

# **Business Plan for the Fiscal Year 2018**

As a General Incorporated Association, The Life Insurance Association of Japan (LIAJ) will engage in the following activities in order to promote the sound development of the life insurance business and to strengthen itself under the self-governing structure with the aim of contributing to the enhancement of people's lives:

## **I. Activities to Provide Information and Promote Understanding on the Life Insurance Business**

### **1. Public Relations Activities**

The LIAJ will promote proper understanding of the life insurance business through the following PR activities;

- Holding meetings for exchanging opinions with and providing information for consumer affairs organizations, consumer groups, experts and the media, while sharing information for member companies.
- Strengthening the network with consumer affairs specialists, supporting them and through them enhancing enlightenment activities in collaboration with the Japan Institute of Life Insurance.
- Advertisement of the efforts of the industry.
- Public relations activities to raise public awareness of social responsibility (SR).

### **2. Providing Information on the Life Insurance Business**

- a) The LIAJ will provide information regarding the following subjects in order to promote understanding of the life insurance business:
  - Trends and Performances of the life insurance business
  - Life insurance companies and their products
  - The Social Responsibility (SR) Activities
  - Consultation and opinions submitted to Life Insurance Consultation Center
- b) The LIAJ will work further to ensure its teaching materials and Web portal on social security/insurance education are widely utilized for junior-high and high schools through conducting operation to publicize them. In addition, the LIAJ will promote the understanding of Life Insurance Business through lectures for university students.
- c) The LIAJ will work on editing "A Brief History of The LIAJ's 110 Years" and will publish it.

## **II. Consultation Services, Complaint Processing and Dispute Resolution Operations regarding Life Insurance**

The LIAJ, as a designated dispute resolution body, will appropriately implement dispute resolution operations including the followings.

- a) Analyzing and identifying the characteristics or tendencies of received complaints for each member company as well as proactively providing information to help improve the company's business operations and prevent the recurrence of such complaints.
- b) Operating the Arbitration Advisory Committee serving as a monitoring agency for a designated dispute resolution body.
- c) Publishing a summary of inquiries, complaints and arbitration cases, as well as data of the complaints submitted to member companies on the HP.

## **III. Activities regarding Systems and Measures to Ensure Appropriate Operation of the Life Insurance Business**

- 1. Drawing up, reviewing and following up of voluntary guidelines.**

The LIAJ will:

- a) Draw up and review voluntary guidelines to ensure appropriate operation of the life insurance business.
- b) Regularly review whether the business practices of member companies satisfy the voluntary guidelines and provide regular follow-ups to member companies. Furthermore, the LIAJ will collect information on each member's approaches to the voluntary guidelines and share such information among the member companies.

## **2. Enhancing Compliance**

The LIAJ will establish and strengthen the management system to improve compliance with laws and regulations in order to ensure that business is conducted properly through the following activities;

- Regular review of the code of conduct, basic policies and other LIAJ rules and regulations.
- Ensuring the compliance of anti-trust law and other relevant laws and internal inspections.
- Operation of the Life Insurance Complaints Processing Center that was established based on the operation rules of the designated dispute resolution body related to the life insurance business and foreign life insurance business.
- Promote compliance with Act concerning Protection of Personal Information and safeguard measures thereof and will act as a certified personal information protection organization under the law.
- Collecting and providing information on the development of consumer protection laws and other laws and regulations related to the life insurance business.
- Monitor and take appropriate measures regarding international schemes to prevent base erosion and profit shifting.

## **3. Measures against Moral Hazard and Anti-social Forces**

In relation to measures against moral hazard and anti-social forces, the LIAJ will:

- Take various measures including management and clerical work on systems such as the Policy Data Registration System, Policy Data Inquiry System, and Cross Reference System for Assessing Insurance Claims.
- Aggregate information regarding false claims and consider measures to prevent them.
- Share information regarding anti-social forces with member companies as well as related associations.
- Strengthen cooperation with the National Police Agency and prefectural police headquarters in such aspects as sharing information as to policies as necessary and reporting the industry's efforts to address special frauds.
- Support local associations in such areas as preventing damages caused by special frauds.
- Support member companies' actions against money laundering and terrorism financing

## **4. Crisis Management Measures**

The LIAJ will:

- a) Collect relevant information such as on damage estimates published by the Central Disaster Management Council and on updates for related system reforms, and take appropriate actions after major earthquakes in accordance with the manual for earthquakes. The LIAJ will also revise the manual when necessary.
- b) Collect relevant information such as public information of the World Health Organization and of governmental bodies, and take appropriate actions regarding new strains of influenza in accordance with the manual for new strains of influenza. The LIAJ will also revise the manual when necessary.
- c) Operate properly Life Insurance Referral System for Disaster Area, which is targeted for residents of the areas subject to Disaster Relief Act.

## **5. Information Systems**

The LIAJ will:

- a) Develop and operate IT systems and update the IT infrastructure at the Life Insurance Network Center (LINC):
- b) Promote information sharing with governmental bodies, other CEPTOARs, and etc. and prevent the occurrence of IT failures including cyber-attacks or the spread of damage by failures that may occur.

#### **6. Activities for the management for Life Insurance Solicitors**

The LIAJ will:

- (a) Work in cooperation with regional finance bureaus and member companies to ensure smooth registration of Life Insurance Solicitors and Qualified Variable Life Insurance Solicitors as well as appropriate operation of relevant systems, such as:
  - Delivering and receiving registration documents and data
  - “Life Insurance Solicitors Registered Data Inquiry System,” “Qualified Variable Life Insurance Solicitors’ Data Registration System,” “Examination Results Inquiry System,” “Resigned Life Insurance Solicitors’ Data Registration System,” etc.
- (b) Hold meetings with National Federation of Life Insurance Worker’s Unions regarding employment systems and so on.

#### **7. Measures for standardization and streamlining practices regarding payment and after maintenance**

The LIAJ will:

- (a) Continue its work on standardization of medical certificate and promotion of digitalization.
- (b) Prepare for digitization of Certificate for Deduction for life insurance premium

### **IV. Activities regarding Education and Training for the Staff of Member Companies**

The LIAJ will:

- (a) Provide and manage relevant educational systems and measures appropriately with the aim of promoting improvements in the qualification and quality of life insurance solicitors. This includes:
  - Holding examinations for common-to-industry educational courses
  - Awarding diplomas of “Total Life Consultant (Financial planner certified by the LIAJ)”
  - Editing and publishing textbooks for FY2018 for industry-wide educational courses
  - Operating a continuing education system, checking and following each member company’s efforts as well as regularly reviewing the curriculum and textbook for the General Course such as by reflecting consumers’ opinions
- (b) Carry out proper measures for promoting skills of staffs in charge of underwriting and payment services. This includes:
  - Editing and publishing textbooks for Life insurance interviewer, conducting examinations of and registering Life Insurance Interviewer.
  - Editing and publishing textbooks for Life Insurance Claims Assessors and conducting examinations
- (c) Edit and publish textbooks and hold examinations regarding the Life Insurance Course for office staff engaged in the life insurance business.
- (d) Work further on adopting CBT(Computer Based Testing) system in Common-to-Industry qualification examinations in each category.

### **V. Research and Study Activities regarding the Theory and Practice of Life Insurance**

#### **1. Research and Study Activities**

- a) Research and study on the following matters:
  - Fundamental issues related to the life insurance industry, such as tax treatment for life insurance policies, regulatory reforms, and consumer protection measures

- Asset management of member companies
- Common-to-industry education and training
- Sales division
- Corporate insurance and asset-formation insurance
- Life insurance contracts
- Collection of premiums and policy administration
- Payment of life insurance claims/benefits
- Legal and accounting matters concerning life insurance
- Mortality Rate Research
- Overseas insurance regulations and laws regarding insurance contracts.
- Diversify research methods and strengthen the relations with major overseas insurance associations in order to enhance the research functions.

## **2. Library**

The LIAJ will manage a library.

## **VI. Activities regarding Making Requests and Proposals to Relevant Authorities, Agencies and Organizations**

### **1. Requests and Proposals**

The LIAJ will:

- a) Make requests on tax incentives for life insurance contracts and on regulatory reforms to the parties concerned.
- b) Submit the LIAJ's comments on proposed amendments to legislation and administrative guidelines concerning the life insurance business, on which governmental bodies including the FSA or related organizations solicit public comments.
- c) Formulate its basic policy and express its opinions toward inter-industry issues such as postal privatization and cooperative insurance in cooperation with the relevant administrative authorities and other organizations.
- d) Conduct a survey on the return of profits to shareholders and make requests/proposals from investors' point of view and publicize the progresses made in Stewardship Activities of member companies, industry's initiatives, and with the aim of PR of activities taken in each member company, will publish the result of Stewardship Activity research projects.
- e) Monitor discussions at relevant formal conferences on the reforms of social security system, making use of personal identification number system in private sectors and insurance education and take appropriate measures on a timely basis if necessary, taking into consideration the LIAJ's recommendation.
- f) Express its opinions over establishment, alteration or revocation of the standards and rules of information system in such occasions as in the committees established in FISC (The Center for Financial Industry Information Systems) and NISC(National center of Incident readiness and Strategy for Cybersecurity)
- g) Express Properly and promptly the LIAJ's opinions or requests on other matters relating to the life insurance business.

### **2. International Activities**

The LIAJ will:

- a) Present the industry's opinions and proposals, exchange information, strengthen the relationship with domestic and international organizations and institutions and also address international policy issues on behalf of the industry by getting involved in the activities of international organizations.
- b) Present the LIAJ's opinions and proposals to international organizations on international issues, considering the potential impacts on the Japanese life insurance industry, including comments of

- the Global Federation of Insurance Association (GFIA).
- c) Express the LIAJ's opinions on the International Accounting Standards Board (IASB)'s projects related to life insurance in cooperation with related organizations in other countries.
- d) Receive visitors from foreign countries, respond to inquiries, and accept invitations to speak at international conferences in order to respond to international affairs.

## **VII. Activities to Fulfill Social Responsibilities**

### **1. Social Service Activities**

Based on the Three-Year Plan for Social Service Activities from FY2017 to FY2019 established in FY2016, the LIAJ will:

- Operate Scholarship Program for Education of Nurses,
- Operate Scholarship Program for Students of Training Institutions for Certified Care Workers.
- Provide scholarships for international students in Japan, the "SEIHO Scholarship Program," intended for privately-funded overseas students from Southeast Asian and East Asian countries.
- Subsidize day nurseries/clubs for after-school activities for children.
- Subsidize non-profit organizations/groups that engage in activities targeted for the elderly to facilitate health care and health promotion or to promote independence of the elderly.
- Conduct activities to enhance family bonds by reading picture books to children in order to highlight the importance of family bonds.
- Conduct various community relations activities (local CR activities).
- Conduct an awareness-raising project for health promotion.

### **2. Activities on Health Promotion Support Project**

LIAJ will work on and publish the report of "Health Promotion Support Project," conducted in an effort to encourage health promotion through sports with the aim of contributing to the realization of society where people live in health and with rich spirits.

### **3. Approach to Environmental Issues**

- a) The LIAJ will consider and engage in specific efforts to address environmental issues in the life insurance industry based upon relevant guidelines, such as the "Guidelines for Action by the Life Insurance Industry on Environmental Issues" and "Life Insurance Industry's Commitment to a Low Carbon Society."
- b) The LIAJ will actively work towards reducing electricity consumption by making efforts to achieve numerical targets for FY2020 and FY2030.

### **4. Insurance for Supporters of Mentally and Physically Disabled Dependents**

The LIAJ will conduct clerical work for the life insurance policies of the "Insurance for Supporters of Mentally and Physically Disabled Dependents System" which is run by local governments.

## **VIII. Other Activities Considered Necessary to Achieve the Goals of the LIAJ**

### **1. Services relating to the Agency Housing Loan Credit Life Insurance**

The LIAJ will conduct clerical work relating to the Agency Housing Loan Credit Life Insurance Add-on Option System and new Agency Housing Loan Credit Life Insurance operated by the Japan Housing Finance Agency.

### **2. Contracted Business from the Japan Institute of Life Insurance**

The LIAJ will take responsibility for advertising and promotion activities which the Japan Institute of Life Insurance plans for consumer education.

### **3. Contracted Business of Management of the Suetaka Foundation**

The LIAJ will take responsibility for asset and financial management of the Suetaka Foundation, categorized in special account of Life Insurance Underwriting College.

#### **4. Others**

(1)The LIAJ will conduct profit-earning business, such as the followings:

- Publication and sales of textbooks for FY2018 for common-to-industry educational courses
- Rent of office rooms
- Distribution of *Life Insurance Business Data Package* (CD-ROM)

(2)The LIAJ will conduct a survey on the present situations of paid leave in member companies, summarize the result and provide feedback in order to encourage the use of paid leave.

#### **IX. Management of the Organization**

The LIAJ will:

- a) Operate the organization appropriately and smoothly in accordance with the “Act on General Incorporated Associations and General Incorporated Foundations” and etc..
- b) Promote social service activities in local communities as well as strengthen cooperation with the police, consumer organizations and the government in the process of integrating operation with the Local Associations established in each region, thereby strengthening relationship with local communities.
- c) Appropriately manage progress in system development in accordance with a mid- to long-term plan and the plan for FY2018.
- d) Accelerate promotion for cyber-security managements in LIAJ to counter cyberattacks.
- e) Work further for more efficient management and spend-cutting making use of system infrastructures and promote work-life balance policies further, taking a due consideration in adopting Information Technologies.
- f) Endeavor to have appropriate Association's administration system in place and foster the capabilities of the Association's administrative staff to perform the aforementioned activities properly.