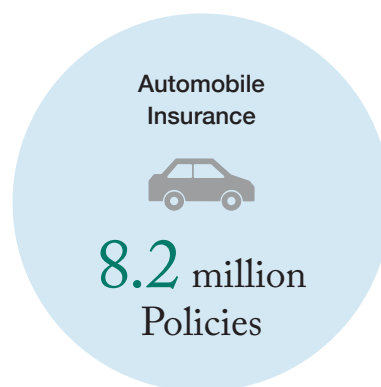
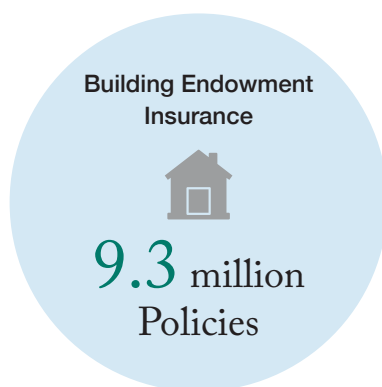
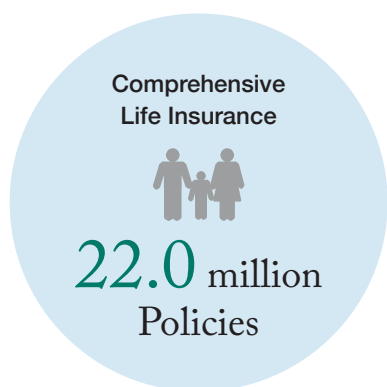
JA Kyosai Businesses



Basic Policy

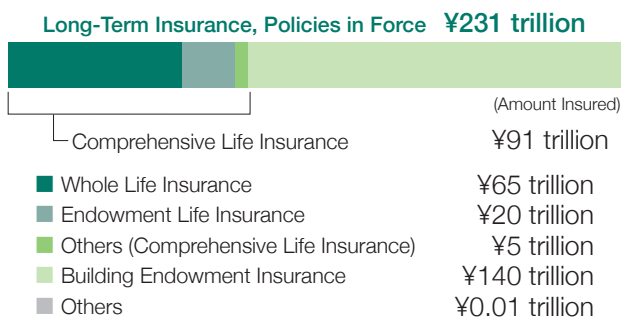
The JA Kyosai's mission is to help members and policyholders achieve peace of mind by providing wide-ranging coverage against various risks affecting their lives.

JA Kyosai helps policyholders to maintain their living standards by offering comprehensive coverage of people, homes, and vehicles to suit their goals and life plans.



(As of March 31, 2022)

Breakdown of Long-Term Insurance, Policies in Force (FY2021)



Breakdown of Short-Term Insurance, New Business (FY2021)



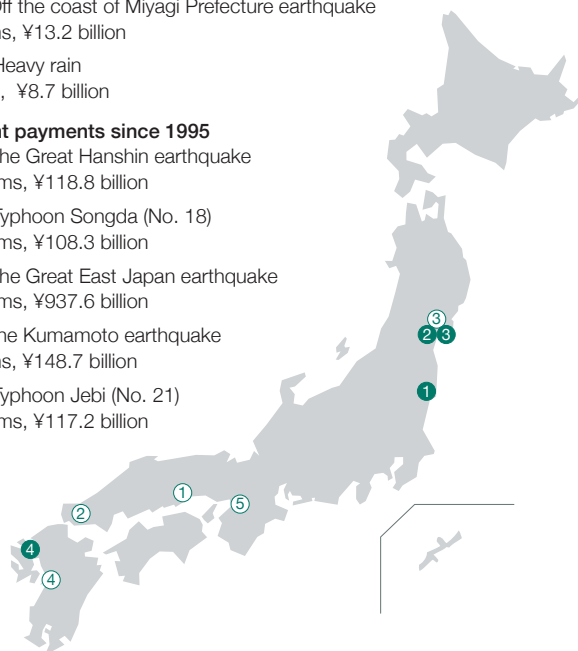
Building Endowment Insurance Payment (Claims paid for natural disasters)

Main payments in FY2021

- Feb. 2021: Off the coast of Fukushima Prefecture earthquake
132,899 claims, ¥109.6 billion (including payments in FY 2020)
- Mar. 2021: Off the coast of Miyagi Prefecture earthquake
8,045 claims, ¥7.0 billion (including payments in FY 2020)
- May 2021: Off the coast of Miyagi Prefecture earthquake
15,280 claims, ¥13.2 billion
- Aug. 2021: Heavy rain
7,651 claims, ¥8.7 billion

Most significant payments since 1995

- Jan. 1995: The Great Hanshin earthquake
101,535 claims, ¥118.8 billion
- Sep. 2004: Typhoon Songda (No. 18)
284,564 claims, ¥108.3 billion
- Mar. 2011: The Great East Japan earthquake
684,734 claims, ¥937.6 billion
- Apr. 2016: The Kumamoto earthquake
94,195 claims, ¥148.7 billion
- Sep. 2018: Typhoon Jebi (No. 21)
231,212 claims, ¥117.2 billion



Major Types of Insurance

Life Insurance

Comprehensive Life Insurance

Comprehensive Life Insurance enables policyholders to design their own personal coverage by freely combining various types of life insurance coverage (including death, medical treatment, retirement, nursing care) that address their individual concerns and worries. Also, policyholders can review and revise their coverage as their life stages change.

1. Whole Life Insurance

Claims are paid upon death or serious disability of the insured throughout the life of the insured. The objective is to protect the livelihood of the family of the insured.

Conditions can be designed to suit individual policyholder needs.

2. Term Life Insurance

Claims are paid upon death or serious disability of the insured during the term covered by the policy. The objective is to protect the livelihood of the family of the insured. Since there is no lump-sum payout at the expiration of the term, premiums are less expensive than those for Endowment Life Insurance.

3. Endowment Life Insurance

Claims are paid upon death or serious disability of the insured, or a predetermined amount is payable at the maturity date. The objective is to protect the livelihood of the family of the insured and to serve as a savings vehicle to provide financial security.

4. Children's Insurance

This insurance systematically accumulates funds for the education, wedding, and other major life events of the policyholder's child (the insured). Claims are paid upon death or serious disability of the insured or the policyholder, or a predetermined amount is payable at the maturity date. In the event that the policyholder dies or suffers serious disability, an endowment pension is paid, and premium payments are no longer required.

5. Medical Insurance

This policy covers the cost of hospitalization and surgery in the event of illness or injury. Duration of coverage and

premium payment terms can be selected. In addition, expanded coverages for advanced medical treatment and the three major diseases (cancer, acute myocardial infarction, and cerebral stroke) are options.

6. Nursing Care Insurance

This policy is to accumulate funds for use when a predetermined level of nursing care is required, linked with the public nursing care insurance system.

7. Annuity Insurance

Annuities are paid every year beyond the date specified in the policy for contracted years or throughout the lifetime of the insured to provide financial security.

Non-Life Insurance

1. Building Endowment Insurance

This policy insures buildings and household goods owned by the policyholder against damage caused by fire, earthquake, or other natural disasters. Payment is also made upon death or serious injury of the insured or family members due to fire, earthquake, or other natural disasters. Additionally, if the insured buildings or household goods survive intact beyond the maturity date, this insurance supplies funds for rebuilding or replacement.

2. Automobile Insurance

This policy provides a broad range of insurance protection against automobile accidents, including liabilities for bodily injury and property damage to third parties, injuries for the insured and their family members, and physical damages for vehicles.

Topic

New Product Development

Developing products that reflect the needs of our members and policyholders

In 2022, we established Dementia Insurance to help ease the financial burden of developing dementia and to support prevention and early detection.



Asset Management and Reinsurance



Basic Policy

Most of Zenkyoren's liabilities are liability reserves for fixed long-term insurance policies with predetermined fixed rates of return.

To secure funds for paying claims and other insurance refunds in the future, Zenkyoren invests mainly in fixed income assets (public and corporate bonds and loans) denominated in yen. Zenkyoren also invests in foreign securities, equities, and other assets in order to enhance profitability.

In addition, Zenkyoren makes ESG investments to help solve social issues including climate change.

Also, Zenkyoren each year accumulates funds to build liability reserves and makes use of reinsurance for unforeseen crises and natural catastrophic events.

ESG Investment*

Based on JA Kyosai's mission to contribute to the development of local communities where people can enjoy secure and affluent lives and the SDG Policy of JA Group which includes addressing shared global issues (environmental problems, etc.), Zenkyoren is progressing ESG investments as a part of its fund management activities to solve environmental problems and contribute to achieve other SDGs. Our process of ESG investments is (1) incorporating ESG issues into investment analyses and investment processes (ESG integration), (2) dialogue with investees about ESG issues (Engagement), (3) investment for the purpose of solving SDG issues (Thematic investment), and (4) negative screening.

In addition, in May 2015, Zenkyoren accepted the "Principles for Responsible Institutional Investors" (Japan's Stewardship Code), which was revised in March 2020.

*ESG investment refers to investment that considers not only financial information, but also non-financial factors relating to the Environment, Social, and Governance.

Main Transactions to date

Investment product	Relevant SDGs
Thematic ETF focused on climate change	13 CLIMATE ACTION
Thematic mutual fund focused on climate change	13 CLIMATE ACTION
Kobe SDGs Bonds	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES
Tokyo Green Bond	7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 13 CLIMATE ACTION
Nutrition Bonds (support for nutritional improvement) issued by Corporacion Andina de Fomento	1 NO POVERTY 2 ZERO HUNGER 3 GOOD HEALTH AND WELL-BEING

International Investments

Zenkyoren is carefully making international investments such as foreign currency denominated bonds and equities and yen's denominated loans and bonds for foreign governments and companies by paying extremely close attention to foreign exchange risk, country risk, and other risks.

Our subsidiaries in New York (ZAMA) and London (ZEL) undertake support activities related to securities investments, overseas investments, and so on.

Reinsurance Activities

Reinsurance is a contract for transferring a part of insurance liabilities assumed by a direct insurance company to domestic and overseas insurance companies. Zenkyoren utilizes reinsurance as one of the risk diversifications in order to maintain sound business operation in case of natural catastrophic events.

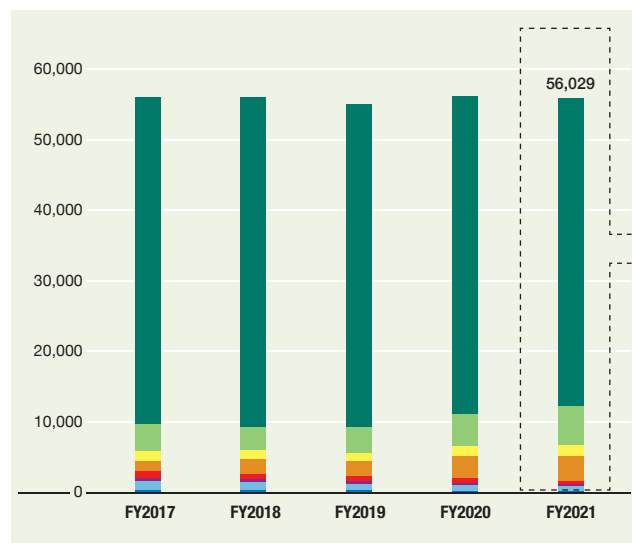
Reinsurance panels in Zenkyoren are carefully selected through our comprehensive evaluation and consideration of their credit worthiness (credit rating) by third-party agencies and terms and conditions of each contract, and are continuously monitored throughout the year for credit risk management.

Summary of Investment Results

In order to maintain and strengthen a long-term stable profit base, Zenkyoren has worked on investing mainly in yen-denominated fixed-interest assets (public and corporate bonds, etc.). Regarding the management of foreign securities, Zenkyoren has worked on purchases and sales based on market trends and price fluctuation risks.

Working Assets

(¥ Billion)



Breakdown of Working Assets

Public and corporate bonds	78.2%
Foreign securities	9.8%
Equities	2.7%
Other securities	6.2%
Loans	1.0%
Real estate investments	0.5%
Cash, bank deposits, and call loans	1.1%
Miscellaneous items	0.5%

JA Kyosai's SDGs



JA Kyosai conducts its businesses under the philosophy of mutual aid expressed in the motto “One for all, all for one.” We provide comprehensive insurance coverage for people, homes, and vehicles, coverage to farmers, and various community contribution activities aiming to develop communities in which our members and local residents can enjoy fulfilling lives with a sense of security. We think each

of these activities corresponds to the realization of the Sustainable Development Goals (SDGs).

JA Kyosai will continue to contribute to the creation of the society envisaged in the SDGs and fulfill its role as a member for making up local communities through proactive business activities guided by the policy outlined below.

JA Kyosai's SDG Policy

JA Kyosai ensures the sustainability of agriculture and local communities for its business foundation by providing insurance and services and engaging in community contribution activities.

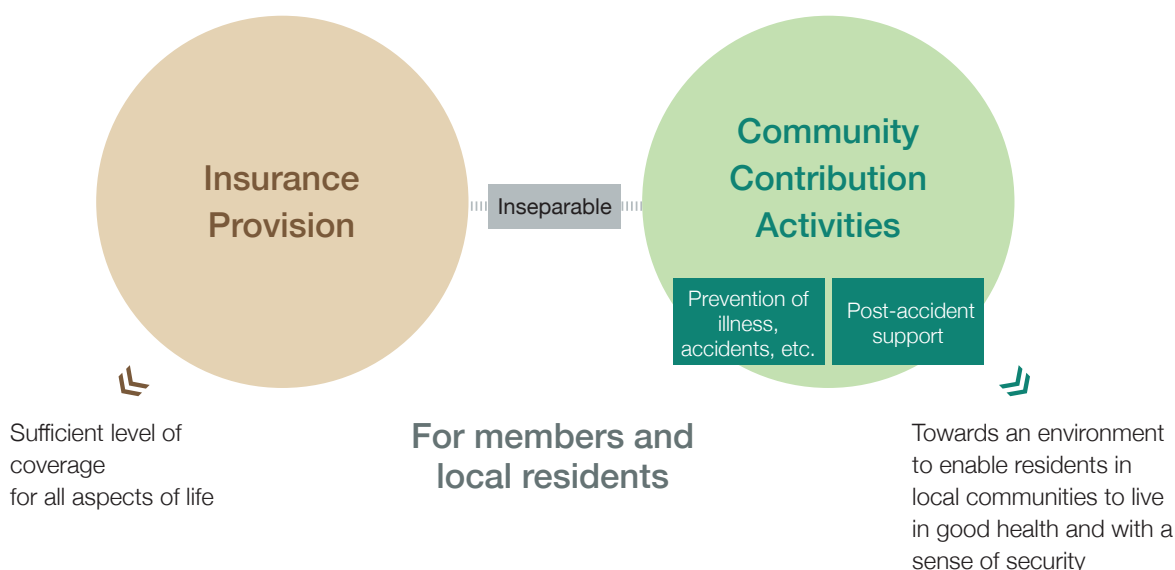
Our goal	Relevant SDGs	Main Initiatives
Contribution to healthy and productive lifestyles		<ul style="list-style-type: none"> Provision of coverage for illness, injury, retirement, etc.
		<ul style="list-style-type: none"> Services to assist with health improvement (diet management and brain training apps, physical training, preferential access to health checks, etc.) Support for healthy living through health management and promotion, nursing care, and welfare activities (Rainbow Exercise Program, Slightly Difficult Challenge program, etc.)
		<ul style="list-style-type: none"> Social reintegration support for traffic accident victims (service dog training support and social reintegration support at the rehabilitation centers)
Realization of safe and secure local communities		<ul style="list-style-type: none"> Provision of coverage against various natural disasters including earthquakes and typhoons
		<ul style="list-style-type: none"> Disaster and fire prevention and mitigation activities (disaster prevention classes using “Jishin The Vuton”) and post-natural disaster relief activities (free distribution of disaster-relief tarpaulins, disaster kits, etc.)
		<ul style="list-style-type: none"> Traffic accident prevention activities aiming for a society with no traffic accidents (JA Kyosai Anpanman Traffic Safety Caravan, bicycle safety riding classes, etc.)
Contribution to sustainable agriculture		<ul style="list-style-type: none"> Provision of coverage to ensure business and livelihood stability for farmers Agricultural risk diagnosis to identify risks and their mitigation relating to the farming business
		<ul style="list-style-type: none"> Activities to prevent agricultural work accidents to ensure farmers’ safety (training program utilizing virtual reality equipment for experiencing agricultural work accidents, etc.)
Contribution to global environment		<ul style="list-style-type: none"> ESG investment in bonds and other financial instruments for climate change
		<ul style="list-style-type: none"> Initiatives to reduce paper consumption (web-based policy clauses, paperless contract procedures, etc.) Initiatives to support local production for local consumption to reduce food mileage (Sore Ike! Anpanman Mini Show and Meet and Greet, nutritional education events, agricultural experiences, etc.)

Initiatives for Local Community Contribution

We consider insurance provision and community contribution activities to be inseparable. We have been expanding the circle of safety and peace of mind by having these two activities interact with each other. We

will continue to strengthen our ties with local communities in order to assist our members and local residents to live in good health and with a sense of security in their home regions.

JA Kyosai's Initiatives



Livelihood, Farming

» P16

We work on cultural support activities which help to maintain awareness of the importance of emotional well-being and community ties across generations, livelihood support activities, environment maintaining activities, and agricultural promotion activities which contribute to farm management.



People

» P18

We engage in a wide range of activities based on the philosophy of mutual aid including health management and promotion activities to help people enjoy healthy lives, and nursing care and welfare activities.



Homes

» P19

We engage in a wide range of activities which encompass not only disaster and fire prevention and preparedness activities, but also relief activities and recovery support efforts after natural disasters and other unforeseen events.



Vehicles

» P20

We engage in a wide range of activities including traffic accident prevention aiming for a society with no traffic accidents and support for traffic accident victims.



Livelihood, Farming

Agricultural Promotion

In order to contribute to farm management, we engage in various agricultural promotion activities including agricultural risk diagnosis activities, agricultural work accident prevention activities, support for food education and farm experience events, and support for new farmers.

Agricultural Work Accident Prevention Activities

In addition to providing insurance services for accidents, we regard accident prevention as an integral part of our risk policy. We engage in a range of activities designed to secure farmer safety and reduce and avoid risks. Specifically, we are disseminating information by producing a video called “Surviving to Farm Another Day” showing actual conditions of accidents and a brochure titled “All You Need to Stay Safe” showing safety measures.



The “All You Need to Stay Safe” brochure

Support for Improving Agricultural Work Efficiency

We donate drones and other advanced equipment to support labor-saving and efficiency improvement in agricultural work. We help farmers to increase their incomes and expand production by reducing time and effort required for agricultural work.



A drone spraying pesticides

Training Program Utilizing Virtual Reality Equipment for Experiencing Agricultural Work Accidents

Our training program utilizing virtual reality equipment for experiencing agricultural work accidents allows participants to gain a first-hand experience of farm accidents through simulation. We use this program in JA training sessions and events, and seminars hosted by agricultural-related organizations throughout Japan. The virtual reality equipment was selected by the Japan Institute of Design Promotion for its 2020 Good Design Award.



Virtual reality experience



Agricultural Risk Diagnosis

The risks surrounding agriculture are increasing and diversifying with structural changes such as the expanding scale and corporate involvement of farm management and diversification through the Sixth Industrialization. With these changes in the agricultural environment in mind, we have been working with a farming department in JAs to conduct agricultural risk diagnosis for farmers, to inspect risks surrounding farm management, and confirm the status of countermeasures against those risks.



Agricultural Risk Diagnosis System

Cultural Assistance, Livelihood Assistance, and Environmental Conservation

We place importance on spiritual enrichment and community ties and engage in cultural assistance activities, livelihood assistance activities, and environmental conservation activities in order to convey a spirit of mutual aid.

Calligraphy and Traffic Safety Poster Contests

We hold calligraphy and traffic safety poster contests nationwide in each prefecture for elementary and junior high school students in order to foster a spirit of mutual aid and compassion as well as to increase interest in traffic safety. The 65th calligraphy and 50th traffic safety poster contests in 2021 received over 1.1 million entries in total, making them among Japan's largest contests in terms of history, scale, and quality.



Calligraphy and poster contests

Support for Food Education and Farm Experience Events

We engage in food and farming education activities to realize healthy eating habits. We have held numerous farming experience events and parent-child cooking classes in collaboration with elementary schools. Due to the involvement of various organizations, these activities help to strengthen our ties with local communities.



Farming event

Endowed Chairs at Waseda University

We have provided an endowed lecture program at Waseda University since 2012. The aim of this endowed chair is to foster the next generation of students' awareness of agriculture, local communities, and the JA Group by providing them with opportunities to learn about agriculture's potential, regional problems, as well as SDGs and agriculture and welfare cooperation in the local communities.

*An endowed chair was also established at the University of the Sacred Heart from 2018 to 2021.



Fieldwork

JA Kyosai Presents;

Soreike! Anpanman Mini Show and Meet-and-Greet

At this event, we provide attending parents and children with an opportunity to think about local food and agriculture by distributing original picture books on the theme of food education and showcasing local specialties in some sections at the venue.



Soreike! Anpanman Mini Show
©Takashi Yanase/Froebel-kan, TMS, NTV



People

Health Management and Promotion/Nursing Care and Welfare

We engage in health management and promotion activities as well as nursing care and welfare activities in order to assist members and local residents in leading healthy and active lives.

Rainbow Exercise Program

This was developed to enable people to avoid illness and promote health while doing fun exercises in time with music. These exercises are designed to improve blood circulation throughout the body without placing excessive stress on the heart. Because the exercises can be performed standing, sitting, or lying down, they are safe for the elderly and those who are uncertain about their physical strength.



Rainbow exercise

Laughter and Health Classes

There is growing medical evidence for the psychological and physical benefits of laughter, and in recent years interest has focused on its preventive and therapeutic effects. We have developed the program recognizing the link between laughter and health as a health promotion activity and holds “Laughter and Health Classes” where participants can learn about the benefits and mechanisms of laughter and experience the effects for themselves.



Participants enjoy their classes

Healthy Body Project “Genki na Karada Project”

The Healthy Body Project provides comprehensive support for health promotion based on the concept of “getting healthy together.” This project includes access to useful health and medical information, referrals to JA health checkups and general physical examinations, an offer to check your brain age through the JA Kyosai App, and more. This project collaborates with not only JAs and JA Group organizations but also companies and organizations that offer beneficial healthcare-related services.

Donating Nursing Care and Medical Equipment

We donate nursing care and medical equipment, examination vehicles, and other aid. Through these donations, we are contributing to the awareness of health management and extension of healthy life expectancy for our members and community residents, and improvements in the nursing care environment.



Donation of wheelchairs

Support for Nursing Care Events

We support various events relating to nursing care, including seminars on dementia prevention and nursing care consultation. Through these activities, we are helping to build local communities in which our members and local residents can enjoy healthy and secure lives even in an aging society.

Disaster Relief, Disaster and Fire Prevention, and Reconstruction Assistance

We engage in disaster and fire prevention activities, and disaster relief and reconstruction activities for members and local residents who have suffered damage due to fires and natural disasters.

Distribution of Disaster-Relief Tarpaulins

We distribute disaster-relief tarpaulins free of charge to members and local residents whose homes have been damaged due to natural disasters. We have distributed tarpaulins and provided support for the recovery efforts after the Great East Japan Earthquake and the Kumamoto Earthquake.



Disaster-relief tarpaulin

Provision of Temporary Housing

We provide temporary housing free of charge for eight months to members and local residents who can no longer reside in their homes due to fires and natural disasters. In addition to housing, we maintain stocks of essential life support equipment, such as kitchens, toilets, and baths.



Modular housing unit

Support for the Tohoku Youth Orchestra

The Tohoku Youth Orchestra, under its Representative Director and Musical Director Ryuichi Sakamoto, consists of children from Iwate, Miyagi, and Fukushima Prefectures, which were severely damaged by the Great East Japan Earthquake.

We support the orchestra's purpose of "emotional restoration from the Earthquake" and its activities that send the strength and beauty of music created by children who overcame the disaster from Tohoku to all over Japan and the world.



Tohoku Youth Orchestra

Disaster Prevention Classes using "Jishin The Vuton"

We have promoted "Jishin The Vuton," a chair-type portable earthquake simulator, in which participants can experience the realistic tremors of past earthquakes. This hands-on learning program is a reminder of the need to prepare for earthquakes on a daily basis, such as by securing furniture.



"Jishin The Vuton" class

Vehicles

Traffic Accident Prevention and Social Reintegration Assistance

We engage in various activities with the aim of helping realize a society free of traffic accidents, including traffic accident prevention, and assistance for traffic accident victims.

Rehabilitation Center for Social Reintegration Assistance

We have opened rehabilitation centers in Nakaizu, Shizuoka Prefecture and Beppu, Oita Prefecture to provide social reintegration assistance to persons with physical disabilities caused by traffic accidents. These two centers are one of the few comprehensive facilities in Japan that serve three functions including hospital, welfare, and nursing care.

Since its establishment in 1973, we have helped traffic accident victims and others with social reintegration under the principles of “Happiness for people with physical disabilities” and “Contribution to the establishment of a welfare society.”



Rehabilitation centers in Nakaizu (left) and Beppu (right)

Bicycle Safety Riding

To prevent bicycle accidents for all generations, we have deployed four “Smile” touring trucks nationwide, equipped with cycling simulators to provide bicycle safety riding checks. We also promote traffic safety education programs for junior and senior high school students, involving stuntmen to stage accidents caused by unsafe bicycle riding.



Bicycle safety riding checks



Demonstration of traffic accidents by stuntmen

Parent-Child Traffic Safety Musical “The Magical Kindergartener Mamoru Wataru”

We hold traffic safety classes in the form of a musical for kindergarten and nursery schoolchildren and their parents all over Japan.

The musical lets children and parents in the audience come up onto the stage and enjoy learning traffic rules by way of providing children with experience using a pedestrian crossing.



Traffic safety musical

Training and Promoting Service Dogs

We support training and promoting service dogs to aid the everyday lives of persons with limb disabilities caused by traffic accidents.

We support the activities of the Japan Service Dog Association and the research by the Japan Service Dog Resource Center. We also stage service dog demonstration events.



A service dog demonstration

Collaboration with Cooperatives in Japan and Overseas

Zenkyoren widely disseminates information about the value and role of cooperatives and engages in initiatives to create new value through collaboration among cooperatives in Japan and overseas and promotes the cooperative movement.

National Initiatives

Zenkyoren, as a member of the Japan Co-operative Alliance (JCA), collaborates with cooperatives in various industries in Japan and participates in cooperatives' initiatives to promote the cooperative movement.

In July 2021, the 99th International Day of Cooperatives was celebrated online with the theme "Rebuild Better Together." Events included a special report on the Law on Associated Labor Cooperatives, a case report on the cooperatives' initiatives during the COVID-19 pandemic, and a panel discussion among presenters on the cooperatives' role post-pandemic.

JCA engages in not only solving regional issues and supporting areas stricken by natural disasters, but also expanding opportunities for education about cooperatives as well as raising awareness about cooperatives. Zenkyoren actively participates in these activities.



"Statistics on Co-operatives in Japan" leaflet, Source: Japan Co-operative Alliance (JCA)

International Initiatives

Zenkyoren collaborates with various cooperatives around the world and works to promote the cooperative movement.

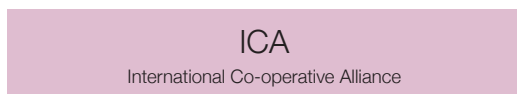
Zenkyoren plays a central role in international cooperative organizations. We are a member of the International Cooperative Alliance (ICA)*¹ and the International Cooperative and Mutual Insurance Federation (ICMIF)*² and participate in the activities of these organizations through conferences and committees. In addition, the president of Zenkyoren serves as Chair of the Asia and Oceania Association of the ICMIF (AOA)*³.

At these international cooperative organizations, members cooperate in activities to help resolve various global issues, such as the widening gap between rich and poor and climate change. In the field of cooperative and mutual insurance, the organizations engage in activities to popularize microinsurance, which is attracting attention as a means of breaking the chain of poverty in developing countries.

In response to these initiatives, Zenkyoren is supporting cooperative and mutual insurance businesses in developing countries through participation in projects by the ICMIF to increase the availability of microinsurance. We have also continued our efforts to foster awareness of microinsurance in Asia and Oceania in cooperation with the AOA Secretariat.

We have disseminated information about Zenkyoren's initiatives in relation to our SDG-related activities, especially prevention efforts to protect people's health, livelihoods, and agriculture from various risks, and ESG investment, to share with members of the ICMIF and the AOA. We also participated in online seminars hosted by the ICMIF and the AOA and interacted with other participants.

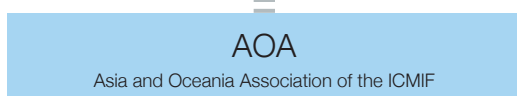
Global Cooperative Network



Sectoral Organizations



Regional Associations



Joint report of ICMIF and UNDRR

The International Cooperative and Mutual Insurance Federation (ICMIF) collaborates with the United Nations Office for Disaster Risk Reduction (UNDRR) on the urgent issue of reducing disaster risks. They published the joint report, “From protection to prevention: The role of cooperative and mutual insurance in disaster risk reduction,” in April 2021. This report features Zenkyoren’s initiatives as case studies.



Joint report of ICMIF and UNDRR

*1 Founded in 1895, the International Co-operative Alliance (ICA) consists of 309 organizations from 107 countries (as of March 2022). With some one billion members, it is the largest non-governmental organization in the world and is registered as an advisory body of the United Nations Economic and Social Council and ILO.

*2 The International Cooperative and Mutual Insurance Federation (ICMIF) was established in 1922 for the purpose of contributing to the development of cooperative and mutual insurance. It consists of 200 organizations from 61 countries (as of March 2022).

*3 The Asia and Oceania Association of the ICMIF (AOA) was founded in 1984 for the purpose of promoting the cooperative insurance movement in the Asia and Oceania region. It consists of 44 organizations from 12 countries (as of March 2022).



Presentation at AOA webinar

Zenkyoren's Management

Basic Policy

Zenkyoren adopted its Supervisory Board system with the aim of creating a business execution structure capable of adapting flexibly to changes in the business environment. It also established several committees to strengthen its governance system.

General Meeting/Representative Meeting

The General Meeting is made up of regular members and is Zenkyoren's highest decision-making organ. The Representative Meeting is an alternative decision-making body consisting of elected representatives.

Supervisory Board

The Supervisory Board determines important matters such as fundamental policies and supervises business operations of the Board of Directors on behalf of members.

Board of Directors

The Board of Directors determines business execution policies in accordance with fundamental policies decided at the Supervisory Board and supervises business operations conducted by each director.

Auditor/Board of Auditors

The Auditors inspect business operations of the members of both the Supervisory Board and the Board of Directors.

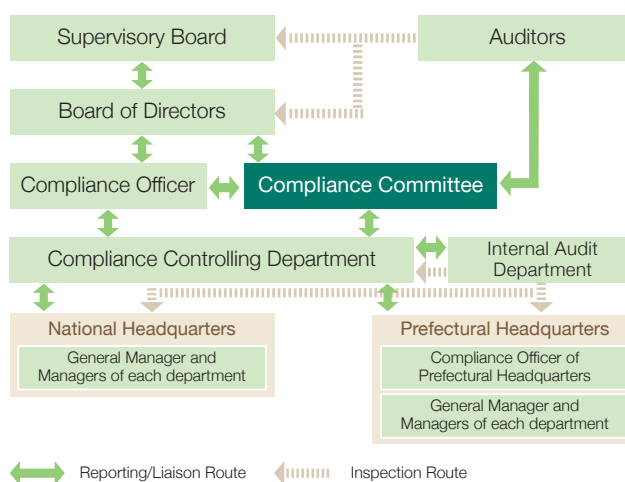
Governance Organization



Zenkyoren's Approach to Compliance

Our business is strongly society-oriented, which is why we emphasize compliance as an integral part of our business management. The President of the Board of Directors is the Compliance Officer, and the Compliance Controlling Department is responsible for overall planning and proposals. Furthermore, General Managers of each Prefectural Headquarters are assigned as Compliance Officers, with general managers and responsible managers posted at the departmental level. Every executive and employee strives to ensure that day-to-day operations at their respective worksites take place in strict compliance with applicable laws and regulations.

Compliance Structure



Risk Management

Zenkyoren has formulated a Basic Risk Management Policy as a framework for an organizational approach to the management of various types of risk. Under this policy, we have categorized our risk exposure into underwriting risk, investment risk, liquidity risk, operational risk, system risk, legal risk, human resources risk, tangible asset risk, and reputational risk, each of which is managed based on risk characteristics. At the same time we apply Enterprise Risk Management (ERM) by integrating all kinds of the risks and conducting business management and control entirely.

At the organizational level, overall risk management activities are coordinated by the Risk Management Department. There are also risk management units responsible for individual areas. This structure ensures effective monitoring and controlling of risks.

We have also established an Enterprise Risk Management (ERM) Committee. Its role is to deliberate on matters relating to risks affecting any aspects of our management and business operations, and to enhance our integrated risk management.

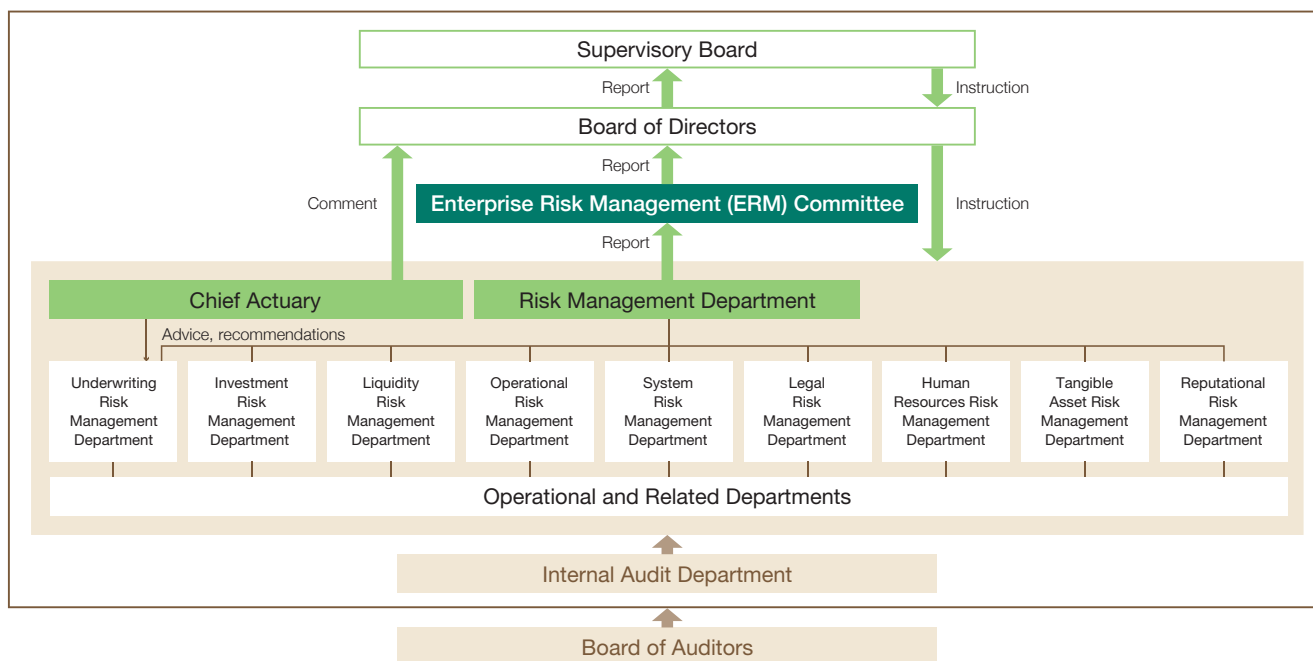
Enterprise Risk Management

Zenkyoren implements ERM by conducting quantitative and qualitative evaluations for various types of possessed risks based on their characteristics, integrating all kinds of the risks, and managing and controlling the entire business.

We calculate an integrated risk amount by using statistically unified measures, and evaluate and verify capital adequacy by comparing the integrated risk amount with financial strength.

We also conduct regular stress tests based on some scenarios such as catastrophic disasters and deterioration of financial markets—which are expected to be low-frequency events, but with significant influence to our business—in order to analyze possible losses and financial impacts. The result is reported to the ERM Committee.

Risk Management Structure



Business Operations

As of March 31, 2022, 2021, and 2020 US\$1=JPY122.39 (as of March 31, 2022)

Total Assets

Total assets amounted to ¥58.1 trillion, an increase of 0.3% compared to the previous fiscal year. Policy reserves which were accumulated to prepare for the payments of insurance claims amounted to ¥51.7 trillion, a decrease of 0.4% from the previous year.

	FY2019	FY2020	FY2021	
	(¥ Billion)	(¥ Billion)	(¥ Billion)	(US\$ Million)
Total Assets	¥57,188	¥58,036	¥58,192	\$475,469

Working Assets

	FY2019	FY2020	FY2021	
	(¥ Billion)	(¥ Billion)	(¥ Billion)	(US\$ Million)
Working Assets	¥55,045	¥56,148	¥56,029	\$457,792

Long-Term Insurance (New Business, Policies in Force)

Sales of new long-term insurance policies were ¥2.3 trillion in terms of the maturity amount insured, a decrease of 7.5%, and ¥16.2 trillion in terms of the amount insured, a decrease of 16.3%. Total policies in force were ¥44.1 trillion in terms of the maturity amount insured, a decrease of 3.8%, and ¥231.4 trillion in terms of the amount insured, a decrease of 3.1%.

Long-Term Insurance, New Business

Type of Insurance	FY2019		FY2020		FY2021		
	Policies (Thousands)	Amount (¥ Billion)	Policies (Thousands)	Amount (¥ Billion)	Policies (Thousands)	Amount (¥ Billion)	Amount (US\$ Million)
Comprehensive Life Insurance	1,189	¥ 2,960	1,412	¥ 3,274	1,602	¥ 3,145	\$ 25,698
Building Endowment Insurance	1,184	18,898	1,065	16,115	863	13,087	106,936
Others	2	1	2	1	1	1	8
Total	2,376	¥21,859	2,480	¥19,391	2,467	¥16,234	\$132,644

Long-Term Insurance, Policies in Force

Type of Insurance	FY2019		FY2020		FY2021		
	Policies (Thousands)	Amount (¥ Billion)	Policies (Thousands)	Amount (¥ Billion)	Policies (Thousands)	Amount (¥ Billion)	Amount (US\$ Million)
Comprehensive Life Insurance	21,630	¥103,210	21,929	¥ 97,160	22,022	¥ 91,102	\$ 744,359
Building Endowment Insurance	9,906	142,185	9,663	141,583	9,372	140,348	1,146,730
Others	10	11	10	11	10	11	94
Total	31,548	¥245,407	31,604	¥238,755	31,405	¥231,462	\$1,891,184

Nursing Care Insurance

Type of Insurance	FY2019		FY2020		FY2021		
	Policies (Thousands)	Nursing Care Amount (¥ Billion)	Policies (Thousands)	Nursing Care Amount (¥ Billion)	Policies (Thousands)	Nursing Care Amount (¥ Billion)	Nursing Care Amount (US\$ Million)
New Business	53	¥ 187	67	¥ 234	73	¥ 258	\$ 2,108
Policies in Force	553	¥1,514	600	¥1,675	654	¥1,866	\$15,247

Annuity Insurance

With regard to sales of new Annuity Insurance policies, the annual amount was ¥86.6 billion, a decrease of 67.1%, and policies in force amounted to around ¥2.3 trillion, a decrease of 1.0%.

Type of Insurance	FY2019		FY2020		FY2021		
	Policies (Thousands)	Annual Amount (¥ Billion)	Policies (Thousands)	Annual Amount (¥ Billion)	Policies (Thousands)	Annual Amount (¥ Billion)	Annual Amount (US\$ Million)
New Business	361	¥ 331	348	¥ 262	129	¥ 86	\$ 707
Policies in Force	3,647	¥2,190	3,846	¥2,342	3,826	¥2,319	\$18,948

Short-Term Insurance

Sales of new short-term insurance policies increased by 0.8% to 18 million in number, and premiums received for these contracts amounted to ¥360.7 billion, a decrease of 1.4%.

Short-Term Insurance, New Business

Type of Insurance	FY2019		FY2020		FY2021		
	Policies (Thousands)	Premiums (¥ Million)	Policies (Thousands)	Premiums (¥ Million)	Policies (Thousands)	Premiums (¥ Million)	Premiums (US\$ Thousand)
Fire Insurance	1,273	¥ 10,722	1,242	¥ 10,454	1,216	¥ 10,258	\$ 83,814
Automobile Insurance	8,177	266,881	8,175	268,000	8,130	266,433	2,176,918
Personal Accident Insurance	10,415	8,210	5,013	7,771	5,310	7,514	61,393
Group Term Life Insurance	175	21,004	178	22,183	180	23,768	194,198
Automobile Liability Insurance	3,211	60,129	3,261	49,856	3,220	45,540	372,089
Others	474	6,485	457	7,494	416	7,218	58,975
Total	23,727	¥373,433	18,327	¥365,760	18,474	¥360,734	\$2,947,414

Note: Cooperative-Owned Building Fire Insurance, Fixed-Amount Life Insurance, and Liability Insurance are included in "Others."

Claims Paid

Total claims paid in fiscal 2021 amounted to ¥3.8 trillion, a decrease of 1.8% from the previous year.

Claims paid out at maturity accounted for ¥2.7 trillion, a decrease of 5.1%, while accident payments were ¥1.0 trillion, an increase of 8.1%.

Long-Term Insurance, Claims Paid

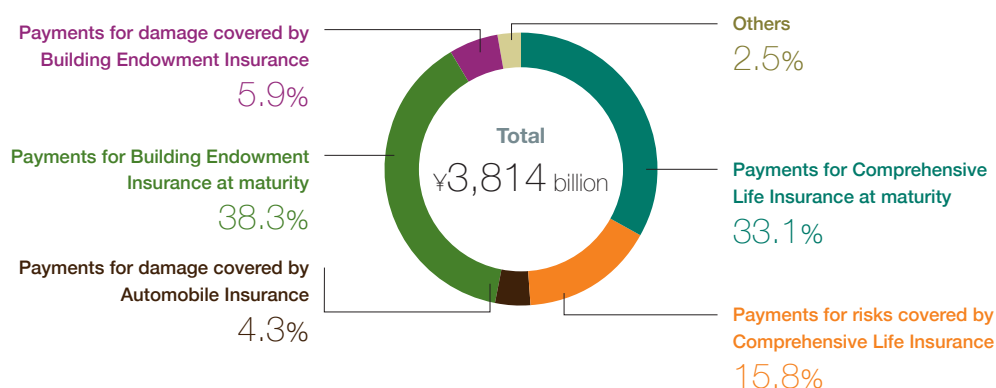
Type of Insurance	FY2019			FY2020			FY2021					
	(¥ Billion)			(¥ Billion)			(¥ Billion)			(US\$ Million)		
	Accident	Maturity	Total	Accident	Maturity	Total	Accident	Maturity	Total	Accident	Maturity	Total
Comprehensive Life Insurance	¥545	¥1,711	¥2,257	¥558	¥1,460	¥2,019	¥602	¥1,261	¥1,864	\$4,925	\$10,309	\$15,235
Building Endowment Insurance	263	1,321	1,584	186	1,407	1,593	225	1,461	1,687	1,844	11,940	13,784
Others	0	2	2	0	1	1	0	2	2	0	16	16
Total	¥808	¥3,034	¥3,843	¥745	¥2,869	¥3,615	¥828	¥2,725	¥3,553	\$6,769	\$22,266	\$29,036

Short-Term Insurance, Claims Paid

Type of Insurance	FY2019	FY2020	FY2021	
	(¥ Million)	(¥ Million)	(¥ Million)	(US\$ Thousand)
Fire Insurance	¥ 5,189	¥ 4,391	¥ 4,412	\$ 36,048
Automobile Insurance	190,111	166,265	165,998	1,356,303
Personal Accident Insurance	6,751	6,319	5,878	48,026
Group Term Life Insurance	11,992	13,127	13,231	108,105
Automobile Liability Insurance	33,722	30,486	28,192	230,345
Others	4,440	5,440	4,174	34,104
Total	¥252,207	¥226,031	¥221,887	\$1,812,950

Note: Cooperative-Owned Building Fire Insurance, Fixed-Amount Life Insurance, and Liability Insurance are included in "Others."

Breakdown of Claims Paid in Fiscal 2021



Value of Actual Net Assets

As of March 31, 2022, Zenkyoren had actual net assets valued at ¥16,718 billion, maintaining a high ratio to total assets of 28.7%.

	FY2019	FY2020	FY2021	
	(¥ Billion)	(¥ Billion)	(¥ Billion)	(US\$ Million)
Value of Actual Net Assets	¥18,011	¥18,135	¥16,718	\$136,601
Ratio to Total Assets	31.5%	31.2%	28.7%	

Note: The value of net assets, which is calculated by subtracting liabilities after deduction of items regarded as capital (reserves for price fluctuations, or, contingency, etc.) from the fair value of assets is one of the indicators to make judgements for insolvency.

Accumulation of Ample Liability Reserves

Zenkyoren accumulates the liability reserves necessary for future insurance payments, which is the highest level of reserves. Furthermore, from the standpoint of achieving a sounder financial position and responding to inverted spreads, Zenkyoren further accumulates additional liability reserves against certain Comprehensive Life Insurance contracts and Building Endowment Insurance contracts.

Also, Zenkyoren each year accumulates funds to build liability reserves and carries out reinsurance for unforeseen crises and natural catastrophic events.

	FY2019	FY2020	FY2021	
	(¥ Trillion)	(¥ Trillion)	(¥ Trillion)	(US\$ Billion)
Liability Reserves	¥50.6	¥50.4	¥50.2	\$410

Balance Sheet

As of March 31, 2022 and 2021 US\$1=JPY122.39 (as of March 31, 2022)

	Millions of Yen		Thousands of U.S. Dollars
	FY2020	FY2021	FY2021
Assets			
Cash and Deposits	¥ 891,716	¥ 610,211	\$ 4,985,792
Money Trust	230,522	240,905	1,968,346
Monetary Claims Bought	20,132	14,092	115,145
Securities	54,045,340	54,305,987	443,712,619
Loans	665,330	566,154	4,625,824
Invested Real Estate	295,417	291,893	2,384,948
Outstanding Premiums	218,468	253,168	2,068,537
Reinsurance Receivables	12,811	11,861	96,919
Other Assets	162,996	258,851	2,114,976
Fixed Assets for Business	140,244	150,077	1,226,220
Capital Loans	200,000	200,000	1,634,120
Investments	108,884	109,984	898,642
Deferred Tax Assets	1,048,013	1,182,686	9,663,257
Reserves for Bad Debts	(2,829)	(2,474)	(20,220)
Reserves for Investment Losses	(708)	(713)	(5,826)
Total Assets	¥58,036,342	¥58,192,687	\$475,469,301
Liabilities			
Outstanding Reserves	¥ 975,780	¥ 973,965	\$ 7,957,882
Liability Reserves	50,459,326	50,271,061	410,744,843
Dividends Reserves	561,490	549,372	4,488,702
Reinsurance Payables	12,782	11,239	91,835
Agencies Payables	139	516	4,216
Insurance Funds	6,535	6,467	52,843
Other Liabilities	195,816	568,834	4,647,724
Other Reserves	42,527	41,569	339,645
Price Fluctuation Reserves	1,202,747	1,290,080	10,540,735
Total Liabilities	¥53,457,146	¥53,713,106	\$438,868,427
Net Assets			
Paid-in Capital	¥ 756,537	¥ 756,537	\$ 6,181,364
Earned Surplus Reserves	430,379	451,064	3,685,469
Unappropriated Surplus at End of the Year	229,403	224,319	1,832,825
Other Surplus	1,654,611	1,713,143	13,997,412
Net Unrealized Gains on Securities	1,508,265	1,334,516	10,903,802
Total Net Assets	4,579,196	4,479,581	36,600,874
Total Liabilities and Net Assets	¥58,036,342	¥58,192,687	\$475,469,301

Income Statement

For The Years Ended March 31, 2022 and 2021 US\$1=JPY122.39 (as of March 31, 2022)

Income	Millions of Yen		Thousands of U.S. Dollars
	FY2020	FY2021	FY2021
Income			
Ordinary Income:			
Premiums and Other Insurance Income	¥4,632,691	¥4,652,645	\$38,014,917
Reversal of Policy Reserves	259,093	246,665	2,015,407
Investment Income	1,086,576	1,079,779	8,822,450
Other Ordinary Income	9,494	13,657	111,593
Total Ordinary Income	¥5,987,857	¥5,992,749	\$48,964,368
Expenses			
Ordinary Expenses:			
Benefits and Other Insurance Expenses	¥5,290,666	¥5,319,350	\$43,462,294
Provisions for Policy Reserves	99,125	13,798	112,744
Investment Expenses	169,445	184,115	1,504,337
Provisions for Price Fluctuation Reserves	39,026	87,333	713,566
Sales Expenses	24,233	22,188	181,292
General Administration Expenses	113,450	116,672	953,281
Other Ordinary Expenses	85,360	78,955	645,113
Total Ordinary Expenses	¥5,821,309	¥5,822,414	\$47,572,631
Surplus			
Ordinary Profits	¥ 166,548	¥ 170,334	\$ 1,391,737
Extraordinary Profits	2,928	2,061	16,843
Extraordinary Losses	5,039	2,073	16,945
Surplus before Taxes	164,436	170,322	1,391,635
Corporate and Other Taxes	95,468	97,939	800,228
Adjustments in Corporate Tax, etc.	(67,919)	(67,798)	(553,952)
Provisions for Policy Dividend Reserves	33,460	37,242	304,295
Net Surplus for the Year	103,427	102,937	841,064
Retained Earnings Brought Forward from the Beginning of the Year	42,525	45,461	371,447
Reversal from Voluntary Reserves	83,449	75,920	620,313
Unappropriated Surplus at the End of the Year	¥ 229,403	¥ 224,319	\$ 1,832,825

Note: Fiscal 2021 refers to the period from April 1, 2021 to March 31, 2022

Zenkyoren Information

History

● Domestic event ● International event

1947	● Agricultural Cooperatives Act enacted
1948	● Agricultural Cooperative Insurance business started in Hokkaido
1951	● National Mutual Insurance Federation of Agricultural Cooperatives (Zenkyoren) established ● Launched operation of Cooperative-Owned Building Fire Insurance
1952	● Launched operation of Endowment Life Insurance
1953	● Launched operation of Building Endowment Insurance
1955	● Launched operation of Fire Insurance
1958	● Completed establishment of 46 Prefectural Federations, one for each of the prefectures in Japan (with the exception of Okinawa)
1961	● Launched operation of Children's Insurance
1962	● Launched operation of Group Term Life Insurance
1963	● Launched operation of Automobile Insurance
1964	● Joined the insurance committee of the International Co-operative Alliance (ICA)
1966	● Launched operation of mandatory Automobile Liability Insurance
1969	● Opened Atsugi Staff Training Center in Kanagawa Prefecture ● Launched operation of Personal Accident Insurance
1972	● Established Okinawa Prefectural Federation ● Zenkyoren became a member of the International Cooperative Insurance Federation (ICIF) derived from ICA
1973	● Opened Nakaizu and Beppu Rehabilitation Centers in Shizuoka Prefecture and Oita Prefecture
1974	● Online network system between National Federation and Prefectural Federations went into operation ● Launched operation of long-term Life Insurance
1980	● Launched operation of Agricultural Machinery Insurance ● Launched operation of Agricultural Machinery Endowment Insurance
1981	● Launched operation of Annuity Insurance
1983	● Launched operation of Whole Life Insurance
1984	● Opened Zenkyoren Automotive Training Center in Kanagawa Prefecture ● Asia and Oceania Association (AOA) was set up as a regional association of ICIF
1985	● Opened Zenkyoren Osaka Computer Center
1988	● Established Zenkyoren Asset Management of America Inc.

1989	● Launched operation of Liability Insurance ● Online network system for local Agricultural Cooperatives went into operation ● Established Zenkyoren Europe Limited
1990	● Launched operation of Group Endowment Insurance
1992	● ICA/ICIF held International Congress in Tokyo
1993	● ICIF changed its structure and was renamed ICMIF (International Cooperative and Mutual Insurance Federation)
1994	● Set up Health Care Helpline ● Opened Ishioka Computer Center
2000	● National and Prefectural Federations integrated
2001	● Formed business alliance with the Kyoei Fire & Marine Insurance Company, Limited
2002	● Launched Zenkyoren Happy & Dream Club (membership club for policyholders) ● Launched operation of Cancer Insurance ● Launched operation of Defined Contribution Annuity Insurance ● Supervisory Board System introduced
2003	● Kyoei Fire & Marine Insurance Company became a subsidiary ● Launched operation of Medical Insurance
2004	● Opened Kawasaki Computer Center ● AOA's 20th anniversary event held in Tokyo
2005	● Opened Zenkyoren East and West Japan Underwriting Centers in Kanagawa Prefecture and Osaka Prefecture ● Insurance Agency system introduced
2006	● Opened Makuhari Training Center in Chiba Prefecture
2007	● Launched the Visit Project (follow-up visits to all members and policyholders)
2008	● Launched operation of a new type of single-premium Endowment Life Insurance
2009	● Launched operation of New Medical Insurance
2010	● Insurance Contract Law (new) enforced
2012	● International Year of Cooperatives
2013	● Launched operation of Nursing Care Insurance
2014	● Operation Centers launched in the Hokuriku and Tokai regions
2015	● Completed establishment of Operation Centers
2016	● Idea and practice of cooperatives was added to UNESCO's Intangible Cultural Heritage list
2018	● Launched operation of new Disability Insurance
2020	● Launched operation of Specific Severe Disease Insurance
2021	● Launched operation of Medical Insurance "Mediful"
2022	● Launched operation of Dementia Insurance

Supervisory Board, Board of Auditors and Board of Directors

Supervisory Board

Chairman

Hakuo Aoe

Deputy Chairmen

Koichi Nishizawa

Yasuhiro Nakagawa

Other Members

of the Supervisory Board

Satoru Nakase

Toru Yukita

Kazushi Saito

Toru Karasawa

Tomio Sakamoto

Shigetoshi Hayashi

Ryoichi Okawa

Yuichi Tomita

Yoshikazu Aoyama

Hirotooshi Hasegawa

Saburo Terashita

Hiroyuki Fukumoto

Katsuhiko Kagei

Yoshihiro Minato

Takashi Hisaoka

Shigeyuki Yamakawa

Yukichi Kabemura

Toru Yamano

Yasuo Kakazu

Kazuhisa Tokui

Kunio Naito

Board of Auditors

Standing Auditors

Shoji Shiota

Keiji Sato

Kazuhide Goto

Auditors

Kimito Amari

Hatsuo Komatsu

Tadao Ishii

Board of Directors

President

Fumio Yanai

Senior Managing Directors

Yoshihiko Murayama

Yoshinao Kiyama

Yoshifumi Nagashima

Managing Directors

Kazunari Takahashi

Toru Hayamizu

Takahiro Sumino

Shuichi Kondo

Tetsuya Mori

Yutaka Fukai

(As of July 28, 2022)

Zenkyoren

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 **Co-operative enterprises build a better world**

“Idea and practice of organizing shared interests in cooperatives”
has been registered on UNESCO’s Intangible Cultural Heritage list.