

SUSTAINABILITY

JER has maintained its management philosophy, “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,” and it has been working toward the realization of a sustainable society through its business activities. To respond to the adoption of the Sustainable Development Goals (SDGs) at a United Nations summit in September 2015, JER is currently prioritizing the achievement of eight goals that are deeply related to its business.



THE BASIC POLICY ON SUSTAINABILITY

JER established its Basic Policy on Sustainability as a set of common guidelines for incorporating sustainability-oriented perspectives in all of its business activities.

JER has positioned this policy, its management philosophy and its management policy as important policies, and it has indicated its basic concept and direction for sustainably improving corporate value while promoting a harmonious relationship with society and the environment from a long-term perspective.

Basic Policy on Sustainability

JER will work towards the realization of a sustainable society by providing security to society with the strength of an earthquake insurance specialist.

1. Contribution to society
JER will increase society's resilience to earthquakes and sustainability through its business activities.
2. DE&I (Diversity, Equity and Inclusion)
JER aims to allow employees to grow and perform to their full potential by being fair-handed and providing an environment in which employees can focus on realizing a sustainable society while respecting each other.
3. Contribution to environment and local communities
JER will seek to reduce environmental impacts in its business activities and actively engage in environmental conservation activities and activities that contribute to local communities.
4. Governance
On the premise of compliance with laws and regulations and fairness, JER will exercise management based on prompt and appropriate judgments that reflect an understanding of risks.
5. Response to changes
JER will respond to changes through the active utilization of digital technologies.



INITIATIVES TO PROMOTE AND EXPAND EARTHQUAKE INSURANCE AND RAISE AWARENESS OF DISASTER PREVENTION AND DISASTER MITIGATION



SENDING LECTURERS TO SEMINARS AND WORKSHOPS

In FY2024, JER sent instructors to provide lecture on earthquake insurance to the Disaster Prevention Advisor Study Group in Omiya Ward, Saitama City, the Saitama-shi Sakuragi Community Center, the headquarter training of the Japan Association of Consumer Affairs Specialists and the Citizens' Disaster Prevention and Community Development School in Kokubunji City. It also provided a lecture at a seminar hosted by the Taiwan Residential Earthquake Insurance Fund which operates an earthquake insurance business in Taiwan which is located, like Japan, on the boundary between oceanic and continental plates in a region where earthquakes occur frequently. During the seminar, JER explained the background behind the establishment of Japan's earthquake insurance system, outlined the system and the process of its evolution process and explained the relationship between the reinsurance system and the government, the new efforts to use technology to investigate damage, and other information.



PARTICIPATION IN THE CABINET OFFICE'S "DISASTER PREPAREDNESS COLLABORATION PROJECT"

JER expressed its support for the Disaster Preparedness Collaboration Project being promoted by the Cabinet Office, which plays a major role in the government's disaster preparedness initiatives. In this context, it is working on promoting a better understanding of earthquake insurance and greater awareness of disaster preparedness through its websites, etc., encouraging all employees to acquire disaster prevention expert qualifications, practice how to get home in the wake of an earthquake, and build emergency stockpiles in their own homes, and promoting earthquake insurance and raising awareness of disaster prevention through IR dialogue with investees and lectures. This Collaboration Project sees 2023, which marks the 100th anniversary of the Great Kanto Earthquake, as an important opportunity to further strengthen Japan's national preparedness for a potential megaquake such as a Tokyo Inland Earthquake or a Nankai Trough Earthquake. Private companies and organizations that have many contact points with the general public through their business activities will take part in wide-reaching-awareness raising activities as part of their routine business activities, with the aim of raising disaster prevention awareness among the general public, families and businesses and promoting disaster preparedness.



PARTICIPATING IN DISASTER PREVENTION EVENTS ALL OVER JAPAN

JER participated in exhibits at the Togoshi-Ginza City Disaster Prevention Festival held on the Togoshi-Ginza Shopping Street, the Bosai Kokutai 2024 in Kumamoto organized by the Cabinet Office and others, the Aichi Disaster Prevention Festival hosted by the Aichi Prefectural Government and the 2025 Hyogo Safety Day Gathering organized by the Hyogo Prefectural Government. At these events, JER displayed posters and distributed pamphlets to convey the importance of having earthquake insurance and of daily activities to be prepared for earthquakes to local communities.



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 FY2024, JER lecturers provided lectures to students enrolled in courses related to non-life insurance at six universities: Hokkaido University, Tohoku University, Nagoya University, Osaka University, Hiroshima University and Kyushu 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.

ESG INVESTMENT

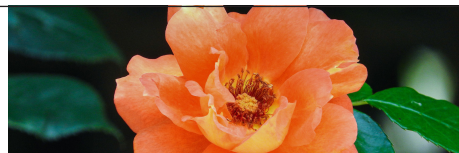


Recognizing the highly public nature of being an earthquake reinsurance company, JER is working to stably manage assets and solve social issues. In March 2025, JER announced its adoption of “Asset Owner Principles” as part of its efforts to fulfill its responsibilities as an asset owner.

In selecting the companies that it invests in, JER comprehensively assesses the companies, including the consideration of their ESG practices (non-financial information), particularly their handling of environmental and social issues, in addition to the consideration of their financial information. Through a constructive dialogue with the companies that it invests in, JER encourages the companies to take specific measures, including earthquake countermeasures and measures to address climate change, and it asks for their understanding of and support for the promotion of earthquake insurance. In FY2024, JER asked the companies that it invests in to display earthquake countermeasure awareness posters in their facilities, held



Dialogue on ESG with Norihiko Fukuda,
Mayor of Kawasaki City



a dialogue with the mayor of Kawasaki City on ESG topics and participated in exhibitions at disaster preparedness events hosted by local governments, including Hyogo and Aichi Prefectures.

The table on the right 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).

Investments (number of investments) in SDG bonds	FY2022	FY2023	FY2024
Green Bonds	7	19	20
Social Bonds	5	11	19
Sustainability Bonds	7	10	8
Sustainability Linked Bonds	2	5	4
Transition Bonds	–	1	2
Total	21	46	53

RESPONDING TO CLIMATE CHANGE

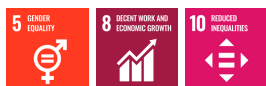


Guided by its Environmental Policy, JER is promoting environmental conservation activities leveraging its environmental management system. It identified (1) the appropriate use of electricity, (2) the appropriate use of paper, and (3) the appropriate disposal of waste as priority management items and is pursuing a number of measures to reduce its environmental impact in the conduct of its business activities. With the introduction of a desk sharing system in FY2023, JER has been further accelerating its ongoing initiatives to digitalize its operations and transition to paperless operations, and it has been focused on efforts to reduce energy use and conserve and recycle resources by reducing the amount of copy paper used, implementing electricity-saving measures, and implementing green purchasing. In addition, JER introduced MIRAI fuel cell vehicles (FCVs) from Toyota Motor Corporation as a fleet vehicle. MIRAI is called the ultimate eco-car because it runs on a motor powered by electricity generated by a chemical reaction between hydrogen and oxygen in a fuel cell and, therefore, does not emit CO₂, which is a major cause of global warming.



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.

PROMOTING DIVERSITY, EQUITY AND INCLUSION



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

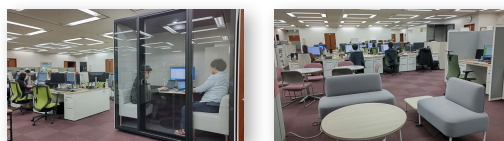
CATERING FOR DIVERSE WORKSTYLES

JER is implementing the following initiatives to develop an environment that allows diverse workstyles without any constraints.

- Increasing working hour flexibility for all employees through initiatives such as remote working, shift in working start and end time, hourly paid leave and taking leave during working hours (so called “Stepping out”).
- Making hybrid working easier for all employees through measures such as the loan of thin client terminals and smart phones and the introduction of chat tools.

HOT DESKING

JER introduced hot desking at its offices to effectively use office space that was vacant due to the promotion of remote working and to increase communication between employees when they come into the office. It also introduced web conferencing booths to facilitate information exchange with employees working remotely.



WORK INTERVAL

JER establishes a work interval of at least 11 hours, in principle, between working end and start times to ensure employees have time for a life outside work and time to sleep.

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.

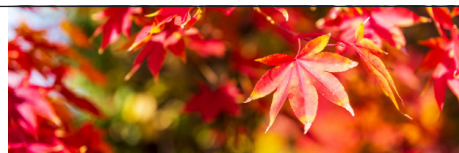
In FY2022, JER appointed its first female line managers. As of the end of FY2024, 25.0% of JER's managers are women. In July 2022, JER achieved the highest, three-star, Eruboshi certification program rating.

The Eruboshi certification is given by the Minister of Health, Labour and Welfare to companies with excellent conditions for the promotion of women.



INITIATIVES UNDER THE ACT ON ADVANCEMENT OF MEASURES TO SUPPORT RAISING NEXT-GENERATION CHILDREN

In April 2025, JER formulated a general business owner action plan in accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children, and started relevant initiatives with the goal of creating an environment where all employees are able work with ease and fully demonstrate their abilities.



ENCOURAGING MALE EMPLOYEES TO TAKE CHILDCARE LEAVE

In FY2023, JER introduced special paid leave equivalent in duration to paternity leave to encourage male employees to take childcare leave. Three male employees have taken this leave to date, so 100% of the eligible people have used the system. JER also supports childcare by male employees through the utilization of remote work.



DIVERSITY EDUCATION

JER continuously provides in-house training to instill diversity awareness among its officers and employees. JER sought to instill diversity awareness by providing Ikuboss training for managers and diversity training for all employees and by providing them with opportunities to reflect on their training.

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.



ALL OFFICERS AND EMPLOYEES ACQUIRING DISASTER PREVENTION EXPERT QUALIFICATIONS

All officers and employees acquired 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. Going forward, JER's officers and employees will continue leveraging the knowledge they gained through the acquisition of disaster prevention expert qualifications to promote earthquake insurance and implement disaster prevention and disaster mitigation initiatives.