

## MESSAGE FROM THE PRESIDENT



Chairman: Kazuhiko Ishihara  
President: Shoji Ito

I would like to express my sincerest gratitude to all our stakeholders for their continued support. We also wish to extend our deepest sympathies to all the people affected by the earthquake off the coast of the Noto region of Ishikawa prefecture in May this year and other earthquakes. Japan Earthquake Reinsurance Co., Ltd. ("JER") has been committed to continuing key operations such as reinsurance payouts despite the COVID crisis, with a range of measures to help prevent the spread of COVID-19 such as staggered commuting, teleworking and online meetings. Since the establishment of the earthquake reinsurance scheme in 1966, JER, the only reinsurance company in Japan specializing in household earthquake insurance, has adopted "JER will aim to be a respected company that contributes to the sustainable development of a prosperous and safe society through the appropriate management of the earthquake insurance system" as its management philosophy and has worked to realize this philosophy. JER has sought to make prompt and reliable reinsurance payouts, its key mission, in the aftermath of disasters such as the Great Hanshin-Awaji Earthquake in 1995, the Great East Japan Earthquake in 2011, the Kumamoto earthquakes in 2016, and the 2021 and 2022 earthquakes near Tohoku. Given that earthquake insurance plays an important part in supporting the lives of the people affected by such disasters, the earthquake reinsurance scheme was developed through collaboration between the Japanese government, private non-life insurance companies and JER. Through the joint efforts of both the public and private sectors, the scheme is run in such a way that it facilitates prompt and reliable earthquake insurance payouts. It is believed that major earthquakes, such as a Nankai Trough earthquake or an inland Tokyo earthquake, will definitely occur in the near future. It is necessary to anticipate the simultaneous occurrence of meteorological disasters, which are increasing in severity and frequency, pandemics and cyber attacks. To fulfill our responsibilities as a reinsurance company specializing in earthquake insurance, JER is developing a system to pay insurance proceeds promptly in case of contingencies. JER believes it is also important to undertake initiatives to solve social issues, such as enhancing disaster prevention capabilities to minimize damage to society when disasters do occur and strengthening society's resilience so that it can quickly overcome and recover from disasters. In light of the changes described above, JER formulated its medium- to long-term corporate vision, "Moving into the next stage of security with the strength of an earthquake insurance specialist," and started to implement the 6th Medium-Term Management Plan in FY2021. Specifically, building on its sophisticated management (ERM) and the promotion of SDGs management, JER is pursuing a human asset strategy and digital transformation (DX). It is focusing on the following four strategies: promoting initiatives toward the evolution of the earthquake insurance system, establishing an asset management system with an eye to an asset size of 1 trillion yen, establishing a system for prompt payouts at the time of a complex disaster and improving the percentage of earthquake insurance as an accessory contract to fire insurance, as well as raising awareness of disaster preparedness and mitigation. Fully recognizing our social responsibilities and mission, we will continue contributing to the "development of the earthquake insurance system" and the "realization of a safe and secure society" through the earthquake reinsurance business, aiming to earn greater trust from our stakeholders. As such, we sincerely appreciate your continued support.

July 2023

Shoji Ito, President  
Japan Earthquake Reinsurance Co., Ltd.