



National Mutual Insurance Federation
of Agricultural Cooperatives

SUPPORTING EACH OTHER

Standing closer, delivering and connecting

Annual Report 2023

For the year ended March 31, 2023



JAKYOSAI



“
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.

Zenkyoren works closely with JAs in the development, marketing, and servicing of a comprehensive range of insurance products and services under the brand name of “JA Kyosai,” which can be interpreted as “JA mutual support” in English.

The core goal of JA Kyosai initiatives is to help secure members' livelihoods through farming and elevate their standard of living. We help to 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.

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.

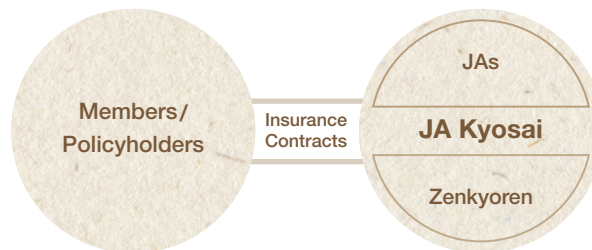
Regarding JA Kyosai and Zenkyoren

JA Kyosai: A mutual insurance business jointly run by JAs and Zenkyoren.

Zenkyoren: An organization that operates the JA Kyosai business together with JAs. Please refer to P. 07 regarding each role of JAs and Zenkyoren in the JA Kyosai business.

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.

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About JA Kyosai



The JA Kyosai Story

JA Kyosai was initiated in 1948 as an 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 Kyosai provides comprehensive insurance coverage for people, homes, and vehicles to members and users.



Promotion activity

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

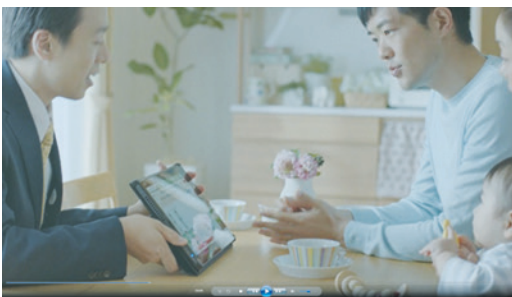
Standing Together with Local Communities

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 policyholder 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

A Sound Foundation

(As of March 31, 2023)



Total Assets

¥ **57,687** billion



Working Assets

¥ **55,377** billion



Solvency Margin Ratio

1,095.4%



Comprehensive Life Insurance

22.0 million policies

(Policies in Force)



Building Endowment Insurance

9.2 million policies

(Policies in Force)



Automobile Insurance

8.2 million policies

(Policies in Force)

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 sympathy to everyone affected by earthquakes, typhoons, rainstorms, and other natural disasters in 2022, as well as the rainstorms that have occurred since June 2023.

The frequency of natural disasters in recent years has brought renewed awareness of the importance of coverage for natural disasters. Zenkyoren will continue to focus all of our efforts to fulfill the mission of the JA Kyosai business and to help affected communities to recover and rebuild as quickly as possible.

Business Environment

In Japanese agriculture, farmers are decreasing and aging, while large-scale farms and corporate involvement are increasing.

In recent years, we have seen events having a noticeable impact on agricultural management. These include the increase in food demand resulting from global population growth, persistently high prices for production materials arising from the COVID-19 pandemic and the Ukraine situation, and the spread of highly pathogenic avian influenza at an unprecedented pace.

Under these circumstances, the government is promoting exports, developing rural areas, and accelerating smart agriculture using advanced technology in order to improve food self-sufficiency and establish food security. In light of the drastically changing circumstances, discussions are underway about revising the Food, Agriculture and Rural Areas Basic Act.

Overview of Business Activities in Fiscal 2022

We implemented a range of measures based on the fiscal 2022 business plan, which was formulated as the first year of the JA Kyosai three-year business plan for FY2022 to FY2024.

In terms of providing coverage for people, we have developed an integrated approach of coverage and service, including the expansion of services relating to the Healthy Body Project “*Genki na Karada Project*” in line with the introduction of Dementia Insurance.

In terms of providing coverage for homes, we have provided information on damage prevention from natural disasters and reviewed our coverage, especially for household goods, using mapping systems, hazard maps, and other resources in order to help people prepare effectively for the increasing frequency and seriousness of natural disasters.

For strengthening agriculture coverage, we have begun to provide guidance following the creation of farmer liability insurance.

For further enhancing convenience for members and users, we have expanded functions such as allowing online Automobile Insurance renewal procedures and the issuance of online certificates via Web My Page. We have also expanded the scope of paperless processing of changing procedures for long-term insurance policies, and the use of cashless procedures.

Among our activities of standing closer to policyholders and members, we have conducted face-to-face “3Q activities” (“thank you activities:” 3Q sounds like “thank



you” in Japanese) by our Life Advisors (LAs) and Smile Supporters, while also using non-face-to-face tools, such as “3Q calls” and online meetings. In addition, we have utilized digital technology to provide information to registered users of Web My Page.

Furthermore, as a way of consolidating proper administrative procedures and strengthening our compliance structures for insurance promotion, in April 2022, we developed a system in which policyholders can confirm policy change and insurance payment procedures through Web My Page. We have also called policyholders from the JA Kyosai Consultation Center to confirm policies and conducted online meetings to assist the elderly.

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 users under any future circumstances.

We look forward to your continued support.

August 2023

青江 伯夫

Hakuo Aoe

Chairman of the Supervisory Board



柳井 二三夫

Fumio Yanai

President of the Board of Directors



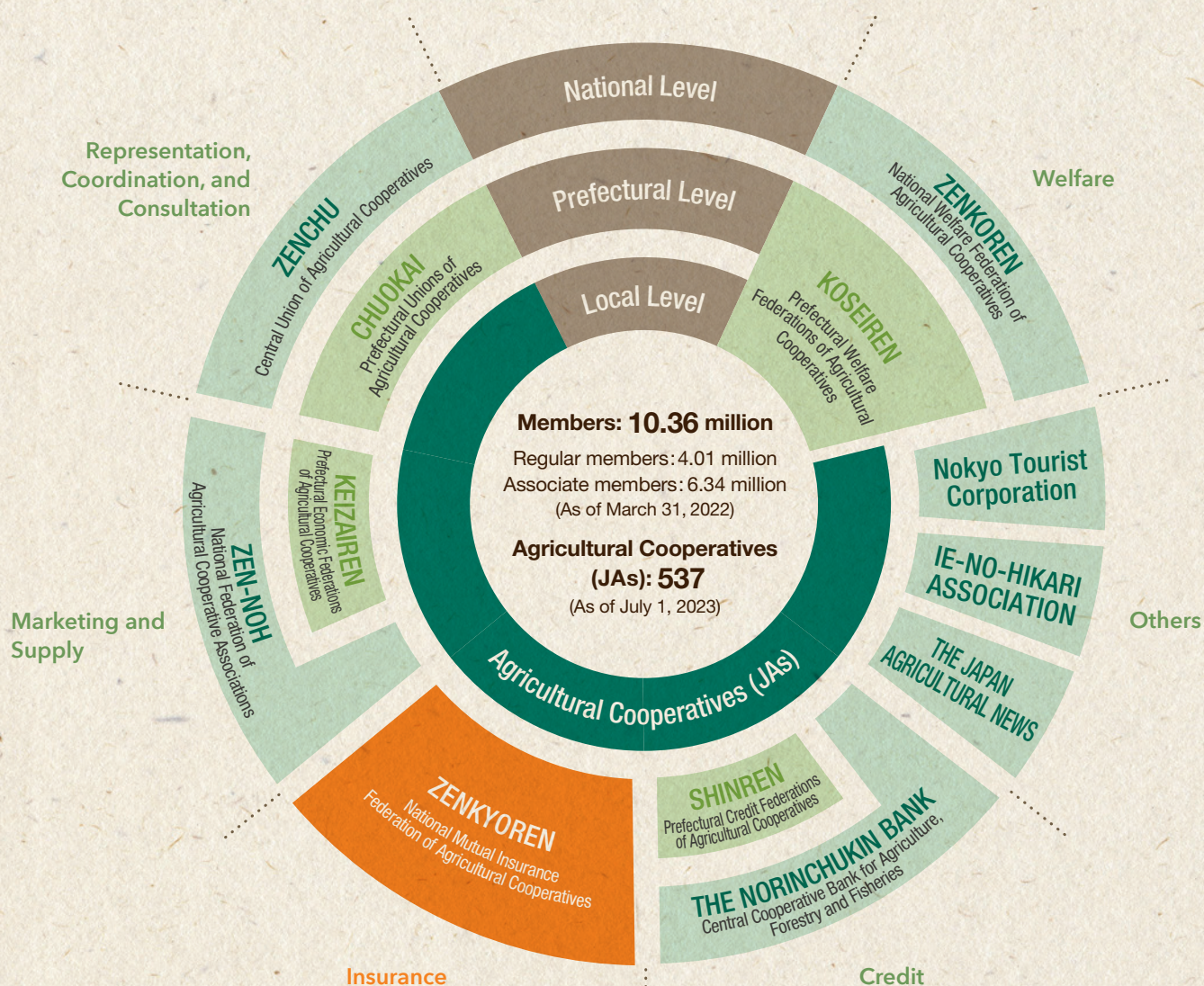
Who is the JA Group?

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



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)



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.

Fundamental Approach to JA Kyosai Business Strategy

JA Kyosai provides peace of mind and satisfaction by standing closer to members and users, delivering comprehensive security, and connecting with agriculture and local communities more broadly and deeply. We will continue to strengthen our activities toward prioritizing members and users in our business operations to meet our duty to them and fulfill our social responsibilities.

Fundamental Approach to the Current Three-Year Business Plan



Standing closer to members and users as a familiar presence at all times

- Implementing activities related to standing closer to policyholders and members (e.g., data-based activities using “Corombuss”)
- Providing added value through integrated development of coverage and services (standing closer seamlessly)
- Enhancing convenience by expanding non-face-to-face procedures and strengthening contact through the harmonization of face-to-face and non-face-to-face interactions

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



Delivering optimal coverage and services based on the needs of members and users as well as comprehensive security

- Developing policies based on new needs
- Providing full coverage for people, homes, and vehicles centered on life insurance
- Strengthening initiatives of agricultural coverage toward the fourth pillar, following people, homes, and vehicles



Connecting with agriculture and local communities more broadly and deeply through business collaborations and JA’s business activities

- Strengthening approach to non-policyholder members (e.g., non-policyholders within members’ households, other business users)
- Expanding JA supporters by contributing to agriculture and local communities through JA’s business activities

The Current Three-Year Business Plan

Under the three-year business plan for FY2022 to FY2024, JA Kyosai will continue to protect the livelihoods of members and users 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.

Slogan

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

Fundamental Approach

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



Build and strengthen a sustainable business foundation for JAs

Implement the concepts of **standing closer** to members and users, **delivering** comprehensive security, and **connecting** with agriculture and local communities more broadly and deeply.

Priority Initiatives

- 1 Work on accelerated response to new lifestyles to provide peace of mind and satisfaction by standing closer to members and users.**
 1. Integrated development of coverage and services based on new needs
 2. Procedure development and establishment of highly convenient contact through digital utilization
 3. Strengthening agricultural coverage initiatives and contributing to agriculture and local communities
- 2 Work on long-term stable development of JA Kyosai business to build and strengthen JAs' sustainable business foundation.**
 1. Implementing activities related to standing closer to policyholders and members
 2. Streamlining processes and drastically simplifying administrative work through digital utilization
 3. Support for PDCA activities for JA Kyosai business in JAs
- 3 Work on creating frameworks and schemes to provide long-term security for policyholders to strengthen the soundness and reliability that underpins the JA Kyosai business.**
 1. Development of business implementation approach for Zenkyoren toward enhancing JA guidance and support functions
 2. Enhancement and reinforcement of enterprise risk management approach in anticipation of new prudential regulations
 3. Enhancement of reliability through initiatives for improving customer satisfaction and strengthening compliance approach

JA Kyosai Businesses



Basic Policy

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.

Comprehensive Life Insurance



22.0 million Policies

Building Endowment Insurance



9.2 million Policies

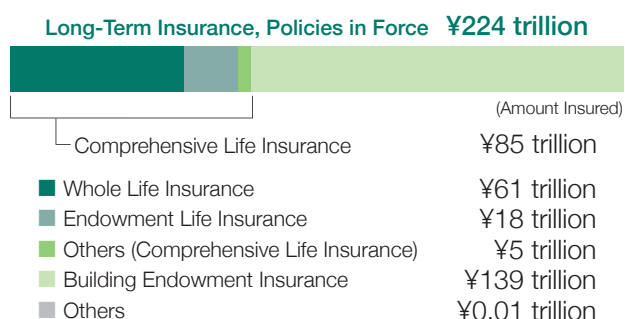
Automobile Insurance



8.2 million Policies

(As of March 31, 2023)

Breakdown of Long-Term Insurance, Policies in Force (FY2022)



Breakdown of Short-Term Insurance, New Business (FY2022)



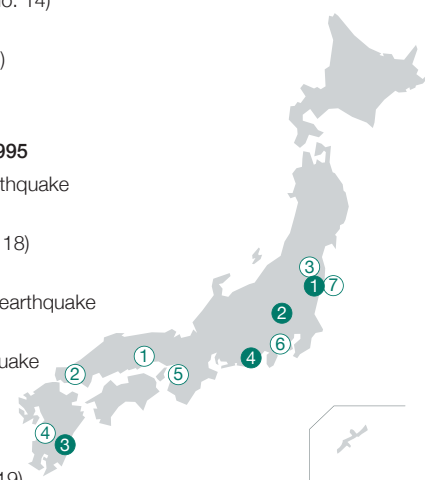
Building Endowment Insurance Payment (Claims paid for natural disasters)

Main payments in FY2022

- Mar. 2022: Off the coast of Fukushima Prefecture earthquake
183,107 claims, ¥152.2 billion
- Jun. 2022: Hail damage in Kanto
9,646 claims, ¥6.1 billion
- Sep. 2022: Typhoon Nanmadol (No. 14)
65,094 claims, ¥28.3 billion
- Sep. 2022: Typhoon Talas (No. 15)
3,390 claims, ¥7.9 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
684,820 claims, ¥937.6 billion
- Apr. 2016: The Kumamoto earthquake
94,223 claims : ¥148.7 billion
- Sep. 2018: Typhoon Jebi (No. 21)
231,461 claims, ¥117.3 billion
- Oct. 2019: Typhoon Hagibis (No. 19)
83,661 claims, ¥101.4 billion
- Feb. 2021: Off the coast of Fukushima prefecture earthquake
133,145 claims, ¥109.8 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 coverage for advanced medical treatment is an option.

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. Dementia Insurance

This policy is to prepare for the financial burden of developing dementia and supports prevention and early detection.

8. 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.

3. Farmer Liability Insurance

This policy provides comprehensive coverage for various liability risks common to farmers.

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, etc.) 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 has established an ESG investment policy and is progressing ESG investments as a part of its fund management activities to solve environmental problems and contribute to other SDG achievements. 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 November 2022, Zenkyoren signed the UN-supported Principles for Responsible Investment (PRI) to strengthen our ESG investment initiatives. In terms of stewardship activities, Zenkyoren also accepted the various principles of "Principles for Responsible Institutional Investors" (Japan's Stewardship Code) and is working appropriately according to each principle.

*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	
Thematic mutual fund focused on climate change	
Kobe SDGs Bonds	 
Tokyo Green Bond	  
Nutrition Bonds (support for nutritional improvement) issued by Corporación Andina de Fomento (CAF)	  
Sustainability bond issued by Tokyo Institute of Technology (Tokyo Institute of Technology Tsubame Bonds)	    

International Investments

Zenkyoren is carefully making international investments, such as foreign currency denominated bonds and equities and yen-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.

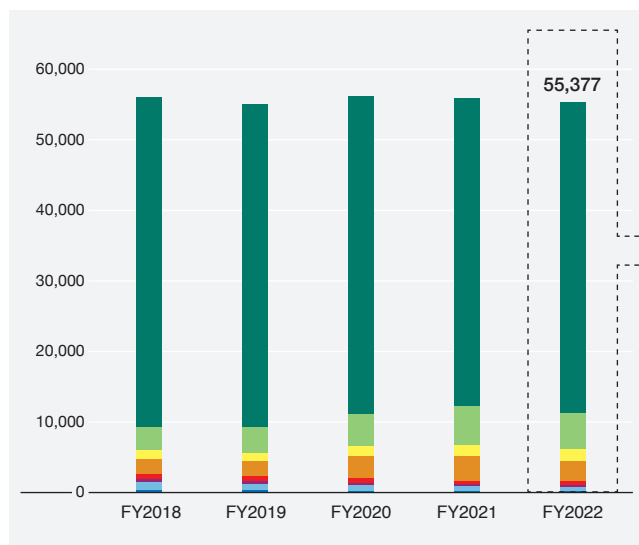
Reinsurance panels in Zenkyoren are carefully selected through our comprehensive evaluation and consideration of their creditworthiness (credit rating) by third-party agencies and terms and conditions of each contract, and are continuously monitored throughout the year for credit risk management.

Summary of Investment Results

In order to maintain and strengthen a long-term stable profit base, Zenkyoren has worked on investing mainly in fixed-income assets (public and corporate bonds, etc.) denominated in yen. 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	79.8%
Foreign securities	9.2%
Equities	2.8%
Other securities	5.3%
Loans	0.9%
Real estate investments	0.5%
Cash, bank deposits, and call loans	0.9%
Miscellaneous items	0.5%

JA Kyosai business is conducted 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 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 (checking health checkup results, diet management apps, 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, A Little 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"> Provision of services for natural disaster damage prevention, mitigation, and recurrences (preferential access to contractor referral services for home repairs and renovations, home inspection services, and home security services, etc.) Natural disaster damage and fire prevention activities (disaster preparedness 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"> Provision of a variety of useful services for traffic accident prevention (brain training for safe driving, etc.) 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
		<ul style="list-style-type: none"> Provision of a variety of useful services for agricultural work accident prevention (introduction of high-safety agricultural machines, etc.) Activities for agricultural work accident prevention to ensure farmers’ safety (training program utilizing virtual reality equipment for experiencing agricultural work accidents, etc.) Agricultural risk diagnosis to identify risks and their mitigation relating to the farming business
Contribution to global environment		<ul style="list-style-type: none"> ESG-themed investments to address 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 (Sorelke! 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 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 natural disaster damage and fire prevention 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

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



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.



Operation of a drone spraying pesticides

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 66th calligraphy and 51st traffic safety poster contests in 2022 received over 1.1 million entries in total, making them among Japan's largest contests and having attracted entries across several generations.



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



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

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.

Providing Services to Members, Users, and Local Communities

Healthy Body Project "Genki na Karada Project"

The Healthy Body Project is based on the concept of "getting healthy together." This project promotes initiatives in collaboration with not only JAs and JA Group organizations but also companies and organizations that offer beneficial healthcare-related services, to maximize the strengths



"Genki na karada WALK," an online walking event

of JA's comprehensive business that supports the livelihoods of local communities.

Peace of Mind Living Project "Anshin Kurashi Project"

The Peace of Mind Living Project "Anshin Kurashi Project" contains several services to support the secure and safe livelihoods of members, policyholders, and community residents by focusing on natural disaster damage prevention, mitigation, and recurrence for homes, vehicles, and agriculture.

Disaster Relief, Disaster Preparedness and Fire Prevention, and Reconstruction Assistance

We engage in natural disaster damage 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

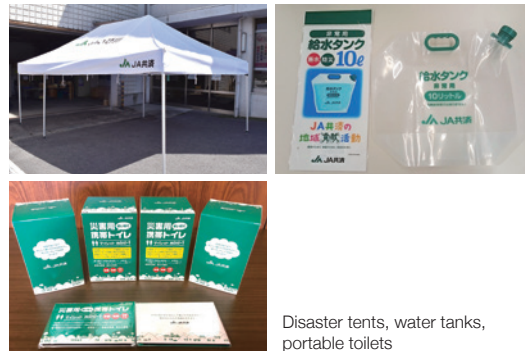
We distribute disaster-relief tarpaulins free of charge to members and local residents whose homes have been damaged due to natural disasters. We have distributed tarpaulins and provided support for the recovery efforts after the Great East Japan Earthquake and the Kumamoto Earthquake.



Disaster-relief tarpaulin

Donation of Disaster Relief Supplies

We donate disaster relief supplies, such as water tanks, portable toilets, and tents to local governments and other organizations. By preparing in advance for unforeseen disasters, we contribute to the development of local communities where people can live with peace of mind.



Disaster tents, water tanks, portable toilets

Great East Japan Earthquake Reconstruction Assistance Support for the Tohoku Youth Orchestra

We support the Tohoku Youth Orchestra (TYO), which consists of children from Iwate, Miyagi, and Fukushima Prefectures that were severely damaged by the Great East Japan Earthquake in its purpose of “emotional restoration from the Earthquake” and 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 Preparedness 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 among 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

Clothing Visibility Assessment

We have developed a clothing visibility assessment software with the TOYOTA Mobility Foundation that can check the degree of visibility of clothing worn by pedestrians. The software's assessment helps determine how visible pedestrians are to drivers and is designed to help reduce the number of traffic accidents during dusk and at night. Through trials conducted to see how pedestrian visibility changes from the drivers' perspective, wearing bright clothing and reflective materials is strongly recommended.



Clothing Visibility Assessment

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



The first store of the Rochdale Society of Equitable Pioneers in the U.K.

Basic Policy

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 2022, the 100th anniversary of the International Day of Cooperatives was celebrated online and in-person under the slogan "Cooperatives Build a Better World." Events included a video introduction and report on the state of affairs of Cooperative Identity (definition, values, and principles), reports on good practices based on Cooperative Identity, and a panel discussion among

presenters on the good practices. 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 them. Zenkyoren actively participates in these activities.

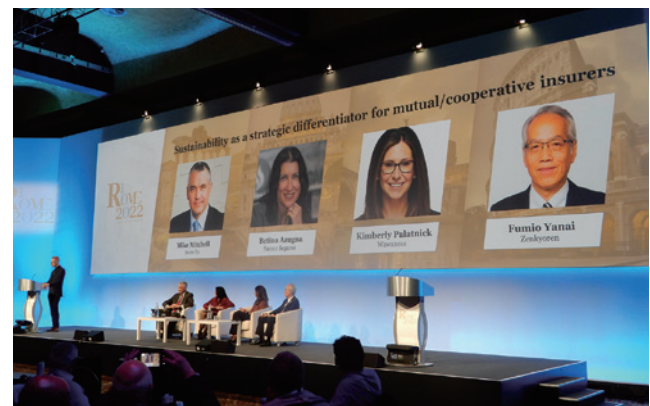


"The 100th anniversary of the International Day of Cooperatives" leaflet, Source: Japan Co-operative Alliance (JCA)

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.

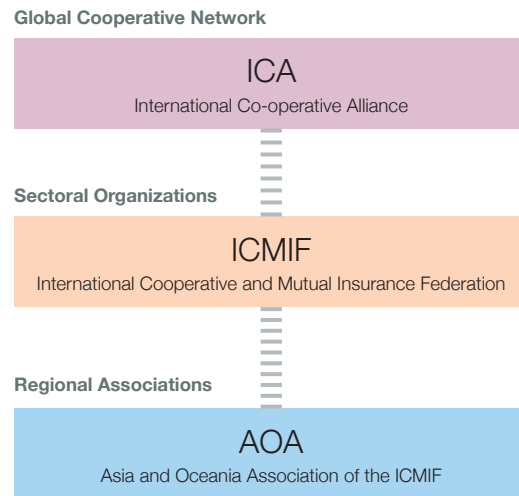


Fumio Yanai, the president of Zenkyoren, speaking at the ICMIF Centenary Conference

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 work with the UN and other institutions to promote SDGs, eliminate the protection gap, and conduct prevention activities, as well as natural disaster preparedness, throughout the industry.

In response to these initiatives, Zenkyoren participates in and supports the various projects developed by these international organizations.



*1 Founded in 1895, the International Co-operative Alliance (ICA) consists of 317 organizations from 107 countries (as of March 2023). With some one billion members, it is one of the largest non-governmental organization in the world and is registered as an advisory body of the United Nations and has observer status with the 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 60 countries (as of March 2023).

*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 45 organizations from 11 countries (as of March 2023).

Cooperative Principles (Common operating principles of cooperatives around the world)

Definition

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

Values

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.

Principles

The cooperative principles are guidelines by which cooperatives put their values into practice.

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training, and Information
6. Cooperation among Cooperatives
7. Concern for Community

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.

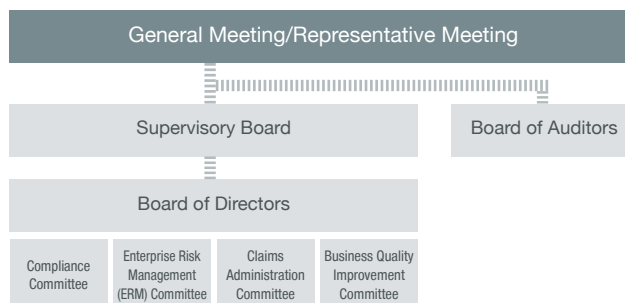
Board of Directors

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.

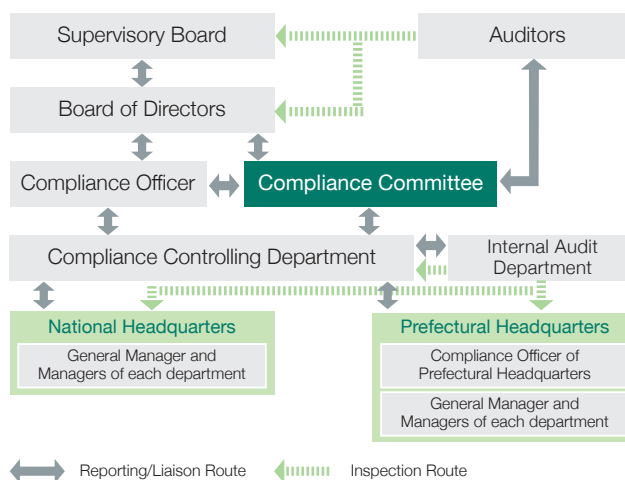
Governance Organization



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.

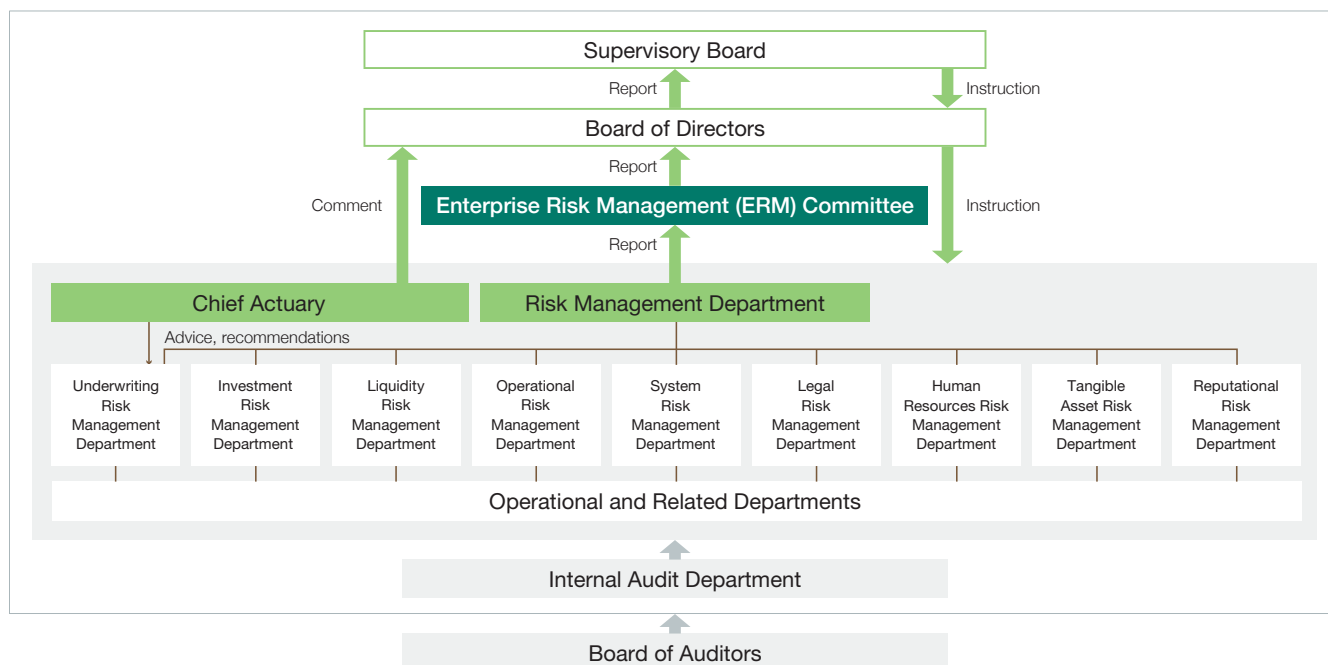
Enterprise Risk Management

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, etc., and evaluate and verify capital adequacy by comparing the integrated risk amount with financial strength (equity capital, etc.).

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, 2023, 2022, and 2021 US\$1=JPY133.53 (as of March 31, 2023)

Total Assets

Total assets amounted to ¥57.6 trillion, a decrease of 0.9% compared to the previous fiscal year. Policy reserves which were accumulated to prepare for the payments of insurance claims amounted to ¥51.8 trillion, an increase of 0.1% from the previous year.

	FY2020	FY2021	FY2022	
	(¥ Billion)	(¥ Billion)	(¥ Billion)	(US\$ Million)
Total Assets	¥58,036	¥58,192	¥57,687	\$432,015

Working Assets

	FY2020	FY2021	FY2022	
	(¥ Billion)	(¥ Billion)	(¥ Billion)	(US\$ Million)
Working Assets	¥56,148	¥56,029	¥55,377	\$414,720

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

Sales of new long-term insurance policies were ¥1.6 trillion in terms of the maturity amount insured, a decrease of 28.8%, and ¥13.2 trillion in terms of the amount insured, a decrease of 18.5%. Total policies in force were ¥43.0 trillion in terms of the maturity amount insured, a decrease of 2.5%, and ¥224.3 trillion in terms of the amount insured, a decrease of 3.1%.

Long-Term Insurance, New Business

Type of Insurance	FY2020		FY2021		FY2022		
	Policies (Thousands)	Amount (¥ Billion)	Policies (Thousands)	Amount (¥ Billion)	Policies (Thousands)	Amount (¥ Billion)	Amount (US\$ Million)
Comprehensive Life Insurance	1,412	¥ 3,274	1,602	¥ 3,145	1,356	¥ 2,359	\$17,669
Building Endowment Insurance	1,065	16,115	863	13,087	725	10,877	81,461
Others	2	1	1	1	1	1	8
Total	2,480	¥19,391	2,467	¥16,234	2,084	¥13,238	\$99,141

Long-Term Insurance, Policies in Force

Type of Insurance	FY2020		FY2021		FY2022		
	Policies (Thousands)	Amount (¥ Billion)	Policies (Thousands)	Amount (¥ Billion)	Policies (Thousands)	Amount (¥ Billion)	Amount (US\$ Million)
Comprehensive Life Insurance	21,929	¥ 97,160	22,022	¥ 91,102	22,051	¥ 85,203	\$ 638,084
Building Endowment Insurance	9,663	141,583	9,372	140,348	9,254	139,120	1,041,869
Others	10	11	10	11	10	11	83
Total	31,604	¥238,755	31,405	¥231,462	31,316	¥224,335	\$1,680,038

Nursing Care Insurance

Type of Insurance	FY2020		FY2021		FY2022		
	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	67	¥ 234	73	¥ 258	39	¥ 115	\$ 861
Policies in Force	600	¥1,675	654	¥1,866	674	¥1,921	\$14,389

Annuity Insurance

With regard to sales of new Annuity Insurance policies, the annual amount was ¥85.0 billion, a decrease of 1.8%, and policies in force amounted to around ¥2.2 trillion, a decrease of 0.8%.

Type of Insurance	FY2020		FY2021		FY2022		
	Policies (Thousands)	Annual Amount (¥ Billion)	Policies (Thousands)	Annual Amount (¥ Billion)	Policies (Thousands)	Annual Amount (¥ Billion)	Annual Amount (US\$ Million)
New Business	348	¥ 262	129	¥ 86	130	¥ 85	\$ 636
Policies in Force	3,846	¥2,342	3,826	¥2,319	3,807	¥2,299	\$17,223

Short-Term Insurance

Sales of new short-term insurance policies increased by 5.8% to 19 million in number, and premiums received for these contracts amounted to ¥360.6 billion, a decrease of 0.02%.

Short-Term Insurance, New Business

Type of Insurance	FY2020		FY2021		FY2022		
	Policies (Thousands)	Premiums (¥ Million)	Policies (Thousands)	Premiums (¥ Million)	Policies (Thousands)	Premiums (¥ Million)	Premiums (US\$ Thousand)
Fire Insurance	1,242	¥ 10,454	1,216	¥ 10,258	1,191	¥ 10,083	\$ 75,511
Automobile Insurance	8,175	268,000	8,130	266,433	8,126	264,679	1,982,168
Personal Accident Insurance	5,013	7,771	5,310	7,514	6,425	7,372	55,208
Group Term Life Insurance	178	22,183	180	23,768	169	25,398	190,204
Automobile Liability Insurance	3,261	49,856	3,220	45,540	3,218	45,122	337,916
Others	457	7,494	416	7,218	416	8,004	59,941
Total	18,327	¥365,760	18,474	¥360,734	19,547	¥360,659	\$2,700,958

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

Claims Paid

Total claims paid in fiscal 2022 amounted to ¥3.1 trillion, a decrease of 18.5% from the previous year.

Claims paid out at maturity accounted for ¥1.8 trillion, a decrease of 34.0%, while accident payments were ¥1.2 trillion, an increase of 22.0%.

Long-Term Insurance, Claims Paid

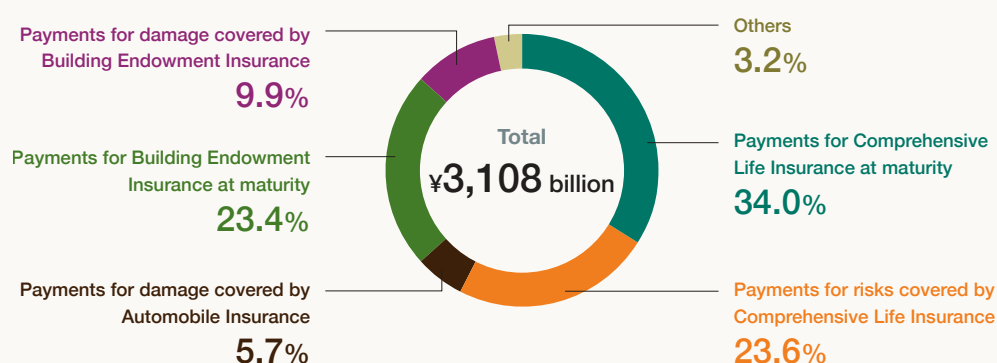
Type of Insurance	FY2020			FY2021			FY2022					
	(¥ Billion)			(¥ Billion)			(¥ Billion)			(US\$ Million)		
	Accident	Maturity	Total	Accident	Maturity	Total	Accident	Maturity	Total	Accident	Maturity	Total
Comprehensive Life Insurance	¥558	¥1,460	¥2,019	¥602	¥1,261	¥1,864	¥ 734	¥1,058	¥1,793	\$5,502	\$7,926	\$13,428
Building Endowment Insurance	186	1,407	1,593	225	1,461	1,687	309	727	1,037	2,317	5,449	7,766
Others	0	1	1	0	2	2	0	2	2	0	15	15
Total	¥745	¥2,869	¥3,615	¥828	¥2,725	¥3,553	¥1,044	¥1,788	¥2,832	\$7,819	\$13,390	\$21,209

Short-Term Insurance, Claims Paid

Type of Insurance	FY2020	FY2021	FY2022	
	(¥ Million)	(¥ Million)	(¥ Million)	(US\$ Thousand)
Fire Insurance	¥ 4,391	¥ 4,412	¥ 4,665	\$ 34,935
Automobile Insurance	166,265	165,998	178,677	1,338,103
Personal Accident Insurance	6,319	5,878	6,006	44,978
Group Term Life Insurance	13,127	13,231	15,788	118,235
Automobile Liability Insurance	30,486	28,192	25,607	191,769
Others	5,440	4,174	7,235	54,182
Total	¥226,031	¥221,887	¥237,978	\$1,782,206

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

Breakdown of Claims Paid in Fiscal 2022



Value of Actual Net Assets

As of March 31, 2023, Zenkyoren had actual net assets valued at ¥14,407 billion, maintaining a high ratio to total assets of 25.0%.

	FY2020	FY2021	FY2022	
	(¥ Billion)	(¥ Billion)	(¥ Billion)	(US\$ Million)
Value of Actual Net Assets	¥18,135	¥16,718	¥14,407	\$107,894
Ratio to Total Assets	31.2%	28.7%	25.0%	

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 provisions the accumulation of 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.

Liability Reserves	FY2020	FY2021	FY2022	
	(¥ Trillion)	(¥ Trillion)	(¥ Trillion)	(US\$ Billion)
	¥50.4	¥50.2	¥50.3	\$377

Balance Sheet

As of March 31, 2023 and 2022 US\$1=JPY133.53 (as of March 31, 2023)

	Millions of Yen		Thousands of U.S. Dollars
	FY2021	FY2022	FY2022
Assets			
Cash and Deposits	¥ 610,211	¥ 505,376	\$ 3,784,740
Money Trust	240,905	251,228	1,881,439
Monetary Claims Bought	14,092	10,407	77,941
Securities	54,305,987	53,818,090	403,041,194
Loans	566,154	503,255	3,768,858
Invested Real Estate	291,893	289,305	2,166,596
Outstanding Premiums	253,168	216,498	1,621,346
Reinsurance Receivables	11,861	12,911	96,694
Other Assets	258,851	206,025	1,542,912
Fixed Assets for Business	150,077	160,210	1,199,811
Capital Loans	200,000	200,000	1,497,790
Investments	109,984	111,169	832,543
Deferred Tax Assets	1,182,686	1,405,546	10,526,072
Reserves for Bad Debts	(2,474)	(2,231)	(16,709)
Reserves for Investment Losses	(713)	(776)	(5,814)
Total Assets	¥58,192,687	¥57,687,018	\$432,015,419
Liabilities			
Outstanding Reserves	¥ 973,965	¥ 909,547	\$ 6,811,556
Liability Reserves	50,271,061	50,392,980	377,390,700
Dividends Reserves	549,372	535,902	4,013,350
Reinsurance Payables	11,239	11,731	87,855
Agencies Payables	516	175	1,314
Insurance Funds	6,467	6,435	48,197
Other Liabilities	568,834	401,012	3,003,161
Other Reserves	41,569	42,560	318,736
Price Fluctuation Reserves	1,290,080	1,330,268	9,962,317
Total Liabilities	¥53,713,106	¥53,630,614	\$401,637,192
Net Assets			
Paid-in Capital	¥ 756,537	¥ 756,537	\$5,665,672
Earned Surplus Reserves	451,064	471,652	3,532,181
Unappropriated Surplus at End of the Year	224,319	186,660	1,397,895
Other Surplus	1,713,143	1,771,999	13,270,420
Net Unrealized Gains on Securities	1,334,516	870,089	6,516,063
Total Net Assets	4,479,581	4,056,404	30,378,226
Total Liabilities and Net Assets	¥58,192,687	¥57,687,018	\$432,015,419

Income Statement

For the Years Ended March 31, 2023 and 2022 US\$1=JPY133.53 (as of March 31, 2023)

Income	Millions of Yen		Thousands of U.S. Dollars
	FY2021	FY2022	FY2022
Income			
Ordinary Income:			
Premiums and Other Insurance Income	¥4,652,645	¥3,848,509	\$28,821,306
Reversal of Policy Reserves	246,665	113,161	847,464
Investment Income	1,079,779	1,128,246	8,449,386
Other Ordinary Income	13,657	11,609	86,943
Total Ordinary Income	¥5,992,749	¥5,101,527	\$38,205,102
Expenses			
Ordinary Expenses:			
Benefits and Other Insurance Expenses	¥5,319,350	¥4,317,543	\$32,333,885
Provisions for Policy Reserves	13,798	132,030	988,767
Investment Expenses	184,115	279,425	2,092,605
Provisions for Price Fluctuation Reserves	87,333	40,187	300,964
Sales Expenses	22,188	19,922	149,197
General Administration Expenses	116,672	116,878	875,296
Other Ordinary Expenses	78,955	73,246	548,539
Total Ordinary Expenses	¥5,822,414	¥4,979,234	\$37,289,255
Surplus			
Ordinary Profits	¥ 170,334	¥ 122,292	\$ 915,846
Extraordinary Profits	2,061	1,551	11,619
Extraordinary Losses	2,073	2,350	17,600
Surplus before Taxes	170,322	121,494	909,865
Corporate and Other Taxes	97,939	61,089	457,493
Adjustments in Corporate Tax, etc.	(67,798)	(42,560)	(318,731)
Provisions for Policy Dividend Reserves	37,242	31,460	235,607
Net Surplus for the Year	102,937	71,504	535,495
Retained Earnings Brought Forward from the Beginning of the Year	45,461	47,382	354,845
Reversal from Voluntary Reserves	75,920	67,773	507,554
Unappropriated Surplus at the End of the Year	¥ 224,319	¥ 186,660	\$ 1,397,895

Note: Fiscal 2022 refers to the period from April 1, 2022 to March 31, 2023

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

Yasuhiro Nakagawa

Koichi Nishizawa

Other Members

of the Supervisory Board

Mamoru Nishimoto

Toru Yukita

Tadahiko Komatsu

Hidetoshi Kikuchi

Yasuo Hayashi

Shigetoshi Hayashi

Keitaro Nozaki

Satoshi Takano

Masaaki Suzuki

Shunji Taniguchi

Saburo Terashita

Hiroyuki Fukumoto

Yusaku Shimizu

Yoshihiro Minato

Takashi Hisaoka

Shigeyuki Yamakawa

Takayuki Miyamoto

Yukichi Kabemura

Terumi Yayoshi

Kazuhisa Tokui

Kunio Naito

Board of Auditors

Standing Auditors

Shoji Shiota

Keiji Sato

Kazuhide Goto

Auditors

Hatsuo Komatsu

Tadao Ishii

Satoko Kitamura

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 27, 2023)

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.

