

The Business Environment of Japan's Financial Institutions and Efforts by Trade Unions

Accelerating restructuring and mergers, and digitalization

After the collapse of the bubble economy in Japan, due to such matters as international cost competition brought about by globalization and changes in company accounting standards, company activities have moved over to the maximization of company value over the group as a whole from business management that prioritized profits for the parent company, and a restructuring of company organizations to "concentrate on core competence" is underway.

Changes in the industrial structure can be mentioned as one factor bringing about fiercer competition. Deregulation and changes in government industrial policy have made the pursuit of economies of scale through mergers and the formation of alliances for strategic expediency unavoidable. Globalization of the economy is also having a severe impact on company competition. The economic growth of the newly emerging countries and entry into the Japanese domestic market by foreign-affiliated companies has caused the environment surrounding Japanese companies to become more severe as global competition intensifies. Additionally, improvements in IT competitiveness have come to perform an important role, with speedy and flexible responses to IT evolution being demanded of company business management.

Japan's financial industry is no exception to this business environment change. Since 2004, in fact, the banking, securities and insurance sectors have been conducting a restructure toward the formation of holding companies and others that is ongoing even now.

In response to dramatic environmental changes such as restructuring and mergers in the parent company, and further, the introduction of foreign capital, and the progress of digitalization, the need to make thorough preparations regarding the organizational base and the system of consultations with the management of the business can be men-



"Exchange of information with board members of UNITE's Finance of UK (Liverpool, UK, June 2018)"

tioned as important issues in financial trade unions. Especially, shakeups in the business model, due to restructuring, mergers, company split-ups, the provision of 24-hours' financial services anywhere through the internet, and the advancement of financial products/services using IT technology such as FinTech, have a great impact on the organizational base of trade unions. Japan is facing a serious workforce shortage due to decreasing/aging population with low birth rate and problems of traditionally long-working hours, such that organizing is an extremely serious issue in order to cope quickly with dizzyingly rapid changes in the business management organization.

For your information, megabanks have announced measures such as business/workforce reduction as well as restructuring of branches, but these are responses to natural attrition due to retirement, etc., and does not signify drastic layoffs or redundancies. While there is a possibility of workforce shortages due to the decreasing working population, existing employees seem to be forced to respond to digitalization or specialize in remaining in face-to-face style business, and thus trade unions are demanding that companies expand training programs so that employees can respond to a shift in role.

Experience of introduction of cryptocurrency, and the current status of cashless transactions in Japan

It is said that bitcoin accounts for a half of the world's cryptocurrency market, and the share owned by Japanese sharply rose up to 60% in October 2017. Although the bitcoin price surged in the second half of 2017, it started

to plunge after the turn of the year 2018. Furthermore, in January, it was revealed that 62-billion-yen was illegally withdrawn from domestic cryptocurrency exchanges, exposing the volatility of the system. Investors' mindsets suddenly cooled down and prices crashed. The administration imposed administrative punishment on cryptocurrency exchanges and the bubble boom calmed

The history of financial policy and major trends

- In 1997, the “Financial Big Bang Initiative” was announced with the aim of drastically reforming Japan’s finance and capital market into “a free and fair international market,” and under the basic principle of “free, fair and global,” the conventional vertical fences dividing the financial system were removed to allow activities such as over-the-counter insurance sales in banks, the trading of shares by bank-affiliated companies, and mutual market entry by affiliates of life and non-life insurance companies.
- In 2002, the Financial Services Agency (FSA), implemented a “financial regeneration program” aimed at the stabilization of the financial system, in order to introduce emergency responses to the bad debt issue that occurred after the collapse of the financial bubble.
- In December 2012, to overcome the appreciation of the yen and deflation, the Headquarters for Japan’s Economic Revitalization was launched with the aim of reviving a strong Japanese economy by devising necessary economic measures and implementing strategies for growth. The Japan Revitalization Strategy stated that “the principles for a wide range of institutional investors to appropriately discharge their stewardship responsibilities, with the aim of promoting sustainable growth of investee companies, through constructive dialogue with them,” and thus Japan’s Stewardship Code was established in December 2013.
- In June 2015, the Corporate Governance Code, which seeks “to stimulate healthy corporate entrepreneurship, support sustainable corporate growth and increase corporate value over the mid- to long-term,” was enacted, urging companies to actively engage in dialogue with their employees, who are in fact also “stakeholders” in the company.
- In February 2016, a negative interest rate policy was implemented by the BOJ.
- In 2017, megabanks announced plans of massive reductions in their operation and workforce. This is mainly because the workload continues to decrease thanks to the development of AI and digital technology and because face-to-face retail branches are becoming negative assets. However, it is also because lower income due to negative interest rates, workforce reduction and the difficulties of hiring good human resources have urged them to streamline their management style.
- In January 2018, it was revealed that 62-billion-yen worth of Cryptocurrency Bitcoin was illegally withdrawn from domestic cryptocurrency exchanges and the bitcoin bubble calmed down.

down, but people still hold to the view that the future of cryptocurrency as a business remains promising, so many players are rushing into the field. Especially megabanks clearly stated their entry, so the picture may be drastically changed in future. On the other hand, the cashless payment ratio in Japan is less than 20%, and the cash payment ratio is over 50%. At the moment, cryptocurrency is still within the target for investment.

The state of the insurance industry and the future

Japan is one of the most aging countries in the world and it is estimated that the population aging rate (the percentage of people 65 years old or over in the total population) will rise up to about 40% in 2050. It is expected that social security costs such as pensions, benefits, medical costs and nursing care expenses will drastically increase. In addition, the working generation mainly defraying social security costs continues to decrease. All these factors have made the situation surrounding the social security system worse and harsher. Under the circumstances, it is important to compliment the social security system through our own self-help efforts including insurance toward establishing a sustainable and secure life security system.

Recently, abnormal weather is occurring all over the world and has large impacts not only on one country’s social economic activities but also other countries’ economies, corresponding to the globalization of social economic activities. Natural disasters are becoming increasingly serious and frequent due to global warming and other reasons, which has huge impacts on the insurance industry. The whole insurance industry took initiatives on risk management, prompt insurance payouts, disaster prevention/reduction and trade unions have actively engaged in safety confirmation of union members, measures for the security of union members, requests to industry groups/the Financial Services Agency for prompt insurance payouts, and volunteer activities such as during the Great East Japan Earthquake.

As for insurtech in the insurance industry, we can list new services such as health promotion type insurance, Telematics Insurance, and On-Demand insurance, as well as various kinds of customer services. For example, in call center operation, options are presumed from customers’ inquiries and automatically appear on operators’ PC displays on a timely basis, enabling much easier responses to inquiries than before.

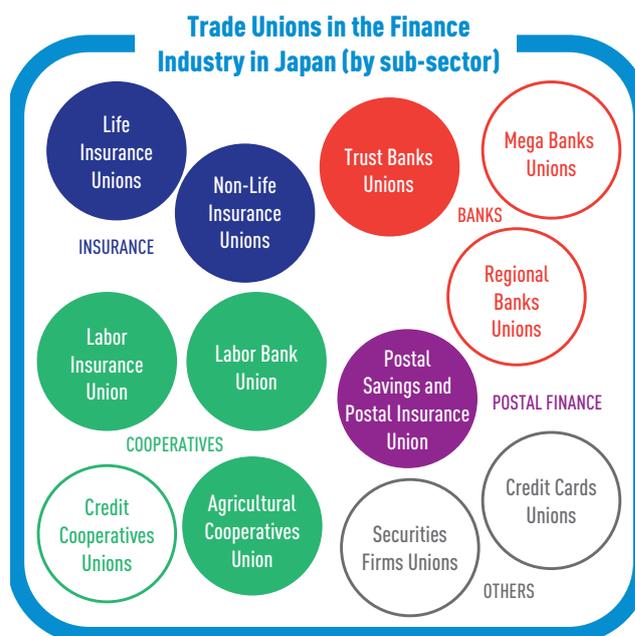
Thanks to the progress of insurtech, the following cases are estimated for the future image of the insurance industry; 1. Various functions will remain in the existing insurance companies, 2. Various functions will be dismantled and outsourced, so insurance companies will specialize in risk-taking only, 3. IT industry will accelerate its move to enter the insurance business.

Furthermore, there is a possibility that the structure of the industry and workstyle of the union members will shift

drastically, but at the moment, it is still difficult to predict which case will actually occur in the future. Having said that, whatever kind of marvelous technology is developed, it is only a “human” who can be considerate of customers’ feelings and provide them with polite responses, and thus we believe it is important for the “human” to utilize new technology, understand customers’ needs and provide meticulous and impressive services which meet their needs perfectly.

Trade union activities in the financial industry

Regarding financial trade unions, as with other industries, enterprise-based unions exist for each financial institution, and higher-level organizations (industry-based unions), which bring together the enterprise-based unions within an industry, also exist. These industry-based unions are carrying out economic struggle as well as making efforts such as policy activities toward healthy development of their industries and the promotion of the understanding of their industries among the people.



Unions in circles with colored backgrounds are affiliates of UNI / UNI Apro / UNI-LCJ Finance. For details of each union, please refer to the profiles of UNI-LCJ Finance affiliates (page 4-7).

Aims and Tasks of UNI Finance, UNI Apro Finance, and UNI-LCJ Finance



Left to right: Michimasa Sakaida (President, UNI-LCJ Finance), Jayasri Priyalal (Director, UNI Apro Finance), Angelo Di Cristo (Head, UNI Finance Global Union)

UNI Finance is one of the strongest sectors in the UNI Global Union. The strength of UNI Finance lies not only in its membership size, but also in the important role of the finance sector in the globalized economy. The finance industry is the blood of the national economy, and at the same time, it is the key engine for realignment and restructuring in the national and global economy, in which our workers play a significant role.

UNI Finance is a global trade union body, with UNI Apro Finance as one of the four regional organizations. The head office is located in Nyon, Switzerland and the regional office is in Singapore, both of which serve as international financial unions centers. UNI Finance represents about three million bank, insurance and other financial institutes’ workers worldwide and UNI Apro Finance organizes around 620,000 workers in 18 countries in Asia and the Pacific Region.

The President of UNI Apro Finance is Bro. Michimasa Sakaida, who is at the same time President of FNIU, the Federation of Non-Life Insurance

Workers’ Unions of Japan and president of the UNI-LCJ Finance Sector.

The task of UNI Finance is to unite bank, insurance and other financial institutes’ trade unionists all over the world through coordinating their common demands to establish a global strategy to make the financial industry more reliable and sustainable. Future Financial Stability and Digital Disruptions are concerns of UNI Apro Finance in preparing finance industry employees and empowering them to collaborate and cooperate with the stakeholders. To cope with the unending digitalization and added competition from FinTech’s and other non-banking entities capacity creation, as well as entrepreneurial development are some policy alternatives proposed by UNI Apro Finance through regional, sub-regional social dialogue forums in Asia. Restoring stakeholder trust and confidence in a socially concerned finance industry that drives economy-wide growth for sustainability is one of the key missions undertaken by UNI Apro Finance and its coordinating councils in ASEAN and South Asia.

UNI-LCJ Finance, headed by Bro. Sakaida, coordinates Japanese finance sector workers, holding regular meetings to exchange information and discuss how to effectively engage themselves in UNI & UNI Apro activities. UNI-LCJ Finance has shown significant progress since UNI was established in 2000. The current membership of UNI-LCJ Finance is 118,200, which has more than doubled compared to 45,000 in 2000. Furthermore, it has amicable relations with non-UNI affiliated financial unions to indicate to them UNI’s values – a strong worldwide union network and its capacity to provide updated information and union strategies. UNI-LCJ Finance is one of the most promising sectors in UNI-LCJ and leads the financial labour movement in Japan.

Profile of UNI-LCJ Finance Affiliates



National Federation of Trust Bank Employees' Unions (Zenshinren)

Teppei Iijima [President]

The National Federation of Trust Bank Employees' Unions (Zenshinren) is an industrial federation consisting of two enterprise-based trust bank labour unions – the Mitsubishi UFJ Trust & Banking Employees' Union and the Sumitomo Mitsui Trust Bank Employees' Union, currently representing 17,000 workers.

This September, Zenshinren marked the 72nd anniversary since its establishment in 1947. We have based our actions on two basic principles; respect for each other's independence, and mutual success. Zenshinren, originally established as a liaison council, has expanded its functions over the years and is now serving as a trade union federation. For your information, the Sumitomo Mitsui Trust Bank Employees' Union succeeded in organizing contract workers in July 2018, adding 2,000 members.

Today we are facing an urgent need to expand our corporate customer base, as employee pension funds in Japan are facing dissolution. We are taking on this challenge by launching new products such as the "Educational Donation Trust Fund" and the "Annual Inheritance Trust Fund," expanding the private customer base and increasing the investment balance. In addition, the Mitsubishi UFJ Trust & Banking Corporation transferred its corporate loan business to MUFG Bank in April 2018 and Sumitomo Mitsui Trust Bank integrated its assets management business into Sumitomo Mitsui Asset Management Company in October 2018. As such, each company is taking measures to respond to the changing business environment.

However, the growth of earnings is still sluggish due to decreasing domestic capital needs and increasing competition from financial institutions that offer lower interest rates in the banking business, and increasing threats such as new entrants from different industries enabled by the advancement of FinTech in the trust business, leading us into fierce competition. These changes seen in the trust bank industry today do not allow for optimistic visions of the industry's future. Furthermore, concerning the labour environment, we are taking steps toward the workstyle reform as well as seeing career problems because of high efficiency accomplished by the digitalization and reorganizations mentioned above.

The needs among union members are also shifting. In addition to conventional union activities, such as improving wages and working environments, the demand to recognize new ways of working with emphasis on respect for the individual and freedom of choice is increasing. These changes affect the labour conditions and working modes for trust bank workers.

Based on this, Zenshinren is committed to the following objectives:

- Conduct thorough research and study
- Reinforce Zenshinren's structure
- Maintain and improve labour conditions
- Improve labour environments
- Operate Zenshinren effectively

Specifically, in addition to serving in our conventional duties as a trade union federation, we provide rich research and study data focusing on industrial foresight, proactivity, and long-term vision.



National Federation of Life Insurance Workers' Unions (LIU: Seiho Roren)

Mamoru Matsuoka [President]

The National Federation of Life Insurance Workers' Unions (LIU) is the one and only industrial federation in the life insurance sector, comprised of 19 enterprise-based unions, organizing 250,000 workers with sales staff comprising a major portion, more than 70%, of the membership. Since the formation of LIU in 1969, efforts have focused more actively on job security and improvements in the economic and social status of female workers, who account for an overwhelming majority of the unionized sales staff.

We are proud that our accomplishments in this particular activity stands in stark contrast to the lagging unionization of sales and marketing workers both in Japan and abroad. LIU promotes activities based on its four main policies. The four policies are: "To accomplish LIU's social mission in the life insurance industry," "Improve and advance comprehensive labour conditions," "Strengthen and expand LIU's organization" and "Enhance work and life satisfaction for each member."

Currently, the life insurance sector is not only taking measures against the workstyle reforms such as "shortening long-working hours" and "enhancement of productivity," which are increasingly becoming matters of social concern but also facing many challenges such as "the aging society with low birth rate," "diversification of customers' needs and sales channels" and "the record low standard of market rate of interest." In addition, we need to pay close attention to the impacts of technological innovation including AI and IOT on members' workstyle and insurance products and services.

Under these circumstances, we aim at developing a life insurance industry which supplements public social security systems and supports the people's life security as well as enhancing every member's "work/life satisfaction," working closely with our affiliates to actively "Unite our industrial activities through the Spring Offensive," "Establish a labour management council together with the Life Insurance Association (an employer's organization)," "Contact various organizations including the regulatory authorities," and "Exchange information and opinions with the media, intellectuals, consumers' organizations and students," from

very wide perspectives. Among our members today, we have six foreign subsidiary-based unions, which account for one third of all our affiliated unions. The numbers of life insurance companies expanding abroad are also increasing, making finance and insurance workers more susceptible to world affairs. Thus, information and advice from UNI and its affiliates are becoming more valuable and important.

Nevertheless, we will continue to carry out our social responsibilities to fulfill the expectations of our customers and society while making efforts to develop the industry as a trade union so that our members can continue working with a sense of the worthwhileness of working/living.

We look forward very much to receiving continuous support and cooperation from all UNI affiliates.



The National Federation of Agricultural, Forestry and Fishery Cooperatives Workers' Unions (Noh-Dan-Roh)

Noboru Otani [President]

The National Federation of Agricultural, Forestry and Fishery Cooperatives Workers Unions (Noh-Dan-Roh for short) organizes workers of agricultural cooperatives (Noh-kyo). 90 unions embracing approximately 13,000 members belong to the federation. However, since there are around 650 Noh-kyos with 200,000 employees across the country, Noh-Dan-Roh cannot boast a high organization ratio. Part of the reason for the low organization ratio can be attributed to the high rate of non-regular workers at Noh-kyos. Non-regular workers account for more than one third of the approximately 200,000 employees, and this percentage has been increasing over the years. Because of this, the major future challenge for Noh-Dan-Roh is to organize non-regular workers as well as non-unionized workplaces.

Noh-kyos are cooperative organizations established with capital contributed by farmers. Their operations are wide-ranging: technical guidance for farmers; supply of materials for agricultural and dairy production such as fertilizers, agricultural chemicals, seeds, and feedstuff; and shipment of agricultural and dairy products turned out by farmers. In addition, some Noh-kyos are engaged in the credit (financial) and mutual benefits (insurance) business, and some even supply daily necessities (supermarkets).

Recently the number of non-farmer members (associate members) that use the services provided by Noh-kyo, such as financial services or purchasing daily goods, has risen and surpassed that of farmers (regular members). In an attempt to diminish the increasing power of Noh-kyo, the current administration forcefully amended the Agricultural Cooperatives law in 2015, for example by restricting the number of associate members to half of its regular members*. Noh-Dan-Roh stands against this, arguing the social significance and key roles co-ops play within a community. Noh-Dan-Roh is currently strengthening coordination with other co-op unions that are affiliated with UNI.

Noh-Dan-Roh's industrial policies focus on promoting

domestic agriculture. With regard to cooperatives, with a view to developing operations based on "mutual aid," which is the core idea of cooperatives, separate tasks have been set out and each union has made a proposal to each Noh-kyo, Noh-Dan-Roh putting forward a proposal to the National Federation of Mutual Aid Agricultural Cooperatives. With regard to the credit business, Noh-kyos have funds totaling 99 trillion yen, of which 35% is currently lent out, and nearly 60% is deposited with Norinchukin Bank. This indicates a high reliance on fund management by Norinchukin Bank. In view of this, Noh-Dan-Roh is asking for the building of an agricultural version of "relationship banking" so that each agricultural cooperative can meet fund demand based on agricultural funds.

Because Noh-Dan-Roh is a trade union for the agriculture sector, it is a member of the IUF. Meanwhile, it has shared information with unions at the UNI finance sector and decided on official affiliation with UNI at the 2016 annual convention.

**The legislative bill includes a review of the usage rate of associate members in 2021.*



National Federation of Zenrosai Workers' Unions (Rosai Roren)

Kazuya Honda [President]

Rosai Roren is an industry-wide federation of labour unions which consists of nine individual unions, embracing a total of 4,191 members (of which 39% are women) who work in the Zenrosai (The National Federation of Workers and Consumers Insurance Cooperatives) group (as of the end of October 2017). Rosai Roren joined UNI-LCJ in 2005. We are making efforts to organize temporary and part-time workers, which currently represent 13% of the entire membership.

Zenrosai is the core of the Zenrosai group. It is a consumers' cooperative which organizes mutual aid activities generated from the labour movement. Under our slogan, "Helping one another to form an affluent and secure society," we provide our members with a total life security service package with an insurance mechanism which ensures support to cover every member. Our service provides solutions to protect members from various lifetime risks.

Rosai Roren executes various activities by fully optimizing its functions both as an industry-wide federation and a group of trade unions. Our organizational philosophy, which was approved at the 27th constitutional convention held on 10th September 2016, is "to promote activities with the aim to enhance each worker's autonomous welfare and welfare within the organization," "to strengthen activities to nurture the Zenrosai group and fulfill our society's mutual welfare system," and "to secure a solid foundation as the basis for decent livelihoods for all our workers, such as worker's rights, democracy, peace and environmental safety."

This philosophy will be held with respect in each member's mind as we further expand our activities. Furthermore, at the convention, a unified policy was adopted between Zenrokin and Rosai Roren, which focuses on sharing systems among Labour Banks and Zenrosai. This policy reminds the two organizations to utilize their systems mutually, and work together on common initiatives for the benefit of the members of both unions. Both organizations are engaging in dialogues on this issue at all of their local offices across the nation and facilitating actions to achieve their targeted goals. In fiscal year 2016, we established a Women's Committee and have focused on training and capacity development for women executives since then. Women currently comprise approximately 17% of the seats for Rosai Roren's central executive committee. In this regard, we are currently examining a system for educating and promoting more female executives to reach 30% female representation by the year 2020. Finally, in order to accommodate to the various changes seen in the environment surrounding workers today, we believe it is crucial not only to communicate with fellow financial and insurance sector unions, but to share information with domestic and overseas unions from all sectors and work hand in hand together with them. We seek continuous support from our friends who are united in UNI and resolve to work for the further development of UNI. Let's work together!



Federation of Labour Bank Workers' Unions of Japan (Zenrokin)

Shingo Suetome [President]

1. Brief Overview of Labour Banks

Labour Banks in Japan are cooperative-type financial institutions established and funded by trade unions and cooperatives, providing deposit and loan services on a non-profit basis to working people. A total of 47 regional Labour Banks were originally established. However, subsequent mergers have resulted in the banks being reorganized into 13 regional Labour Banks.

Labour Banks provide major services such as deposits and withdrawals; lending to individual workers (housing loans, automobile loans, educational loans, etc.), trade unions (emergency funds for unpaid wages, etc.), and NPOs.

As of the end of March 2017, there are 633 Labour Bank offices nationwide, with a total of 13,820 employees. Collectively, outstanding deposits totalled 19,245.6 billion yen and outstanding loans totalled 12,224.8 billion yen, while dealing with 10.66 million customers overall.

2. Configuration and Administration of the Federation of Labour Bank Workers' Union of Japan

The Federation of Labour Bank Workers' Union of Japan (shortened to "Zenrokin") was formed in November 1956. It organizes workers at the 13 regional Labour Bank unions

and the labour union for the central organization, 14 trade unions in total. At the end of May 2018, Zenrokin had 8,871 members.

Zenrokin organizes an annual convention once a year, Central Committee meetings twice a year, and Central Executive Committee meetings around 12 times a year.

In 1993, Zenrokin became affiliated with the Japanese Trade Union Confederation, JTUC-RENGO, and has since become active within RENGO in activities concerning the financial and insurance sector. In 2005, Zenrokin also became affiliated with UNI.

3. Major Aims of the Organization

(1) To fulfil our social responsibility as a trade union by:

1. *Developing measures for "remembering the disasters" as a whole institution, Zenrokin, to reconstruct and recover areas disrupted by the Great East Japan Earthquake and Kumamoto Earthquake,*
2. *Driving a "solidarity campaign for fund-raising" and creating a "union-version disaster manual" as countermeasures for natural disasters,*
3. *Working on activities with the aim to "reinforce, raise standards of and integrate the entire movement" based on the "Labour Union's action plan" and reinforcing collaboration among Zenrokin and the unions at all Zenrokin affiliates, in order to develop a unified campaign,*
4. *Participating actively in initiatives taken by RENGO, the National Council of Workers' Welfare and UNI, as well as strengthening the alliance with Rosai Roren and the Japan Co-operative Alliance, and*
5. *Manifesting the union's influence to contribute for a society where peace and safety is ensured.*

(2) To protect employment and livelihoods by:

1. *Establishing "the right to convert to indefinite-term employment" for affiliated companies' workers on limited-term contracts as an achievement of stable employment,*
2. *Playing the role of a trade union at dispatched worker destinations, in accordance with the Revised Worker Dispatching Act,*
3. *Arranging systems for supporting reemployment, infertility treatment leave and others toward realizing "ideal working environments where everyone can work and stay healthy and equal" and taking other concrete measures into practice toward achieving plans based on "the Act on Advancement of Measures to Support Raising Next-Generation Children" and "the Act on Promotion of Women's Participation in the Workplace." In addition, working on enlightenment to prevent all kinds of harassment, and*
4. *Realizing a system where all the workers, whose irrational disparities will be solved, are fairly treated as well as where they can equally work based on the legislation of equal pay for equal work.*

(3) To develop the workers' autonomous welfare movement by:

1. *Reinforcing the management oversight function from the union's point of view on common issues in the business form of labour banks toward strengthening management*

policies, and proposing the unions' policies for promoting the workers' autonomous welfare movement,

2. Working on the "organizational reform" for developing the workers' autonomous welfare movement, and playing a social role for realizing SDG's,
3. Seeking the fulfillment of education for labour and cooperative union movements and playing a role as labour bank workers.



**Federation of Non-Life Insurance
Workers' Unions of Japan (FNIU: Sompō
Roren)**

Michimasa Sakaida [President]

The Federation of Non-Life Insurance Workers' Unions of Japan (FNIU) is comprised of 21 enterprise-based unions ranging from Non-Life insurance companies, claims adjusting firms, information systems companies, life insurance companies affiliated to Non-Life insurance companies, etc., embracing approximately 94,000 workers. The Federation was established in 1967 and celebrated its 50th anniversary two years ago. FNIU strives for a sound development of the Non-Life insurance industry that is highly valued by society and consumers, as well as maintaining and improving labour conditions for workers in the Non-Life insurance sector.

Due to the ever-declining birth-rate and aging population, as well as overall population decline, today's domestic Non-Life insurance market cannot expect any significant growth. Companies are making efforts to expand their markets through providing new products and services while looking at the transition in customer needs as technological innovation and operational globalization evolves, from the medium-to-long term perspective, based on SDGs.

As for Life insurance, each group is providing attractive policies and services on the axis of cross-sell with Non-Life insurance, even in the background of lingering impacts from negative interest policies such as the decline in revenues from asset management and restrictions on selling savings-based programs, aiming at sustainable corporate growth. Also, led by their holding company's management, each group promotes corporate integration and reconstruction, as well as carries out M&As to actively expand overseas insurance operations together with other financial or general businesses outside the insurance sector.

Moreover, Non-Life insurance companies, claims adjustment companies and clerical and systems companies coordinate among each other to improve the loss ratio by appropriate determination of damages and measures against preventing accidents, and to work on maximizing efficiency by reviewing current work processes and implementing a standardized system, among others.

FNIU aims to improve the ability to implement policies and will continue to comment, recommend, and appeal matters to various authorities as representatives for the workers in this industry. Our recent activities have focused

on the following:

- Improving quality and consumer accessibility
- Maintaining and improving social infrastructure functions

Research and studies are also conducted on how technological innovation will affect our industry.



Japan Postal Group Union (JPGU)

Mitsugi Masuda [President]

Japan Post was established in 1871. It started financial services in 1875 and postal life insurance services in 1916, respectively. All of these now have more than 100 years of history. When Japan Post was privatized in October 2007, its services were separated, and Japan Post Bank and Japan Post Insurance Co. Ltd. were born. These two companies together with Japan Post Holdings Co., Ltd. were listed on the first section of the Tokyo Stock Exchange in November 2015, but many regulations restricting their operations still exist today. The two financial services are available at 24,000 post offices throughout Japan. Japan Post has a positive impact on local economies through creating employment opportunities for a large number of workers.

Japan Postal Group Union (JPGU), with a 245,000-strong membership in postal and related facilities, pursues "true happiness for its members." We set friendship, creation and contribution as our basic policy, and promote (1) employment security and betterment of the life of all workers in postal and related facilities, (2) contribution to the development of businesses for postal-related companies, and (3) realization of the betterment of all workers' social status and assistance to build a fair welfare society.

All union members are active players in our trade union movement, in which they have access to the latest information and hold constructive discussions to collect views at all levels. Through negotiations held with management, we reflect our member's voices in order to promote and maintain better working conditions, as well as to improve productivity with its three principles in the areas of employment security, constructive labour-management relationship and fair distribution based on performance. In order to stimulate these activities, we provide education to our union leaders, with special focus on youth and women.

JPGU also promotes a welfare-oriented union movement including study tours with members and their families to learn about the importance of peace. It also participates in activities which help raise awareness towards human rights.

In addition to being part of the Post & Logistics sector at UNI, JPGU joined the Finance sector. Together with other financial sector colleagues, JPGU continues to work hard to overcome the challenges it faces in the industry.

What is UNI-LCJapan? A Domestic Consultation and Coordination Body

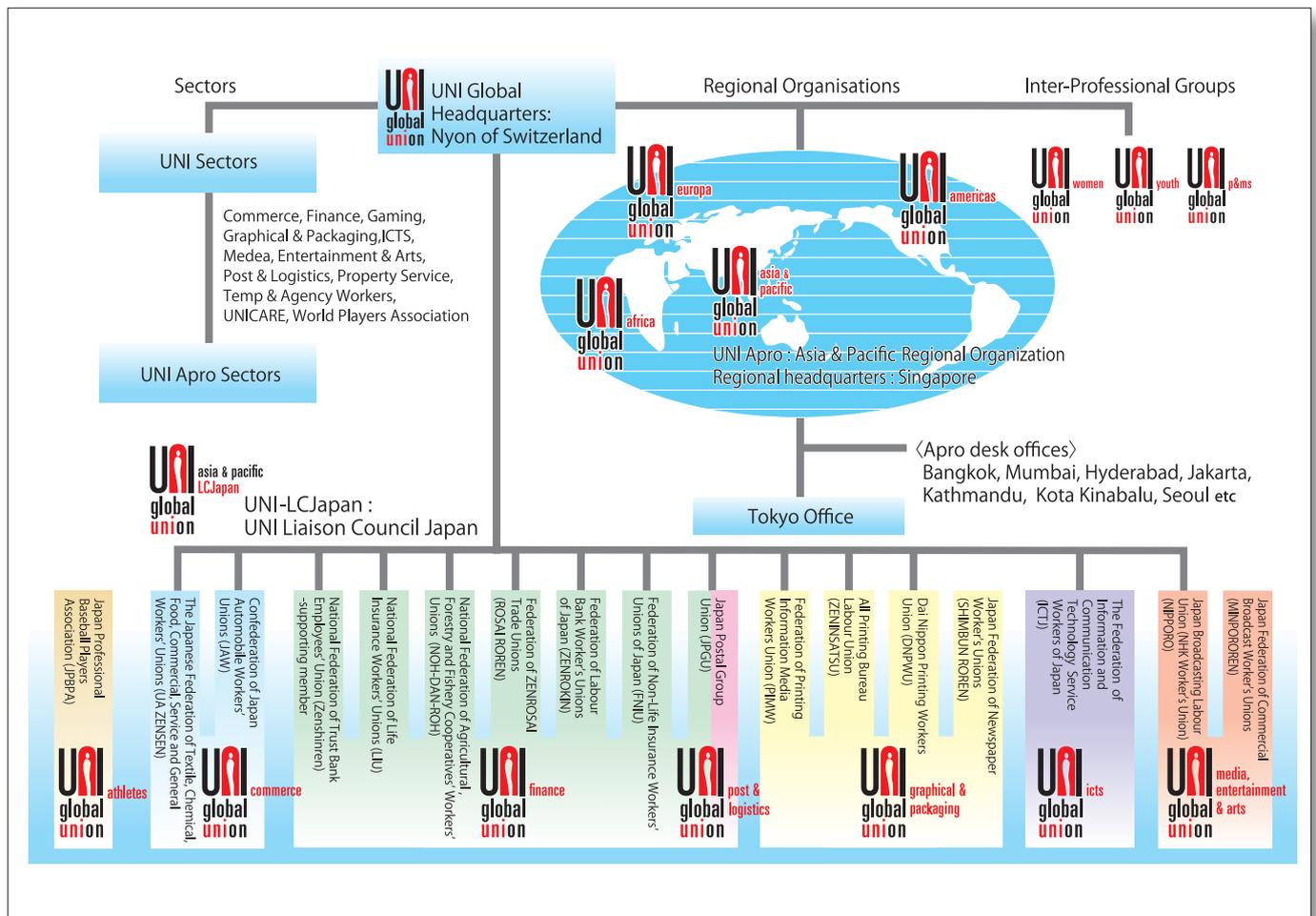
UNI-LCJapan (UNI Liaison Council Japan) is the domestic council where UNI affiliates in Japan discuss their involvement in UNI activities and harmonize their opinions and positions. In conjunction with UNI consolidation, UNI-LCJapan was formed in January 2000 and has been expanding its membership with determined commitment to organizing. As of February 2019, UNI-LCJapan consists of 14 affiliated unions with a total of 1,022,700 members and carries out activities in close cooperation with UNI / UNI Apro.

A large number of Japanese affiliates hold key positions in UNI/UNI Apro. Many of them are involved in UNI decision-

making bodies, and they are particularly responsible for promoting UNI activities in the Asia-Pacific region. Since 2000, many overseas projects have been run by UNI-LCJapan. Seminars have been conducted in various other countries in close cooperation with their national liaison councils and UNI-LCJapan.

UNI-LCJ is a coordinating body of Japanese affiliates in six sectors including Commerce, Finance, Graphical, ICTS, Media and Post & Logistics, and other new areas such as Athletes and Care.

UNI-LCJ Finance, with 118,200 members from seven affiliates, is one of the fastest-growing and promising sectors in Japan.



UNI Liaison Council Japan (UNI-LCJapan)

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