

## MESSAGE FROM CEO



Chairman: Kazuhiko Ishihara      CEO: Keisuke Otsuka

I would like to express my sincerest gratitude to all our stakeholders for their continued support. Since the establishment of the earthquake reinsurance scheme, jointly operated by the government and non-life insurance companies, in 1966, JER, the only reinsurance company in Japan that conducts reinsurance transactions between the public and private sectors in accordance with the Act on 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. In that time, JER has been making efforts to promptly and reliably make earthquake reinsurance payouts, which JER believes to be its most important mission, in the wake of earthquakes in all regions of Japan, including the 1995 Great Hanshin-Awaji Earthquake and the 2011 Great East Japan Earthquake. Given that earthquake insurance plays an important part in supporting the lives of the people affected by such disasters, the earthquake reinsurance scheme, which can also be called a safety net, was developed through collaboration between the Japanese government, private non-life insurance companies and JER. The scheme is run in such a way that it facilitates prompt and reliable earthquake insurance payouts to affected policyholders through the joint efforts of both the public and private sectors. 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 prepare for complex disasters in which earthquakes occur at the same time as meteorological disasters, which are increasing in severity and frequency, pandemics and cyber attacks. To fulfill our responsibilities as a reinsurance company specializing in earthquakes, JER has secured a system that will enable it 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 and disaster mitigation capabilities to minimize damage to society when disasters do occur and strengthening society’s resilience by promoting more widespread use of earthquake insurance. 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” in FY2021. It also formulated its Basic Policy on Sustainability in FY2023 and started to implement the 7th Medium-Term Management Plan from FY2024 in accordance with these policies. Specifically, JER is focusing on developing a sustainable and resilient system and improving returns through appropriate risk-taking with an eye to an asset size of 1 trillion yen. It is also working on strengthening the emergency payout system, considering countermeasures in the aftermath of a large earthquake, and increasing society’s resilience to earthquakes. At the same time, JER is also strengthening the management foundations underpinning implementation of these measures by putting effort into people and workstyles (realization of human capital management), foundations (evolution of ERM practices, corporate governance and response to SDGs alongside growth), and digital (improvement of productivity and ensuring substitutability through the utilization of digital technologies). 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 2024

大塚 慶介

Keisuke Otsuka, CEO  
Japan Earthquake Reinsurance Co., Ltd.