

GIAJ Chairman's Statement (Translation)

Dec. 21, 2023

Keisuke Niiro, Chairman

In the following, I will report and comment on the main initiatives since our regular meeting in September.

Introduction

We would like to sincerely apologize once again for the inconvenience and concern caused to our customers and related parties due to the price-fixing practices and the fraudulent insurance claims made by Bigmotor Co.

General insurance is an intangible product, and member companies provide customers with security and safety by paying claims in the event of an accident and through disaster prevention and mitigation initiatives. To fulfill this role, the trust of society is indispensable. Unfortunately, the general insurance industry is losing credibility due to price-fixing practices and fraudulent claims. The GIAJ and member companies are committed to the following initiatives to restore trust in the industry as soon as possible.

Our initiatives to restore trust

1. Responses to price-fixing practices

In past cases that violated the Antitrust Law, we received a warning from the Japan Fair Trade Commission regarding automobile insurance repair labor rates in 1994 and a recommendation to eliminate the Union of Machinery Insurers of Japan in 1996. In response, we have prepared manuals on antitrust law compliance and have been working to ensure compliance in association activities and support member companies' efforts by establishing a Compliance Committee to promote compliance.

However, despite these initiatives, price-fixing practices have recently occurred at several member companies. We take this matter very seriously, and rather than waiting for the results of investigations by our member companies, we promptly initiated measures to prevent recurrence after the incident was discovered and have taken the following actions.

- Requests for all member companies to strictly comply with laws and regulations (June 2023).
- Revision of the Compliance Program (July 2023).
- Holding of antitrust compliance seminars for member companies (September 2023).

At the same time as these initiatives, we have summarized and reviewed our past initiatives at the September and December Compliance Committee meetings and recognized that our support for our member companies needs to be increased. Based on this recognition, we have decided to accelerate its initiatives to support compliance with the Antitrust Law by focusing on “rule improvement” and “awareness-raising for member companies and agents,” as announced

on December 15. The following initiatives are being undertaken to improve the rules. In light of the recent incident, we will clarify the points that member companies should keep in mind when considering rules, focusing on the underwriting of coinsurance contracts, and sharing them with member companies by March 2024.

We will also share the following with our agents and recruiters to ensure a broad understanding of the rules to be followed by employees of our member companies within the industry.

Improvement of Rules (released December 15):

- Revise the Guidelines for General Insurance Companies' Compliance with the Antitrust Law to include the basic concepts underlying the rules to be developed by member companies to keep in mind in complying with the law.
- Establish a new section, Antitrust Law Considerations for Underwriting Insurance Policies, which will include points to remember in the behavior of sales representatives (e.g., how they interact with other companies) (scheduled for March 2024).
- Revise the GIAJ's Code of Conduct and stipulate compliance with the Antitrust Law (scheduled for March 2024).

Next, we will act on “awareness-raising for member companies and agents” through training and qualification examinations. These awareness-raising initiatives will not be a one-time event but rather a constant effort to ensure and maintain thorough compliance with the Antitrust Law.

Awareness raising for member companies and agents (released on December 15):

- Regularly hold Compliance Seminars on Antitrust Law Compliance for member companies, where experts explain points to remember under the Antitrust Law in general insurance practice (scheduled to be held annually from FY2024 onward).
- Explain basic knowledge of the Antitrust Law and past cases related to the Antitrust Law in the general insurance industry to young employees at a course conducted by the General Insurance Institute of Japan (scheduled to be held in FY2024 and after).
- Revise the educational textbook for the general insurance examination basic unit to be taken by employees of member companies, agents, and recruiters, and add basic knowledge of the Antitrust Law and points to keep in mind when soliciting insurance (Text revised in April 2024, to be used from the July 2024 examination).
- Revise “the Compliance Guide” for agents and recruiters to add points to be noted under the Antitrust Law (scheduled for February 2024).
- Create video content that explains the basics of the Antitrust Law and points to keep in mind when soliciting insurance in an easy-to-understand manner and disseminate to member companies, agents, and recruiters (video content also posted on our website for recruiters) (scheduled for February 2024).

To ensure compliance with the Antitrust Law, our association and all of our member companies and agents must implement these measures steadily with the understanding of agents. We will follow up by confirming the status of each company's initiatives at Compliance Committee meetings and sharing best practices.

Through these initiatives, we will promote appropriate competition in all insurance underwriting, including coinsurance, and further establish customer-oriented business operations.

These are the current initiatives. Investigations by relevant organizations continue at the member companies where the incidents were uncovered. We will confirm the details when the inquiry results become available and consider further measures to prevent recurrence.

2. Fraudulent insurance claims by Bigmotor

We have made various initiatives such as cooperation with prefectural police, holding seminars on insurance crime prevention, and operating a fraudulent insurance claims hotline to ensure the sound operation of the insurance system in cases of unfair and fraudulent insurance claims. However, despite these initiatives, fraudulent insurance claims were filed. One of the reasons for this is our industry's inadequate countermeasures against malicious, fraudulent claims in auto repair, which we could not detect.

In addition, we have found cases that prioritized obtaining insurance policies over customers' interests and have placed too much emphasis on the efficiency of damage investigation and not enough on the checking functions against fraudulent insurance claims.

Through the following initiatives, we support our member companies in dealing with customers and countermeasures against fraudulent claims. In addition, we have clarified our approach to referring customers to repair shops based on their wishes and adopting appropriate loss adjustment methods depending on the case.

Initiatives to support customer relations at member companies (released on November 24):

- Organize measures to facilitate the correction of automobile insurance premium grades

Initiatives to support member companies in combating fraudulent claims (released on November 30):

- Organize examples of types and methods of fraud and countermeasures based on the investigation of Bigmotor's billing details (examples of member companies that received a Financial Services Agency order to submit reports).
- Revise the Guidelines on General Insurance Claim Payments to clarify introducing customers to the body shops in line with their intentions and adopting appropriate loss investigation methods according to cases (conduct follow-up through confirming fraudulent claim prevention measures and sharing best practices at each member company based on these guidelines in the Claims Service Committee).
- Examine and evaluate past measures against fraudulent claims.

In addition, the following measures will be taken in recruitment, and together with payment measures, we will strive to prevent fraudulent claims.

Initiatives in recruitment (unreleased initiatives) :

- Introduce a re-education system, such as requiring agents' recruiters who have engaged in inappropriate solicitation behavior to retake the general insurance examination (introduced in December 2023)
- Revise the educational text for the general insurance examination and expand the content on misconduct cases (text revised in April 2024, to be adopted from the July 2024 examination).
- Revise the solicitation compliance guide for agents and recruiters and disseminate case studies, handling rules, and points to remember related to fraudulent claims in educating recruiters (scheduled for February 2024).
- Consider measures to enhance approaches based on an inspection and evaluation of existing fraudulent billing measures (scheduled for March 2024).

Through these initiatives, we will set up a foundation for customers to purchase insurance with peace of mind and receive appropriate insurance claims in the event of an accident. We are preparing the initiatives above and will consider further steps to prevent recurrence, if necessary.

3. Thorough prevention of recurrence at member companies

To restore trust in our industry, it is essential for all member companies to speedily promote drastic measures against price-fixing practices and fraudulent insurance claims and establish a customer-oriented management structure based on these issues.

For this purpose, in addition to following up efforts to prevent the recurrence of price-fixing practices and fraudulent claims, each time we announced our initiatives, I wrote a letter to the top management of all our member companies requesting that they take thorough measures to prevent a recurrence.

At today's Board of Directors meeting, we also shared an overview of the various recurrence prevention measures with all member companies and directly called on the top management of each member company to accelerate their internal initiatives.

Progress on the various initiatives set forth at the time of my inauguration

Each priority initiative I set forth when I took office has steadily progressed. Please also refer to the appendix for details.

1. Strengthening External Communications

As the YouTube channel was renewed in September, the number of subscribers, approximately 1,400 in April before the channel was revamped, has grown to about 5,700. We will continue to make efforts to increase the number of subscribers.

2. Raising Awareness for Natural Disaster Response

We have developed various activities, such as digital content that can be easily learned on smartphones and tablets (released in September 2023) and seminar videos related to hazard maps (released in October 2023), to ensure that the public correctly understands the importance of insurance and disaster prevention/mitigation to prepare for natural disasters.

In addition, each branch conducted various educational activities (see attached material for timing) to raise awareness about the response to natural disasters and the reality of unscrupulous companies that take advantage of natural disasters.

These initiatives have been made possible only with the assistance of local governments, the police, and the Independent Insurance Agents of Japan in each region, who help select themes based on regional characteristics and attract visitors. As issues differ from region to region, we will continue to promote awareness-raising activities in close cooperation with relevant parties rooted in communities to make appeals that match each region's actual conditions and needs.

3. Raising Awareness Among Those Who Need More Risk Information

The provision of information, education, and awareness-raising activities regarding general insurance coverage and disaster prevention/mitigation measures were conducted, with particular emphasis on young people, people from overseas, and small and medium-sized enterprises, who are considered to be mainly in need of understanding risks such as accidents and disasters and of preparing for them through general insurance and other means.

(1) Initiatives for young people

Collaboration with the life insurance industry:

On November 13, a “Comprehensive Collaborative Agreement on Insurance Education” was signed by our association, the Life Insurance Association of Japan, and the Japan Institute of Life Insurance, and we will contribute to improving the financial literacy of the public by further expanding regional workshops for schoolteachers, covering such topics as points to consider when giving lessons on insurance education.

General insurance education for high school students:

To further promote the “Try for a Bright Future!” teaching materials for high school students, we have created new teaching materials that summarize the topics covered in home economics and civics in 7-minute videos for each subject (released in October 2023). In addition, each branch continues to promote general insurance education for high school students through classes at high schools.

Bosai Tankentai (Exploration for Disaster-Prevention):

The 20th Bosai Tankentai Map Contest was held for the Bosai Tankentai initiative to compile maps on disaster prevention, crime prevention, and traffic safety in local towns (due November 2023). This year's contest was the first one since the waning of the COVID-19 pandemic. In all, 8,904 children from elementary schools, children's centers, children's associations, and firefighting youth groups in all of Japan's 47 prefectures took part, and 1,708 works were submitted by 658 organizations, the highest number ever.

This year, we also received maps showing evacuation routes for people in wheelchairs and with pets, as well as maps from overseas (Thailand and Canada), and we had an even more comprehensive range of people working on various scenarios than in the past.

We have selected the winning entries from among these submissions from all over Japan and will hold an awards ceremony in each region in January 2024 or later.

(2) Initiatives to ensure the safety and security of overseas visitors in Japan

As the number of foreign visitors to Japan recovers to the levels seen before the COVID-19 pandemic, we renewed our “Information on Staying Safe in Japan” website in October. It provides foreign visitors and residents in Japan with emergency contact information necessary in the event of a disaster or traffic accident, and gives an overview of daily life risks and general insurance. Specifically, with the addition of Vietnamese and Portuguese versions, the website now covers seven languages (English, Chinese (simplified and traditional), Korean, Japanese, and the two languages mentioned above) to enhance convenience.

(3) Initiatives for small and medium enterprises

We conducted the Risk Awareness Survey 2023 Surrounding Small and Medium Enterprises (SMEs), which targets these businesses on their awareness of and countermeasures against risks surrounding their business activities. We released the results in December.

Based on the survey results, a special website, “Insurance Necessary for SMEs,” and an educational flyer were updated in December. We plan to release educational content for SME managers in January based on the survey results. We will continue our initiatives to raise risk awareness, a pressing issue.

As economic activities are expected to continue to revitalize following the waning of the COVID-19 pandemic, educating those who need more risk information is becoming increasingly important. In response to these environmental changes, we are steadily advancing activities to

provide risk information and will continue to strengthen educational and awareness-raising activities in all areas.

4. Contribution to the Development of General Insurance Business in Asian Countries/Regions

We participated in the International Association of Insurance Supervisors (IAIS) Annual Conference and a side event in November, held for the first time in Japan. I was a panelist as the Chairman of the GIAJ at the side event with the Vice Commissioner for International Affairs of the Financial Services Agency, the Chairperson of the Life Insurance Association of Japan, the President of the Global Federation of Insurance Associations (GFIA), and the Chairperson of the European Insurance and Occupational Pensions Authority (EIOPA). I participated in a dialogue on “The Role of Insurance in Building a Resilient Society.”

I transmitted the need for initiatives based on the three “A”s: Availability (ensuring insurance availability), Affordability (providing insurance at affordable prices), and Awareness (raising risk awareness) to narrow the protection gap for natural disasters. Regarding “Awareness,” I explained examples of our initiatives, such as the Bosai Tankentai and insurance education for junior high and high school students.

We also emphasized the importance of passing on past disaster information from generation-to-generation to raise risk awareness among society, citing “people do forget” as a lesson to be learned.

On the other hand, while attending the Annual Conferences as an observer, the European Insurance and Occupational Pensions Authority Chairperson also introduced a case study in which a public-private partnership system was established to deal with a huge natural disaster risk such as a drought.

In addition, in a side event, based on the premise that the national and local governments are responsible for disaster prevention, including infrastructure development, we sent out a message that the role of insurance companies in public-private cooperative efforts “should be to improve risk awareness from a position closer to customers.”

We will continue to work with the public sector to fulfill the role of the private sector.

Concluding remarks

During the six months since I took office as Chairman of the Association, I have been engaged in various activities, including each priority initiative. However, given the fact that trust in our industry has been damaged, I believe that it is necessary to continue to address the issues of price-fixing practices and fraudulent claims through the industry as a whole while promoting each of our priority initiatives toward the “realization of a safe and secure society,” which is our responsibility.

As mentioned above, there have been past violations of the Antitrust Law regarding price-fixing practices. Although countermeasures were taken, these violations have occurred again as inappropriate conduct in light of the Law. Insufficient countermeasures against unscrupulous tactics led to the current problem regarding fraudulent insurance claims. We sincerely regret that although we were aware of these issues, it is undeniable that a lack of awareness of changes in the environment and circumstances and a lack of thoroughness in our efforts caused both incidents.

We will work with good faith to deal with the affected customers to restore trust in the industry, which is urgently needed. Using responses to these issues as a turning point, we will take steps to prevent recurrence with a solid determination to ensure that the same mistakes are never

made again. In addition, we will review our past relationships and business practices with member companies and agents, correct what needs to be corrected, and change our business operations to be truly customer-oriented.

As I said at the last press conference, I would like to reiterate that as the association chairman, I am determined to lead the industry's initiatives to restore trust in the industry.

Thank you.

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Status of Activities Related to Various Initiatives

Allow me to report on the progress of the multiple initiatives I set forth when I took office.

1. Priority Approach

(1) Strengthening External Communications

The YouTube channel, renewed in September, is being promoted to be viewed by more people by linking it to the Independent Insurance Agents of Japan, Inc. website. The number of subscribers to the channel, which before the revamp was approximately 1,400 in April, has grown to about 5,700 as of today. We will continue to make efforts to increase the number of subscribers.

(2) Raising Awareness for Natural Disaster Responses

We have developed various activities below to ensure that the public correctly understands the importance of insurance and disaster prevention/mitigation to prepare for natural disasters and the reality of unscrupulous companies that take advantage of natural disasters.

a. Natural Catastrophe Initiatives

As part of our efforts to promote earthquake insurance, we released digital content on our website that can be quickly learned on smartphones and tablets in September. Specifically, we have released a virtual reality video entitled “Earthquake Risk Assessment Diagnosis VR”, which allows the viewer to realistically experience the shaking of a room and damage to household goods in the event of an earthquake, we also published an “Earthquake Risk Consultation Room for Condominium Management Associations”, which introduces risks specific to condominiums. We will further promote the magnitude of earthquake risks and the need for earthquake insurance by widely encouraging people to view these videos.

In addition, a video of the seminar “Understanding Local Disaster Risks Using Hazard Maps and School Safety for Disaster Prevention”, held in August for teachers at elementary, junior high, and high schools in Tokyo, was made available on our YouTube channel in October for future use in educational settings.

Awareness-Raising Activities:

The following educational activities on disaster preparedness were conducted at each branch.

Hokkaido Branch	Created a video seminar under the theme of "Characteristics and Risks of Earthquakes, Volcanic Eruptions and Tsunamis in Hokkaido" and "Outline and Necessity of Earthquake Insurance", and distributed it to the Hokkaido Branch members of the Independent Insurance Agents of Japan, and other agents (December 15).
Kanto Branch (Ibaraki Pref.)	Created a video (earthquakes / storms / floods) to prepare for natural disasters in cooperation with the Ibaraki Prefectural Government. Used it in "Ibaraki Bosai University", a training course for disaster prevention specialists sponsored by the prefectural government (November 12).
Hokuriku Branch (Toyama Pref.)	Held the "2023 Toyama 'Earthquake Insurance Seminar'", which was hosted by the chapter and Toyama Branch of the Independent Insurance Agents of Japan, and made a presentation on the disasters and blessings brought by active faults in Toyama, and government reinsurance for earthquake insurance (December 6).
Chubu Branch (Aichi Pref.)	Exhibited at the "Aichi Disaster Prevention Festa" held in Aichi Prefecture, and conducted activities to publicize hazard maps and promote earthquake insurance in cooperation with the Japan Earthquake Reinsurance Company, Limited (November 11)
Kinki Branch (Kyoto Pref.)	Participated in a comprehensive disaster drill held by Kyoto City, and conducted activities to promote earthquake insurance in cooperation with the Kyoto Branch of the Independent Insurance Agents of Japan and the Cooperative Association of Insurance Agents of Kyoto (October 28)
Shikoku Branch (Tokushima Pref.)	Participated in the "Tokushima Disaster Prevention Festa" organized by the Tokushima Prefectural Government, together with the Tokushima Branch of the Independent Insurance Agents of Japan, and conducted awareness-raising activities on the necessity of earthquake insurance and the importance of disaster prevention and disaster mitigation (October 22).
Kyushu Branch (Miyazaki Pref.)	Held the "Nankai Trough Earthquake and Preparedness in Miyazaki" seminar, which was organized by the Kyushu Branch, sponsored by Miyazaki City, and supported by Miyazaki Prefecture and the Miyazaki Branch of the Independent Insurance Agents of Japan, to raise awareness of the earthquake risks facing Miyazaki Prefecture (December 17).

b. Initiatives to prevent problems related to unscrupulous companies that take advantage of natural disasters.

Each branch participated in the following events to raise awareness and avoid issues related to unscrupulous companies.

Hokuriku Branch (Toyama Pref.)	<ul style="list-style-type: none"> - Explained details and warned Ishikawa Council of Women's Organizations members about unscrupulous companies that take advantage of natural disasters at a lecture meeting (September 27). - Explained details and warned about unscrupulous companies that take advantage of natural disasters at the "Elderly Consumer Victimization Prevention and Monitoring Seminar" hosted by the NPO Consumer Support Network Ishikawa (Kanazawa City: December 7, Nanao City: December 8).
Chubu Branch (Aichi Pref.)	Explained details and warned about unscrupulous companies that take advantage of natural disasters at a lecture held by Ichinomiya City entitled "Dangers in Daily Life and General Insurance" (September 26).

In addition, some branches in Kanto (Chiba, Kanagawa, Saitama, Niigata), Shikoku (Ehime, Kagawa, Kochi, Tokushima), Kyushu (Fukuoka, Oita, Miyazaki), and Okinawa also created educational flyers with the cooperation of their respective prefectures and prefectural police, and with the collaboration of member companies, agents, and the Independent Insurance Agents of Japan in each prefecture, distributed these to customers and others.

(3) Raising Awareness among those who Need More Risk Information

The following information, education, and awareness-raising activities regarding general insurance coverage and disaster prevention/mitigation measures were conducted, with particular emphasis on young people, people from overseas, and small and medium-sized enterprises, all of whom are considered to be in particular need of instruction on risks such as accidents and disasters and of preparing for them through general insurance and other means.

a. Initiatives for Young People

Collaboration with the Life Insurance Industry:

On November 13, a "Comprehensive Collaborative Agreement on Insurance Education" was signed by our association, the Life Insurance Association of Japan, and the Japan Institute of Life Insurance.

Based on this agreement, the three parties will work closely to promote insurance education to learn the importance of self-help initiatives against risks based on life plans, and contribute to improving the general public's financial literacy. As part of these initiatives, we will expand local study sessions for schoolteachers, covering points to consider when implementing insurance education in the classroom.

General Insurance Education for High School Students:

To further promote the use of the “Try for a Bright Future!” teaching materials for high school students, we have created new teaching materials that summarize the topics covered in home economics and civics in 7-minute videos for each subject. We will encourage high school teachers to make use of these materials in financial literacy education in their classes with the aim of high school students being able to “choose their insurance cover” upon graduation.

Each branch continues to promote general insurance education for high school students. For example, in October, the Kanto Branch conducted a special class for 35 third-grade students at a high school in Niigata Prefecture to learn the difference between social insurance and private insurance and how to prepare for risks using “Try for a Bright Future!” In addition, in September, the Hokuriku Branch lectured at a special course entitled “What is Insurance? Is General Insurance necessary?”, which was conducted by a high school in Ishikawa Prefecture to raise awareness of the need for insurance.

b. Initiatives to Ensure the Safety and Security of Visitors from Overseas in Japan

As the number of foreign visitors to Japan recovers to pre-COVID-19 pandemic levels, we renewed our website “Information on Staying Safe in Japan” in October to provide foreign visitors and residents in Japan with emergency contact information necessary in the event of a disaster or traffic accident, and an overview of daily life risks and general insurance. Specifically, with the addition of Vietnamese and Portuguese versions, the website now covers seven languages (English, Chinese (simplified and traditional), Korean, and Japanese in addition to the two languages mentioned above), and links to transfer information and weather information have also been added to enhance convenience.

Each branch has also started to promote this site as follows, and we will continue to conduct PR activities using this site throughout Japan to ensure the safety and security of the many visitors from overseas.

Tohoku Branch (Miyagi Pref. and Iwate Pref.)	Distributed PR cards at the "Sendai Tourist Information Desk" (from November 24) and "Plaza Odette" (from November 30).
Kanto Branch (Niigata Pref.)	Set up links to this site on the Niigata Prefecture website (from December 14) and Niigata Convention & Visitors Association website (from December 12) and started distributing PR cards.

Hokuriku Branch (Ishikawa Pref.)	Started distributing PR flyers and PR cards for this site at two tourist information centers in Kanazawa City (from November 22) Conducted street distribution of PR flyers for this site in the vicinity of Omicho Market in Kanazawa City (from December 13)
Kyushu Branch (Kagoshima Pref.)	Set up a link to this site on the Kagoshima Convention & Visitors Association website (from December 5)
Okinawa Branch (Okinawa Pref.)	Set up a link to this site on the website of the Children's Life and Welfare Department and Life Safety Division of Okinawa Prefecture (from November 30)

Awareness-Raising Activities in other Areas:

The Kanto Branch prepared leaflets and other materials on bicycle use for foreign residents and has been distributing them since December to alert them of the importance of bicycle insurance, wearing helmets, and observing bicycle traffic rules and manners in Niigata Prefecture. Since December, the Okinawa Branch has been showing videos in Japanese with English subtitles to alert foreign tourists and residents of the need to avoid drunken driving on digital signage at 13 locations in the prefecture.

c. Initiatives for Small and Medium Enterprises

We conducted the “Risk Awareness Survey 2023 Surrounding Small and Medium Enterprises (SMEs)”, which targets small and medium enterprises on their awareness of and countermeasures against risks surrounding their business activities. We released the results in December. The survey highlights SMEs' concerns about risks, with their willingness to purchase cyber insurance being the largest among all insurance lines.

Based on the survey results, a special website, “Insurance Necessary for SMEs”, and an educational flyer, were updated in December. We plan to release educational content for SME managers in January based on the survey results. We will continue our initiatives to raise risk awareness, which is a pressing issue.

The following educational activities on risk measures for small and medium-sized enterprises (SMEs) were conducted at each branch.

Chugoku Branch (Hiroshima Pref.)	Online seminar for SMEs on "Natural Disasters and BCP" and other topics (December 5)
Shikoku Branch (Kagawa Pref.)	Held a seminar on "Risk Countermeasures and Business Continuity Enhancement Plan for SMEs" (November 29)
Kyushu Branch (Saga Pref.)	Held a "Cyber Security Seminar in SAGA" hosted by the prefectural government, prefectural police, four associations of commerce and industry, and the GIAJ (November 30)

(4) Contribution to the Development of General Insurance Business in Asian Countries/regions

We have participated in various international conferences and communicated the initiatives and experiences of Japan's general insurance industry.

a. Contribution to the development of a sound and resilient general insurance system

At the request of the Insurance Association of Vietnam (IAV), we held an online seminar in October for Vietnamese insurance companies and insurance associations on capital and risk management of insurance companies and responses to natural disasters. The seminar provided know-how on solvency regulations and ERM (enterprise risk management) that local insurance companies need to deal with, and also introduced case studies of Japan's initiatives to cope with natural disasters.

b. Strengthening dissemination at international conferences

We participated in the International Association of Insurance Supervisors (IAIS) Annual Conference and a side event in November. I was a panelist at the side event with members of the Financial Services Agency, the Life Insurance Association of Japan, the Global Federation of Insurance Associations (GFIA), and the European Insurance and Occupational Pensions Authority (EIOPA). I participated in a dialogue on "The Role of Insurance in Building a Resilient Society".

We transmitted the need for initiatives based on the three "A"s: Availability (ensuring insurance availability), Affordability (providing insurance at affordable prices), and Awareness (raising risk awareness) to narrow the protection gap for natural disasters. Regarding "Awareness", I explained examples of initiatives, such as the Bosai Tankentai and insurance education for middle

and high school students.

We also emphasized the importance of passing on past disaster information from generation to generation to raise risk awareness among society, citing “people do forget” as a lesson to be learned.

We also participated in the Global Federation of Insurance Associations (GFIA) general meeting in conjunction with the IAIS Annual Conference, where we introduced the Japanese general insurance industry's response to the Great East Japan Earthquake at a Natural Disasters and Insurance workshop.

In December, the ASEAN Insurance Council, an organization of insurance associations from 10 ASEAN countries, held the ASEAN Insurance Summit in Vietnam, where we presented on the “Disaster Prevention and Mitigation Initiatives of the Japanese General Insurance Industry” We introduced best practices of disaster prevention seminars in cooperation with local governments, and emphasized the importance of collaboration between the public and private sectors.

2. Initiatives to Address Other Major Issues

(1) Initiatives to Improve DX of Claim Payments in Earthquake Insurance

We have converted the paper-based damage status reports (self-reports) to an online system to ensure prompt and appropriate payment of earthquake insurance claims. Specifically, developing a joint system that allows customers to enter their reports and register photos on the web using smartphones and other devices will improve customer convenience and enhance the efficiency of data management and dispatch of documents by insurance companies, thereby realizing faster claim payments.

(2) Climate Change Initiatives

Workshops on climate change, one of the factors contributing to the intensification and frequency of natural disasters, were held for each member company to share best practices for promoting understanding of climate change issues among employees and encouraging employee participation in activities. The Climate Change Study Session has been held seven times over the past two years as one of the priority issues of the 9th Medium-Term Business Plan. The 8th Climate Change Study Session will be the final one to achieve “improving knowledge of climate change and sustainability-related issues in the industry as a whole,” initially set as a goal.

(3) Mobility Innovation Initiatives

The Road Traffic Act was amended in July to allow electric kickboards to be ridden without a driver's license under certain conditions, and we have set up a page on our website with information on the risks involved, rules for safe use, and liability insurance. We are currently in the process of widely publicizing this information through web advertisements and other means. We will continue effectively disseminating information to raise users' awareness of risks and safety measures.

(4) Request Government Agencies to Reduce Losses from Natural Disasters

On November 28, we submitted four requests to the Water and Disaster Management Bureau of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) regarding water-related disaster countermeasures, including property disaster prevention, hazard map promotion, and the prevention of inland flooding. We also submitted three requests to the Road Bureau of the MLIT regarding measures to prevent traffic accidents.

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