Announcement on Revision of Reference Loss Cost Rates for Overseas Travelers' Personal Accident Insurance

(Filed with the Commissioner of the Financial Services Agency on June 23, 2026)

The General Insurance Rating Organization of Japan (GIROJ) **filed revisions to Reference Loss Cost Rates for overseas travelers' personal accident insurance with the Commissioner of the Financial Services Agency on June 23, 2026.** This notice provides an overview of the filing (refer to page 4 for information on the Reference Loss Cost Rates and how it relates to actual insurance premiums).
The filing was subject to a regulatory review by the Financial Services Agency in accordance with the Act on Non-Life Insurance Rating Organization of Japan, and on June 30, 2026, GIROJ was notified that the revision was in compliance with the Act.

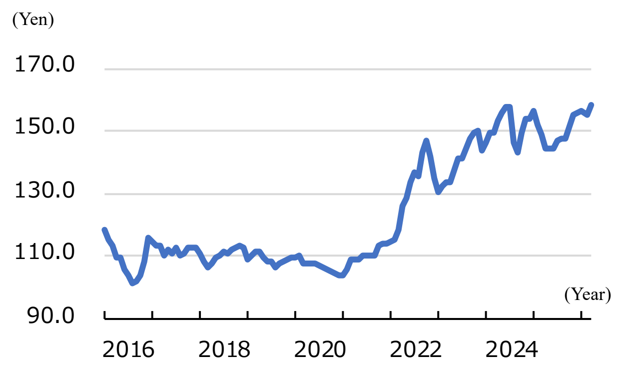
1. Overview and background of the filing

Reference Loss Cost Rates for overseas travelers' personal accident insurance have been revised for the first time in ten years, with an average increase of 40.3%.

[Please note the following points]

- ✧ Policy terms and conditions of overseas travelers' personal accident insurance provided by individual insurance companies may differ from the revisions to Reference Loss Cost Rates (e.g., percentage changes) for the following reasons (see page 4).
  - In some cases, insurance companies revise their pure premium rates based on their own financial performance and actual risk exposure, among other factors, using their own criteria, timing, and frequency.
  - Expense loading is determined by individual insurance companies and is not calculated by GIROJ.
- ✧ The percentage change listed above is the average for all policy terms (insurance period, insured amount, etc.); the percentage changes vary depending on the specific policy terms.

It has been approximately 10 years since the last revision to Reference Loss Cost Rates for overseas travelers' personal accident insurance, following the previous notification of changes in March 2016. During this period, it had been difficult to assess risk trends because of factors, including the decline in the number of overseas travelers due to the COVID-19 pandemic, and therefore, no rate revisions had been implemented. Since a sufficient amount of post-pandemic data has now been accumulated to calculate premium rates, we incorporate the most recent insurance statistics to reflect current risk conditions.



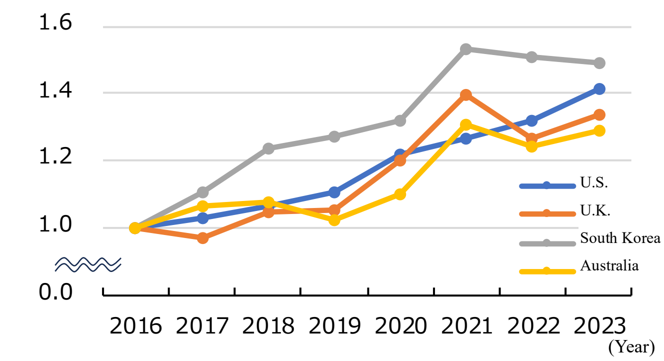
Source: Average monthly values provided by the Bank of Japan

Figure 1. Trends in USD/JPY

In recent years, insurance payouts for medical expenses from injury and illness have risen sharply. The main factor is the rise in the yen-equivalent value of foreign-currency-denominated medical expenses due to the continued weakening of the yen since 2016, when the previous filing was submitted (Figure 1). The soaring cost of medical care in various countries (Figure 2) is also considered a contributing factor.

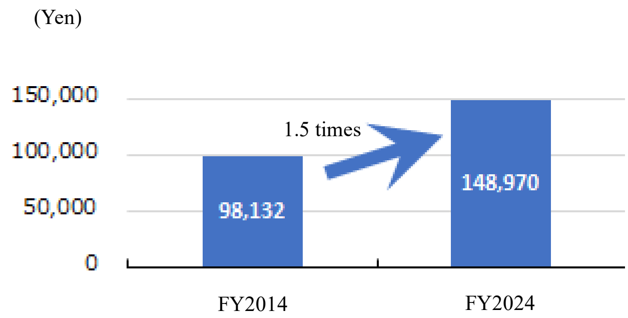
As a result, as shown in Figure 3, the insurance payout per person has increased to approximately 1.5 times its level 10 years ago (an increase of approximately 50,000 yen).

Approximately 70 % of the increase in the Reference Loss Cost Rates for medical expenses from injury and illness in this revision is attributable to the weak yen.



Source: World Development Indicators

Figure 2. Trends in medical costs per person in major countries (with 2016 set at 1)



Source: Overview of Personal Accident Insurance (GIROJ)

Figure 3. Trends in insurance payout per person (insurance payout for medical and rescue expenses)

Note 1 Overseas travelers' personal accident insurance provides coverage for various risks that the insured may face from the time they leave their residence for the purpose of overseas travel until their return (hereinafter, "travel period"). The main coverage details are shown in the table below (the actual coverage may vary depending on the insurance company's product offerings and the policyholder's coverage selections). GIROJ calculates Reference Loss Cost Rates for the coverage underlined.

<u>Death from injury</u>	Coverage if the insured dies from an injury during the travel period
<u>Permanent disability from injury</u>	Coverage if the insured becomes permanently disabled as a result of an injury during the travel period
<u>Death from illness</u>	Coverage if the insured dies from an illness during the travel period
<u>Medical expenses from injury</u>	Coverage of medical expenses from an injury during the travel period
<u>Medical expenses from illness</u>	Coverage of medical expenses from an illness during the travel period
<u>Rescue expenses</u>	Coverage of expenses if the insured is hospitalized due to injury or illness during overseas travel and a family member travels to the insured's location
Personal liability	Coverage of damages when the insured incurs legal liability for accidentally injuring another party or damaging the another party's property during the travel period
Personal belongings	Coverage of damages when personal belongings owned and carried by the insured are stolen or damaged during the travel period
Checked baggage delay expenses	Coverage of expenses incurred when the insured purchases personal items due to delayed baggage
Flight delay expenses	Coverage of expenses such as lodging and meals that the insured had to pay out of pocket due to a flight delay
Trip cancellation and interruption expenses	Coverage of expenses incurred if the insured or a traveling companion dies or is in critical condition, if the insured, etc. is hospitalized, or if the trip is canceled before departure or cut short and the insured returns home due to an earthquake, war, or act of terrorism at the destination

Source: Created based on data from the General Insurance Association of Japan, "General Insurance in Japan Fact Book 2025"

Note 2 The financial burden of receiving medical treatment abroad has increased due to the weak yen, making overseas travelers' personal accident insurance even more essential. While some credit cards provide overseas travelers' personal accident insurance, in some cases, coverage is provided only if the travel expenses are paid with that specific credit card, or the insured amount and scope may insufficient compared with those of standard overseas travelers' personal accident insurance policies sold by insurance companies. We recommend that you review the terms and scope of coverage in advance and consider taking any necessary steps.

2. Examples of percentage changes

The percentage changes for Reference Loss Cost Rates in the policy terms listed below are provided in the following table.

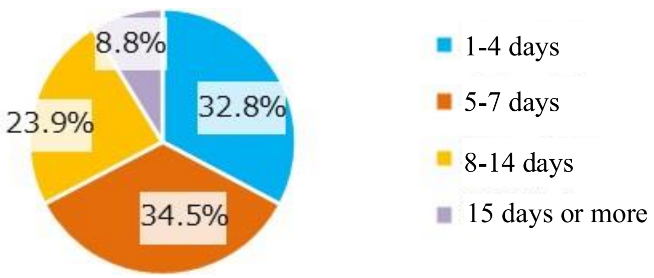
Please note that revisions to the premiums paid by policyholders vary by insurance company.

Overseas travelers' personal accident insurance

Insurance period	Percentage change
4 days	-33.4%
7 days	+50.4%

[Policy terms]
☐ Insured amount
Death from injury (20 million yen)
Permanent disability from injury (20 million yen)
Death from illness (10 million yen)
Medical expenses from injury (100 million yen)
Medical expenses from illness (100 million yen)
Rescuer expenses, etc. (100 million yen)

Note 3 The number of travel days for policyholders of overseas travelers' personal accident insurance for fiscal 2024 is shown in Figure 4. Policyholders travelling up to seven days account for approximately 67% of the total.



Source: GIROJ

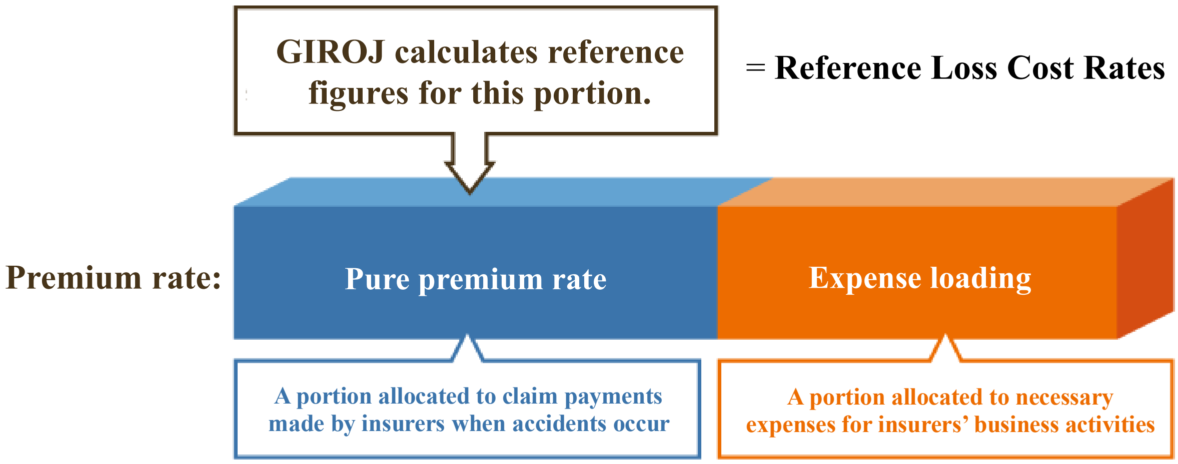
Figure 4. Number of travel days by policyholders of overseas travelers' personal accident insurance (FY2024)

Outline of Reference Loss Cost Rates

Insurance premium rates consist of pure premium rates (the portion of rates allocated for future claims payments by insurers) and expense loading (the portion of rates allocated for insurers' business and other expenses). GIROJ calculates Reference Loss Cost Rates using statistics and other data as reference figures for pure premium rates and provides them to its member insurers.

Member insurers of GIROJ can use the Reference Loss Cost Rates as they are. They may also use the figures with some modification based on the characteristics of their products and other factors. (Reference Loss Cost Rates are only reference figures with no obligation to be used, and insurers are allowed to calculate pure premium rates on their own without using them.) The premium rate paid by policyholders consists of the pure premium rate and expense loading, the latter of which is calculated by the insurer. For this reason, the percentage changes to Reference Loss Cost Rates, as well as other aspects of the revisions, may differ from those applied to insurance products sold by insurers.

Each insurer determines whether to adopt the revisions. Therefore, please note that actual insurance premiums are determined at the discretion of each insurer. In addition, each insurer also determines when to introduce the revised premiums.



About GIROJ

The General Insurance Rating Organization of Japan (GIROJ) is a non-profit organization established on the basis of the Act on Non-Life Insurance Rating Organization of Japan. Its members are general insurance companies. Its three main business activities are as follows.

Calculation and provision of premium rates	Investigation of claims for compulsory automobile liability insurance (mutual aid)	Data bank
Based on the principles of "reasonable, adequate, and not unfairly discriminatory," we calculate Reference Loss Cost Rates and Standard Full Rates and provide them to our member insurance companies.	With a motto of "fairness, promptness, and kindness," we investigate claims made for compulsory automobile liability insurance (mutual aid).	We compile a large volume of data related to different types of insurance and provide it to insurance companies and others. We also publish periodicals and data for consumers.