

SUSTAINABILITY

JER recognizes that efforts to create a sustainable society are an important issue, and is taking the following initiatives to achieve the Sustainable Development Goals (SDGs) adopted at the UN Summit in September 2015.



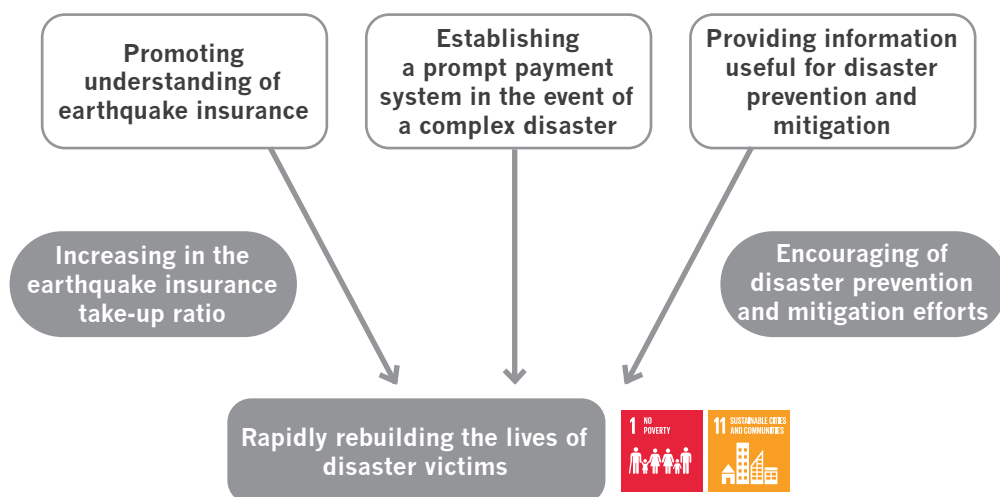
INITIATIVES THROUGH BUSINESS ACTIVITIES

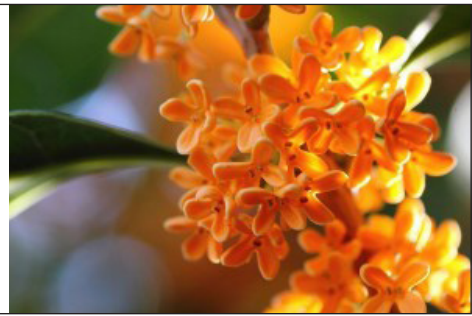


JER aims to achieve the SDGs by providing safety and security to support the lives of those affected by earthquake disasters through the operation of its earthquake insurance system, as the only company underwriting earthquake reinsurance on dwelling risks in Japan.

In recent years, Japan has experienced frequent natural disasters such as earthquakes, typhoons, and torrential rains. Mean while, the probability of a major earthquake in the near future, such as an earthquake directly under the Tokyo metropolitan area or the Nankai Trough, is increasing. Therefore, JER will contribute to the reconstruction of the lives of disaster victims by developing a system that enables prompt and reliable reinsurance payments even when disasters and infectious diseases occur simultaneously.

JER will also promote understanding of earthquake insurance as a means to support the reconstruction of people’s lives after a disaster, and will use its extensive database to provide useful information on disaster prevention and disaster mitigation. Through these such efforts to increase the earthquake insurance take-up ratio and to contribute to disaster prevention and disaster mitigation, JER will help build “Sustainable Cities and Communities.”





PROVIDING LECTURES AT EARTHQUAKE INSURANCE SEMINARS HELD BY INDEPENDENT INSURANCE AGENTS

JER Managing Director Motomi Ikeda lectured about earthquake insurance at seminars held by the Independent Insurance Agents of Okinawa and by the Independent Insurance Agents of Iwate. In addition to giving a general explanation of earthquake insurance, Managing Director Ikeda described why the earthquake insurance scheme has become what it is today (its development from its establishment up to today) and how the government is involved in reinsurance to ensure the strength of the scheme and to enable agents to confidently offer insurance products to customers. He gave some examples related to the Great East Japan Earthquake.



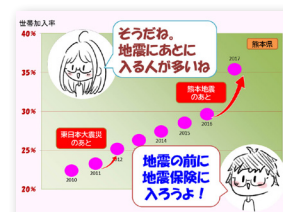
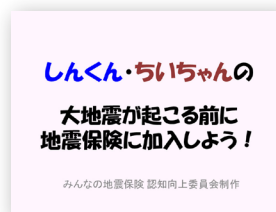
SENDING EMPLOYEES TO UNIVERSITIES TO LECTURE

JER sends employees to universities to lecture about earthquake insurance to promote people's understanding of the earthquake insurance scheme. In FY2022, JER lecturers provided lectures to students enrolled in courses related to non-life insurance at four universities: Hokkaido University, Tohoku University, Nagoya University and Osaka University. They provided an overview of the earthquake insurance scheme, reinsurance mechanisms, and the roles of the government, non-life insurance companies and JER in earthquake insurance using charts.



BEGINNING THE DISTRIBUTION OF VIDEOS ABOUT EARTHQUAKE INSURANCE

JER has created an official channel on YouTube, a video sharing platform, and started to share videos about earthquake insurance. Shin-kun, a fifth grade boy, and his older sister, Chii-chan, appear in videos. They learn that earthquakes can occur anywhere and that insurance benefits are helpful for rebuilding lives. They emphasize the importance of taking out earthquake insurance before earthquakes occur.



ESG INVESTMENT



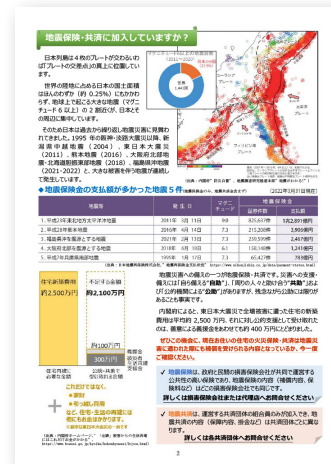
In light of the public nature as an earthquake reinsurance company, JER aims to generate investment income and solve social issues at the same time. JER engages in environmental, social and governance (ESG) investment to provide funds to bet-

ter companies and businesses using environmental and social criteria. JER chooses investee companies based on the comprehensive assessment of the companies. In addition to financial information, JER considers companies' ESG practices, particularly their handling of environmental and social issues.

Through constructive dialogue with its investee companies, JER encourages the companies to take specific measures, including climate change measures and earthquake countermeasures. JER also asks for their understanding of and support for the promotion of earthquake insurance. In FY2022, JER cooperated in the creation of an article about the importance of enrolling in earthquake insurance published in the Aichi Disaster Prevention Newsletter (No. 19) published by the Aichi prefectural government.

The table below shows the number of investments made by JER in SDG bonds (bonds compliant with the International Capital Market Association (ICMA)'s Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines, Sustainability-Linked Bond Guidelines and Climate Transition Finance Handbook whose proceeds are used for projects that will contribute to the achievement of the SDGs). The number of investments in FY2022 declined because JER reduced its investments in securities due to an increase in insurance proceeds paid. However, JER has been investing more than 10% of its investments in securities in SDG bonds since FY2020.

Investments (number of investments) in SDG bonds	FY2020	FY2021	FY2022
Green Bonds	5	5	7
Social Bonds	15	23	5
Sustainability Bonds	5	7	7
Sustainability Linked Bonds	-	2	2
Total	25	37	21



PROMOTING DIVERSITY AND INCLUSION



JER acts to enable employees with diverse values to have job satisfaction and fully demonstrate their capabilities.

WORK STYLE REFORMS

JER enabled employees to have more flexible work styles by allowing all employees to work remotely or have staggered work hours and issuing them thin client terminals and smart-phones.

During the 6th Medium-Term Management Plan, JER is reviewing internal operations to save time and increase productivity. JER has introduced a video learning service to help employees develop their skills and grow.

PROMOTING WOMEN'S ACTIVE PARTICIPATION

JER formulated a general employer action plan under the Act on the Promotion of Female Participation and Career Advancement in the Workplace in April 2021 and has been implementing the plan.

None of JER's line managers were women in FY2021. Now, 18.2% of line managers are women.

In July 2022, JER achieved the highest, three-star, Eruboshi certification program rating. The Eruboshi certification is given by the Minister of Health, Labour and Welfare to companies with excellent conditions for the promotion of women.



ENCOURAGING MALE EMPLOYEES TO TAKE CHILDCARE LEAVE

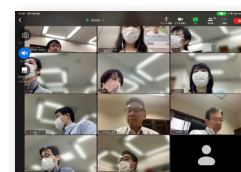
JER has declared that 100% of its eligible male employees will take childcare leave and it is encouraging them to take childcare leave.

JER introduced a month of special paid leave in FY2023. In addition to leave, JER encourages employees to work remotely and works to create an environment where employees can balance work and childcare.



DIVERSITY EDUCATION

In FY2022, JER provided Ikuboss training for managers and diversity training for all officers and employees. Through training, JER worked to deepen understanding of work styles suited to the different stages of life that people experience. LGBTQ people held a lecture to promote understanding of diversity.



RESPONDING TO CLIMATE CHANGE

JER approaches its environmental conservation activities by operating an environmental management system under its Environmental Policy. JER has identified (1) appropriate use of electricity, (2) appropriate use of paper, and (3) appropriate disposal of waste as priority management items, and is pursuing a number of measures to reduce its environmental impact. Specifically, we are working on energy conservation, resource conservation and recycling of resources by promoting paperless operations, reducing the amount of copier paper used, saving electricity, and promoting green purchasing.

JER also introduced Toyota Motor Corporation's new fuel cell vehicle (FCV), the Mirai, in July 2021. Mirai has been called the “ultimate eco-car” because it does not emit carbon dioxide, a cause of global warming, and because it runs on a motor powered by a “fuel cell” that uses hydrogen as fuel and generates electricity through a scientific reaction with oxygen in the air.



JER began measuring greenhouse gas emissions in FY2021 in order to understand the environmental impact of its business activities. We will continue our efforts to realize a low-carbon society by curbing and reducing greenhouse gas emissions. We will also contribute to achieving the goals of the SDGs through our environmental conservation activities.

CONTRIBUTING TO LOCAL COMMUNITIES AND SOCIETY



VOLUNTEER ACTIVITIES

JER participates in Hanasaku Machikado Volunteers in Chuo-ku and plants and grows plants in a flowerbed in front of the head office. JER contributes to the creation of beautiful, clean streets with flowers and greenery. JER has a volunteer leave system that enables employees to take a month of leave maximum to conduct social contribution activities.



ENCOURAGING THE ACQUISITION OF DISASTER PREVENTION EXPERT QUALIFICATIONS

JER encourages employees to acquire disaster prevention expert qualifications to develop personnel who are conversant in disaster prevention and crisis management and thereby enhance its ability to handle contingencies as an earthquake reinsurance company and to contribute to improving society's disaster prevention capabilities as an entity engaging in local disaster prevention. Approximately 60% of all officers and employees have acquired disaster prevention expert qualifications.