

Annual Report 2014

ZENROSA

National Federation of Workers and Consumers
Insurance Co-operatives



Annual Report 2014

Zenrosai is a Co-operative

Birthplace of co-operative

The actual shop in which a group of 28 men commenced business in 1844. This is known as the beginning of the modern co-operative movement.



Rochdale Pioneers Museum (England)

Contents

A Message from the President	2	Business Growth	15
Zetwork-60	4	Financial Highlights	17
For the Sound Growth of Children and the Development of Future Generations	6	Management index	19
Mission Statement	8	Asset Management	20
This is Zenrosai	9	Balance Sheet	22
2014 IN BRIEF	10	Statements of Income	24
Operational Framework	11	Approaches for Total Coverage	26
Headquarters	12	Cooperation among Co-operative Societies	27
Zenrosai Officers	13	Social Contribution Activities	28
Zenrosai Group	14	International Year of Co-operatives and Future Endeavors	30
		International Affairs	31

Zenrosai stands for the National Federation of Workers and Consumers Insurance Co-operatives:

It is a not-for-profit organizations, owned, managed and utilized by members who wish to protect themselves financially and improve their living standards.

Founded on the "One for All and All for One" ideal of co-operatives, Zenrosai is organized on the basis of person-to-person cooperation.



Rochdale Pioneers: people who initiated a co-operative society in Rochdale, England in 1844.
Their activities influenced the co-operative movement all over the world.

A Message from the President

“Sympathy, Participation, and Trust” by Zetwork-60

I sincerely appreciate continued support for Zenrosai (National Federation of Workers and Consumers Insurance Co-operatives).

We have put together this annual report to provide an overview of our business and financial condition as well as an explanation of our various activities in an easy-to-understand way to a broad range of people. We hope that this report will give you a better understanding of our businesses and activities and that you will continue to support us.

In looking back on the past year (FY2013), through our activities such as unifying co-operatives as part of the 21st Century Vision, we received a total of 600.5 billion yen in premiums, which was an increase of 14.1 billion yen from the previous year. The sum insured, a figure which indicates how much security we provide, saw an increase of 76.2 trillion yen, amounting to a total of 768 trillion yen.

Furthermore, our entire organization engaged in efforts to provide services of the utmost quality to our members by making improvements to how our tasks are carried out, strengthening efforts for carrying out face-to-face or communication-based promotional activities (which allows our members to gain a better understanding of our activities), and developing and improving our insurance products in order to satisfy our members' needs by paying particular attention to detail.

As for natural disasters that occurred across the country, we placed top priority on responding to the needs of those affected, and a total of 330.9 billion yen in claim payments was put to good use by our members. Of that total, 1.8 billion yen (cumulative total: 125.7 billion) was claim payments and ex-gratia payments to benefit those affected by the Great East Japan Earthquake under the motto **“Every eligible last member.”** In addition, we promoted a wide range of activities in various regions in an effort to ensure that the Great East Japan Earthquake is not forgotten. We will continue to strengthen our relief efforts in an aim to assist with the recovery of the affected areas while continuing to provide psychological care for children to ensure their sound growth.

This year (FY2014) is the first year of Zetwork-60 (abbreviation: Z-60), our new Mid-term Management Plan, which we formulated as a 4-year plan that would end in FY2017, the year of our 60th anniversary.

We came up with the name Zetwork-60 by combining “z,” the first letter of Zenrosai, with the word “network,” to mean connections and ties. The name expresses the ideas of earning the sympathy, participation, and trust of our

members; having our role in society widely recognized; and strengthening the ties between people and people, people and society, and people and nature through our activities and businesses. It also expresses our desire, in preparation for our 60th anniversary, to inherit the hopes and achievements that our predecessors have developed to this point, pass on our solid fundamental principles and business foundation to future generations by referring back to our origins, reassess how each officer and employee carries out their duties, and redevelop a new Zenrosai by having all of areas our organization work in mutual cooperation.

Zenrosai is continuing finding itself in an environment characterized by both harshness and difficulties. Nevertheless, we will aim more attractive co-operatives insure that has matured, while earning the sympathy, participation, and trust of our members, by FY2017. To achieve this, we will take decisive action on the Three Reforms (business structure, organization, and awareness), which is the main policy of Zetwork-60, engage in efforts to recover our business and establish a sound business foundation, which is our top priority.

In closing, through our efforts to implement Zetwork-60, we promise to improve your lifestyles so that you will feel safe and secure, by demonstrating our ability to cooperate with one another, which is the starting point of outreach movements for the independence of workers. We also promise to fulfill our social mission by striving to achieve our philosophy “Towards a Safe and Affluent Society with Mutual Help.”

I would by most grateful to humbly ask for your continued kind favor and support.



October, 2014


President
Board of Directors



Foot-work *Head-work* *Heart-work*
Team-work

I Positioning and highest priority goal of Zetwork-60 (abbreviation: Z-60)

Positioning

Z-60 is positioned as our Mid-term Management Plan in order to maintain our establishment of a sound business foundation, gaining the trust of our members, and providing peace of mind based on the degree of achievement of our FY2009-FY2013 Mid-term Management Plan and the circumstances surrounding Zenrosai.

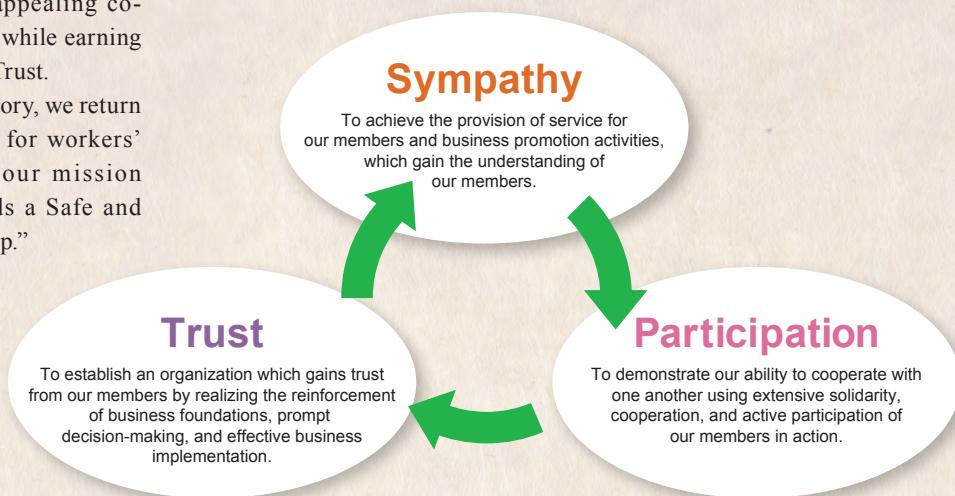
Highest Priority Goal

Marking our 60th anniversary in 2017, we have set “business recovery” and “establishment of a continuously sound business foundation” as our top priority goals of Z-60, while steadily implementing “Reform of Business Structure,” “Reform of Organization” as well as “Reform of Awareness” with a strong resolve which breaks with precedent, and establish the “60th anniversary overview of Zenrosai.”

II 60th Anniversary

We aim to become a more appealing co-operatives that provides security while earning the Sympathy, Participation and Trust.

Learning from our 60 year history, we return to the starting point of action for workers’ welfare and aim to achieve our mission statement of working “Towards a Safe and Affluent Society with Mutual Help.”



Organization of Choice

We will achieve promotion of cooperative action in which our members can actively participate; the provision of trustworthy insurance products; and training of those of our staff who meet expectations, in order to become an appealing organization chosen from society, our members and affinity groups.

Lean and Efficient Organization

We will achieve the reinforcement of reserves and equity capital against various management risks; effective operation of the organization; and an efficient expense structure.

III The Three Reforms Six Promises

Zenrosai will complete the Three Reforms over the next four years and fulfill the Six Promises in order to become an appealing co-operative society that provides security for our members and affinity groups.

The Three Reforms

Reform of Business Structure

We will implement reforms which aim to further improve the soundness and stability of the business. We will also accelerate improvements of the business promotion structure to increase the level of convenience and provision of insurance products chosen by our members and affinity groups.

Reform of Organization

We will accelerate the organizational restructuring which can reflect the needs of our members and affinity groups. We will also promote reforms to our business structure which will produce the maximum effect with limited resources for our members and affinity groups.

Reform of Awareness

We will raise awareness of Zenrosai's value as a co-operatives society. We will also develop human resources who have strong awareness to carry through the reforms.

The Six Promises

- 1** We will deliver simple, convenient, understandable, and steady peace of mind by providing insurance scheme which gains the understanding and satisfaction of our members and affinity groups.
- 2** We will promote the creation of a system to improve our members' satisfaction by reflecting each of our members' voices.
- 3** We will implement suitable efforts as a co-operatives society to contribute to society so that our members will be proud of being members.
- 4** We will encourage the establishment of a business foundation and level of preparedness which will always allow sound and stable business operation against a range of management risks including huge natural disasters.
- 5** We will address the development of capable human resources and internal reforms which break with precedent in order to maintain our organization as one that is trusted by our members and affinity groups.
- 6** We will promote the further reinforcement of extensive solidarity and cooperation among co-operatives societies in order to overcome the issues which cannot be settled by only Zenrosai.

For the Sound Growth of Children and the Development of Future Generations

Our organization serves as a special partner, as it did in 2013, in the Kokumin Kyosai U-12 Football Tournament, which is sponsored by the Japan Football Association (JFA). As a special partner, we support the psychological development of children through football games.

Special Partner in the Kokumin Kyosai U-12 Football Tournament



The Kokumin Kyosai U-12 Football Tournament has been held since FY2009 and is played in an eight-player format, which gives each player more opportunities to touch the ball. The tournament strives to create an environment for playing games that is suitable for the children's age group with the motto "Players First." (The adults who are involved in the program cooperate to create an ideal environment for the children.) We made the decision to serve as a partner in the tournament because JFA's vision of "Contributing to the sound physical and psychological development of people and the development of society by creating a rich environment for playing sports through football games" and the U-12 Football Tournament's activities, which are rooted in life, are consistent with our fundamental principles and activities at Zenrosai, as we are co-operative insurer for daily living that cherishes ties with the community.

A joint interview with the directors of the two organizations took place on July 24, 2014, which was the second year the program was held. In the interview, the two directors, who have plenty of life experience, shared their opinions passionately on the theme of "Providing an ideal environment for children" and discussed ways to nurture children, who will be the future leaders of Japan, through football games. By serving as partners in the Kokumin Kyosai U-12 Football Tournament again in 2014, we at Zenrosai will support the physical and psychological development of children and help them achieve their dreams.



"The Kokumin Kyosai U-12 Football Tournament"



Mr. Nakaseko (left), President of Zenrosai and Mr. Ohito (right), Chairman of JFA, extracted from 『Number 859 (2014)』

Efforts to Prevent the Great East Japan Earthquake from being Forgotten

Our organization is involved with a wide range of support activities in an aim to provide relief for those affected by the Great East Japan Earthquake, as well as to aid the recovery and restoration of the affected areas.

Forest Development Activities by Children

Our organization has partnered with the National Land Afforestation Promotion Organization to carry out environmental conservation activities. Since December 2013, we have supported "Midori no Shonendan" (Junior Green Friends Federation), which is a children's organization that carries out greening activities in specified regions through the Greening Project for the Enhancement of Environments for School Education in Disaster-affected Areas. The project is organized by the National Land Afforestation Promotion

Organization. As a result of the Great East Japan Earthquake, the amount of greenery in the affected areas has decreased. In particular, the coastal forest areas saw severe tsunami damage. In an effort to restore the nature environment in the affected areas and help children develop a mindset of taking good care of the environment, our organization has carried out activities such as supplying trees for planting and donating uniforms for the activity. By May 2014, we planted commemorative trees at tree planting events held at six elementary schools in Iwate, Miyagi, and Fukushima prefectures. At each school, children wearing recently donated brand new uniforms planted trees energetically while faculty members, the family members of the children, and community residents looked on.



Many people living in the affected areas have wounds that they still haven't recovered from, and children are no exception. At an elementary school with severe tsunami damage, we met a child who said that going past the devastated areas reminded him of what it was like at the time of the tsunami. He said it makes him want to cherish the natural environment, which makes him feel happier, and create more of it. We hope that the trees that were planted through this support project will grow steadily along with the children and will ease the pain of everyone at the elementary schools and people who live in the nearby communities.

Kizuna Koen (Koriyama Koen)

On April 13, 2014, we held the Kizuna Koen in Koriyama City, Fukushima. This public performance event was also held last year in Tokyo, and families living in evacuation areas were invited to the event. In the morning, a shadow play, which has been performed in 16 countries around the world, was performed by the "Akebinokai Shadow Play Group" and a story telling was performed by the Mezamashi Dokei Theater Group in the afternoon. It has been reported that even after over three and a half years since the Great East Japan earthquake struck, children living in Fukushima prefecture have fewer opportunities to play without restraint outside. Although it was a short program, we were able to provide the children of Fukushima with a fun time.



The Reading Relay Project

Zenrosai's Reading Relay Project started since November 2012 whose goals are to provide psychological care to and the sound nurturing of the children of evacuees in the regions afflicted by the Great East Japan Earthquake.

Story reading sessions were carried out in Iwate, Miyagi, Fukushima and Tokyo by reading volunteers.

Zenrosai lent tapestries of Takashi Yanase's Fairy Tale Picture book out.

These reading sessions travelled around to preschools and other places 44 locations and were held for a total of 3,274 children.



Claim Payment for the Great East Japan Earthquake

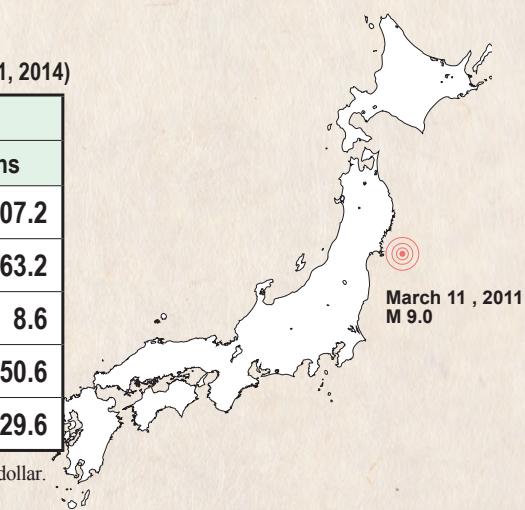
Zenrosai is performing examinations geared towards improving challenges based on a general overview of the response to the Great East Japan Earthquake. It is also continuing to call for information on disaster damage and promoting initiatives to pay mutual help money and condolence payments "Every Eligible Last Member."

Payment Status for the Great East Japan Earthquake

(As of July 31, 2014)

	Number of Claim Payments	Amount Paid	
		JPY millions	USD millions
Fire Insurance	194,999	41,687	407.2
Natural Disaster Insurance	95,965	78,130	763.2
Mutual Aid Benefit Scheme	52,723	881	8.6
Life insurances	1,167	5,180	50.6
Total	344,854	125,880	1,229.6

NOTE : Figures in US dollars are based on the interbank rate as of 31st July, 2014 : Japanese Yen 102.37 shall be a US dollar.



Mission Statement

“Towards a Safe and Affluent Society with Mutual Help”

To mark its 50th anniversary (in 2007), Zenrosai established the Zenrosai Mission Statement to return to its founding principles and reaffirm the spirit of Zenrosai built up over the preceding 50 years and the spirit it will value over the coming 50 years. As the overarching concept guiding Zenrosai into the future, this mission statement is considered the unchanging sense of values and fundamental values, approach, and creed of its business operation. We will carry out activities based on this mission statement.

Unchanging values that Zenrosai should share with its members.

- Safe** ... This refers to the outcome of mutual help. It also refers to the fact that overcoming social insecurity remains an essential, unchanging value from now into the future.
- Affluent** ... This refers to both economic and spiritual enrichment. It also refers to the traditional role of co-operative insurer of enabling spiritual peace of mind by securing more economical coverage through the viewpoint in which Zenrosai started from: “affordable insurance for workers.”
- Society** ... This refers to the approach of not only improving the lives of individual members but also contributing to society as a whole based on the historical process in which Zenrosai started out as workers’ welfare movement. It also refers to the intention of the co-operative movement—to expand the scope of helping each other through co-operative insurer and take action to realize a better society.
- Mutual** ... This refers to the members of Zenrosai as well as all employed people and consumers. It also connotes the meaning of “all” in the ideal of co-operatives, “All for One”. Furthermore, it also incorporates the meaning of promoting voluntary participation by members.
- Help** ... This refers to the cornerstone of Zenrosai since it was founded for the purpose of workers helping each other. It also expresses that the unchanging reason for existence of Zenrosai lies on the continuation of its status as a co-operative insurer over the next 50 years and keeping its spirit of helping each other.

Acting Guid for Zenrosai Staff

Code of conduct for all employees and officers to realize the Mission Statement.

We will carry out our business activities based on this mission statement, putting it as our unchanging values. With gratitude for and valuing the past 50 years, we will take on the challenges of expansion of co-operative insurance for workers to whole employed people and consumers in a broader sense. We will continue honest efforts on behalf of our members.



This is Zenrosai

Working for Members

Based on the co-operative principle, Zenrosai provides insurance and mutual help for its members under the supervision of the Ministry of Health, Labor and Welfare and the Consumers' Livelihood co-operative Society Law. Anyone can join the circle of mutual aid if they subscribe to this principle and pay the membership fee.

In Japan, many co-operatives like agricultural co-operatives, fishery co-operatives, co-operatives of small and medium enterprises, etc. and livelihood co-operatives, which are controlled and supervised by different applicable laws and competent authorities, are carrying out respective co-operative business for their members in the various industrial fields.

Operating Insurance Business for Members

Zenrosai offers insurance coverage to its members, providing financial security and creating a more prosperous community. Zenrosai's insurance business started from mutual assistance activities among members taking precautions against various risks to life and house. Since then it has developed into a modern security system: insurance.

Zenrosai now provides its members not only with financial indemnity but also overall livelihood security for a better life.

Promoting Workers' Welfare

Zenrosai has been working hand in hand with trade unions for the workers' welfare movement. The movement in Japan is organized by the voluntary activity of workers based on their own philosophy of mutual aid and solidarity. Workers' welfare systems for solving problems encountered in daily life are led by the workers themselves, using their own resources; and differ from governmental or employer social security systems. Under the leadership of the National Workers' Welfare Council, workers' welfare activities are implemented by labour banks, consumer co-operatives, co-operative insurers including Zenrosai, and housing co-operatives. Zenrosai was organized and has been run mainly by trade union members: however, its service extends to all workers in the community.

Democratic Management Structure

As a co-operative, Zenrosai is owned, managed and utilized by its members. It is essential for Zenrosai to maintain members' participation in its management in workplaces and communities.

In workplaces Zenrosai promotes its products with the assistance of organizers who are committed to support our activities in affinity groups such as trade unions. In local communities Zenrosai promotes its products through community organizers who sympathize with the Zenrosai movement. The organizers act not only as agents but also as leaders for coordinating various events for members.

In order to ensure those members' voices and heart, and to enhance the co-operative movement, affinity groups and organizers form the Area Management Committees/Agencies on a district basis. The result is a democratic, integrated management structure. Zenrosai has General Meetings, Board Meetings and other meetings comprising representatives of the members in workplaces and communities, at national, regional and prefectural level.

2014 IN BRIEF

1 Phase III of the Mid-Term Management Plan (Fiscal 2009-2013)

The fiscal year 2013 was the last year of the Mid-term Management Plan. Zenrosai has expended a lot of effort to realize what changes needed to be made to achieve our goals by the end of fiscal 2013. 2013 was regarded as the term to finalize the issues needed to be addressed and to prepare for the next Mid-term Management Plan starting from fiscal 2014.

2 Improvement of Operational Qualities to Realize “Zenrosai for Members”

All the aims under the ‘Business Improvement Plans’ were accomplished by the end of fiscal 2013. To further improve the operational quality and its efficiency, the ‘Standardized Business Flow for Counter Service’ was introduced in April 2014. That had the aim of completing contract procedures at the local counters.

3 A New Approach to Sales Promotion and Strengthening Sales Activities

In rapidly changing circumstances, we have made progress on several fronts. We decided to expand canvassing activities by holding one-to-one consultations and providing policy confirmations. Utilizing approach data and reinforcing promotion activities, emphasis was placed on direct interaction and dialogue with members. This is in order to shift our focus to preventing out-flow caused by cancelations and obtaining members with greater coverage and multi-contract policyholders, moving away from outdated policy canvassing activities centered on traditional advertising.

4 Insurance Products to Meet the Needs of Members

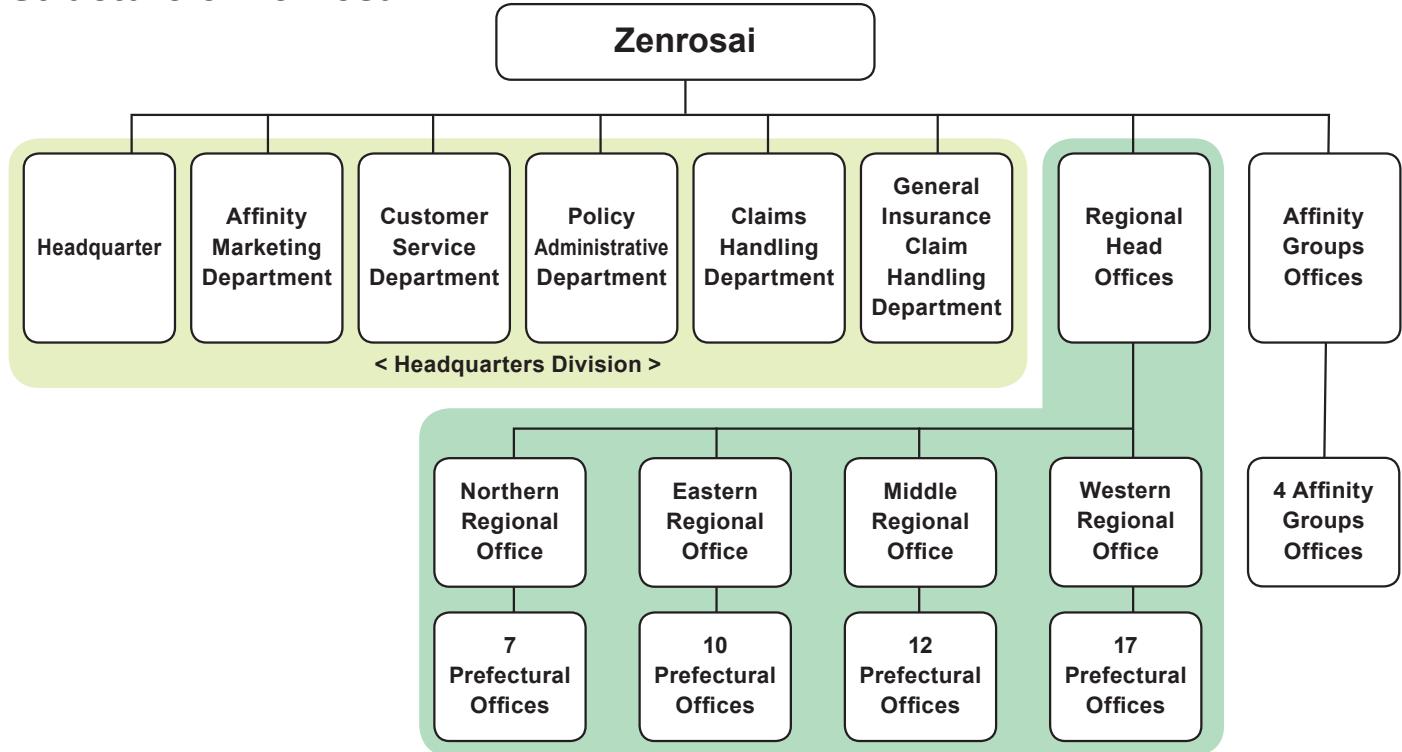
In the revisions to the Group Term Life Insurance of June 2013, new mechanisms were introduced such as the introduction of new payment scheme of death and severe disability benefits (*this allowed policyholders to receive benefit payments in the form of annuity) and an improvement of payment rule for hospitalization caused by accident and sickness (*coverage was expanded to one-day hospitalization).

5 Drawing-up the New Mid-Term Management Plan

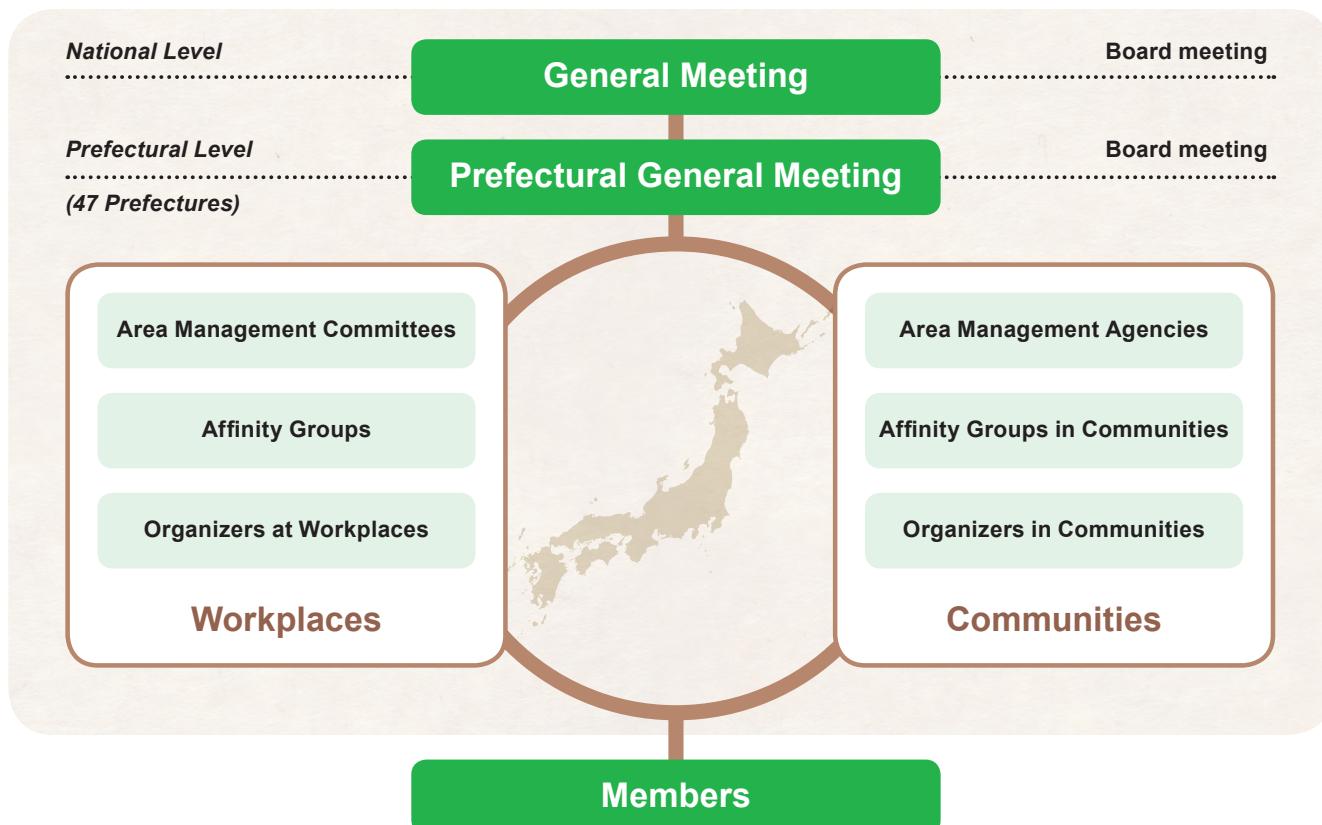
We have moved forward with the formulation of the Mid-term Management Plan for fiscal 2014 to 2017 by implementing countermeasures for various issues based on the ‘Fundamental Strategy of the Mid-term Management Plan’, which was approved at the 115th Annual General Meeting held on August 29, 2013. We at Zenrosai, in aiming to become a more appealing co-operative insurer, will steadily implement the Six Promises which we made with our members and affinity groups. This is possible by the Three Reforms (Business Structure, Organization and Awareness) over the next four years (by fiscal 2017) while earning the Understanding, Participation, and Sympathy of our members and affinity groups.

Operational Framework

Structure of Zenrosai



Management Framework of Zenrosai



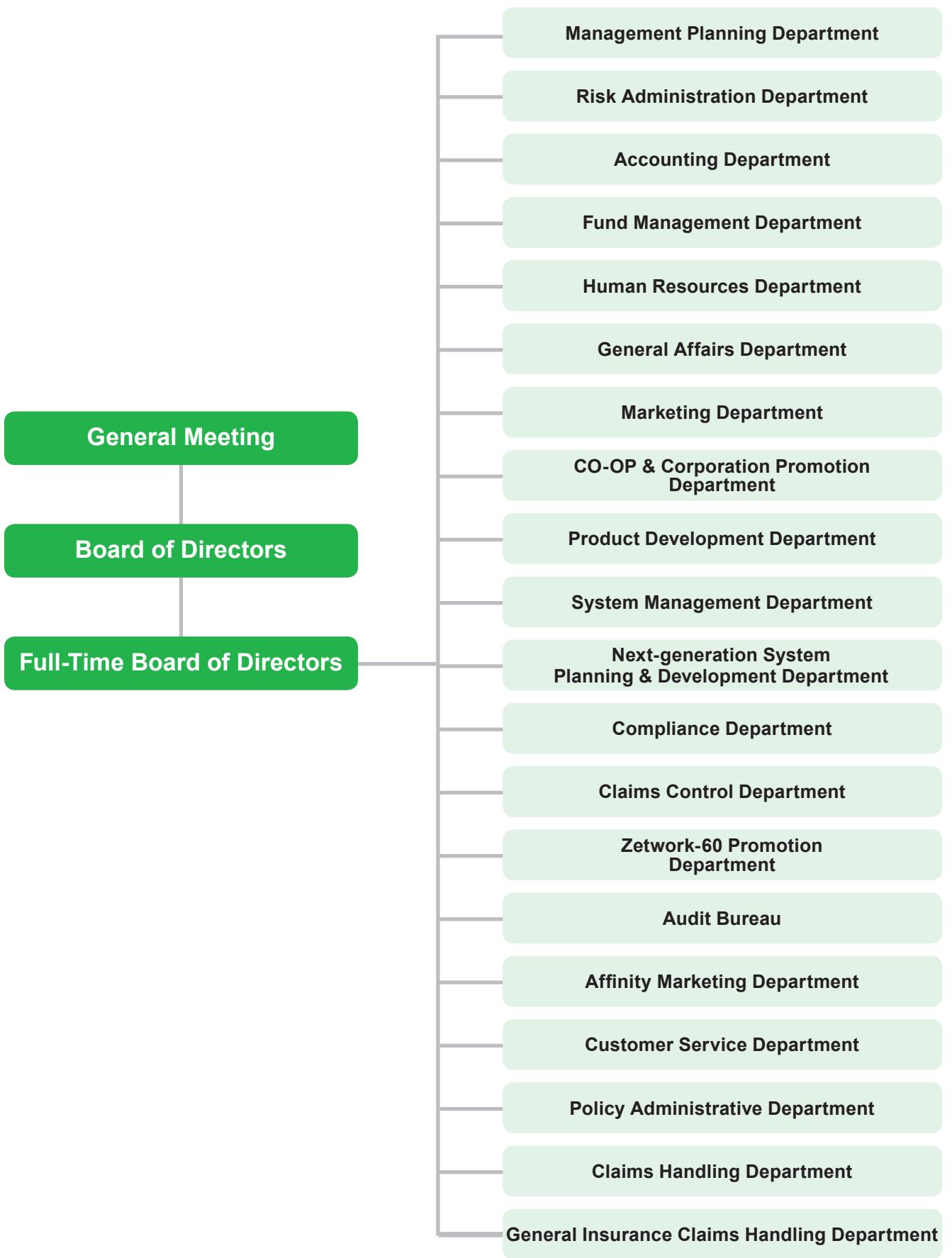
Membership: Anyone who subscribes to Zenrosai's philosophy and pays the membership fee can become a member of Zenrosai, and be eligible to take out an insurance policy. Approximately half of the members are through affinity groups such as trade unions, and the others are through organizers or other channels such as banks.

Affinity Groups: As of May 31, 2014, Zenrosai affinity groups total 32,032 throughout Japan: 31,035 trade unions and 997 community associations.

Organizers: Organizers are persons who introduce Zenrosai to communities and support members to participate various activities.

Headquarters

As of October 1 , 2014



The General meeting: It is at the apex of the decision-making system in Zenrosai. An ordinary meeting takes place once a year within three months of the end of fiscal year (the end of May). An extraordinary meeting can be held at any time, if necessary.

The Board Meeting: It takes place once every two months or at any time, if necessary. At the meeting important subjects concerning the management and business strategy, and a performance target, are deliberated and decided.

Zenrosai Officers

Executives



*President,
Board of Directors*

Hiroshi Nakaseko



*Senior Managing Director,
Board of Directors*

Hideo Hara

Hiroshi Nakaseko	<i>President, Board of Directors</i>	Tetsuo Takaishi	<i>Head Auditor</i>
Toshihiro Rikiishi	<i>Vice President</i>	Masahiro Ide	<i>Auditor</i>
Yasuo Ishiyama	<i>Vice President</i>	Katsumi Abeta	<i>Managing Director</i>
Shin Okayama	<i>Vice President</i>	Hiroshi Inamura	<i>Managing Director</i>
Kazuyuki Oda	<i>Vice President</i>	Chihiro Ikusawa	<i>Managing Director</i>
Hideaki Tokunaga	<i>Vice President</i>	Kazuyoshi Yamanaka	<i>Managing Director</i>
Hideo Hara	<i>Senior Managing Director, Board of Directors</i>	Keiji Takayama	<i>Managing Director</i>
Hiroshi Sakita	<i>Managing Director, Board of Directors</i>		
Mototsugu Akita	<i>Managing Director, Board of Directors</i>		
Shuji Hada	<i>Managing Director, Board of Directors</i>		

Employees (Total number of full-time staff)

As of May 31, 2014 3,642



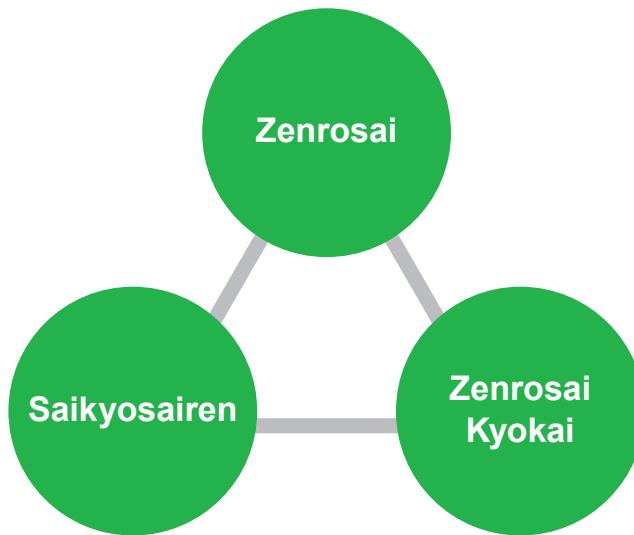
Zenrosai Head Office



Zenrosai Annual General Meeting

Zenrosai Group

Zenrosai Group comprises three major organizations



Organization	Establishment	Nature of Business
Zenrosai <i>National Federation of Workers and Consumers Insurance Co-operatives</i>	September 1957	Zenrosai underwrites all types of insurance products for individual directly. It also provides nursing care services.
Saikyosairen <i>Japan Reinsurance Federation of Consumers' Co-operatives</i>	January 1975	Saikyosairen underwrites reinsurance for workers' and consumers' co-operatives as well as many other co-operatives in Japan.
Zenrosai Kyokai <i>National Association for Workers Welfare and Co-operative Insurance</i>	June 2004	Zenrosai Kyokai provides guidance, coordination and liaison work for workers' welfare and co-operative insurance.

Subsidiaries

Organization	Business content	Held (%)
Zenrosai Systems Co. Ltd.	System administration	100%
Zenrosai Libs Co. Ltd.	Policy administration	100%
Zenrosai Assist Co. Ltd.	Policy administration	100%
Zenrosai WIC Co. Ltd.	Corporate insurance, Leasing, LTC	99%
Space Zero Co. Ltd.	Operating Space Zero, a multi-purpose auditorium	100%
Zest Co. Ltd.	Long term care services	92%

Business Growth

1 Sum Insured: JPY 768.0 Trillion

The fiscal year of 2013, was last the fiscal year of the Mid-term Management Plan. As the term to finalize the issues needed to be addressed and to prepare for the next Mid-term plan from fiscal 2014, we have expended a lot of effort to realize what changes needed to be made to achieve our goals by the end of the fiscal 2013.

Also, we advanced efforts to ensure the processing of claim payments and ex-gratia payments to every last eligible member by continuing to widely publicize information on acceptance of claims to those members affected by the Great East Japan Earthquake. As a result, we have paid a cumulative total of JPY 125.7 billion by the end of May 2014.

As a result of advancing merger of business of industrial insurance co-operatives, with the aim of coalition of co-operatives, our total assets increased by JPY 165.6 billion from the previous fiscal year to JPY 3.40 trillion.

Number of policy-in-force totaled 33.43 million (Δ 0.8%), 4.03 billion contract units (up 1.3%) and a sum insured of JPY 768.0 trillion (up 11%).

2 Steady Growth in Natural Disaster Insurance and Automobile Insurance

The number of policy-in-force decreased by 275,000 to 33.43 million due to the shift to direct writing. A look at the main developments in each of products shows that natural disaster insurance increased by 40,000 contracts (2.0%) because the rate of attachment to the main contract increased, thanks to the effort of 'Disaster Prevention and Coverage Examination Campaign' from the fiscal 2011. Automobile insurance (revised December 2012) by 273,000 (14.5%). At the same time, accident insurance (revised in May 2012) increased 18,000 contract units (4.0%) and personal liability insurance by 55,000(91.9%).

3 Strengthening the Financial Foundation Base

We have moved forward the effort of strengthening the financial foundation base as the precedent issue of the Mid-term management plan of fiscal 2009 to 2013 from the fiscal 2008. Based on the plan, we have started to carry out the liability reserve and equity capital funding project, which has the goal of JPY 910 billion. Although it was delayed for one year due to claim payments for the Great East Japan Earthquake occurred on March 11, 2011, the amount of the liability reserve and equity capital at the end of fiscal 2013 exceeded over the original goal, JPY 940.7 billion.

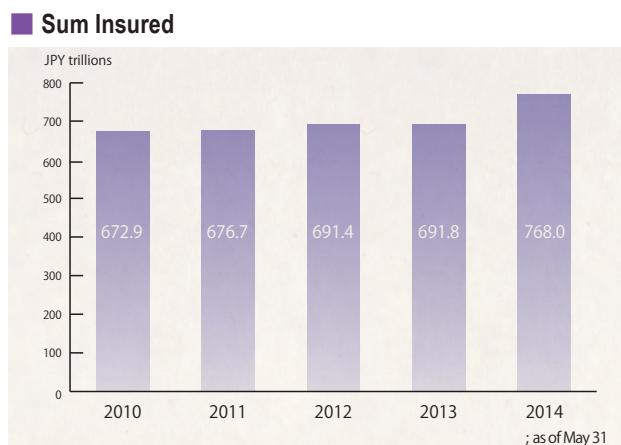
In fiscal 2013, Zenrosai's equity increased by JPY 68.9 billion to JPY 313.3 billion owing to factors including an increase of membership capital, an improvement of unappropriated surplus for the year and unrealized gain on other available-for-sale securities. Furthermore, adjusted equity capital, which includes contingency reserves and price fluctuation reserves, increased by JPY 99.3 billion to JPY 650.0 billion, raising the adjusted equity capital ratio to 19.1%.

In addition, net worth with unrealized profit and loss added up increased by JPY 162.5 billion from the previous year to JPY 1,152.2 billion, raising the net worth ratio by 3.3 points to 33.9%.

The solvency margin ratio rose by 185.1 points from the previous year to 1,574.4%, as a result of continued increases in liability reserves and price fluctuation reserves.

Trend in Sum Insured

A look at the trend in the sum insured over the five-year period since fiscal year of 2009 shows that it increased by JPY 0.4 trillion (0.1%) in fiscal year of 2012 as natural disaster insurance and automobile insurance experienced steady growth. Thanks to the fruit of coalition of industrial insurance co-operatives, it grew by JPY 76.2 trillion (11.0%) in fiscal year of 2013, to JPY 768.0 trillion.



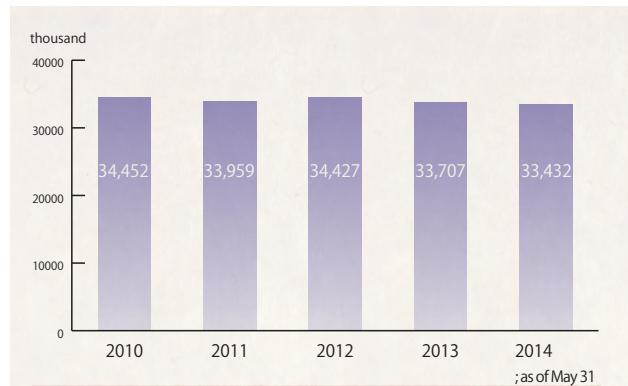
Business Growth

Trend in Policy-in-Forth

The number of policies-in force decreased by 720,000(2.1%) in fiscal 2012 to 33.71 million. Again, due to the increase of the shift to direct writing as a result of merger of business of industrial insurance co-operatives. It decreased by 275,000(0.8%) this fiscal year to 33.43 million.

A look at the main features of these insurance accepted shows that while automobile insurance contracts increased by 273,000(14.5%), natural disaster insurance by 40,000 (2.0%), accident insurance by 18,000(4.0%). However, insurance products centered for trade unions saw decreases of 191,000 contracts (5.6%) in traffic accident insurance and 102,000 contracts (1.8%) in group term life insurance.

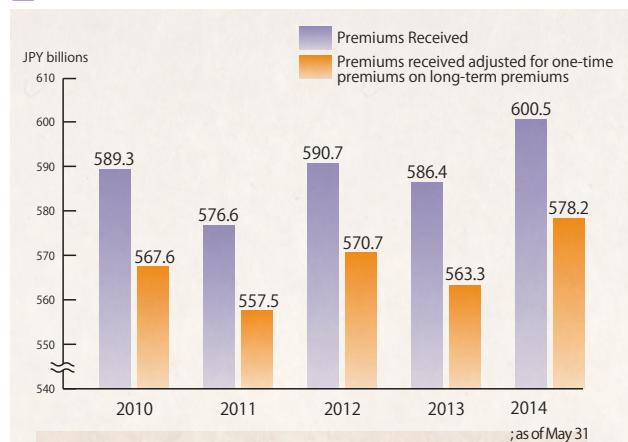
■ Number of Policies-in-Force



Trend in Premiums Received

Insurance premiums received in fiscal year of 2013 increased by JPY 14.1 billion (2.4%) from the previous fiscal year to JPY 600.5 billion. The real amount adjusted for the effects of factors such as one-time premiums on long-term insurance products was JPY 14.9 billion (2.6%).

■ Premiums Received



Trend in Claim Payments

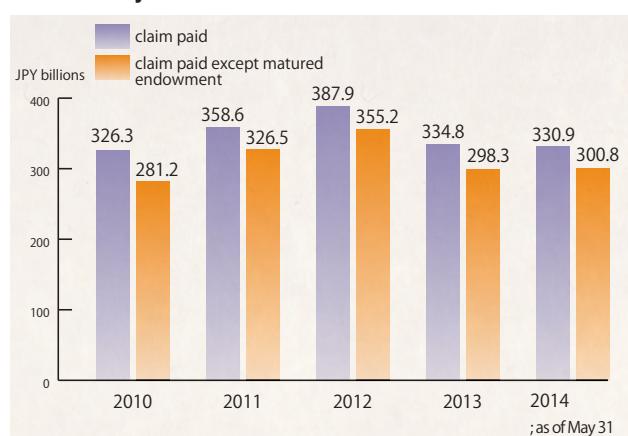
Fiscal year of 2013 also saw numerous natural disasters including typhoons and snow damage, and it was a year in which the livelihoods of many members were severely affected.

Amid such conditions, Zenrosai was able to assist members who suffered from natural disasters as a co-operative insurer, through making claim payments and ex-gratia payments to them.

Claim payments in fiscal year of 2013 decreased by JPY 3.9 billion from the previous year (1.2%) to JPY 330.9 billion.

Payments of claims and other payments arising in response to incidents that occurred during fiscal year of 2013 including Typhoon Man-yi, Wipha, the February 2014 snow damage , and 2014 winter season damage in northern Japan totaled JPY 12.8 billion (including reserve for outstanding claims).

■ Claim Payments



Financial Highlights

	FY2009	FY2010	FY2011	FY2012	FY2013
Ordinary Income	678,920	663,560	718,588	675,305	690,379
Ordinary Surplus	42,224	38,681	36,915	32,295	87,854
Net Surplus	7,891	Δ 16,889	Δ 14,015	9,406	25,921
Membership Capital	131,852	132,160	142,471	142,596	180,715
Total Capital	240,857	226,016	222,129	247,139	314,547
Total Assets	2,986,028	3,046,959	3,116,448	3,233,931	3,399,538
Policy reserves and others	2,508,575	2,557,667	2,646,890	2,745,467	2,809,171
Securities	2,254,448	2,258,208	2,321,094	2,413,303	2,575,535
Number of Staff	3,405	3,379	3,472	3,458	3,642
Solvency Margin Ratio (%)	1,036.4	1,109.7	1,196.4	1,389.3	1,574.4

Figures are in JPY millions except Number of Staff and Solvency Margin Ratio.

Financial Highlights

Premium Income by Lines

May 31, 2014

Types of Insurance	JPY millions	USD millions	Share, %	Rate of Change, %
Fire Insurance	59,126	581	9.8	1.8
Natural Disaster Insurance	39,761	391	6.6	7.4
Traffic Accident Insurance	8,785	86	1.5	△ 3.6
Automobile Insurance	81,053	797	13.5	14.9
Compulsory Automobile Liability Insurance	2,169	21	0.4	8.6
Group Term Life Insurance	90,929	894	15.1	27.6
Individual Term Life Insurance	115,478	1,136	19.2	△ 2.2
Individual Term Life Insurance for Pre-Adolescent	7,572	74	1.3	△ 3.2
Individual Term Life Insurance for Senior	6,107	60	1.0	△ 0.7
Accident Insurance	10,483	103	1.7	△ 1.5
Personal Liability Insurance	204	2	0.0	150.8
Individual Long-Term Life Insurance	71,482	703	11.9	△ 4.6
Individual Annuity	15,830	156	2.6	0.4
Group Annuity	5,767	57	1.0	△ 6.4
New Group Annuity	41,677	410	6.9	2.0
Whole Life Insurance	39,728	391	6.6	△ 0.2
Other Insurance Business	4,354	43	0.7	△ 75.8
Total	600,506	5,906	100.0	2.4

Claim Paid by Lines (JPY millions)

May 31, 2014

Types of Insurance	JPY millions	USD millions	Share, %	Rate of Change, %
Fire Insurance	16,995	167	5.1	4.1
Natural Disaster Insurance	9,509	94	2.9	24.6
Traffic Accident Insurance	4,558	45	1.4	△ 5.8
Automobile Insurance	57,630	567	17.4	3.5
Compulsory Automobile Liability Insurance	1,161	11	0.4	△ 13.6
Group Term Life Insurance	43,062	424	13.0	18.5
Individual Term Life Insurance	49,449	486	14.9	△ 2.6
Individual Term Life Insurance for Pre-Adolescent	4,288	42	1.3	△ 1.4
Individual Term Life Insurance for Senior	2,393	24	0.7	△ 3.3
Accident Insurance	5,124	50	1.5	△ 6.8
Personal Liability Insurance	27	0	0.0	120.9
Individual Long-Term Life Insurance	48,717	479	14.7	△ 12.0
Individual Annuity	38,797	382	11.7	5.4
Group Annuity	2,454	24	0.7	57.1
New Group Annuity	31,358	308	9.5	0.7
Whole Life Insurance	12,804	126	3.9	7.7
Other Insurance Business	2,550	25	0.8	△ 80.0
Total	330,886	3,254	100.0	△ 1.2

NOTE : Figures in US dollars are based on the interbank rate as of 31st May, 2014 : Japanese Yen 101.68 shall be a US dollar.

Management index

Ensuring Sufficient Security to Reward the Trust of Members

Adjusted Equity Capital: 650 JPY Billion

Adjusted Equity Capital Ratio: 19.1%

As shown in the table at right on our ability to insurance liability, due to the increase in equity capital by JPY 68.9 billion, as well as increase in contingency reserves and price fluctuation reserves, the resulting adjusted equity capital increased by JPY 99.3 billion to JPY 650 billion, for an adjusted equity capital ratio of 19.1 percent.

		Summary		May 31, 2014		May 31, 2013	
		Amount	Percent,%	Amount	Percent,%	(JPY billions,%)	
Adjusted equity capital Equity capital	Membership capital	180.7	5.3	142.6	4.4		
	Surplus	123.3	3.6	98.2	3.0		
	Valuation and translation adjustment	9.2	0.3	3.5	0.1		
	Subtotal	313.3	9.2	244.3	7.6		
	Contingency reserves	304.0	8.9	280.1	8.7		
	Price fluctuation reserves	32.7	1.0	26.2	0.8		
	Total	650.0	19.1	550.7	17.0		
Total assets		3,399.5	-	3,233.9	-		

Basic Profit: 137.3 JPY Billion

Basic profit increased by JPY 16.7 billion from the previous year to JPY 137.3 billion due to the recovery of improve of profit or loss and the improvement in risk premium profit or loss.

(JPY billions)		
Summary	May 31, 2014	May 31, 2013
Basic profit	137.3	120.6
(Expense profit or loss)	(3.6)	(2.8)
(Investment profit or loss)	(1.5)	(Δ3.7)
(Risk premium profit or loss)	(132.2)	(121.5)

Note: The basic profit is calculated by deducting the amount of capital profit and loss, extraordinary profit and loss from ordinary surplus.

Solvency Margin Ratio: 1,574.4%

The total solvency margin rose by 124.6 JPY billion as a result of continued increases in membership capital, additional liability reserves and contingency reserves. At the same time, the total amount of risk increased, although general insurance risk were kept down. As a result, the solvency margin ratio rose by 185.1 points from the previous year to 1,574.4 percent.

(JPY billions,%)		
Summary	May 31, 2014	May 31, 2013
Total solvency margin (A)	974.8	850.3
Total risk (B)	123.8	122.4
Solvency margin ratio (A)/(B)×(1/2)×100	1,574.4%	1,389.3%

Note: The aforementioned solvency margin ratio was calculated based on the Consumers' Cooperative Society Law.
Since Zenrosai provides both life and non-life insurance, our solvency margin ratio cannot be compared simply to those of other life insurers or non-life insurers.

Net Worth: 1,152.2 JPY Billion

Net Worth Ratio: 33.9%

Net worth was JPY 1,152 billion, increased by JPY 162.5 billion due to increases in additional liability reserves and other reserves (liabilities with the nature of capital). This indicates a good financial state with a net surplus of assets.

(JPY billions,%)		
Summary	May 31, 2014	May 31, 2013
Net worth	1,152.2	989.7
Net worth ratio	33.9%	30.6%

Note: 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).

Asset Management

1 Asset Management Environment

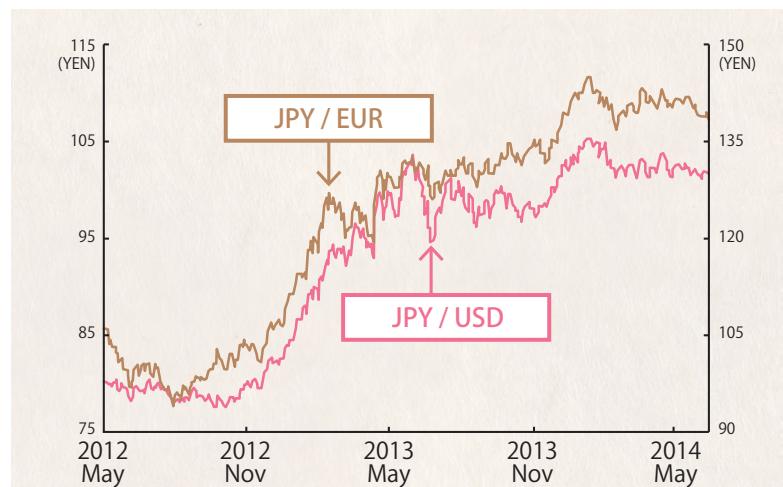
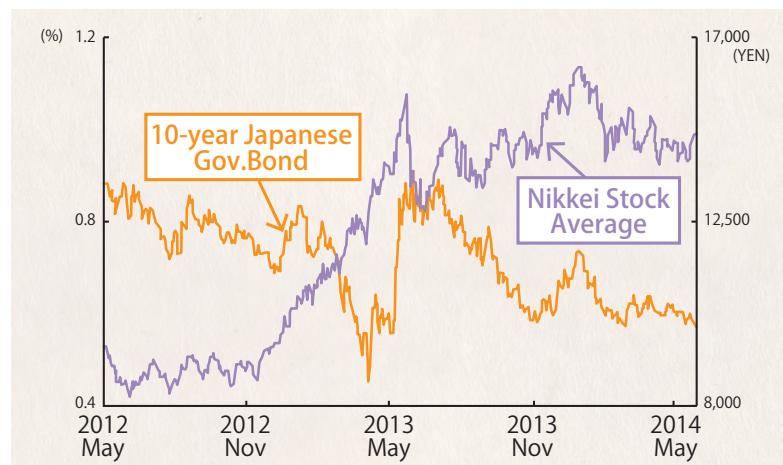
As for the FY2013 economic conditions, in the United States, in addition to improvements in the employment rate, consumer spending held firm, and the economy made a gradual recovery. In response to such trends, in December 2013, the United States Federal Reserve Board (FRB) made the decision to taper back on quantitative easing. In Europe, meanwhile, concerns over the Eurozone crisis began to subside as the European Union made progress in fiscal consolidation measures and the European Central Bank (ECB) strengthened their monetary easing measures, and the economy showed signs of a recovery.

In Japan, the economy began to make a recovery. For instance, consumer behavior changed for the better as people began to have higher expectations for the Bank of Japan's monetary easing measures and the government's policies for economic growth. At the start of the year, there were concerns over the impact that the growing sense of uneasiness towards emerging economies caused by the decision of the United States to taper back on quantitative easing and the intensifying circumstances in Ukraine would have on the economy. Nevertheless, the domestic economy continued to improve as growth in domestic demand and corporate spending on facilities and equipment caused by a last-minute demand before the sales tax hike showed recovering trends.

As for the domestic interest rate (new Japanese government bond 10 year distribution yield), although the rate hovered around the 0.8% range at the start of the year after observing rises in stock prices and the decision of the United States to taper back on quantitative easing measures, it showed a downward trend from the impact of the lowered interest rates, which resulted from the Bank of Japan purchasing large amounts of government bonds, and fell below 0.6 % by the end of the fiscal year.

Domestic equities (the Nikkei Stock Average) showed an upward trend due to expectations for the recovery of corporate performance resulting from the depreciating yen and retuned back to the 16,000 yen range by the end of 2013. Since the start of 2014, however, domestic equities have slumped, as concerns grew over the direction of emerging economies.

As for exchange rates, the yen continued to depreciate, dropping to the 105 yen per dollar and 145 yen per Euro ranges by the end of 2013. This drop was caused by expectations for the United States economy to recover and the subsiding of the concerns over the Eurozone crisis. Since the start of the year, the value of the yen has remained stable, as a result of a slump in currency values of emerging economies, which has developed as the United States has begun to decrease its quantitative easing measures, and an increase of geopolitical risks overseas.

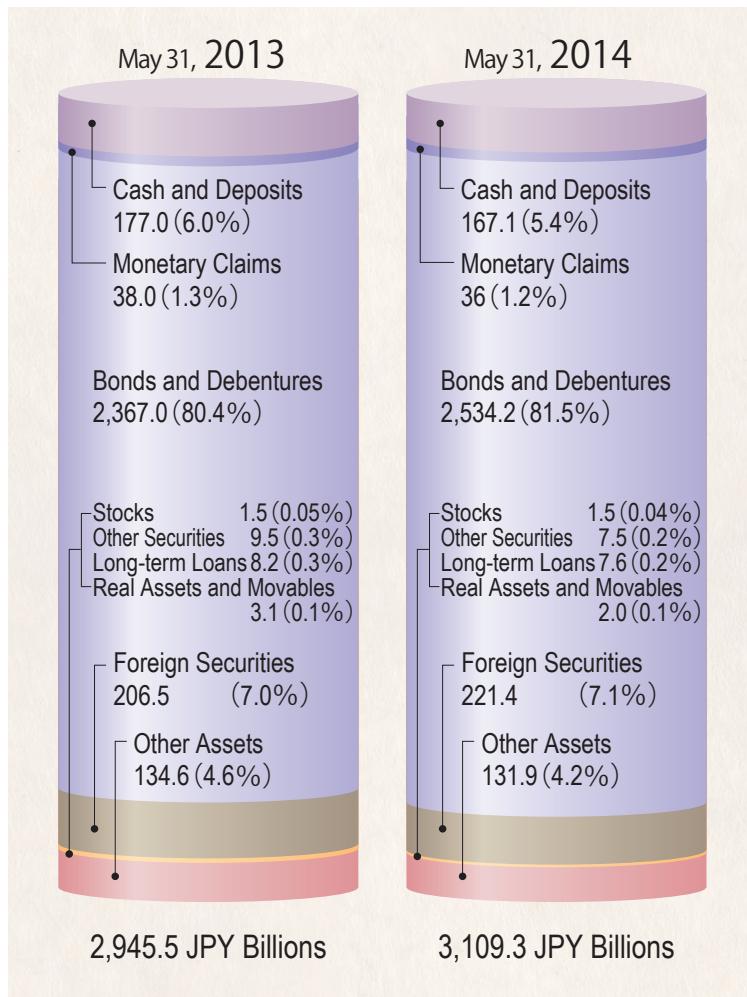


2 General Condition of Asset Management

Zenrosai's asset management has been employed mainly on government bonds and corporate debentures which promise stable, long-term profits, based on our management policies. Moreover, we encouraged long-term management of government bonds and corporate debentures from the perspective of ALM (comprehensive assets and liabilities management).

Assets we manage have reached JPY 3,109.3 billion, an increase of JPY 163.8 billion. Major items in detail are government bonds which comprise the core, with 81.5% government bonds and corporate debentures; 7.1% foreign securities; and 5.4% cash and deposits. Long-term loans include such cases as policy loans, while loans against nonfinancial companies are not approved under the Consumers' Livelihood Co-operative Society Law. Our net profit from asset management rose by JPY 3.2 billion (6.8%) from the previous fiscal year to JPY 50.7 billion, while our yield on investment was 1.68%.

■ Working Assets



■ Investment Profit

(JPY billions)

	May 31, 2014	May 31, 2013
Investment Profit	50.7	47.5
Yield on Investment	1.68%	1.64%

Balance Sheet

Balance Sheet

	JPY millions	JPY millions	USD millions
	May 31, 2014	May 31, 2013	May 31, 2014
Assets:			
Cash and deposits	167,134	176,967	1,643.7
Money-in-trust	189,047	171,259	1,859.2
Monetary claims bought	36,000	38,000	354.0
Securities	2,575,535	2,413,303	25,329.8
Loans	7,641	8,249	75.1
Invested real estate	1,953	3,085	19.2
Other investments	131,948	134,604	1,297.6
Reinsurance accounts receivables	2,370	2,211	23.3
Deposited accounts receivables	1,664	1,697	16.3
Accounts receivables	82	360	0.8
Other insurance business assets	17,233	15,251	169.4
Other business assets	0	1	0
Prepaid expenses	348	699	3.4
Accrued revenue	12,471	11,985	122.6
Other assets	2,497	11,348	24.5
Real assets and movables for operating	62,987	63,075	619.5
Fund to related organizations	5,936	5,608	58.3
Deferred tax assets	184,885	176,457	1,818.3
Allowance for bad debts	△ 193	△ 229	△ 1.8
Total Assets	3,399,538	3,233,931	33,433.6

Balance Sheet, cont.

	JPY millions	JPY millions	USD millions
Liabilities:	May 31, 2014	May 31, 2013	May 31, 2014
Policy reserves	2,947,694	2,862,445	28,989.9
Reinsurance accounts payables	2,568	2,643	25.2
Accounts payables	566	633	5.5
Deposited accounts payables	78	336	0.7
Other insurance business liabilities	33,534	33,819	329.7
Other business liabilities	0	4	0.0
Loans payables	57	71	0.5
Deferred income	39	37	0.3
Expenses payables	8,697	8,904	85.5
Interests payables	0	0	0.0
Other liabilities	33,813	27,892	332.5
Reserves for possible loan losses and retirement allowances	25,256	23,771	248.3
Price fluctuation reserves	32,688	26,240	321.4
Total Liabilities	3,084,991	2,986,792	30,340.7
<hr/>			
Net Assets			
Membership capital	305,304	243,612	3,002.5
Cooperative Share	180,715	142,596	1,777.2
Surplus	124,590	101,017	1,225.3
Statutory reserve	36,511	34,629	359.0
Voluntary reserve	59,388	55,311	584.0
Unappropriated surplus for the period	28,691	11,077	282.1
(Net surplus for the period)	(25,921)	(9,406)	(254.9)
Valuation and translation adjustments	9,243	3,527	90.9
Total Net Assets	314,547	247,139	3,093.4
Total Liabilities and Net Assets	3,399,538	3,233,931	33,433.6

Note: Figures in US dollars are based on the interbank rate as of 31st May, 2014 : Japanese Yen 101.68 shall be a US dollar.

Statements of Income

Income Statement

	JPY millions For the Year Ended; May 31, 2014	JPY millions May 31, 2013	USD millions May 31, 2014
Ordinary Income:			
Premium and other income	611,279	598,866	6,011.7
Transfer from policy reserves	25,785	26,504	253.6
Other business income	—	412	—
Investment income	51,969	48,654	511.1
Other ordinary income	1,347	869	13.2
Total Ordinary Income	690,379	675,305	6,789.7
Ordinary Expenses:			
Claims and Benefits	419,500	427,089	4,125.6
Transfer to policy reserves	60,458	99,112	594.5
Other business expenses	—	16	—
Investment expenses	1,231	1,166	12.1
Operating expenses	120,980	115,318	1,189.8
Other ordinary expenses	357	308	3.5
Total Ordinary Expenses	602,525	643,010	5,925.6
Ordinary Surplus	87,854	32,295	864.0

Income Statement, cont.

	JPY millions For the Year Ended; May 31, 2014	JPY millions May 31, 2013	USD millions May 31, 2014
Extraordinary Profit and Loss			
Extraordinary Income	8	14,934	0.1
Extraordinary Loss	8,363	6,254	82.2
Extraordinary Income	△ 8,355	8,680	△ 82.1
Surplus before taxes	79,500	40,975	781.8
Corporate and other taxes	26,342	23,797	259.0
Adjustment of corporate and other taxes	△ 10,636	△ 17,968	△ 104.6
Transfer to dividends reserves	37,872	25,740	372.4
Net surplus for the period	25,921	9,406	254.9
Retained earnings from prior period	1,046	803	10.2
Payments from voluntary reserves	1,723	868	16.9
Unappropriated surplus for the period	28,691	11,077	282.1

Note: Figures in US dollars are based on the interbank rate as of 31st May, 2014 : Japanese Yen 101.68 shall be a US dollar.

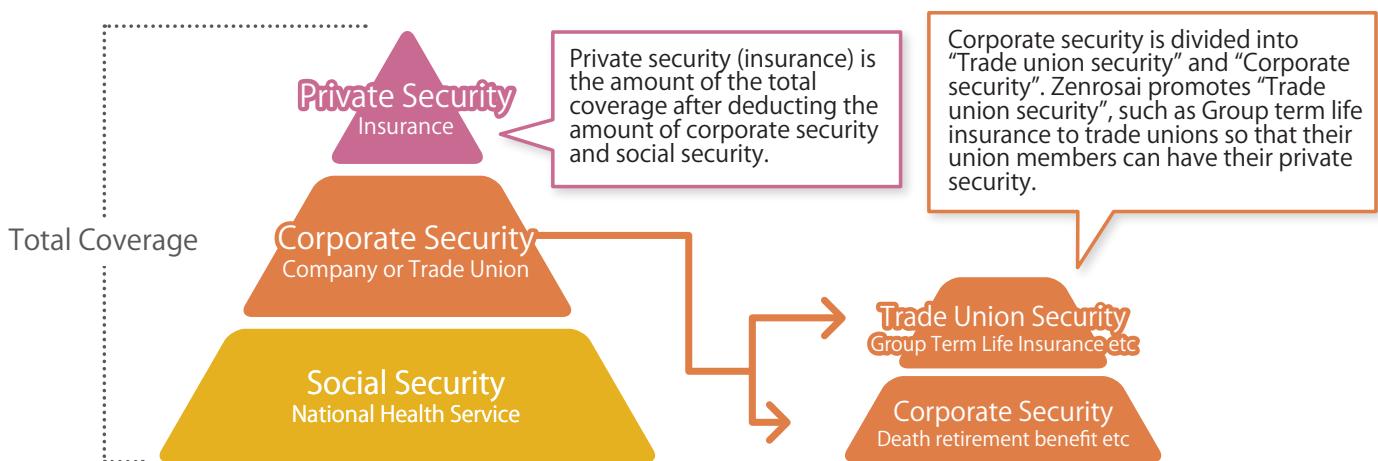
Approaches for Total Coverage

Measures for Risks (1)

It is a little unreasonable to try to secure ourselves against all the risks we face in our lives using only private insurance. It is important to prepare ourselves for risks by thinking about security taking into consideration all the security we need, including social security such as national health service and corporate security from sources such as companies or trade unions.

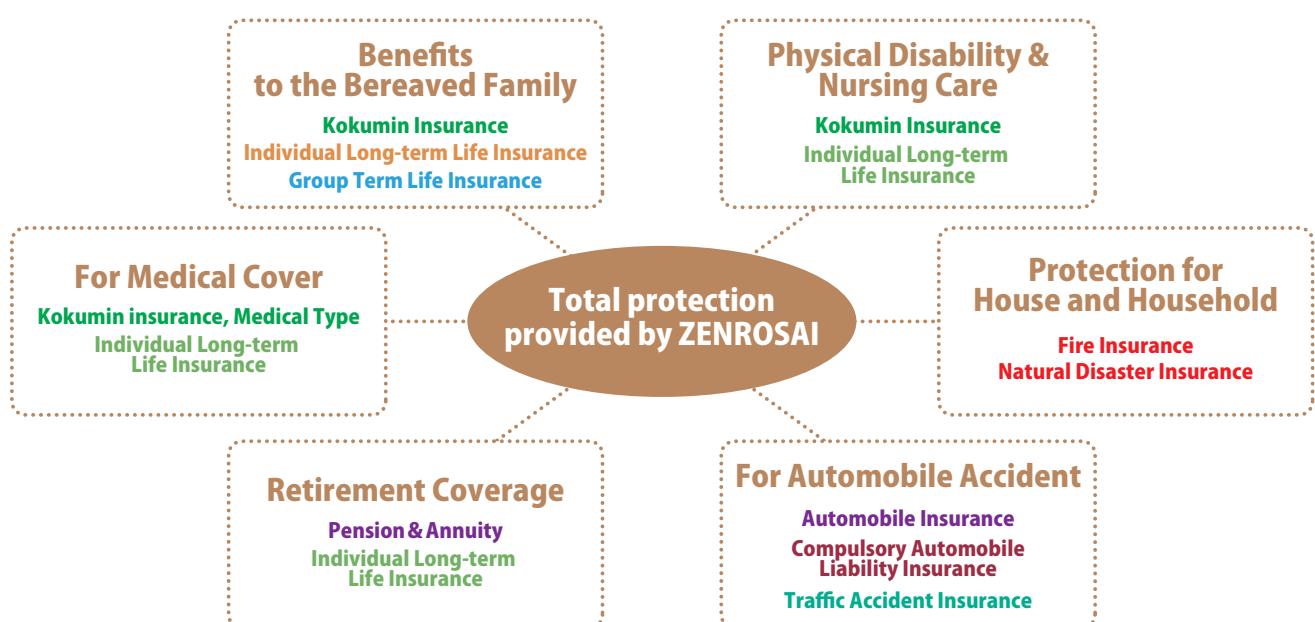
The key point is to understand the systems and level of social security and corporate security, and then to prepare for the category of risk that these do not cover by using private security (such as insurance and savings).

Based on this concept, Zenrosai provides its members with, what we call, Lifestyle Security Design Program. The goal is to enhance security and reduce household expenditures and through consultation with our members, consider the insurance coverage they truly need to prepare for uncertainties in a reasonable way, through planning and implementing a life plan suited to their own needs.



Measures for Risks (2)

Zenrosai takes advantage of its co-operative characteristics, and provides total protection for the members, such as life, non-life, and liability insurance.



Cooperation among Co-operative Societies

Business tie-up with Labour Bank and JCIF (Japan CO-OP Insurance Consumers' Co-operative Federation)

Labour Bank, as a co-operative insurance agent of Zenrosai, had been promoting "Mortgage fire insurance (including natural disaster insurance)" since April 2009, and started promoting "fire insurance" from April 2010. In March 2009, Labour Bank and Zenrosai announced its joint declaration titled "New consumers' welfare which Labour Bank and Zenrosai head for".

As voluntary organizations for workers' welfare, Labour Bank and Zenrosai have provided financial and insurance services for their better and stable life for over fifty years.

Having strengthened close relationship between consumers and civic activities with cooperation among co-operative societies, we will find out consumers' new needs and develop products and schemes. Therefore, Labour Bank and Zenrosai contribute to the creation of new society of mutual help and compassion through our core business, financial and co-operative insurance services.

Also, we are conducting product tie-up and marketing activities for life and fire insurance business with JCIF (Japan CO-OP Insurance Consumers' Co-operative Federation).

Affiliation to JCIA (Japan Cooperative Insurance Association)

It was in 1960s when the necessity of cooperation to strengthen social role of "co-operatives doing insurance business" was pointed out for the first time.

After that, co-operative insurance business has been developing well, but collaborative relationship among co-operative insurance societies was not enough because of different applicable laws. Then, the four societies, including Zenrosai, Zenkyoren, Kyosuirens and Kyosai (co-operative insurance) Hoken (insurance) Institute started a concrete canvas and firstly, "Connecting Association of Co-operative Insurance Society" was launched in 1988 and after that, aggregate corporation "Japan Co-operative Insurance Association" was established in 1992.

The association's purpose is "to promote a sound development of co-operative insurance business and, through this activity, to contribute to stability of living and improvement of welfare for all working classes such as farmers, forest workers, fisheries, labourers and so on in the community and society."

JCIA Members

- Zenrosai
- Zenrosai Kyokai
- Saikyosairen
- Kyosuirens
- Zenkyoren
- Seikyo Zenkyoren
- Daigaku Seikyo Kyosairen
- Kyoei Fire & Marine Insurance
- Zenkoku Seikyoren
- Nikkaren
- Kokyoren
- Zenjikyo
- JCIF

Affiliation to JJC (Japan Joint Committee of Cooperatives in Japan)

Aiming at alignment activity looking to the international scope, Zenrosai has been a member society of JJC since 1992. JJC was established in 1956 as a connecting body of agricultural co-operative, consumers' co-operative, fisheries' co-operative, and others in the central area to promote mutual connection and alliance among different types of co-operatives in Japan, solution of common problems and alliance with co-operative movements in foreign countries.

JJC Members

- Zenrosai
- JA-ZENCHU
- ZEN-NOH
- Zenkyoren
- JCCU
- HeW CO-OP JAPAN
- JWCU
- Zengyoren
- ZENMORI-REN
- NFUCA
- The Norinchukin Bank
- IE-NO-HIKARI ASSOCIATION
- Japan Agriculture News
- National Association of Labour Banks
- JCIA

Social Contribution Activities

Based on our mission statement, "Towards a Safe and Affluent Society with Mutual Help," Zenrosai is carrying out activities to contribute actively to the community. Areas of 'Loss Prevention Activity', 'Environmental Preservation Activity', and 'Upbringing Healthy Children Activity' are put as priority areas for building and passing along a safe and affluent society, and we are carrying out a variety of social contribution activities.



Social Contribution Report



Loss prevention activity “Bosai Cafe (loss prevention cafe)”

The “Bosai Cafe” is being promoted by the Cabinet Office as a traveling course to raise awareness of disaster prevention among the public. With just a little effort, anybody can protect him or herself from natural disasters such as earthquakes and typhoons and minimize the damage they cause. The “Bosai Cafe” is held as a program in which the entire family, from children through adults, can participate, through combining together a variety of events under the motto of being fun and easy to understand. These events include taste testing of emergency food, lectures by experts and others, disaster prevention science experiment shows, and disaster prevention games.



Bosai Cafe

Fire insurance with social contribution for eco-houses

“Fire insurance with social contribution for eco-houses” is a insurance policy in which Zenrosai makes donations to groups carrying out environmental activities in accordance with the conditions of business performance each year. It provides the same coverage as normal fire policy but at a discounted rate for eco-friendly houses, making it an insurance policy that is good for both society and members.

In the fiscal year of 2013, we donated JPY 11 million under this program to the following group conducting environmental activities:

National Land Afforestation Promotion Organization.

Midori no Bokin (“Green Fund”) restricted purpose donation: Great East Japan Earthquake Reconstruction Project

Social Contribution Activities

2014 Zenrosai Community Contribution Grant Program

Since 1992 we have provided grants to organizations taking on issues such as environmental problems. In 2014, we conducted “2014 Zenrosai Community Contribution Grant Program” targeting activities in two areas, which are ‘Activities to protecting the environment’ and ‘Activities to support sound child rearing’, all under the theme of “benefiting children living today and in the future, in order to leave a rich natural environment for the children of the future.”

The main focuses of the program are “activities that will lead to community building, growth, and revitalization by linking people with each other through numerous community residents taking part in the activities” and “activities that will take firm root in the community and will continue.” From the perspective of how to contribute to building ties in the community, in addition to environmental protection results and contributions to sound child rearing, this program is expected to lead to community building, growth, and revitalization by broadening the scope of people helping each other in the community.

Subject activities

- (i) Activities to protect the ecosystem in the community
- (ii) Activities to build a Low-carbon and a sound material-cycle society in the community
- (iii) Activities to learn the importance of the community’s nature and environment
- (iv) Activities to create a connection in the community
- (v) Activities to bring up the power to help each other for handicapped children and their parents



Applications and Screening Results

Number of Applied Organizations	Number of Elected Organizations	Grant Amount
312	74	JPY 19,673,738

Zenrosai Culture Festival

In the 2014 Zenrosai Culture Festival, an event which gives children who will be the leaders of the future and their families an opportunity to experience advanced cultural works of art in an aim to enrich their minds, 19 performances from 7 works were presented. The event celebrated the 30th anniversary of the establishment of Kokumin Kyosai, and 3,941 people were in attendance.

In addition, nationwide culture festivals were held in three prefectures, and 3,846 people (consisting of families) enjoyed the festival.

On top of that, the 2013 Child and Youth Theater Festival was held at Zenrosai Hall / Space Zero. The theme of the event was “Giving laughter and excitement,” and 6,537 people, many of whom were children, were in attendance.



Zenrosai Culture Festival 2014



Miyagi prefecture head quarters performances



2013 Child and Youth Theater Festival

International Year of Co-operatives and Future Endeavors



During 2012, the International Year of Co-operatives (IYC), we carried out activities to make co-operatives and Zenrosai better known by joining the Japan National Planning Committee for IYC 2012. Some of our activities included not only promoting activities that were carried out in collaboration with co-operatives but also making leaflets and DVDs that provided information about the co-operatives. The latter was an independent activity carried out by our organization.

The IYC 2012 was followed by establishment of the Co-operatives Japan in May 2013 in order to achieve the goals of the IYC.

Our organization served as the main governing body for the International Co-operative Day Commemorative Gathering, which was held on July 8, 2014 at Zenrosai Hall / Space Zero and co-hosted by the Co-operatives Japan and Japan Joint Committee of Co-operatives, and carried out duties as the organization responsible for planning and coordination in the preparatory meeting for organizing the event, which was consisted by co-operatives.



Introduction of ICA message
by a new employee



Dance performance
by "Dance-fusion Co."

Blueprint for a Co-operative Decade

At the General Assembly of the International Co-operative Alliance (ICA) in Manchester in October 2012, ICA unveiled plan to guide co-operatives into their strongest growth phase. Following comment and discussion, the document, "Blueprint for a Co-operative Decade" was approved by the General Assembly in 2013.

The ambitious plan in this Blueprint - the "2020 vision" - is for the co-operative form of business by 2020 to become:

- The acknowledged leader in economic, social and environmental sustainability
- The model preferred by people
- The fastest growing form of enterprise

To pursue the 2020 Vision, the Blueprint strategy therefore involves concentrating on these 5 critical interlinked themes, and establishing implementation strategies in relation to each of them. The overarching agenda for the ICA, its members and the co-operative sector generally is laid out here:

- 1 Elevate **participation** within membership and governance to a new level
- 2 Position co-operatives as builders of **sustainability**
- 3 Build the co-operative message and secure the co-operative **identity**
- 4 Ensure supportive **legal frameworks** for co-operative growth
- 5 Secure reliable co-operative **capital** while guaranteeing member control



Blueprint for a Co-operative Decade



ICA has launched the new co-operative marque in Cape Town in November 2013 as a fulfilment of the Blueprint's agenda for co-operatives, 'identity'. Also, it set up the Blue Ribbon Commission on Co-operative Capital and started a survey to scan just what successful models exist across the world for securing capital for developing new and mature enterprises.



New Co-operative Marque

Co-operative enterprises build a better world

International Affairs

Zenrosai thinks that cooperation and solidarity among not only Japanese co-operative societies but also those all over the world is essential. Development conditions on history, culture, society and economy differs from country to country. Same as this, co-operatives have also been developing in various ways. Zenrosai believes that an involvement in international affairs is important because we can take a good look at our organization and country through wide-range exchange with 1 billion co-operators participating in co-operative movements and people in the world.

Zenrosai participates in various international activities based on its belief that development of co-operative movement in the world contributes to the world peace, enhances social justice and improves people's living and welfare. In particular, Zenrosai has been engaged in the development activity and expanded the relationship with organizations such as overseas co-operatives and trade unions through ICA and ICMIF in order to spread and promote co-operative movement globally. With the advance of globalization, it is getting more important to keep in touch with similar organizations and related international bodies in the world. In order to share our experiences and information each other, Zenrosai has been liaising with co-operative and mutual organizations all over the world.



Mr Nakaseko(left), President of Zenrosai and Mr Sundström(right), ICMIF Chairman.

Affiliation to ICA

The International Co-operative Alliance (ICA), which was established London in 1895, is the largest non-governmental organization. It composed by all sectors of co-operatives to comply with the co-operatives principles, based on the spirit of mutual help and democracy regardless of social, economical and the political system. Currently, the ICA has more than 270 member organisations from almost 100 countries, representing approximately 1 billion individuals worldwide. Around 100 million people work for co-operatives globally. Zenrosai joined ICA in 1992, Zenrosai has been working hand-in-hand with co-operatives overseas for the advancement of the co-operative movement internationally.



ICA-AP Conference (Bali)

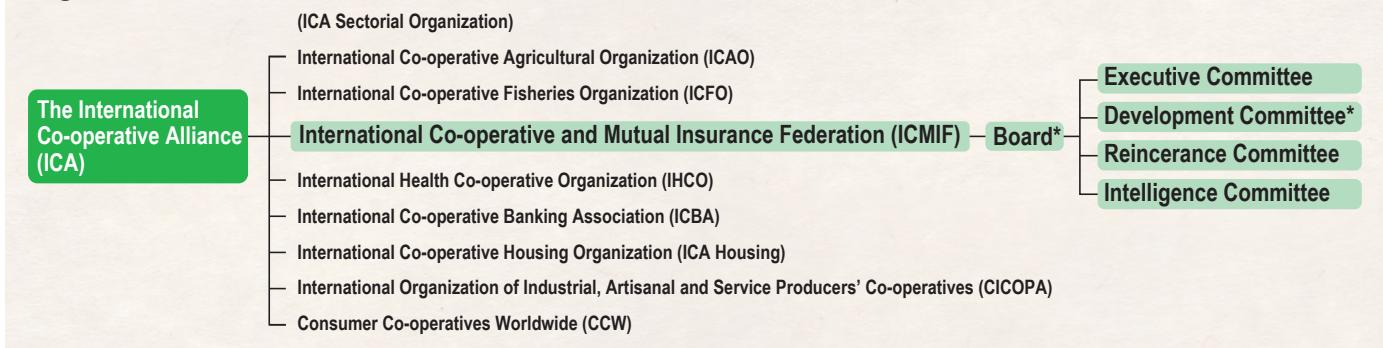
Affiliation to ICMIF

In 1962 Zenrosai became a member of International Co-operative Insurance Federation (ICIF), which is a specialized body of ICA for co-operative insurers. Zenrosai has started activities to deepen the co-operation with insurance co-operatives of the world. Then, the Committee was renamed to International Co-operative and Mutual Insurance Federation (ICMIF). Currently, the ICMIF has more than 220 member organizations from over 70 countries.



ICMIF office (Manchester)

Organization Chart of ICA & ICMIF



*Zenrosai participates as a member

Annual Report 2014

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**Zenrosai is
a Co-operative**

◎全劳清

