

Japan Pension Service and its Operation



April 2025

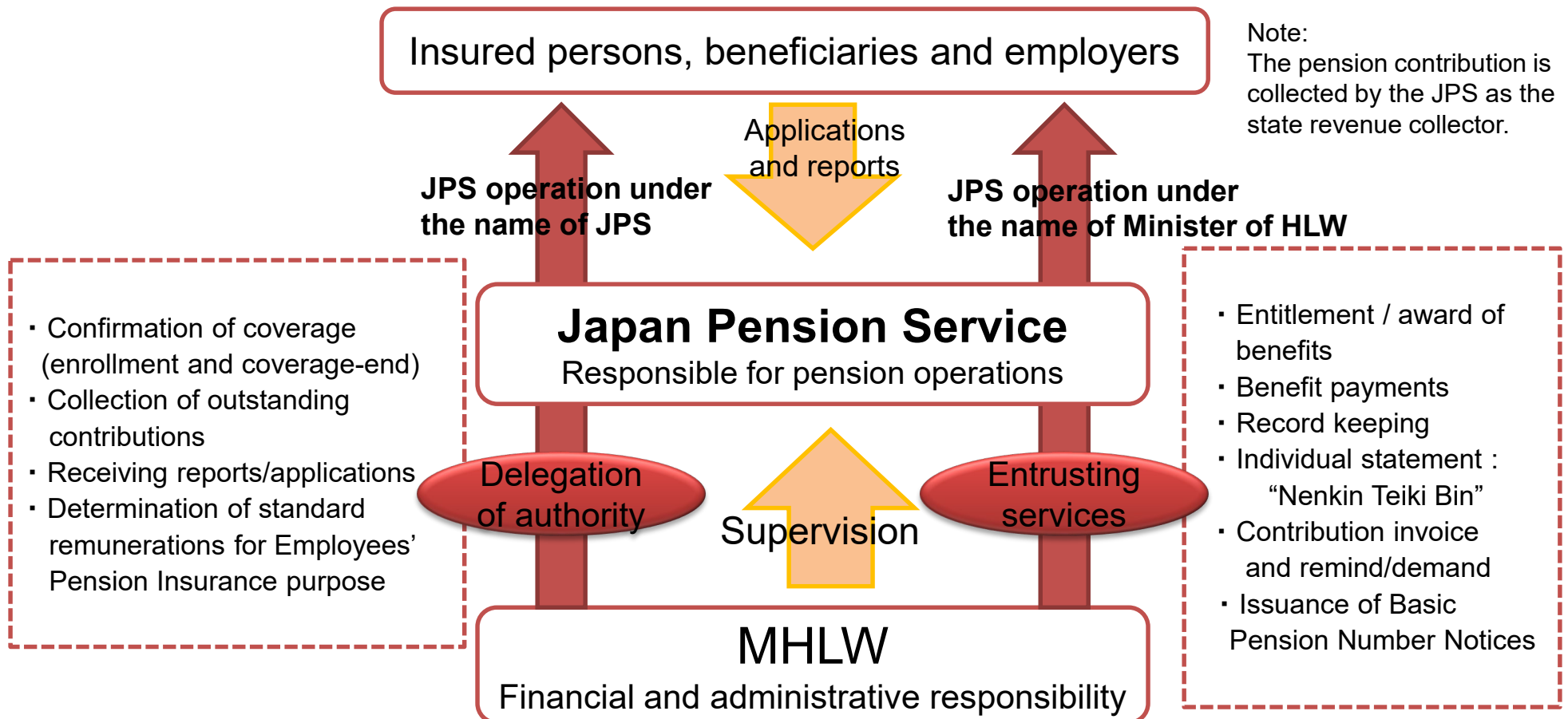
1. About Japan Pension Service



- ◆Name Japan Pension Service (Nippon Nenkin Kiko)
- ◆HQ address 3-5-24, Takaido-nishi, Suginami-Ku, Tokyo
- ◆Organization Special public corporation with non-government employees
National HQ and 312 Branch Offices
- ◆Foundation January 1, 2010
(Replacing the Social Insurance Agency which was abolished)
- ◆President Kazuhiko OTAKE
- ◆Staff About 11,000 regular workers and associate workers (as of April 1, 2025)
In addition, the JPS has special task contract workers and assistant contract workers.
- ◆Operations The Japan Pension Service (JPS) is responsible for public pension systems operations (coverage, contribution collection, record management, pension consultation, entitlement and payment of benefits) which are delegated and entrusted by the Minister of Health, Labour and Welfare.

2. Responsibilities of JPS and the Ministry

- ◆ The Ministry of Health, Labour and Welfare (MHLW) is responsible for pension finance and administration, while the operations/services are delegated or entrusted to the JPS.
- ◆ The JPS operates:
 - authoritative businesses delegated by the Minister of HLW, including the enrollment /withdrawal, receiving applications and reports, under the name of the JPS
 - entrusted businesses by the Minister of HLW, including entitlement and payment of benefits, under the name of the Minister of HLW.



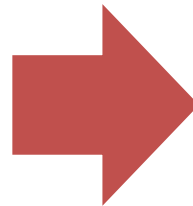
3. Principles

◆ JPS's Principles (Article 2 of the Japan Pension Service Act)

The government-managed pension system shall be operated stably and sustainably, based on public trust with principle of solidarity. The Japan Pension Service, therefore, shall strive for higher service quality reflecting people's needs and opinions on government-managed pension systems, and assure effective operation and fairness and transparency in operation.

◆ Five essential points

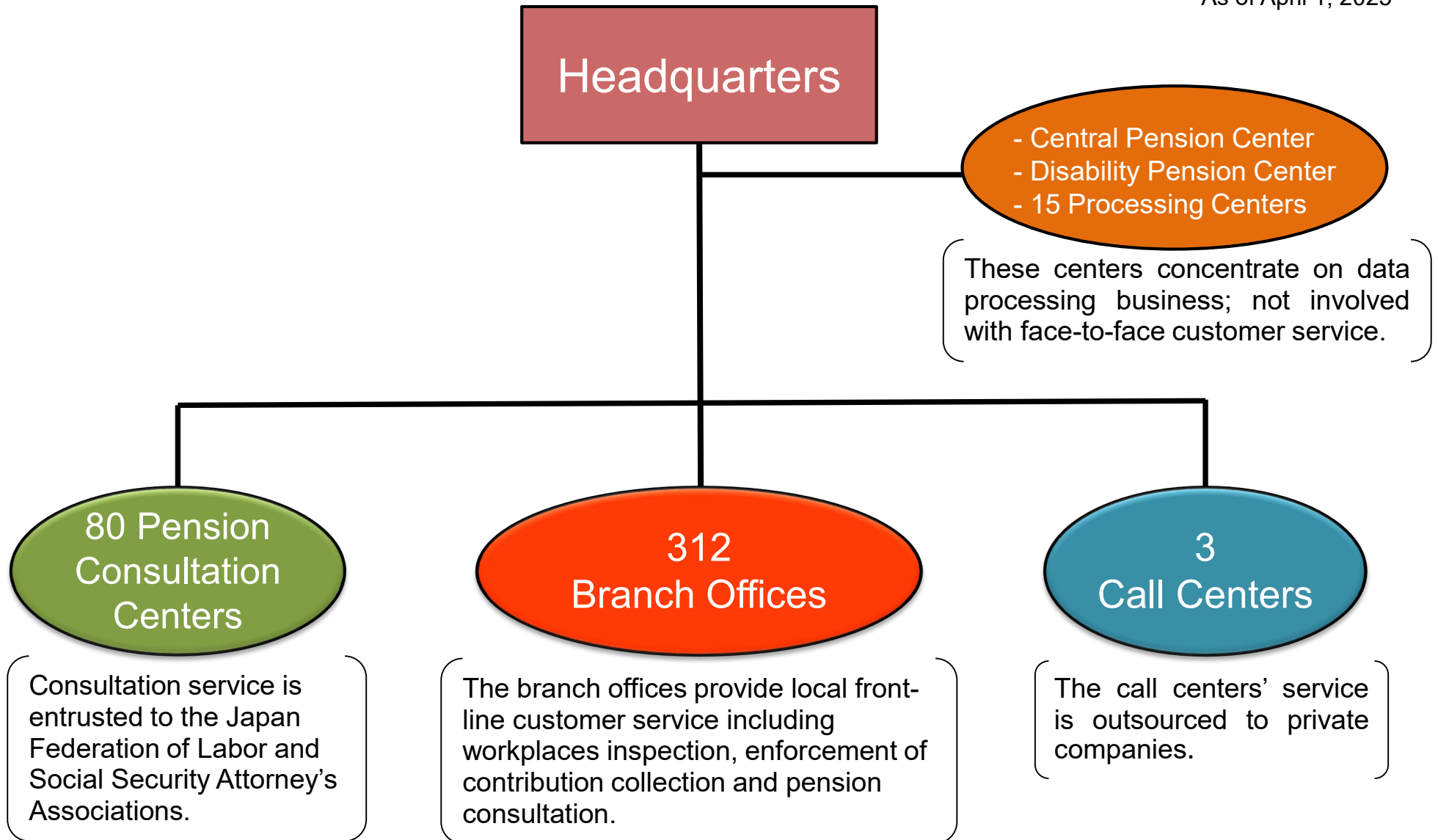
1. Public trust
2. Reflection of public opinions
3. Higher service quality
4. Effective operation
5. Fairness and transparency



Fundamental subjects in :
- Business operation
- Corporate management

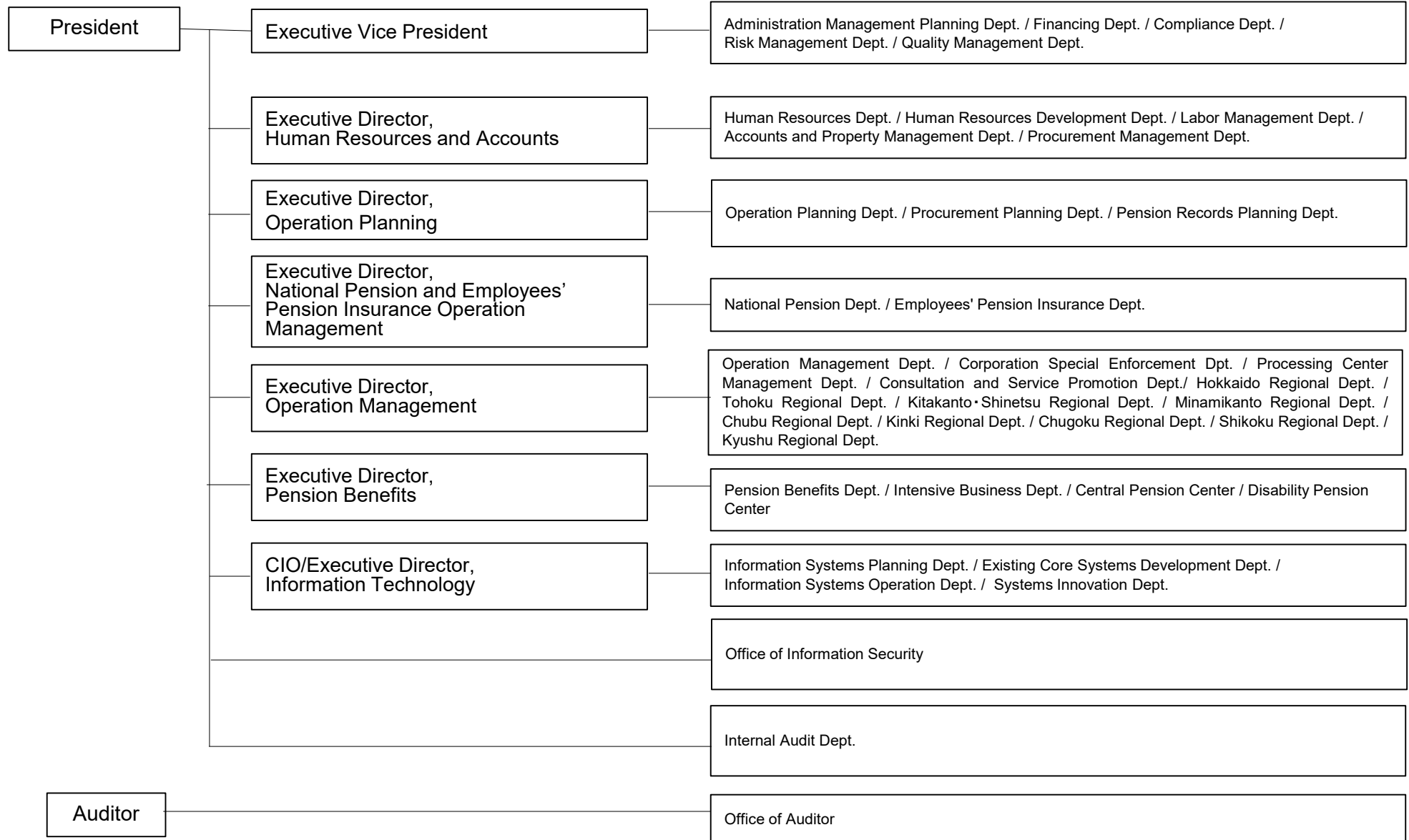
4. Organization structure

As of April 1, 2025



5. Headquarters organization

As of April 1, 2025



6. Flow of Public Pension Operations

The JPS headquarters, branch offices and processing centers are connected via an on-line system. Each office plays its operational role including processing at front-line, intensive processing, and integrated mass processing.

2.79 mil. covered workplaces
as of the end of Mar. 2024

**67.45 mil.
Insured persons**

Covered by the
National Pension (NP)
system and
Employees' Pension
Insurance (EPI)
system (As of the end
of Mar. 2024)

**39.78 mil.
Pension
beneficiaries**

Number of persons
entitled to benefits
(As of the end of Mar.
2024)

Workplaces

Primarily
responsible for
Employees' Pension
Insurance
procedures for
the employees

Municipalities

Front line of
various coverage
procedures for
National Pension

1,741 municipalities
as of Feb. 1, 2024

312 Branch Offices

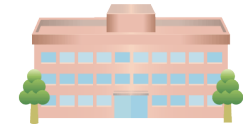
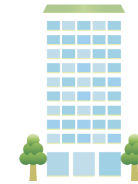
«Front-line»

- Receiving reports
- Pension consultation
- Coverage, contribution collection and inspection
- Examination of benefits applications and reports

15 Processing Centers

«Intensive processing»

- **Coverage of EPI and NP: examination and data input of reports and applications**
 - Coverage registration
 - Mailing contribution invoices
- **Pension benefits: data input of reports and applications** (excluding disability pension)



JPS Headquarters

Record Management / Basic Pension Number Management System

- Contribution calculation
- Management of workplaces /employees records
- Management of Basic Pension Numbers



On-line

Benefit Payments System

- Pension entitlement
- Pension benefits payments
- Management of beneficiaries records

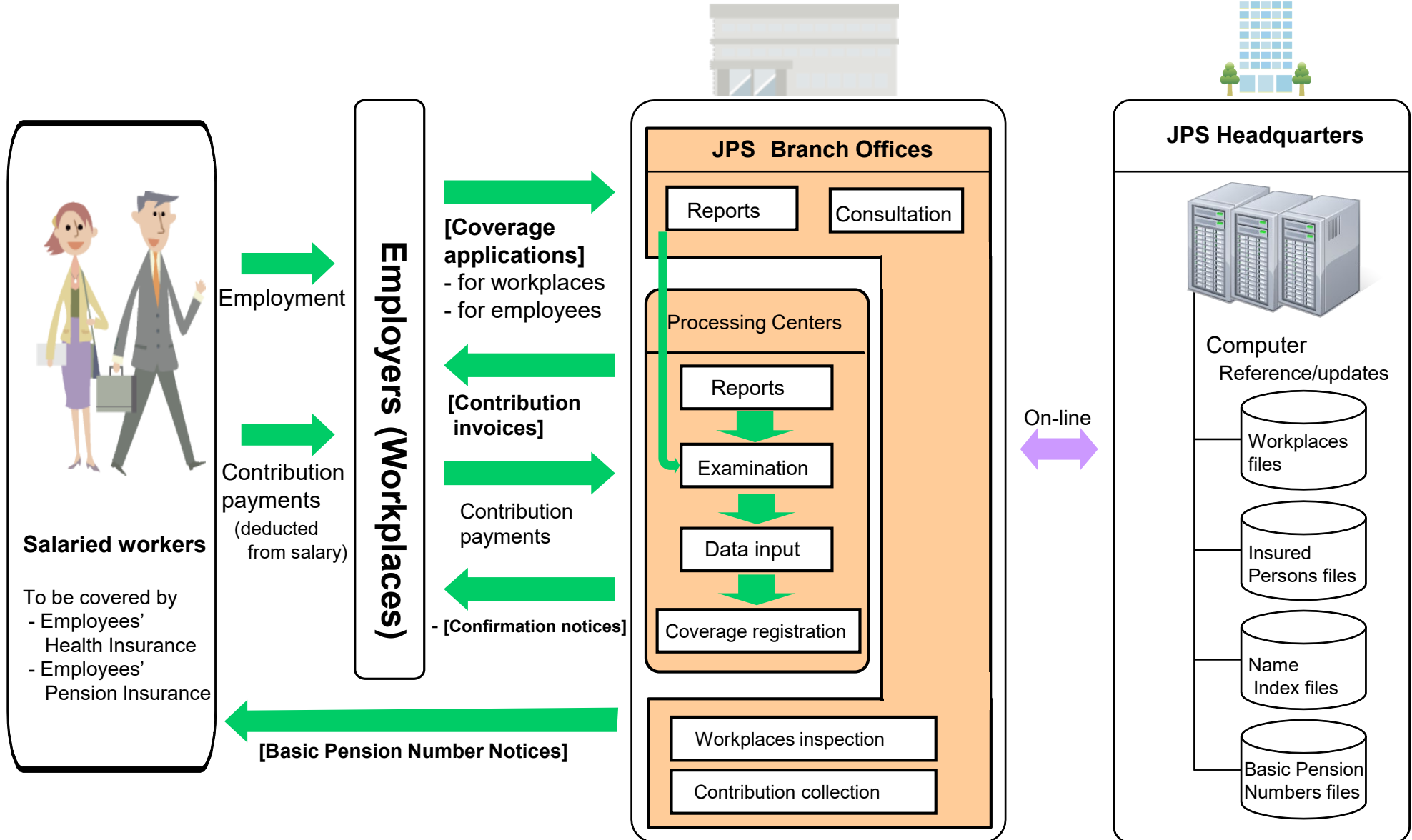


Centralized processing

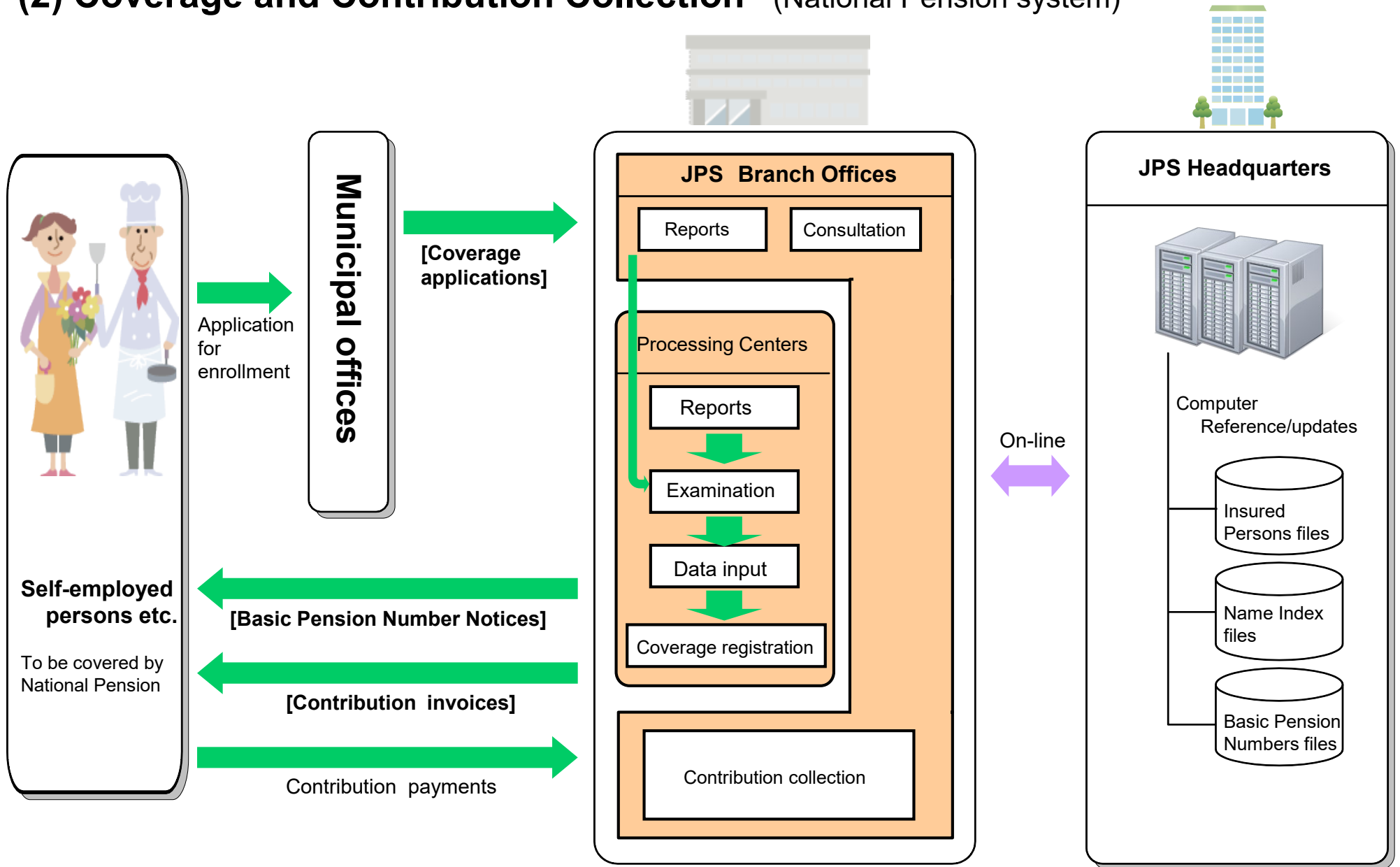
- Mailing individual statement "Nenkin Teiki Bin"
- Pension payment related business
- Employees' Disability Pension eligibility examination and entitlement
- Recovery of overpayments

(1) Coverage and Contribution Collection

(Employees' Pension Insurance and Employees' Health Insurance systems)

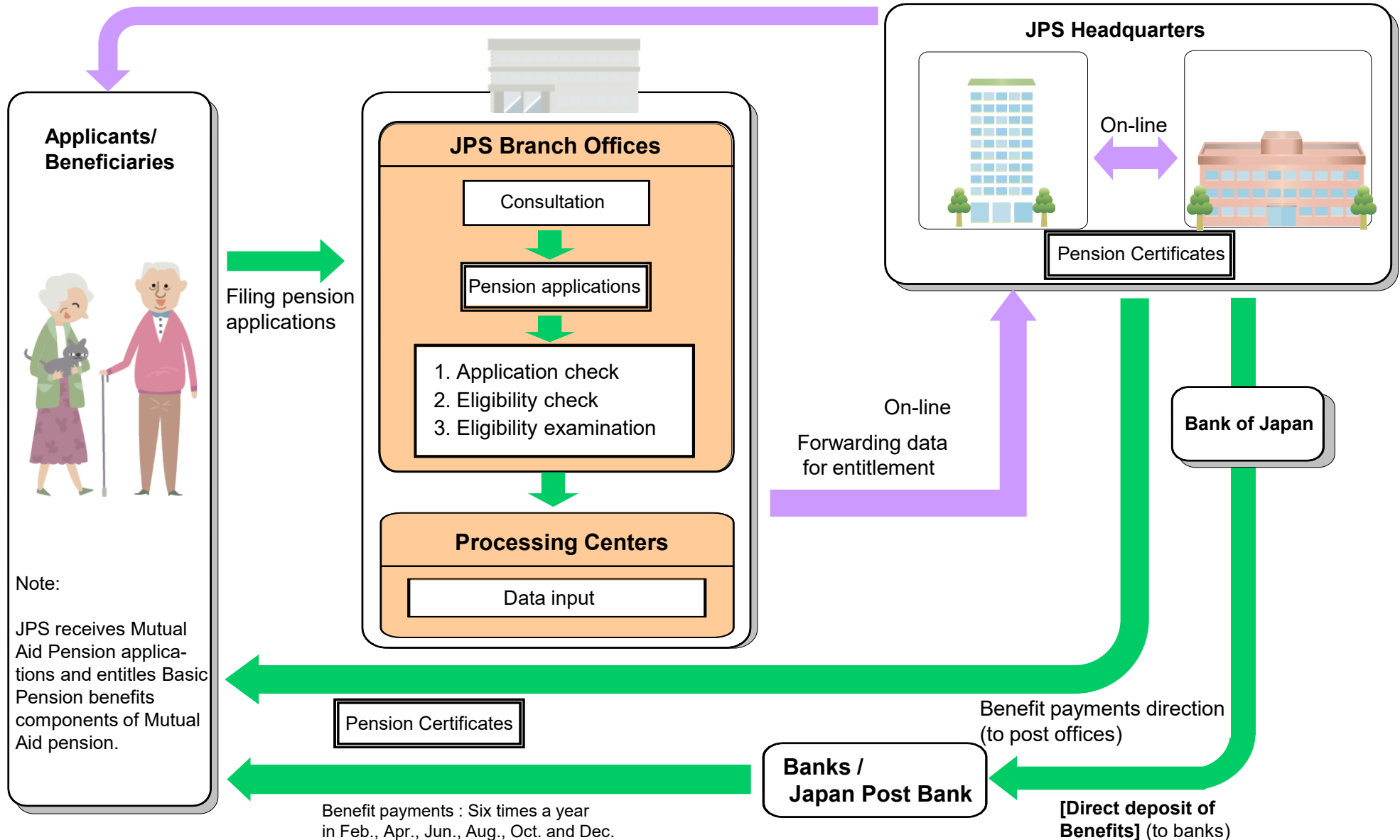


(2) Coverage and Contribution Collection (National Pension system)

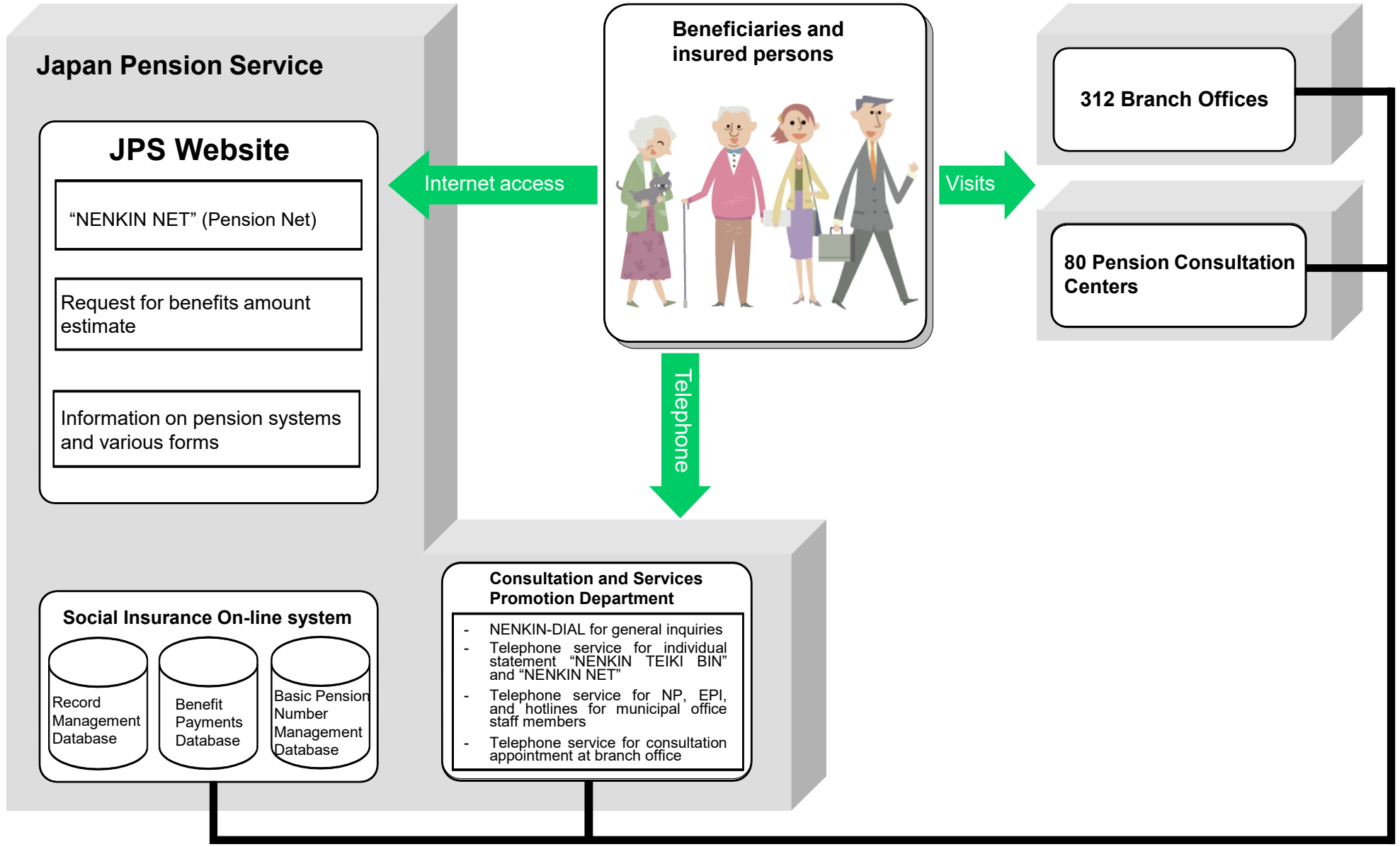


(3) Entitlement / Awarding and Payment of Pension Benefits

Advance mailing of application forms to the near-pensionable-age ("TURNAROUND" forms)



(4) Pension Consultation Services



(5) Structure of Social Insurance On-line System

