

2023

Annual Report

Kokumin Kyosai co-op

National Federation of Workers and Consumers Kyosai Cooperatives

A Message from the President

We would like to express our sincere gratitude for your support. We have prepared this year's annual report to inform you of our various activities and our business and financial status. We hope that this report helps you understand what kind of difference we are making in our communities.

Looking back on 2022, various disasters occurred around the country, including torrential rains, heavy snowfall, and hailstorms. In addition, a new type of highly contagious coronavirus, the Omicron strain, raged throughout the year. Despite these difficulties, many pandemic related restrictions on our daily activities started to be eased, and our society took a giant step forward toward our "New normal", coping with Covid. We would like to express our heartfelt compassion to those affected by these disasters. We are fully committed to fulfilling our role and responsibility to support our members in their efforts to recover and reconstruct their communities and homes, rebuild their lives, and return to health.

While the situations in Japan and abroad remain turbulent, we have been continuing our efforts to provide service and assistance to all members. FY2022 was the first year of our four-year medium-term management plan, "Transformation and Creation". We have been steadily and vigorously implementing this plan to create a "New Mutual Aid Service" that incorporates our ideals of Putting Members First and Collaboration with Other Parties. Specifically, we have been working to provide a greater sense of security for our members and make our services more convenient. This year is the 40th anniversary of Kokumin Kyosai, one of our main products, and we are taking this as an opportunity to launch our new app and a new membership benefit program, called "Kokumin Life Support". Additionally, we have been proceeding with the digitization of our office administration and claim payment operations.

Furthermore, based on strong partnerships with other cooperatives and partner organizations, we have introduced our revised Group Life Insurance for our affinity groups nationwide. Also, we are collaborating with the Labour Banks, the CO-OP Kyosairen, and auto body repair shops. We have also sponsored business and community activities throughout Japan, focused on traffic safety and disaster prevention.

In FY2022, we delivered approximately ¥30.5 billion in mutual aid payments to over 730,000 members for pandemic related claims. This was the largest amount paid out in a single year due for claims related to a disease in our history. The total amount paid by all mutual insurers in 2022 related to the pandemic was approximately ¥345.5 billion. We managed to secure an adequate level of risk premium surplus while delivering dividends to our policyholders despite such bulky claim settlements.

In FY2023, we have been building on these efforts to further create and practice a "New Mutual Aid Service". As 2023 marks the 100th anniversary of the Great Kanto Earthquake, we are continuing to promote awareness of the importance of disaster prevention and mitigation, reduce the number of uninsured against natural hazards, and optimize the security and coverage of our members.

No matter how society may change, we are firmly committed to providing mutual aid services while increasing our members' engagement in our cooperative business and activities. We will continue to take on further challenges to realize our philosophy, "Towards a Safe and Affluent Society through Mutual Help".

We look forward to your continued support.



Shuichi Uchikoshi 打越 秋一

Kokumin Kyosai co-op is a Cooperative

Kokumin Kyosai co-op is a popular name of National Federation of Workers and Consumers Kyosai Cooperatives. It is a not-for-profit organization, owned, managed, and utilized by its members. Kokumin Kyosai co-op provides both life and non-life insurance to improve members' security in life.

Mission Statement

“Towards a Safe and Affluent Society through Mutual Help”

Unchanging values that Kokumin Kyosai co-op should share with its members. This reflects our fundamental spirit of “helping each other”.

The meaning of “Kokumin Kyosai co-op”

We rebranded ourselves as “Kokumin Kyosai co-op”, a popular name designed to allow more people to feel closer to us, and to convey our mission and values more easily. We started to use this new name since June 2019.

This name is directly derived from its Japanese version's sound and means that we are a cooperative organization to provide mutual aid for all citizens in Japanese.

1. Kokumin means for all citizens in Japan

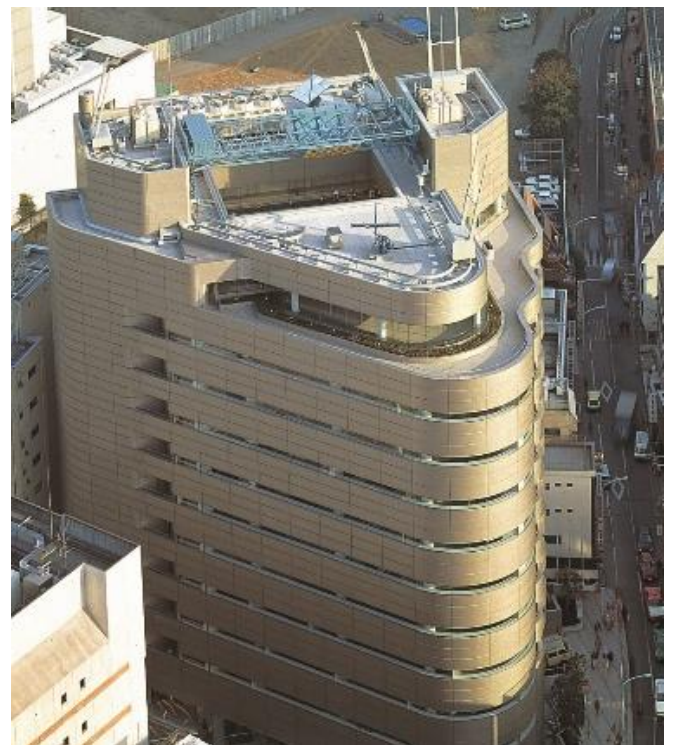
We hope more people across Japan join our mutual aid movement.

2. Kyosai means providing mutual aid system and the spirit of helping each other

We provide mutual aid needed by more and more people according to their individual lives.

3. co-op means Cooperative

We get people together and protect their lives with our mutual aid system.



Kokumin Kyosai co-op head office

Medium-term Management Plan 2025:

Transformation and Creation

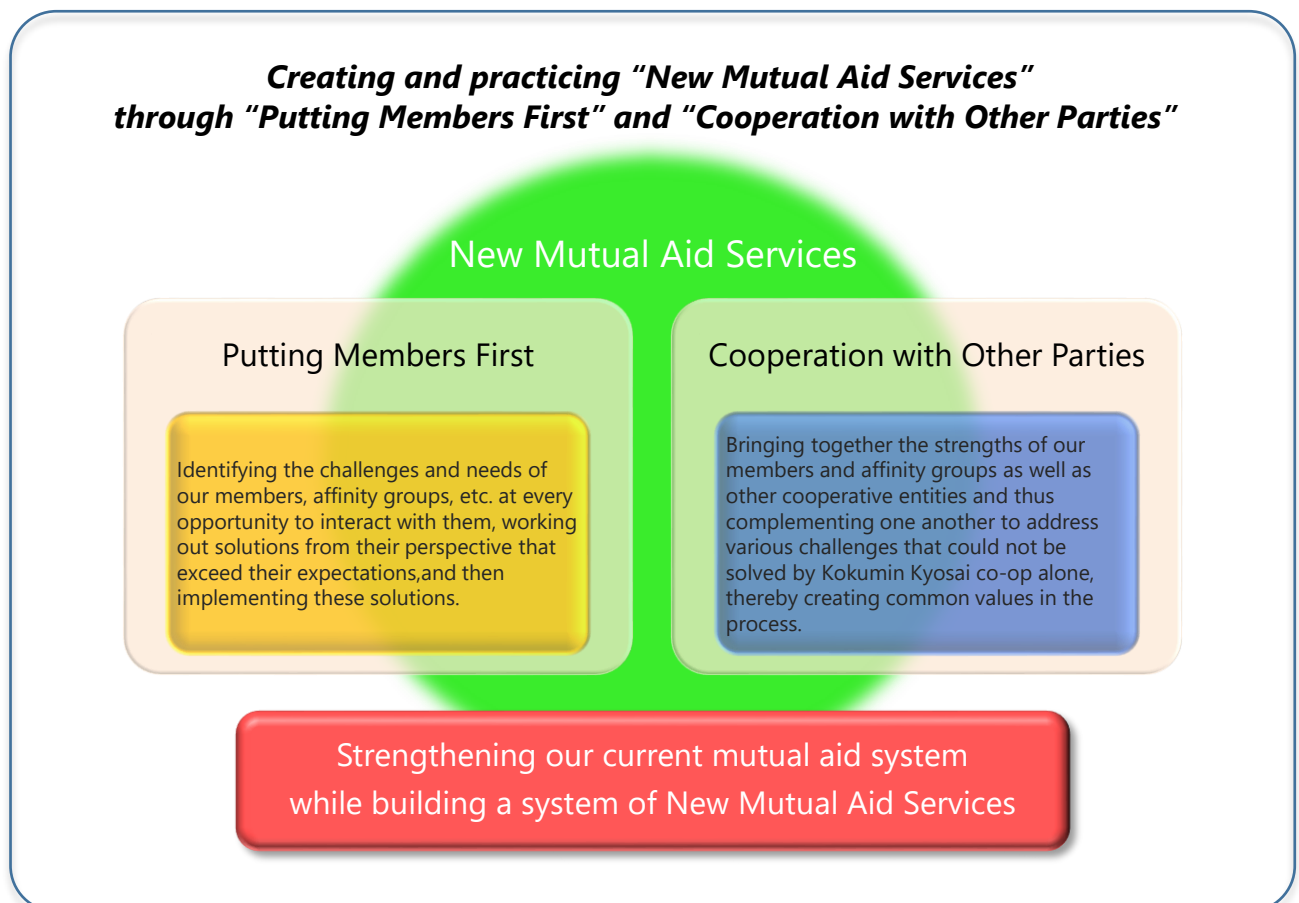
We have formulated a new four-year management plan, "Medium-term Management Plan 2025: Transformation and Creation", which started in FY 2022, and will continue to promote our efforts to further serve our members and to develop our mutual aid business.



1. New Mutual Aid Services

Thanks to the rapid development and spread of digital technology in recent years, web and online services have become more convenient. Because of this, we need to change and diversify our mutual aid services accordingly.

As society faces a variety of technology trends and changes, we will strive for sustainable business growth and the development of our co-operative efforts through taking on the challenge of creating and implementing new mutual aid services that incorporate digital technology into our business based on the principles of "Putting Members First" and "Cooperation with Other Parties" during the four years.



2. The shape of our vision

We have set out three visions and 10 actions as a specific vision of the “New Mutual Aid Services” we want to create and put into practice, and we will promote these initiatives while sharing them with our members, consumers, affinity groups, and partner organizations.

Our vision of our relationship with our members and consumers

1. Diversifying communication channels and tools to be a more accessible organization
2. Increasing the value of our business to our members by offering attractive products and great service
3. Expanding the scope of our mutual aid in society and increasing its value to society and the natural environment, by providing our members with opportunities to participate in our cooperative activities which aim to build understanding and support from the public

Our vision of our relationship with affinity groups and collaboration partners

4. Establishing a more efficient web-based interaction system based on the strength of our relationships with our members
5. Tackling shared issues with other organizations
6. Building mutual aid in local communities through partnerships with affinity groups and collaboration partners

Our vision of operations and management

7. Optimizing our organizational structure and roles utilizing digital technology and modern workstyles
8. Improving our data processing and claim payment systems through digital transformation
9. Updating personnel structures at our branch offices to concentrate communication and sales activities to align with the principle of Putting Members First
10. Ensuring financially sound and stable management

Kokumin Kyosai co-op's SDGs Action Pledge

Since its founding in 1957, Kokumin Kyosai co-op has been working together with our members, affinity groups, labor unions, other cooperatives to expand our mutual aid furthering our mission "Towards a Safe and Affluent Society through Mutual Help". This activity is in line with UN's Sustainable Development Goals (SDGs), which aim to create a society where no one is left behind. Kokumin Kyosai co-op reaffirms our role and responsibility in supporting our members and local communities impacted by harsh circumstances such as widening financial disparity, large-scale disasters, and the COVID-19 pandemic, and strives to contribute to the achievement of the SDGs.

1

Providing a sense of security through our mutual help



2

Environmental conservation efforts



3

Support for sound upbringing of children, including child rearing assistance, traffic safety projects, and health development programs



4

Disaster prevention and mitigation programs to protect our members from natural disasters such as typhoons and earthquakes



5

Collaboration with like-minded parties to build a vibrant society where people can work and live actively



6

Maintaining a competitiveness in the face of a fast changing business environment



Our Main Efforts in FY2022

During FY2022, the first year of our Medium-term Management Plan, we started working on our “New Mutual Aid Service” initiative, incorporating digital technology, and implementing our ideals, Putting Members First and Cooperation with Other Parties. In addition, we launched a number of services and activities in accordance with our Three Visions.

Our Three Visions

1. Our vision of our relationship with our members and consumers

(i) Launching a new app to realize more convenient transactions

To deliver peace of mind and enhanced convenience anytime, anywhere, we have released our official app as a new communication tool for our members. Additionally, we have expanded the features on our website to facilitate procedures such as obtaining, modification, and continuation of insurance coverage.



(ii) Kokumin Life Support (See page 9)

2023 marked the 40-year anniversary of launching our signature insurance, Kokumin Kyosai, so we have introduced our member benefits program, Kokumin Life Support, to provide support and benefits to our members in various aspects of their lives. This new service includes disaster and accident prevention advice, follow-up advice after claim incidents, and many discounts for daily goods and services.

2. Our vision of our relationship with affinity groups and collaboration partners

(i) We updated one of our popular services, Group Life Insurance, and provided better offers to our affinity groups. As a result, 3,037 labor unions upgraded their group insurance.

(ii) We have been continuing to provide consultation service and educational seminars nationwide with our partner organizations to optimize our members' financial security, to reduce the number of traffic accidents, and to prevent and mitigate the damages caused by natural disasters.



Donation ceremony at Heisei elementary school in Tokyo

3. Our vision of operations and management

(i) Updating claim settlement operation

As part of our digital transformation efforts, we have further modernized our operation methods and improved web transactions for our members, so that they can claim their life insurance more easily.

(ii) Efforts to reconstruct our non-life insurance damage assessment methods

To hasten claim settlements and to digitize our operations, we set up a joint investment company with a major general insurance company, Tokio Marine & Nichido Fire Insurance Co., Ltd.

Responses to the COVID-19 pandemic and large-scale disasters

1. Payments related to the COVID-19 pandemic

We provided payments for cases of Covid-19 related death, hospitalization, and outpatient hospital visits, which totaled ¥30.5 billion during FY2022. Specifically, ¥28.4 billion in payments was provided for those who received in-home care due to quarantine or overstretched medical facilities.

Claim payment in total of death, hospitalization and out-patient visit etc. caused by the Covid-19.

Fiscal year	Total number of payments	Total amount paid	Payment period
FY2022	Approx. 731 thousand cases	Approx. JPY 30.5 billion	1 June 2022 – 31 May 2023
Cumulative total	Approx. 893 thousand cases	Approx. JPY 40.4 billion	9 March 2020- 31 May 2023

2. Payments related to the major disasters

In response to typhoons, heavy rains, earthquakes, and other disasters that occurred in FY2022, including Typhoon 14 which struck in September 2022, we improved the claim procedures to be more convenient for our members, while settling the cases promptly.

We assessed the damage to homes mainly using damage estimate reports written by house repairers instead of on-site surveys to reduce physical contact with our members amid the pandemic. When we did visit the affected members who requested us to do so, we thoroughly implemented various measures to prevent infection. In all of these cases, we processed each claim to pay out insurance benefits for the affected members as soon as possible.

“What If” and “Everyday Life”

Kokumin Kyosai co-op comprehensively supports your entire life.

From illnesses, accidents, and natural disasters such as typhoons and earthquakes, to preparing for the future, “What If” is a part of our lives. At Kokumin Kyosai co-op, the core of our activities is financial security through mutual aid. We prioritize providing total support, from proactive preparation to post-event follow-up, and covering all aspects of life. We aim to deliver a solid sense of security to the lives of our members and their families.

Kokumin Life Support

(Support for insurance planning and for lifestyle planning)



Supporting an active and comfortable lifestyle

Support all aspects of life with approximately 180,000 types of member services, from everyday living to special life events.

こくみん Life サポート



1. Support for Insurance Planning

The world, society, and the economy are constantly changing. Our goal is to deliver a sense of security and prosperity to each of our members, by providing support tailored to diverse lifestyles and values. This includes providing insurance coverage aligned with individual lifestyles and values, as well as supporting members in precautionary financial planning as well as living an active and comfortable lifestyle.

(i) What is Insurance Planning ?

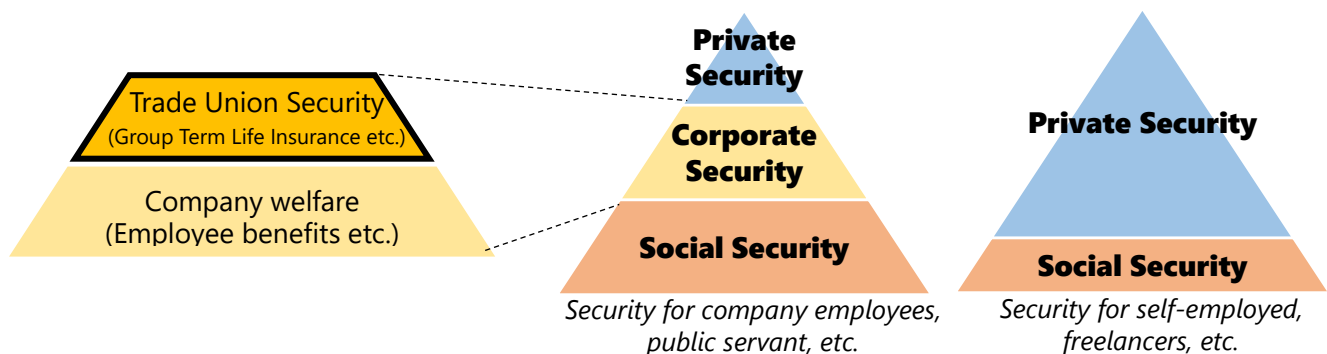
- To prepare for economic risks in cases of unforeseen circumstances such as illness, accidents, or natural disasters, we provide optimal insurance coverage selections taking into account the current financial situation and needs of members, as well as their lifestyles and future life plans, while aiming to minimize risks.
- We assist each member in planning the kind of life they want to lead in the future. This includes providing opportunities to enhance knowledge about security in general.
- We encourage members to review their overall finances based on their life plans. Through initiatives focused on achieving an affluent life in terms of "family budget, lifestyle, and well-being," we strive to help members realize a fulfilling life based on individual life planning.

(ii) Our approach to Insurance Planning

➤ Considerations for Optimal Security

Optimal Security differs depending on age, family composition, occupation, as well as lifestyle, and attitudes toward childcare and nursing care. When contemplating security, it's crucial to understand social security and corporate security within companies or organizations (pre-existing security) that one would receive in the event of unforeseen circumstances across different security areas.

Subsequently, by considering private security (such as self-prepared cooperative insurance or savings etc.), one can achieve security without burden, waste and unstable.



Social security

Social Security programs are provided by government. In Japan, we have comprehensive basic security, such as the national health insurance system, the public pension plan, and the national care insurance scheme for the elderly and disabled.

Corporate security

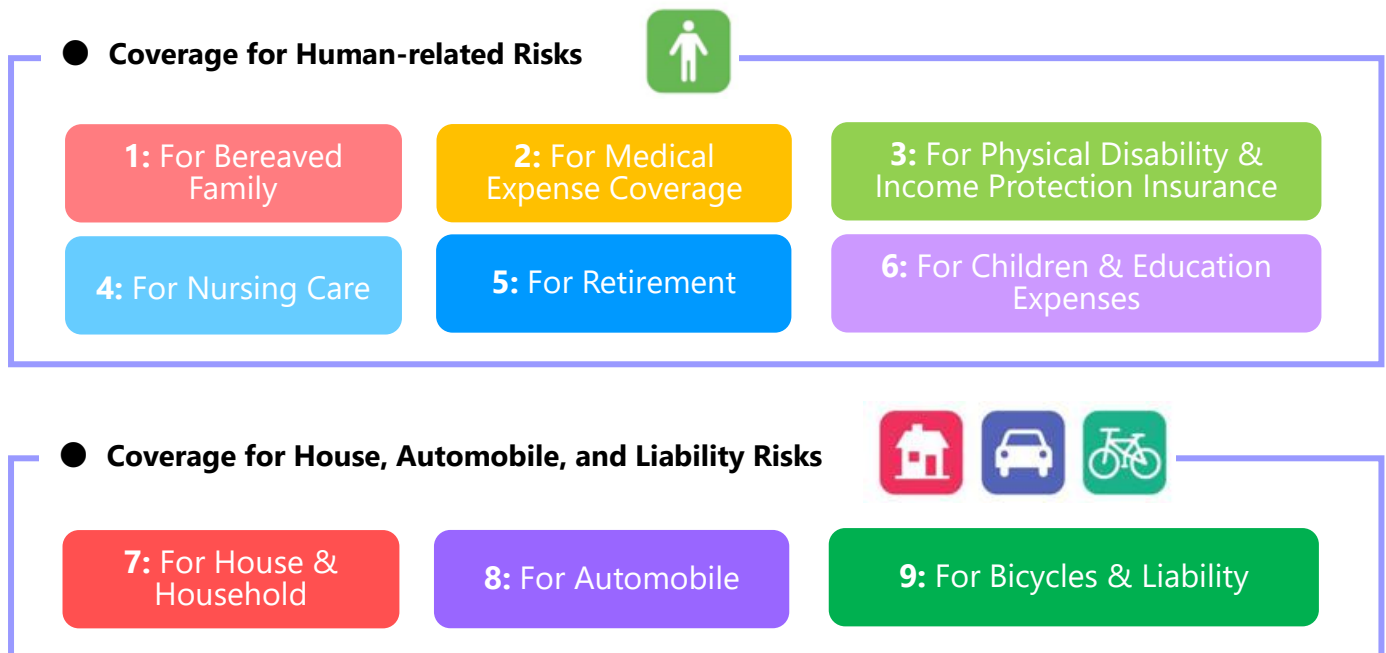
Corporate security can be provided by companies and/or their trade unions. Kokumin Kyosai co-op promotes "Trade union security", ensuring the lives and livelihoods of the members of trade unions through various products such as Group term life, Fire, and Automobile insurances.

Private security

Private security indicates insurance which is the amount of total coverage after deducting the amount of social and corporate securities.

➤ Areas of risk coverage

There are two main types of risk that most people need to cover: coverage against illness, injury, and death, and coverage against damage or loss to property (home, auto, etc.) and liability. Within these two broad categories, there are nine coverage areas that fit most people depending on their lifestyle and insurance needs.



Understanding the required coverage amount for each area enables a clear assessment of risks, leading to thoughtful consideration of the "optimal insurance coverage" in each specific category.

2. Support for lifestyle planning

To reduce life's "What If", speed recovery when unexpected events occur, and support a secure and enriching everyday life and special life events, we provide comprehensive support for the general well-being of members and their families through approximately 180,000 types of services.

Overview

- (i) We offer both proactive preparation and post-event follow-up services in the case of injury, illness, and death as well as damage to homes and automobiles. We also provide services spanning everyday life and special life events at discount rates for members.
- (ii) These services are accessible to members of all generations, regardless of where they live.

<Some examples>

- Support for early detection and treatment of illness.
- Support for disaster preparedness measures and repairs.
- Support for costs associated with owning a car.
- Discount services for members such as travel reservations, restaurant bookings, preparations for a new baby, and engagement celebrations.

Community Activities

Kokumin Kyosai co-op is committed to supporting the communities that it is a part of by sponsoring activities that contribute actively to the community. We have promoted Loss Prevention, Environmental Preservation, and Children's Well-being Support events, as these are priority areas for building and passing on a safe and affluent society.



1. Initiatives in the area of disaster prevention and mitigation

(i) The Disaster Prevention and Mitigation Project:

From the beginning, Kokumin Kyosai co-op has been focused on protecting homes. Starting in March 2021, we have been executing the Disaster Prevention and Mitigation Project to promote the adoption of disaster prevention and mitigation measures and establish networks based on insights and experiences gained from past disaster responses.

➤ The "What If" Project:

This initiative encourages individuals to contemplate what actions they can take in potential disaster scenarios and aims to foster resilient urban development through preparedness. In FY2022, collaborative efforts with local governments, enterprises, media, related organizations, and residents led to initiatives such as the "What If" Educational Festival (Shibuya Ward, Nagoya City) and "Disaster Prevention Caravans" (a traveling educational event held at elementary and junior high schools in Tokyo's Shibuya Ward).



"What If" Educational Festival in Shibuya 2022

➤ Training our staff to become Disaster Prevention Specialists

To empower our staff members to contribute to local disaster prevention and mitigation efforts, we are actively encouraging the acquisition of disaster prevention specialist qualifications (as of the end of May 2023, 379 qualifications obtained).

Creating cardboard toilet with disaster prevention specialist at disaster prevention event

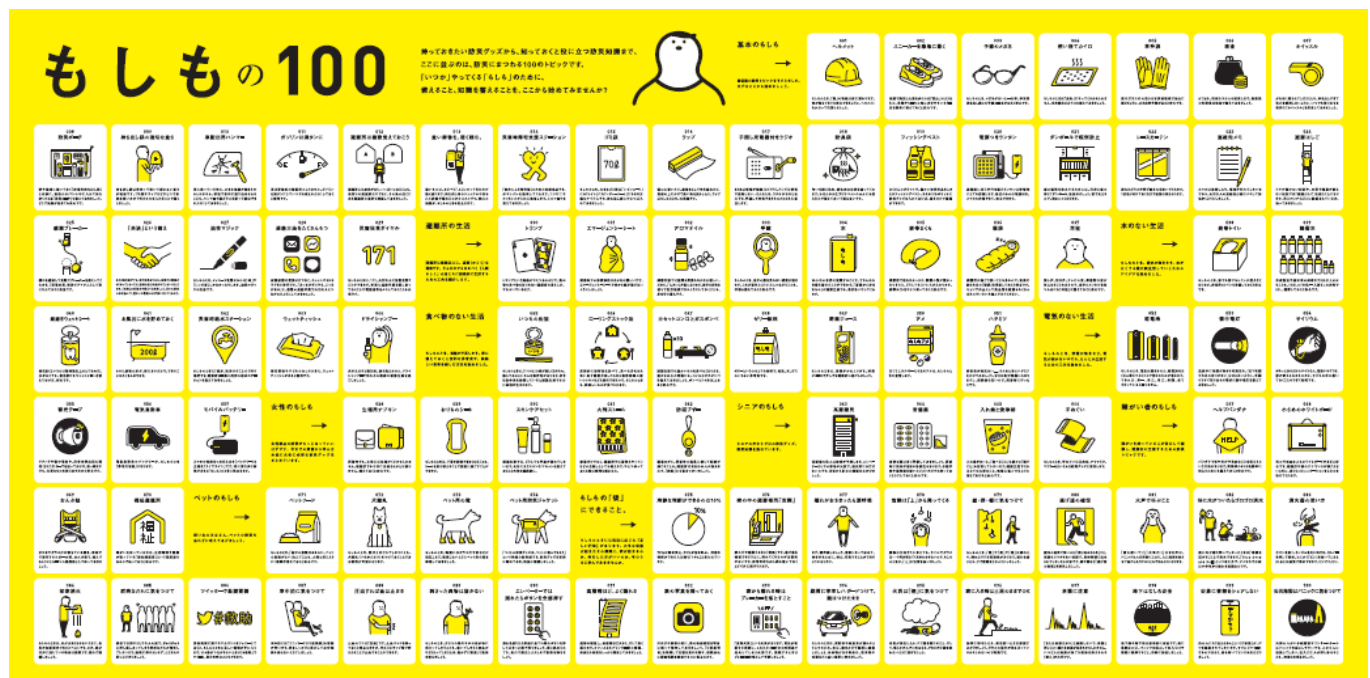


(ii) Disaster prevention and mitigation through computers and smartphones:

To encourage preparedness for disasters among members and the public, Kokumin Kyosai co-op delivers various information and services through our official website and mobile app. These resources serve as opportunities to enhance awareness of disaster prevention and mitigation.

➤ "What If" 100:

We introduce 100 perspectives on disaster prevention, including useful knowledge for cases of crisis.



(iii) Disaster prevention and mitigation activities with Junior Eco-Club

The Japan Environment Association (JEA), an environmental education and learning initiative conducted nationwide, has been a collaborative partner since 2021, and is one of the organizations that we support through our "Fire Insurance for Eco-friendly Houses" donation fund. This is a disaster prevention and mitigation program for children participating in the Junior Eco-Club, jointly provided by the JEA and Kokumin Kyosai co-op.

We also provide "Bosai Eco CAMP at home", a home learning program which teaches how to survive in disastrous situations. In 2022, 1,813 children from 121 clubs participated nationwide.



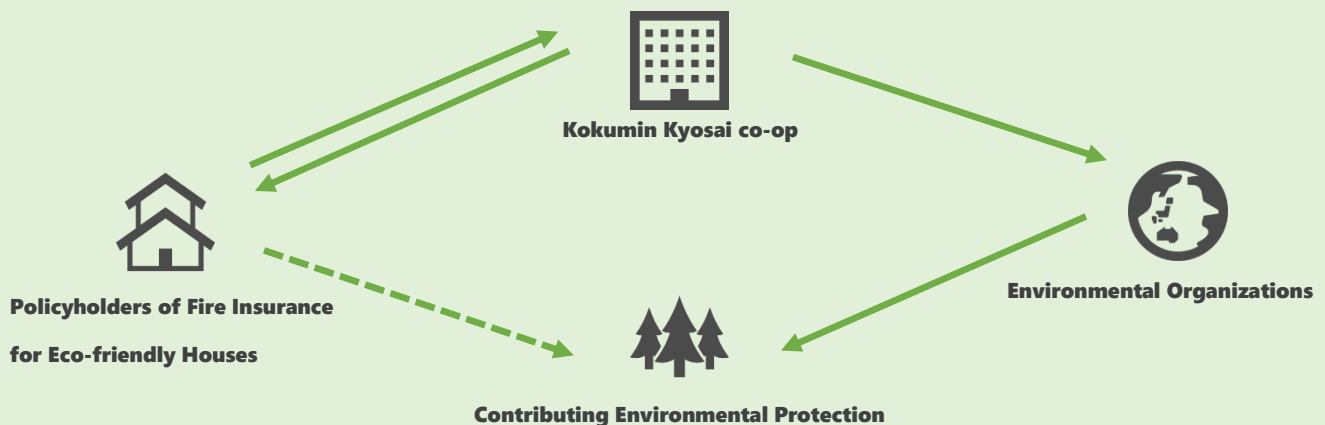
Working on Bosai ×Eco CAMP at home

2. Environmental Preservation Activity

(i) Donations through "Fire Insurance for Eco-friendly Houses"

As part of our commitment to environmental preservation, we have implemented the Fire Insurance for Eco-friendly Houses program. This initiative promotes the widespread adoption of eco-friendly homes and contributes to environmental preservation through donations to environmental organizations. This program is designed for residences equipped with designated environmentally friendly systems, such as solar power. Based on annual contracts and financial figures, we make donations to environmental organizations. In FY2022, with a total of 98,341 enrollments (as of the end of May 2022), we donated ¥25 million to three organizations.

Featured product: Fire Insurance for Eco-friendly Houses



Reflecting increasing environmental awareness, more and more members are buying this product each year. It allows us, along with members, to contribute to environmental protection through our main business – Insurance. We provide Fire Insurance with discount premiums for ecological house owners, such as all-electric houses and solar powered houses. Based on the number of these policies and our financial outcomes, we also give donations to environmental organizations every year.

3. Support for the well-being of our children

(i) The Traffic Safety for 7-Year-Olds Project

In Japan, when children reach the age of seven years, they are given an expanded range of activities and responsibilities by their parents, including walking to school by themselves. There is data indicating that seven-year-olds are more susceptible to traffic accidents compared to other age groups. We all want to protect our children from traffic accidents, so we have implemented initiatives to collectively safeguard them.

➤ Donation of road-crossing hand flags

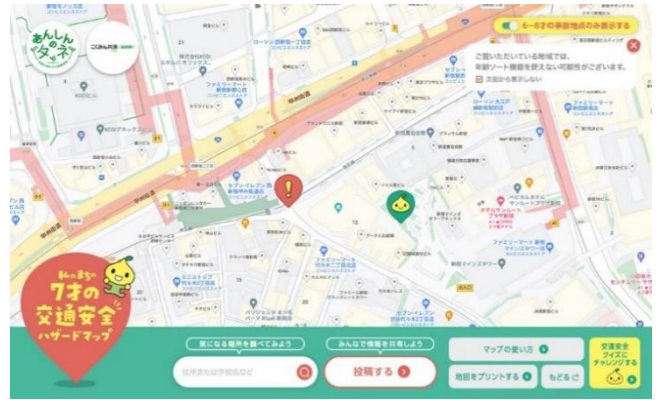
For each car insurance estimate made, we donate one crossing flag to elementary schools and childcare facilities nationwide. In FY2022, in collaboration with CO-OP Kyosairen, we donated approximately 297,000 crossing flags (including collaboration flags featuring the characters Pitt-kun and Ko-suke). The total cumulative donation now stands at approximately 892,000 flags.



Donation ceremony at elementary school

➤ **Joint research with Kanazawa University**

To protect future generations from traffic accidents, joint research has been conducted with Mr. Makoto Fujiu, Associate Professor at Kanazawa University, to develop the "Children's Road Safety Hazard Map". Up-to-date information is posted to this online map about places where there are dangerous traffic situations and places where traffic safety activity is being carried out.



(ii) **Children's Well-being Support Project**

➤ **Donation of jump ropes across Japan**

We have donated short and long jump ropes to childcare centers and elementary schools nationwide for each purchase of our insurance products for children. We donated approximately 29,000 jump ropes in FY2021.

Additionally, in FY2022, the number of donated jump ropes was based on how many organizations introduced or increased enrollment in our group life insurance from June 2021 to March 2022. As a result, in FY2022, a total of approximately 92,000 jump ropes were donated, bringing the cumulative total to around 172,000.



Jump ropes



Donation ceremony at Foundation for Promoting Sound Growth of Children

➤ **"NAWA-TOREH", a recreational program using jump ropes**

The NAWA-TOREH program is a recreational initiative that encourages children to have fun playing with jump ropes to improve their fitness.

As part of a nationwide initiative, we organized the "Everyone Come to the NAWA-TOREH Square", an experiential event at the Ikebukuro Sunshine City Fountain Square in March 2023. We welcomed 937 attendees, including 374 children. The event aimed to promote physical fitness through playing with jump ropes.



*Trying NAWA-TOREH event
"Everyone Come to the NAWA-TOREH Square"*

4. Others

(i) Support for “ICMIF 5-5-5 Microinsurance Development Project”

The ICMIF 5-5-5 Microinsurance Development Project is an initiative targeting the widespread adoption of mutual aid microinsurance among 5 million low-income households over a period of 5 years in emerging economies (Colombia, India, Kenya, the Philippines, and Sri Lanka). As a member and director organization of ICMIF (International Cooperative and Mutual Insurance Federation), we have been actively involved since the inception of this strategic project. We have also provided financial support from FY2017 to FY2021.



Through support from ICMIF member organizations, educational and awareness initiatives on mutual-aid insurance and protection have reached approximately 3.1 million households and around 15.9 million individuals in low-income sectors of emerging economies (as of December 31, 2022).

(ii) Implementation of ESG Investment:

We strive to conduct asset management that considers the corporate social responsibility of companies, including environmental concerns. In the FY2022, we acquired green bonds, social bonds, and sustainability bonds.

Our Features

Unique Origin

In the 1950s, ordinary workers were poor and vulnerable to risks, but they could not afford insurance products because it was too expensive for them. Therefore, they started to form mutual assistance activities among members taking precaution against risks in communities. Since then, it has developed into a modern security system — Insurance.

As a Cooperative

Based on the cooperative principle, Kokumin Kyosai co-op provides insurance and mutual help for its members under the supervision of the Ministry of Health, Labour and Welfare and the Consumers' Livelihood Cooperative Society Law. Anyone can join the mutual and groups if they subscribe to this principle and pay the membership fee.



*The birth place of cooperatives:
Rochdale Pioneers Museum (England)*

Promoting Workers' Welfare

Kokumin Kyosai co-op has been working hand in hand with trade unions for the workers' welfare movement. The movement in Japan is organized through the voluntary activities of workers based on their own philosophy of mutual aid and solidarity. Kokumin Kyosai co-op was organized and has been run mainly by trade union members; however, its service extends to all workers in the community now.

Kokumin Kyosai co-op Group

Kokumin Kyosai co-op

(National Federation of Workers and Consumers Kyosai Cooperatives) underwrites insurance contracts for individuals directly. It comprises 55 primary cooperatives and three cooperative federations.

Saikyosairen

(Japan Reinsurance Federation of Consumers' Cooperatives) underwrites reinsurance for workers' and consumers' cooperatives as well as many other cooperatives in Japan.

Zenrosai Kyokai

(National Association for Workers Welfare and Cooperative Insurance) provides guidance, coordination and liaison work for workers' welfare and cooperative insurance.

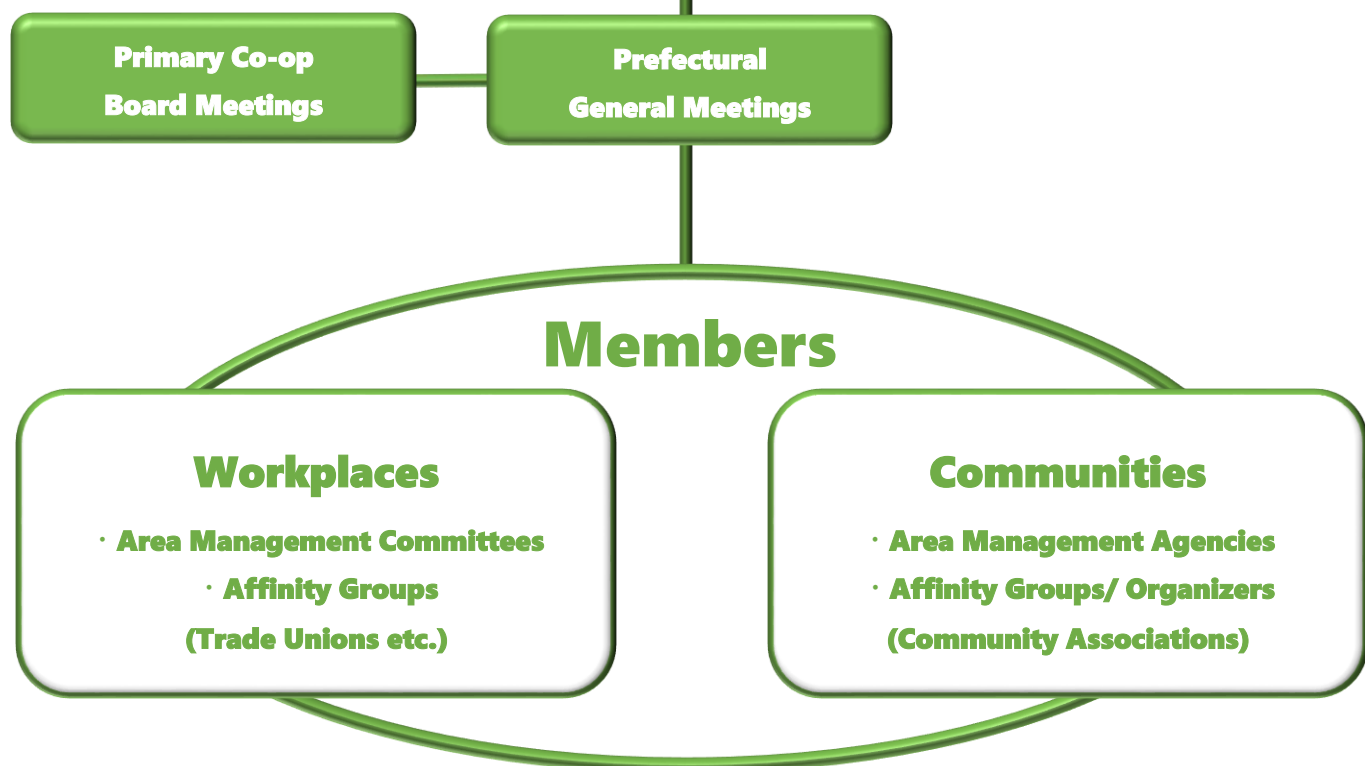
Democratic Management Structure

Kokumin Kyosai co-op is a national federation comprised of 58 cooperative societies. It is owned, managed and utilized by its members. As it is essential for us to maintain members' participation in its management, we set up an integrated democratic structure. In order to conform to the members' will, members form Area Management Committees /Agencies on a district basis. They send representatives to General Meetings at the prefectural and national levels.

National Level: Kokumin Kyosai co-op (Federation)



Regional Level: Primary Cooperatives



Risk Management System

Kokumin Kyosai co-op has categorized its risk exposure into three types (Crisis risk, Management risk, and Compliance risk) and established divisions accordingly, which work in cooperation with each other to enhance our integrated risk management.

Compliance

Cooperative insurance business is public-oriented in its nature and relies on the trust and support of its members. Therefore, we have strengthened our compliance structure by introducing committees and officers both at national and regional levels, rules and guidelines, and a help-line for whistleblowers' protection.

Markets

Workplaces

Workers in affinity groups, mainly trade unions, become Kokumin Kyosai co-op members.

Communities

Consumers (people) in local communities become Kokumin Kyosai co-op members through various channels (Kokumin Kyosai co-op shops, agencies, advisors, and our website etc).

Agencies

CO-OP Kyosairen Japan CO-OP Insurance (Kyosai) Consumers' Co-operative Federation (JCIF)

We provide our House Insurance, Long-term Individual Life Insurance, and Automobile Insurance to the members of CO-OP Kyosairen and its member societies.

Labour Bank

Both Kokumin Kyosai co-op and the Labour Bank promote the cooperative movement and the workers' welfare movement. The Labour Bank sells Kokumin Kyosai co-op Fire Insurance, and Kokumin Kyosai co-op discounts its premium for those who take out housing loans with the Labour Bank.

Car Repairers

Kokumin Kyosai co-op provides compulsory automobile liability insurance to the members through its partnership with car repair shops.

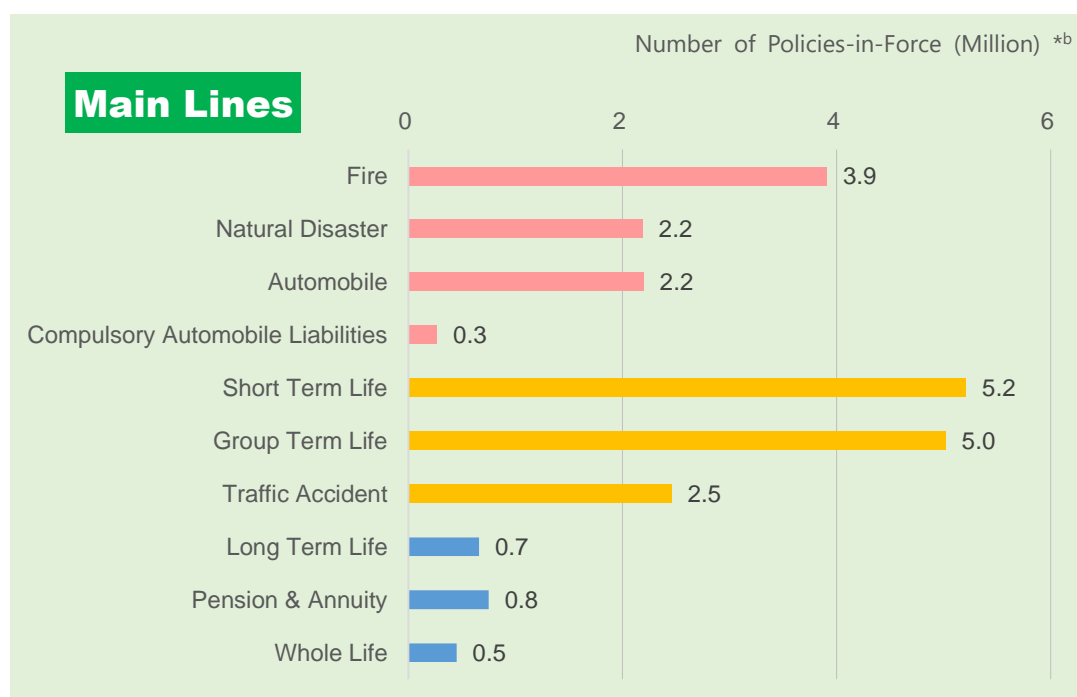
Retail Offices

We have 188 retail offices, called "Shops", nationwide, in which both existing and future members can get advice on insurance, apply for contracts, and make claims.



Key Figures

Number of Policies-in-Force ^{*a}		FY2021	FY2022
	Total	29.32 million	29.13 million
	General Ins.	16.20 million	15.97 million
	Short-term Life Ins.	9.33 million	9.19 million
	Long-term Life Ins.	2.53 million	2.48 million
	Contracted Business	1.27 million	1.49 million



Premiums Received ^{*b}	JPY 540.9 billion	USD 3.86 billion
General Ins.	JPY 216.3 billion	USD 1.54 billion
Short-term Life Ins.	JPY 182.0 billion	USD 1.30 billion
Long-term Life Ins.	JPY 142.6 billion	USD 1.02 billion

*USD1 = JPY139.77 (as of May 31,2023)

Claim Payments ^{*b}	JPY 345.5 billion	USD 2.47 billion
General Ins.	JPY 94.9 billion	USD 0.67 billion
Short-term Life Ins.	JPY 105.6 billion	USD 0.75 billion
Long-term Life Ins.	JPY 144.9 billion	USD 1.03 billion

*USD1 = JPY139.77 (as of May 31,2023)

^{*a} The figures are obtained by rounding down two decimal place.

^{*b} The figures are obtained by rounding off two decimal place.

Financial Highlights

Balance Sheet ^{*c}

	FY2022 (May 31, 2023)	
	JPY billions	USD millions*
Assets		
Cash and deposits	211	1,515
Money-in-trust and Monetary Claims	547	3,914
Securities	2,750	19,675
Loans	3	26
Investment real estate	2	19
Others	514	3,677
Total Assets	4,029	28,828
Liabilities		
Policy Reserves	3,321	23,767
Reinsurance accounts payables	3	27
Other insurance business liabilities	172	1,235
Others	20	149
Total Liabilities	3,519	25,180
Net Assets		
Co-operative share	183	1,315
Surplus	343	2,454
Valuation and translation adjustment	-18	-122
Total Net Assets	509	3,648
Total Liabilities and Net Assets	4,029	28,828

*USD1=JPY139.77(as of May 31,2023)

Income Statement ^{*c}

	FY2022 (May 31, 2023)	
	JPY billions	USD millions*
Income		
Premium and other income	548	3,925
Transfer from policy reserves	31	227
Investment income	56	403
Other ordinary income	1	8
Ordinary Income	638	4,564
Expenses		
Claims and Benefits	443	3,176
Transfer to policy reserves	1	10
Other ordinary expenses	131	942
Ordinary Expenses	577	4,128
Ordinary Surplus	60	436
Extraordinary Income	0	0
Extraordinary Expenses	2	18
Surplus before taxes	58	418
Corporate and other taxes and adjustments	9	70
Transfer to dividends reserves	23	170
Net surplus for the period	24	177
Other adjustment	1	13
Payment from voluntary reserves	5	36
Unappropriated surplus for the period	31	227

*USD1 = JPY139.77 (as of May 31,2023)

^{*c} The figures are obtained by rounding down one decimal place.

Asset Under Management ^{*b}

		FY2021	FY2022
Asset Under Management (JPY billions)		3,639.9	3,627.7
Cash and deposits		5.5%	5.8%
Monetary Claims		3.3%	3.5%
Securities		87.8%	87.4%
	Bonds	75.8%	75.0%
	Stocks	0.0%	0.0%
	Foreign securities	8.8%	9.1%
	Others	3.2%	3.2%
Loans		0.1%	0.1%
Investment Real Estate		0.1%	0.1%
Others		3.2%	3.1%
Investment Profit ^{*b} (JPY billions)		55.4	50.5
Yield on Investment ^{*d}		1.54%	1.39%

Management Index

	FY2021	FY2022
Basic Profit ^{*b} (JPY billions)	130.6	99.6
Solvency Margin Ratio ^{*b *e}	2,191.1%	2,241.9%
Adjusted Equity Capital ^{*b *f} (JPY billions)	1,063.1	1,072.1
	26.3%	26.6%
Net Worth ^{*b *g} (JPY billions)	1,711.3	1,627.7
	42.4%	40.4%

^{*b} The figures are obtained by rounding off two decimal place.

^{*d} The figures are obtained by rounding off three decimal place.

^{*e} Since Kokumin Kyosai co-op provides both life and non-life insurance, our solvency margin ratio cannot be compared simply to those of other life or non-life insurers.

^{*f} Adjusted equity capital includes the followings; equity capital, contingency reserves and price fluctuation reserves.

^{*g} The net worth is the amount of equity broadly defined, including contingency reserves and other reserves, plus unrealized profit and loss. Put another way, it is the amount of total assets on a mark-to-market basis minus liabilities (not including those with the nature of capital, such as contingency reserves).

NATIONAL FEDERATION OF WORKERS AND CONSUMERS KYOSAI COOPERATIVES



Annual Report 2023

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