Sompo Holdings

Integrated Annual Report 2025

Sustainability Section

SOMPO's Materiality —Process of Formulating "Description of Purpose"—

The Sompo Group has clarified the social issues we must address to realize "a future of health, wellbeing and financial protection," as well as our long-term vision, the strategies for each LOB (line of business), and the value we provide, and has set these out in writing as our "Description of Purpose." Each LOB, and division has set financial and non-financial KPIs for the high-priority issues identified in the formulation of these aspirations and is promoting initiatives to resolve them. Through these initiatives, we will strive to realize SOMPO's purpose and, ultimately, improve the sustainability of our stakeholders and the Group.

Process of formulating materiality (Description of Purpose)

[PROCESS 1] Identify issues

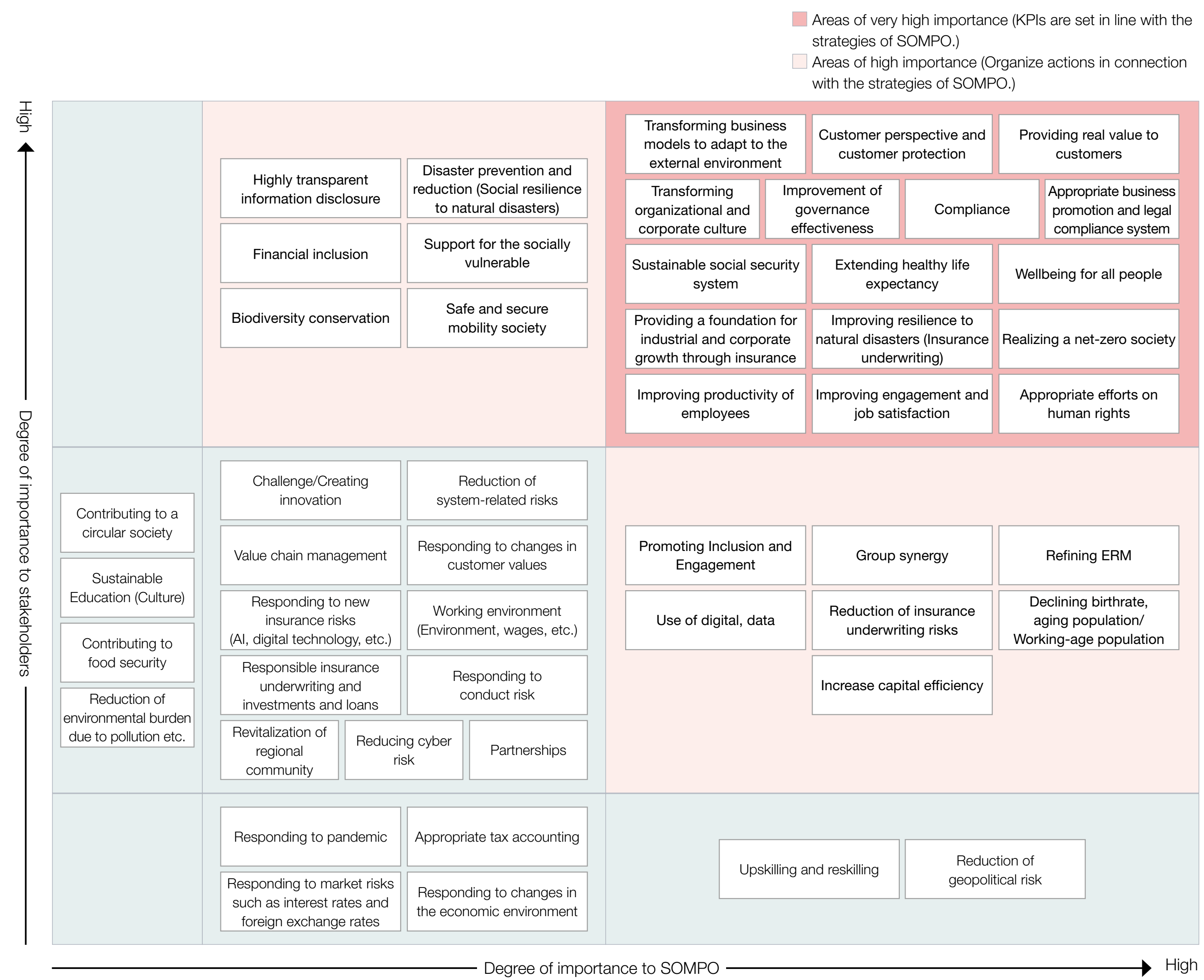
In order to formulate the "Description of Purpose," we comprehensively identified issues based on international guidelines, the Group's strategy, and significant risks that may affect management.

[PROCESS 2] Prioritize issues

In response, we conducted quantitative and qualitative assessments of the impact on our company and society, and prioritized the results by engaging in both external dialogue with customers, investors, non-governmental organizations, experts, partners, and other stakeholders as well as holding internal discussions among management.

Based on these assessments, we created the map shown on the right and identified 16 issues of very high importance and 13 issues of high importance.

Map of issues (As of March 2025)*



* With regard to issues and their prioritization, we perform an annual analysis to confirm whether revisions are necessary, taking into account changes in the external environment and the Group's business strategies, as well as the requests from stakeholders.

SOMPO's Materiality —Process of Formulating "Description of Purpose"—

[PROCESS 3]
Link key issues to strategies and KPIs*2

For the 16 issues of very high importance, we identified which businesses, strategies and specific initiatives should be taken to resolve them, and set financial and non-financial KPIs for each.

[PROCESS 4]
Express as "Description of Purpose"*3

We then clearly articulated these issues that we need to solve, as well as the strategies to implement and values to provide in order to create the future we strive for, in "Description of Purpose" for both internal and external stakeholders.

Description of Purpose

For a future of health, wellbeing and financial protection

Sompo prioritizes health, wellbeing and financial protection to create opportunities for everyone we serve, from individuals to enterprises.

In a rapidly changing world and shifting demographics that demand resilience and adaptability, we are steadfast in our commitment to build on insight and meticulously craft solutions for the future.
We leverage our deep collective expertise to connect across boundaries and beyond geographies, to deliver a collaborative and connected partnership that meets the unique aspirations and risk management needs of those we serve.

For a future of health, wellbeing and financial protection.
We are SOMPO Group.

List of Issues and Strategies/KPIs

Sompo Group's high-priority issues (: Issues in the areas of very high importance) (: Issues in the areas of high importance)	Strategy	Related financial and non-financial KPIs
Providing a foundation for industrial and corporate growth through insurance	SOMPO P&C Business Strategy	Domestic P&C Insurance Business: SJ-R Profitability KPIs Overseas Insurance and Reinsurance Business: Financial KPIs
Transforming business models to adapt to the external environment		SJ-R Profitability KPIs
Improving resilience to natural disasters (Insurance underwriting)		
Customer perspective and customer protection		SJ-R Business Foundation KPIs
Providing real value to customers		
Compliance		
Appropriate business promotion and legal compliance system		
Disaster prevention and reduction (Social resilience to natural disasters)		—
Safe and secure mobility society		—
Financial inclusion		—
Reduction of insurance underwriting risks		SJ-R Profitability KPIs
Refining ERM		
Increase capital efficiency		
Improving productivity of employees		Group Common: Human Capital ROI Domestic P&C Insurance Business: SJ-R Productivity KPIs and Business Foundation KPIs
		—
Use of digital, data		—
Wellbeing for all people	SOMPO Wellbeing Business Strategy	Domestic Life Insurance Business: Number of Himawari Clients/Users Number of Health Actions Nursing care business: Effectiveness of the Introduction of Future Nursing Care Private Service Sales
Sustainable social security system		
Extending healthy life expectancy		
Declining birthrate, aging population/working-age population		
Group synergy		—
Transforming organizational and corporate culture	HR Strategy	Group Common: Engagement Score Domestic P&C Insurance Business: SJ-R Business Foundation KPIs Domestic Life Insurance Business: White 500
Improving engagement and job satisfaction		
Appropriate efforts on human rights		—
Promoting inclusion and engagement		Group Common: Ratio of female officers, branch managers and managers, ratio of employees with disabilities, number of harassment cases recognized, ratio of male employees who take childcare leave, ratio of female candidates in succession plan
Realizing a net-zero society	Sustainability Strategy	Group Common: GHG Scope 1–3 emissions (excluding Category 15), GHG Scope 3 emissions from investee and borrower companies (Category 15), Transition insurance target
Biodiversity conservation		
Support for the socially vulnerable		—
Improvement of governance effectiveness		—
Highly transparent information disclosure		—

*1 This table is an organized list of the Group's high-priority issues and the main strategies and KPIs associated with them.
*2 "Description of Purpose" has been approved by the Group CEO (Director) following discussions at the Group Executive Committee, and has been presented to the Board of Directors.

Sustainability Vision and Policy

Sompo Group has established following policies including the "Group Sustainability Vision" and the Group as a whole implements various initiatives to fulfill its corporate social responsibility.

Group Sustainability Vision
- Group Environmental Policy
- Group Policy for Human Rights
- Group Sustainable Procurement Policy
- Sustainability-related Policy for Underwriting, Investments and Loans

• Corporate Citizenship Policy (Sompo Japan Insurance)

Group Sustainability Vision

We, the Sompo Group will positively engage our stakeholders in forward looking dialogue, respect international standards and codes of conduct, address environmental issues of climate change, biodiversity, and social issues of human rights and inclusion and engagement in the course of our business operations in a transparent, fair and open manner.

By constantly maintaining a long-term outlook, and by providing services and products that contribute to security, health, and wellbeing, we will strive as a solutions provider to promote the realization of a resilient and sustainable society.

Group Environmental Policy

We, the Sompo Group will contribute to developing a resilient, inclusive and sustainable society so that future generations can inherit our irreplaceable Earth, by addressing environmental issues in the course of our core business operations and working proactively to resolve environmental issues through active dialogue and engagement with stakeholders.

< Action Guidelines >

1. Providing products and services to make a more resilient society

We will provide products and services that increase preparedness against the risk of natural catastrophes in order to contribute to adapting to climate change, building a low carbon society, conserving biodiversity and promoting stakeholders' eco-consciousness.

2. Promoting resource conservation through the entire value chain

We will assess the environmental impact of our business including the emission of waste and comply with environmental laws and regulations. We will promote resources and energy conservation as well as recycling activities throughout the entire value chain by cooperating with various stakeholders.

3. Raising awareness of environmental issues and corporate citizenship

We will broadly promote environmental education and awareness of environmental conservation by providing environmental information with the unique aspect of a global group engaged in a wide range of business centering on insurance.

Furthermore, we will proactively encourage our employees' individual voluntary efforts as a global citizen to conserve the environment through involving in the local community.

To enable continuous improvements, we will periodically review the above-mentioned activities to reflect our environmental objectives and targets.

Group Policy for Human Rights

We, the Sompo Group pledge to respect human rights of our all stakeholders in global markets including our group and all value chains. We will respect the international norms of behavior*, and simultaneously act with the highest ethical standards towards an inclusive, resilient, equitable and sustainable society.

Based on the perspectives set out below, we will address the human rights impacts of our activities while communicating with our stakeholders, establish an effective company approach and act, and continuously improve our approach and information disclosure. We respect human dignity as the foundation of universal human rights.

1. Respecting human rights of stakeholders

We will respect human rights of all stakeholders associated with our global business activities, including customers and suppliers.

We will avoid, prevent or mitigate indirect adverse impact on human rights of our stakeholders. Should there be any abuse of human rights, we will address it promptly and adequately.

2. Respecting human rights of employees

In all facets of labour practices, we will not discriminate on the basis of race, color, ethnic origin, religion, creed, nationality, birthplace, social status, descent, gender, sexual orientation, gender identity, sexual expression, pregnancy, marital status, age, disability or any other status.

We, as a company, will take a global perspective, recognize individuality and inclusion, respect every employee's challenging spirit and speedy action, and ensure a dynamic working environment by maintaining and promoting every employee's health.

3. Promotion of human rights in global markets

We will comply with the laws and regulations of the countries and regions where our business operations and value chains are based. At the same time, we will conduct our business by taking into consideration the local culture and customs, as well as the environment and society in accordance with the expectations of stakeholders, and take into account local human rights issues. We will conduct the highly transparent business and contribute toward economic and social development and creation of social values of local communities.

4. Expectations for suppliers and business partners

Our requirement for suppliers, business partners and other stakeholders is to respect human rights based upon the international norms of behavior. In the event that we identify any adverse impacts of human rights, we will encourage them to take appropriate measures through engagement such as dialogue and consultation.

Sustainability Vision and Policy

5. Human rights due diligence
We will continuously establish a system of human rights due diligence to identify and assess any actual or potential human rights risk in order to prevent or mitigate these adverse impacts on human rights Sompo Group may cause or contribute to.

This policy does not necessarily replace local laws and regulations. We will actively engage in this policy while complying with local laws and regulations.

* International norms of behavior refers to the guidelines on human rights including the Universal Declaration of Human Rights, International Covenants on Human Rights (International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights), ILO International Labor Standards, The United Nations Guiding Principles on Business and Human Rights known as "Ruggie Framework," Sustainable Development Goals, The United Nations Global Compact, Women's Empowerment Principles (WEPs), The OECD Guidelines for Multinational Enterprises and ISO26000.

Group Sustainable Procurement Policy

We, the Sompo Group strives to maximize its beneficial impacts on the environment, society, and economy through procurement processes aligned with the following sustainability principles:

1. Fair and equal transactions
We will conduct fair and equal transactions with all suppliers by engaging in anti-corruption efforts and by giving full consideration to quality, delivery time, economic feasibility, and social issues such as the environment and human rights.
2. Compliance with laws and regulations
We will comply with all laws and related regulations in the countries and regions where we operate, and respect relevant social norms and their intent in our procurement practices. We will strictly manage the information obtained through our procurement activities.
3. Consideration of global issues
We will collaborate with suppliers and other stakeholders to integrate sustainability into our value chain to maximize our contribution to climate change adaptation and mitigation, biodiversity conservation, and a circular economy; to tackle human rights issues in the global market, such as poverty and unequal opportunities for workers; and to promote better work-life balance, and inclusion and engagement.

Sustainability-related Policy for Underwriting, Investments and Loans

1. Approach to insurance underwriting, investment, and other activities that take sustainability into consideration (hereinafter referred to as 'this Policy')

The SOMPO Group strives to make the world more resilient. We see sustainability as a long-term driver of value, and we rely on insights gained from SOMPO's Purpose to guide our underwriting, investment, and business decision-making.

To ensure that each company in the Group fulfills its corporate social responsibility, we have established a Group Sustainability Vision and other policies, which sets out its approach to human rights, climate change, nature and community considerations.

Based on the above, we will identify market opportunities and manage risks, and strive to enhance the corporate value of our group through community participation, social responsibility, and inclusion and engagement.

This policy will be reviewed regularly and revised as necessary, taking into account changes in the global environment and business activities, the status of policy implementation, and expectations and requests from stakeholders, in order to assess the appropriateness and adequacy of the risks to be recognized and the sectors and businesses to be covered.

Advancing the Energy Transition
As the most significant challenge humankind faces, we believe the world — and the financial services sector — must take meaningful climate action today. Therefore, we commit to net zero emissions in our underwriting, investments and loans, and operations by 2050.
We promote the transition through our insurance of and investments and loans in renewable energy and other innovative green technologies.

Through participation in various global sustainability initiatives, our group aims to reduce our carbon footprint in collaboration with our customers in order to support their sustainability efforts and promote the realization of the Paris Agreement.

Advancing Social Equity
Under the Group Policy for Human Rights, the Group acts with a commitment to respect the fundamental human rights of all stakeholders in all of our global business activities.

With the aim of enabling each and every employee to maximize his or her strengths, we have positioned inclusion and engagement as an important management strategy for growth, and are working to build a system and corporate culture to realize this goal.

In addition, when underwriting insurance, making investments and/or loans, and/or when entering into new partnerships with business partners (brokers, reinsurers, investment managers, lessees, vendors, etc.), we are guided by our Group Sustainability Vision and other relevant policies.

Aspiring for Excellence in Governance
Based on the Group Sustainability Vision, the Group will make business decisions based on high ethical standards, respecting international codes of conduct and considering the interests of all stakeholders, including customers, employees, local communities, and shareholders.

In addition, we will proactively and fairly disclose transparent information to society regarding our progress toward achieving our goals, etc., in accordance with ISSB and other disclosure standards.

Sustainability Vision and Policy

2. Policy for Cross sectors and specific sectors

We have established cross sectoral policies and sector specific policies for our Underwriting, Investments and Loans.

(1) Policy for cross sectors

Regardless of sector, we will assess the adverse environmental and social impacts of the following projects that may have such impacts, confirm the status of our customers' responses to such impacts, and carefully consider and respond to cases when evaluation transactions.

- Projects with negative impact on UNESCO World Heritage Sites
- Projects with negative impact on Ramsar-listed wetlands
- Projects with negative impact on human rights, e.g. use of Child or Forced labor
- Projects that violate the human rights of indigenous peoples*1 or local communities
- Projects related to inhumane weapons, including anti-personnel landmines, biological weapons, chemical weapons, and nuclear weapons

In addition, we will not underwrite insurance or invest and loan for anti-social forces and companies involved in the production of cluster munitions.

*1 We refer to the following standards:
United Nations Declaration on the Rights of Indigenous Peoples
United Nations Free, Prior and Informed Consent (FPIC)

(2) Policy for specific sectors

① Coal

Coal-fired power plants are a source of concern due to their high GHG emissions compared to other power generation methods, as well as the release of harmful substances such as sulfur oxides and nitrogen oxides.

Additionally, Thermal coal mine projects pose risks such as increased GHG emissions through combustion in future power plants, ecological impacts from harmful waste emitted from coal mines, and labor safety and health risks or human rights violations for workers.

Considering these factors, we will not underwrite new insurance or make new investments in or loans for the following projects:

- Newly constructed or existing coal-fired power plants
- New or expanded coal mining development projects (Thermal coal)

However, we may carefully consider and respond to cases where there are innovative technologies such as Carbon Dioxide Capture, Utilization, and Storage (CCS, CCUS), carbon recycling, ammonia co-firing, or other innovative technologies in place that are expected to reduce GHG emissions and contribute to the realization of the Paris Agreement.

Additionally, we will not underwrite new or renewal insurance*4 or provide investments or loans to the following companies whose primary business is coal-related activities:

- Companies that derive at least 20% of their revenue from coal-fired power generation, thermal coal mining, and oil sands mining
- Companies of electric utilities that generate at least 20% of their electricity from coal
  However, this does not apply to companies that have a plan to achieve Net Zero by 2050.

② Oil sands

Oil sands extraction involves mining and refining processes that require significant amounts of energy and water resources, raising concerns about environmental impacts.

Additionally, there are potential risks such as ecological impacts, damage to biodiversity, and human rights violations against indigenous peoples and local communities.

Considering these factors, we will not engage in new insurance underwriting or investment and loans for the following businesses:

- Oil sands extraction projects

③ Energy extraction in the Arctic

Energy extraction in the Arctic may have adverse effects on the environment, the habitats of rare species and the lives and cultures of indigenous peoples, as well as difficulties in responding to accidents.

Considering these factors, we will not engage in new insurance underwriting or investment and loans in the following businesses.

- Energy extraction projects*2 in the AMAP area (Arctic Monitoring and Assessment Programme)*3

Additionally, we will not underwrite new or renewal insurance*4 or provide investments or loans to the following companies:

- Companies involved in energy extraction projects in the ANWR
  However, this does not apply to companies that have a plan to achieve Net Zero by 2050.

*2 Energy extraction projects refer to standalone extraction projects.
*3 Defined by AMAP, excluding operations in Norwegian territories.
*4 These restrictions will not apply to insurance that supports the health and wellbeing of individuals, e.g. workers' compensation insurance.

Corporate Citizenship Policy (Sompo Japan Insurance)

Our company and its Group companies will make proactive contributions to society with the objective of resolving community and global social issues, while supporting individual employees' voluntary efforts.

1. Corporate citizenship activities

We will work proactively to realize a sustainable society for future generations in collaboration with various stakeholders, including NGOs/NPOs, civil society organizations and government, by focusing on three areas: the environment, welfare and fine arts, in which we have accumulated expertise and achievements.

2. Support for individual employees' social contribution efforts

We will support and encourage employees' voluntary activities in contributing to society by developing human resources responsive to social issues.

Stakeholder Engagement

Activities and Achievements

Key stakeholders that influence our business activities are highly diverse. We value stakeholder engagement because we believe communicating with our stakeholders is important for understanding social issues, building relationships of trust and collaboration, and accomplishing greater results.

Stakeholder	Policy	Engagement	
		Main methods	Main topics
Customers	To become the best service provider for our customers, the Sompo Group has established the "Sompo Group Basic Policy for Responding to Customer Feedback." Each Group company will strive to develop a system for collecting and utilizing customer feedback in accordance with the characteristics of its business.	• Customer relations office and customer call centers • Customer survey • Provide information through websites, etc.	• Improve quality of claims service • Improve products and services • Requests regarding employees and agencies of the Sompo Group
Shareholders, investors	Through the timely and appropriate disclosure of information, we aim to ensure that shareholders and investors have a suitable understanding of the Group's business conditions and status of each initiative. We also make use of input received through constructive dialogue with shareholders and investors in order to promote sustainable growth and increase corporate value.	• General Shareholders Meeting • Financial results briefings, IR meetings • Provide information through Integrated Annual Report, Website, and other venues	• Medium- to long-term company strategy • Status of achievement of the Mid-Term Management Plan • Status of initiatives in non-financial areas
Local communities	We strive to coexist with local communities by understanding the impact of our business activities on local communities, conducting business activities that respond to their needs, and maintaining communication with them.	• Social contribution activities, volunteer activities • Partnership agreements with local governments	• Disaster prevention and mitigation in local communities, education for the next generation • Initiatives to address environmental issues
Insurance agencies	We value the relationship of trust we have with agencies, who are our business partners, and we will strive to provide appropriate advice and sufficient services that satisfy our customers and cooperate with each other for mutual development.	• Surveys for agencies • Hold seminars by guest lecturers • Establish management consultation desk	• Insurance and related services • Expectations for Group employees including claims services • Overall agency management, including quality improvement
NPO/NGO Civil societies	We strive to understand and solve social issues through dialogue and collaboration with NPOs and NGOs in various countries.	• Regular dialogue • Survey responses	• Climate change and biodiversity • Human rights
Business partners	Conduct fair and equitable business with partners, observe legislation and regulations, and collaborate with them to address social issues.	• Periodic requests for consideration of sustainability • Provide information through websites, etc.	• The Sompo Group's environmental, human rights, and Sustainable procurement policies
Employees	Aiming to create an environment where employees and the Company can grow together and to strengthen our management foundation, we will build an HR system and advance HR initiatives guided by the key concepts that all employees can feel pride and satisfaction, can feel empowered in their careers and growth, and can pursue their MY Purpose.	• Town Hall Meetings between management team and employees • Engagement Survey • SOMPO Group Awards	• Group base and company base purpose • Satisfaction with the work environment

Participation in Sustainability Initiatives

Activities and Achievements

The Group believes that collaboration among various other bodies is crucial to solving social issues. Therefore, we participate in various initiatives both in Japan and overseas, and seek to play a leading role in these initiatives.

Initiative	Overview	Sompo Group activity
United Nations Global Compact (UNGC)	The United Nations Global Compact is a voluntary initiative for participation by companies in the creation of a global framework under which companies exercise responsible and creative leadership to act as good members of society to realize a sustainable society.	• Signed in 2006 • Submit an Annual Report on the status and results of the implementation of the four areas (human rights, labor, environment, and anti-corruption) and ten principles of the United Nations Global Compact
Women's Empowerment Principles (WEPs)	International principles representing seven steps companies and private organizations can take to promote and empower women.	• Signed in 2012 • Signed by Sompo Asset Management in 2018
United Nations Environment Programme Finance Initiative (UNEP FI)	The UNEP FI is an international financial sector network comprising financial institutions that aim to contribute to sustainable development.	• Signed in 1995
United Nations Principles for Responsible Investment (UN PRI)	Investment principles that require financial institutions to consider ESG issues when making investment decisions.	• First Japanese insurance company to sign in 2006 • Signed by Sompo Asset Management in 2012

Initiative	Overview	Sompo Group activity
United Nations Principles for Sustainable Insurance (UN PSI)	Declaration by insurance companies to consider ESG issues in their business operations.	• Signed in 2012 • Participation in TCFD Insurance Working Group sponsored by PSI
Partnership for Carbon Accounting Financials (PCAF)	A global industry-led initiative, consisting of financial institutions and partners, that are working to develop and implement a harmonized accounting approach to measure and disclose greenhouse gas emissions associated with their financial activities.	• Joined in 2021
World Business Council for Sustainable Development (WBCSD)	Global organization of more than 200 leading companies committed to sustainable development.	• Joined in 1995
Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century) (PFA)	Principles developed to guide the actions of financial institutions to fulfill their roles and responsibilities to create a sustainable society.	• Signed by 10 Group companies (currently 6) in 2011 • Sompo Japan Insurance serves as co-chair of the Steering Committee and chair of the Insurance Business Working Group

To Our Stakeholders
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Sustainability Section
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SOMPO's Materiality -Process of Formulating "Description of Purpose" -
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Stakeholder Engagement
Participation in Sustainability Initiatives
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Participation in Sustainability Initiatives

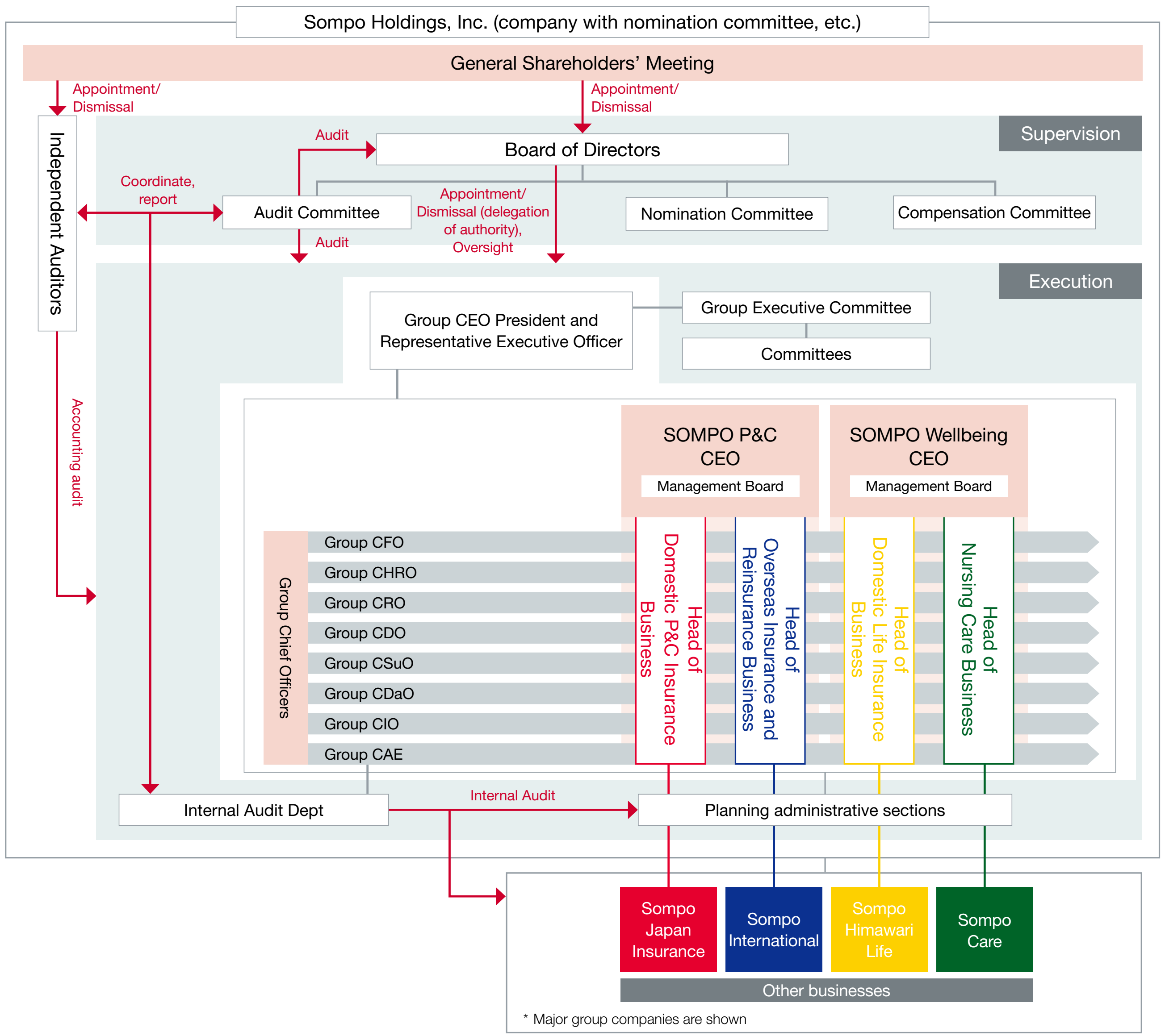
Initiative	Overview	Sompo Group activity
Japan Climate Initiative (JCI)	Network established to enhance information dissemination and the exchange of opinions among non-government entities such as corporations, local governments, civic groups, and NGOs that are actively taking measures to combat climate change.	• Joined in 2018
Official Supporters System of "River Basin Disaster Resilience and Sustainability by All"	Program designed to advance initiatives that contribute to water-shed management, as well as to promote widespread awareness of companies and organizations committed to it.	• Sompo Japan Insurance certified in 2023
Taskforce on Nature-related Financial Disclosures (TNFD) Forum	TNFD is an international organization established to build a framework for corporate risk management and disclosure related to nature. The TNFD Forum is a stakeholder organi-zation established to help build the framework.	• Sompo Japan Insurance joined in 2021 • Sompo Holdings signed TNFD Adopters in 2024
30by30 Alliance for Biodiversity	A coalition of companies, local governments, and groups that support the registration of "other effective area based conservation measures" (OECMs) towards achieving the international goal of "30 by 30"—preserving more than 30% of land and sea by 2030.	• Sompo Japan Insurance joined in 2022
Keidanren Initiative for Biodiversity Conservation	Initiative by companies and groups that work on multiple items of Keidanren Declaration for Biodiversity and Guideline, or agree with its overall purpose.	• Sompo Japan Insurance has been a member of the initiative since 2009, when it started as "The Declaration of Biodiversity by Keidanren" Promotion Partners.
Declarations of Partnership Building	The "Partnership Building Declaration" was established at the "Council on Promoting Partnership Building for Cultivation the Future," whose members include the Chairman of KEIDANREN, the Chairman of Japan Chamber of Commerce and Industry (JCCI), the Chairman of Japanese Trade Union Confederation (JTUC), and relevant ministers of Japan (Cabinet Office, Ministry of Economy, Trade and Industry, Ministry of Health, Labor and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of Land, Infrastructure and Transport). It is a declaration of a company to build a new partnership by promoting cooperation and coexistence with business partners and value-creating businesses in the supply chain.	• The following Sompo Group companies have signed on to the declaration: Sompo Holdings Sompo Japan Insurance Sompo Himawari Life Insurance Sompo Care Sompo Health Support Sompo Risk Management Sompo Direct Insurance

* Under the supervision of the Group Chief Sustainability Officer, the Group coordinates its response to and affiliation with external organizations involved in sustainability initiatives and with other industry groups, including those related to climate change, and communicates information about these activities. If an Executive Officer of the company concurrently serves in these external initiatives or industry groups, involvement is subject to approval by the Board of Directors. If the policies of these initiatives or industry groups, including those related to climate change, are deemed to differ from or contradict the company's vision, policies, or the Paris Agreement, the company will engage in dialogue with the group. If no policy changes are made, we have established a framework for considering withdrawal from the organization coordinating the initiative pending discussion among the member companies (Sompo Holdings, Sompo Japan Insurance Inc., Sompo International, Sompo Himawari Life Insurance Inc., Sompo Care Inc.) of the Group Sustainable Management Committee chaired by the Group Chief Sustainability Officer.

Overview of Corporate Governance

Structure

* As of August 1, 2025



Group CEO and other abbreviated titles represent the following positions:

Group CEO:	Group Chief Executive Officer
Group CFO:	Group Chief Financial Officer
Group CHRO:	Group Chief Human Resource Officer
Group CRO:	Group Chief Risk Officer
Group CDO:	Group Chief Digital Officer
Group CSuO:	Group Chief Sustainability Officer
Group CDaO:	Group Chief Data Officer
Group CIO:	Group Chief Information Officer
Group CAE:	Group Chief Audit Executive

* The Group CAE reports to both the Group CEO and the Audit Committee.

Composition of the Board of Directors

Structure

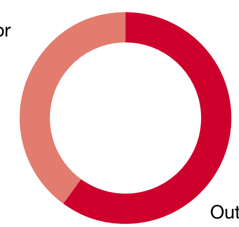
	Name	Mikio Okumura	Masahiro Hamada	Shinichi Hara	Scott Trevor Davis	Isao Endo	Kazuhiro Higashi	Misuzu Shibata	Takashi Nawa	Meyumi Yamada	Masayuki Waga	Toru Kajikawa	Yuji Kawauchi	Shinobu Imamura
	Reappointment/New appointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	New appointment	New appointment
	Positions	Director	Director	Director	Independent Outside Director	Independent Outside Director	Independent Outside Director	Independent Outside Director	Independent Outside Director	Independent Outside Director	Independent Outside Director	Independent Outside Director	Director	Director
	Tenure	3 years	1 year	1 year	11 years	11 years	5 years	5 years	5 years	4 years	3 years	2 years	–	–
	Chair of the Board	–	–	–	–	–	●	–	–	–	–	–	–	–
	Nomination Committee	–	–	–	● (Chair)	●	●	–	●	●	–	–	–	–
	Audit Committee	–	–	–	–	–	–	● (Chair)	–	–	●	●	●	●
	Compensation Committee	–	–	–	●	●	●	–	●	● (Chair)	–	–	–	–
Expected roles, skills and areas of expertise	1) Business strategy	●	●	●	●	●	●	●	●	●	●	●	●	●
	2) Global management	●	●	●	●	●	●	●	●	●	●	●	●	●
	3) ESG, SDGs	–	●	–	●	–	●	●	●	●	●	–	–	–
	4) Transformation strategies	●	●	●	●	●	●	–	●	●	●	–	●	●
	5) Digital	●	●	–	–	●	–	–	●	●	–	–	–	–
	6) Talent strategy	●	–	●	●	●	●	–	●	–	●	●	–	–
	7) Finance, accounting	●	●	●	–	●	●	–	–	●	●	●	–	●
	8) Corporate governance	●	●	●	●	–	●	●	●	●	●	●	●	●
	9) Legal, risk management	●	–	●	–	–	●	●	–	–	●	●	–	●

* Details of each skill and area of expertise are as follows. The above tables show skills and areas of expertise particularly expected for each director and do not indicate all of the skills and areas of expertise possessed by each director.
Items 1) and 2): Skills and areas of expertise where all Directors are expected to provide useful advice and supervision to the executive sector
Items 3) through 9): Skills and areas of expertise where each Director is expected to provide useful advice and supervision to the executive sector based on professional knowledge gained through his or her specific insight and experience

* As of July 1, 2025

Nomination Committee

Audit Committee

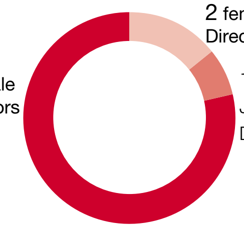


Compensation Committee

The Nomination Committee and Compensation Committee are comprised of outside directors only.
The Audit Committee is comprised mainly of outside directors.

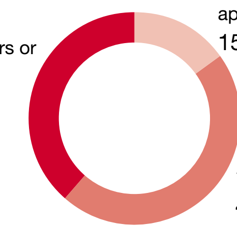
Diversity of the Board of Directors

Of the 13 members of the Board of Directors, 2 are female and 11 are male; 1 of the male Directors is non-Japanese



Director tenure

The average tenure of the Directors is 4.2 years (including previous periods as a director)



* When the tenure of the outside director exceeds 8 years, the existence of a strong reason for reappointment is carefully assessed and reappointment is not prevented if such reason exists.
* Decimal places have been truncated.

Succession Plan

Concept and Policy Activities and Achievements

* As of August 1, 2025

Goals of the succession plan

With a view to achieving SOMPO's Purpose and to also drive further transformation and growth of the Group, we are formulating succession plans for key leadership positions with the aim of establishing a system to reliably and effectively produce high-quality personnel with different specializations and backgrounds.

Positions covered in the plan

A total of 92 key positions within the Group, including the Group CEO, Group CxOs, and other important positions in each line of business in Japan and overseas have succession plans in place.

Criteria for selecting candidates

Succession candidates are selected according to the categories listed below. To increase diversity, candidates for each position must meet certain criteria. Candidates may be selected from talent systematically nurtured within the company, or recruited from outside of the Group.

(1) Candidate category

Talent who might assume key positions within 5 years	N (Next) talent
Talent who might assume key positions in 6 to 10 years	F (Future) talent

(2) Criteria for selecting candidates with the goal of increasing diversity of talent pool

- Six or more N talent candidates and F talent candidates must be selected for each position.
- Women must account for 50% or more of N talent candidates and F talent candidates for each position.
- An age distribution ratio for candidates must be set for each position.
- At least one candidate from either another business within the Sompo Group or an external candidate from outside the Sompo Group must be selected for each position.

Procedures for considering the succession plan

The Succession Plan is formulated by the Nomination Committee according to predetermined evaluation criteria. The roles, functions, and required skills and experience for each position are defined both for the present and the future. Based on these definitions, a wide range of succession candidates for each position is selected both from inside and outside the Company. The Succession Plan is drawn up using the diverse and expert insight of the members of the Nomination Committee. The Committee also engages in proactive and constructive discussions to build a stronger and more diverse pool of candidates.

Nomination Committee

Decide evaluation criteria for the Succession Plan

Define (1) the roles and functions of each position, and (2) the skills and experience required for each position

Select a wide range of succession candidates from inside and outside the Company for each position

Discuss succession plans

Coordinating the succession plan with the appointment, placement, and development of Executive Officers and Senior Vice Presidents

For the purpose of effectively linking the formulated succession plan with the appointment, placement, and development of Sompo Group Executive Officers and Senior Vice Presidents, we disclose selected facts to each candidate and then at a Group-wide roundtable meeting we formulate placement and development plans for each post, including tough assignments, investing in talent based on individual challenges, and sending candidates to management training programs. Appropriate training plans are then implemented based on these plans.

Policies for Appointment of Directors and Executive Officers

Concept and Policy

The Appointment of Directors and Executive Officers is conducted in accordance with the following policies for appointment of Directors and Executive Officers. The candidates for Directors selected by the Nomination Committee are approved at the General Shareholders Meeting, and the candidates for Executive Officers are selected by the Nomination Committee and approved by the Board of Directors.

Policies for appointment of Directors

The company supervises and guides its subsidiaries, formulates management strategy for the Group that encompasses management strategies for subsidiaries that are engaged in the P&C insurance business and other various businesses, and is responsible for ensuring the execution and realization of these strategies. From this perspective, the Board of Directors selects Outside Directors to facilitate objective decision-making with respect to management issues from a diverse and independent viewpoint and perspective with consideration of diversity such as gender and nationalities, and the majority of the Board of Directors consists of Outside Directors.

Additionally, the Directors are selected based on the selection criteria that incorporate the Comprehensive Guidelines for Supervision of Insurance Companies, as well as on whether they possess the values that serve as the basis for decisions and actions (integrity, self-motivation, diversity) and that are necessary for carrying out SOMPO's Purpose. Outside Directors are, meanwhile, selected based on 1) "Ability Requirements," 2) "Standards regarding Independence of Outside Directors," and 3) "Requirements for Terms of Office." For the purpose of carrying out substantive discussions, the number of Directors shall be limited to 15 in accordance with the Articles of Incorporation.

* In this policy, gender refers to all gender-related events, knowledge, and values, including the existence of the gender division of labor and LGBTQ.

1) Ability Requirements

The company selects Outside Directors from corporate executives, academic experts, and legal professionals who have a wide range of knowledge and experiences in various fields or individuals who have expert knowledge of finance and accounting. In addition, the appointment shall require him/her to be in a position where he/she is able to devote the time and effort necessary to fulfill the role and responsibilities of Director appropriately.

2) Standards regarding Independence of Outside Directors

The company will determine the independence from the company of Outside Directors based on the matters set forth below:

a) Personal Relationships: A kinship between the candidate and any officer or employee of the Group, status of mutual appointments of officers between the company and the company which the candidate is originally from.
b) Capital Relationships: The holding of shares in the company by the candidate and the status of shareholding by the Group.
c) Business Relationships: Business transactions or donations between the Group and the candidate.
d) Significant interests other than the above.

3) Requirements for Terms of Office

If the total terms of office as Outside Director or Outside Audit & Supervisory Board Member of the company exceeds eight years, the company will carefully consider whether there are any positive reasons for reappointment, and if there are any reasons, the Company shall not preclude reappointment.

Policies for the composition and criteria for appointment and removal of Executive Officers and Senior Vice Presidents

1) Policies for the composition of Executive Officers and Senior Vice Presidents

The company implements systematic development of managerial talent based on the succession plan. As for the composition of Executive Officers and Senior Vice Presidents as a whole, the company places emphasis on diversity including gender, age, experience, and nationalities as well as the balance in the management team.

2) Criteria for appointment and removal of Executive Officers and Senior Vice Presidents

The Company appoints Executive Officers and Senior Vice Presidents who meet the following criteria and who can promote these values throughout the organization through talent development and other initiatives.

- Always think and do what is right for people and society.
- Continuously create value for people and society by thinking and acting with a long-term perspective.
- Think proactively based on aspirations and actively embrace challenges.
- Possess strong expertise in assigned mission and roles, supported by proven experience and accomplishments.
- Act simply and quickly; stay ahead of change to drive transformation.
- Embrace diversity, respect others, and remain open to different opinions.
- Strive to engage in constructive dialogues that foster candid exchanges of opinions to create value.
- Actively collaborate across organizations and companies to maximize the value delivered.

The Board shall consider the removal of any Executive Officer or Senior Vice President who is determined to lack the requisite qualifications in connection with the foregoing.

3) Directors' Liability

The Company does not impose a limitation of liability on its Director. For outside directors, liability is partially limited in accordance with the Japanese Companies Act.

Structure Outside Director support system

Prior to meetings of the Board of Directors, Outside Directors are provided with explanations by the Corporate Legal Department of the secretariat of the Board of Directors, and by the departments in charge of each agenda item. Additionally, the Human Capital Department provides assistance to Outside Directors as the secretariat of the Nomination Committee and the Compensation Committee, and the Audit Committee Office provides assistance to Outside Directors as the secretariat of the Audit Committee.
The company also makes efforts to provide Outside Directors with various types of information, including the Integrated Annual Report, Annual Securities Report, and IR presentation materials.

Executive Structure

Structure

We have adopted a structure that combines the Business CEO system and the Group Chief Officer (CxO) system which enables the Company to make agile and flexible decisions in the Group's best interest and conduct business across the Group.

Business CEO system

The SOMPO P&C CEO and SOMPO Wellbeing CEO oversee strategy formulation, investment decisions, etc. as the head of each business unit. This system enables the Group to leverage its total potential across business and geographical boundaries to further its goals to "increase resilience" and "connect and be connected."

Group CxO system

The Group CxOs as heads of each function in the Group oversee Group-wide operation of each function and contribute to enhancing enterprise value by formulating and implementing strategies and policies, and overseeing the operational framework.

Business execution structure

Executive Officers and Senior Vice Presidents

Executive Officers are responsible for making decisions and executing business operations delegated by the Board of Directors. They execute business operations in accordance with the Group's management strategies within the scope of their duties in accordance with laws and regulations, the Articles of Incorporation, and internal rules. Senior Vice Presidents, having received a partial delegation of business execution authority from the Executive Officers, execute business operations.

Group CEO

As the Chief Executive Officer of the Group, the Group CEO oversees the overall management of the Group by strategically assigning the Business CEOs who are the heads of each business unit, Heads in charge of business segments, and Group CxOs who are the heads of each function of the Group to realize agile and flexible Group management in response to discontinuous changes in business environment.

Business CEO

The SOMPO P&C CEO and SOMPO Wellbeing CEO are appointed as heads of each business unit and are partially delegated authority from the Group CEO to oversee strategy formulation, investment decisions, etc. in each business unit to maximize enterprise value.

Head of business segment

The Heads in charge of the Domestic P&C Insurance Business, Overseas Insurance and Reinsurance Business, Domestic Life Insurance Business, and Nursing Care Business are appointed as heads of each business segment and execute strategies, make investment decisions, allocate headcount, etc. in an agile and timely manner while ensuring financial soundness of each business segment under the oversight of the Business CEO.

Executive Structure

Group CxO

The Group CxOs as heads of each function in the Group (Group CFO (finance), Group CHRO (human resource), Group CRO (risk management), Group CDO (digital), Group CSuO (sustainability), Group CDaO (data), Group CIO (IT), Group CAE (internal audit), etc.) oversee Group-wide operation of each function to enable agile and flexible decision-making and Group-wide business execution in the Group's best interest.

Group ExCo

The Group ExCo serves as an advisory body to the Group CEO and as the highest executive committee, deliberating on themes that significantly impact group management strategies and business execution policies. The Group ExCo is chaired by the Group CEO and is comprised of the Business CEOs, Heads of business segments, Group CxOs, Senior Vice Presidents in charge of functional areas, etc.

Committees

Group ERM Committee

Established as a subcommittee of the Group ExCo, the Group ERM Committee holds management discussions across the Group on important matters of the Group's strategic risk management and on material risks faced by the Group.

Global Transaction Committee

Established as a subcommittee of the Group ExCo, the Global Transaction Committee evaluates the appropriateness of investments in the Overseas Insurance and Reinsurance Business.

Investment Committee

Established as a subcommittee of the Group ExCo, the Investment Committee evaluates investment activities undertaken by the Group for business expansion, new business development, and other purposes from a specialist and impartial perspective. The purview of this committee covers matters other than overseas insurance business.

Management Board

SOMPO P&C Management Board

As an advisory body to the SOMPO P&C CEO, it deliberates on themes related to the Group's business strategy, business execution policies, and implementation, primarily concerning the Domestic P&C Insurance Business and Overseas Insurance and Reinsurance Business.

SOMPO Wellbeing Management Board

As an advisory body to the SOMPO Wellbeing CEO, it deliberates on themes related to the Group's business strategy, business execution policies, and implementation, primarily concerning the Domestic Life Insurance Business and Nursing Care Business, to extend healthy life expectancy by promoting "connect and be connected" and encouraging behavioral change among customers.

Executive Structure

Name	Current title
Mikio OKUMURA	Group CEO President and Representative Executive Officer
Masahiro HAMADA	Group CFO Deputy President and Representative Executive Officer
Shinichi HARA	Group CHRO Deputy President and Representative Executive Officer
James SHEA	CEO of SOMPO P&C Senior Vice President SOMPO P&C (Chief Officer), Overseas Insurance and Reinsurance Business (Officer)
Yasuhiro OBA	CEO of SOMPO Wellbeing Senior Vice President SOMPO Wellbeing (Chief Officer)
Koji ISHIKAWA	Senior Vice President in charge of SOMPO P&C, Domestic P&C Insurance Business (Officer)
Yasuki KUME	Senior Vice President in charge of SOMPO Wellbeing, Domestic Life Insurance Business (Officer)
Takamitsu WASHIMI	Senior Vice President in charge of SOMPO Wellbeing Nursing Care Business (Officer)
Koichi NARASAKI	Senior Executive Vice President and Executive Officer in charge of Digital & New Business (Officer) and Investment General Manager, Business Development Department
Yoshihiro UOTANI	Group CRO Senior Executive Vice President and Executive Officer
Masayuki KIMURA	Group CDO Executive Vice President
Kayoko SAKAI	Group CSuO Executive Vice President
Akiko MURAKAMI	Group CDaO Executive Vice President

Name	Current title
Yoshiyasu SUZUKI	Group CIO Senior Vice President General Manager, IT Strategy Planning Department
David CAMPUTO	Group CAE Senior Vice President
Katsuyuki TAJIRI	Senior Vice President in charge of SOMPO P&C Direct Insurance Business (Officer) and Overseas M&A
Kenneth REILLY	Senior Vice President in charge of SOMPO P&C
Katsuhito NAKAGAWA	Senior Vice President Direct Insurance Business
Hiroshi HORIE	Senior Executive Vice President in charge of Compliance
Nicolas BURNET	Executive Vice President in charge of SOMPO P&C Group Deputy CFO
Junsuke KOIKE	Executive Vice President Group Deputy CFO
Kayoko KOSAKA	Senior Vice President Group Deputy CSuO
Sina MARTENS	Senior Vice President in charge of Communications (Group Head of Communications)
Hirofumi SHINJIN	Senior Vice President in charge of Public Relations
Ryoko SHIMOKAWA	Senior Vice President in charge of SOMPO Wellbeing
Yohei NAMIKI	Senior Vice President in charge of SOMPO Wellbeing
Kyotaro HIROSE	Senior Vice President in charge of SOMPO P&C General Manager, Office of Group CEO

* Executive structure and leadership as of August 1, 2025

Executive Compensation Structure

Structure Basic concept

The Company regards its executive compensation structure as an important aspect of corporate governance. The goal of the executive compensation structure is to increase corporate value and to share interests with shareholders. The executive compensation structure is formulated by the Compensation Committee, which is chaired by the independent director, and incorporates objective points of view. The Company's Policies for Determining Compensation for Directors and Executive Officers describes the Basic concept of Compensation for Directors and Executive Officers, the composition of executive compensation, how compensation is determined for each position, and the details of each type of compensation.

Basic concept of Compensation for Directors and Executive Officers (Group-wide policy)

The Company's Purpose is "For a future of health, wellbeing and financial protection." To embody this purpose, it defines the expected behaviors based on SOMPO's Values (Integrity, Self-motivation, and Diversity) as the foundation for the decisions and actions of executives and employees.

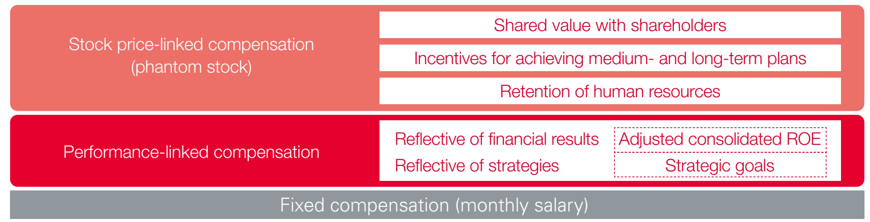
Executives are expected to lead by example. Therefore, their compensation is determined based on the following principles:

(i) The compensation system should create sustainable value for stakeholders over the medium- to long-term.
(ii) The level and system of compensation ensures acquisition and retention of top talent as management of the Group.
(iii) Compensation shall be determined in accordance with the magnitude of the mission with a forward-looking mindset and accomplishments. Additionally, fixed factors associated with specific job title or position may be taken into consideration.
(iv) The compensation system for Directors and Executive Officers shall be consistent with business strategy and heightens the Directors' and Executive Officers' awareness of performance improvement for the Group's growth.
(v) Compensation shall reflect medium to long-term results and initiatives of Directors and Executive Officers, not just performance in a single fiscal year.
(vi) The compensation system of the Company and major subsidiaries shall have objectivity, transparency and fairness to fulfill accountability to stakeholders through the deliberation process at the Compensation Committee of the Company.

Overview of executive compensation structure

Under the new MTMP, commencing from fiscal year 2024, the Group is promoting the enhancement of resilience in the P&C insurance business, and the provision of seamless services to our customers in the Wellbeing business as part of the Group's vision. The company positions executive compensation as a governance and incentive mechanism for the officers leading these initiatives, linking it to the scale of the mission, the efforts undertaken, and the Company's performance.

Scale of mission and approach to realizing a transformation and earnings-linked executive compensation structure



The company believes that all officers should demonstrate and act in accordance with their own duties and mission, based on the principles of being mission-driven (having a sense of mission and job satisfaction, and working with a sense of personal involvement) and of being results-oriented. The executive compensation structure is not designed to award officers a fixed compensation amount based only on their duties or position; instead, compensation is determined in accordance with the scale of the future-oriented mission they are undertaking, and with the results of these missions.

The company assigns a grade to each position according to its responsibilities, with Group CEO being the position with the highest grade. The standard amount of total compensation packages for each position are determined according to these grades. The base amount of the total compensation package for each officer is determined every fiscal year, and reflects the scale of the mission assigned to the officer in question.

We also introduced malus clauses for stock price-linked compensation and clawback clauses for both performance-linked compensation and stock price-linked compensation as mechanisms to further enhance governance.

The Compensation Committee deliberates and determines the amount and composition of compensation for each Director and Executive Officer at the company, in accordance with the decision-making process and calculation methods described in the following pages.

Executive Compensation Structure

(1) Decision-making process for total compensation packages

The company sets compensation levels for each officer on an individual basis, according to the scale of the mission assigned to each officer and their own personal performance. The company does not adopt the conventional approach of determining compensation according to a table that assigns different amounts of compensation for each officer rank.

Setting missions	Deciding total compensation packages	Deciding composition of compensation
Missions are set for each officer based on the future vision of the Sompo Group and the prevailing business environment.	Total compensation is determined based on the specific mission and other factors, and with reference to compensation levels in peer groups and the labor market.	The composition of compensation is determined based on the roles and responsibilities of each officer.

(2) Composition of compensation for officers

Compensation for officers consists of: fixed compensation (monthly salary), which is based on the duties and responsibilities of each officer; and variable compensation, which is linked to performance. Variable compensation comprises: performance-linked compensation, which is compensation linked to short-term performance paid out every fiscal year in accordance with fiscal-year performance; and stock price-linked compensation, which is compensation linked to long-term performance, and whose goal is to increase the association between compensation and medium- to long-term growth in corporate value. This composition is designed to motivate officers to make decisions based on longer-term earnings with a greater awareness of the share price, instead of focusing solely on a single fiscal year.

Overview of executive compensation system

	Type of compensation	% of total (approximate) Group CEO	Other officers	Comments
Fixed compensation	Monthly salary	33.4%	50–70%	• Set for each officer in accordance with the roles and duties of their position • Cash compensation paid monthly
Variable compensation	Performance-linked compensation	33.3%	15–25%	• A base amount is set; actual payment is determined based on annual performance • Based on an assessment of each officer's level of achievement for financial and strategic goals • Paid in cash in June after the conclusion of the fiscal year
	Stock price-linked compensation	33.3%	15–25%	• Payment amount is determined in accordance with the share price in order to share value with shareholders and promote medium- and long-term growth of the Group • Payment in cash at any time after a certain period has elapsed since the granting of units up until retirement and also upon retirement
	Subtotal	66.6%	30–50%	
Total		100%	100%	

(3) Approaches and calculation methods for each of type of compensation

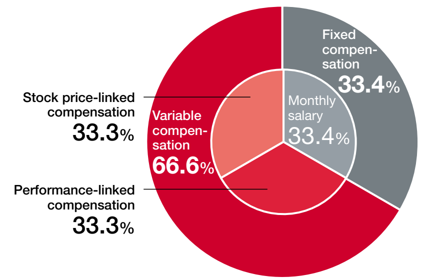
1) Fixed compensation (monthly salary)

The company sets fixed compensation (monthly salary) in accordance with the responsibilities of each officer's position. In principle, an equal amount is paid each month.

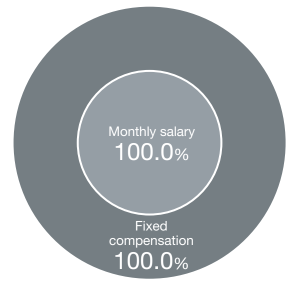
An appropriate level of fixed compensation (monthly salary) is set according to the following parameters: the standard amount of fixed compensation is based on the total compensation package for the grade assigned to the officer's position; the base amount takes into consideration the mission of the individual officer, and the nature of the officer's roles and responsibilities. Reference is also made to market compensation levels, as quantified by officer compensation surveys conducted by third-party compensation consulting firms.

Examples of compensation structure by position

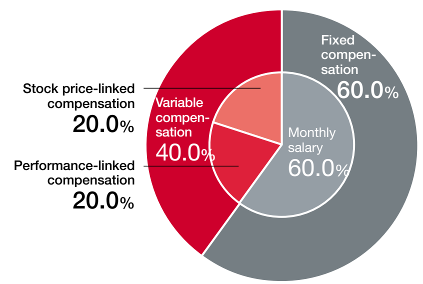
Group CEO



Outside Director



Executive Officer (example)



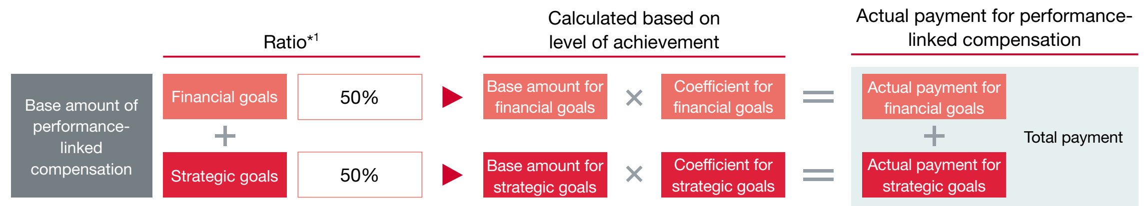
Executive Compensation Structure

2) Performance-linked compensation

The company operates a performance-linked compensation system that rewards officers for the contributions they made to each business's single-fiscal-year performance.

To ensure that performance-linked compensation reflects both the financial performance and the strategic performance goals associated with management plans in a balanced manner, the company adopts a performance-linked compensation system that comprises "financial performance-linked compensation" and "strategic performance-linked compensation." To provide stronger incentives, the company applies a coefficient to the base amounts of performance-linked compensation. This coefficient varies according to the level of achievement of strategic goals set for the mission assigned to each officer, in principle ranging from 0% to 200%.

- To determine performance-linked compensation, the company first sets a base amount of performance-linked compensation. This base amount is then multiplied by a coefficient that reflects the level of achievement of single-fiscal-year financial goals and strategic goals.
- The base amount of performance-linked compensation is defined as the amount to be paid if financial goals and strategic goals are fully achieved. The base amount is determined individually for each officer.
- Performance-linked compensation comprises financial performance-linked compensation and strategic performance-linked compensation. The allocation ratio of these two compensations is determined by the Compensation Committee in accordance with the nature of the mission assigned to each officer.
- The performance indicators adopted as the financial goals include adjusted consolidated ROE, among others, for the fiscal year, and the coefficient is determined according to the actual results versus the targets in the business plan.
- The performance indicators applied to the strategic goals are the metrics agreed on by the Group CEO, Head of business segment, or other Director or Executive Officer responsible for appraisals, in accordance with the mission of each Director and Executive Officer, and the coefficient is determined according to the level of achievement.

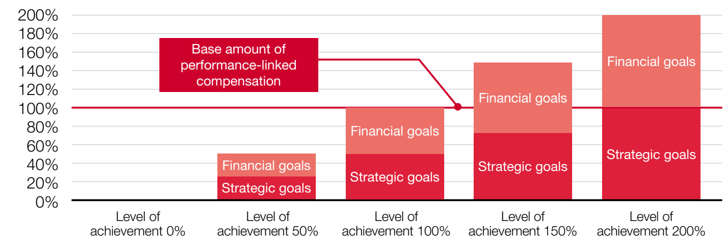


*1 The initial ratio of base amount for financial goals to base amount for strategic goals is set at 50:50; this ratio is adjusted individually for each officer in accordance with their duties.

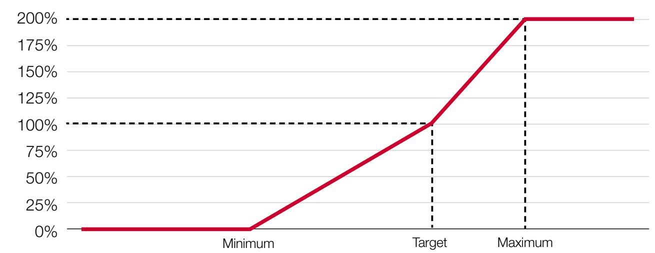
Actual payment in principle ranges between 0% and 200% of the base amount of performance-linked compensation, depending on the level of achievement of financial targets and strategic targets by each officer.

*2 The chart on the right shows payments in cases where the ratio of financial goals to strategic goals is 50:50, and where levels of achievement are equal for both financial goals and strategic goals.

Payment of performance-linked compensation, by level of achievement*2



Financial goals



The financial goal coefficient is 100% when the targeted financial performance is achieved; in this case, the base amount of compensation will be paid. Depending on the level of achievement of financial goals, actual payment will range from 0% to 200% of the base amount.

* The graph above indicates the relationship between level of achievement and actual payment.

Strategic goals

Description	Level of achievement
Results better than expected	200%
	175%
	150%
	125%
Results as expected	100%
Results worse than expected	75%
	50%
	25%
	0%

The coefficient is determined in accordance with the level of achievement of strategic goals established for each officer; this coefficient is then multiplied with the base amount. As a rule, a coefficient of 100% is used when strategic targets have been fully met; 200% is the maximum and 0% the minimum.

Executive Compensation Structure

Indicators used for performance-linked compensation

The table on the right summarizes the financial indicators used to determine performance-linked compensation. Financial indicators are set for each business; strategic goals are set for each officer.

Business domain	Financial indicators for FY2024
Entire Group	Adjusted consolidated profit, Adjusted consolidated ROE
Domestic P&C Insurance Business	Adjusted profit
Overseas Insurance and Reinsurance Business	Adjusted profit
Domestic Life Insurance Business	Adjusted profit, Amount of increase in adjusted EV
Nursing Care Business	Adjusted profit
Digital domain	Adjusted profit, Revenue

*1 Adjusted profit in the Nursing Care Business is the standalone figure for Sompo Care Inc.
*2 Adjusted profit and revenue in the Digital domain are the standalone figures for Palantir Technologies Japan KK.

3) Stock price-linked compensation

The Company believes it is vital that the Group as a whole grows sustainably over the long term. For the purpose of maintaining the link between compensation for directors and executive officers and stock value, as well as further raising the awareness and talent retention that contributes to stronger earnings and greater corporate value over the medium-to-long term, we introduced a new stock price-linked compensation (phantom stock, or PS), effective from April 1, 2023.

For this compensation, PS offering the same economic value as cash stock is issued to the directors and executive officers. An overview of this system is as follows.

- The number of units granted is determined by multiplying the stock price-linked compensation base amount, which varies depending on the magnitude of the mission of each director and executive officer, in principle, by the previous year's strategic goal evaluation coefficient and dividing it by the Company's share price.

[Stock price-linked compensation base amount × Strategic goal evaluation coefficient from previous FY] ÷ Company's closing share price on the grant date = Number of units granted

- The units granted will vest at the end of the fiscal year three years after the grant date. Once vested, they will be categorized into PS 1 and PS 2. If the director or executive officer resigns voluntarily before the vesting date, the units will not be eligible for vesting.
- PS 1 and PS 2 units will be divided evenly (50% each) and be subject to the following.
  PS 1: After vesting, an amount based on the current share price at any time up until retirement, along with an equivalent cumulative dividend amount, will be paid in cash.
  PS 2: Upon retirement, an amount based on the share price calculated with a prescribed method, along with an equivalent cumulative dividend amount, will be paid in cash.
- The payment amount will be determined as follows.

Payment based on the exercise of rights for PS 1 at any time

[Number of PS 1 units designated by the director or executive officer × Closing share price on the day the director or executive officer indicated their intention to receive PS 1] + Equivalent cumulative dividend amount

Payment based on the exercise of rights for PS 1 and PS 2 upon retirement

[Number of unexercised PS 1 and PS 2 units up until the day of retirement × Share price at the time of retirement (calculated based on a prescribed method)] + Equivalent cumulative dividend amount

Executive Compensation Structure

Total compensation, total compensation by type, and number of eligible officers for each officer category, in FY2024

The total compensation, total compensation by type, and the number of eligible officers for each officer classification in the current fiscal year are outlined below.

Officer category	Total compensation, etc. (million yen)	Compensation by type (million yen)					No. of eligible executives
		Fixed compensation No. of eligible executives (monthly compensation)	Retirement benefits, etc.	Performance-linked compensation, etc.		Non-cash compensation included in the left	
				Performance-linked compensation	Stock price-linked compensation		
Directors (excluding outside directors)	50	45	—	3	1	—	5
Outside directors	194	194	—	—	—	—	9
Executive Officers	1,029	628	—	236	163	—	13
Total	1,274	868	—	240	164	—	23

*1 The number of recipients, total compensation, and total compensation by type of compensation, include one Director and two Executive Officers who resigned on March 31, 2024.
*2 The amount of compensation for the three Directors who also serve as Executive Officers is included in the total amount of compensation for each category after separating their compensation as Directors from their compensation as Executive Officers. Thus, the total number of recipients and the sum of recipients from all the categories differ.
*3 Performance-linked compensation is the total amount of provisions recorded for compensation based on the financial results of the previous fiscal year and compensation based on the financial results of the current fiscal year (excluding the provisions recorded in the previous fiscal year). Stock price-linked compensation is the amount recorded as an expense in the current fiscal year.
*4 All compensation for Directors and Executive Officers is from the insurance holding company, and there is no compensation from the parent company holding company or other companies.
*5 The compensation total amounts above are calculated based on Japanese standards.

Total consolidated compensation for each officer in FY2024

Executives who received compensation totaling 100 million yen or more are listed below.

Name	Total compensation from the Company and its consolidated subsidiaries (million yen)	Officer category	Company category	Total compensation by type from the Company and its consolidated subsidiaries (million yen)				
				Fixed compensation No. of eligible executives (monthly compensation)	Retirement benefits, etc.	Performance-linked compensation, etc.		Non-cash compensation included in the left
						Performance-linked compensation	Stock price-linked compensation	
Mikio Okumura	178	Director	Sompo Holdings, Inc.	6	—	1	0	—
		Executive Officer		93	—	55	20	—
		Director	Sompo Japan Insurance Inc.	—	—	—	—	—
		Director	Sompo International Holdings Ltd.	—	—	—	—	—
James Shea	313	Executive Officer	Sompo Holdings, Inc.	313	—	—	—	—
		Director	Sompo International Holdings Ltd.	—	—	—	—	—

*1 Performance-linked compensation and stock price-linked compensation is the total amount of provisions recorded for compensation based on the financial results of the previous fiscal year and compensation based on the financial results of the current fiscal year (excluding provisions recorded in the previous fiscal year).
*2 Compensation paid to Directors and Executive Officers in foreign currencies has been converted to yen.
*3 James Shea, a Senior Vice President of the Company, was an Executive Officer until March 31, 2023. The above table thus only shows the compensation paid during the current fiscal year for services rendered as an Executive Officer during the fiscal year in which he was in office.
*4 The compensation total amounts above are calculated based on Japanese standards.

To Our Stakeholders
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Sustainability Section
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Governance
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Composition of the Board of Directors
Succession Plan
Policies for Appointment of Directors and Executive Officers
Executive Structure
Executive Compensation Structure
Group Internal Controls to Support Corporate Governance
Group Internal Audits
Compliance
ERM
Crisis Management and Business Continuity
IT Governance/Cybersecurity
Sustainability Governance
Sustainability through Underwriting, Investments and Loans
Environment
Society
Data
Financial and Corporate Data Section

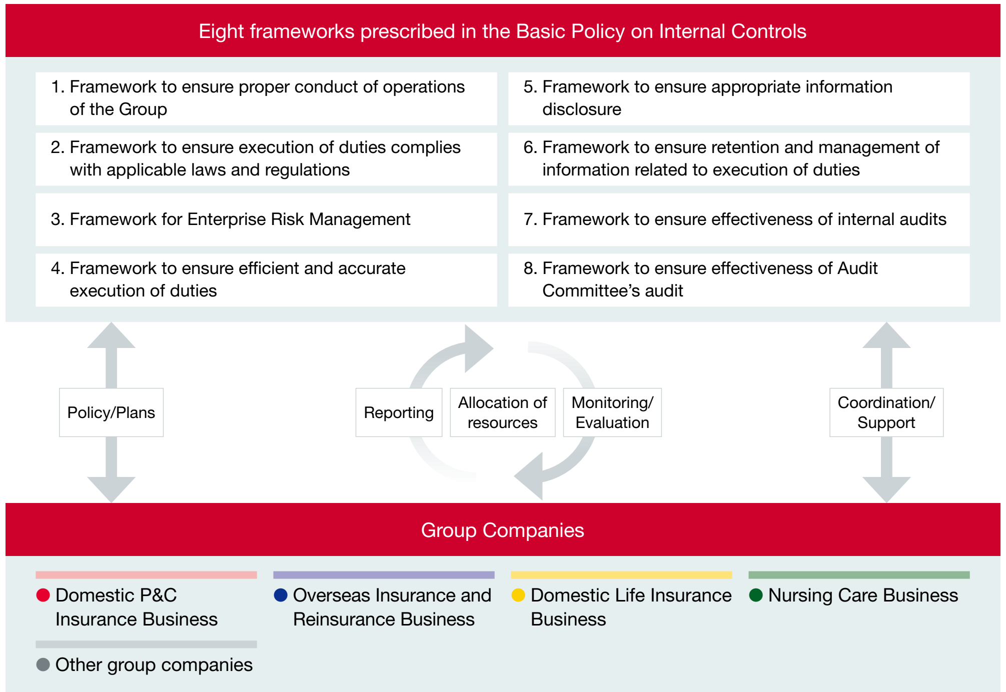
Group Internal Controls to Support Corporate Governance

Concept and Policy

The Board of Directors has established eight frameworks in the Basic Policy on Internal Controls as a foundation for improving corporate value and for ensuring the proper conduct of operations within the Group.

Despite the existence of such internal control frameworks, it was pointed out by regulatory authorities in relation to our response to the fraudulent auto insurance claims involving our domestic P&C insurance subsidiary, that our framework for monitoring key initiatives, as well as the information sharing and reporting requirements with regard to the subsidiary, had weaknesses in their effectiveness. In response to the above, we have established a business improvement plan, which we are steadily implementing to enhance our internal control framework.

Group internal controls systems



Progress on the Business Improvement Plan Regarding the premium adjustment practices, etc. and fraudulent car insurance claims can be viewed here.
"Progress on the Business Improvement Plan" (as of the end of May 2025)

For further details, please visit the website: Basic Policy on Internal Controls

Group Internal Audits

Concept and Policy

Status of internal audits

We have established the Internal Audit Department with organizational and operational independence, as the department responsible for conducting internal audits within our company and overseeing internal audits across Group companies. The Internal Audit Department has a total staff of 15, as of April 1, 2025, who have extensive experience in the management of the Group's businesses including those overseas activities. We are also actively promoting acquisition of qualifications such as Certified Internal Auditor, a professional qualification on internal audit.

Based on the "Group Basic Policy on Internal Audit," the Internal Audit Department audits the operational execution status of departments within our company, as well as requires the internal audit functions of each Group company to implement highly effective internal audits. We summarize and analyze the audit results and issues across our company and group companies, as well as the follow-up status on their improvement, and report these to the Audit Committee and the Board of Directors.

Developing the Group's internal audit framework

We have established the "Group Basic Policy on Internal Audit", which defines internal audits as processes for assessing the internal control framework and providing recommendations on methods for improving identified issues. Accordingly, we strive to enhance corporate value and meet the expectations of stakeholders by developing an efficient and effective Group-wide internal audit framework, and by conducting risk-based internal audits that consider our business characteristics and management strategies.

Specifically, we have enhanced our monitoring functions and adopted an agile approach to the auditing in response to evolving risks. Concurrently, we have supported our group companies in developing their internal audit framework by conducting Quality Assurance of their internal audits and providing recommendations for improving their respective challenges.

Furthermore, in April 2025, aiming to strengthen our internal audit framework across the entire group and achieve consistent and effective internal audits on a global level, we appointed a Group Chief Audit Executive to be responsible for internal audits across the Group.

Compliance

Concept and Policy Basic concept and policy

The Sompo Group has established various policies, including the 'Sompo Group Basic Policy on Compliance,' and is working to enhance the Group compliance systems as well as ensure thorough understanding and compliance with the "SOMPO Group Compliance Code of Conduct," which is based on this Basic Policy, through measures such as conducting training for officers and employees. As a company seeking to maintain a sound social presence which does not view compliance solely as compliance with laws and regulations, we are striving to foster a corporate culture where each employee can proactively and autonomously act in accordance with corporate ethics and social norms, through the steady implementation of the business improvement plan devised in response to the fraudulent auto insurance claims.

Basic Policy on Compliance

The Company Group shall comply with laws and regulations in accordance with the following policy and realize corporate activities that are in conformity with social norms and corporate ethics.

Sompo Group Basic Policy on Compliance (Overview)

1. **Compliance as the major premise for business operations**
   With the deep awareness that profits gained by disregarding compliance is not sustainable, we will set compliance as the precondition for our business operations.
2. **Nurturing and enhancing compliance awareness of officers and employees**
   We will nurture and enhance the awareness that compliance must be taken seriously so that officers and employees will comply with laws and regulations and act in conformity with social norms and corporate ethics.
3. **Systematic efforts to ensure compliance**
   With the deep awareness that continuous and perpetual efforts are needed to ensure compliance, we will systematically work toward the realization of it.
4. **Early detection of issues and prompt actions**
   We will establish an early detection system in order to be prepared for any occurrence of compliance issues in association with business operations, and take prompt and appropriate actions if any issue occurs.

For specific compliance-related policies, please visit the website (in Japanese): Management of Conflict of Interest Transactions, Protection of Customer Information, and Response to Anti-social Forces

Sompo Group Compliance Code of Conduct

The Group has established the Sompo Group Basic Policy on Compliance (collectively, "Basic Policy") with the aim of being a corporate group trusted by society by remaining constantly aware of the important public mission and social responsibility of its businesses and providing customers with the highest-quality services and sense of security through appropriate corporate activities that comply with laws and regulations, societal norms, and corporate ethics.

The Sompo Group Compliance Code of Conduct lays down the norms to ensure that, based on the Basic Policy, all officers and employees of the Sompo Group understand the importance of compliance and act in ways that take compliance seriously. All officers and employees must act in compliance with the Code of Conduct shown below. In addition, if anyone becomes aware of any compliance or ethical concerns, or issues involving themselves or their colleagues that may violate the Code of Conduct, they are obligated not to ignore or conceal, but to promptly report such concerns or issues to their supervisors or the whistleblowing/consultation points of contact.

Furthermore, our Group has established 'SOMPO's Yes' as a guiding principle for when judgment is uncertain while acting in accordance with this Code of Conduct. This is a group-wide guideline that encourages officers and employees to ask themselves: "Do you feel comfortable explaining your actions or decisions openly and honestly to society?," "Are you being fair in your dealings with customers and business partners?," and "Do you feel comfortable telling your family and friends with confidence?" If the answer to all three questions are not "Yes," one should pause and consult one's supervisor or other appropriate persons.

For further details, see the following: Sompo Group Compliance Code of Conduct

Sompo Group Compliance Code of Conduct

1. **Compliance with Laws, Regulations and Internal Rules**
   We will act with integrity and good sense in compliance with laws, regulations and internal rules, and based on social norms and corporate ethics.
2. **Respect for Human Rights**
   We will respect human rights in every aspect of our business activities.
3. **Maintain and Promote a Healthy and Safe Working Environment**
   We will aim to maintain and promote a healthy and safe working environment in which Employees can have peace of mind and demonstrate their abilities fully without any concerns that threaten their mental or physical safety.
4. **Protection of Company Assets**
   We will only use the assets of the Group for the Group's business activities and properly protect them.
5. **Proper Document Creation and Management**
   We will properly create and manage documents, emails, and data, etc. related to our transactions and operations in accordance with laws, regulations and internal rules.

Compliance

6. **Fair and Free Competition**
   We will conduct our business under fair and free competition in accordance with laws, regulations, and internal rules related to Anti-Trust and Anti-Competition. We will not engage in unfair business practices such as cartels, bid riggings, and other acts that restrict competition or take advantage of our business position.
7. **Prohibition of Bribery**
   To contribute to the maintenance and development of an orderly free competitive market, we will promote fair business activities with high ethical sense and will not engage in bribery.
8. **Prohibition of Conflict of Interest**
   Under situations where the interests of Employees conflict with the interests of the company, we will take actions with preference to the interests of the company in accordance with related laws, regulations and internal rules.
9. **Protection and Management of Personal and Confidential Information**
   We will properly deal with personal information, confidential information that we obtain and data, etc. that we create in connection with our business in accordance with laws, regulations and internal rules.
10. **Protection of Intellectual Property**
   We will protect intellectual property possessed by the Group, and will not infringe it possessed by third parties.
11. **Prohibition of Insider Trading**
   By strictly prohibiting insider trading by Employees, we will ensure investors' trust in the securities market.
12. **Elimination of Relationships with Organized Crime Forces**
   We will strive not to have any relationship with organized crime forces, maintain public confidence, and realize a safe society and sound corporate management.
13. **Prevention of Money Laundering and Terrorist Financing**
   We will strive to ensure that the Group's products and services are not used to transfer proceeds from crime, to finance terrorists, or to proliferate weapons of mass destruction.
14. **Appropriate Political Activities**
   As a corporation, we will conduct fair business activities while maintaining an appropriate relationship with politics. In addition, we will clarify the distinction between public and private regarding personal political activities of Employees.
15. **Appropriate Financial Reporting, Tax Processing Based on Laws and Regulations**
   We will accurately record financial information and appropriately report and disclose such information in a timely and appropriate manner so that shareholders, investors, and other stakeholders can make decisions fairly and equitably, and also aim to maintain and improve tax compliance in accordance with tax related laws and regulations.

Structure | Activities and Achievements

Initiatives

In January 2024, the company received a business improvement order regarding our responses to the fraudulent auto insurance claims, etc. involving our domestic P&C insurance subsidiary, and is implementing measures, including measures to prevent recurrence, in accordance with the business improvement plan. Furthermore, in light of the business improvement and cease and desist orders regarding premium adjustment practices, etc. as well as the business improvement order regarding the inappropriate management of insurance contract information, etc. concerning this subsidiary, the company is working to fundamentally strengthen its management structure to reinforce and improve the effectiveness of its Group governance, including establishing a compliance officer and compliance department while supervising and monitoring the adequacy and effectiveness of the internal controls of the subsidiary. In addition, we have revised our rules to ensure that all critical matters concerning the subsidiary are reported to us without omission. As a holding company, in order to continuously monitor the management status of Sompo Japan Insurance, we have established a system to proactively obtain critical information, through measures such as implementing mutual appointments of officers and employees between both companies, and strengthening communication that is not bound by formalities. In November 2024, we updated the 'Guidance on the Compliance Code of Conduct' which supplements the 'Sompo Group Code of Conduct' and incorporated "SOMPO's Yes," a tool to guide officers and employees in making proper judgments and taking appropriate actions. In line with our initiatives for the business improvement plan and to foster deeper understanding and adherence to the Compliance Code of Conduct, we have developed Group-wide training programs related to the Code. Through these efforts, we aim to build an organizational culture and systems that thoroughly ensure compliance with laws and regulations and customer-oriented business operations.

Looking at our business environment, in addition to the Domestic P&C Insurance Business and Overseas Insurance and Reinsurance Business, the Group engages in the Wellbeing Business, which involves the provision of various solutions related to health/nursing care/retirement savings through our Domestic Life Insurance Business and the Nursing Care Business. In developing our compliance framework, it is imperative that we consider not only the relevant laws, but also the business characteristics, scale, and operating conditions of each Group company, as well as the potential risks involved in their business models and industry practices. In collaboration with our Group companies, to not only ensure compliance with laws and regulations but also respond to societal and public demands, we are actively addressing conduct risk and will continue to strive to establish a compliance framework that aligns with our Group strategy and the external environment.

Our internal whistleblowing and consultation system is a key mechanism for detecting problematic issues at an early stage. To enhance the effectiveness of this system in identifying early warning signs of such issues, we are conducting trials of a new contact point that accepts concerns or consultations instead of reports, seeking to create a system that allows capturing of wide range of voices and concerns. We are currently evaluating the results with a view to rolling out the system across the Group. We are also taking steps to further raise awareness and enhance the trustworthiness of the whistleblowing systems. In FY2024, there were 293 whistleblowing reports and consultations.

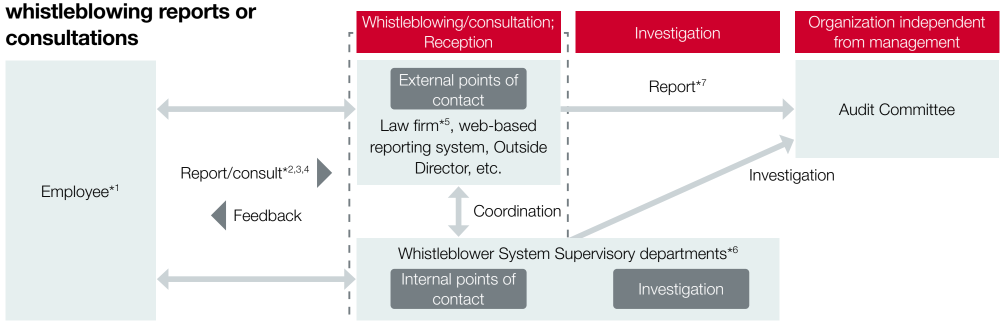
Compliance

Whistleblowing and consultation system

- Our group has established both internal and external reporting channels at each group company to prevent misconduct such as violations of laws and regulations, harassment, and other problematic behaviors, as well as to maintain and enhance corporate value through self-regulation. We continuously raise awareness of our whistleblowing system, including how to use it, through internal trainings, etc. to ensure an appropriate mechanism is in place to handle whistleblowing reports and consultations.
- Each Group company has a system in place in accordance with the relevant laws and regulations of each country. In Japan, we have a system in place in accordance with the revised Whistleblower Protection Act (effective June 2022), and overseas, we have a system in place based on both local laws and Group system development standards.

System for receiving whistle-blowing reports and consultations	• Whistleblowing reports and consultations are handled by specific persons in charge ("Response Persons"), who are obliged to maintain confidentiality. • Whistleblowing reports and consultations received through external point of contact will be appropriately forwarded to the supervisory division, taking into consideration the intentions of the whistleblower or consulter. • Upon receiving a whistleblowing report or consultation, necessary investigation will be performed, and the results of the investigation will be reported back to the whistleblower or consulter by the internal or external points of contact as appropriate.
Protection of whistle-blowers and consulters	We are working to strengthen protection of whistleblowers and those seeking consultation, and we have established an internal whistleblowing and consultation system that can be used quickly and safely when problems occur that are difficult to resolve at the workplace. • We require our Response Persons to maintain strict confidentiality. • We prohibit any attempt to identify the whistleblower or person seeking consultation, or any disadvantageous treatment of them, and clearly stipulate the disciplinary measures to be taken against those who violate the rules.

Flow of procedures after receiving whistleblowing reports or consultations



*1 In Japan, this includes persons who have resigned from their jobs within one year, and persons who are employed by other companies and engaged in work for SOMPO Group (eligibility varies depending on circumstances in each country).
*2 Anonymous reporting is also accepted.
*3 Email, telephone, and other reporting and consultation methods are available (available methods vary depending on circumstances in each country).
*4 Consultations regarding how to use the system and how whistleblowers and consulters are protected are also accepted (scope of consultation varies depending on circumstances in each country).
*5 The law firm accepts reports and consultations independently of the company.
*6 The supervisory departments are responsible for leading investigations and corrective actions in cases, as well as analyzing trends and formulating countermeasures.
*7 Significant matters (including those where Directors and Executive Officers involvement is suspected) are reported to the Audit Committee as an independent body from management, which then determines the response.

Examples of reports and consultations

■ Work environment ■ Violation of human rights (including harassment)
■ Violation of laws and rules etc.

For customers and stakeholders, information on how to contact the Group is available on each company's website.

Number of whistleblowing reports received

Category	FY2022	FY2023	FY2024	Scope		
				Consolidated companies in Japan		Overseas consolidated companies
				Sompo Japan Insurance	Other group companies	
Number of reports received*	261	252	293	●	●	●
[Included] Number of reports and consultations regarding human rights violations (including harassment)	180	167	213	●	●	●

* Reports received concerning human rights violations (including harassment) and violations of laws and rules

Compliance Code of Conduct violations

Category	FY2024	Scope		
		Consolidated companies in Japan		Overseas consolidated companies
		Sompo Japan Insurance	Other group companies	
Bribery and Corruption	0	●	●	●
Conflict of interest	0			
Money laundering and insider trading	0			

Compliance training

The Sompo Group systematically implements compliance-related education and training to ensure that officers and employees comply with laws and regulations and act in accordance with social norms and corporate ethics.

For compliance training results, please refer to the ESG data.

Compliance

Concept and Policy Establishment of Group Tax Policy

In recent years, the environment surrounding taxation has been characterized as follows;

1. The progress of the BEPS* project by the OECD has brought tax compliance into the spotlight on a global scale.
2. In Japan, there are calls for large companies to enhance and improve their corporate governance with respect to taxation, and the importance and necessity of active involvement and guidance by top management and the formulation of a "global transfer pricing policy (transfer pricing strategy for the entire group)" are pointed out as examples of such efforts.

Against these backgrounds the Group Tax Policy was established in August 2018 as a practical guideline for the entire SOMPO Group, including overseas Group companies, with the approval of the Group CFO (Director), who was delegated authority by the Board of Directors (The Group CFO has the authority to make decisions when conducting revises.).

The tax divisions of the Group manage and operate the policy, and the Group CFO periodically confirms the details of the financial statements, including the amount of income taxes, and reports the results to the Board of Directors.

* BEPS: Base Erosion and Profit Shifting

Group Tax Policy

1. Regulatory Compliance

The Sompo Group sets out a basic principle of "Compliance with applicable laws and regulations relevant to its business activities in each country." The Group aims to maintain and improve its tax compliance in accordance with tax related laws, regulations and standards published by international organizations, such as OECD, EU and UN guidelines, as well as the domestic laws, regulations and standards of each country and region, and fulfills its corporate social responsibility by properly paying its taxes.

2. Approach to International Taxation

The Sompo Group strives to mitigate any risk of damaging corporate value by exposing the Group to tax penalties and/or double taxation, based on understanding the purpose of the BEPS initiative led by the OECD.

International transactions between intra-group entities are conducted at an arm's length price. The Sompo Group also ensures international income is allocated between parties on an appropriate basis.

3. Optimization of Tax Burden

In order to maximize corporate value, the Sompo Group aims to minimize tax risks and to make appropriate and effective use of tax mitigation measures in accordance with each jurisdiction's laws and morals. The Sompo Group does not perform tax avoidance by, for example, utilizing excessive tax saving practices based on interpretations and/or applications that deviate from the actual content, meaning and/or intention of the relevant laws and regulations.

4. Relationship with the Tax Authorities

The Sompo Group seeks to maintain a positive relationship with the tax authorities of each country by ensuring that its explanations of its positions are always sincere, transparent and based on true facts.

The tax filing and payment practices of the Sompo Group will be timely and appropriate, and tax-related information will be submitted to the tax authorities when it is requested. On this basis, in cases where it is agreed with the tax authorities that there is a need for corrective and remedial measures, such measures will be appropriately taken by the Sompo Group.

Structure Tax Management System of SOMPO Group

In principle, the head of each region's domestic tax department is responsible for managing tax issues in each region. However, since global transactions within the group affect multilateral, tax management is conducted to consider the tax systems of multiple countries and examine tax issues from multiple perspectives.

Specifically, the global tax sections in Japan, US and UK handle any tax issues on a global basis, and regular meetings by the three sections are held to exchange information closely and discuss various global tax-related issues. The appropriate solutions are then presented to the CFOs and/or each business unit as necessary.

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ERM

Concept and Policy Our basic approach to ERM

Through the practice of Enterprise Risk Management (ERM), which is a framework for risk management, the Sompo Group aims to minimize unexpected losses, improve profits by effectively utilizing capital, and maximize corporate value, based on the "Sompo Group Basic Policy on ERM" established by the Board of Directors.

(1) ERM as the "Compass of Management"

The Sompo Group is striving to maximize its corporate value by setting "Increase Resilience" and "Connect and be connected" as its goals in its MTMP (FY2024–2026). To achieve this, we make use of the ERM framework, also known as the "compass of management," to guide the Group in the best direction by not only avoiding losses before they happen, but by reducing opportunity losses, such as missed investments in new business.

We make sure of this by (1) accurately analyzing and grasping the Group's current position (multifaceted analysis); (2) sensitively detecting potential future risks (accurately understanding and addressing key risks), and (3) clearly indicating which course the Group ought to take (recommendation of an optimal business portfolio).

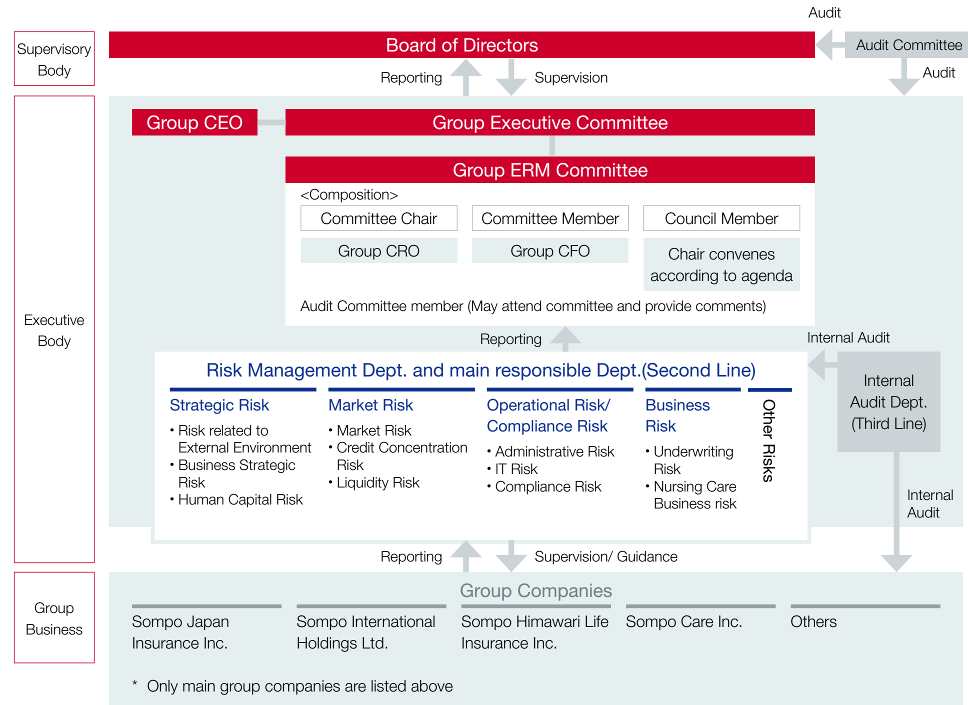
(2) Risk management for governance structure

The Group Executive Committee, an advisory body to the Group CEO, regularly holds management discussions on matters related to risk management, including the Group's risk appetite statement, medium-term Group ERM promotion policy, and risk tolerance policies and measures. The Group ERM Committee, chaired by the Group CRO, has been established as a subordinate body of the Group Executive Committee to conduct cross-sectional management discussions on important Group ERM issues, such as risk-taking strategies, and the status of control of material risks by the department with primary responsibility and risk management department. The results are reported to the Board of Directors through the Group Executive Committee, and we have established a framework to continuously enhance governance pertaining to group risk management, incorporating advice and recommendations from the Board.

The Group CRO ensures that the "Sompo Group Basic Policy on ERM" and the "Medium-term Group ERM Promotion Policy" are known to all Group companies, and works to improve the effectiveness of ERM for the entire Group through regular monitoring and discussions with the CROs of each company.

Group companies have established risk management systems in line with Group policies and manage risk autonomously. The Company and its major subsidiaries have adopted a "three lines" model: First line: Each department or business unit responsible for developing and implementing policies and measures within our

Risk Management Governance Structure



company and its key subsidiaries autonomously manages its own risks. Second line: The risk management department, along with the department in charge of relevant duties businesses, oversees and supports the first line's risk management activities. Third line: The internal audit section independently evaluates the validity and effectiveness of the overall risk governance framework. These measures collectively ensure and enhance the effectiveness of the Group's risk management system. The Internal Audit Department also conducts on-site audits at least once a year and continuous monitoring (off-site) of relevant executing departments and subsidiaries on themes selected on a risk basis and evaluates the development status of the risk management framework and the effectiveness of processes such as the controls for risks associated with the relevant themes. In addition, the Internal Audit Department monitors the Risk Management Department, which is responsible for the development and promotion of the Group-wide ERM framework, throughout the year for the adequacy of its operational structure.

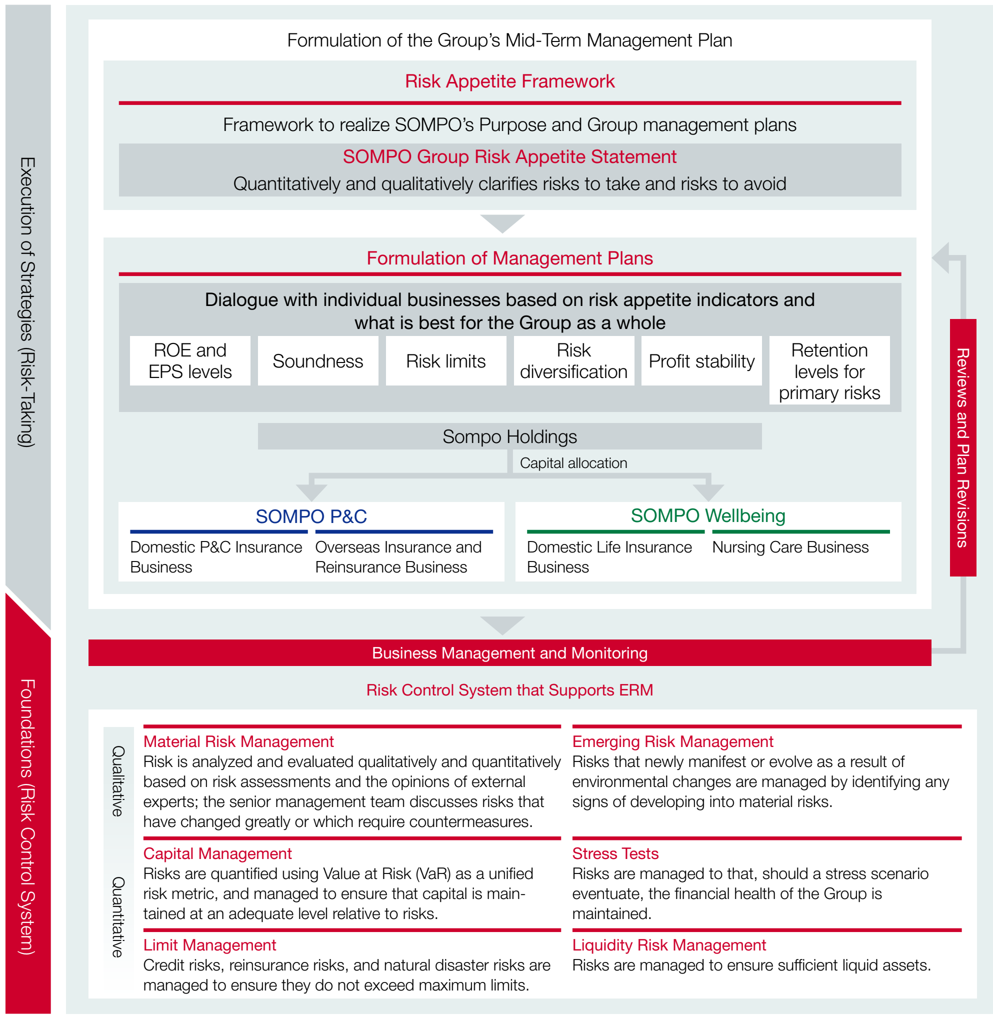
ERM

Activities and Achievements

Overview of Sompo Group's Enterprise Risk Management

The Group ERM framework aims to maximize corporate value while balancing capital, risk, and return. To effect this, it has two main components: the "Risk Appetite Framework," which supports conscious risk-taking in pursuit of strategic objectives, and the "Risk Control System," which contributes to stabilizing the foundations of our business.

Overview of the Sompo Group's Enterprise Risk Management



(1) Risk Appetite Framework

From the perspective of risk-taking, we utilize a risk appetite framework as the main tool for analyzing capital, risk, and return, which we then apply to important management decisions. The "Risk Appetite Framework" is a system for increasing the certainty of achieving the Group's strategic goals — as set forth in SOMPO's Purpose, and the Group Management Plan — by conducting risk-taking based on the Group's "Risk Appetite Statement," which clearly states the risks to be taken and the risks to be avoided. We formulate a Group Management Plan and allocate capital to each business, after dialogue with the respective management teams, based on risk appetite indicators and the perspective of overall optimization as a Group.

(2) Risk Control System

On the aspect of risk control, the Group utilizes a "Risk Control System" that identifies, analyzes, and assesses the various risks surrounding the Group. We define "risks that could have significant impacts on the business" as "material risks" and comprehensively capture and evaluate the risks faced by our business through bottom-up risk assessment and top-down confirmation and discussion by the Board of Directors and others. In conducting risk assessment, we have clarified the criteria so as to emphasize the reputational impact from the viewpoints of customers, society, and other stakeholders, in addition to economic loss and business continuity. Material risks are comprehensively identified by the Group CRO based on risk assessments and the views of experts, etc., and risks are evaluated both qualitatively and quantitatively in terms of likelihood of occurrence and impact, based on specific scenarios of impact of risks on the Group, and the management status is discussed in the Group ERM Committee, then reported to the Group Executive Committee and the Board of Directors at least twice a year. The assessment of material risks and their likelihood and impact is as shown in the "Material Risk Heatmap (Likelihood and Impact)" on the next page.

Further, we have defined "emerging risks" as risks that, although it is difficult at this time to evaluate risks based on specific impact scenarios, have the potential to emerge or change due to changes in the environment and have a significant impact on our group in the future, and we manage them appropriately by associating them with individual material risks. An outline of emerging risks and countermeasures is provided in <Impact of Emerging Risks and Mitigating Actions (Examples)> (Sustainability Section/P.83).

Through "Capital Adequacy Management," "Stress Testing," "Risk Limit Management," and "Liquidity Risk Management," we strive to minimize unexpected losses and stabilize profits.

ERM

Capital Adequacy Management

We quantify the insurance underwriting risks, asset management risks, nursing risks, and operational risks we are exposed to maintain a sufficient level of capital relative to risks. A system has been established so that countermeasures are properly implemented if necessary.

Stress Testing

We conduct “scenario stress testing”, “reverse stress testing”, and “sensitivity analyses” on a Group-wide basis to accurately identify and manage events that could significantly affect its business management. We analyze the impact on both capital and risk and take countermeasures as required.

Risk Limit Management

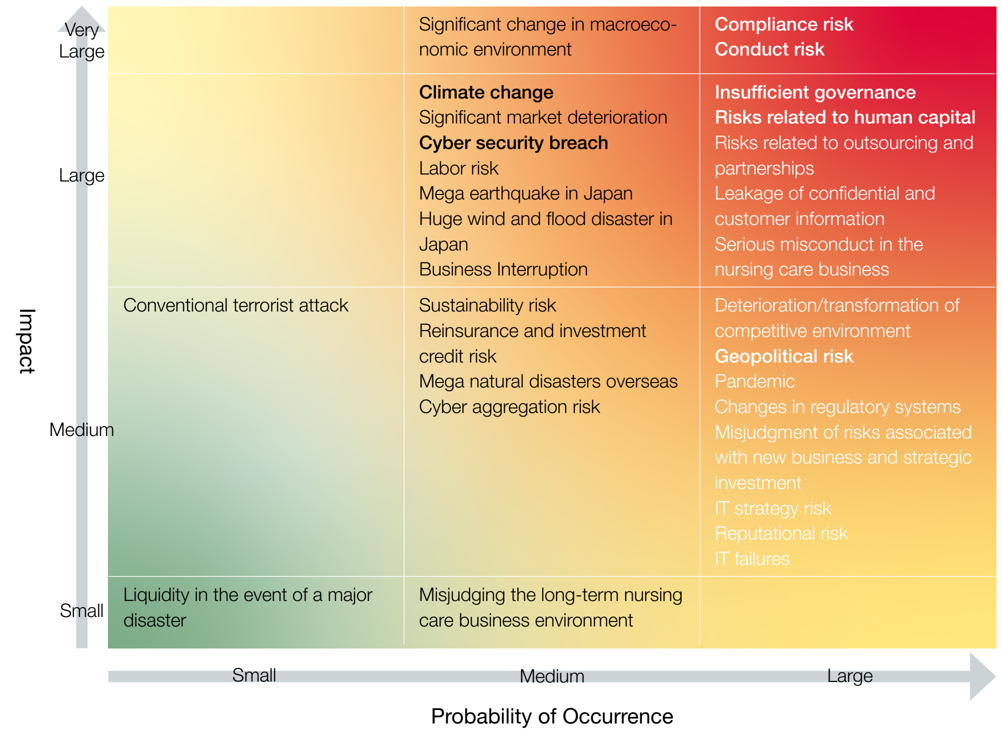
We have established the maximum limit for each risk on a Group-wide basis such as credit risk, reinsurance counterparty risk, and natural catastrophe risk to avoid outsize losses arising from the occurrence of specific events. The Group sets the limits within the maximum limits based on risk characteristics and has established a system to take appropriate measures when those limits are exceeded.

Liquidity Risk Management

In addition to projecting cash requirements for day-to-day operations, we project the maximum cash outflows that could result from events such as a large-scale natural catastrophe. We then conduct management to ensure we have sufficient liquid assets to meet cash requirements in these scenarios.

Material Risk Heat Map

(Bold text: Risks requiring strengthened control)



	The degree of Impact			Probability of Occurrence
	Financial Loss	Business Continuity	Reputation	
Very Large	≧ 500 bill. JPY	License cancellation	Brink of corporate failure	≧ once a year
Large	≧ 200 bill. JPY	Disruption of core business	≧ 5 years damage	≧ once in 10 years
Medium	≧ 10 bill. JPY	Partial disruption	≧ 2 to 3 years damage	≧ once in 100 years
Small	< 10 bill. JPY	—	Low risk of trust loss	< once in 100 years

ERM

<Examples of Emerging Risks: Impacts and Mitigating Actions>

Innovative Medical Technologies

Risk Description	With the advent of new medical tests and treatments, it has become easier to detect diseases that were previously difficult to detect, and diagnosis criteria are becoming less stringent. The Sompo Group offers a wide range of medical insurance, cancer insurance, and long-term care insurance within its Life Insurance Business. There are risks associated with changes in customer insurance needs and behavior, as well as increases in claims and benefit payments, stemming from advances in medical testing and treatment technologies in the future.
Impact	The spread of innovative diagnosis and treatment technologies such as liquid biopsy, immunotherapy, photodynamic therapy, and regenerative medicine may not only cause fluctuations in the number of policyholders, but may also change the insurance needs of customers. Early detection of diseases, improved survival rates, and longer treatment periods may also result in higher-than-expected claim payments and benefit payments.
Mitigating Actions	To prepare against such risks, Sompo Himawari Life Insurance Inc. conducts surveys and research on trends in early detection and prevention through innovative medical technologies, and monitors signs of potential impact on the Life Insurance Business by utilizing actual data on claims paid, benefits paid, and insurance payouts. Looking ahead, we will assess the validity and adoption of these technologies, analyze their impact on life insurance underwriting and claims payments, and consider how to respond in the future, including their use in product and service development.

For other emerging risks, please refer to the “Emerging Risks List.”

New Risks Posed by Generative AI, etc.

Risk Description	The use of AI and other technologies leads to improved operational efficiency and productivity, but there are risks associated with their rapid development and widespread adoption, such as the inability to respond to new risks and changes in societal expectations, the dissemination of misinformation to customers through the use of AI in business operations, infringement of intellectual property rights, and information breaches. There is also the risk of loss opportunities due to the failure to take advantage of useful technologies.
Impact	The Sompo Group aims to improve operational efficiency and productivity, create new opportunities, and enhance competitiveness by utilizing general-purpose generative AI for various tasks such as information gathering, document summarization, and translation, as well as specialized generative AI for integration with internal data and business systems and for specific business domains. On the other hand, there are risks associated with the use of AI, as described in the risk description, and the occurrence of these risks could damage the social credibility of the SOMPO Group and harm its corporate value. However, delaying the use of AI could result in the Sompo Group falling behind its competitors in terms of competitiveness and profitability.
Mitigating Actions	To establish a consistent AI risk governance framework across the Sompo Group, we have established AI-related rules at the holding company and have begun to implement them across the Group. Specifically, in relation to AI development, we have established a system for conducting risk assessments and taking measures to address potential risks. Furthermore, our guidelines for users include warnings about the protection of personal information, the risk of putting out incorrect information, and the risk of infringing on intellectual property rights. Given the rapid change in external factors such as AI technology, domestic and international regulations, and social expectations, we will continue to monitor the situation and review AI-related rules as necessary. In doing so, we will strengthen and maintain the necessary governance while taking care not to impose excessive governance that could hinder AI development and increase the risk of loss opportunities.

ERM

Activities and Achievements Initiatives to foster and embed a risk culture

Our group companies have received business improvement orders: Sompo Japan Insurance regarding its handling of premium adjustment practices, etc. and customer information leaks, and both our company and Sompo Japan Insurance regarding their handling of fraudulent car insurance claims. We are fully committed to implementing a recurrence prevention measure. On risk control, we are revising the Group's internal processes for identifying and evaluating operational and other risks.

In today's society, the business environment is becoming increasingly uncertain, and the needs of stakeholders, including customers, are constantly evolving. In such an environment, it is crucial to not only avoid risks but also take the risks that are necessary in order to continuously provide customers with services that contribute to their "health, wellbeing and financial protection," as well as to enhance corporate value. In order to foster and embed a sound risk culture, we will promote risk awareness and dialogue through training and other measures and will also develop and institutionalize a system where each employee, in addition to complying with laws and regulations, is encouraged to proactively think, judge, and act in accordance with the expectations of our customers and society.

(1) Initiatives to promote and establish awareness of and sensitivity to risks

To ensure thorough risk management, it is essential that each employee understands the importance of risk management, and that we instill and fully ensure risk awareness, and enhance risk sensitivity.
The Group conducts annual risk-based education and training on risk management, cybersecurity, and ESG risks for all management personnel and employees.

Reports on major trends in risk are also prepared by outside experts and regularly distributed to Directors and Executive Officers in Japanese and English to enhance the risk sensitivity of management. Other measures include regular training sessions with external experts on geopolitical and other risks for Directors and Executive Officers.

(2) Consideration of risk factors in new product development

Sompo Japan Insurance explicitly bears in mind risk factors such as risks in underwriting, operational risks, compliance risks, and reputational risk in the development and revision of insurance products.

(3) Financial incentives that include risk management metrics

Because the company considers human capital to be the driving force behind the creation of social and economic value, it regards human capital risks to be material risks. To prevent human capital risks from materializing, we are managing human capital with a focus on improvements to corporate culture, strengthening Group human resources, continually developing our HR system, and expanding our human resource base. To measure the effects of these initiatives, we have included employee engagement scores in our KPIs and review them regularly. Our executive compensation structure reflects the assessment of initiatives to improve employee engagement.

Crisis Management and Business Continuity

Concept and Policy Basic concept

In order to fulfill its social mission and role in times of crisis, the Sompo Group is striving to systematically improve its systems in a manner that ensures the continuation and early recovery of important operations in each of its businesses.

Damage estimates for an earthquake directly hitting the Tokyo metropolitan area predict that major infrastructure will be shut down or severely restricted for a significant period. The Group is striving to improve the reliability of business continuity by establishing alternate bases outside the Tokyo metropolitan area, and strengthening infrastructure, such as deploying communications and emergency power supplies to key locations.

We are constantly updating our countermeasures based on the latest information on potential threats, including weather disasters (typhoons, torrential rain, floods, etc.) which are expected to become more severe due to climate change.

Activities and Achievements Initiatives

Preparing alternate business continuity bases: Establishment of an interim alternate base in the Kansai region

The headquarters and other important offices of Group companies are concentrated in the Tokyo metropolitan area. We are preparing alternate business continuity bases, mainly in the Kansai region, to mitigate the impact on business continuity in the event of a disruption to functions in the Tokyo metropolitan area.

For example, in the case of Sompo Japan Insurance, if a major earthquake in the Tokyo metropolitan area forces a shutdown of the head office functions, a system and manuals are in place for the interim base in Osaka to take over crisis response and critical operations, for which scenario drills are held on an annual basis. In addition, the Group has established a system in which crisis response personnel are stationed at all times in the Kansai region to oversee the Group's crisis response.

Occurrence of a major earthquake, etc.

Headquarters (Tokyo)	→	Alternate base (Kansai)
Shutdown of functions		Business continuity

Strengthening communication countermeasures: Introduction of Starlink satellite communications


Starlink kit

In the event of a large-scale earthquake, communications may stop or become severely overloaded, rendering not only telephone calls but also the Internet unusable.

The Sompo Group has therefore deployed the Starlink satellite communications system, which became a hot topic at the start of the conflict in Ukraine, at the Group's alternate base in Nishitokyo City, which will enable the Group to carry out some of its important operations.

Deployment of emergency power sources: Deployment of EVs and storage batteries at Sompo Care's nursing care facilities


Deployment of emergency power supply

Sompo Care is deploying electric vehicles (EVs) and plug-in hybrid vehicles (PHVs) as emergency power sources, anticipating potential power outages at nursing care facilities during disasters (approximately 50 vehicles as of May 2025).

Combined with the deployment of storage batteries, this ensures the minimum power required for facility operations, safeguarding the precious lives of our residents.

Preparing for the Nankai Trough Earthquake: Formulating Group response policies

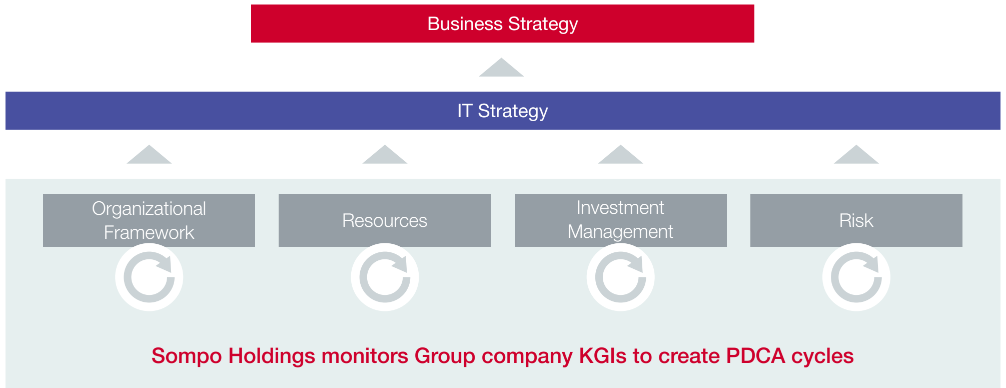
The Sompo Group is advancing various countermeasures anticipating a massive Nankai Trough earthquake, aiming to minimize impacts on customers, employees, and society. We have conducted impact assessments for Group branches within tsunami-prone areas, progressing risk identification to ensure employee safety and critical business continuity during a disaster. Additionally, we have formulated Group response policies to be implemented when emergency information regarding the Nankai Trough earthquake is issued.

IT Governance/Cybersecurity

Concept and Policy | Structure | Basic approach to IT Governance

Monitoring KGIs to create PDCA cycles

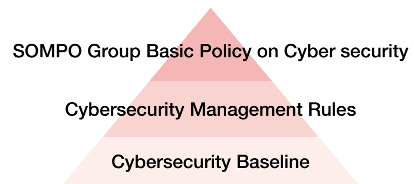
Each entity's system implementation, operation processes are aligned in accordance with each country and industry regulations. By continuously improving the PDCA cycle via KGI monitoring and aligning to international standards, we strive to optimize the IT processes to support the Group-wide business and IT strategy.



Concept and Policy | Basic approach to cybersecurity

Promoting Group-wide cybersecurity measures

Recognizing that it is the social responsibility of enterprises to build a safe and secure society by devoting themselves to cybersecurity, the Sompo Group has established the "SOMPO Group Basic Policy on Cyber security" as the cornerstone to continuously improve the efficiency and effectiveness of its cyber risk management. Cybersecurity risks are classified as material risks by our Group ERM Committee. The Group CIO is responsible for countermeasures, driving unified cybersecurity initiatives across the entire Group.



For details on risk management, including the Group ERM Committee, please refer to ERM (P.80).

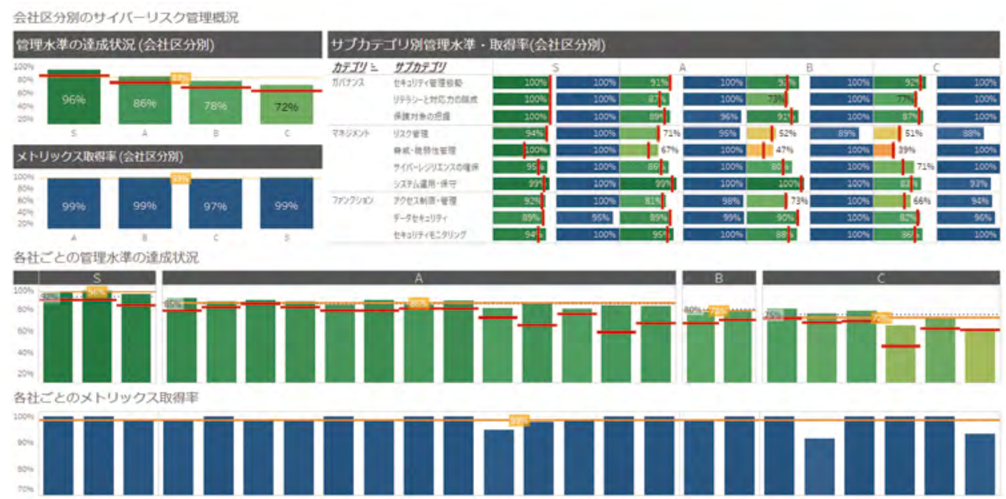
Visualizing the status of cybersecurity measures

Recognizing that it is of the utmost importance to establish a corporate culture that respects cybersecurity and to continuously improve our ability to respond to cyberattacks, which are becoming increasingly sophisticated and ingenious every day, the Sompo Group is working together to improve and maintain its cybersecurity management system.

We have formulated basic concepts and standards for cybersecurity based on global standard frameworks such as the NIST* CSF (Cyber Security Framework), and each Group company is working to strengthen its cybersecurity and resilience measures and systems under their respective roles and responsibilities. To ensure the continuous improvement of these initiatives in a PDCA cycle, we have built a "Cyber Metrics" tool to quantitatively monitor and visualize the status of cybersecurity measures at Group companies, and we use it to ascertain the status of measures at each company, as well as to formulate and manage KPIs. Through this series of ongoing initiatives, we aim to turn cybersecurity into a competitive advantage in Group management by linking it not only with Group defense and operational risk mitigation, but also with various strategies such as cyber insurance and the promotion of digital transformation.

* NIST: National Institute of Standards and Technology

Image of visualization of cybersecurity countermeasures by Cyber Metrics



IT Governance/Cybersecurity

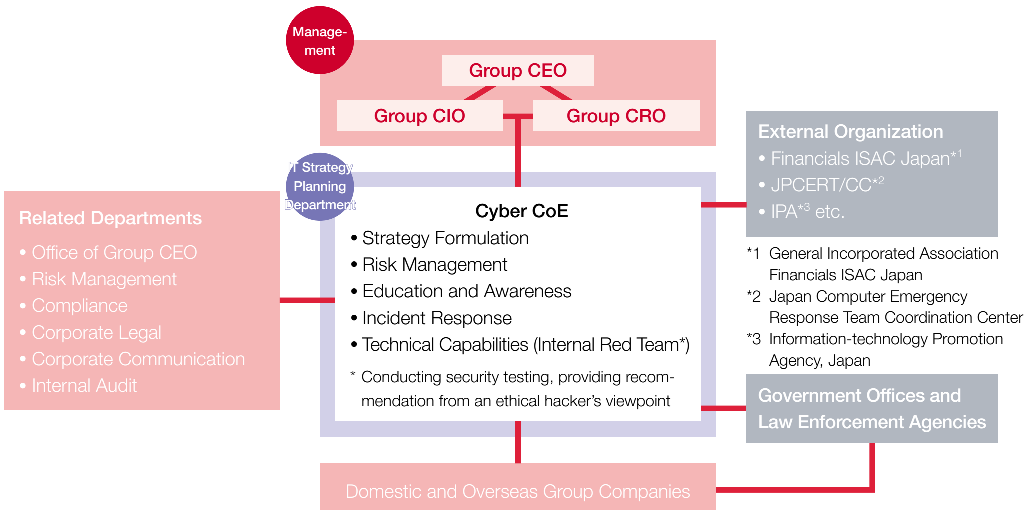
Structure Promotion structure

A team of cyber experts that transcends departmental boundaries

Cybersecurity is a domain in which the environment is constantly changing, and knowledge and application of cutting-edge technologies are required. We have therefore established a Cyber Center of Excellence (CoE) structure within Sompo Holdings, in which cybersecurity personnel with the relevant qualifications, such as Registered Information Security Specialists and Certified Information Systems Security Professionals (CISSP), play a central role in promoting effective enhancement of the structure based on a division of roles among the companies at a global level. The policy and direction have been decided based on discussions by relevant executives, led by the Group CIO. In particular, in addition to the IT departments, the Office of Group CEO, Risk Management Division, and other related departments are working together to increase resilience, which requires action that transcends departmental boundaries. Furthermore, from the perspective of the effectiveness and efficiency of countermeasures, we strive to continuously enhance our management framework through internal audits focused on IT infrastructure, cybersecurity, and data privacy, as well as third-party assurances including Information Security Management Systems (ISO 27001) standard assessments.

HD-CSIRT (Computer Security Incident Response Team) also collaborates with other companies in the industry and security-related organizations to improve the level of maturity not only of the Sompo Group but also of the entire security community.

Promotion framework centered on the Cyber CoE



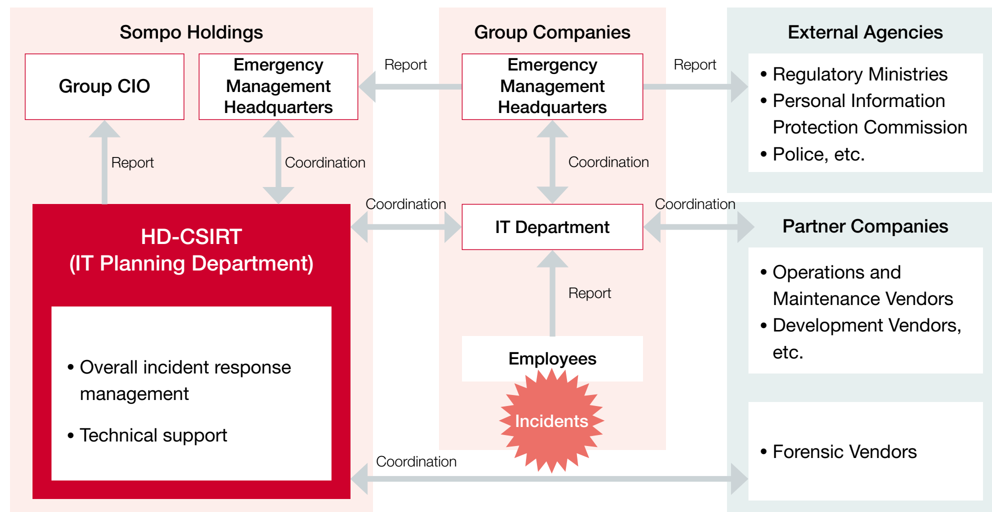
Global risk response framework

Cyber risk knows no borders. To address these global risks, our company is responding to cyber threats not only with our domestic Group companies but also in collaboration with Group companies around the world. Security engineers belonging to the Cyber CoE provide support for various security tests, train security personnel at each company, and conduct research on cyber technologies, all from a Group companies across the Group perspective.

Emergency Response System

To prepare for security incidents, Sompo Holdings has established an HD-CSIRT (Computer Security Incident Response Team) within the organization. This ensures systematic readiness to promptly and efficiently execute various necessary responses during emergencies, such as information sharing, decision-making, and forensic investigations. Furthermore, we have established crisis response manuals and incident response guidelines for business continuity. We also regularly conduct practical cyber incident exercises based on specific scenarios, such as malware infections, striving to enhance our resilience.

Emergency Response System



IT Governance/Cybersecurity

Activities and Achievements Initiatives

Implementing protection measures

The Sompo Group implements comprehensive technical measures based on a multi-layered defense approach, focusing on ensuring the confidentiality, integrity, and availability of systems and data, in addition to administrative measures such as organizational structures and rules. For networks, in particular, we are striving to ensure security by introducing the Secure Access Service Edge (SASE) platform, an integrated security model, and conducting monitoring activities at our Security Operation Center (SOC). These efforts are made to respond flexibly to changes in work style and system configurations, based on the concept of "zero trust security" which involves authenticating the security of all communications. Moreover, we implement various measures, including the application of security guardrails to prevent errors in cloud configurations, cyber patrol activities to monitor and protect Internet assets regardless of country or region, and vulnerability assessment and penetration tests for the IT assets of domestic and overseas Group companies. We monitor the safety of assets within the Group under normal conditions, and issue Group-wide warnings and provide technical support when we identify urgent vulnerabilities in our assets, suspected information leaks, or attacker activities.

Monitoring activities by the Security Operation Center (SOC)

Nurturing cybersecurity personnel

Cybersecurity measures sometimes require expertise. For this reason, we have established the Cyber Lab, a cybersecurity R&D center, within Sompo Holdings to support and train each company's cybersecurity personnel through cybersecurity-related technical research and hands-on training. The Cyber Lab regularly hosts online and in-person events titled "Cyber Tech Talk" and "Global Cyber Tech Forum" to enhance cybersecurity knowledge.
These gatherings enable cybersecurity professionals worldwide to share their expertise, sharpen their skills through mutual learning, and foster the development of future talent. These initiatives are based on the idea that in order to respond to cyber risks that are spreading on a global scale, it is necessary to have a network where our Group's cybersecurity personnel can connect and interact with each other. The goal is to create an environment where information can be exchanged beyond the boundaries of one's organization, country, region, or language.

Scene from the "Global Cyber Tech Forum" held at the headquarters in Shinjuku (December 3–4, 2024)

Adapting to new technologies

The Sompo Group is actively conducting research and investigations to incorporate and utilize new technologies such as AI and quantum-resistant cryptography. Similarly, with regard to security, we work with the relevant departments to formulate procedures, rules, and guidelines for the safe use of new technologies and take the necessary measures to introduce innovations in a safe manner. New technologies can be applied not only to business applications but also to security. In addition to researching how new technologies can be used in cyberattacks and other threats, we conduct research and investigation on a daily basis so that we can stay alert to changes in various IT environments and always adopt the latest security measures. The Cyber Lab is also used as a base for this research and investigation. The Cyber Lab has a dedicated network environment that is isolated from the normal business environment, making it possible to conduct technical verification and similar activities safely.

Cyber Lab set up at the headquarters in Shinjuku

IT Governance/Cybersecurity

Activities and Achievements Initiatives

Fostering a culture of security and security education

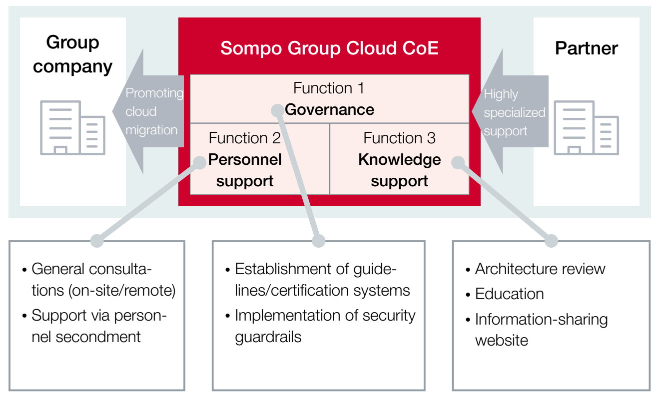
To ensure cybersecurity, it is essential to foster a “security culture” in which each employee understands the importance of cybersecurity and is aware of how to use IT assets safely.

The Sompo Group implements educational programs at multiple levels, from employees to management. We are also working to acquire knowledge related to cyberattacks and raise awareness at Group companies through e-learning, phishing email training, cyber incident drills, and newsletters. In recent years, we have been focusing on increasing resilience across the entire business and in management; for example, in our cyber incident exercises, we have introduced ransomware attack scenarios that incorporate more hands-on elements.

Security newsletter distributed to Group company personnel

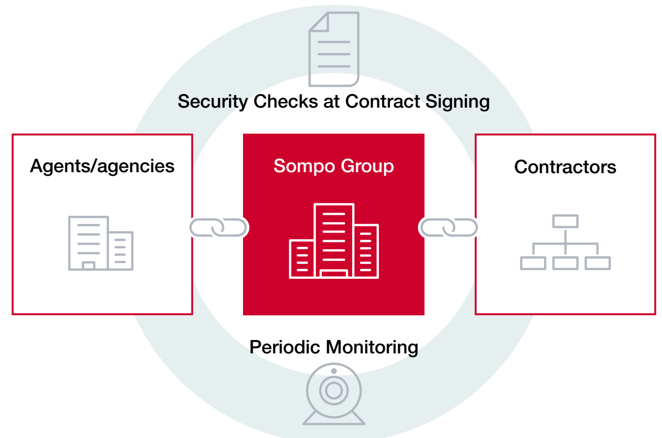
Promoting cloud migration

The Sompo Group has established a Cloud Center of Excellence (CoE) system within Sompo Holdings to promote cloud migration as a means of responding flexibly to the constantly evolving business environment while remaining competitive. The Cloud CoE establishes guidelines for the safe and secure use of public cloud systems, and provides personnel and knowledge support to enable the promotion of cloud migration and AI utilization among Group companies. Cloud migration enables us to reduce costs and to ensure scalability and service availability, as well as security through common security functions, among other benefits. It also helps us to contribute to reducing carbon emissions by actively adopting public cloud systems that are committed to and invest in clean energy.



Addressing Third-Party Risks

Modern business relies on collaboration with various external providers (third parties) and operates within complex supply chains. In recent years, cyberattacks targeting these supply chains have increased. If one company is attacked, the impact can ripple through the entire network of business partners. Since cyber-security measures are essential not only within the Sompo Group but also among our business partners, such as agents/agencies and contractors, the Sompo Group implements security checks during contract formation and conducts regular monitoring. By implementing supply chain-aware initiatives, we strive to minimize Security risks, protect valuable information assets such as customer data, and pursue stable business operations.



Sustainability Governance

Structure Promotion structure

The company has established a system of sustainability governance whereby Executive Officers and Senior Vice Presidents execute measures in line with Group-wide strategies and policies aimed at realizing SOMPO's Purpose, and the Board of Directors monitors their performance.

The Group Chief Sustainability Officer (Group CSuO) is in overall charge of sustainability at the Group, and is responsible for formulating and executing strategies related to sustainable management, and for overseeing the sustainability functions of the entire Group.

With regard to the promotion structure, the Group Sustainable Management Committee (hereafter referred to as "the Committee") is positioned as the parent organization for promoting sustainability throughout the Group. The Committee, whose members include the sustainability officers and the executive officer in charge of Corporate Planning Department of Sompo Japan Insurance, Sompo International, Sompo Himawari Life, and Sompo Care, with the participation (as observers) of the Group CFO (director), discusses and makes decisions on important issues regarding sustainability, including climate change.

The Committee also drives the sustainability initiatives of the entire Group. To this end, it monitors the progress of and identifies potential issues in implementation plans formulated by Group companies.

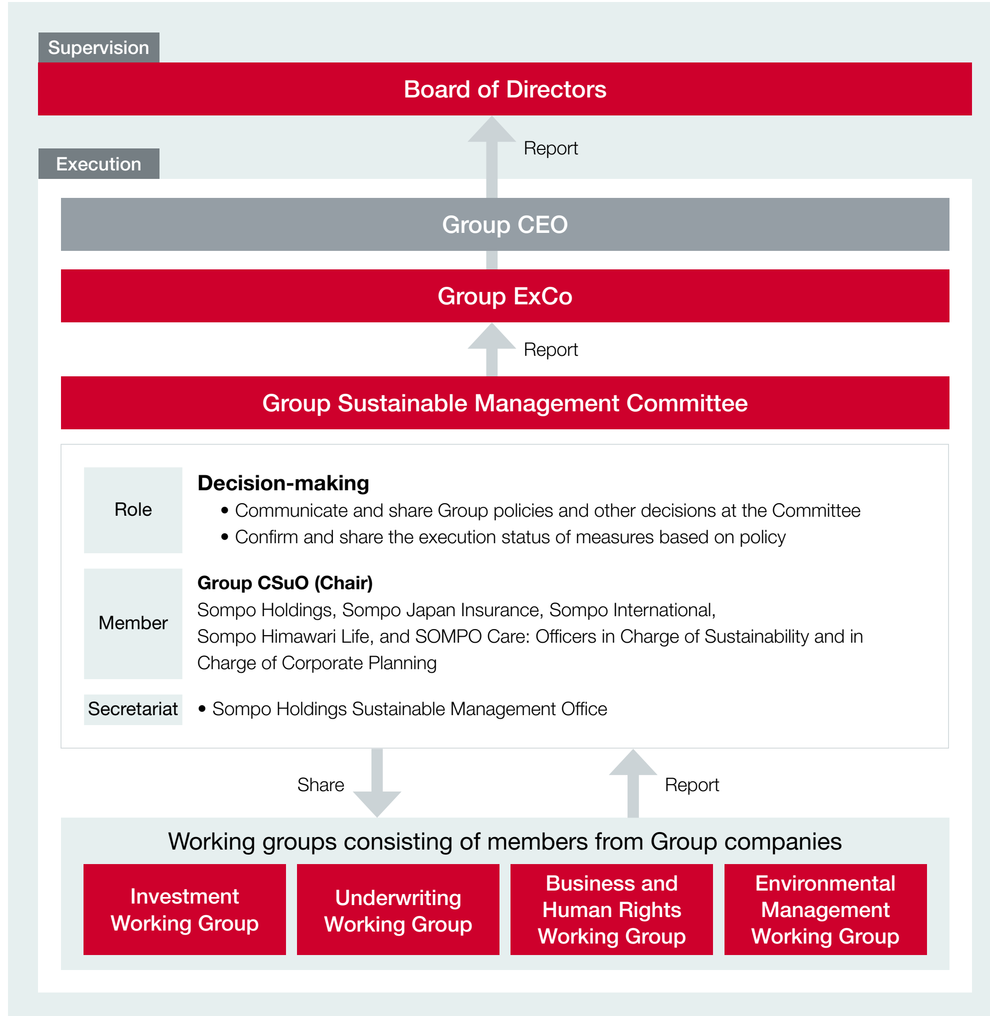
We established four working groups under the umbrella of the Committee: Investment, Underwriting, Business and Human Rights, and Environmental Management, We are thus building a system to advance information sharing and policy implementation based on the consideration of individual issues and the content of the discussions of the Committee.

The matters discussed by the Committee are then presented to the Group Executive Committee (Group ExCo), the Group's highest executive committee, leading to higher quality decision-making. The Board of Directors (including at preliminary briefing meetings) also receives reports on the discussions held by Group ExCo, thereby increasing the effectiveness of its supervisory functions.

Activities and Achievements Most recent discussions and reports at the Committee

June 2024	• Revision of Policy for ESG-related Underwriting, Investments and Loans • GHG emissions from insurance underwriting (Insurance-Associated Emissions)
September 2024	• Status of greenhouse gas emissions reductions in investment and loans • Setting 2030 targets GHG emission reductions in investments and loans
December 2024	• Progress in reducing greenhouse gas emissions within the Group and future initiatives • Strengthening human rights risk management from the perspective of business and human rights • Revision of policies on ESG-related underwriting, investment, and loans
June 2025	• FY2025 action plan for the Committee • Revision of Policies for Underwriting, Investment, and Loans in Alignment with Sustainability • Status of greenhouse gas emissions reductions in investment and loans • Disclosure of statements and results related to sustainability-themed investment and loans • Progress on business and human rights Initiatives

Promotion structure



Sustainability through Underwriting, Investments and Loans

Concept and Policy Basic concept and policy

The Sompo Group strives to make the world more resilient. We see sustainability as a long-term driver of value, and we rely on insights gained from SOMPO's Purpose to guide our underwriting, investment, and business decision-making. To ensure that each company in the Group fulfills its corporate social responsibility, we have established a Group Sustainability Vision and other policies, which sets out its approach to human rights, climate change, nature and community considerations. To appropriately identify and manage sustainability challenges and risks, particularly in underwriting, investments and loans, we have established "Sustainability-related Policy for Underwriting, Investments and Loans" and are advancing our initiatives.

Based on the above, we will identify market opportunities and manage risks, and strive to enhance the corporate value of our group through community participation, social responsibility, and inclusion and engagement.

Summary of Sustainability-related Policy for Underwriting, Investments and Loans

◆ Policy for cross sectors

Regardless of sector, we will assess the adverse environmental and social impacts of the following projects that may have such impacts, confirm the status of our customers' responses to such impacts, and carefully consider and respond to cases when evaluation transactions.

- Projects with negative impact on UNESCO World Heritage Sites
- Projects with negative impact on Ramsar-listed wetlands
- Projects with negative impact on human rights, e.g. use of Child or Forced labor
- Projects that violate the human rights of indigenous peoples*1 or local communities
- Projects related to inhumane weapons, including anti-personnel landmines, biological weapons, chemical weapons, and nuclear weapons

In addition, we will not underwrite insurance or invest and loan for anti-social forces and companies involved in the production of cluster munitions.

*1 We refer to the following standards:
United Nations Declaration on the Rights of Indigenous Peoples
United Nations Free, Prior and Informed Consent (FPIC)

◆ Policy for specific sectors

A. Coal

We will not underwrite new insurance or make new investments in or loans for the following projects:

- Newly constructed or existing coal-fired power plants
- New or expanded coal mining development projects (Thermal coal)

However, we may carefully consider and respond to cases where there are innovative technologies such as Carbon Dioxide Capture, Utilization, and Storage (CCS, CCUS), carbon recycling, ammonia co-firing, or other innovative technologies in place that are expected to reduce GHG emissions and contribute to the realization of the Paris Agreement.

Additionally, we will not underwrite new or renewal insurance*2 or provide investments or loans to the following companies whose primary business is coal-related activities:

- Companies that derive at least 20% of their revenue from coal-fired power generation, thermal coal mining, and oil sands mining
- Companies of electric utilities that generate at least 20% of their electricity from coal

However, this does not apply to companies that have a plan to achieve Net Zero by 2050.

B. Oil sands

We will not engage in new insurance underwriting or investment and loans for the following businesses:

- Oil sands extraction projects

C. Energy extraction in the Arctic

We will not engage in new insurance underwriting or investment and loans in the following businesses.

- Energy extraction projects*4 in the AMAP area (Arctic Monitoring and Assessment Programme)*3

Additionally, we will not underwrite new or renewal insurance*2 or provide investments or loans to the following companies:

- Companies involved in energy extraction projects in the ANWR

However, this does not apply to companies that have a plan to achieve Net Zero by 2050.

*2 These restrictions will not apply to insurance that supports the health and wellbeing of individuals, e.g. workers' compensation insurance.
*3 Defined by AMAP, excluding operations in Norwegian territories.
*4 Energy extraction projects refer to standalone extraction projects.

Sustainability through Underwriting, Investments and Loans

Structure Sustainability Risk Management System

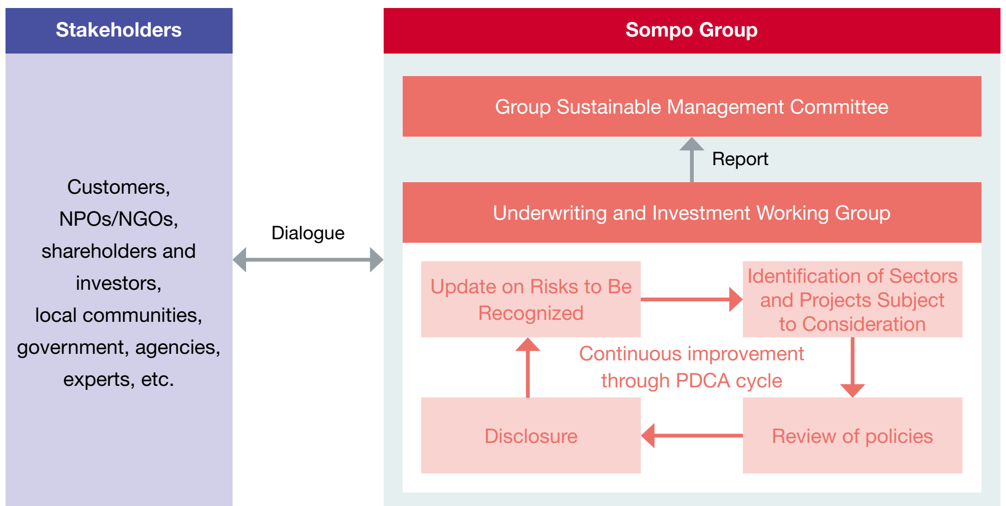
The Group has established the Group Sustainable Management Committee (hereinafter referred to as "the Committee"), with the Group Sustainability Officer (CSuO) who is in overall charge of sustainability at the Group, as the oversight body for sustainability. The Committee discusses and makes decisions on sustainability issues, risks, and initiatives.

Through gathering information and exchanging opinions with stakeholders, the Committee and its working group discuss responses to individual issues that pose significant sustainability risks and are likely to damage the Group's corporate value.

Review of various policies

The Committee and its working group engage in dialogue with NGOs, indigenous peoples and other members of the public, as well as with experts, accurately gauge the expectations and needs of stakeholders. We utilize this information in managing underwriting, investment, and loans. The Committee also regularly reviews risks that need to be recognized as well as the appropriateness and adequacy of sectors and projects needing consideration, and revises its various policies accordingly.

We assess specific risks that have been identified in target sectors and projects in cooperation with Sompo Risk Management, and in light of dialogue with stakeholders.

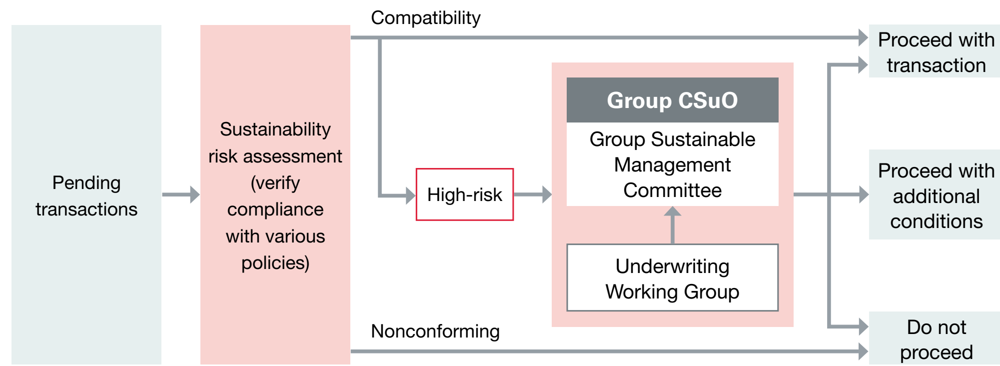


Underwriting review process

The Group verifies that business transactions are executed in accordance with various Group policies, including the Sustainability-related Policy for Underwriting, Investments and Loans.

The Committee and its working group discuss and formulate a response to projects deemed to have high sustainability risks, such as those that are likely to negatively impact the environment or society.

Seven cases were discussed in FY2024.



Sustainability through Underwriting, Investments and Loans

Initiatives through underwriting

Activities and Achievements Main initiatives

Insurance products and services related to sustainability

Insurance that contributes to society's green transition and the diffusion of next-generation energy sources such as renewable energy

Aiming to contribute to society's green transition, we are working to develop products and services that contribute to the diffusion of renewable energy and next-generation energy. We have set a "Transition Insurance Target" aiming to achieve premium income of 25 billion yen in fiscal 2026 for insurance products that contribute to decarbonization both domestically and overseas. To achieve this target, we are working to develop products and services that contribute to the diffusion of renewable energy and energy conservation, including the "ONE SOMPO WIND Service" (insurance and risk management service for offshore wind power operators).

Premiums written from insurance products that contribute to decarbonization (FY2024)

Premiums written from insurance products that are accretive, conducive to decarbonization	Net premiums written
¥29.7 billion	¥4016.6 billion

Insurance that contributes to extending healthy life expectancy

We are working to provide Insurhealth®, an insurance product that combines the original function of insurance with healthcare functions that support the health of customers, to serve as insurance that contributes to extending a healthy life expectancy. Our aim is to support the abundant lives of customers and to help them realize their dreams.

Annualized new premiums for Insurhealth® products (FY2024)

Annualized new premiums for Insurhealth® products	Annualized new premiums (total)
¥25.7 billion	¥31.1 billion

Contributing to the transformation of society through engagement

Sompo Japan Insurance selects and engages with companies that are deeply involved in sustainability issues, such as those in industries with high greenhouse gas emissions and those involved in supply chain management that includes environmental and human rights concerns.

We conduct interviews to further dialogue about risk management frameworks and strategies related to climate change, the setting of greenhouse gas reduction targets, the status of human rights risk assessments in the value chain, and methods for identifying human rights risks.

Industries of main dialogue partners

Steel, electric power, transportation, trading companies, manufacturing, shipbuilding, automobiles, machinery, chemicals, banking, etc.

Main topics of discussion

- Scenarios for achieving carbon neutrality
- Response to human rights and FPIC* in the value chain
- Integrated initiatives on climate change and biodiversity and appeals to investors
- Business concepts for promoting insulation
- Collaboration with NPOs on biodiversity conservation
- Business and human rights-related initiatives

* FPIC: Free, Prior and Informed Consent, International standards for respecting the rights of indigenous peoples.

ESG Survey

Sompo Japan Insurance conducts an annual Survey on ESG and Sustainability Initiatives, mainly for investees and the companies for whom we underwrite insurance policies, seeking to verify their initiatives and current status regarding corporate value enhancement and sustainable growth.

In FY2024, we sent surveys to 1,329 companies in which we invest and received responses from 226 companies. This helped us gauge the needs of each company and identify opportunities for collaboration. We also hold ESG seminars for the companies surveyed. At these seminars, we offer input on the latest ESG trends and explain the survey results, thereby supporting efforts toward decarbonization and other sustainability initiatives.

Sustainability through Underwriting, Investments and Loans

Initiatives through investments and loans

Concept and Policy Basic concept and policy

The Sompo Group has established a Group-wide sustainability policy aimed at realizing a sustainable society. Under this policy, we incorporate environmental issues such as climate change and biodiversity, as well as human rights, inclusion and engagement and community relations into the investment process, thereby contributing to the realization of a sustainable society.

In implementing these initiatives, we carefully consider investments and loans that may have a negative impact on the environment and society in accordance with the asset types and the asset management status and framework of each company. We also consider and implement initiatives that contribute to improving sustainability and take steps to achieve sustainability-related KPIs, including climate change response and employee engagement.

The Sompo Group fulfills its responsibility as an asset owner by safely managing and investing the premiums entrusted to it by customers in preparation against future claim payments, maturity refunds to policyholders, and other payments. At the same time, we take sustainability into account in all of our investments and loans to contribute to the sustainability of society and enhance corporate value. In addition, we encourage initiatives that seek to address climate change and other social issues through dialogue with industries and companies that are deeply involved in sustainability issues.

Additionally, Sompo Asset Management, one of our group companies, acts as an asset manager providing products and services that contribute to the medium- and long-term asset formation of its customers. While fulfilling its fiduciary responsibilities to its customers, it contributes to the sustainable development of investees and of the wider society and the economy by taking ESG factors into account in its investment process and stock selection, mainly in the Japanese equities it directly manages, and by engaging in active ownership as an investor and shareholder.

Sustainability initiatives by asset class

	Government bonds	Equities	Corporate bonds	Loans
Careful consideration of investments and loans that may have negative impact on the environment and society	✓	✓	✓	✓
Consideration and implementation of initiatives that are conducive to improving sustainability	✓	✓	✓	✓
Initiatives aimed at achieving sustainability-related KPIs	—	✓	✓	✓

Concept and Policy Activities and Achievements Initiatives as an asset owner

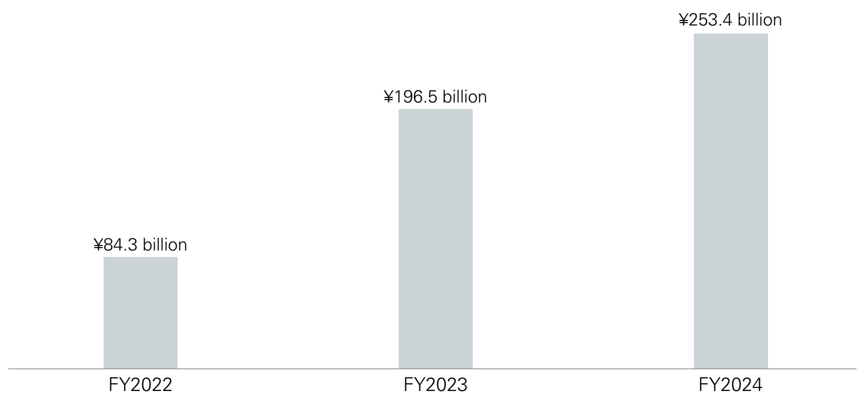
Sustainability-themed investment and loans

Sompo Group supports and remains committed to the global net-zero goal and Sustainable Development Goals. Recognizing our role as a responsible institutional investor, we will continue to invest and increase our exposure to climate solutions and other sustainable development themes, while ensuring economic viability and fulfilling our fiduciary responsibilities.

Initiatives and Achievements

In addition to investing and lending to green bonds, social bonds and similar bonds, we invest in bonds aimed at economic and social development issued by international organizations, as well as in funds that contribute to society and environmental conservation.

Total amount of investment and loans*



* Total amount of new investments and loans in target assets beginning in FY2022

Sustainability through Underwriting, Investments and Loans

Initiatives through investments and loans

Initiatives in stewardship activities

Within the Sompo Group, Sompo Japan Insurance, which holds a certain amount of shares in listed companies and other investees, endorses the principles for responsible institutional investors outlined in Japan's Stewardship Code.

In accordance with the intent of the Code, we strive to accurately grasp the non-financial information, performance trends, business strategies, business risks, and other aspects of investees, with a focus on governance and other sustainability issues. We seek to share our understanding with investees and work with them through constructive dialogue aimed at the medium- to long-term enhancement of corporate value and sustainable growth. At the same time, by providing risk management services and other services, we help address social issues together with investees.

Viewing proxy voting as an important opportunity to contribute to the sustainable growth of investees, we also exercise our voting rights appropriately, taking into consideration the status of sustainability initiatives and corporate governance, as well as compliance frameworks and other factors. When exercising voting rights, we make decisions based on the criteria for reviewing proposals that Sompo Japan Insurance has set forth.

For details, please refer to the Stewardship Activities Report (in Japanese).

Engagement

We engage in dialogue with our business partners on their business strategies and risks, as well as on sustainability issues. We identify industries and companies exposed to sustainability risks and promote dialogue with them to encourage steps to reduce risk.

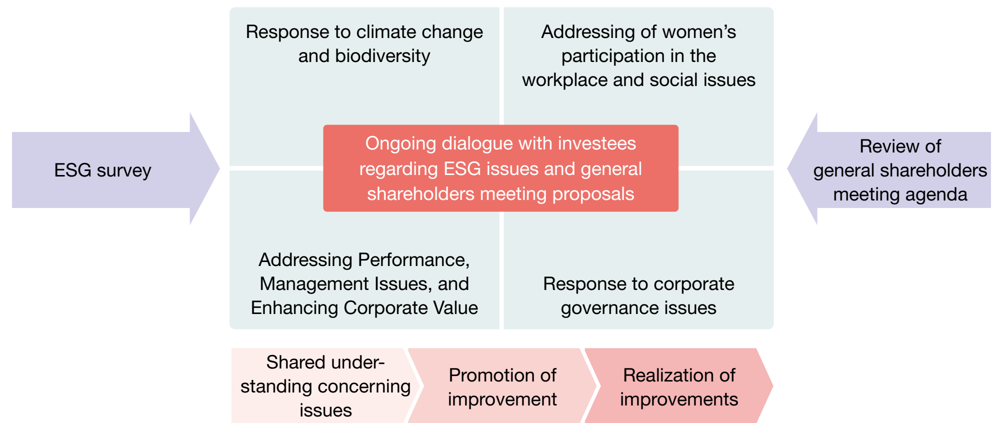
Specifically, we select target companies based on a comprehensive assessment of factors such as the market value of our shareholdings, voting rights ratios, financial results, ROE, dividend payout ratios, and sustainability initiatives, and engage in effective dialogue with them.

Proxy voting

In accordance with the voting standards established by Sompo Japan Insurance, we view proxy voting as an important opportunity to contribute to the sustainable growth of investees. We comprehensively evaluate corporate governance, compliance frameworks, and their approach to climate change and biodiversity, and responsibly exercise our voting rights as a shareholder.

For proposals that require especially careful consideration, we make decisions after conducting thorough investigations by ascertaining the purpose and background of the proposal with the company concerned.

For our proxy voting results, please refer to the Stewardship Activities Report (P8) (in Japanese).



Sustainability through Underwriting, Investments and Loans

Initiatives through investments and loans

Concept and Policy | Activities and Achievements

Initiatives undertaken as an asset manager

Sompo Asset Management has set out a Responsible Investment Policy delineating its approach to and specific action guidelines for its social responsibilities as an institutional investor. The company aims to maximize investment returns on funds entrusted to it by customers mainly through equity investments in listed companies. In its active management, which aims to generate medium- to long-term investment returns, the company constantly tracks the status of potential investees and strives to accurately grasp non-financial as well as financial information, including the response to climate change issues among other ESG information, as important factors in its investment decisions. It continuously monitors companies' ESG information, assessing this as part of the comprehensive value of the investment, pursuing ESG integration that incorporates ESG factors into the investment process.

ESG investment practices in Japanese equity management

	Considerations in operational processes and stock selection			Investors, shareholder actions (active ownership)		
	Integration into assessments of investment value	Positive screening	Negative screening	Dialogue, engagement	Measurement of greenhouse gas emissions	Proxy voting
Core strategy	●		●	●	●	●
Concentration strategy	●		●	●	●	●
Green strategy	●	●	●	●	●	●
Concentrated and ESG strategy	●	●	●	●	●	●
Diversified and ESG strategy	●	●	●	●	●	●

In order to facilitate access for Japanese investors to overseas assets, Sompo Asset Management offers products provided by leading asset managers from around the world. When introducing such third-party products, Sompo Asset Management conduct our own due diligence assessments, which look at the provider's ESG and stewardship policies and systems as well as the status of their implementation, with regular reviews afterwards. The product assessment uses a four-level scale (A+, A, B and C), measuring factors such as the asset managers' commitment to responsible and ESG investing, their approach to ESG in the product's asset management process, and their proxy voting system as well as voting records. Only the products that have achieved grade A and higher are recognized as ESG investment products and, as of the end of March 2025, around 80% of the third-party products are recognized as ESG investments. In addition, more than 90% of the external asset managers (based on investment balance) are PRI signatories.

For details, please refer to Our Responsible Investment Policy.

Stewardship activities

Engagement

Sompo Asset Management builds relationships with investees and potential investees that enable it to engage in routine dialogue (engagement) to fulfill its stewardship responsibilities. Building on these relationships, the company makes fundamental value, evaluated from a medium- to long-term perspective that serves as its investment criteria, the center of dialogue as it seeks to grasp the source of investees' value creation and their process of distribution.

The company is also incorporating ESG factors into the investment process and promoting dialogue. In FY2024, it selected around 700 companies as candidates for investment and, aided by the research by their securities analysts, held 582 separate dialogues with investees and attended 1,524 briefings and other events—a total of 2,106 occasions for dialogues.

Proxy voting

Sompo Asset Management has set out guidelines for proxy voting, and discloses the purpose of the guidelines, its basic approach to proxy voting, its approach to individual proposals, and its operational framework for proxy voting.

As basic principles for proxy voting, the company carefully examines all individual proposals before issuing instructions to vote for or against them, and does not abstain or submit blank votes. In making such decisions, it has determined that the sole criterion for judgment is to be the impact on shareholder value.

• Sompo Asset Management: Our Response to Japan's Stewardship Code
• Sompo Asset Management: Proxy Voting Guidelines

External evaluation

Received a special award at the 1st Nikkei Institutional Investor Report Awards

Sompo Asset Management received a special award in March 2025 under a program organized by Nikkei Inc. to recognize companies from among the institutional investors that are signatories of the Stewardship Code that have issued outstanding investor reports.

Sompo Asset Management: 2023 Fiscal Year ESG/Stewardship Activity Report (in Japanese)

Group Environmental Policy/SOMPO Climate Action

Concept and Policy Group Environmental Policy

We, the Sompo Group will contribute to developing a resilient, inclusive and sustainable society so that future generations can inherit our irreplaceable Earth, by addressing environmental issues in the course of our core business operations and working proactively to resolve environmental issues through active dialogue and engagement with stakeholders.

We have established environmental objectives and targets based on the Action Guidelines listed below, and we periodically review them with the goal of continuous improvement.

Action Guidelines

1. Providing products and services to make a more resilient society

We will provide products and services that increase preparedness against the risk of natural catastrophes in order to contribute to adapting to climate change, building a low carbon society, conserving biodiversity and promoting stakeholders' eco-consciousness.

2. Promoting resource conservation through the entire value chain

We will assess the environmental impact of our business including the emission of waste and comply with environmental laws and regulations. We will promote resources and energy conservation as well as recycling activities throughout the entire value chain by cooperating with various stakeholders.

3. Raising awareness of environmental issues and corporate citizenship

We will broadly promote environmental education and awareness of environmental conservation by providing environmental information with the unique aspect of a global group engaged in a wide range of business centering on insurance. Furthermore, we will proactively encourage our employees' individual voluntary efforts as a global citizen to conserve the environment through involving in the local community.

To enable continuous improvements, we will periodically review the above-mentioned activities to reflect our environmental objectives and targets.

Concept and Policy SOMPO Climate Action

Since the early 1990s, the Group has been tackling global environmental issues in collaboration with a wide range of stakeholders. Within the framework of the previous Mid-Term Management Plan that kicked off in fiscal 2021, we have undertaken Group-wide efforts to implement a comprehensive approach to addressing climate change risks and opportunities by advocating the SOMPO Climate Action initiative, which focuses on adapting to climate change, mitigating climate change, and contributing to a societal transformation.

The forward-looking initiatives we have implemented for more than 30 years are a strength of the Group, and even in the new Mid-Term Management Plan from FY2024, we will continue to contribute to the transition to a green society by strengthening engagement through insurance underwriting, investments and loans, and by collaborating with community stakeholders.

SOMPO Climate Action

1 Adapt to climate change	2 Mitigate climate change	3 Contribute to societal transformation
Help enhance societal resilience by developing/offering products/ services through collaboration	Achieve net zero* group GHG emissions (by 2050)	Support the transition of society by collaborating with stakeholders, such as NPOs, and engaging as financial institution

Together with stakeholders, aim to realize an inclusive and resilient carbon neutral society where people and nature are in harmony

Achievements of main initiatives (FY2024)

1 Adapt to climate change	2 Mitigate climate change	3 Contribute to societal transformation
Developing and providing products and services that contribute to adaptation • Launch of customized indemnity against climate risks, etc. Initiatives to boost resilience • Disaster prevention education: 291 sessions held, with approximately 29,700 participants • Launch of "My Emergency Kit Puzzle" and "SOMPO de Manaboccia" • Three sites certified as Nationally Certified Sustainably Managed Natural Sites under the 100 OECMs Project	GHG emissions For our latest performance, please refer to ESG data. Set new 2030 reduction target (intensity target) Target set for insurance products that contribute to decarbonization 29.7 billion yen (Domestic and overseas total)	Engagement with companies (including those in which we hold shares): 913 Review of Sustainability-related Policy for Underwriting, Investments and Loans

* Residual emissions will be offset using internationally acceptable methods.

Leadership on Global Environmental Issues

It is important that many stakeholders work collaboratively to address the challenges of climate change and biodiversity. As the actions are being discussed in numerous initiatives globally, we are making an effort to show leadership in such initiatives. We also review the initiatives in which we participate in light of trends in the international community, such as alignment with the Paris Agreement.

Activities and Achievements Leadership for Climate Change and Biodiversity

Activities by the Japan Business Federation (Keidanren)

As Chair of the Keidanren Committee on Responsible Business Conduct & SDGs Promotion and Chair of the Keidanren Nature Conservation Council, Mr. Keiji Nishizawa, Executive Advisor of Sompo Japan demonstrates leadership on global environmental issues. As a member of the SDGs Promotion Roundtable, he exchanges opinions with the government, NGOs, and experts to promote initiatives toward achieving the SDGs.

He participated in the 16th Conference of the Parties (COP16) to the Convention on Biological Diversity held in Colombia in October 2024 as the head of the Keidanren delegation and actively communicated the initiatives of the Japanese business community, while holding lively discussions on future opportunities for collaboration through meetings with international organizations and NGOs. He also addressed the initiatives of the Japanese business community in terms of contributing to the Kunming-Montreal Global Biodiversity Framework (GBF) adopted at the COP15.

Participation in CDP

Sompo Japan (currently SOMPO Holdings) has participated in CDP, an initiative promoting corporate environmental information disclosure, as an institutional investor since 2005. As a responding company, Sompo Holdings was selected for the 2024 Climate A List as the highest rank in a CDP Climate Change for the eighth time.

Contributing to the development and awareness of the TNFD* framework

The Group has made disclosure in response to the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) in August 2024. With the formulation of the TNFD framework, we have participated in both the TNFD Forum and the pilot testing of the TNFD framework conducted by the United Nations Environment Programme Finance Initiative (UNEP FI). We are also registered as a TNFD Early Adopter, indicating our intention to disclose information in accordance with the TNFD framework. Through these initiatives, we are endeavoring to contribute to the development of TNFD disclosure in the Japanese business community.

* TNFD: Taskforce on Nature-related Financial Disclosures

Participation and Communication at the COP (Conference of the Parties)

At a side event sponsored by the Ministry of the Environment held during the 29th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP29) in Baku, Azerbaijan, in November 2024, Sompo Japan Insurance and Sompo Risk Management, in collaboration with startup Momentick Ltd., a trial project for risk management utilizing methane emissions detection technology drawing on satellite data.

At COP15 and COP16, Sompo Japan Insurance took the panel at the Science Policy Forum, hosted by the Institute for Global Environmental Strategies (IGES) as a side event. We reported our biodiversity conservation initiatives, including the SAVE JAPAN Project and the 100 OECMs*1 Project, as well as carbon credits in collaboration with the NCCC*2, and initiatives to visualize corporate supply chain risks. In addition, Sompo Holdings endorsed the statement regarding the GBF, which calls for a society that coexists with nature by 2050, and which UNEP FI has called on private financial institutions to support.

*1 OECM: Areas outside protected areas such as national parks that contribute to biodiversity.
*2 NCCC: Natural Capital Credit Consortium (Chairperson: Professor Shunsuke Managi, Kyushu University)

(Reference) Past Activities

In November 2016, COP22 in Marrakesh, Morocco, Sompo Japan Insurance spoke at a session of a side event organized by Ministry of the Environment Japan, focusing on the efforts of Japanese corporations in climate change adaptation. The company also participated in a High-Level Meeting on Climate Change organized by Caring for Climate during COP22, as a steering committee member. In November 2017, at a side event organized by the Japan International Cooperation Agency (JICA) at COP23 in Bonn, Germany, Sompo Risk Management presented on Private Sector Perspective on Agricultural Insurance.

Response to TCFD and TNFD

Concept and Policy SOMPO's approach to TCFD and TNFD

The Group recognizes climate change and nature-related issues that affect the security, health and wellbeing of people's lives as important issues to address. We are working to actively and fairly disclose information to our stakeholders in a transparent manner regarding the risks, opportunities, and measures we are taking to address these issues through our responses to the TCFD and TNFD recommendations*.

In 2018, we announced our support for the TCFD recommendations and joined the TCFD Insurance Working Group of the United Nations Environment Programme Finance Initiative (UNEP FI). In developing the TNFD framework, Sompo Japan Insurance and Sompo Risk Management also joined the TNFD Forum in 2021 and participated in the pilot test of the UNEP FI TNFD framework. Furthermore, Sompo Holdings registered as a TNFD Early Adopter in 2024, contributing to the dissemination and development of both recommendations.

* TCFD: Task Force on Climate-related Financial Disclosures
* TNFD: Taskforce on Nature-related Financial Disclosures

Structure Governance

(1) Role of Board of Directors

The Board of Directors is responsible for setting Group-wide strategies and policies, as well as supervising the execution of operations by Executive Officers and Senior Vice Presidents to fulfill SOMPO's Purpose of "For a future of health, wellbeing and financial protection."

(2) Role of Executive Officers and Senior Vice Presidents

Group Chief Sustainability Officer (CsuO)

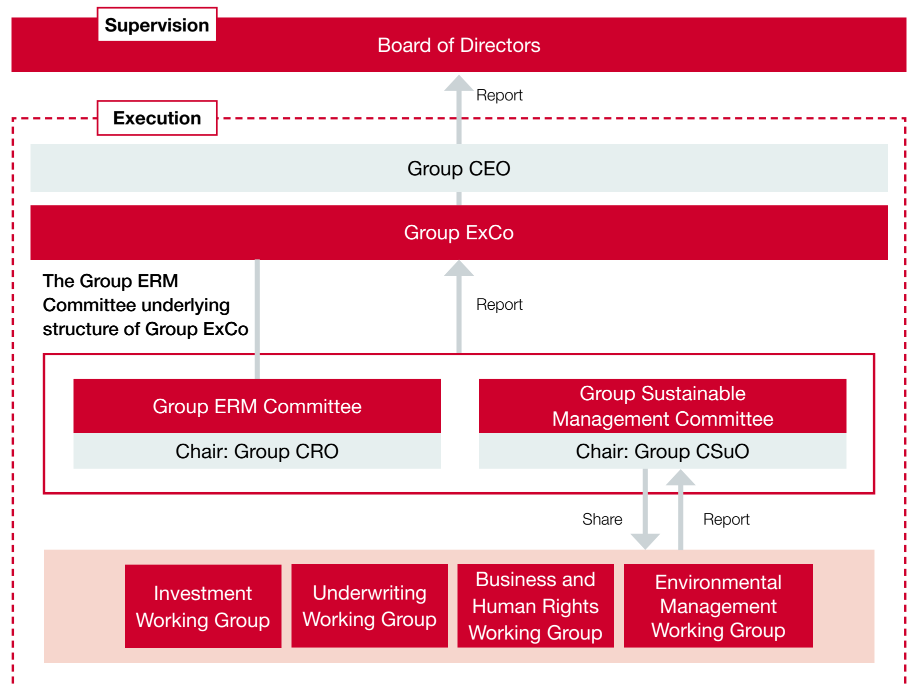
As the person chiefly responsible for sustainability, the Group Chief Sustainability Officer (CSuO) is tasked with promoting our Purpose and formulating and implementing strategies related to the Group's sustainable management. Under the Group-wide sustainability promotion system we have established, the Group Sustainable Management Committee supports the decision-making of the Group CsuO, who chairs the committee, regarding sustainable management strategies for the Group, including climate change, biodiversity, business, and human rights, discussing response measures in light of related risks and opportunities.

We have established four working groups under the Group Sustainable Management Committee: Investment, Underwriting, Business and Human Rights, and Environmental Management. The working groups examine risks and opportunities related to climate change and biodiversity, share information and implement measures based on the discussions of the committee, and hold discussions at the operational level on issues related to underwriting and investment and on ways to enhance corporate value. We have also established the Sustainable Management Office to support the Group CSuO in carrying out the duties of the position.

Group Chief Risk Officer (CRO)

In addition, the Group has established a risk control system to manage risks based on the Sompo Group Basic Policy on ERM established by the Board of Directors. The Group Chief Risk Officer (CRO) comprehensively identifies and evaluates the risks to each business, designates risks that may have a significant impact on the Group as material risks, and the Group ERM Committee, a subordinate body of the Group Executive Committee (Group ExCo). The Group ERM Committee reviews and discusses the status of management and control, and regularly reports to the Board of Directors, the Group ExCo, and other committees.

Organization chart



Response to TCFD and TNFD

(3) Stakeholder engagement

We have established a "Group Environmental Policy" which stipulates that we will be working proactively to resolve environmental issues, through active dialogue and engagement with stakeholders, and by addressing environmental issues in the course of our core business operations, so that future generations can inherit our irreplaceable Earth.

In addition, since our business activities, through underwriting and investment, could potentially infringe on the rights of local communities, indigenous peoples, and future generations, we perform human rights risk assessments targeting a wide variety of stakeholders, and have accordingly established the Group Policy for Human Rights. In these human rights risk assessments, we identify risks in the regions where investees and the companies for which we underwrite insurance policies are undertaking projects. For the human rights risks of the highest priority, we employ measures designed to mitigate such risks through engagement with these companies.

We report on stakeholder engagement on these environmental and human rights issues to the Group Sustainable Management Committee, chaired by the Group CSuO. The Group CSuO is responsible for communicating the content of the Group Sustainable Management Committee's proceedings to the Board of Directors, and the Board of Directors is responsible for overseeing these matters.

For details, see the Group Environmental Policy and the Group Policy for Human Rights (P.57–59).

Concept and Policy Strategy

(1) Climate-related strategy

The Sompo Group established SOMPO Climate Action in FY2021, which includes climate change adaptation and mitigation along with contributing to social transformation in our commitment to implementing a comprehensive approach to climate change risks and opportunities. This statement guides our climate-related initiatives.

1. Climate-related risks and opportunities

In addition to physical risks such as the increased severity and frequency of natural disasters, droughts, and chronically rising sea levels due to climate change, transition risks may arise as a result of changes in industrial structures and markets brought about by the strengthening of laws and regulations and development of new technologies for the transition to decarbonization that could affect corporate finances and reputations. These risks are accompanied by an increasing number of climate change lawsuits globally that seek to hold companies legally liable for the impact of climate change resulting from their business activities, investment and lending activities in highly carbon-intensive businesses, and improper disclosure. Such lawsuits may increase the risk of liability insurance payouts in the Group's P&C insurance business. On the other hand, the stronger societal awareness of natural disaster risks and changes in social structure may bring business opportunities such as the creation of new service demands and technological innovations.

We have identified the risks and opportunities coverage of the entire value chain of insurance-related business activities (upstream in product and service development; midstream in sales, marketing, and asset management, downstream in accident response and claim payment) that climate change poses to our business based on the results of studies conducted by external organizations such as the Intergovernmental Panel on Climate Change (IPCC) and the Network for Greening the Financial System (NGFS), and we are assessing, analyzing, and responding to such risks and opportunities on a short- (within 2–3 years), medium- (3–10 years), and long-term (10–30 years) time horizon. The main environmental changes associated with physical and transition risks due to climate change, as well as risks and opportunities that are expected to have a significant impact on the Group, are shown in the following table and are continuously reviewed in light of changes in the internal and external environment.

Response to TCFD and TNFD

		Environmental change	Impact on the company	Risk	Opportunities	Time frame
Physical	Acute	• Heat waves, extreme humidity • Change in frequency and intensity of wind and flood disasters • Increased drought and wildfires	**Increased severity of meteorological disasters:** Increased claim payments in fire and other insurance lines due to increased severity or frequency of wind and flood disasters, and increased reinsurance costs.	●	–	
			Deterioration in the agricultural insurance balance: Increase in claim payments due to meteorological disasters. Providing solutions tailored to agricultural risks	●	●	
	Chronic	• Rising sea levels • Average temperature increase • Ocean acidification • Desertification • Deforestation, impacts on biodiversity • Increased immigration, market instability, and populism; national collapse	**Increase in claim payments due to flooding caused by rising sea levels:** Claim payments due to coastal flooding caused by chronically rising sea levels	●	–	
			Decline in the real estate market (decline in asset prices): Decline in real estate value susceptible to physical risk	●	–	
			Political instability and conflict: Increased immigration due to food and water shortages and national bankruptcy, social unrest and economic instability caused by increased terrorism	●	–	
			New pandemic: Increased emergence of highly infectious pandemics due to deforestation or melting of the permafrost	●	–	Refer to Risk map based on assessment results in Risk management section (1)
Transition	Policy	• Renewable energy and energy conservation Promotion of association • Subsidies (EV purchases, energy efficiency improvement etc.)	**Price fluctuations of stocks and bonds:** Impact on financial markets of stricture policies and regulations aimed at decarbonization	●	●	
			Higher energy prices: Prolonged rise in crude oil prices due to the widening supply-demand gap caused by decarbonization, and rising prices due to the introduction of a carbon tax, etc.	●	–	
	Legal	• Revision of damage compensation systems and laws; new legal interpretations	**Legal risks such as climate litigation:** Increase in claim payments for liability insurance related to climate change litigation. Increased demand for insurance and services	●	●	
	Technology	• Advances in storage technology and infrastructure • Development of new technologies like renewable energy and energy conservation	**Decarbonization through the spread of new technologies:** Fluctuations in premium income and asset prices due to changes in industrial structure in line with the spread of new technologies and obsolescence of existing technologies	●	●	
	Market preference	• Investors and consumers preferring environmentally responsible companies	**Reputation:** Impact on reputation relative to the quality of climate change initiatives and disclosure regarding products and services	●	●	
			Changes in consumer behavior: Fluctuations in premium income and asset prices due to changes in consumer behavior (e.g., sharing)	●	●	

2. Scenario analysis

A. Physical risks in underwriting

The Group's P&C insurance business could be financially affected by higher-than-expected insurance payouts due to the increased severity and frequency of natural disasters, including typhoons, floods, and storm surges. In 2018, we started working with universities and other research institutions to quantitatively grasp risks based on scientific findings. Based on large-scale analysis using weather and climate big data, such as "database for Policy Decision making for Future climate change (d4PDF)*1," we are working to understand the long-term impacts of a climate with higher average temperatures with respect to changes in the average trends for typhoons, floods, and storm surges affected by sea level changes and trends in the occurrence of extreme weather events. We are also analyzing and evaluating the medium-term impact over the next five to ten years and incorporating this information into our business strategies.

The Group has estimated the impact of typhoons using a quantitative model*2 based on the guidance issued by the UNEP FI TCFD insurance working group in January 2021. The estimated results are below.

<Estimate results>

Frequency of typhoons	Approx. –30% to +30%
Amount of damage per typhoon	Approx. +10% to +50%

Going forward, we will continue our analysis using the scenario analysis framework being developed by the Network for Greening the Financial System (NGFS), which works on financial regulatory responses to climate change risks.

*1 Database of climate simulations developed by Japan's Ministry of Education, Culture, Sports, Science and Technology's Program for Risk Information on Climate Change. By using a number of ensemble simulations, future changes in extreme events such as typhoons and heavy rains can be evaluated stochastically and with greater accuracy. The results enable more reliable assessments of the impact on society of natural catastrophes caused by climate change.

*2 Intergovernmental Panel on Climate Change (IPCC): A model that captures changes in the frequency and wind speed of typhoons between now and 2050 based on the RCP8.5 scenario used in the UN's IPCC Fifth Assessment Report (AR5), and calculates changes in the amount of damage caused.

B. Transition risks and physical risks in asset management

To understand the short-, medium-, and long-term impact of the transition to a decarbonized society on our company, we analyzed the impact on Group assets using the Climate Value-at-Risk (CVaR)*3 provided by MSCI for policy risks arising from tighter laws and regulations and global economic changes that will affect companies in the transition to a decarbonized society, as well as technology opportunities, physical risks to businesses posed by weather disasters caused by climate change, including chronic heatwaves, extreme cold, heavy snowfall, torrential rain, violent storms, acute typhoons, floods, and wildfires arising from climate change mitigation and adaptation initiatives, based on the NGFS scenarios*4 in the following table.

Response to TCFD and TNFD

In addition, since it is important to encourage companies that have not yet made progress in decarbonization efforts to reduce transition risks, we use the Implied Temperature Rise (ITR)*5 provided by MSCI to quantitatively analyze whether our portfolio companies have set GHG emission reduction targets consistent with the goal of limiting global warming to 1.5°C by FY2100. For details, refer to "b. Implied Temperature Rise (ITR)."

*3 Climate Value-at-Risk (CVaR)
- A method to measure the impact on corporate value associated with climate change-related policy changes and disasters.
- The future costs and profits arising from climate change-related risks and opportunities are discounted to their present value, and the impact is calculated as of March 31, 2024, taking into account the market value weighting of each security in the Group's asset management portfolio.

*4 NGFS (Network for Greening the Financial System) scenarios
Analyzed three climate change scenarios published by the NGFS in November 2023 as Phase 4: Delayed Transition, Net Zero 2050, and NDCs.

NGFS Scenario

Category	Scenario	Summary
(1) Disorderly	Delayed Transition	Assumes annual emissions do not decrease until 2030. Strong policies are needed to limit warming to below 2°C. Negative emissions are limited.
(2) Orderly	Net Zero 2050	Limits global warming to 1.5°C through stringent climate policies and innovation, reaching global Net Zero CO_2 emissions around 2050. Some jurisdictions such as the US, EU, Japan, etc., reach net zero for all GHGs.
(3) Hot House World	Nationally Determined Contributions (NDCs)	Assumes that all policies countries have committed to are implemented (including all pledged policies, even if not yet implemented, but that are insufficient to stop global warming)

*5 Implied Temperature Rise (ITR)
- One of the forward-looking assessment methods that evaluates the degree of likelihood of 1.5°C and 2°C of global warming by 2100.
- The contribution to temperature rise is based on the difference between the projected GHG emissions of portfolio companies (calculated based on current emissions and reduction targets set by the companies) and the carbon budget, and is calculated as of March 31, 2024, taking into account the market value weight of each stock in the Group's asset management portfolio.

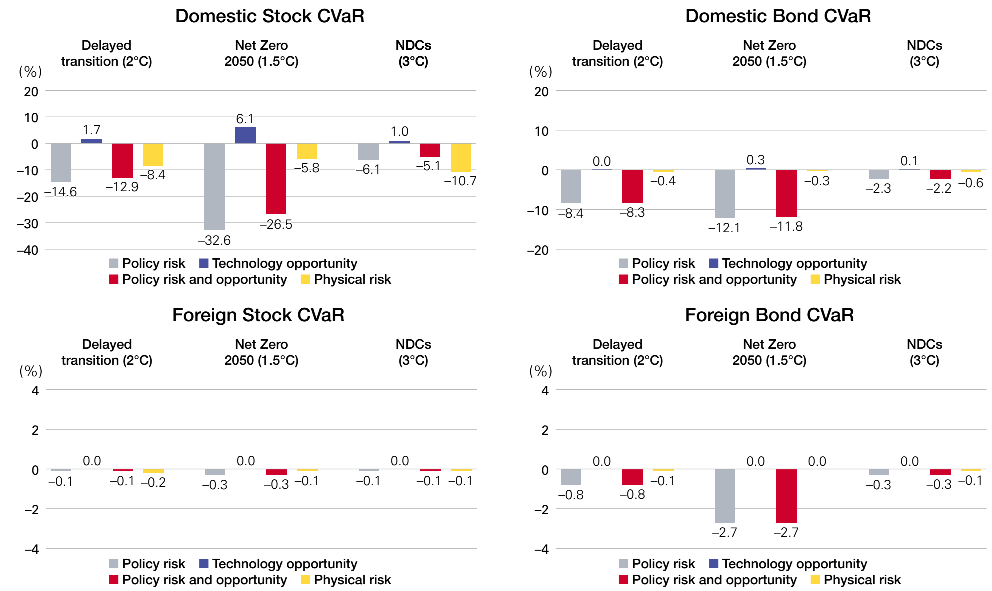
a. Climate Value-at-Risk (CVaR)

(NGFS scenarios - comparison by asset types)

The impact of policy risks and technology opportunity is greatest in the Net Zero 2050 (1.5°C) scenario for all assets, indicating that even with an orderly transition, there are significant policy risks to achieving the 1.5°C target. On the other hand, the impact of physical risk is greatest in the NDCs (3°C) scenario, with the exception of foreign stocks (see bottom left-hand of graph on right), indicating that the physical risk posed by rising temperatures is significant.

In the comparison by asset type, the impact of policy risk and technology opportunity is the largest for domestic stocks (see graph below: top left), at –32.6% and 6.1% under the Net Zero 2050, respectively. Domestic stocks also face the greatest physical risk, declining 10.7% under the NDCs (3°C) scenario. However, we have confirmed that the impact on loans for the Group is limited.

SOMPO Group CVaR analysis of Policy/physical risks and technology opportunities by asset types and NGFS scenarios



* Impact is limited because the bonds are never redeemed at more than their face value

• Policy risk:	Figures calculated for each level of Scope 1, 2, and 3 for the cost required to achieve the GHG reduction targets.
• Technology opportunity:	Figures calculated for the potential business opportunities created by environment-related technologies owned by companies against the backdrop of the transition to a low-carbon economy.
• Physical risk:	Figures calculated based on the impact of chronic or acute extreme weather on corporate assets and sales

Response to TCFD and TNFD

(NGFS scenarios — comparison by short-term, medium-term, and long-term time horizon)

Comparing short-term, medium-term, and long-term time horizons, we can see that the majority of risks in the Group's portfolio will become apparent after 2034. In particular, the Delayed Transition scenario (2°C; disorderly: rapid transition to decarbonization) assumes a rapid policy transition after 2030, so the long-term impact is particularly pronounced. The policy risk is also highest in the Net Zero 2050 (1.5°C) scenario at -14.96%, which shows that even in an orderly transition to achieving the 1.5°C target, long term policy risks remain large. Physical risk will have relatively greater long-term impact in the Delayed Transition (2°C) scenario and the NDCs (3°C) scenario, which involve rising temperatures, but the overall impact will be limited.

SOMPO Group CVaR analysis results of Policy/Physical Risks and Technology Opportunities by time horizon

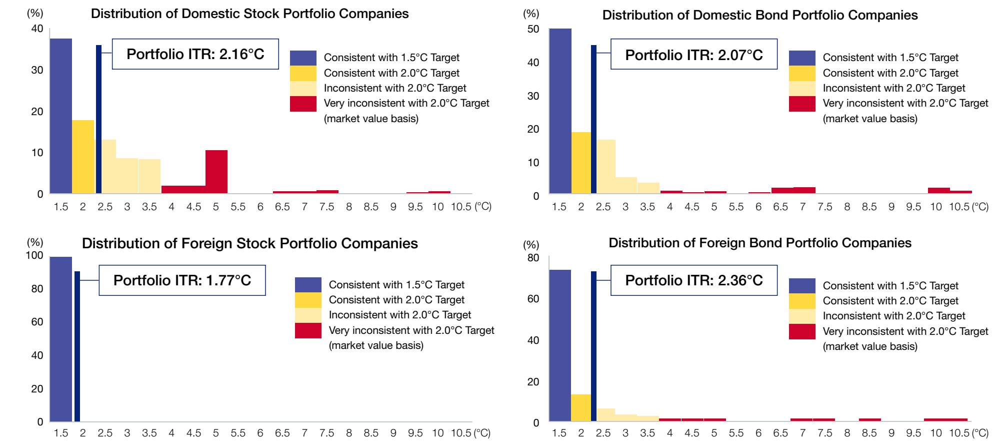
	Delayed Transition (2°C)			Net Zero 2050 (1.5°C)			NDCs (3°C)		
Horizon Year	Policy risk	Technology opportunity	Physical Risk	Policy risk	Technology opportunity	Physical Risk	Policy risk	Technology opportunity	Physical Risk
Cumulative for April 2024–March 2027	–0.09%	0.01%	–0.10%	–1.25%	0.30%	–0.10%	–0.29%	0.05%	–0.10%
Cumulative for April 2024–March 2034	–0.77%	0.09%	–0.76%	–5.77%	1.30%	–0.74%	–1.48%	0.27%	–0.75%
Cumulative for April 2024–March 2050	–5.25%	0.70%	–1.96%	–14.96%	2.97%	–1.71%	–2.95%	0.51%	–1.91%

b. Implied Temperature Rise (ITR)

The percentages of companies with ITRs below 2°C for domestic stocks, foreign stocks, domestic corporate bonds, and foreign corporate bond portfolios are 55%, 100%, 68%, and 85%, respectively, on a market value basis. The percentages of companies with ITRs below 1.5°C for domestic stocks, foreign stocks, domestic corporate bonds, and foreign corporate bond portfolios are 37%, 100%, 50%, and 72%, respectively, and with the exception of domestic stocks, more than half of companies have set GHG emission reduction targets that are consistent with the 1.5°C target set by the Paris Agreement. On the other hand, for the portfolio as a whole, the ITRs for domestic stocks, foreign stocks, domestic bonds, and foreign bonds are 2.16°C, 1.77°C, 2.07°C, and 2.36°C, respectively, exceeding 1.5°C for all categories despite some improvements.

We will use the results of our analysis to reduce climate change-related risks by promoting engagement with companies that have high transition risk and physical risk or have no GHG emissions targets by promoting engagement.

SOMPO Group ITR analysis by asset types



Source: Sompo Holdings, using MSCI's Climate Value-at-Risk and Implied Temperature Rise metrics

Response to TCFD and TNFD

3. Initiatives to improve resilience

A. Responding to risks

Physical risk

Our P&C insurance and reinsurance contracts are primarily short-term contracts, and by reviewing our insurance underwriting conditions and reinsurance policies in light of the increasingly severe trends in meteorological disasters, we can reduce the risk of claim payments exceeding our expectations. We also aim to ensure resilience against physical risk through a multifaceted approach that includes global geographic diversification, quantification based on short- and medium-term climate forecasts, and identification and evaluation of significant risks through long-term scenario analysis.

Transition risk

As for our own GHG emissions, we have set a target of a 60% reduction (compared to 2017)*[1] in Scope 1, 2, and 3 (excluding underwriting, investments and loans in Scope 3 Category 15) by 2030 and a net zero emissions by 2050. To achieve this goal, we have set a target of 70% introduction of renewable energy by 2030,*[2] in addition to working to conserve energy by switching to LED lightings and taking other steps to reduce electricity consumption, which accounts for a particularly large proportion of GHG emissions. We are working on the roadmap to achieve this goal, including switching to renewable energy sources for power generation in our buildings.

*1 Science-based targets consistent with the Paris Agreement's 1.5C° target (a reduction of at least 4.2% each year)
*2 Including use based on renewable energy certificates

With regard to investments and loans, in addition to the interim target of reducing GHG emissions (Scope 3 Category 15) of the investment portfolio to net zero by 25% in 2025 (compared to 2019), a new interim target of "reducing intensity in the 50-60% range in 2030 (compared to 2019)" was set in fiscal 2024. To achieve this target, we have been focusing on engaging with the top 20 high GHG emitters among our equity holdings and shifting to low GHG emitting sectors when replacing the assets under management held by the Group.

B. Responding to opportunities

In addition to developing and providing climate risk consulting services and working to improve natural disaster resilience through insurance products and services, the Sompo Group is developing and providing insurance products and services that contribute to carbon neutrality by promoting renewable energy and collaborating with business partners.

In FY2024, we set a Transition Insurance Target for insurance products that contribute to decarbonization in both domestic and overseas markets. We also calculated GHG emissions associated with insurance underwriting (Insurance-Associated Emissions) using data from companies that disclose GHG emissions (Scope 1, 2) by utilizing a method for measuring GHG emissions in the commercial insurance sector developed by Partnership for Carbon Accounting Financials (PCAF) in November 2022.

In accordance with the principles of the Japan's Stewardship Code, Sompo Japan Insurance conducts an ESG survey (Survey on ESG/Sustainability Initiatives) every year to confirm the policies and status of the companies in which it holds stocks regarding the enhancement of their corporate value and sustainable growth. In FY2024, it sent the survey to 1,329 companies in which it holds stocks, and 226 companies responded. The survey is used to understand the needs of each company and create opportunities for collaboration, supporting sustainability efforts, including decarbonization, in addition to being used in exercising voting rights.

Various organizations and groups around the world are actively discussing the formulation of regulations and guidance to realize a net-zero carbon society. By proactively participating in and leading these rule-making efforts, the Group will not only contribute to societal transformation but also seek to create and expand business opportunities for the Group, such as attracting collaboration partners both by accumulating knowledge and by enhancing our reputation through these efforts.

4. Addressing risks and opportunities

For our main initiatives, see Climate Change and Nature-related Initiatives (P.115–122).

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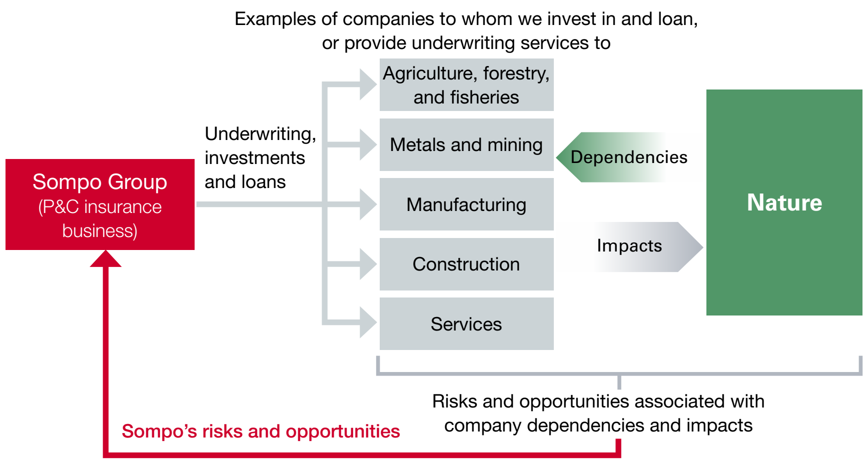
(2) Nature-related strategy

Alongside climate change, nature-related environmental issues such as biodiversity loss, ecosystem collapse, and natural resource shortages are increasingly being recognized as global risks. Some of our investees and the companies for which we underwrite insurance policies face the risks of future instability in raw material procurement and operations, cost increases associated with compliance, and decreased sales due to their dependencies and impacts on nature. If these risks materialize, such as a decrease in reinsurance coverage or an increase in claim payments, the risks of the Group's P&C insurance business may increase, resulting in a decrease in premiums written or an increase in claims paid.

On the other hand, the transition to nature-positive economy, as advocated by the Kunming-Montreal Global Biodiversity Framework, is expected to create business opportunities in Japan worth approximately 47 trillion yen by 2030 (estimated by Ministry of the Environment Government of Japan). Such new business opportunities could lead to improved earnings at our investees and the companies for which we underwrite insurance policies, and provide the chance for us to offer products and services that benefit the natural environment.



To address these nature-related risks and opportunities, the Group has assessed, analyzed, and taken actions based on the LEAP approach* recommended by the TNFD with a focus on our core Domestic P&C Insurance Business and our Overseas Insurance and Reinsurance Business.

* An integrated assessment process for nature-related risk and opportunity management, LEAP stands for the four phases of Locate, Evaluate, Assess, and Prepare.

Analysis flow using the LEAP approach

Identifying priority locations at directly operated business sites <Locate>
We conducted an assessment based on business type for the Group's directly operated sites and confirmed whether any sites fall within priority locations.

2-2. Identification of priority locations at directly operated business sites

Identifying and evaluating dependencies and impacts at investees and the companies for which we underwrite insurance policies <Evaluate>
We identified and evaluated dependencies and impacts on nature at investees and the companies for which we underwrite insurance policies. Furthermore, we used those identification and evaluation results to identify sectors that may pose a high risk to the Group from a nature-related perspective.

2-1. Identifying and evaluating dependencies and impacts in underwriting, investments and loans

Identifying and assessing risks and opportunities in the Group <Assess>
Based on the above identification and evaluation results, we identified risks and opportunities that are expected to have a significant impact on the Group.

1. Identifying and assessing nature-related risks and opportunities

Disclosure, setting indicators <Prepare>
Based on the results of our analysis and assessment of priority locations, dependencies and impacts, and risks and opportunities, we categorized initiatives for addressing risks and opportunities and set nature-related metrics.
We also compiled and disclosed this information.

3. Initiatives to address nature-related risks and opportunities
Metrics and targets

1. Identifying and assessing nature-related risks and opportunities

A. Analysis of nature-related risks and opportunities, and impacts of the Group

The Group assessed, analyzed, and responded to risks and opportunities across the value chain—upstream in product and service development; midstream in sales, marketing, and asset management; and downstream in accident response and claim payments—with a focus on the P&C insurance business. This included physical risk and opportunities associated with the deterioration of ecosystem services, and transition risks and opportunities associated with the strengthening of policies and regulations aimed at achieving nature positivity, technological advances, and changes in market preferences. In identifying and assessing risks and opportunities, we referred to the results of 2-1. Identifying and evaluating dependencies and impacts in underwriting, investments and loans.

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We set the time frames for the assessments as short- (within 2–3 years), medium- (3–10 years), and long-term (10–30 years) time horizon. The table below lists the main environmental changes related to nature and the risks and opportunities that are expected to have a significant impact on the Group. We will continuously review these risks and opportunities in light of changes in the internal and external environment.

Nature-related risks and opportunities

		Environmental change	Impact on the company	Risks	Oppor-tunities	Time frame
Physical	Acute	• Heat waves, extreme humidity • Change in frequency and intensity of wind and flood disasters • Increased drought and wildfires	**Increased severity of meteorological disasters:** Increased claim payments for fire and other insurance due to increased severity or frequency of wind and flood disasters, the lower in the disaster-mitigating capacity of vegetation, and worsening damage from wind and flood disasters, and greater damage caused by wind and flood disasters, and increased reinsurance costs.	●	–	Short-term Medium-term Long-term
			Changes in the agricultural insurance balance: Increase in claim payments due to drought, cold damage, wet damage, pests, etc. Reduction of claim payments by providing solutions tailored to agricultural risks	●	●	Short-term Medium-term Long-term
	Chronic	• Rising sea levels • Average temperature increase • Ocean acidification • Desertification • Deforestation, impacts on biodiversity • Increased immigration, market instability, and populism; national collapse	**Earnings deterioration owing to degradation of ecosystem services:** Decline in insurance revenue due to deterioration of the performance of our business partners (particularly in high-risk sectors) associated with deterioration of ecosystem services, and a decrease in investment returns.	●	–	Medium-term Long-term
			Social instability due to degradation of ecosystem services: Political instability and conflict caused by food and water shortages, and social instability caused by increased emergence of highly infectious pandemics due to deforestation or melting of the permafrost.	●	–	Medium-term Long-term
Transition	Policy	• Promoting a nature-positive economy • Subsidies (improved resource efficiency, etc.)	**Fluctuations in revenue owing to the transition to a nature-positive economy:** Fluctuations in Insurance revenue due to changes in the financial results/actual results of business partners (particularly in high-risk sectors) accompanying the transition to a nature-positive economy, and fluctuations in investment returns.	●	●	Medium-term Long-term
	Legal	• Revision of damage compensation system and laws; new legal interpretations	**Nature-related lawsuits and other legal risks:** Increase in claim payments for liability insurance for nature-related litigation, etc.	●	–	Medium-term Long-term
	Technology, market preference	• Nature-based solutions • Investors and consumers preferring environmentally responsible companies	**Products and services that support the transition to a nature-positive economy:** Expansion of Ecosystem-based Disaster Risk Reduction (Eco-DRR), green infrastructure, green finance, and sustainability information disclosure; fluctuations in premium income and asset prices associated with the transition to a nature-positive economy; and development of consulting services.	●	●	Short-term Medium-term Long-term
			Reputation: Impact on reputation relative to the quality of initiatives and disclosure regarding biodiversity and natural capital in products and services	●	●	Short-term Medium-term Long-term

B. Results of identifying nature-related risks in high-risk sectors

Among the nature-related risks mentioned above, the Earnings deterioration owing to degradation of ecosystem services would cause the performance of business partners to deteriorate in line with wind-storm damage, rising temperatures, water shortages, etc. (physical risk), while Fluctuations in revenue owing to the transition to a nature-positive economy: would cause the performance of business partners to deteriorate in line with stricter regulations, technological innovation, market changes, etc. (transition risk). Both of these factors would lead to a decline of Group earnings. Therefore, among our business partners, we have identified risks in high-risk sectors for business partners that have significant transaction amounts with the Group as well as significant dependencies and impacts on nature, and conducted a risk assessment for the Group based on this identification.

In particular, we confirmed expected risks based on risks identified in 2-1. Identifying and evaluating dependencies and impacts in underwriting, investments and loans and the disclosure of companies in high-risk sectors, i.e., construction, transportation (including passenger transportation), warehousing, chemicals, and automobiles and auto parts.

- Earnings deterioration owing to degradation of ecosystem services (physical risk): High-risk sectors that have significant impacts on nature, i.e., construction, transportation (including passenger transportation), and warehousing
- Fluctuations in revenue owing to the transition to a nature-positive economy (transition risk): High-risk sectors that have significant impacts on nature, i.e., (construction, transportation (including passenger transportation), warehousing, chemicals, automobiles and auto parts)

The risks identified as a result of this confirmation for each high-risk sector are as follows. We believe these risks could cause a deterioration in the performance of our business partners, which could have an impact on the Group, including an increase claim payments and a decrease in investment returns.

1) Earnings deterioration owing to degradation of ecosystem services (physical risk)

Sector		Risk
Construction	Acute	• Difficulty in procuring construction materials due to increased severity of wind and flood disasters, and rising prices of materials • Suspension of or delays in construction work due to disasters
	Chronic	• Suspension of or delays in construction work due to water shortages • Difficulty in procuring construction materials due to a decrease in natural capital (wood, minerals, etc.) and rising material prices • Lower productivity and increased health risks for workers due to rising summer temperatures
Transportation (including passenger transportation), warehousing	Acute	• Difficulty in operation due to wind and flood disasters, and increased risk of accidents
	Chronic	• Difficulty in operation due to water shortages • Energy cost increases due to rising summer temperatures • Increased health risks for workers due to rising summer temperatures • Deterioration of tourism resources due to changes in ecosystems

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2) Fluctuations in revenue owing to the transition to a nature-positive economy (transition risk)

Sector		Risk
Construction	Policy	• Cost increases due to stricter regulations on GHG emissions, noise, and pollution during construction • Decrease in construction demand due to stricter regulations on land alteration • Procurement cost increases for construction materials due to stricter regulations in production and extraction areas • Increases in raw material procurement costs due to the introduction of a carbon tax
	Legal	• Risk of litigation due to environmental destruction around construction sites
	Technology, market preference	• Cost increases associated with the introduction of environmentally friendly technologies, increased technology development costs • Cost increases to ensure traceability of construction materials • Damage to reputation due to environmental destruction in construction material production and extraction areas
Transportation (including passenger transportation), warehousing	Policy	• Cost increases due to stricter regulations on GHG emissions, noise, and pollution during operation • Increases in procurement costs due to the introduction of a carbon tax
	Legal	• Risk of liability stemming from oil pollution
	Technology, market preference	• Cost increases associated with the introduction of environmentally friendly technologies, increased technology development costs
Chemicals	Policy	• Increases in raw material procurement costs due to stricter regulations in raw material production and extraction areas • Cost increases due to stricter regulations on GHG emissions and water and soil pollution during manufacturing • Increases in manufacturing costs due to stricter regulations on plastic • Increases in procurement costs due to the introduction of a carbon tax
	Legal	• Risk of litigation due to environmental destruction in raw material production and extraction areas
	Technology, market preference	• Cost increases associated with the introduction of environmentally friendly technologies and raw materials, increased technology development costs • Cost increases to ensure traceability of raw materials • Damage to reputation due to environmental destruction in raw material production and extraction areas
Automobiles, auto parts	Policy	• Increases in raw material procurement costs due to stricter regulations in raw material production and extraction areas • Cost increases due to stricter regulations on GHG emissions, water pollution, and waste during manufacturing • Increases in procurement costs due to the introduction of a carbon tax
	Legal	• Risk of litigation due to environmental destruction in raw material production/extraction areas
	Technology, market preference	• Cost increases associated with the introduction of environmentally friendly technologies, and increased technology development costs • Cost increases to ensure traceability of raw materials • Damage to reputation due to environmental destruction in raw material production and extraction areas

2-1. Identifying and evaluating dependencies and impacts in underwriting, investments and loans

Some of the Group's business partners (including investees and the companies for which we underwrite insurance policies) engage in business activities that have dependencies and impacts on nature, which may lead to nature-related risks and opportunities for the Group. Therefore, to gauge which dependencies and impacts on nature that are material to the Group, we used the ENCORE*1 tool to identify and assess the dependencies and impacts on nature for each sector of the Group's investees and the companies for which we underwrite insurance policies. We classified business partners into 23 sectors and targeted the 18 priority sectors outlined in the TNFD's additional guidance for financial institutions*2. (See A. Results of identifying and evaluating dependencies and impacts)

Furthermore, as a reference for 1. Identifying and assessing nature-related risks and opportunities, we identified sectors that may pose high risks to the Group from the perspective of nature (high-risk sectors) using the following procedure.

*1 A nature-related risk assessment tool jointly developed by the Natural Capital Finance Alliance (NCFA), the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), and other entities.
*2 TNFD Additional guidance for financial institutions version 2.0

<Procedure for identifying high-risk sectors>
(1) Using ENCORE, we create a heat map of the dependencies and impacts on nature and their magnitude for each sector.
(2) We reflect the amount of underwriting, investment, and loans for each sector in (1) on the part of Sompo Japan and its subsidiaries in the Overseas Insurance and Reinsurance Business in the heat map.
(3) Based on the results of (2), we identify high-risk sectors within the Group for each category of underwriting, investments and loans.

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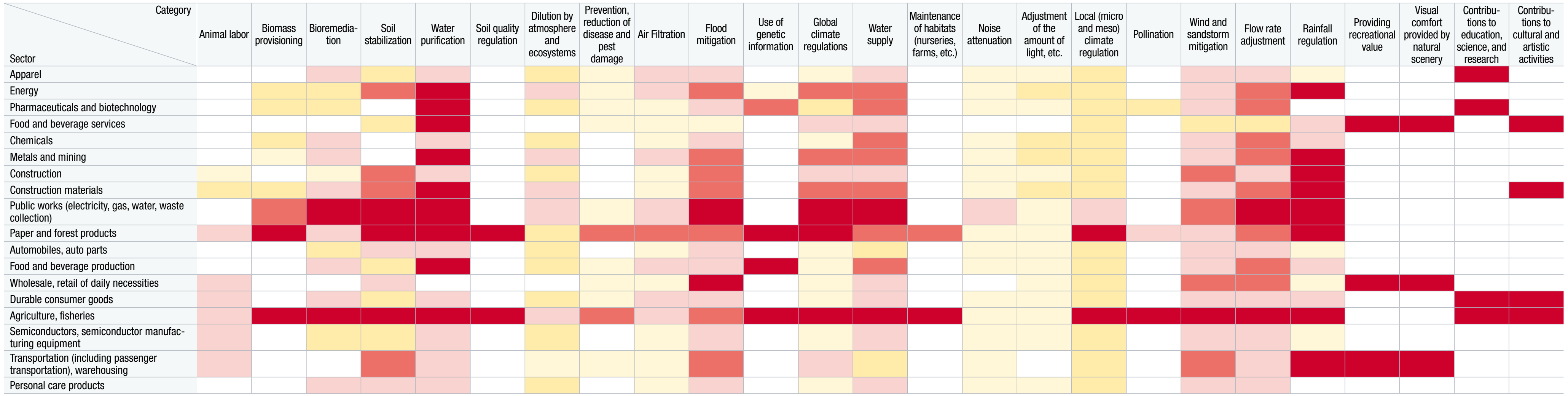
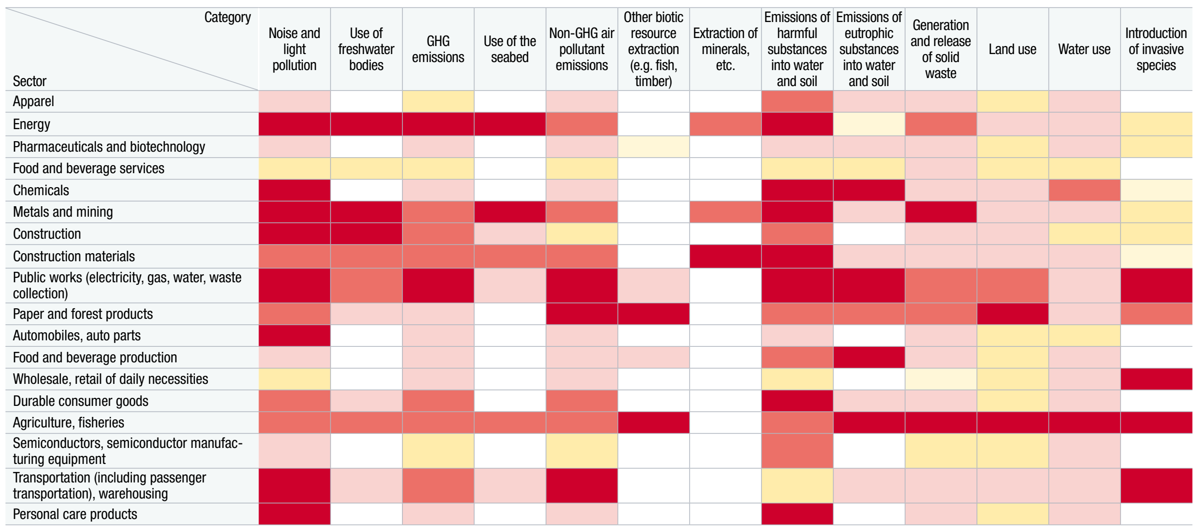
A. Results of identifying and evaluating dependencies and impacts (Step 1)

Below is the heat map showing how the sectors for the Group's underwriting, investment, and loans dependencies and impacts on nature.

■ **Dependencies** We found significant dependencies on functions such as water purification, rainfall regulation, soil stabilization, and the use of genetic information.



■ **Impacts** We found significant impacts in areas such as noise and light pollution, emissions of harmful substances and eutrophic substances into water and soil, use of freshwater bodies, introduction of invasive species, emissions of air pollutants.



Key:
- very high
- high
- moderate
- low
- very low

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B. Consideration of transaction amounts in each sector (Step 2)

We identified high-risk sectors for the Group by multiplying the amount of insurance underwritten and the amount of investments and loans in each sector by the magnitude of the dependencies and impacts identified in Step 1.

Outline of specific high-risk sectors

Dependency heatmap

Category / Sector	Animal labor	Biomass provisioning	Bioremedi-ation	…	…	…	…
○○○		4			5		3
●●●		4		4			3
△△△	2	2			2		2
▲▲▲	3	3	1	3	2	2	2
□□□		4	1	3	2	2	2
■■■		2	1	2	2	2	1
◎◎◎◎							

Impact heatmap

Category / Sector	Noise and light pollution	Use of freshwater bodies	GHG emissions	…	…	…	…
○○○	5	2	4	3	4		3
●●●	5	2	4	4	4	4	4
△△△	4			2	2		
▲▲▲	4			4	4	4	
□□□	4	4		4		4	4
■■■	4			2			
◎◎◎◎				4			

×

By sector (ranked in three tiers)
- Underwriting amount
- Investments and loans amount

C. Identification of high-risk sectors (Step 3)

We have identified four sectors as high-risk sectors that have significant dependencies and impacts on nature and have a large amount of transactions with Sompo Japan and its subsidiaries in the Overseas Insurance and Reinsurance Business: construction, transportation (including passenger transportation), warehousing, chemicals, and automobiles and auto parts.

High-risk sectors identified

Category	Sector	Categories with high dependencies, impacts	
Underwriting	Construction	[Dependencies]	Soil stabilization, flood mitigation, wind and sandstorm mitigation, rainfall regulation
		[Impacts]	Noise and light pollution, use of freshwater bodies, GHG emissions, emissions of harmful substances into water and soil
	Transportation (including passenger transportation), warehousing	[Dependencies]	Soil stabilization, flood mitigation, wind and sandstorm mitigation, rainfall regulation, providing recreational value, visual comfort provided by natural scenery
		[Impacts]	Noise and light pollution, GHG emissions, emissions of non-GHG air pollutants, introduction of invasive species
Investments and loans	Chemicals	[Impacts]	Noise and light pollution, emissions of harmful substances into water and soil, emissions of eutrophic substances into water and soil
	Automobiles, auto parts	[Impacts]	Noise and light pollution
	Transportation (including passenger transportation), warehousing	[Dependencies]	Rainfall regulation, providing recreational value, visual comfort provided by natural scenery
		[Impacts]	Noise and light pollution, emissions of non-GHG air pollutants, introduction of invasive species

2-2. Identification of priority locations at directly operated business sites

With the aim of grasping the organization's interface with nature and identifying areas that should be prioritized, we used tools such as the WWF Biodiversity Risk Filter* to identify the directly operated business sites of Sompo Japan, Sompo Risk Management, and the subsidiaries of the Overseas Insurance and Reinsurance Business that fall under the priority locations defined by the TNFD. Our directly operated business sites are located in Japan, Canada, Russia, Australia, Guam, Vietnam, Myanmar, Cambodia, India, the United Arab Emirates, South Africa, the U.S., Mexico, Brazil, Bermuda, Indonesia, Malaysia, Singapore, Thailand, Turkey, Italy, the U.K., and Luxembourg. As a result of the confirmation, we determined that the operations at our directly operated sites involve office activities such as property and casualty insurance and consulting, and consider their dependencies and impacts on nature to be small. We thus determined that none of our directly operated business sites fall within the priority locations and that there are no significant points of contact with nature for the Group.

* A tool developed by the WWF (World Wildlife Fund) to help companies assess and address risks that affect biodiversity in their business and supply chains.

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3. Initiatives to address nature-related risks and opportunities

See the PDF, Climate Change and Nature-related Initiatives (P. 115–122) for major initiatives in Group businesses.

The Group has also established “Sustainability-related Policy for Underwriting, Investments and Loans” and is pursuing engagement and other initiatives to address identified risks and opportunities.

For details, please refer to Sustainability through Underwriting, Investments and Loans (P. 91–96).

Structure Risk management

To realize the Group’s Purpose and the goals of the Management Plan, we have established a risk appetite framework, clarifying both risks to be taken and risks to be avoided to increase the certainty of achieving the goals.

For natural catastrophe risk, we clarify risk appetite and quantitatively assess the claim payments we expect in the event of a natural catastrophe, based on meteorology and other scientific knowledge, and the characteristics of Group products. We then formulate and manage reinsurance policies and Group-wide risk retention strategies based on the impact on financial soundness, profitability, and profit stability, as well as trends in the reinsurance market.

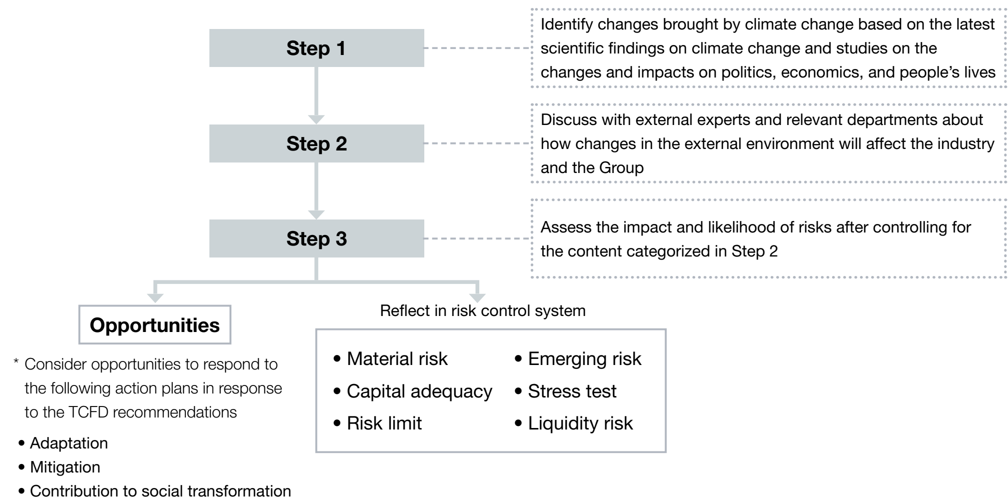
We control climate change-related risks through a multifaceted approach within the risk control system framework of our Enterprise Risk Management (ERM). This involves material risk management, capital adequacy management, stress testing, risk limit management, and liquidity risk management.

We are implementing SOMPO Climate Action to assess short-, medium-, and long-term climate-related risks and opportunities through a climate change risk framework, conducting scenario analysis (physical risk and transition risk) based on the framework, as well as various initiatives to improve our resilience to these risks and opportunities.

(1) Climate change risk framework (risk identification, assessment, and management)

Climate change can impact various aspects of the Group’s business, including our non-insurance business, and the impacts will be long-term and are highly uncertain. To manage climate change risks, including risks associated with natural disasters, we have developed a climate change risk framework to complement our existing risk control system and to identify, assess, and manage risks by taking an in-depth look at scenarios in which the Group is affected through various pathways over the long-term. To gauge the complex impacts of climate change, the climate change risk framework uses the following three steps to assess and organize 1. Climate-related risks and opportunities described in (1) Climate-related strategy section.

Climate change risk framework



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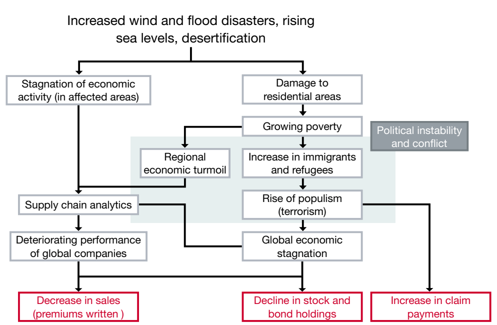
In assessing risks, we have assumed low, medium, and high environmental change scenarios, which are a combination of IPCC scenarios showing changes in average temperature and NGFS scenarios showing possible policy transition patterns (see Patterns of environmental change below). We also assumed the pathways and nature of the impacts on the Group under the scenarios (see Scenarios of risk spillover and impacts (example) below), and have assessed risks for each pattern.

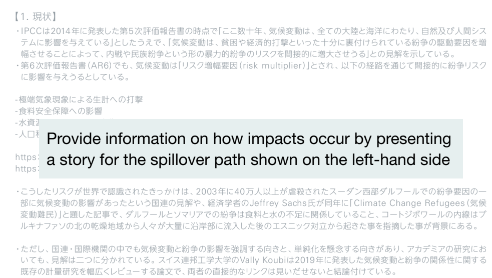
Patterns of environmental change (low, medium, high)

	IPCC	NGFS
Low	SSP1-1.9	Orderly/Net Zero 2050
Medium	SSP2-4.5	Disorderly/Delayed Transition
High	SSP5-8.5	Hot House World/Current Policy, Nationally Determined Contributions (NDCs)

Scenarios of risk spillover and impacts (example)

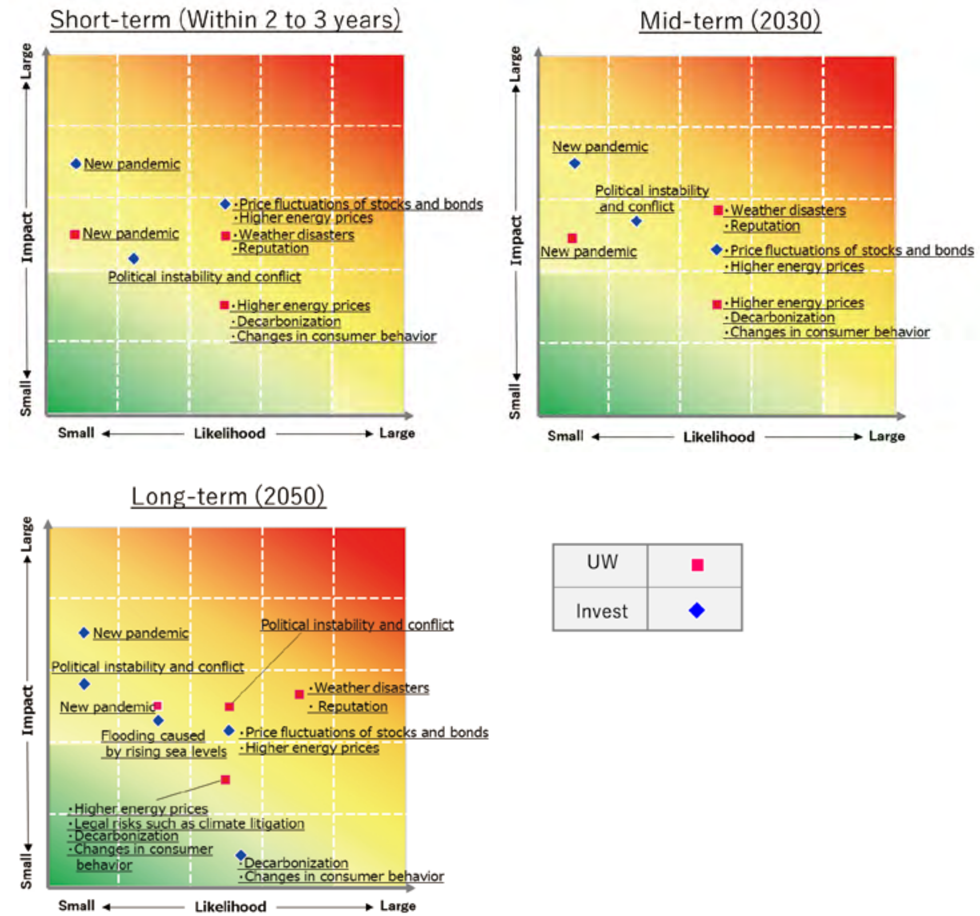
Spillover pathway (image of path leading to influence in our company)	Expected impacts (impacts related to the spillover pathways shown at left)





Based on the assessment results, risks that require continuous monitoring are visualized as a climate change risk map, which indicates the impact, likelihood, timing of occurrence, and trends of risks that affect underwriting and investment. These are discussed by the Group ERM Committee and reported regularly to the Board of Directors and other executive bodies.

Risk map based on assessment results (Medium SSP2-4.5/Disorderly)



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Additionally, we believe that Group business activities other than underwriting and investment are subject to other risks, such as the legal impact of litigation. We believe the impact and likelihood of each scenario in the risk assessment to be moderate, and will continue to collect and analyze information to understand the risks.

	Cause	Impact
Legal impact of litigation, etc.	Delays in climate change initiatives and inadequate disclosure	Lawsuits for compensation filed against the Group and group companies

Table: Risks to our group businesses other than underwriting and Investment. Note that assessments have been conducted regarding impacts on underwriting and Investment.

(2) Integration with existing risk management frameworks

Risk awareness identified in the climate change risk framework is reflected in the main scenarios for material risks and managed accordingly (see table below).

Climate change-related material risks and their main scenarios

Material risks	Main scenarios related to climate change
Climate change risk	Increased claim payments in fire and other insurance lines and reinsurance costs due to increased severity or frequency of wind and flood disasters
Sustainability risk	Tighter policies, laws and regulations for decarbonization, and price volatility of stocks and bonds due to technological innovations etc.
Business disruption	Prolonged suspension of critical operations, loss of human life, etc. due to large-scale natural disasters and other events that exceed the assumed scenarios etc.
Pandemics	Increased occurrence of serious new infectious disease pandemics due to deforestation and thawing of permafrost

We will also incorporate the knowledge gained through the climate change risk framework into our existing risk control system framework, which involves capital management, stress testing, risk limit management, and liquidity risk management, thereby enhancing the overall sophistication of our risk management.

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Activities and Achievements Metrics and targets

(1) Metrics for assessing risks and opportunities

We are evaluating our climate-related actions based on the recognition that implementing them will reduce risks and capture new business opportunities for the Group. We are also referring to the global core disclosure indicators in the TNFD framework for nature-related indicators and including them in the following indicators for our evaluation.

Category*1		Unit	FY2024*2	Core Global Metrics (TNFD)	
				Driver of nature change	Indicator
GHG emissions (Scope 1, 2, 3 excluding insurance underwriting, investments and loans)		t-CO_2e	Calculating*9	Climate change	GHG emissions
GHG emissions (Scope 3 Category15: Investments and loans)*3*4	Equities	t-CO_2e	925,692		
	Bonds	t-CO_2e	804,126		
	Total	t-CO_2e	1,729,817		
Intensity*5	Equities	t-CO_2e/¥100 million	60.27	—	—
	Bonds	t-CO_2e/¥100 million	67.70		
	Total	t-CO_2e/¥100 million	63.51		
Weighted average carbon intensity (WACI) (Scope 3 Category15: Investments and loans)*6	Equities	t-CO_2e/Million USD	137.51	—	—
	Bonds	t-CO_2e/Million USD	142.77		
Renewable energy introduction rate*7		%	Calculating*9	—	—
Electricity consumption		kWh		—	—
Paper consumption		t		Resource use, replenishment	Quantity of high-risk natural commodities sourced from land, ocean, freshwater
No. of participants in biodiversity conservation activities and environmental education programs		persons	11,629	—	—
Total surface area controlled, managed		m^2	Calculating*9	Change in land, freshwater, ocean use	Total spatial footprint
Clean water usage*8		kl		Resource use, replenishment	Water withdrawal and consumption from areas of water scarcity
Wastewater discharge		kl		Pollution, pollution removal	Wastewater discharged
Total amount of waste generated		t		Pollution, pollution removal	Waste generation and disposal
Amount of waste recycled		t			
Breakdown by disposal method	Landfill	t			
	Incineration	t			
	Other forms of disposal	t			
	Disposal method unknown	t			

*1 The scope of the indicators covers domestic and overseas consolidated subsidiaries (Japanese GAAP basis).
*2 "GHG emissions (Scope 3 Category 15: investments and loans) "Intensity," and "Weighted Average Carbon Intensity (WACI) (Scope 3 Category 15: investments and loans)" reflect actual results for fiscal year 2023.
*3 Calculated for Scope 1 and 2 of listed equities and corporate bonds in Japan and overseas using data provided by MSCI ESG Research. (Coverage: FY2023: 84% of listed equities and 79% of corporate bonds, both Market value basis)
*4 GHG emissions are our company's share of the investee's EVIC (Enterprise Value Including Cash) base.
*5 Intensity is the amount of GHG emissions per unit of investments and loans. The amount of investments and loans in overseas business is calculated in yen using the exchange rate in 2019 (base year).
*6 WACI is the weighted average of GHG emissions per unit of sales for each investee's portfolio holdings.
*7 The adoption rate of renewable energy includes usage via renewable energy certificates.
*8 It shows the amount of water used by our Group. We will continue to check whether this applies to areas with water scarcity.
*9 After calculation, the data will be published on ESG Data/Sompo Holdings website.

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(2) Indicators for evaluating nature-related dependencies and impacts

The TNFD's additional guidance for financial institutions* encourages financial institutions to disclose their financial exposure to sectors in which they expect to have significant nature-related dependencies and impacts.

With reference to the priority sectors in the guidance, the percentage of the Group's insurance underwriting, investments and loans amounts for the 18 sectors listed in (2) Nature-related strategy, 2-1. Identifying and evaluating dependencies and impacts in underwriting, investments and loans, including chemicals, automobiles and auto parts, transportation (including passenger transportation), and warehousing, is as shown below.

* TNFD Additional guidance for financial institutions version 2.0

Category	Percentage of financial sector amounts (core sector disclosure metrics for financial institutions)
Insurance Underwriting	51.3%
Investments and loans	46.8%

(3) Targets for managing risks and opportunities

The Sompo Group has set the following targets and is managing their progress.

Going forward, we will also consider setting nature-related targets.

Category	Target
SOMPO's GHG emissions reduction rate	2030: 60% reduction (compared to 2017) 2050: Net-zero emissions * Scope 1, 2, 3 (excluding underwriting, investments and loans)
Investments and loans GHG emissions reduction rate	2025: 25% reduction (compared to 2019) 2050: Net-zero emissions * Scope 3 Category 15 is covered (target assets are listed equities and corporate bonds) * Emissions in 2019, the target base year, were as follows: Equities: 1,013,157 t-CO_2e Bonds: 1,059,379 t-CO_2e Total: 2,072,536 t-CO_2e 2030: 50–60% reduction compared to 2019, based on intensity (GHG emissions per unit of investments and loans amount) * Target assets include listed equities, corporate bonds, loans to listed companies, and listed equity and corporate bond funds.
Switch to renewable energy for electricity usage	2030 adoption rate: 70% 2050 adoption rate: 100% * Including utilization through renewable energy certificates
Transition Insurance Target	FY2026: 25 billion yen * We have set a target for the direct insurance premiums of insurance products that contribute to decarbonization.

Climate Change and Nature-related Initiatives

The SOMPO Group is seeking to provide new products and services that support the response to climate change and contribute to the conservation and restoration of nature and biodiversity through collaboration with an array of stakeholders, including local communities, NPOs, NGOs, and through partnerships between industry, government agencies, and academic institutions.

With regard to climate change risks and opportunities, we have formulated SOMPO Climate Action which entails three different approaches. The first is an adaptation approach that helps enhance societal resilience by developing and offering products and services through collaboration. The second is a mitigation approach that seeks to achieve net-zero greenhouse gas emissions for the Group. Finally, we are pursuing a comprehensive approach that seeks to support the transition of society by collaboration and engagement with stakeholders. We are also advancing initiatives toward nature positivity through the promotion of projects addressing nature-related environmental issues such as biodiversity loss, and through the provision of products and services.

Activities and Achievements Adapt to climate change

Development and Deployment of “SORA Resilience”

“SORA Resilience” is a collaborative web service that combines Weathernews Inc.’s wealth of weather-related data and knowledge, Sompo Japan Insurance’s insurance data and knowledge, and Sompo Risk Management’s risk control know-how. We named the service “SORA Resilience” because its purpose is to enhance customers’ resilience in the face of damage to their supply chains and to help them continue their business operations as climate change brings about more frequent natural disasters.

Related Information: Disaster Prevention and Mitigation (Improving Society’s Resilience to Natural Disasters) (P.157–158)

Launch of customized indemnity against climate risks: Adaptation finance initiative to support and promote corporate adaptation to climate change

Sompo Japan Insurance has launched an initiative to provide customized indemnity against climate risks that have a significant impact on corporate management and business activities. For companies in various industries, the impact of climate risks on management and business activities is uncertain. The use of adaptation finance, including property and casualty insurance, is effective in reducing such uncertainty and stabilizing risks. Under the new initiative, we will disclose our specialized knowledge of insurance products for climate risks to customers and, with the support of a team of experts, provide a comprehensive array of services, ranging from customized insurance product design to underwriting. In this way, we will support customers in adapting to climate change and contribute to more stable sustainable corporate management and business activities.

Providing “SOMPO SUSTAINA”

SOMPO Risk Management has accumulated expertise in addressing corporate challenges and risks, such as adapting to climate change and increasing resilience against natural disasters, developed through our Group’s experience in the insurance business and other endeavors. To enable more customers to make effective use of this expertise for climate change action, we provide an online platform called “SOMPO SUSTAINA,” which allows users to easily quantify and visualize the future impact of physical risks from climate change, such as floods and typhoons, as well as earthquake risks on property and business activities. Climate change has brought about an increase in, and intensification of, natural disasters, including rising sea levels and more frequent heavy rainfall. These events are impacting people’s livelihoods and natural ecosystems in various ways. As a result, accelerating efforts to achieve carbon neutrality has become a pressing issue for everyone worldwide. Around the world, initiatives are being implemented to promote decarbonization in businesses and industries and to strengthen competitiveness. Even in Japan, numerous projects are being carried out with the aim of achieving carbon neutrality by 2050. In addition to mitigating climate change, technological innovation for the purpose of adapting to a changing environment is necessary, while the values of consumers and investors are also shifting. To respond to these changes, companies are expected to take action and drive innovative breakthroughs to achieve sustainable business growth. To address social issues—something that all companies are obligated to tackle—Sompo Risk Management and Sompo Japan Insurance are promoting the “SOMPO SUSTAINA” platform to corporate customers in collaboration with other financial institutions and partner organizations. Through “SOMPO SUSTAINA,” we will look to contribute to solving various challenges that companies face in achieving sustained growth and to the realization of a sustainable society.

“SOMPO SUSTAINA” enables corporate customers to visualize the physical risks of climate change

Climate Change and Nature-related Initiatives

Initiative for early evacuation: Sales of “Disaster Prevention and Mitigation Expense Insurance”

Sompo Japan Insurance has been offering insurance for municipalities since April 2017 to cover the costs of evacuation in the event of a natural disaster. By reducing the financial burden of early evacuation, Sompo Japan Insurance aims to help municipalities make prompt and appropriate decisions on evacuation orders, etc., and prevent or mitigate the damage caused by disasters.

Sales of “Evacuation Supporters’ Insurance” for municipalities

Sompo Japan Insurance provides “Evacuation Supporters’ Insurance” for municipalities to support evacuation activities of evacuation supporters in individual evacuation plans and residents participating in local disaster prevention activities.

Rollout of Bosai JAPAN-DA Project

Sompo Japan Insurance is running experience-based disaster prevention workshops for children—society’s future leaders—and their guardians with the aim of helping them acquire knowledge and safe behaviors to protect themselves in emergency situations. SOMPO-style Evacuation Map “Nigechizu”* Workshops, one of our content offerings, contributes to building communication among participants and fostering both “mutual aid”—community support—and “self-reliance”—taking personal responsibility for disaster preparedness and evacuation. Furthermore, newly added programs like “My Emergency Kit Puzzle” and “SOMPO de Manaboccia” expand our awareness activities on the importance of preparedness in everyday life.

* Nigechizu is a registered trademark of NIKKEN SEKKEI LTD.

For further details, please refer to Corporate Citizenship Activities (P. 177)

Rollout of the Tsunagaru Bosai Project: Disaster prevention and mitigation initiatives including people who require special care

In partnership with the Japan NPO Center and the Foundation for Promoting Sound Growth of Children, since October 2022 we have run the Tsunagaru Bosai Project (or Inclusive Disaster Prevention Project).

For further details, please refer to Corporate Citizenship Activities (P. 178).

AgriSompo

Sompo’s Overseas business contributes to a stable food supply through AgriSompo’s crop insurance products. AgriSompo offers a number of insurance and risk management products designed to help close the protection gap through a growing U.S. platform that covers over 80 million acres across the country, supporting a stable and affordable food supply as well as a Global Reinsurance program for existing and emerging crop insurance programs.

Activities and Achievements Mitigate climate change

Group initiatives to achieve net zero greenhouse gas (GHG) emissions

As for our own GHG emissions, we have set a target of a 60% reduction (compared to 2017)* in Scope 1, 2, and 3 (excluding insurance underwriting, investments and loans) by 2030 and a net zero emissions by 2050. To achieve this goal, we have set a target of “70% introduction of renewable energy by 2030,” in addition to energy conservation efforts such as the use of LEDs for electricity consumption, which accounts for a particularly large portion of GHG emissions. We are working on the roadmap to achieve this goal, including switching to renewable energy sources for power generation in our buildings.

* Science-based targets consistent with the Paris Agreement’s 1.5°C target (a reduction of at least 4.2% each year).

ZEB Oriented certification* for Sompo Japan Business Processing Center Building

Sompo Japan Insurance has acquired ZEB Oriented certification for its Business Processing Center Building, located in Shinmachi, Nishitokyo City. Sompo Corporate Services, one of our subsidiaries, supported receiving this certification.

* The indicated office building has a total floor area of 10,000m² or more and reduced primary energy consumption by between 40% to 50%.

Climate Change and Nature-related Initiatives

Initiatives to contribute to the green transition of our clients and society

Investments and loans

As for the GHG emissions of our investees, in addition to our interim target of reducing emissions by 25% by 2025 compared to 2019, we have set a new interim target of reducing intensity* in the 50–60% range in 2030 compared to 2019. To achieve this target, we are promoting a shift from high GHG emitting sectors to low GHG emitting sectors at the time of the maturity redemption of bonds, and engagement with the top 20 high GHG emitters among our equity holdings.

We also provide sustainability-themed investment and loans that contribute to the sustainable development of our business partners and society, including the transition towards a green society.

< Details of interim targets >

Target year	2025	2030
Target	25% reduction	50–60% range reduction
Base year	2019	2019
Asset Class	Listed equities, corporate bonds	Listed equities, corporate bonds, loans to listed companies, listed equity and corporate bond funds
Indicators	GHG emissions	Intensity (GHG emissions per unit of invested amount)

* Intensity is an indicator that is not easily affected by increases or decreases in the balance of investments and loans. It was established as an indicator of GHG emission efficiency in order to not only reduce the GHG emissions of our investment and loan portfolio, but also to promote the green transition of our portfolio companies and society at the same time.
* The target value is set based on the guidelines of the Net Zero Asset Owner Alliance (NZAOA), an initiative of international investment institutions, as the 1.5°C target level of the Paris Agreement.

Insurance underwriting

We have set a "Transition Insurance Target" aiming to achieve premium income of 25 billion yen in fiscal 2026 for insurance products that contribute to decarbonization both domestically and overseas. To achieve this target, we are working to develop products and services that contribute to the spread of renewable energy and energy conservation, including the "ONE SOMPO WIND Service" (insurance and risk management service for offshore wind power operators).

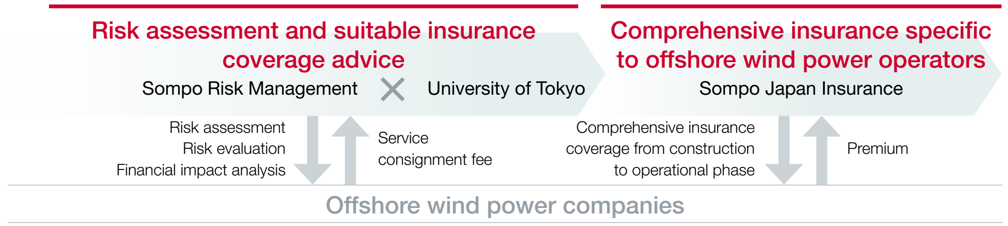
In addition, we calculate GHG emissions in insurance underwriting (Insurance-Associated Emissions) using data* from companies that disclose GHG emissions (Scope 1, 2).

* Calculated by using a method for measuring GHG emissions in the commercial insurance sector developed by Partnership for Carbon Accounting Financials (PCAF) in November 2022

For further details, please refer to Sustainability through Underwriting, Investments and Loans (P. 91–96).

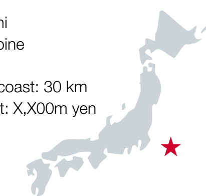
Providing "ONE SOMPO WIND Service" for offshore wind power operators

Sompo Japan Insurance and Sompo Risk Management launched the "ONE SOMPO WIND Service," which provides offshore wind power operators with end-to-end services, including risk assessments ranging from construction work through business operation and comprehensive risk coverage, as part of efforts to promote offshore wind power projects with extremely low carbon dioxide emissions.



Quantitative risk evaluation image

Offshore Choshi
2.5MW x 1 turbine
Class I
Distance from coast: 30 km
Insured amount: X,X00m yen



(Unit: ten thousand yen)

Frequency (years)* \ Risk	Typhoon, waves	Lightning	Electrical/ Mechanical	Lost profit	Total
500	50,700	81,600	57,120	48,960	238,380
200	29,380	64,300	45,010	38,580	177,270
100	21,600	69,910	34,937	29,946	456,393
50	14,400	38,030	26,621	22,818	101,869
20	290	23,890	16,723	14,334	55,237
10	0	15,090	10,563	9,054	34,707

* Index that indicates the frequency of events that exceed a certain scale of damage

Note: Entrusted to Sompo Risk Management, the University of Tokyo collaborated in joint research on risk assessment models.

Evolution of the offshore wind power risk assessment model and its utilization for enhancing insurance underwriting

Sompo Japan Insurance and Sompo Risk Management have evolved our Offshore Wind Power Risk Assessment Model*, developed in May 2016, based on up-to-date information. In particular, based on recent accident data on offshore wind farms in Japan and overseas, the latest academic research results, and other knowledge, we improved the accuracy of risk assessments by updating the frequency of occurrence for the Cable Accident Model and improved the cost parameters for the Charter Cost Model. In addition, we began providing these upgraded risk assessment services for offshore wind power operators that construct and operate multiple offshore wind farms.

* This risk assessment model is a tool for estimating the probability of property damage caused by wind damage, lightning, and mechanical and electrical failures at offshore wind farms, as well as the loss of profit resulting from such property damage. In October 2024, we also launched a risk assessment service for land-based battery storage facilities installed at offshore wind farms.

Climate Change and Nature-related Initiatives

Development of decarbonizing management support service for small and medium-sized enterprises

Sompo Japan Insurance launched a Decarbonizing Management Support Concierge service in December 2024 with the aim of supporting the efforts of small and medium-sized enterprises (SMEs) to decarbonize. The service offers easy-to-use tools and support, including visualization of CO_2 emissions, formulation of GHG emissions reduction plans, and consultations prior to the diagnosis of energy conservation, to help the smooth transition of SMEs to decarbonized management. The background for launching this service includes the planned phased mandatory implementation of SSBJ standard disclosures for listed companies, which is expected to accelerate efforts to measure greenhouse gas emissions across the entire supply chain and reduce emissions. Additionally, large corporations are increasingly requesting cooperation from SMEs regarding emissions measurement and decarbonization initiatives. Sompo Japan Insurance will continue to support SMEs in decarbonizing their management in collaboration with local partners, including local governments, chambers of commerce and industry, and regional financial institutions.

Providing “SOMPO-ZELO”* risk solutions series to support supply chains for hydrogen, ammonia, and other next-generation energy sources

SOMPO Japan Insurance and Sompo Risk Management are advancing the development and provision of insurance and risk management consulting through their risk solution series “SOMPO-ZELO.” This series supports the construction of supply chains for next-generation energy sources, including hydrogen and ammonia, encompassing peripheral technologies such as ammonia-fueled ships. They are contributing to the implementation and stable operation of next-generation energy supply chains. We began providing solutions based on this series in April 2022. In the first phase, we developed Japan’s first insurance dedicated to ammonia transportation, followed by insurance dedicated to hydrogen transportation. In June 2024, trials were conducted on the use of technology to analyze GHG emissions (methane) drawing on satellite imagery.

* The “ZELO” in SOMPO-ZELO stands for “Zero carbon × Logistics.”
Aiming for “net zero (carbon neutrality)” and “zero risk,” SOMPO-ZELO seeks to support the construction of next-generation energy supply chains and their implementation in society by providing dedicated risk solutions designed from scratch (free from preconceived notions).

Announced at COP29: GHG reductions through the use of satellite data

Sompo Japan Insurance is working with Momentick Ltd. to provide insurance products, risk consulting services, and other solutions using methane emissions detection technology based on satellite data. In November 2024, we participated in a seminar hosted by the Ministry of the Environment at the Japan Pavilion at Conference of the Parties to the United Nations Framework Convention on Climate Change (COP29) held in Baku, Azerbaijan. At the seminar, we showcased our efforts to develop and promote insurance products and services that leverage this technology to reduce GHG emissions.

Comprehensive insurance for tidal current (ocean current) power generation to support the uptake of offshore renewable energy

Sompo Japan Insurance and Sompo Risk Management are offering comprehensive insurance for tidal current (ocean current) power generation and risk management services related to offshore renewable energy, with the goal of supporting, from the perspectives of insurance and risk management, initiatives and challenges aimed at practical application of power generation technology using various marine energy sources (ocean currents, tidal currents, etc.).

A service to promote the reuse of solar panels damaged in a natural disaster

Sompo Japan Insurance and Sompo Risk Management have launched an initiative to reuse solar panels damaged by natural disasters that otherwise would have been discarded by referring owners to companies that can reuse and recycle the panels at the time of insurance claim payment.

A rider for rebuilding expenses to cover the cost of rebuilding a damaged home

Sompo Japan Insurance, to respond to the needs of customers who have experienced natural disasters such as typhoons and heavy rains, offers a rider to cover the cost of rebuilding the home, and through this rider, will encourage the spread of housing that complies with energy conservation standards.

Climate Change and Nature-related Initiatives

Initiatives through collaboration with stakeholders

Business partners

Sompo Japan Insurance is working on environmental and sustainability efforts with the entire value chain, in collaboration with all of our business partners. They communicate and ask for cooperation with our stances toward action by sharing the Group Sustainability Vision, Environmental Policy, and Sustainable Procurement Policy with business partners, including contractors that provide waste collection, transport and disposal, as well as printing, logistics, and food services. They also communicate to business partners about our efforts to consider the environment, including proper waste management and a ban on hazardous materials being brought into our buildings, as well as a ban on the use of products of international concern, such as products manufactured through child labor or forced labor, or the use of conflict minerals. Also, in the selection and purchasing of paper, they select suppliers from the perspective of promoting recycled paper, and have established green procurement routes.

Agencies

Cooperating with its agencies nationwide, Sompo Japan Insurance is working to reduce environmental impacts throughout the entire value chain through continuous awareness raising and organizational promotion of environmental protection initiatives in communities. Since 2008, the AIR Auto Club, a national organization of auto body shop agents, has been developing Air eShop 21, a voluntary chain group of auto body shop operators who are actively engaged in environmentally friendly business activities. The Air eShop 21 group has been making efforts to reduce CO_2 emissions by acquiring ISO 14001 certification, an international environmental standard, for all its stores. In addition, each member store of the group has been making efforts to “promote the use of recycled parts” and “reduce the use of electricity,” which are particularly effective in reducing CO_2 emissions in the auto body repair business. It has steadily reduced CO_2 emissions every year, achieving a reduction of approximately 53.68 tons in FY2024. This is equivalent to the amount of CO_2 absorbed by 4,880 beech trees in one year. Meanwhile, the national pro agencies’ organization, JSA Chukakukai, in partnership with the AIR Auto Club, is promoting green procurement using an Internet-based centralized purchasing system. The organizations have a combined membership of 2,500 registered members (as of March 2025). Through social contribution activities rooted at the local level, the agency organizations are acting as points for information dissemination and spreading our efforts to customers nationwide.

Activities and Achievements — Contribute to societal transformation

Development of dedicated insurance for “everiwa Charger Share*”

Sompo Japan Insurance in collaboration with Panasonic, developed a dedicated insurance product for the EV charger-sharing platform, “everiwa Charger Share.” The purpose of this insurance is to cover risks such as property damage, personal injury, and illegal parking that may occur between EV charger hosts and EV users. This initiative aims to boost the prevalence of EVs and help create a sustainable community.

everiwa Charger Share

* “everiwa Charger Share” is a trademark of the Panasonic Holdings Corporation.

Launch of rapid on-site charging service for auto insurance policyholders with electric vehicle battery failure

Sompo Japan Insurance and Prime Assistance have launched a rapid on-site charging service for battery-powered electric vehicles (BEV) for customers in certain regions who have auto insurance policies with Sompo Japan Insurance. Under this service, customers who have taken out Sompo Japan auto insurance with a roadside assistance clause can call for a tow truck for their BEV through the roadside assistance desk and choose to have their vehicle charged on site if desired. If customers choose to have their vehicle charged on site, Prime Assistance arranges for a partner tow truck operator to quickly go to the scene and provide up to 30 minutes of rapid charging free of charge. The service will initially be available in 15 prefectures, primarily in the Kanto and Kansai regions, with plans to gradually expand the service area. By addressing various BEV-related concerns, we aim to contribute to the widespread adoption of electric vehicles in Japan.

Climate Change and Nature-related Initiatives

Contributing to social transitions through collaboration with stakeholders

- Joint research agreement between the University of Tsukuba and Sompo Risk Management on climate change risk assessment.
- Partnership agreement with Weathernews Inc. to create new value and businesses to solve social issues related to climate change and global warming.
- Establishment of Disaster Risk Finance-Industry-Academia Joint Research Division in collaboration with Disaster Prevention Research Institute, Kyoto University.
- Gifu University of Tokai National Higher Education and Research System and Sompo Institute Plus Inc. signed a joint research agreement to study flood risk prediction and social impact and adaptation measures due to climate change and publish their findings. etc.

Initiatives for fostering environmental personnel

- The SOMPO Environment Foundation implements the Public Seminars on the Environment program, and the CSO Learning Program, which provides a seven-month internship experience at a CSO (civil society organization) in the environmental field for university students and graduate students.
- Group executives and staff members engage in volunteer activities, mainly through the SOMPO Chikyu (Earth) Club, a volunteer organization of which they are members.
- To gain more in-depth understanding of environmental issues, we conduct annual sustainability and human rights training (including e-learning) for all Group employees. Training covers topics such as the negative effect of climate change and biodiversity loss on the company and measures to mitigate these issues.

Activities and Achievements Nature-related Initiatives

SAVE JAPAN Project

Overview of the project

Sompo Japan Insurance is collaborating with the Japan NPO Center, regional NPO support centers, and environmental NPOs to conduct community-based biodiversity conservation activities nationwide. These activities are funded in part by the cost savings generated from the customers who opt for web-based policy clauses and web-based insurance policy certificates. This project began in 2011, the year after the adoption of the Aichi Targets at the Tenth Meeting of the Conference of the Parties (COP10) to the Convention on Biological Diversity.

As of the end of March 2025, we have successfully protected more than 300 rare species and engaged over 68,600 participants in a total of 1,157 events held across all 47 prefectures of Japan. Through initiatives we have undertaken for more than 10 years, we work with companies and NPOs together with local residents to create environments where living creatures can thrive. Our efforts have helped create value by raising awareness among participants, strengthening the foundation of environmental organizations, and building networks within the community.

Children learning about the importance of horseshoe crab conservation at the Nakatsu tidal flat wildlife observation event in Oita Prefecture.

Shift in initiatives

With the loss of biodiversity drawing attention as a social issue that is inseparable from climate change, there is growing momentum to address this issue by achieving nature positivity.

Therefore, the SAVE JAPAN Project will evolve its existing initiatives and launch efforts toward the international “30 by 30” goal of conserving over 30% of land and sea by 2030, contributing to the realization of Nature Positive.

Climate Change and Nature-related Initiatives

Comment from a grant recipient

In Oita Prefecture, OITA NPO DESIGN CENTER and NPO Nakatsu Waterfront Consrvation Association Profiles have been carrying out activities at the Nakatsu tidal flats since 2013. This is also a pioneering area in Japan's Ecosystem-based Disaster Risk Reduction (Eco-DRR*1) initiative, in which citizens have built setback embankments through conservation activities. This project includes sessions to observe the tidal flats, initiatives to foster exchanges between researchers and local residents, and ongoing conservation activities encompassing rivers and ponds connected to the tidal flats. As a result, both the Nakatsu tidal flats and the Onashi wetlands—the habitat of the rare bekko tombo dragonfly—have been registered as OECM*2 sites. We believe this achievement is the result of sustained collaboration over the long term. I look forward to making further headway in our collaboration with NPOs nationwide as partners in sustainable regional development.

Keizo Yamashita
Representative Director, Oita NPO Design Center
(Supporting NPO)

Rollout of 100 OECMs Project

The "30 by 30" target—which aims to effectively protect at least 30% of the world's land and sea areas as healthy ecosystems by 2030—was incorporated into the Kunming-Montreal Global Biodiversity Framework (GBF) adopted at the 15th Conference of the Parties (COP15) to the Convention on Biological Diversity. This target has also been included in the National Biodiversity Strategy of Japan 2023–2030, based on cabinet approval. Building on the strong affinity with the P&C insurance business, given that the business also contributes to Japan's Eco-DRR initiative, Sompo Japan Insurance is working to promote OECM*2 sites to help achieve the "30 by 30" target.

We are implementing a project that aims to build disaster-resilient communities by supporting the registration of OECM sites for urban green, forests, and coastal areas owned and managed not only by the Sompo Group, but also by other corporations and local governments. Three areas were certified as Nationally Certified Sustainably Managed Natural Sites by the Ministry of the Environment Japan for FY2024 by the SAVE JAPAN Project.

*1 Ecosystem-based Disaster Risk Reduction (Eco-DRR): Prevention and reduction of disasters by utilizing ecosystems.
*2 Other Effective area-based Conservation Measures (OECM): Areas outside national parks or other protected areas that contribute to biodiversity.

Running "Sompo's Forest"

Sompo Japan Insurance has signed agreements with eight municipalities across Japan with the aim of supporting forest management activities. We run volunteer activities for forest management and environmental education involving people from the community, Group employees, our agencies, and their families. Through the Sompo's Forest initiative, we are communicating information about the relationship between forest conservation and improving disaster resilience, and ultimately building disaster-resilient communities.

Forest management work in Nagano Prefecture (left) and Miyazaki Prefecture (right)

Japan's first compensation scheme for forest-derived carbon credits

Since December 2022, Sompo Japan Insurance has been providing compensation for forest-derived carbon credits*1 for the voluntary credit*2 market, the first initiative of its kind in Japan to reduce GHG emissions with the utilization of natural capital.

With the aim of promoting the introduction of forest credits, this compensation addresses the risk associated with reduced CO_2 absorption in the event that a forest owned by a credit creator is damaged, potentially resulting in the inability to obtain expected credits. Furthermore, Sompo Japan Insurance has contributed to natural capital conservation by participating in the NCCC*3 since its inception, working to create voluntary carbon credits, and winning the "2024 Sustainable Finance Awards"*4 selected by the Research Institute for Environmental Finance (RIEF) in fiscal year 2024.

NCCC
Natural Capital Credit Consortium

*1 A credit that certifies reductions in CO_2 or other greenhouse gases through forest protection, afforestation, and similar activities.
*2 A system that allows companies to issue credits (emission credits) for reductions in CO_2 and other greenhouse gases (amount reduced or absorbed) through forest protection, afforestation, introduction of energy-saving equipment, etc., and to trade them with other companies.
*3 Natural Capital Credit Consortium (NCCC): Chairperson: Professor Shunsuke Managi, Kyushu University
*4 Reference: (press release) 2024 Sustainable Finance Awards Toward the Revitalization of Local Communities in Japan and the Realization of Nature Positivity (Japanese only)

Climate Change and Nature-related Initiatives

Formulating an insurance underwriting scheme for land-based aquaculture through a tie-up with Japan Movable Property Appraisal

Even as global demand grows for marine products and other protein sources, overfishing, global warming, red tides caused by sea farming, and fish diseases have emerged as key social issues related to food and the environment. One way of improving this situation involves focusing attention on closed-cycle land-based aquaculture. Here, Sompo Japan Insurance has established a system for smoothly carrying out risk surveys at the time of underwriting in collaboration with Specified Nonprofit Corporation Nippon Movable Property Appraisal. We will strengthen this collaboration to promote the spread and further development of land-based aquaculture, which is attracting attention as a means of resolving food and environmental issues.

Providing “TNFD Disclosure Support Service (Nature-related Risk Analysis)”

The disclosure of information on natural capital and biodiversity is gaining traction among corporations, and in September 2023, the TNFD released a framework for companies to follow when disclosing such information. Coinciding with the release of the TNFD framework, Sompo Risk Management started providing its own TNFD Information Disclosure Support Service (Nature-related Risk Analysis) in September 2023 in order to assist companies with their efforts to analyze and disclose information about natural capital and biodiversity.

Funding “Sompo Japan Green Open (Buna no Mori)”

Sompo Asset Management manages a fund called Sompo Japan Green Open Fund (Buna no Mori), which it launched in September 1999. The fund invests in companies actively tackling environmental issues, which means that investors can expect their contributions in the fund are indirectly contributing to environmental conservation efforts. As a pioneer in ESG investment in Japan, Sompo Risk Management conducts an environmental management analysis, in which it surveys and evaluates the company’s environmental initiatives, before selecting the stocks to be included in the analysis. In FY2024, to commemorate the 25th anniversary of the start of the fund’s management, we made donations to two NPOs engaged in forest conservation and restoration activities.

AgriSompo

In our overseas business, we are contributing to stable food supply by providing indemnity for crop yield losses brought about by various natural factors, including drought, flood, pests, and diseases, through the crop insurance products of AgriSompo.

For further details, please refer to the section on AgriSompo (P. 116).

Encouraging People to Develop Skills Needed for Environmental Protection

Activities and Achievements Sompo Environment Foundation

Sompo Environment Foundation, based on its philosophy of "Fostering People Who Plant Trees," supports education, human resource development, action and research in conservation and other environmental fields with the goal of contributing to global environmental protection.

Public Seminars on the Environment

The foundation, in collaboration with Sompo Holdings and the Japan Environmental Education Forum, has been running environmental lectures for the public for the last 32 years since 1993. The lectures are geared towards raising an understanding and awareness of environmental issues among citizens so that people can implement concrete actions in their own way. The lectures usually focus on themes of the SDGs and sustainability. Since FY2020, the lectures have been held for free online due to the pandemic, which means people from all over Japan can participate. In FY2024, the overarching theme was "Re-Think Sustainability: Nine Tips for a Fulfilling Lifestyle." In response to the dynamic changes needed to achieve a sustainable society, the series featured nine regular lectures and one extraordinary lecture on considering new "fulfilling" lifestyles from various angles. As of March 2025, a total of 53,600 participants had attended. Also, recordings of the lectures are also provided for the benefit of people who were unable to attend on the day or for people who wish to view the lecture again to deepen their understanding.

Comments from a co-sponsoring partner

I am proud of our work together as co-hosting partners of this pioneering corporate-NGO partnership project since 1993. There is no doubt that the environmental activities of all three of our organizations have grown along with this lecture series. In addition, based on what they learn in the lectures, participants are taking concrete actions to solve environmental problems. That's why I believe these lectures play an important role from the perspective of human resource development. I hope to contribute to the realization of a sustainable society by continuing these lectures into the future as well.

Tatsuhiro Kato
Secretary General, Japan Environmental Education Forum (JEEF)

Comments from participants in FY2024

- To tackle a major issue like global warming, it's important to make people, even hundreds of millions of people, recognize that this issue is their own responsibility and to bring together the impact of every individual's actions to create a vast movement. I felt like this lecture was helpful in achieving that end.
- The lecture was really easy to understand. Even if something came up and I couldn't attend, the fact that registrants could watch a recorded stream for a limited time was very appealing, and helped motivate me to participate.
- As I was listening to the lecture, I could sense how deep the environmental issues were and their future potential as a business.
- The talk was very easy to understand—I was so engrossed in listening that time just flew by.
- Rather than the typical pessimistic and sensationalistic approach to environmental issues, I thought the idea of "enjoying pursuing environmental activities" was really nice.
- I hope Sompo will continue to grow as it seriously addresses increasingly complex environmental issues. If other companies like Sompo emerge, they will compete with one another, which will feed into the creation of a better natural environment.

Grant program for environmental protection projects

Since 1999 the foundation has awarded grants for environmental conservation projects to support groups working on environmental issues. These grants support projects that carry out practical activities and awareness-raising activities in a wide range of environment-related fields, including nature conservation, ecosystem conservation, waste issues, and climate and energy.

Grant program for doctoral course students

Since 2001 the foundation has provided academic research funding for graduate students' costs of writing PhD theses in the humanities and social sciences to support outstanding young researchers who are inspired to write on environmental themes. So far, a total of 122 people have been granted assistance through this program.

Encouraging People to Develop Skills Needed for Environmental Protection

CSO Learning Program

The foundation operates the CSO Learning Program, which provides an eight-month* internship experience at a CSO (Civil Society Organization: a concept that encompasses NPOs and NGOs) in the environmental field for university students and graduate students. Since the program was launched in 2000, we have worked together with CSOs to develop human resources who can contribute to the creation of a sustainable society. Even during the COVID-19 pandemic, online meetings and remote work were adopted to ensure the program continued without interruption, and the program has now run for over 20 years. So far, 1,391 students have completed the program (as of March 2025). Reflecting the foundation's philosophy of "Fostering People Who Plant Trees," graduates are now active as "those who plant trees" in a wide range of fields, including government offices, private companies, and CSOs. In 2019, the program was launched in Jakarta, Indonesia, and to date, six sessions have been held in Jakarta with a total of 127 students completing the program. Local governments and NGOs have high expectations for this program as a training program for new leaders.

* The program has been implemented for seven months from FY2025.


FY2024 CSO Learning Program closing ceremony


Batch 7 kick-off ceremony in Indonesia

Comments from people involved in the CSO Learning Program

I feel like the significance of the CSO Learning Program lies in the opportunity to learn practical knowledge about the environmental field and to consider a career in this field. My work with residents and people from other sectors to organize events and carry out tasks gave concrete form to what had been a vague interest in environmental issues and to the way I approach my work, and I was able to get clarity about my career goals. Because there are host organizations throughout Japan, I was also able to work with people I would've never met if I hadn't participated in the program. I hope to draw on these connections in whatever I do going forward.

Yuna Daido
(FY2023 Intern, KIKO Network)

As a staff member of Japan's Ministry of the Environment, I have been engaged in work such as conservation of rare wildlife, protection and management of birds and animals, and mainstreaming of biodiversity. I participated in the CSO Learning Program when I was a senior at university and learned the importance and difficulties of carrying out various environmental initiatives from the perspective of an NGO or NPO. I feel that this was a very important experience for me in my current job as an administrative officer, in which I have to build consensus among stakeholders. I'm still in contact with my peers whom I met through the program more than a decade ago, and we remain close colleagues who continue to take on new challenges together.

Shunichiro Toya
Deputy Director/Office for Mainstreaming Biodiversity, Biodiversity Policy Division, Nature Conservation Bureau, Ministry of the Environment, Japan* (FY2011 internship graduate)

* As of June 2024

Our interns gain experience on the frontlines of environmental conservation activities, and it's actually an exciting and valuable opportunity for the staff of WWF Japan as well. I am always amazed by the students' dedication and energy, such as the spirit with which they carry out even the humblest tasks, such as data analysis, with precision, the creation of excellent ideas that our staff would never have thought of, and the sense of responsibility they feel in taking on everything from planning to running a seminar. It is a truly wonderful program that also provides a training opportunity for the organization.

Tomonori Watanabe
Head of the Brand Communication Office, WWF Japan (CSO where interns are placed)

The SOMPO NGO Learning Internships Program, now in its seventh year, shows a commitment to environmental conservation and societal betterment. Its social significance lies in nurturing over 100 graduates, who are already contributing to environmental initiatives, indicating its success as more than just an educational program but a trigger for real-world environmental action. Through this program, the SOMPO group is playing a vital role in fostering young talent. We look forward to the continued success of this program, hoping it will produce many more leaders in the future.

Ms. Jo Kumala Dewi
Head of Environmental Generation Development Center, Ministry of Environment, Indonesia

Encouraging People to Develop Skills Needed for Environmental Protection

External recognition

Recipient of 18th Shinjuku Ward FY2024 Eco One Grand Prix Award

This program, organized by Shinjuku Ward in Tokyo (the location of our head office), recognizes initiatives that contribute to the realization of a zero-carbon city and the achievement of the SDGs, and that positively impact the environment and society in Shinjuku Ward. Our initiative—"connect with customers and cultivate environmental personnel"—received the Excellence Prize in the Environmentally Friendly Business category.

The award was strong recognition of the initiatives we have been pursuing in Shinjuku Ward for more than 20 years, including our open lectures on the environment for residents, the CSO Learning Program, and the Shinjuku Ward Green Path Environment Diary.

Awarded the Minister of the Environment Awards for Climate Action FY2023

Sponsored by the Ministry of the Environment, this award recognizes organizations that have made outstanding achievements in mitigating and adapting to climate change. The Sompo Environment Foundation received the award in the dissemination and promotion category for two initiatives addressing climate change: Public Seminars on the Environment and the CSO Learning Program in Indonesia.

Awarded the ESD* Activity Award for activities to create a sustainable society in FY2023

Under the auspices of the Ministry of the Environment, the Ecological Life and Culture Organization recognizes outstanding organizations that are engaged in environmental education, biodiversity conservation, and other activities that nurture the leaders of a sustainable society. The Sompo Environment Foundation was awarded the ESD Activity Award for its efforts to foster environmental talent in the youth generation through the CSO Learning Program.

* ESD: Education for Sustainable Development

Respect for Human Beings

Concept and Policy: Essential initiatives in pursuit of SOMPO's Purpose

The Sompo Group has established Integrity, Self-motivation, and Diversity as important values to be shared by all executives and employees under the Purpose of "For a future of health, wellbeing and financial protection."

In all of its global business activities, the Group is blessed with opportunities to collaborate with a wide range of stakeholders and rights holders. In this context, the Group aims to practice respect for human beings based on these values.

We recognize that promoting actions based on these values together with our stakeholders and rights holders will deepen our commitment to respect for human beings and eventually lead to the realization of SOMPO's Purpose.

Based on this recognition, we aim to promote our Group Policy for Human Rights in collaboration with all executives and employees, as well as with our partners, including business partners, collaborators, and contractors.

In order to promote understanding of and action toward this policy, we conduct a variety of educational and awareness-raising activities on a daily basis, and enhance the effectiveness of these activities through verification of their effectiveness.

Group Policy for Human Rights

We, the Sompo Group pledge to respect human rights of our all stakeholders in global markets including our group and all value chains. We will respect the international norms of behavior*, and simultaneously act with the highest ethical standards towards an inclusive, resilient, equitable and sustainable society.

Based on the perspectives set out below, we will address the human rights impacts of our activities while communicating with our stakeholders, establish an effective company approach and act, and continuously improve our approach and information disclosure. We respect human dignity as the foundation of universal human rights.

1. **Respecting human rights of stakeholders**
   We will respect human rights of all stakeholders associated with our global business activities, including customers and suppliers.
   We will avoid, prevent or mitigate adverse impact on human rights of our stakeholders. Should there be any abuse of human rights, we will address it promptly and adequately.
2. **Respecting human rights of employees**
   In all facets of labour practices, we will not discriminate on the basis of race, color, ethnic origin, religion, creed, nationality, birthplace, social status, descent, gender, sexual orientation, gender identity, sexual expression, pregnancy, marital status, age, disability or any other status.
   We, as a company, will take a global perspective, recognize individuality and inclusion, respect every employee's challenging spirit and speedy action, and ensure a dynamic working environment by maintaining and promoting every employee's health.
3. **Promotion of human rights in global markets**
   We will comply with the laws and regulations of the countries and regions where our business operations and value chains are based. At the same time, we will conduct our business by taking into consideration the local culture and customs, as well as the environment and society in accordance with the expectations of stakeholders, and take into account local human rights issues. We will conduct the highly transparent business and contribute toward economic and social development and creation of social values of local communities.
4. **Expectations for suppliers and business partners**
   Our requirement for suppliers, business partners and other stakeholders is to respect human rights based upon the international norms of behavior. In the event that we identify any adverse impacts of human rights, we will encourage them to take appropriate measures through engagement such as dialogue and consultation.
5. **Human rights due diligence**
   We will continuously establish a system of human rights due diligence to identify and assess any actual or potential human rights risk in order to prevent or mitigate these adverse impacts on human rights the Sompo Group may cause or contribute to.

This policy does not necessarily replace local laws and regulations. We will actively engage in this policy while complying with local laws and regulations.

* International norms of behavior refers to the guidelines on human rights including the Universal Declaration of Human Rights, International Covenants on Human Rights(International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights), ILO International Labor Standards, The United Nations Guiding Principles on Business and Human Rights known as "Ruggie Framework," Sustainable Development Goals, The United Nations Global Compact, Women's Empowerment Principles (WEPs), The OECD Guidelines for Multinational Enterprises and ISO26000.

Group Sustainable Procurement Policy

The Sompo group conducts procurement based on the Group CSR Procurement Policy, ensuring consideration for human rights among our business partners and collaborators while striving to prevent violations. We engage in fair and equitable transactions with all suppliers.

For further details, please refer to Group Sustainable Procurement Policy (P.58).

Sustainability-related Policy for Underwriting, Investments and Loans

The Sompo Group see sustainability as a long-term driver of value, and we rely on insights gained from SOMPO's Purpose to guide our underwriting, investment, and business decision-making.

For further details, please refer to Sustainability-related Policy for Underwriting, Investments and Loans (P.58–59).

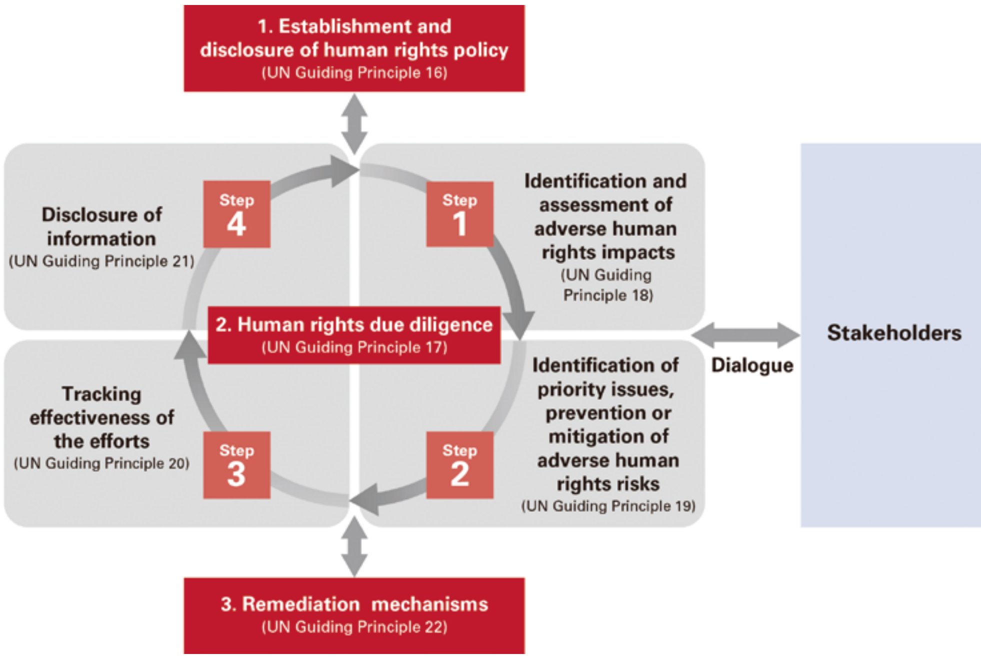
To Our Stakeholders
Main Section
Sustainability Section
Introduction
Governance
Environment
Society
Respect for Human Beings
Business and Human Rights
Inclusion & Engagement
Talent Development
Wellness Management
Feature | Value creation initiatives based on My Purpose
Financial Inclusion
Disaster Prevention and Mitigation (Improving Society's Resilience to Natural Disasters)
Contributing to a Safe and Secure Mobility Society
Extending Healthy Life Expectancy
Contributing to a Sustainable Social Security System
Improving the Quality of Customer Services
Corporate Citizenship Activities
Initiatives of Supporting Activities and Research in Social Welfare
Contributing to Community through the Arts and Culture
Data
Financial and Corporate Data Section

Business and Human Rights

Structure Overall picture of business and human rights initiatives

In order to fulfill our responsibility to respect human rights, the Group recognizes that it is important to make efforts in business and human rights based on international standards in accordance with the International Guiding Principles. Specifically, we are working on: 1. Establishment and disclosure of human rights policy; 2. Human rights due diligence ("Human rights DD"); 3. Remediation mechanisms (in cases where our company causes, contributes, or directly linked to adverse human rights impacts).

We will engage in dialogue with stakeholders to understand their expectations and drive our initiatives forward based on those.



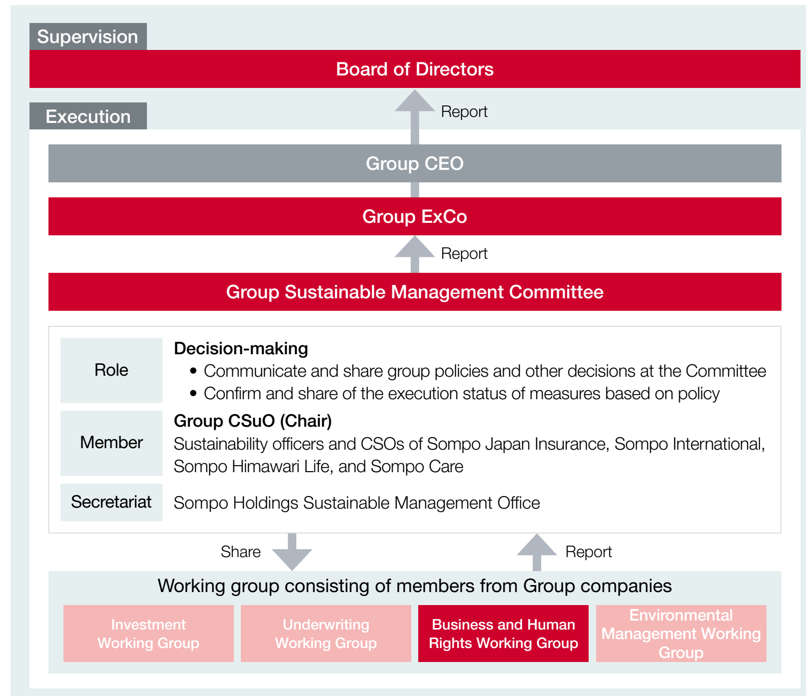
Created with reference to the Ministry of Economy Japan Trade and Industry's "Reference Material on Practical Approaches for Business Enterprises to Respect Human Rights in Responsible Supply Chains"

Structure Structure

In order to promote appropriate measures for sustainability, the Sompo Group has established a promotion system led by the Group Sustainable Management Promotion Committee to strengthen our efforts in business and human rights. A Business and Human Rights Working Group has been established under the Committee, with the Sustainable Management Office serving as the secretariat, and a working group consisting of members from 26 Group companies has been organized to create an effective system.

For the current fiscal year, the secretariat is engaged in individual dialogues with 25 domestic Group companies to assist them in identifying human rights risks and selecting priority issues tailored to each company's specific business characteristics. In addition, we are also checking the status of each company's promotion system for business and human rights, as well as its corrective measures and remedial response system in the event of adverse human rights impacts.

As the next step, the status of initiatives across Group companies will be shared among Working Group members to continuously enhance awareness and knowledge of business and human rights. Concurrently, the secretariat will drive the continuous promotion of business and human rights initiatives by monitoring each company's progress on its priority issues.



Business and Human Rights

Concept and Policy 1. Establishment and disclosure of human rights policy

The Sompo Group recognizes that all business activities in the global marketplace have the potential to adversely impact human rights. In recognition of this, we have supported the United Nations Global Compact since 2006 and respect international norms on human rights, including the ILO Declaration on Fundamental Principles and Rights at Work. In addition to respect for these international norms, the Group Policy for Human Rights, which is independently established by the Group and shared by all executives and employees, is also an important guideline for us and is valued in all our business activities.

The Group does not tolerate any form of forced labor, trafficking in persons, child labor, discrimination or harassment related to employment and occupation (sexual harassment, power harassment, customer harassment, etc.), or any conduct that undermines human dignity. We also respect basic human rights such as freedom of association and the right to collective bargaining, a safe and healthy working environment, gender equality, and women's rights, while complying with applicable laws and regulations.

In order to establish sound labor practices, we also promote the payment of an appropriate living wage, equal remuneration for men and women, avoidance or reduction of overtime and excessive working hours, the establishment of clear maximum working hours, and the use of annual paid leave in accordance with Health and Productivity Management Strategy. When dismissing workers, we will comply with the Labor Standards Act*[1], Labor Contract Act*[2], and other relevant laws and regulations to ensure employment stability and livelihood security, and will respond appropriately. We aim to promote these ideas and policies in collaboration with all directors and employees, as well as with our partners such as business partners, collaborators, suppliers and contractors.

For further details on each labor practice, please refer to the following:

Group Policy for Human Rights (P.126)
Complying with occupational health and safety rules (P.146)
Excessive working hours and mental health issues (P.146)
ESG Data

*1 Rules regarding dismissal and termination of employment (in Japanese):
https://www.mhlw.go.jp/stf/houdou/2r98520000014uzs-att/2r9852000001dhat.pdf

*2 Laws and regulations regarding labor contracts (conclusion of contracts, changes in working conditions, dismissal, etc.)—rules (in Japanese):
https://www.mhlw.go.jp/stf/seisakunitsuite/bunya/koyou_roudou/roudoukijun/keiyaku/index.html

Structure Activities and Achievements 2. Human rights due diligence

In accordance with the UN Guiding Principles on Business and Human Rights, the Group has established a human rights due diligence (human rights DD) framework for identifying, preventing, mitigating, implementing appropriate measures, and disclosing information on risks that adversely impact human rights with the following four steps.

- Step 1: Identification and assessment of adverse human rights impacts (Risk assessment)
- Step 2: Identification of priority issues, prevention or mitigation of adverse human rights risks
- Step 3: Tracking effectiveness of the efforts (Monitoring)
- Step 4: Disclosure of information

Step 1 Identification and assessment of adverse human rights impacts (Risk assessment)

The Group identifies potential adverse impacts of its business activities on human rights, and identifies and evaluates priority issues, utilizing the Enterprise Risk Management (ERM) framework and referring to international codes of conduct and guidelines.

In identifying the adverse impacts, we also examine Sompo's human rights risks, including those in its supply chain, such as its agents and investment and loan destinations.

For further details on human rights risk assessment, please refer to Respect for Human Beings.

Business and Human Rights

2. Human Rights Due Diligence

Step 1 Identification and assessment of adverse human rights impacts (Risk assessment)

Sompo's human rights risks

The Group recognizes that the scope and breadth of human rights evolve with the times. Therefore, we regularly engage in dialogues with experts to identify potential human rights risks (new human rights risks that should be extracted) that would be difficult to identify solely within our own group. In assessing human rights risks for fiscal 2025, we have identified risks related to the adverse impacts of climate change on human rights.

Human rights risk map for FY2025

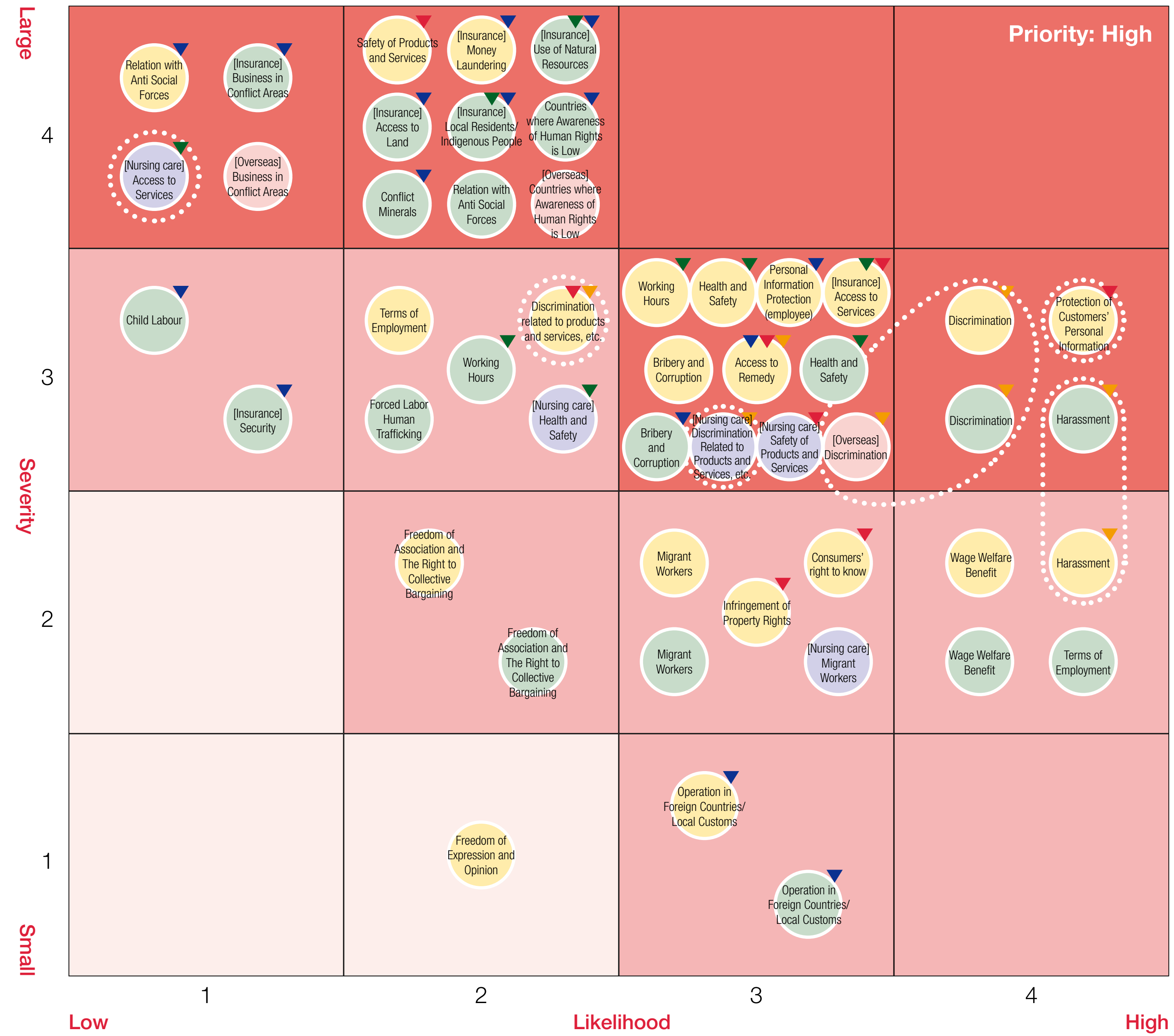
Based on the risk assessment conducted for the entire the Group and reflecting the opinions of external experts on human rights, we create a human rights risk map once a year, using Severity*1 and Likelihood of Occurrence*2 as the evaluation axes.

We also consider the relationship between our company and human rights risks (individual or collective) and the distance between our company and human rights risks (cause, contribute, or directly linked), and organize adverse impacts from multiple perspectives.

*1 Evaluated based on scale (gravity of the adverse human rights impact), scope (scope of the adverse impact), and irremediability (difficulty of restoring to the situation equivalent to the situation before the impact).

*2 Evaluated based on the likelihood (frequency) of the risk actually occurring, i.e., "whether it occurs approximately once every n years."

- Risks related to own operations (including insurance agencies)
- Risks related to investment and loan, insurance underwriting, value chains, and supply chains
- Risks related to nursing care business
- Risks related to overseas insurance and reinsurance business
- Risks affecting local residents indigenous people and children
- Risks affecting customers (including elderly people/person with disabilities)
- Risks affecting women
- Risks related to climate change



Business and Human Rights

2. Human Rights Due Diligence

Step 2 Identification of priority issues, prevention or mitigation of adverse human rights risks

From the human rights risk map, we designate issues with high severity and high likelihood of occurrence as priorities for action.

In fiscal year 2025, we have newly prioritized Access to Services as a key issue. This encompasses risks that could infringe upon customers' right to access services, specifically those arising from the occurrence of natural disasters due to climate change, pandemics, or system failures, and also from business suspension or stagnation due to factors such as labor shortages.

* Money Laundering and Transparency (tax avoidance), Business in Conflict Countries, and Migrant Labor (including foreign workers), which were prioritized issues for FY2024, have not been prioritized this fiscal year because the likelihood of their occurrence has been reduced.

Priority issues and prevention or mitigation initiative

Stakeholders			Priority issues	Main initiatives
Customers	Employees	Employees in the supply chain		
	●	●	Harassment	• Regularly disseminate news and conduct training as employee inappropriate behavior • Conduct training for the supply chain
	●	●	Workplace Discrimination	• Having employees confirm and sign codes of conduct/ethics • Preventing workplace harassment with mandatory compliance training • Ensuring employees read the handbook regarding the specific circumstances of each country
●			Inappropriate Disclosure of Customer Private Data or Privacy Violations	• Raising awareness mainly through operations-related accident training and compliance training • Raising awareness of cyber risks through targeted attack e-mail training and other measures
●			Access to Services (nursing care: ensuring continuity of assistance provision)	• Conduct emergency drills with residents (once a year) • Prepare and disseminate BCP manual
●			Discrimination Related to Products and Services	• Promoting awareness among employees of the management philosophy of respecting humanity (by way of communication from the management team) (Nursing Care) • Implementing training for employees on the topic of preventing accidents and abuse (Nursing Care)

Prevention or mitigation initiatives

The Group is promoting company-wide efforts related to business and human rights.

Since Group employees have many opportunities to come into contact with customers, suppliers, local communities, and other stakeholders and rights holders in their daily work, we believe that a deep understanding of the essence of respect for human rights by each and every employee will lead to concrete actions to put it into practice on a daily basis.

In order to promote employees' understanding and put it into practice, we continuously hold study sessions and training sessions by job level.

• Study sessions by external lecturers for the Group executives and employees

Two study sessions were held in April and May 2025 for members of the Business and Human Rights Working Group (WG) of each group company, inviting outside lecturers. The first session was held in an interactive format to deepen participants' basic knowledge and understanding of business and human rights. In the second session, group work was conducted based on case studies, and participants actively exchanged opinions on human rights from their respective perspectives. The lecturer's message that "there is no single answer to business and human rights" provided participants with an opportunity to view human rights from various perspectives through spontaneous presentations and free thinking. Additionally, participants had the image of their ideal self they aimed to achieve after this study session before attending using a questionnaire. This provided an opportunity for them to approach business and human rights with a stronger sense of ownership and translate them into concrete actions.

Business and Human Rights

2. Human Rights Due Diligence

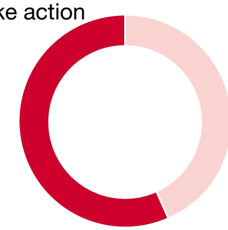
Step 2 Identification of priority issues, prevention or mitigation of adverse human rights risks

• Questionnaire for participants

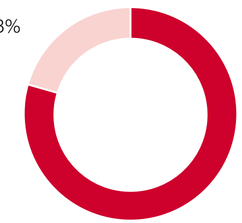
A questionnaire of participants prior to the implementation of this study session confirmed that they were aware of human rights violation risks such as harassment, discrimination, and excessive working hours, and that training was in fact being implemented as a prevention and mitigation measure. It was also found that the reason for working on prevention and mitigation of human rights risks is to avoid or reduce corporate social responsibility and reputational risks.

In the post-study session questionnaire, participants were asked to select the following items regarding their change in status after participating in the training: (1) understood the training, including the background, and (2) could take action (could hold study sessions, conduct risk assessments, and explain their company's initiatives). As a result, 43.6% of the respondents answered Understood and 56.4% answered Able to take action. We believe that the fact that the group work was closer in content to practical operations was a major factor in the participants' change in behavior. We will continue to conduct training and study sessions because correct understanding and actions by each person in charge are indispensable for the promotion and establishment of Group-wide initiatives on business and human rights.

Q. What is your current level of understanding after participating in the study session?



Q. Would you like to continue having ongoing training/study sessions?



Comments from participants

- Gaining information from the study session was a valuable outcome. By rereading the materials and conducting my own research, I've come to understand the background of addressing business and human rights. I feel it's challenging to share this initiative with colleagues and to continue practicing while consistently devising effective measures to comprehensively address adverse impacts. I believe that repeated learning and confirmation with my colleagues will be necessary.
- I realized that I did not have much understanding or awareness of human rights until I attended this workshop. I felt a strong desire to take ownership of human rights issues, treating them as my own responsibility rather than someone else's. This includes not only ensuring I do not infringe upon them myself, but also being mindful of human rights perspectives concerning those around me and with whom I am involved.
- We recognized that attitudes toward human rights have changed significantly and that we must respond with speed.
- I felt that by correctly recognizing what human rights risks are, awareness and handling within the company will change. I could feel that it is also necessary to have imagination to imagine that even matters that are often thought to be irrelevant to the company can have adverse impacts.

Comments from the lecturer

The purpose of this study session was going beyond a one-off workshop to encourage each participant to fully take ownership and to trigger behavioral change toward respecting human rights. At first, participants seemed to feel that human rights were something distant. But as they start putting themselves in the position of rights-holders and discussed—in their own words—what they wanted to achieve or could achieve through their business, we observed them gradually recognizing their role to promote responsible business practice. Looking ahead, we hope that these behavioral changes will help pass on the awareness and practice of respecting human rights—from top management to business staff, and from business staff to suppliers—thus strengthening the company's and the entire value chain's capacity to respond.

Mr. Ryusuke Tanaka
Programme Officer, International Labour Organization (ILO) Office for Japan

Business and Human Rights

2. Human Rights Due Diligence

Step 2 Identification of priority issues, prevention or mitigation of adverse human rights risks

• Human rights awareness training for all executives and employees

Every year, the Group conducts Sustainability and Human Rights Training (including e-Learning) for all executives and employees with the aim of deepening mutual understanding among employees based on respect for human beings and creating a rewarding, comfortable, lively, and energetic workplace.

In this training, participants learn about Group Policy for Human Rights and an overview of business and human rights, as well as a wide range of human rights issues reflecting social issues, such as normalization, LGBTQ+, harassment, foreign residents, and the SDGs.

• Study session for all executives

To improve the knowledge of all executives on business and human rights, a study session was held by inviting outside experts. The study session provided an opportunity to understand current trends in business and human rights, starting from the essence of a company's responsibility to respect human rights.

• Distribution of the Request for Your Consideration of Human Rights document

Sompo Japan asks business partners to give consideration to human rights. This is because our Group Policy for Human Rights and Group Sustainable Procurement Policy clearly state our commitment to human rights throughout the value chain.

• Establishment of customer harassment response system

We believe that it is important to create a workplace environment in which employees can work in a safe and healthy manner, both mentally and physically, and that protecting each and every employee from acts that may be considered customer harassment is necessary to ensure the continued provision of high quality services to our customers. Each group company is provided with materials on how to respond to customer harassment, with reference to the Manual on Customer Harassment Prevention for Corporations published by the Ministry of Health, Labour and Welfare in Japan.

As for measures at each group company, for example, Sompo Japan has been promoting efforts such as publicizing its Policy on Customer Harassment, providing education and training for employees, and establishing a consultation and reporting system for employees.

• Initiatives to protect the health and peace of mind of our customers through personal accident insurance products

Sompo Japan's "THE Karada no Hoken," a comprehensive personal accident and income insurance policy, provides coverage for medical expenses incurred due to heatstroke as a standard feature. This initiative is featured on the Ministry of the Environment's Website Heat Illness Prevention Information as a private-sector contribution to heatstroke prevention and mitigation. Given the Ministry of Health, Labour and Welfare's mandate for companies to implement heatstroke countermeasures, which took effect in June 2025, the significance of securing insurance to mitigate heatstroke risks has grown considerably. Sompo Japan will continue to contribute to solving social issues through insurance.

• Promoting food assistance to socially vulnerable groups through insurance products

Sompo Japan supports the activities of food banks, which provide free food to the needy, welfare facilities, and children's cafeterias. In order to further support this food bank activity, we will start selling "Food Bank Activity Insurance" in October 2025, based on the amount of food handled. By purchasing this insurance, food banks are compensated in the event that they are legally liable for damages due to defects in their activities or in the storage of food. This will enable donors to donate food with peace of mind, and is expected to further expand the circle of food assistance.

Business and Human Rights

2. Human Rights Due Diligence

Step 3 Tracking effectiveness of the efforts (Monitoring)

Survey on initiatives for respecting human rights

Through human rights risk assessment, we identify potential human rights risks and identify priority issues. The effectiveness of the identified priority issues and countermeasures is confirmed through ongoing follow-up surveys (Monitoring). In particular, we are continuously monitoring and improving our response to priority issues related to adverse impacts on human rights that were identified in the previous year.

• Initiatives for deterrence and prevention of harassment incidents

In order to build a healthy work environment free from harassment, the Group considers the deterrence and prevention of harassment as a key management priority. To realize this goal, we have set the year-on-year reduction of the number of substantiated cases of harassment as a primary KPI. Since FY2024, we have been focusing on the following initiatives to strengthen both prevention and appropriate responses when cases occur. Although the number of reports has remained flat, we recognize that employees' awareness of human rights and sensitivity to workplace conditions are increasing, as seen in earlier consultations and more third-party reporting. For incidents that have occurred, we take appropriate measures based on the facts and circumstances of each case.

For further details, please refer to Human Resource Strategy/Group-Wide Framework, KPIs (P.34).

- Through the Group Common Competencies, which were formulated based on SOMPO's Values (Integrity, Self-motivation and Diversity), we encourage behaviors such as respecting others, active listening, and constructive dialogue. By integrating these perspectives into our evaluation system and promoting daily behavioral change, we seek to foster a corporate culture that prevents harassment.

For further details, please refer to Human Resource Strategy/Transform the Corporate Culture (P.33).

- We have revised the standards for the appointment of directors and established new criteria for the appointment of managerial positions, clarifying that employees with harassment-related concerns will not be appointed.
- We have updated the Guidance on the compliance code of conduct, an explanatory guidebook for the Sompo Group Compliance Code of Conduct, to promote a zero-tolerance policy for all forms of harassment, through behavioral examples, and to clearly indicate the consultation channels available when concerns or issues are identified, with aims to foster an environment where employees feel comfortable with seeking advice.

For further details, please refer to Sompo Group Compliance Code of Conduct.

- We have revised our disciplinary rules to more clearly define specific types of inappropriate conduct subject to disciplinary action, as well as the methods of discipline, thereby fostering greater employee awareness.
- We have updated our anti-harassment training for managers to strengthen their awareness of harassment prevention and enhance their ability to respond appropriately.

• Inappropriate disclosure of customer private data or privacy violations

We recognize that Inappropriate Disclosure of Customer Private Data or Privacy Violations is an issue of extremely high priority from the perspective of human rights and compliance. To address this issue, we conduct periodic mandatory training to improve the knowledge and awareness of employees and the organization as a whole.

The training session classifies types of accidents that may occur, and aims to improve knowledge and awareness through self-learning and organizational learning. In the event of an information leakage incident, we respond based on specific rules that define a series of steps, including the response flow, formulation of preventive measures, and confirmation that the measures have been implemented.

• Insurance underwriting, investment and loan initiatives

We have established a Sustainability-related Policy for Underwriting, Investments and Loans and are working to reduce and prevent any adverse impact that underwriting, investment, and loans may have on human rights.

For further details, please refer to Sustainability through Underwriting, Investments and Loans (P.91–96).

• Excessive working hours

In the fiscal year 2025 risk assessment, we also identified the risk of Excessive working hours for employees and supply chain workers. All affected organizations are developing and implementing measures to mitigate the risk of excessive working hours.

For further details, please refer to Wellness Management/Excessive working hours and mental health issues (P.146).

Business and Human Rights

2. Human Rights Due Diligence

Step 3 Tracking effectiveness of the efforts (Monitoring)

• Migrant workers – Supporting the active role of foreign employees

At Sompo Care, we also employ personnel from overseas as key contributors to our nursing care services, enabling them to fully bring out their abilities.

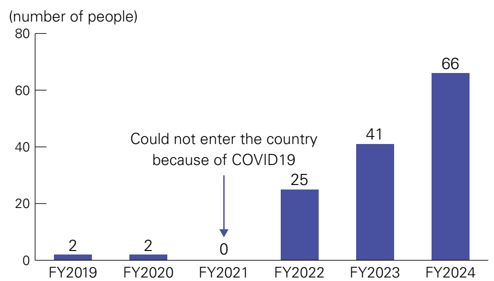
To ensure that employees from abroad can work and grow with confidence, we provide an initial orientation program (a 15-day group training) and first-year training after arrival in Japan. These programs aim to foster mutual understanding of cultures and customs, while preventing discrimination and harassment. In addition to improving job-related skills, the training also offers practical support for daily life in Japan, such as guidance on using public transportation and navigation apps.

Following assignment to a workplace, we continue to provide on-the-job and follow-up training, along with ongoing support for Japanese language learning and professional certification. Through these efforts, we are building a work environment where overseas personnel can enhance their expertise, and where individuals with diverse backgrounds can grow together.

Comments from participants

- I was able to learn about Japanese culture in addition to Japanese nursing care skills. I would like to use this to communicate smoothly in the workplace.
- Teamwork is essential to achieving goals. I learned the importance of respecting each other's opinions and working together.
- I learned to understand the feelings of users, treat them kindly with a smile, and support their independence by encouraging them to do what they can on their own.
- For the safety and security of users, we must never resort to physical restraints or abuse. We should always put ourselves in the users' position.

Number of foreign employees accepted




Initial orientation program

Column Chinese Students from Aomori University Tokyo Campus Visit Future Care Lab in Japan

In July 2025, Sompo Care conducted a tour of the Future Care Lab in Japan for Chinese students from the Faculty of Sociology at Aomori University, providing an overview of the Nursing Care business and technologies envisioned for nursing care in 2030. This was a valuable opportunity for us to communicate our ongoing efforts to realize a society in which the elderly can live independently and with dignity by solving issues associated with an aging society.

Comments from students

- We have learned that by connecting Nursing Care and Technology, we can provide high-quality, efficient care services.
- I saw ingenuity in every aspect of the facilities, with careful thought given to the lives of the users.
- I was impressed by the practicality of the robot that carries the side table. I think it is an ideal support device for compact living spaces that not only reduces the burden on caregivers but also supports the elderly.
- From the standpoint of those who need care, I believe that technology can provide a convenient living environment for many people.
- I was impressed by the site where technology realizes Human-supportive Care.

Step 4 Disclosure of information

In line with Group Policy for Human Rights, we report on the progress of initiatives to address adverse impacts on human rights on our website and in our sustainability report. We also disclose our position on the UK Modern Slavery Act on our website. Through this type of communication, we are reviewing and improving our assessment process.

Respect for Human Beings
Our Response to the Modern Slavery Act
Modern Slavery Act Policy and Statement

Business and Human Rights

Structure | Activities and Achievements

3. Remediation Mechanisms

We recognize that the Group's business activities may have an adverse impact on human rights and that we are responsible for mitigating such impacts and providing appropriate remedies. To fulfill this responsibility, in addition to our existing whistleblower system, we have established a system to receive a wide range of complaints, consultations, and opinions regarding human rights from a diverse range of stakeholders and rights holders. We ensure the anonymity of whistleblowers and consultants, take the utmost care in handling information, and strive to protect whistleblowers, consultants, and stakeholders and rights holders from any disadvantage. In the future, the Group will continue its efforts to further improve access to remedies, to make the internal whistleblower hotline known to all employees, and to enhance the knowledge of the staff in charge of the hotline. In addition, we will promote collaboration with stakeholders and rights holders to build a more effective grievance mechanism.

Receiving and addressing feedback and complaints

Sompo Japan regards customer dissatisfaction with the Group's overall business activities as a complaint. We take complaints received from customers seriously and promote initiatives to improve our operations, products, and services by compiling and analyzing the trends and details of such complaints.

Reporting and consultation system from employee and corrective measures

In addition to a reporting and consultation service for general compliance issues, the Group has established a human rights consultation service to provide individual consultation by phone or e-mail in order to quickly identify information on harassment, bullying, harassment, and other problematic behavior in the workplace and build a comfortable working environment.

If any of the reports or consultations received raise concerns or problems that are suspected to be in violation of laws and regulations, internal rules, or the spirit of the Sompo Group Compliance Code of Conduct, the Company will conduct an investigation in a strict and fair manner.

In cases where violations of laws, regulations, the code of conduct, or other internal regulations are confirmed, the Group implements corrective measures, such as disciplinary action, against the violators in accordance with the standards and requirements stipulated in employment contracts and employment regulations.

For further details, please refer to Human Resource Strategy/Group-Wide Framework, KPIs (P.34).

Details of each reporting system

- System to Utilize Voice of Customer (VOC) in Management (in Japanese)
- Complaints Received (in Japanese)
- Whistle-blowing and Consultation System
- Sompo Group Compliance Code of Conduct

Inclusion & Engagement

Concept and Policy — The Sompo Group's Inclusion & Engagement vision

We promote Inclusion & Engagement as one of the key initiatives essential to the Group's growth from the perspectives of employees, the company, and society. The employee perspective is to foster a corporate culture that respects individual differences, encourages dialogue, and increases employee pride and job satisfaction, thereby supporting their growth. The company's perspective is to encourage diverse individuals to play an active role in better decision-making, thereby improving value creation and resilience. The social perspective aims to create a workplace and a society in which all people can play an active role with confidence.

To embody SOMPO's Purpose — a future of health, wellbeing and financial protection — we will respect the values of each and every employee, regardless of gender, disability, nationality, or age. We will engage in dialogue and make the most of our talents and strengths. We will stay ahead of change to create new value. In this way, we will put true Inclusion & Engagement into practice.

Activities and Achievements — Initiatives to promote Inclusion & Engagement

Close the gender gap

We implement training programs and workshops to promote self-directed career development in each company and across the Group. In this way, we create an environment and culture that supports women's career advancement.

Initiatives to foster female students in science and engineering fields

We participate in the Girls Meet STEM Project launched by the Yamada Shintaro D&I Foundation, with the aim of eliminating gender gaps in the fields of science, technology, engineering, and mathematics (STEM).

As part of the Girls Meet STEM Project, the Sompo Group participated in Girls Meet STEM Career, an initiative aimed at spark interest among female junior high and high school students in STEM fields through conversations with women working in STEM fields and through workplace experience. In 2024, we hosted hands-on office tours and held online roundtable discussions.

Empowering people with disabilities

The Group is committed to promoting the employment of people with disabilities, aiming to provide stable opportunities for them to demonstrate their abilities and achieve self-fulfillment in their professional lives, while also advancing Inclusion and Engagement through their active participation. As of April 1, 2025, our employment rate for people with disabilities stands at 2.61%, exceeding the statutory requirement of 2.5%.

Sompo Japan has developed a manual for executives and managers and has also deployed employment counselors for people with disabilities nationwide. Sompo Japan has established a system to support employees with disabilities and create a comfortable workplace.

Sompo Challenged, a special subsidiary, empowers people with disabilities

In April 2018, we established a special subsidiary, Sompo Challenged, to promote the active participation of people with disabilities across the Group and to create an environment where people with disabilities can actively work. Since December 2023, Sompo Holdings and Sompo Challenged have been working together to recruit, retain, and promote the active participation of people with disabilities in all Group companies (Number of employees: 259 (including 170 employees with disabilities) *As of April 2025).

* A special subsidiary is a company that pays special attention to the employment of people with disabilities and must meet the requirements specified in the Employment Promotion of People with Disabilities Act and be certified by the Japanese Minister of Health, Labor and Welfare.

Inclusion & Engagement

Training program for top management of group companies

To promote the employment and active participation of people with disabilities across the Group, we held observation training sessions for Group company CEOs and directors and executive officers in charge of human resources, including a tour of the Sompo Challenged office.

In fiscal year 2024, we held individual sessions for a total of 10 Group companies. By holding this training individually for each company, we carefully observed the actual own business areas where people with disabilities are active, engaging in questions and dialogue. After each observation, participants, Sompo Challenged Inc., and our company actively exchanged opinions on the challenges and further potential for promoting the employment and active participation of people with disabilities within each company. Leveraging these discussions, the strong commitment from each company's management is accelerating Group-wide initiatives to support the employment and active participation of people with disabilities.

Joining the Valuable 500, an international initiative to empower people with disabilities

The Valuable 500 is an international organization founded by social entrepreneur Caroline Casey at the World Economic Forum Annual Meeting (Davos Forum) in January 2019, based on the idea that "inclusive businesses create inclusive societies." The organization's goal is to encourage business leaders to implement reforms that enable people with disabilities to demonstrate their potential value to business, society, and the economy.

As a member of the Valuable 500, we will continue to drive change. We published our commitment when we became a member of this initiative.

Support for balancing work with childcare and caregiving

SOMPO KAIGO DAY (caregiving event)

On November 11, 2024, which is Caregivers Day, Sompo Holdings, Sompo Himawari Life Insurance, and Sompo Care held a seminar and discussion event on the themes of balancing work and caregiving and dementia as part of our efforts to support the balance between work and caregiving.

Initiatives for employees on maternity/childcare leave

We offer a Parental Leave Forum program for employees returning to work after taking parental leave. The program aims to eliminate concerns about balancing work and family life that employees may have just before returning to work, and to help them think about and take steps toward a smooth return to work and to their careers. Managers also participate in the program, and through dialogue, we are building a workplace environment that accepts the sensitivities of employees returning from parental leave and enables them to best fulfill their potential.

To create a comfortable working environment for the returnee and all members of the workplace, we have also enhanced our Amore Support tools, which include a Pregnancy, Childbirth, and Childcare Guide, a maternity and childcare leave interview sheet, and a Manual for Managers on Maternity and Childcare Leave. We also regularly provide information on key company policies.

Inclusion & Engagement

Human resources systems that support diverse work styles

Work-life balance is an issue for all employees, regardless of gender or age. We sincerely hope that our employees will work actively and sustainably. Therefore, it is necessary to embody a variety of work styles to accommodate each individual's situation.

The Group is working to create an environment that supports a healthier work-life balance. Here are some examples introduced at major Group companies, such as Sompo Japan.

Career transfer program

We have a system in place that allows employees whose roles do not typically involve relocation to continue working by changing their work location, if they are required to relocate for unavoidable reasons, such as a spouse's relocation, provided they meet certain requirements.

Support systems for pregnancy, childbirth, and childcare

We have the following systems in place to support a healthier work-life balance: maternity leave before and after childbirth, paternity leave, childcare leave, and shorter work hours for childcare.

The childcare leave schemes allow employees to take leave until the child reaches 25 months of age. Under such schemes, the leave of seven consecutive days is categorized as "short-term childcare leave." This paid leave is available regardless of gender. The shorter work hours for childcare system offers multiple working hour arrangements until the child completes third grade. If there are unavoidable circumstances due to the child's illness or disability and the company deems it necessary, the employee may work shorter work hours until the child reaches 18 years of age. We have systems in place that make it easy for all genders to take parental leave and balance work and childcare.

We recommend that male employees take at least one month of parental leave. From FY2023, we have been holding training sessions for all relevant parties and management throughout the Group to further support a healthier work-life balance and promote the use of parental leave by male employees.

Caregiver support system

Due to the rapid aging of society, caregiving for family members has become a familiar issue in Japan. To help employees achieve a better balance between work and caregiving, we promote the use of the caregiving leave system (up to a total of 365 days), the caregiving holiday system, the caregiving shift work system, and the caregiving shorter work hours system. We create a better work environment by holding workshops to support healthier work-life balance. We provide a manual to help employees strike a balance between work and caregiving and promote understanding among supervisors and colleagues.

Related KPIs and achievements

Please refer to Human Resource Strategy/Group-Wide Framework, KPIs (P. 34).

Inclusion & Engagement

Activities and Achievements Major external evaluations and awards

FY2023

- Sompo Holdings Wins Grand Prix at Career Ownership Management AWARD 2023.
- Sompo Himawari Life Insurance received the two-star Eruboshi certification from the Ministry of Health, Labour and Welfare.
- Sompo Japan has won the Work with Pride PRIDE Index Gold Award for five consecutive years since 2019.
- Sompo Holdings certified as a four-star company in the Nikkei Smart Work Management Survey.
- Sompo Himawari Life Insurance selected as a FY2023 Excellent Company for Cancer Control Promotion by the Ministry of Health, Labour and Welfare and the Cancer Control Promotion Corporate Consortium.
- Sompo Himawari Life Insurance selected as a D&I AWARD 2023 BEST WORKPLACE by JobRainbow Co.,Ltd.

FY2024

- Received the Work with Pride PRIDE Index Rainbow Award (Sompo Japan Insurance)
- Received the Work with Pride PRIDE Index Gold Award (Sompo Holdings, Sompo Japan Insurance, Sompo Himawari Life Insurance)
- Received 4.5 stars under the Nikkei Sustainable Comprehensive Survey, Smart Work Management Edition (Sompo Holdings)
- Sompo Himawari Life Insurance ranked 2nd out of 479 companies in the Nikkei BP Nikkei Cross Woman 2024 Companies that are Easy to Work for with Dual-Career Parents ranking.
- Certified as a JobRainbow Co.,Ltd. D&I AWARD 2024 BEST WORKPLACE (Sompo Himawari Life Insurance)

FY2025

- Certified by the Ministry of Health, Labour and Welfare as a Kurumin company in terms of balancing work and childcare (Sompo Himawari Life Insurance)

Talent Development

Concept and Policy Human capital investment across the Group

Expanding human capital investment across the Group

As a form of growth investment in human capital, the most vital component of capital that drives the growth of the Group, we have established a ¥30 billion SOMPO Human Capital Fund, seeking to expand human capital investment (including talent development and recruitment) across the Group. Examples of our initiatives include management training to hone skills in the use of generative AI, an expert development program for commercial sales staff in the Domestic P&C Insurance Business, and the rollout of SOMPO Learning Hub, a Group-wide learning platform. By actively moving forward with investment in human capital with the aim of enabling individual employees in each field and business to take initiative in raising the level of their skills and expertise, we will build the talent portfolio necessary to execute the Group's businesses and strategies and achieve the sustainable enhancement of the Group's corporate value.

Overview of Group-wide human capital investment

Examples of human capital investment using the ¥30 billion SOMPO Human Capital Fund

Examples of investment in human capital

Domestic P&C commercial sales reform Specialist development program	Acquisition, development of underwriting specialists; sharing of expertise with the frontline
Start of training related to operations utilizing generative AI (LLM)	Improvements to development of future leaders through secondment to other companies
Introduction of a Group-wide learning management system	Further investment to foster an organization and culture where diverse talent can thrive

Ongoing enhancement of the Group's enterprise value by delivering value as professionals

Concept and Policy Activities and Achievements Succession planning

1. Purpose of formulating succession plans

We formulate succession plans for key posts to realize SOMPO's Purpose and achieve further transformation and growth for the Group. The succession plans are prepared for key posts that are vital in leading these efforts, with a view to building a system that can steadily and effectively develop high-quality human capital with diverse expertise and backgrounds.

2. Applicable positions

A total of 92 key positions within the Group, including the Group CEO, Group CxOs, and other key positions in each line of business in Japan and overseas have succession plans in place.

3. Selection and development of executive candidates

To increase diversity, candidates for each position must meet certain criteria. Candidates may be selected from talent systematically nurtured within the Company, or recruited from outside of the Group. In developing management personnel, we are implementing the following development programs.

NLP (Next Leaders Program)

In the succession plans for key posts for each Group, we select successors, so-called "N" talent ("N" for "next"), from Japan and overseas who we think are capable of assuming these positions within the next five years. Designed to develop such "N" talent, the NLP program encourages the acquisition of knowledge required of directors through dialogue with Group Executive Officers and outside instructors, and provides opportunities to bring out individuality and hone leadership skills through one-on-one coaching. The percentage of NLP graduates appointed to executive positions is high, at 45.3%, demonstrating the program's effectiveness in contributing to the development of successors. We will continue to invest strategically in this program as a means of producing human resources who can lead the Group into the future.

FLP (Future Leaders Program)

We select so-called "F" talent ("F" for "future") in Japan and overseas who we believe have the potential to assume key Group posts in 5–10 years' time. To develop such "F" talent, we are running the program in partnership with world-class business schools. One element of the FLP curriculum involves the Action Learning Project (ALP), in which members from Japan and overseas work together on team projects to develop innovative solutions to management issues facing the Sompo Group. Centered on the ALP, the FLP program aims to produce leaders who possess an in-depth understanding of diversity, have a global perspective, and are adept in strategic thinking.

For further details on succession plans, please refer to the Succession Planning section (P.65).

Talent Development

Concept and Policy | Activities and Achievements

Developing global management personnel

We aim to build a system that reliably and effectively develops high-quality management personnel with diverse backgrounds. We are currently developing global management personnel in conjunction with our succession planning program.

SOMPO Global University

As a university within the company, we offer lectures at overseas business schools, cross-cultural understanding workshops, team projects (ALP) that seek to tackle issues facing the Sompo Group's management, and on-the-job training at companies outside the Group, based on the concepts of exchanging outstanding global human resources, learning at high-level educational institutions, and taking on challenging assignments. Through this program, participants cultivate knowledge of business and trends, hone their practical problem-solving capabilities, and gain a global perspective and the ability to act in a global context.

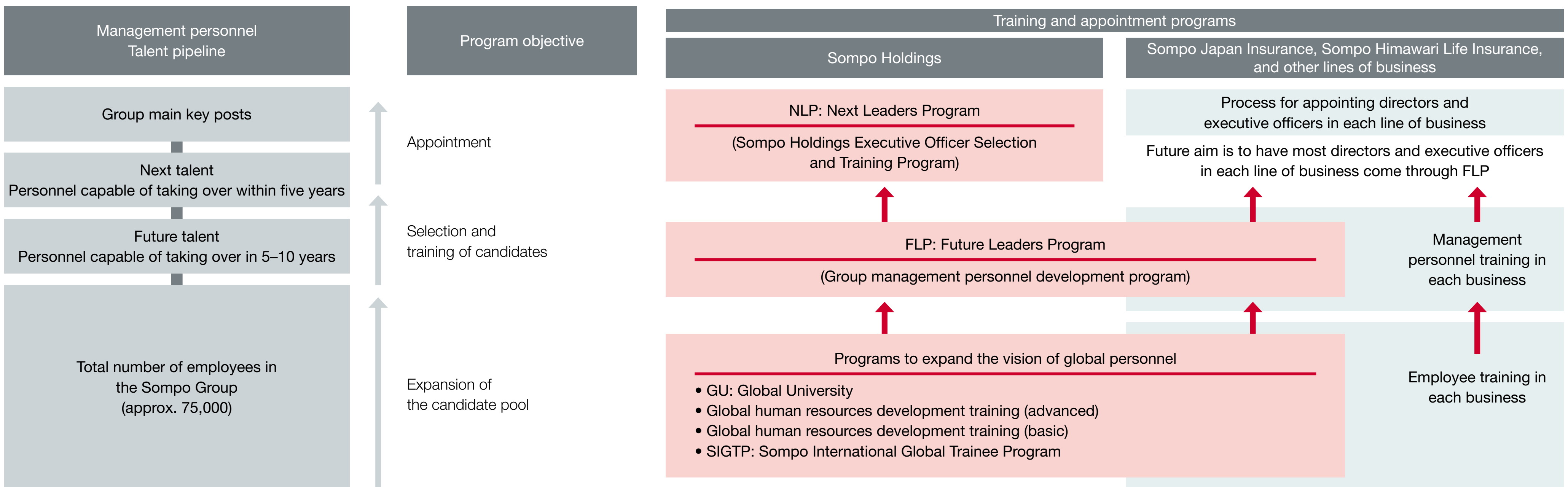
Global human resources development training (basic and advanced)

In the basic course, participants are provided output opportunities through discussions in both Japanese and English with the aim of developing a global mindset and a foundation in communication skills. In the advanced course, we invite instructors from within the Group to teach the participants practical English language skills and deepen their cross-cultural understanding by informing them about the Group's overseas business operations and through lecture-based discussions.

Sompo International Global Trainee Program

In this program, trainees are dispatched to Sompo International – a Group company boasting professionals from different fields centered around underwriting – to acquire knowledge and expertise, typically over a period of three years. By having employees embrace the challenge of working in a culturally different business environment overseas, we are developing global human resources armed with considerable expertise to drive further growth of the Group.

Group-wide framework for training and appointing management personnel



Talent Development

Activities and Achievements

Offering opportunities for self-driven learning

SOMPO Cross-Training Challenge

We conduct a program through which employees are dispatched to startups, NPOs, or other entities outside of the Group to work on solving issues in society that contribute to the achievement of their My Purpose. We cultivate talent capable of embodying "strong leadership that drives culture change" and "self-driven career development based on their My purpose."

Generative AI leadership training

The Group is actively introducing generative AI and other cutting-edge technologies to accelerate business transformation and growth. We are creating an environment where every employee can draw on AI to work more creatively and more efficiently. In FY2025, we are implementing generative AI leadership training for approximately 5,000 managers with the aim of developing leaders who can drive improvements in organizational productivity through the use of generative AI.

The results of the training are already apparent, with some departments seeing a more than threefold increase in the use of internal generative AI tools after the program, demonstrating that the training has led to an increase in the willingness to use AI across the organization.

"SOMPO Learning Hub," a Group-wide learning platform

To coordinate across the Sompo Group in strengthening talent development, we launched SOMPO Learning Hub (SLH), a learning platform that serves as a common training foundation for the Group. Currently, 29 Group companies have implemented this system, covering all employees including contract workers. We offer diverse content accessible across the Group within SLH, enabling self-driven learning and connection. Going forward, we will integrate SLH with our talent management system to build a mechanism that links learning to individual career development (achieving My Purpose) and optimal assignment decisions.

Developing women in leadership

We dispatch participants to a program that supports women in advancing and realizing their careers by strengthening the mindset, knowledge, and skills needed to thrive, and by promoting interaction with women both inside and outside the Group who share similar ambition. In this program, through coaching and other activities, participants reflect deeply on their own experiences and receive fresh encouragement, gaining a broader perspective and a grasp of the bigger picture while clarifying their vision for the future.

Concept and Policy | Activities and Achievements

Expansion of Choose Your Own Career system

Job-based HR system

In FY2020 we introduced a job-based HR system at Sompo Holdings to support self-driven career development in areas where My Purpose overlaps with SOMPO's Purpose. The main feature of the system is that it abolishes company-initiated personnel transfers in principle. We will seek to have employees deliver results as professionals by letting them choose their own career path rather than being driven (or led) by the company. Moreover, unlike typical job-based HR systems, we not only allow employees to forge a career in the same organization or function, but also respect their decision to seek a position beyond their traditional area of expertise by utilizing open recruitment systems and other means that are open to any Group employee. Accordingly, we provide a wide range of options to employees in terms of their career path in the Group. For example, (1) continuing to work in the same department or position to enhance their expertise in a specific area, (2) regularly volunteering to switch between compatible job roles to broaden the scope of their career, and (3) opting to change jobs by moving to various departments so as not to remain in a specific area for an extended period. The job-based HR system has been progressively introduced across our group companies, tailored to each company's unique characteristics. In fiscal year 2025, Sompo Holdings and Sompo Japan Insurance standardized their job-based HR systems. Moving forward, we will further evolve and expand this system across the Group-wide workforce to strengthen our workforce and drive sustainable growth through advanced expertise.

Group Job Challenge System

As one opportunity for employees to choose their own career paths, we are currently promoting an internal job posting system called "Group Job Challenge System," under which employees can voluntarily apply for job postings and seek to transfer to a department of their choosing. This system allows employees to apply for open positions not only at their own company, but at any company in the Sompo Group. In FY2024, a total of 1,028 available positions across 25 Group companies, along with the descriptions of those job postings, were disclosed to Group employees. Also, in FY2021 we added a remote job challenge component to the system for the purpose of posting fully remote-based job openings. For employees who are unable to apply for a desired position that requires a relocation because of their nursing care or childcare obligations, we offer a scheme that allows them to take up the challenge of a post of their own choosing without having to change their place of residence.

Wellness Management

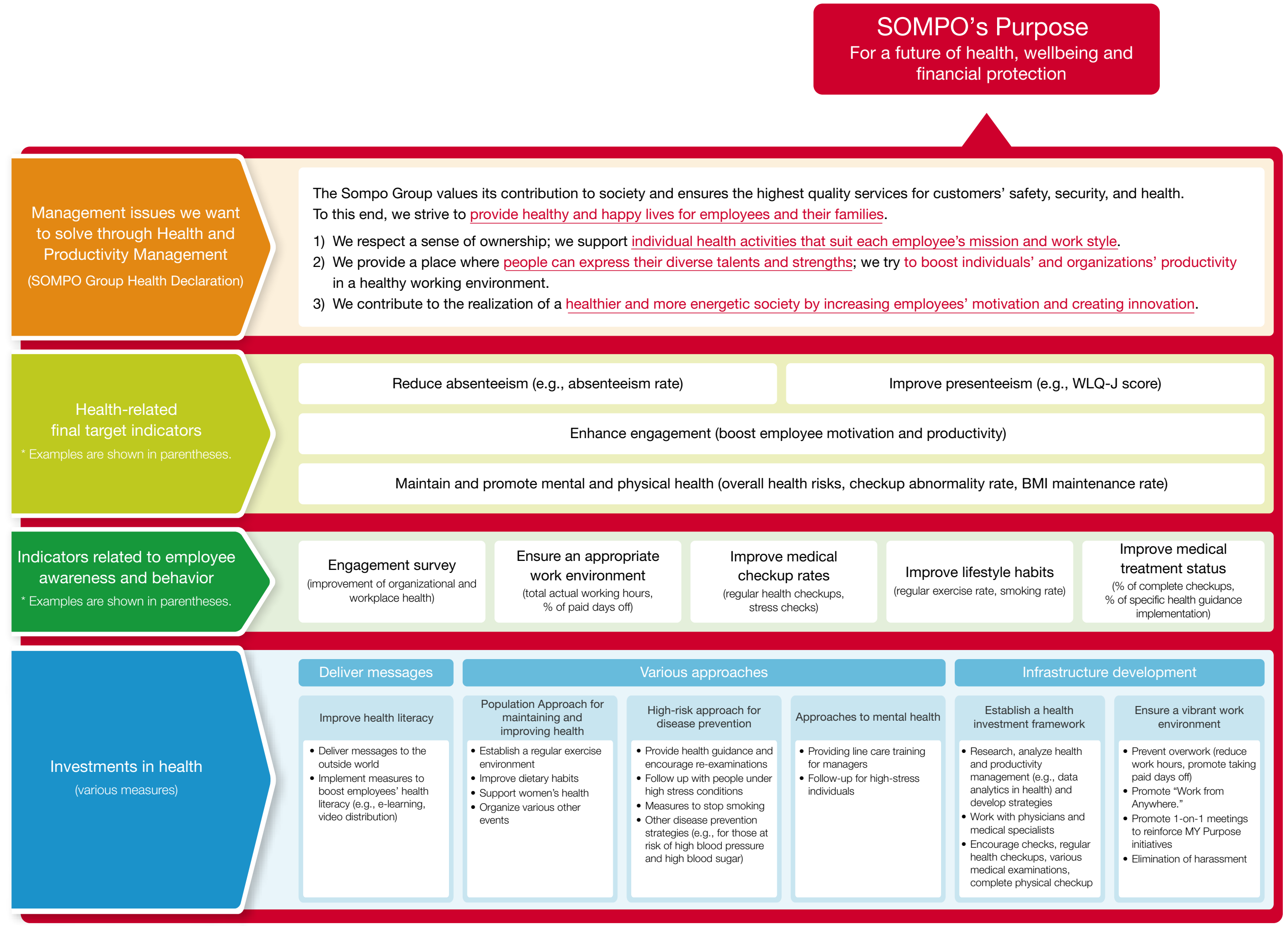
Concept and Policy — What our Health and Productivity Management®*1 aims to achieve

To achieve SOMPO's Purpose of creating a future of health, wellbeing, and financial protection, we will continue to pursue initiatives to build a foundation for health and productivity management and take good care of the mental and physical health of our employees and their families.

The Group Policy for Human Rights stipulates that we must take steps to maintain and improve the health of employees and ensure that they are afforded a vibrant workplace environment, while the Sompo Group Health Management Declaration*2 says that we must prioritize the mental and physical wellbeing of employees and their families. In addition to this, we are currently informing and educating various stakeholders about health and productivity management and supporting initiatives to that end.

*1 The Japanese term for Health and Productivity Management® is a registered trademark of the NPO Kenkokeiei.
*2 Group companies are also proactively announcing their own declarations on wellbeing to give shape to, and put into practice, the concept of prioritizing the health of employees and their families.
- Sompo Japan Insurance: Health Management Declaration (October 2016)
- Sompo Himawari Life Insurance: Employee Health Support Project (April 2016); Health and Productivity Management Declaration (October 2020)

To accelerate specific measures on health and productivity management, we have formulated a Health and Productivity Management strategy map and are systematically executing various investments in wellbeing with the aim of ensuring that all employees are healthy, both mentally and physically. In all of this, we are stepping up efforts on compliance with laws and regulations related to occupational health and safety, as well as mental health measures, which form the basis of our health and productivity management, as well as initiatives aimed at reducing overtime outside of the statutory hours of work.



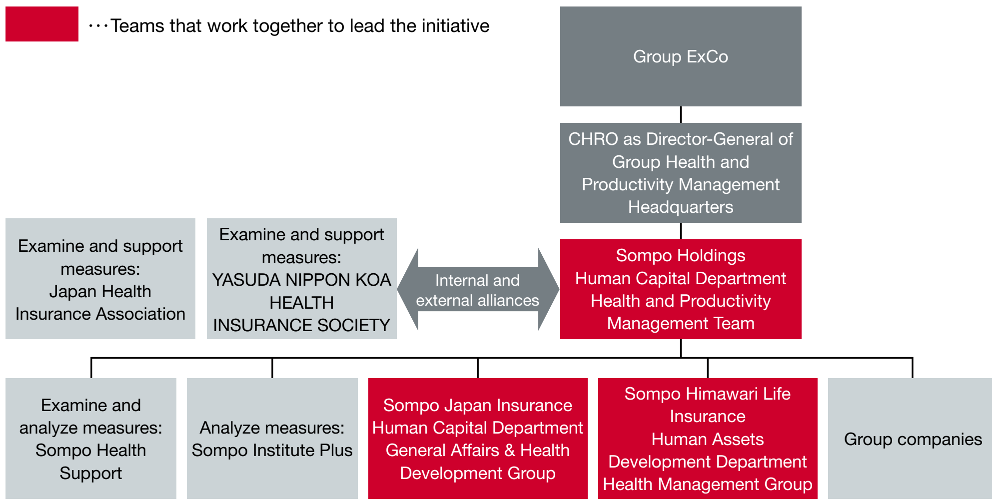
"What Our Health and Productivity Management Aims to Achieve" will be reviewed and updated regularly in line with the Group's management strategies and practical results of health management measures.

Wellness Management

Structure Health management initiatives in the Group

As head of the Group Health and Productivity Management Headquarters, the Group Chief Human Resource Officer (CHRO) reinforces and spearheads efforts to maintain and improve wellbeing and provide support on health and productivity management to employees, their families, customers, business partners in the supply chain, and other business entities involved in the creation of value.

Also, to maintain and improve the mental and physical health of Group employees, we team up with Group companies such as Sompo Japan Insurance and Sompo Himawari Life, as well as health insurance associations, to implement different kinds of initiatives.



Activities and Achievements Main initiatives

In FY2025, we are promoting initiatives to enhance the effectiveness of health and productivity management across the Group, focusing on the following three key issues.

(1) Understanding and promoting the importance of health and productivity management
(2) Promoting employee health
(3) Thorough attention to safety and other requirements

(1) Understanding and promoting the importance of health and productivity management

• Health and Productivity Management Headquarters meeting

The purpose of this meeting is to understand and emphasize the importance of health and productivity management by re-communicating the current year's health and productivity management plan and to foster Group synergy through the Health and Productivity Management Community.

At the meeting, the Group CHRO communicated the health and productivity management plan and priority issues to the top management of each company. Some said they gained a more profound empathy and understanding of the Group's plans and priority issues, and the importance of health and productivity management as a management strategy was reaffirmed. Some participants also commented favorably on the opportunity to learn about the efforts of other companies.

• Hosting a Health and Productivity Management Community

The Health and Productivity Management Community was formed in response to the lack of opportunities to build horizontal ties among Group companies and the desire to learn about the initiatives and problems facing other Group companies.

Community meetings took place twice in FY2024, between July 2024 and January 2025, with the people in charge of promoting health and productivity management at each company sharing various issues and good practices and exchanging information.

The Community also provides opportunities to learn basic knowledge about mental health.

Results for FY2024
July questionnaire: **25 participants** from **18 companies** Satisfaction: **88:0**%
January questionnaire: **23 participants** from **19 companies** Satisfaction: **69.6**%

Wellness Management

• Initiatives to increase employee motivation and team vitality

Happiness at work is a must-have factor for companies to grow sustainably. The Group believes that promoting health and productivity management can enhance not only wellbeing, the ease of working, and engagement but also the mental and physical health of employees.

Since the health of employees and their families is the driving force behind realizing the Group's Purpose, we will further promote health and productivity management to bring about diverse work styles by clearly declaring that we recognize mental and physical health management as a management issue and linking this to initiatives in strategic human resources .

Specifically, to quantify employee engagement, we conduct regular engagement surveys at all Group companies to check for any issues with the work environment. By visualizing the survey results as well as the status of working hours and stress check results at various workplaces, we are promoting initiatives such as setting up opportunities for dialogue and improving the workplace environment at each organization, thereby increasing employee engagement and motivation and revitalizing the organization.

Sompo Japan Insurance and Sompo Holdings have also begun conducting periodic culture change surveys with the aim of ascertaining changes in corporate culture and further accelerating change.

(2) Promoting employee health

• Improving lifestyle habits (eating habits, exercise habits)

We are implementing various measures to improve lifestyle habits to promote health awareness and behavioral change for each employee. For example, we hold walking events every spring and fall, and are working to increase participation and repeat rates by utilizing apps and offering incentives to increase participant satisfaction. We are also providing Sompo Group employees and their families with opportunities to exercise using popular chocoZAP gyms, through a capital and business collaboration with the RIZAP Group.

• Data analytics in health

The Group analyzes health data offered by Sompo Health Support while working with health insurance associations. Sompo Japan Insurance and Sompo Himawari Life are working to improve lifestyle habits, which have been found to correlate with the results of health checkups, stress check results, WLQ-J scores (Japanese version of the Work Limitations Questionnaire), and other analyses.

• Initiatives to reduce smoking rates

We are strengthening our efforts to reduce smoking rates with the aim of improving employee health. Currently, the smoking rate for the Group as a whole (age 40 and above) is 16.3%, which exceeds the national target rate of 12%. In light of this situation, in September 2024 we began implementing measures to promote health and encourage employees to stop smoking. In particular, we have designated the 11th (Good Health Day) and 22nd (Suwan-Suwan Day—"suwan" is Japanese for "I won't smoke") of every month as SOMPO No Smoking Days, and are calling on all employees to refrain from smoking in any facility or smoking area on those days.

Furthermore, in April 2025, we introduced a new guideline discouraging smoking during working hours. In line with this, we are also considering gradually reducing the number of smoking areas and making more effective use of space. In addition, to support employees who are trying to quit smoking, we are developing smoking cessation support and enhancing our support framework to meet the needs of each employee.

• Spaces for boosting productivity and improving health

Our group has established workspaces to enhance employee productivity and promote health as part of our corporate culture change and Health and productivity management initiatives. By providing an environment accommodating diversity of work styles, including spaces for efficient work and meetings, dedicated focus stations with monitors, and circular tables facilitating flat, face-to-face conversations, we have built a system that simultaneously improves productivity and satisfaction. By 2025, we will provide a Definition of the "SOMPO Work Style Guidelines," clearly stating our commitment to maximizing organizational value creation while simultaneously achieving high employee performance, growth, and job satisfaction-all by leveraging the advantages of both on-site and remote work. To support this, we will strive to further enhance working spaces across a Group-wide.

In addition, as an "open head office" and a symbol of cultural change, a special cafeteria on the 43rd floor of the Sompo Japan Insurance head office building, the top floor of the building, which had been used mainly by executives of Sompo Japan Insurance and Sompo Holdings, was opened to general employees including employees of Group companies. The floor, which has a stunning view, offers a work area that can be used for small group meetings as well as individual workspaces, providing a new venue for Group connections.

Wellness Management

(3) Thorough attention to safety and other requirements

• Implementation of line care training

We are conducting line care training to enhance the effectiveness of mental health measures implemented by managers. The purpose of this training is to gain a knowledge of approaches to preventing mental health issues among subordinates before they arise, and to connect this to early detection and appropriate support.

In FY2024, in continuation from FY2023, we conducted a voluntary training program for management personnel of Group companies which saw 446 participants from 23 companies. Conducted by mental health professionals from Sompo Health Support, the training included group discussions on specific measures as well as case studies from the workplace. There was also a presentation on self-care for managers, and the satisfaction rate among participants reached 81.4%.

In a survey of the participants, 84.9% responded that they had gained new insights or had a change in their awareness because of the seminar. In particular, the importance of daily communication and interaction was frequently mentioned. The most popular topic for future training was workplace revitalization, accounting for 52.6% of responses, indicating a high level of interest in improving the workplace environment.

Also, given issues including missing early warning signs for mental health issues and a lack of self-care and stress management skills, we are considering implementing mental health management training for non-managers in FY2025.

• Feedback on group analysis results for stress checks

We are utilizing the results of group stress checks to improve the workplace environment and enhance employee mental health.

Through feedback on analysis results, we identify stress levels across the workplace and clarify issues, which leads to the formulation and implementation of effective improvement measures. Moreover, feedback provides opportunities for individual employees to become aware of their own stress levels, which contributes to raising awareness of mental health and promoting preventive actions throughout the organization.

• Complying with occupational health and safety rules

We strive to maintain and improve the health of our employees through discussions by the Health Committees at various workplaces in the Group on occupational health and safety.

The Health Committee formulates an annual plan and holds regular monthly meetings to discuss three main topics: public health, mental and physical health, and safety. Meeting topics include working hours, health checkup participation rates, and reports on occupational accidents. Information on working conditions, including working hours and paid leave utilization rates, as well as measures to prevent excessive work, is shared with labor unions and employee representatives. The results of these discussions are reported to the general manager of each workplace, such as the general manager of the Human Resources Department or the branch manager, who then makes suggestions for improvements.

We also circulate information in accordance with the season or social conditions regarding measures that can be taken in the workplace to prevent infectious diseases.

To ensure that the Health Committee does not become a mere formality, we are promoting awareness so that a PDCA cycle can be applied to issues through the Health Committee, with the participation of supervisors from each location. If there is an occupational accident, we identify the cause through interviews and investigations with the employees concerned, and take measures to prevent recurrence.

• Excessive working hours and mental health issues

Excessive working hours increase the risk of depression, anxiety, and deaths from overwork, making it crucial for both companies and employees to take proactive measures in this area. The Group complies with all relevant laws and regulations regarding working hours and overtime, and has established clear policies aimed at reducing overtime hours. In terms of working hours within Japan, following consultations with labor unions, and we sign agreements with employees regarding working overtime and on holidays based on Article 36 of Japan's Labor Standards Act, and actively work to correct excessive working hours by properly gauging and managing employee working hours, including overtime, paying appropriate overtime wages, and providing interviews and guidance from company physicians to employees who work beyond the standard overtime hours. We also promote flexible work styles by enabling employees to work remotely and making improvements to the office environment. Employees are encouraged in mental health training programs to review their lifestyle habits, including getting adequate sleep, proper nutrition, and regular exercise, and to consult with colleagues when feeling stressed.

Wellness Management

To protect physical and mental health, it is necessary to maintain an appropriate work environment and create a psychologically safe workplace. We will continue to consider measures while sharing information with the health and productivity management representatives of each company.

• Financial wellbeing initiatives

We believe that supporting financial stability and a secure future for our employees is essential to improving employee engagement and, ultimately, to enhancing sustainable corporate value. Based on this understanding, the Group is actively implementing measures to improve financial wellbeing.

Specifically, we hold regular welfare seminars that aim to improve the financial literacy of our employees. They cover a wide range of topics, including financial planning based on asset formation and asset protection, life insurance and property and casualty insurance plans available through the Group, employee savings plans, various benefit plans offered by health insurance associations, defined-contribution pension plans, and investing in the stock market.

We will continue to expand measures to support financial independence and a secure future for each employee.

• Confirmation of occupational health and safety initiatives at subcontractors

We aim to maintain and improve the physical and mental health of not only our employees but also those of our business partners, and we check their occupational health and safety initiatives when entering into a contract.

Activities and Achievements External evaluation

Our company has been certified as a 'Health & Productivity Management Outstanding Organization' for nine consecutive years as an organization demonstrating outstanding health and productivity management practices.

For details, see the External Evaluations section (P.189).

Wellness Management

Activities and Achievements Health issues and major verification indicators

To realize the Sompo Group's Aim for Health and Productivity Management, we have established indicators for changing employee awareness and are continuously measuring progress to improve our initiatives.

Sompo Holdings

Health issues		Target KPI	Unit	Target	FY2021	FY2022	FY2023	FY2024
Lifestyle disease preventive measures	1*1	Rate of regular medical checkup	%	100.0	99.1	99.4	100.0	98.8
	2*2	Appropriate weight maintenance (BMI 18.5–24.9)	%	80.0	63.4	68.9	66.5	61.1
	3*2	Rate of regular exercise	%	30.0	40.2	37.0	38.5	33.2
Measures to encourage employees to stop smoking	4*1	Rate of smoking	%	12.0	9.8	10.9	11.5	9.9
Mental health measures (stress check examination)	5*1	Rate of stress check examination	%	100.0	94.4	95.8	95.3	93.1
		General health risk	—	below 100	84.0	87.0	85.0	89.0
Improved presenteeism	6*1	Total Performance Evaluation*3 WLQ-J score (most productive = 100%)	%	Improvement from the previous fiscal year	95.3	95.3	95.5	95.3

Sompo Japan Insurance

Health issues		Target KPI	Unit	Target	FY2021	FY2022	FY2023	FY2024
Lifestyle disease preventive measures	1*1	Rate of regular medical checkup	%	100.0	99.9	99.9	99.9	100.0
	2*2	Appropriate weight maintenance (BMI 18.5–24.9)	%	80.0	66.0	66.4	65.8	66.4
	3*2	Rate of regular exercise	%	30.0	21.3	21.7	22.5	20.7
Measures to encourage employees to stop smoking	4*1	Rate of smoking	%	12.0	14.5	14.0	14.3	13.8
Mental health measures (stress check examination)	5*1	Rate of stress check examination	%	100.0	93.3	97.8	97.9	98.2
		General health risk	—	below 100	100.0	104.0	100.0	101.0
Improved presenteeism	6*1	Total Performance Evaluation*3 WLQ-J score (most productive = 100%)	%	95.0	94.0	93.6	93.8	93.7

Sompo Himawari Life Insurance

Health issues		Target KPI	Unit	Target	FY2021	FY2022	FY2023	FY2024
Lifestyle disease preventive measures	1*1	Rate of regular medical checkup	%	100.0	100.0	100.0	100.0	100.0
	2*2	Appropriate weight maintenance (BMI 18.5–24.9)	%	80.0	67.3	66.7	65.8*4	65.6
	3*2	Rate of regular exercise	%	40.0	26.8	26.6	27.0*4	25.4
Measures to encourage employees to stop smoking	4*1	Rate of smoking	%	below 5%	9.3	7.5	6.9	6.2
Mental health measures (stress check examination)	5*1	Rate of stress check examination	%	above 95%	97.7	92.5	98.1	97.7
		General health risk	—	90.0	95.0	94.0	91.0	89.0
Improved presenteeism	6*1	Total Performance Evaluation*3 WLQ-J score (most productive = 100%)	%	100.0	93.9	93.9	94.0	94.0

*1 All employees
*2 Employees over age 40
*3 Same examination rate as for stress checks
*4 These figures have been updated from the Preliminary data in the FY2023 report to the finalized data

Medical expenses/insurance business expenses (Average for Yasuda Health Insurance Policyholders)

Item	Unit	FY2021	FY2022	FY2023	FY2024
Medical expense/person	JPY	240,301	262,745	178,234	289,564
Insurance business expense/person	JPY	31,113	30,367	36,777	35,702

Information on health initiatives (Average for Group)

Item	FY2021	FY2022	FY2023	FY2024
Employee satisfaction with health initiatives (5-point scale)	3.02	3.06	3.08	3.04

Feature Value Creation Initiatives Based on My Purpose

Sompo's approach to value creation based on My Purpose

The Sompo Group is pushing forward with its initiatives while sharing the story of the changes it will make as it creates value to realize SOMPO's Purpose of creating "a future of health, wellbeing and financial protection" based on the pursuit of My Purpose, while illustrating this as the impact path of human capital.

The impact path of human capital shows the path to achieving SOMPO's Purpose, in which the pursuit of My Purpose and the promotion of diverse work styles lead to inner changes that improve employee engagement through the mutual influence of three elements: individuals, relationships, and organization. These inner changes then lead to emerged changes, including taking on more challenging actions aimed at creating value and outcomes.

Paradigm shift in the way we work and live

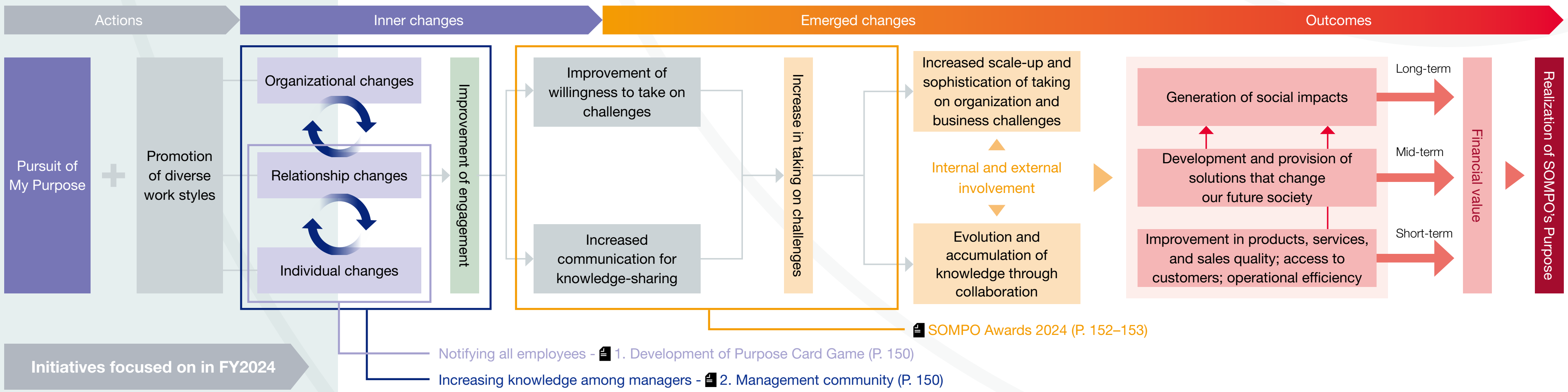
For the Group to turn its value creation story into reality, we believe it is most important for all employees to face their lives with their own purpose (My Purpose) in an era when the paradigm of the way we work is shifting and live from "positioning one's life as a part of the company" to "positioning the company as a part of one's life."

My Purpose

My Purpose refers to one's purpose in life or meaning of work, such as what kind of person you are, what happiness means to you, and what you want to accomplish in life. My Purpose is something that each of us already has within ourselves.

By expressing your purpose, you can use it as a guideline as well as a driving force for your own life and career. In the Sompo Group, we first look back at our own lives and careers from the three perspectives of "Want" (intrinsic motivation), "Must" (social responsibility), and "Can" (inherent ability), and refer to the overlapping parts of these perspectives as "aspirations," which is what motivates us. This is what we mean when we say My Purpose.

Impact Path of Human Capital



Feature

Value Creation Initiatives Based on My Purpose

Actions | Inner changes | Emerged changes, outcomes

Efforts to bring about inner change

1. Development of Purpose Card Game

The Purpose Card Game is a simulation game that allows employees to experience how their way of thinking, behavior, relationships with those around them, and even their performance changes when they embrace My Purpose (their purpose in life and meaning of work).

The Sompo Group has long promoted initiatives that encourage each employee to engage with their own My Purpose. We believe SOMPO's Purpose is best achieved by thinking about how My Purpose overlaps with SOMPO's Purpose, having intrinsic motivation, and feeling fulfillment when working.

This game aims to enable players to experience Sompo's unique approach of aligning the purposes of individuals and organizations, and to recognize the fulfillment and happiness of working in their own way while embracing challenges, and to experience what it means to generate innovation.

Comments from participants

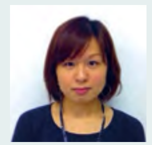
- When I compared it to my actual work, the meaning of my work became clear, and I became more engaged with my work.
- I didn't just become aware of my own purpose; it also gave me the opportunity to think of other members' fields as if they were my own.
- I was able to experience the synergistic effect of aligning My Purpose with that of the company.

2. Management Community

The Management Community facilitates activities for leaders across the Group who are motivated to transform the organization into one that values employee fulfillment and happiness to connect across organizational boundaries and share the management experience and knowledge they have gained from that experience.

Previously, we conducted "pair activities" where individuals formed pairs to share concerns about their own organizational transformation and hints for solutions through one-on-one sessions. However, when we held a workshop for managers, we learned about this community and welcomed new members who wished to participate. We then created opportunities for mutual learning centered around "unit activities" with teams of five. We also held monthly group meetings, expanding the circle of discussion and mutual learning about valuing individuals while managing the organization.

Management Community: participant feedback



Together with colleagues from Sompo Himawari Life Insurance whom we met through this community activity, we held a My Purpose sharing meeting that crossed departmental boundaries. Five members from five departments at headquarters gathered to share their My Purpose, the experiences that led them to embrace it, and the sense of fulfillment they derive from their work. Through this activity, we experienced firsthand that management can address underlying issues (icebergs) faced by an organization by respecting individual values, considering organizational operations and reforms, and engaging in ongoing dialogue with members.

I'm also confident that the knowledge gained through community activities with Sompo Japan Insurance's leaders, who are working to regain trust in the insurance industry, will contribute to the sustainable growth and medium- to long-term enhancement of corporate value, not only in terms of promoting change in my own organization, but also from the perspective of strengthening the Group-wide management foundation and enhancing human capital.

Yukiko Yoshida
Corporate Planning Department, Sompo Himawari Life Insurance

Four years ago, I formulated My Purpose with team members and we shared our collective desire to contribute to our local community in Okinawa. This led to the formation of the Contribute to Okinawa Team within our branch office. Based on the members' ideas, we decided to take on initiatives that would contribute to the development of Okinawa and address the issues the prefecture faces. I felt that job satisfaction and happiness increased among members as they took initiative in tackling challenges that overlapped with their My Purpose. The team even received the Excellence Award in the Sompo Value Creation category at the SOMPO Awards 2022.

Until now, there weren't many opportunities to freely exchange opinions about management, but by participating in this community, I've been able to interact with other members who are also striving for change, which has led to mutual encouragement and advice. It's been a great learning experience.

Shinichiro Tsuchiya
Government and Regional Market Development Division, Sompo Japan Insurance
(Formerly affiliated with: Okinawa Branch Corporate Division)

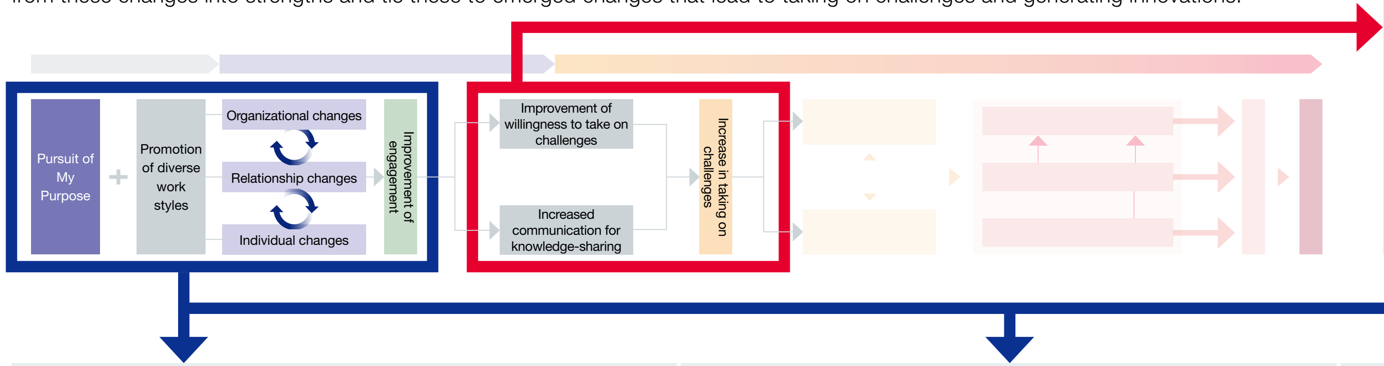
Feature

Value Creation Initiatives Based on My Purpose

Actions | Inner changes | Emerged changes, outcomes

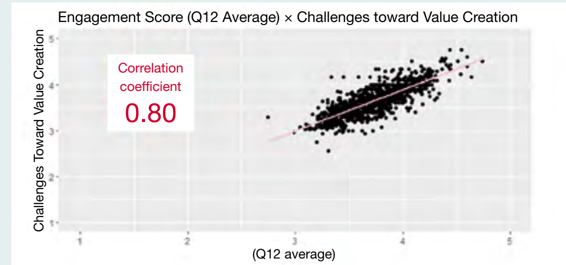
Going from inner changes to emerged changes

Engagement improves through the mutual functioning of three types of changes within individuals and organizations: individual changes, relationship changes, and organizational changes. At our company, we use My Purpose as a starting point to deepen understanding and empathy for our purpose. By implementing various actions, such as promoting diverse work styles, we aim to spark this "inner change" comprised of these three shifts and work to improve employee engagement. Furthermore, we translate the improved engagement resulting from these changes into strengths and tie these to emerged changes that lead to taking on challenges and generating innovations.



Organizations experiencing "individual change," "relational change," and "organizational change" with "Improve employee engagement" demonstrate a proactive stance toward challenges.

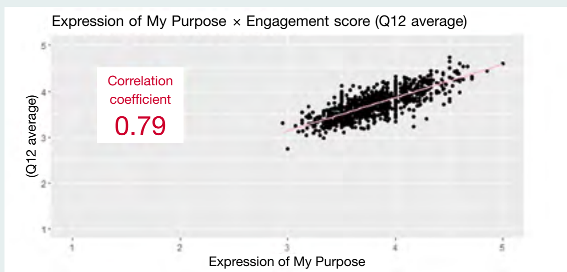
We held the SOMPO Awards 2024 as a measure to promote challenges based on My Purpose or aspirations towards new challenges.



Individual changes

We define "individual changes" as the changes that occur when each employee self-reflects while creating and deepening of their own My Purpose.

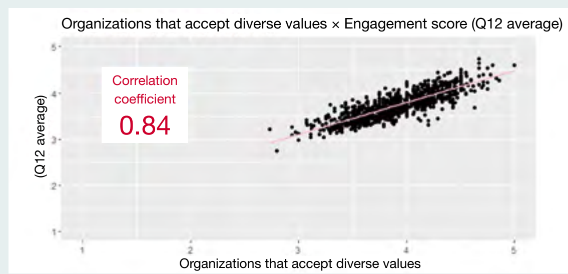
After analyzing data accumulated in-house, we found that organizations that express My Purpose tend to have higher engagement.



Relationship changes

We define "relationship changes" as the changes that occur among employees, such as increased mutual understanding and respect for each other's values, by sharing their formative experiences and visions through dialogue based on My Purpose.

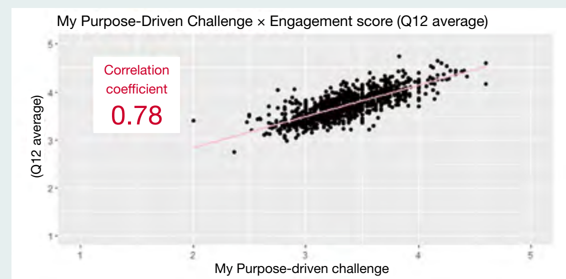
After analyzing data, we found that organizations that have undergone relationship changes and respect diverse values tend to have higher engagement.



Organizational changes

The changes seen in organizations as they become purpose-driven through individual changes and relationship changes, such as developing a willingness to take on challenges and accelerated knowledge sharing, are called organizational changes.

After analyzing data, we have confirmed that organizations that have achieved higher engagement through organizational changes also tend to have a greater willingness to take on challenges.



* The analysis was conducted by Sompo Institute Plus based on the results of an engagement survey of Sompo Group employees.

Feature

Value Creation Initiatives Based on My Purpose

Actions | Inner changes | Emerged changes, outcomes

Initiatives to engender emerged changes

SOMPO Awards 2024

Purpose

The SOMPO Awards 2024 was convened with the concept of "Our Purpose begins with you" with the aim of creating opportunities for members of the Sompo Group to get to know each other and feel both a sense of unity and the diversity that exists in the Group by sharing their thoughts and initiatives with colleagues, cheering each other on in their efforts, and learning about the challenges colleagues are facing.

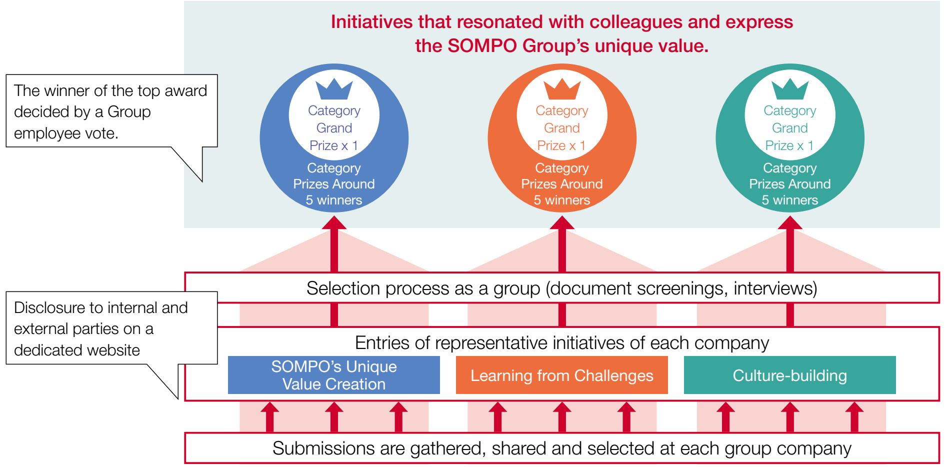
Categories for submissions

SOMPO's Unique Value Creation	Challenges created new value and achievements by engaging with clients and the community
Learning from Challenges	Challenges stepped out beyond one's existing work
Culture-building	Challenges enhanced employee engagement and cultivate a positive culture

Application and selection

In FY2024, we added a selection process for each Group company to select a representative initiative for the SOMPO Awards 2024. The aim of adding this process was to create opportunities for communication by allowing employees to share their thoughts and initiatives with one another in smaller groups such as their workplaces, or encourage each other's efforts. The process of selecting the top award winner by employee vote fostered a sense of unity within the groups.

Overview of SOMPO Awards



An event for mutual encouragement

This year, after soliciting entries in three categories through submissions, sharing, and selection at each Group company, a total of approximately 170 people, including those selected as representatives of Group companies in Japan and administrative office members from each company, came together to hold the Connect with Encouragements Meeting. Sharing each other's challenges and thoughts across Group company boundaries reinforced our connections as a Group.

Prior to the award ceremony, an event was held to share the initiatives of representatives from each group company as part of the SOMPO Awards 2024 Pre-event. A total of 800 people participated in the event, and the presenters received much encouragement.

Feature

Value Creation Initiatives Based on My Purpose

SOMPO Awards 2024 Grand Prizes

SOMPO's Unique Value Creation

First in Japan! Launch of "TytoCare," an Online Medical Support Business

Description of Initiative

TytoCare is a digital medical device that shares stethoscope results and the condition of users' throats to doctors who are far away. Our challenge was to establish a new business of medical equipment services, the first in Japan and the first for SOMPO in this domain. We proceeded with the project by creating new connections with key persons both internally and externally. In September 2024 the business was featured in The Nikkei, and we are currently making diligent efforts to expand our business.

Back-ground Motivation

Idea we value: "sense of unity."

In order to overcome the difficulties faced by new businesses, it is important to harness the immense strengths that only a unified organization can generate. I'm always amazed by the success and growth of individuals in such organizations. What lies behind this project is my personal desire to energize both SOMPO and the rest of Japan through this kind of organizational development. I hope all of you will help us in this endeavor.

Learning from Challenges

Creating a Society that Also Protects Employees from Customer Harassment

Description of Initiative

Today, a number of risks are emerging in our society that insurance alone cannot cover. One of these is human capital management, and in our age of insufficient manpower, one of the initiatives required by companies is to protect their precious employees from customer harassment. We developed an anti-customer harassment support service by conducting 51,921 km worth of interviews on customer needs.

Back-ground Motivation

"This challenge will one day bloom."

I myself have experienced periods in which I wanted to work more and yet couldn't due to my circumstances at the time, or periods in which I wanted to have a job that I felt passionate about and through which I could serve others. However, no matter how hard I prayed or worked, there were times when the door stayed firmly shut. But now, I can say for sure that you too will one day fully bloom, as long as you continue to challenge yourself. This is the message that I would like to communicate to everybody through this challenge.

Culture-building

Supporting the Recovery of the Noto Peninsula: Unveiling "SOMPO de Manaboccia" Invented by the Ishikawa Branch

Description of Initiative

Our desire to contribute to the community based on the company' s theme park concept culminated in the "SOMPO de Manaboccia" initiative, which took place at the recovery support event for the disaster-affected Suzu city in May 2023, held by the Komatsu Branch in collaboration with local NPOs. The event was a result of the local government's wish to support Noto's recovery through sports, and the wishes of SOMPO employees who want to put smiles on the resident' s faces. Everybody was full of smiles at the recovery support initiative unveiling.

Back-ground Motivation

We want to encourage employees to connect with one another, connect with agencies and companies, and be of service to local communities, while using our wisdom and actions to bring smiles to everyone's faces. By using our original tool, we want to share the sense of crisis that is unique to disaster-affected prefectures while respecting diversity and providing opportunities for people to learn in a fun way, and create a resilient community for the future by reinforcing community ties and strengthening contingency preparedness.

Embracing further challenges after winning the award

SOMPO Awards 2022 Learning from Challenges Category Grand Prize:
A Society Where Everyone Can Fully Enjoy Their Life Regardless of Disability "Eyeco Support"

Eyeco Support is a service that allows visually impaired users to share visual information about their surroundings and their location using their smartphone camera. The images are then viewed by a remote operator who verbally conveys the visual information back to the user. Growing in popularity, this service has been driven by the desire of the planning team, which includes visually impaired members, to create a society where everyone, regardless of disability, can live a more exciting life. Following its introduction in Tottori Prefecture, Atsugi City in Kanagawa Prefecture has adopted a comprehensive service subscription plan. The service will also be tested as part of the Tokyo's Smart Inclusive City Project. The widespread introduction of this service by local governments will enable us to offer the service to even more people.

By offering Eyeco Support, we will continue to support access to visual information, thereby expanding the range of activities and choices available to visually impaired people, promoting their participation in society through employment, and improving their quality of life.

Financial Inclusion

Concept and Policy Basic concept

As poverty, aging, and other social issues become increasingly serious, it is becoming more important to promote financial inclusion so that all people have access to financial services.

Aiming to create a society where everyone can lead security, health and wellbeing, the Group strives to understand the circumstances and needs of underserved groups. We will also develop and provide a wide range of services, including financial instruments, by thoroughly examining and analyzing changes in the social and economic environment and in customer needs in cooperation with external stakeholders. In developing products and services, we consider appropriate pricing and examine delivery methods that meet customer needs. At the same time, we strive to make our complaint mechanisms easily accessible to customers. In addition to providing products and services, we help to raise living standards for under-served groups by providing non-financial support, including offering educational opportunities and raising awareness related to insurance and finance.

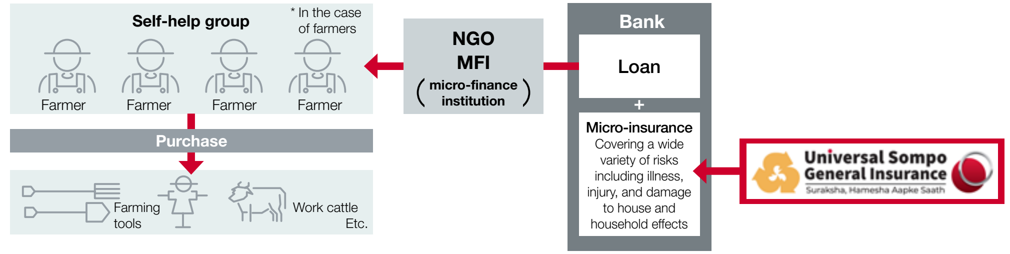
The Group considers these financial inclusion initiatives to be part of its sustainability efforts. The Group Sustainable Management Committee discusses the progress and emerging challenges of these initiatives, and is chaired by the Group Chief Sustainability Officer, who reports to the Board of Directors. We also conduct annual training for employees to further their understanding of sustainability issues, including financial inclusion.

Activities and Achievements Promoting universal access to insurance

Providing micro-insurance in India

Since 2008, Universal Sompo General Insurance (USGI) has been providing micro-insurance services for the protection of low-income individuals who are vulnerable to health risks and have difficulties repaying their loans. USGI's products include livestock insurance for economically marginalized farmers, insurance packages and accident insurance for farmers, and medical insurance coupled with microfinance offered by banks and others covering illnesses. These insurance product's premiums are set low.

Mechanism of micro-insurance



Micro-insurance results in India

	2021–2	2022–23	2023–24	2024–25
Insurance for low-income individuals				
Premiums written (million rupees)	14,308	14,476	15,227	13,012
Number of policies	47,917,892	4,427,158	3,566,118	9,144,808
Number of clients	47,917,892	4,427,158	3,566,118	9,144,808
Insurance for the rural sector				
Premiums written (million rupees)	14,649	20,555	5,830	3,237
Number of policies	11,125,622	25,389,794	746,248	489,355
Number of clients	11,125,622	25,389,794	746,248	629,648

Initiatives to expand insurance coverage to rural areas of India working with the government

In line with the vision of "Insurance for All by 2047" set forth by the Insurance Regulatory and Development Authority of India, USGI has established a dedicated team to promote insurance in rural areas, particularly in the under-served state of Andhra Pradesh since 2024. To expand insurance coverage in rural areas such as the state of Andhra Pradesh, USGI uses demographic and socioeconomic data provided by the state government and others to provide insurance that meets the needs of rural people and microenter-prises, and to reach out to communities with a focus on women-led self-help groups (Self Help Groups) and provide post-sale support. USGI has also established an insurance committee in collaboration with the provincial government and a digital platform to disseminate the initiative.

The initiative aims to provide property insurance, livestock insurance, and livelihood compensation at low premiums and in compliance with Insurance Regulatory and Development Authority guidelines, with a target premium income of 100 million rupees in 2025-26 from approximately 40,000 policies (actual 2024–25: 5,060 policies, 13.13 million rupees).

Financial Inclusion

Insurance program supporting women just before and after childbirth

In February 2013, Sompo Japan Insurance started to offer liability insurance for doulas (trained non-medical professionals who assist women before and just after childbirth) in collaboration with the Japan Doula Association. The insurance program covers the cost of damages in cases where the insured doula is legally liable for damages as a result of an accident occurring in the course of their work.

In recent years, the circumstances surrounding child-rearing have continued to change due to factors such as declining birthrates and the higher average age of parents. The number of child abuse cases is also on the rise, in part due to postpartum depression among women in isolated child-rearing environments.

In light of these social issues, the Japanese government revised the Child Welfare Act to establish a new home visit support program for child-rearing households. This comprehensive support program includes helping with childcare and housework, listening to and counseling parents about their anxieties and concerns, and offering advice. As a result, the demand for doulas is also on the rise.

Doulas, however, bear the risk of legal liability for any damages incurred while working. Sompo Japan Insurance aims to support doulas in their activities through this insurance, in turn supporting mothers before and after childbirth. As of April 2025, 560 doulas had enrolled in this insurance.

Insurance in preparation for dementia and insurance that supports people with dementia in living as themselves

With the total number of elderly dementia patients in Japan estimated to reach approximately 8.3 million in 2030*, social issues related to dementia are expected to increase, including concerns about the growing economic burden. Sompo Japan Insurance provides a Lump-Sum Benefit for Mild Cognitive Impairment, etc. Special Provision that offers up to JPY 300,000 in compensation. This benefit supports the early detection of mild cognitive impairment, which is important for delaying the onset and progression of dementia, and for preventing cognitive function decline. Since a diagnosis of dementia can result in a significant financial burden on the patient's subsequent life, we offer a Dementia-Specific Special Provision (for Lump-Sum Benefit for Dementia) with an insurance amount that can be set up to JPY 3 million, aiming to alleviate this financial burden and the accompanying mental stress. Furthermore, we will contribute to alleviating the anxiety and concerns that policyholders and their families have about dementia by providing basic knowledge and the latest information on dementia and nursing care.

* Source: FY2014 Health, Labour and Welfare Sciences Research Grants Special Research Project "Research on Future Projections of the Elderly Population with Dementia in Japan"

Activities and Achievements — Promoting insurance in readiness for all kinds of risk

Mysurance, the Group's small amount, short-term insurance provider, is committed to planning, developing, and selling products in keeping with its mission of bringing new value to insurance, providing customers with new experiences, and making the world smarter through the use of digital tools aimed at making insurance simpler and easier to understand.

Mysurance seeks to rapidly create products to accommodate changes in society and the environment, and meet emerging customer needs, thus providing a level of preparedness for diverse risks.

Online cancellation insurance covering travel reservations

This insurance protects customers from the uncertainty of booking a forthcoming event or expensive travel, and in the event of a cancellation, it reimburses the full amount of the cancellation fee*.

If travelers have to cancel a reservation due to illness or bad weather, they may not only feel disappointment over being unable to travel, but may also have to pay a cancellation fee—a bad experience that may discourage them from booking the next trip. To support customers who wish to travel and make reservations without anxiety, and to revitalize the Japanese travel industry which was hard hit by the pandemic, we offer cancellation insurance for domestic and overseas travel, covering a wide range of reservations, including accommodations and airline tickets. Embedded cancellation insurance offered in collaboration with travel platform providers, automatically links travel reservation information and personal information by inserting an insurance enrollment link into the customer's reservation process. This system allows anyone to easily complete the insurance enrollment process. As of the end of December 2024, the total number of policies sold had surpassed 1 million, and the service continues to be used by many customers.

While this service has received much positive feedback, we have also heard comments to the effect that more people should be aware of cancellation insurance, which indicates that it is not yet widely known. Amid the rise of oshikatsu (traveling to attend concerts or other events featuring favorite entertainers or characters) among younger Japanese in recent years, there have been mounting complaints about the burden of travel cancellation fees due to event cancellations or other reasons, This has prompted our initiatives to raise awareness of cancellation insurance. Following a survey which showed that only about 10% of people were aware of cancellation insurance, we launched a dedicated website Oshikatsu Cancellation Insurance website that incorporates manga and real-life visuals to make it more accessible. Through these efforts, we aim to lower the psychological barrier to insurance, convey the value of insurance to younger generations who are unfamiliar with it, and expand access to financial services.

* The sum insured is the maximum limit.

Financial Inclusion

Activities and Achievements Efforts to build an inclusive society

Initiatives to improve financial literacy in India

In rural communities of India, lack of awareness about the importance of insurance has resulted in cases of financial distress due to lack of insurance coverage in the event of natural disasters or illness. Universal Sompo General Insurance (USGI) believes that increasing financial literacy is an important step in building stronger and more resilient communities, and is working with NGOs and NPOs to offer insurance literacy training programs and free health screenings, particularly in the state of Andhra Pradesh, where there is a lack of financial services.

Activities in FY2024 in the state of Andhra Pradesh

USGI organized an insurance literacy training program to educate women. Sessions were also held to raise awareness about the village insurance ombudsman. Approximately 30 participants attended this program.

USGI conducted insurance literacy training program for Self Help Groups, local farmers, public health services, children's homes, and women's groups. Approximately 20 people participated in the program.

USGI partnered with CRY- Child Rights and You, an NGO working to secure local children's rights, to foster educational opportunities for children in marginalized communities in Andhra Pradesh. The aim of this initiative is to address the barriers to education and equip students with the resources necessary to pursue professional courses and better careers. This program benefited 114 students & 82 families.

USGI conducted an insurance literacy training program with a local broker, Maruti Suzuki Insurance Broking. In order to familiarize rural residents with the basic concepts of medical and auto insurance, they also offered free auto and eye exams. Approximately 50 people participated in the program.

Disaster Prevention and Mitigation (Improving Society's Resilience to Natural Disasters)

Activities and Achievements

Contributing to disaster prevention and mitigation with products and services

SORA Resilience: Disaster prevention and mitigation platform-based solution

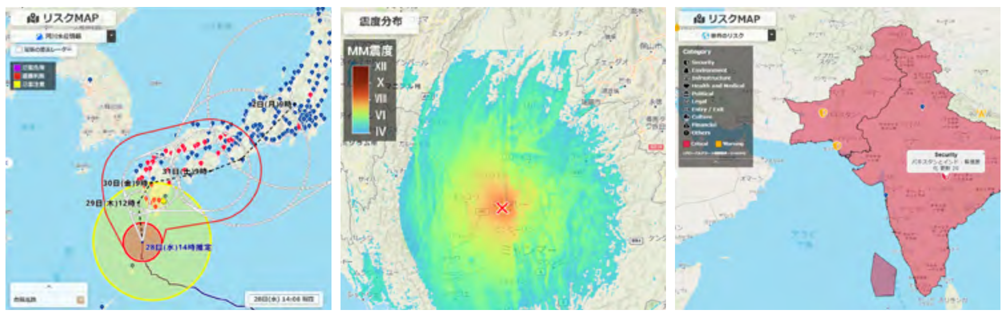
SORA Resilience is a disaster prevention and mitigation platform-based solution jointly offered by Sompo Risk Management, which has expert knowledge of risks, Sompo Japan Insurance, which specializes in insurance knowledge, and Weathernews Inc., a company that has access to meteorological data and boasts analytical capabilities.

In recent years, the world's attention has been focused on the growing risk of climate change. According to a report of the Intergovernmental Panel on Climate Change, the probability of torrential rainfall and other weather disasters is expected to grow even stronger going forward as global temperatures continue to rise, and the threat of natural disasters we face is intensifying year after year.

On the other hand, the accuracy of numerical forecasts related to typhoon path predictions and weather is improving year by year, and the forecast information can be used as a reference in deciding more effective disaster prevention and mitigation actions. Even when a disaster is difficult to predict, such as an earthquake, it is essential for resilient organizational management to quickly gather information, make decisions, and take action. SORA Resilience is a platform that can contribute to gathering and managing such information.

SORA Resilience (1) enables users to easily grasp a variety of risk information in real time, (2) can predict risks up to 72 hours in advance for each site and allows consideration of "when" and "which sites" need to be addressed, and (3) enables smoother operations in response to disasters that by nature do not occur often. Developed based on these three concepts, the system is finding use among customers in a wide range of industries.

Customers with offices in Japan and around the globe also utilize the system's global alerts, which deliver overseas earthquake information and risk information for each location. SORA Resilience will continue to evolve with the aim of becoming a platform that can better help customers prevent or mitigate their exposure to disasters.



Screenshots of the SORA Resilience service ©Mapbox ©OpenStreetMap

The Sumai no Hazard Map: Comprehensive hazard map service to safeguard customers from natural disaster risks

Sompo Japan Insurance develops and provides unique hazard maps, the Sumai no Hazard Map, outlining hazards in the places where people live, by combining its insurance payment data with the hazard maps issued by public institutions.

The main features and advantages of the service are (1) assessment and display of risks for each customer address, (2) display of disaster and accident examples for the visualization of natural disaster risks, (3) display of recommended evacuation centers, facility information, and insurance coverage.

This service is an information tool that staff at our agencies explain to customers when proposing new fire and earthquake insurance policies or renewing policies. The service aims to encourage customers to correctly understand the risks of natural disasters in their own communities and to further convince them of the need for the insurance policy.

(1) Assessment and display of risks for each customer address

(2) Display of disaster and accident examples

(3) Display of recommended evacuation centers, facility information, and insurance coverage

Disaster Prevention and Mitigation (Improving Society's Resilience to Natural Disasters)

Support for corporate and municipal business continuity planning and disaster preparedness

With various risks such as natural disasters, infectious diseases, and ballistic missile launches becoming a reality, companies and local governments are required to formulate comprehensive risk management and business continuity plans to protect the safety of their employees and local residents. In addition, education and training for responding to various types of crises have become important factors, and there is a need to establish highly effective response frameworks. To meet these needs, Sompo Risk Management provides, in addition to its existing consulting services, support for business continuity and disaster prevention, and mitigation for companies and local governments.

For companies and other organizations, we provide comprehensive support for addressing various issues through a range of services, including business continuity plan development based on an all-hazard approach, planning and implementation of diverse training programs tailored to specific challenges and needs, and provision of the HONBU-kun disaster response headquarters operation kit and the STG-DX (disaster response game online training program).

Local governments support the building of disaster-resilient communities by formulating plans and manuals e.g., regional disaster prevention plans, business continuity plans, relief distribution plans, regional plans for strengthening national resilience, and national civil protection plans), planning and conducting education and training, facilitating local councils for people unable to return to their homes, and conducting research and studies on disaster response measures.

Among these, KUG (a game for managing aid facilities for stranded people) is a game-based simulation tool that allows users to gain a more in-depth understanding of the tasks involved through experiencing the challenges of responding to people stranded after a disaster. This tool was developed in collaboration with Professor Yu Hiroi of the Research Center for Advanced Science and Technology at the University of Tokyo under an open innovation initiative. It won the Resilience Grand Prize, the top prize at the 11th Japan Resilience Award*.

* A system established by the Association for Resilience Japan that recognizes companies and organizations engaged in activities and initiatives that contribute to building a strong, resilient country and communities, as well as technology and product development that contributes to disaster prevention and mitigation as well as national resilience.

For related information, see Climate Change Initiatives (Adapt to Climate Change) (P.115–116).

Activities and Achievements

Digital transformation for wide-area disaster response (fire and allied insurance)

Following the Fukushima Earthquake on March 16, 2022, Sompo Japan Insurance, Palantir Technologies Japan K.K. and ABEJA Inc. formed a Disaster Response Project in April 2022 to improve business operations in the event of a major natural disaster, and began collecting and integrating data about accidents and insurance payouts to build an app for disasters. This has led to faster payment of insurance claims by substantially streamlining operations through digital transformation in claim processing operations.

In the past, the information required for damage assessment was dispersed across multiple systems, requiring a lot of time and labor to print and sort documents, as well as to manage dispatch routes to visit customer homes. By collecting and integrating the dispersed data onto Palantir's Foundry platform, restructuring it to suit our business processes, and utilizing it in the app we developed, we have been able to streamline our business operations.

Following the Noto Peninsula Earthquake, we established disaster response headquarters in Ishikawa, Toyama, and Niigata prefectures. By using the Foundry platform, we were able to complete payouts of insurance claims to more than 90% of customers who reported damage within four months following the January 2024 disaster.

We will continue striving for faster payouts by using this app.

Contributing to a Safe and Secure Mobility Society

Activities and Achievements Safe driving support products and services

Developing telematics insurance and services

Sompo Japan Insurance has been engaged in research and development aimed at supporting safe driving and reducing insurance premiums for drivers through the use of telematics technologies. Our product line-up currently includes "Driving!,"*1 "SOMPO Drive," and "SMILING ROAD."*2

*1 The name of the service attached to the "Rider on Notice of Accident by Drive Recorder."
*2 A service for businesses designed to prevent accidents by using a drive recorder. The service was launched in March 2015 as the first telematics service in the P&C insurance industry. The drive recorder service was renewed in July 2022.

Safe driving support service "Driving!" for individual drivers

Sompo Japan Insurance believes that its mission as a P&C insurance company is to relieve customers' anxiety in the event of an accident and to reduce the number of traffic accidents that occur. In 2018, we have been providing "Driving!," a telematics-based service involving auto insurance for individuals who use a drive recorder (dashboard camera).

Since then, road rage has become a social problem spanning generations in Japan, so in September 2021, we updated our drive recorder terminals to provide greater peace of mind to customers. The use of drive recorder footage has led to prompt and reasonable insurance claim payments, with cumulative sales exceeding 370,000 units.

"Driving!" offers drivers peace of mind while driving by using a dedicated driving recorder with a telecommunications function that supports safe driving, as well as provides safe driving assessments after driving to help users maintain their driving skills. By using the telecommunications feature to enable users to directly connect to an insurance company, the company can provide an accident reporting service that utilizes the drive recorder's impact detection function and ALSOK Kaketsuke Anshin Service, an accident-scene callout service offered in collaboration with ALSOK CO.,LTD. Sompo Japan Insurance is the first major P&C insurance company in Japan to collaborate with ALSOK in providing such a service. In this way, the company offers customers total support for peace of mind and safety when driving.

Sompo Japan Insurance will continue to leverage digital technology to provide all drivers with even greater peace of mind and safety, contributing to achieving an accident-free society.

Main functions of "Driving!"

01	**Accident response support in case of emergency** • In the event of an accident, the ALSOK Kaketsuke Anshin Service provides peace of mind in addition to automatic and manual reporting. • We handle the securing of any accident scene and arrange ambulances on behalf of customers. Note: ALSOK Kaketsuke Anshin Service is available to customers whenever necessary.
02	**Functions to support safe driving** • Our support function for safe driving uses a high-performance drive recorder. • It alerts the driver with on-screen displays and warning sounds to avoid or mitigate accidents before they occur.
03	**Visualization of driving ability data** • While analyzing driving characteristics and other information, a driving diagnosis report is displayed on a dedicated smartphone app. If the driving characteristic score* is 80 or higher, a 5% discount is applied to the next year's auto insurance premium. * This score is calculated based on driving information and other data determined by the company.

"SMILING ROAD" safe driving support service for companies and individual business owners

Sompo Japan Insurance lends drive recorders with communication functions to corporations and individual business owners. It also offers "SMILING ROAD," a safe driving support service that uses advanced technology to analyze driving data obtained from the drive recorders. Specifically, the three functions of "see," "understand," and "praise" provide feedback on safe driving diagnoses, dangerous driving, and other information to the safe driving manager's computer and the driver's smartphone, thereby helping to raise driver awareness of safe driving and provide efficient guidance to the safe driving manager. In the event of an accident, the drive recorder's communication function can detect the impact and notify the administrator of the vehicle's location and other information to enable an immediate grasp of the accident situation, prompt notification of the accident to our company, and rapid resolution of the accident. Launched in March 2015, the new terminals and services were updated in July 2022. As of February 2025, the renewed service has been adopted by a total of about 4,700 companies amounting to approximately 150,000 units.

Contributing to a Safe and Secure Mobility Society

ALSOK reliable accident site support service

Sompo Direct Insurance provides an ALSOK reliable accident site support service, which dispatches ALSOK personnel to the scene of the accident when the company receives a report of an accident from a customer. The service ensures safety to prevent secondary accidents, arranges for ambulances when damage or harm has been caused to the customer or other parties involved, and verifies the situation and provides photos of the scene among other services. The service has been well received by customers whose questionnaire responses include, "I felt relieved once ALSOK arrived on the scene" or "I felt reassured."

Human health checkup for drivers initiatives aiming to create an environment where everyone can drive safely and at ease

Sompo Japan Insurance is working with AI Driving Instructor Co., Ltd. and MEDEMIL Corporation to develop solutions based on data-driven driving evaluations, seeking to address various traffic issues Japanese society is currently facing, including the increase in elderly and inexperienced drivers and the shortage of professional drivers.

In recent years, the Japanese government has enacted laws and regulations to address the surge in traffic accidents caused by elderly drivers. To prevent accidents, however, it is essential to understand the cognitive functions and driving skills of drivers themselves and to provide efficient, personalized training. By combining Sompo Japan Insurance's telematics technology, AI Driving Instructor's automated driving technology and AI-based high-quality driver education, and MEDEMIL's eye movement analysis technology, we are developing highly accurate driving diagnoses and effective training methods to contribute to the realization of a safe driving environment.

Optimal safe driving education videos through AI drive recorder analysis

Sompo Japan Insurance and Sompo Risk Management formed a partnership with LOGISTEED, Ltd. in FY2023 to build a system that enables professional drivers to work in a safe and healthy manner, and to provide transportation companies with various measures to prevent traffic accidents.

We have launched a new service that analyzes near misses and dangerous driving detected by Logisteed's Safe Driving Management Solution AI drive recorder, and automatically delivers optimal safe driving education content. We are delivering educational content created by Sompo Risk Management drawing on its specialized expertise in traffic accidents. Because the content is tailored to high-risk drivers, it is possible to efficiently implement highly effective safe driving instruction.

Sompo Japan Insurance will continue to utilize the latest digital technologies to provide services that address issues facing the transportation industry as a whole, such as the problems that arose in the Japanese logistics industry after restrictions on overtime for truck drivers were put in place in 2024 or the increase in health-related accidents.

Offering a safe driving support solutions for taxi operators

In February 2025, Sompo Japan Insurance, Denno Kotsu, Inc., and DAIICHI KOUTSU SANGYO Co., Ltd. launched a safe driving support solution for taxi operators. The service utilizes Sompo Japan Insurance's traffic accident data and DS, Denno Kotsu's cloud-based taxi dispatch system, to alert taxi drivers in real time to accidents and accident-prone areas.

The number of traffic accident fatalities in Japan reached a record low in 2022, but began to rise again in 2023, Taxi operators are considered to be particularly at risk of accidents due to their long driving hours. The three companies conducted a trial from January 2022 to confirm the effectiveness of the service in reducing accidents. Sompo Japan Insurance has also developed an insurance plan that offers premium discounts to policyholders who use this service.

We will begin to promote this system to taxi operators nationwide, propose new insurance products linked to traffic accident prevention, and contribute to safe driving awareness activities in local communities, as we aim for a society free of traffic accidents.

Map data use in the service

Contributing to a Safe and Secure Mobility Society

Activities and Achievements Insurance for automated driving vehicles

Development of automated driving insurance services (tailor-made for pilot tests)

Automated driving technology is expected to provide solutions to various social issues, including the reduction of traffic accidents, the increase in people voluntarily turning in their driver's licenses after reaching a certain age, driver shortages in regional public transportation, and reduced CO_2 emissions.

Using insurance design expertise accumulated over the years, Sompo Japan Insurance has developed automated driving insurance (tailor-made for pilot tests) that covers a wide range of risks during automated driving pilot tests.

The product incorporates comprehensive automated driving insurance that compensates for various risks relating to automated driving, risk consulting by Sompo Risk Management, and a dedicated service that helps foster a pleasant automated driving experience by analyzing driving data using the latest IoT technologies.

As an example, vehicle developers who provide automated driving technology may be obligated to compensate for damages in the event of a system malfunction or other problem. However, it not only takes time to identify the cause of the malfunction, but developers will likely hesitate to promote such development if they have to bear indemnity risks.

To ensure that automated driving technology can be developed without concerns about such risks, Sompo Japan Insurance now offers a new Additional Rider for Insured Parties, such as Automated Vehicle Developers, which eliminates the need to debate the division of fault among vehicle developers, and does not seek compensation from developers insured under the rider. Through these initiatives, the company aims to solve issues faced by businesses that have adopted automated driving.

Protection for automated driving vehicles

Automated driving technology currently in practical use is driving support technology that assumes a human driver is driving the vehicle, and that the driver assumes liability for accidents in principle. Because of this, the likelihood of a human driver not being liable for compensation for damage under the law is low at present, and in the majority of cases, it is possible to offer insurance payments using current bodily injury and property damage liability insurance. However, due to diversified risks resulting from the high pace of recent technological developments and the increase in cyber-attacks, Sompo Japan Insurance anticipates cases in which it is unclear whether a human driver is liable for damages and cases that will take time to settle.

For such cases we offer a rider for the injured party (provided for all customers) that makes insurance payouts even when there is no liability for compensation on the part of the human driver, so that we can continue to provide security to customers who use automobiles equipped with automated driving technology and connected-cars, and ensure prompt injured party relief and early amicable accident settlement.

Solutions for the social implementation of automated driving services Launch of SOMPO ALCS*

Together with Sompo Risk Management, Sompo Business Solutions, and Prime Assistance, Sompo Japan Insurance in April 2024 launched SOMPO ALCS, a packaged solution to support local governments and transportation operators.

This solution is a complete package that provides services ranging from the trial stage to the actual operation of automated driving vehicles, and includes a risk assessment of the driving environment for automated driving vehicles, support for creating emergency manuals, and support for constructing a tow truck and maintenance network along with its own tailored insurance plan.

We will continue to leverage the knowledge and expertise we have accumulated to help realize a sustainable mobility society and support the widespread adoption of automated driving services throughout Japan.

* We named it "SOMPO ALCS" with the aim of contributing to social issues by supporting the implementation of automated driving services. ALCS stands for Autonomous, Level 4, Comprehensive, Support.

Contributing to a Safe and Secure Mobility Society

Activities and Achievements Initiatives to eliminate "transportation gaps"

Insurance that supports mobility in local communities

Sompo Japan Insurance in June 2019 began offering automobile insurance tailored for mobility support services.

Volunteer transportation services help address the problem of securing transportation for people in areas with inadequate public transportation networks, but insurance coverage in the event of an accident has been an issue here.

We offer this product to organizations that provide transportation support services. It provides priority payouts for accidents that occur if registered drivers are involved in an accident while offering such services. This eliminates the need for drivers to use their own automobile insurance, allowing them to provide transportation support services without anxiety.

Moreover, to address the growing shortage of taxi and bus operators in recent years, we expanded the scope of the product in March 2024 to include Japanese ride-sharing operators. By providing this product, we will continue to contribute to the sustainability of transportation in local communities.

Insurance policy tailored to public ride sharing—i-Chan Ride Sharing Insurance

Sompo Japan Insurance has launched an insurance product called i-Chan Ride Sharing Insurance that is tailored to the public ride-sharing brand i-Chan provided by the National Association of Municipalities for Rideshare Coordination.

Public ride sharing is gaining attention in Japan as a means of eliminating transportation disparities in local communities. Ministry of Land, Infrastructure, Transport and Tourism has established a dedicated office for the purpose of eliminating such disparities, and is launching support and initiatives aimed at eliminating transportation disparities nationwide.

The National Association of Municipalities for Rideshare Coordination was established in April 2024 with the aim of improving public transportation accessibility in areas with transportation disparities. It was founded as a voluntary association under the auspices of a study group on ride-sharing in local governments which was formed by the Association of Governors and Mayors Creating Vibrant Local Communities, and is made up of 338 mayors from across the country.

Sompo Japan Insurance will work with the association to provide insurance and develop solutions for preventing accidents to help achieve safe and secure ride sharing.

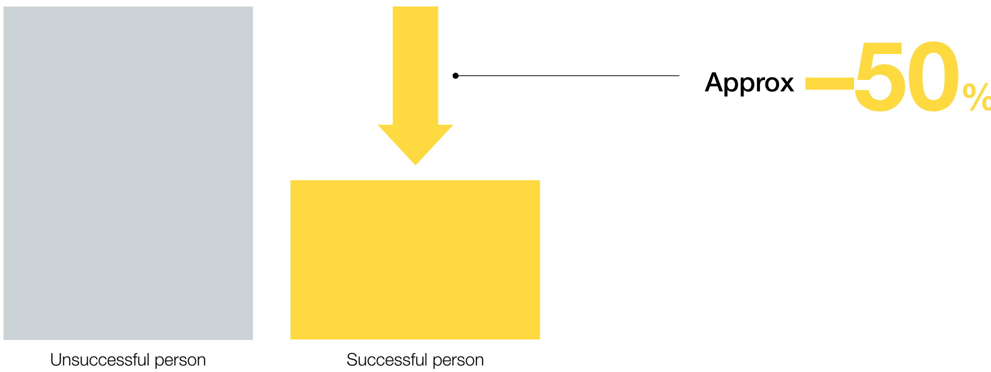
i-Chan

Extending Healthy Life Expectancy

Activities and Achievements Insurance products initiative

As a "health support company," Sompo Himawari Life Insurance aims to support customers to lead prosperous lives and realize their dreams, and to bring about a society in which people can live their own way. Toward this goal, we are working to deliver innovative health-centered insurance products and health support services, centered on apps, to a large number of customers, and to support their behavioral change toward better health. Our initiatives to date have steadily increased the number of users of our insurance and health support services to 5.38 million people. The Get☆ Healthy Challenge! Program, one of the initiatives to support customers' behavioral change, has been showing results in health support. These include a lower hospitalization rate for people who succeeded in the challenge compared to those who did not. In the Mid-Term Management Plan starting from FY2024, we are accelerating our initiatives to help address the social issue of extending healthy life expectancy, and contribute to resolving the three concerns of SOMPO Wellbeing.

Get☆ Healthy Challenge! Hospitalization rate of successful applicants



* Hospitalization rates are based on the Get☆ Healthy Challenge! system and are calculated based on actual payments during the study period for FY2018–2019 contracts that were challengeable and in effect at the start of the study period. Percentages are based on the hospitalization rate for unsuccessful persons set at 100.

* The classification of "successful" and "unsuccessful," as well as the duration of the study, are as follows:
FY2018 contracts: Based on the success status at the end of March 2021, the study examined actual payouts from April 2021 to March 2023.
FY2019 contract: Based on the success status at the end of March 2022, the study examined actual payouts from April 2022 to March 2023.

* Payout results for hospitalization are based on the total of payouts for injuries and illnesses that fall under the seven major lifestyle-related diseases defined by SOMPO in medical insurance policies for the same insured person in the subject policy.

Insurhealth® products

We provide Insurhealth® products that offer new value from combining a traditional insurance function with a healthcare function. Insurhealth® products have been well received by many customers, with cumulative sales exceeding 2 million since we launched them in 2018 (end of FY2024). Under the Mid-Term Management Plan we started in FY2024, we have committed to expanding the number of Himawari clients/users through Insurhealth® products, and we will continue to deliver Insurhealth® to as many customers as possible to eliminate "just in case" situations to the extent possible.

Income compensation insurance to support health "Protection for You and Your Family"

This product features a Get☆ Healthy Challenge! Program, which allows policyholders to lower their insurance premiums by measuring improvements in their health (smoking, BMI, blood pressure) over a certain period from enrollment, and to receive the amount equivalent to the difference from the date of contract in the premiums paid in the form of a monetary reward for completing health challenges.

"Health support cancer insurance Yuuki no Omamori"

"Yuuki no Omamori" is a new form of cancer insurance that provides total support from pre-onset to post-treatment care for cancer. In terms of prevention, smokers who successfully quit smoking after enrollment can change to a less expensive non-smoker premium rate. Cancer risk testing services are provided for early detection. In terms of protection, the insurance adopts a rational approach that is compatible with Japan's social security system and the latest cancer treatments.

"Health support variable insurance Shorai no Omamori"

In addition to death protection in the event it is needed, "Shorai no Omamori health support variable insurance" also provides comprehensive protection for being unable to work, including disability and nursing care, which are a growing risk in terms of asset formation for the working generation. Additionally, the product also includes industry firsts*, such as a "health reserve" scheme that enables customers to leverage their good health to enhance their asset formation, and a secondary insurance period in which customers can continue to have their assets managed in a special account after the insurance pay-in period is complete.

* According to research by Sompo Himawari Insurance in February 2023

Extending Healthy Life Expectancy

Deployment of health support services

We offer a variety of health support services utilizing digital tools, data, and AI to support Himawari clients/users in their behavioral change toward health. By offering a rich lineup of services, from light services such as health behavior support (walking) and health checkup readings to services for women's health issues and lifestyle-related diseases, we have been helping more Himawari clients/users to change their behavior toward health.

Paid health support services

"Blood Sugar Coaching"

This service allows users to monitor changes in their daily blood sugar levels, which cannot be done through conventional means such as health checkups, by wearing a "continuous glucose monitoring" device. The service also helps users learn the causes of and remedial measures for their blood sugar issues. Gaining awareness of the relationship between one's own lifestyle and changes in blood sugar levels will lead to more intentional actions to improve lifestyles.

"Life Is" life design support service for women (industry first)

"Life Is" is the industry's first*1 paid healthcare service in the Femtech space.

The health issues of menstruation, future pregnancy, and menopause, along with hormonal fluctuations, are closely related to work performance and life planning. Promoting understanding of the impact of hormones on women's lives and presenting remedies will help resolve discomfort and distress.

By addressing the health, career, and other concerns of female employees in companies, and supporting each woman's ideal life planning, we can help improve performance of the company as a whole.

*1 As of August 2022. Sompo Himawari Life Insurance research

Health support apps

MY Himawari application delivers Insurhealth® to the palm of the customer's hand

Released in September 2024, MY Himawari is based on the concepts of seeing, connecting, and being able to make change, and provides a variety of services related to life insurance (My Life Insurance) and health (My Health). These concepts resonated with many customers, with the app surpassing 100,000 downloads in just 180 days after release.

Available free of charge not only to customers subscribing to Insurhealth® products, but also to all of the more than 5 million Himawari clients/users, it is truly a comprehensive support app that combines insurance and health, allowing users to check their risk, preparedness and health status in one stop. In addition, we are introducing a point program*2 to encourage customers to engage in healthy behaviors (actions to maintain and improve health) and to make such behaviors a habit, thereby contributing to the social issue of extending healthy life expectancy.

*2 There are conditions for using the point program. Please refer to the point details page in the app and the Terms of Use.

Extending Healthy Life Expectancy

Activities and Achievements Group-wide initiatives to tackle dementia SOMPO Dementia Support Program

The Sompo Group has been developing the SOMPO Dementia Support Program since 2018 under the slogan "A society in which every person can live a healthy, prosperous and happy life in one's own way."

For further details, please visit the website (in Japanese): SOMPO Dementia Support Program

Initiatives through the development and provision of services

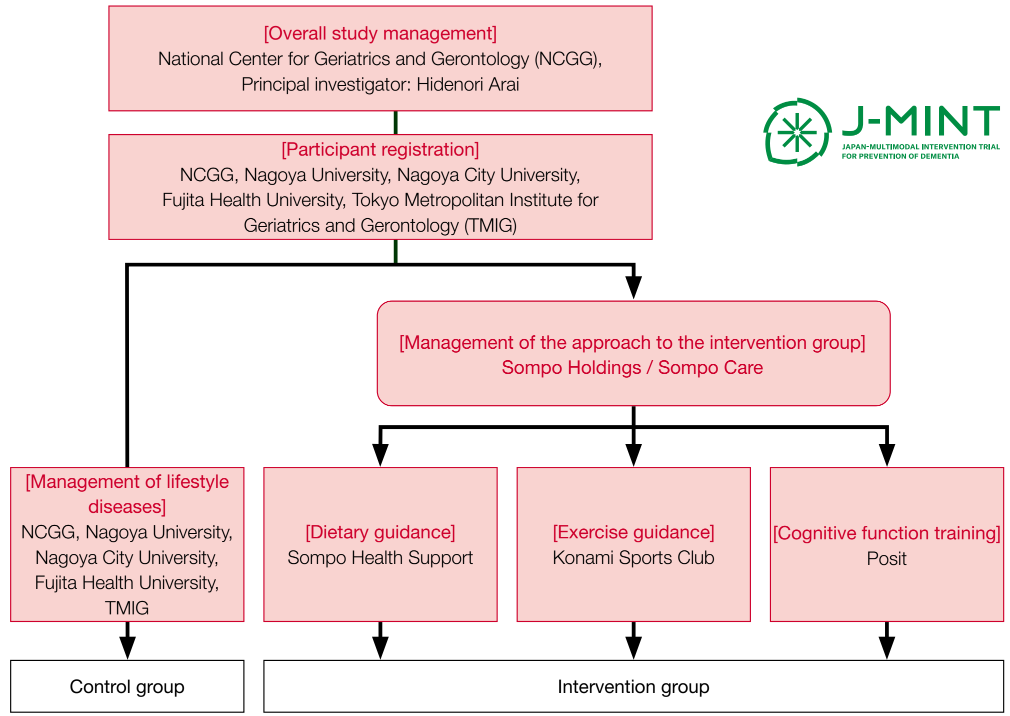
SOMPO Smile Aging Program for effective control of cognitive decline

In 2020, under the supervision of Professor Miia Kivipelto of the Karolinska Institutet, who led the FINGER study, and the National Center for Geriatrics and Gerontology, we developed the SOMPO Smile Aging Program, which helps prevent cognitive decline by improving the lifestyle of older people. This program is the world's first nationwide FINGER study social implementation program approved by Professor Kivipelto. Currently, Sompo Care has introduced this program to senior care facilities (approximately 280 locations) across Japan, with more than about 3,000 residents participating every week as preventive care. In the future, we aim to reduce the risk of developing dementia and extend healthy life expectancy in Japan by rolling out the program throughout Japan.

Participation in J-MINT study (Japanese FINGER study) and publication of results

The Sompo Group is a co-participant in the J-MINT study, which began in November 2019. In July 2023, the National Center for Geriatrics and Gerontology found that a multimodal intervention program (management of lifestyle-related diseases, exercise, nutritional guidance, and cognitive training) was effective in improving cognitive function in seniors with mild cognitive impairment.

Structure of J-MINT study



Publication in Alzheimer's & Dementia (International Journal of the Alzheimer' Association)

The achievements of the above J-MINT Study were published in the prestigious international journal "Alzheimer's & Dementia," published by the Alzheimer's Association.

For further details, please visit the website: Alzheimer's & Dementia

Extending Healthy Life Expectancy

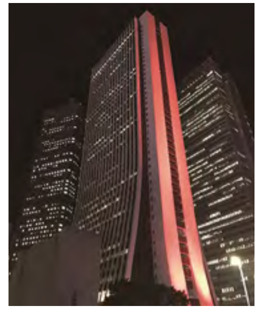
Raising awareness on dementia

The Sompo Group conducts a variety of activities to promote correct knowledge about dementia and a proper understanding of people with dementia, which is needed to promote their harmonious integration into society.

Activities for World Alzheimer's Month (September)

Transmission of a message to raise awareness of dementia from the Sompo Japan headquarters building

Every year on September 21, World Alzheimer's Day, the Sompo Japan headquarters building is lit up in orange, the color used to indicate awareness and support of dementia. We have been lighting up our headquarters building on this date since 2017.



Living Together: Seminar for thinking about dementia

In cooperation with a number of companies and organizations that support the objectives of the seminar, we have been holding a seminar called "Living Together: Seminar for thinking about dementia" every year since 2017. In FY2024, the event continued under the theme of "'Talk with': Let's talk with everyone," and more than 1,500 people attended.

Initiatives to ensure correct knowledge and understanding of dementia among Sompo Group employees

Dementia Barrier-Free Declaration by Sompo Group companies

To create a barrier-free society for people with dementia so that they and their families can live safely, securely, and healthily, Sompo Group companies are promoting the formulation of their Dementia Barrier-Free Declaration.

* 10 companies as of June 30, 2024

In-house lecture for employees

In August 2023, we held an in-house lecture on the theme of "the expected role of financial institutions with the enactment of the Basic Act on Dementia" by Professor Jin Narumoto of Kyoto Prefectural University of Medicine Graduate School.

Sompo Cafe (dementia cafe) for employees

In August 2023, Sompo Japan Insurance Inc. held the "Sompo Cafe" (dementia cafe), mainly for employees living in the vicinity of its headquarters building. The purpose of the event was to make people become more familiar with dementia and understand it from the perspective of the person with dementia. On the day of the event, we welcomed Ms. Miki Sato, who suffers from dementia, to speak about her feelings and personal experiences and what she thought we should know about the condition. Attendees deepened their understanding of dementia through Q&A with Ms. Sato and group discussion.

Others

Participation in Run Tomo

We participated in Run Tomo, an event in which people with dementia, their families, supporters, and the general public run in a relay race. Instead of passing a baton, the runners pass a tasuki, the traditional cloth sash worn by relay marathon runners in Japan. Executives and employees of the Sompo Group also participate as runners in events held in various regions.

Launch of Anna Konna website full of hints for dementia care

This website, which supports people providing dementia care at home, is operated by Sompo Care in the hope that our knowledge of nursing care will be useful to home nursing care providers. The website draws on the knowledge of frontline dementia care professionals to introduce lifehacks on how to apply wisdom and ingenuity when providing nursing care at home, in relation to all kinds of problems associated with caring for people with dementia. The "Anna Konna" website was awarded the Good Design Award 2020.

For further details, please visit the special site (in Japanese): Anna Konna

Extending Healthy Life Expectancy

Activities and Achievements | Initiatives to maintain and promote the health of employees

Providing Japan's largest service in specific health guidance

As Japan's society ages and a growing number of people suffer from lifestyle-related diseases such as diabetes and heart attacks, the increase in medical and other social security costs has become a social issue for the country. Under these circumstances, health insurance societies and other public medical insurers, have been obligated to provide specific health checkups and specific health guidance focusing on metabolic syndrome since FY2008. From FY2015, data health plans have required health projects based on the analysis of receipts and medical checkup data. In addition, with the start of the fourth phase of the Japanese government's Medical Cost Optimization Plan in FY2024, the introduction of outcome evaluation, and the use of ICT for specific health guidance will improve the implementation rate to achieve the target. Furthermore, medical insurers are expected to implement ever more effective and efficient approaches.

Drawing on its nationwide network of health professionals, which includes more than 1,000 health workers, nurses, and national registered dietitians, Sompo Health Support offers support to corporate employees as Japan's largest provider of special health guidance. One study shows that approximately 40% of employees who received follow-up advice from Sompo Health Support improved to the point that they required no further guidance the following year. In addition, we are developing a project to help prevent severe illness and a project to provide information to people who are non-obese at risk of high blood pressure, high blood sugar, high lipids, and other conditions, people who are on medication or undergoing treatment, as well as people who are not eligible for specific health guidance. We provided approximately 470,000 health guidance per year for about 620 organizations, mainly health insurance societies and mutual aid associations.

Sompo Health Support will continuously provide face-to-face health support that matches each customer's need, as well as our own seminars and technical support on health to professionals nationwide to develop a framework that enables the provision of high-quality services.

Support services for corporate mental health measures and health and productivity management

At Sompo Health Support, consultants and specialist occupational mental health coordinators (OMC) provide services to address issues facing corporate customers in various sectors. These include support for the development of occupational health systems that focus on mental health measures, support for employees with disabilities and employees on leave, the employment of industrial physicians, and the planning and implementation of healthcare training.

In addition to services that employ stress checks to improve workplace environments, the company offers two presenteeism* measurement tools: WLQ-J and WFun.

With the aim of helping to make businesses healthy places, the company also provides comprehensive support for health and productivity management. This covers support for preparing related surveys in health and productivity management consulting, visualizing health issues through data analysis, and providing solution services based on the results of these surveys to ensure employee productivity, which is a critical issue for corporate management.

* Situation in which employees report to work despite being ill and work while physically unwell.

Health and productivity management Promotion Support Services

To Our Stakeholders
Main Section
Sustainability Section
Introduction
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Business and Human Rights
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Talent Development
Wellness Management
Feature | Value creation initiatives based on My Purpose
Financial Inclusion
Disaster Prevention and Mitigation (Improving Society's Resilience to Natural Disasters)
Contributing to a Safe and Secure Mobility Society
Extending Healthy Life Expectancy
Contributing to a Sustainable Social Security System
Improving the Quality of Customer Services
Corporate Citizenship Activities
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Contributing to Community through the Arts and Culture
Data
Financial and Corporate Data Section

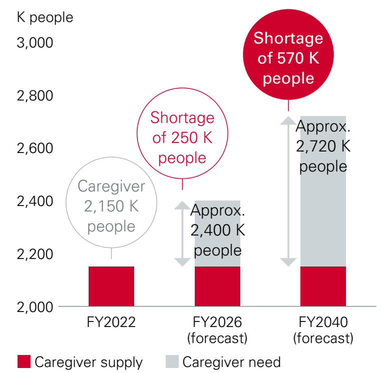
Contributing to a Sustainable Social Security System

Concept and Policy — Goal of SOMPO's nursing care business

In Japan, which continues to struggle with a low birth rate and an aging population, there is an enormous imbalance between the number of people providing care and the number of those receiving it. Estimates indicate that by 2040, there will be a shortage of approximately 570,000 caregivers* in this country. Also, given the decline in the working-age population, concerns have been increasingly raised about the future of social security.

Sompo Care continues to take on the challenge of shaping the future nursing care to address this social issue.

Estimated shortage of caregivers



* Source: Ministry of Health, Labour and Welfare, "The Number of Long-Term Care Workers Needed Based on the Ninth Long-Term Care Insurance Business Plan" (July 12, 2024)

Future Care Lab in Japan, a research center for technology related to nursing care

Future Care Lab in Japan aims to resolve the overwhelming labor shortage through the use of technology. This organization is advancing the demonstration and research of technology that is attractive to both caregivers and care recipients.

<Purpose>

- Improve quality of life of users
- Reduce the burden on and improve conditions for nursing care workers
- Improve productivity of nursing care services

For further details, see the special site: Future Care Lab in Japan

Activities and Achievements — Improvements in productivity along with quality, the future nursing care

To change the future, it is essential to change the places where nursing care is provided. We are working together across the Group to create the future nursing care. Key to this future is the utilization of technology, digital, data, and AI. First, in anticipation of an overwhelming labor shortage, we will pursue thorough efficiency improvements while maintaining the quality of daily operations. Building on this, we will aim to provide better, more evidence-based nursing care to users of our facilities, while fostering a sense of pride and fulfillment among our employees by enabling them to focus on the aspects of nursing care that only human beings can provide. In FY2024, we finished laying the groundwork for the future nursing care at all of our nursing care facilities. We achieved productivity improvements with quality.

We will further change the future nursing care in Japan by instilling this approach across the entire nursing care industry.

To make this a reality, Sompo Care, as a nursing care service provider, and ND Software, as a developer and provider of nursing care support software, will offer other nursing care providers their combined expertise and services. One example is our contribution to productivity improvements with quality through supporting care operation transformation, such as the visualization of nursing care record data.

Activities and Achievements — Initiatives to capitalize more fully on foreign care workers

Providing educational programs for Indian care workers and promoting the acceptance of care workers into Japan

Even as India faces a situation of being unable to provide sufficient employment for its growing population, Japan faces an overwhelming shortage of workers due to the decline in the working-age population. In August 2024, Sompo Care launched a collaboration with NSDCI*, an Indian government agency to provide training and accept Indian nursing care workers. In addition to the Japanese language education provided by NSDCI, Sompo Care is working to develop and provide nursing care education programs. Furthermore, a training room dedicated to nursing care will be set up locally in India, where Sompo Care instructors will teach practical nursing care skills and theory. After training, students will be assigned to Sompo Care facilities in Japan as specified skilled workers.

As of June 2025, a total of 60 people had participated in this training program.

Through this initiative, we hope to promote the greater acceptance of foreign workers in Japan and, in the future, enable personnel who have gained nursing care experience in Japan to contribute to the nursing care industries in their home countries.

* NSDCI: NSDC (National Skill Development Corporation) International

Improving the Quality of Customer Services

Activities and Achievements Sompo Japan Insurance's initiatives

We are seeking to reinvent ourselves as "New Sompo Japan" where customers say, "We're glad we chose Sompo Japan. We're glad we chose SOMPO." by building a structure to improve the business from customer perspectives.

Policy on customer-centric business operations

Grounded in SOMPO's Purpose, we have established a customer-centric business management policy to realize operations based on a thorough customer perspective gained from all contact points in our P&C insurance business, while fulfilling our corporate social responsibility to all stakeholders.

For details on this policy and initiatives based on it in FY2024, see the following website.

Sompo Japan Insurance official website (in Japanese): Policy on customer-centric Business Operations

Implementation indicators

We have established the following KPIs to evaluate how well the policy on customer-centric business operations is taking root.

1. Customer survey NPS®
(1) Contract procedures (auto insurance)
(2) Claims service (auto insurance, fire and specialty insurance)

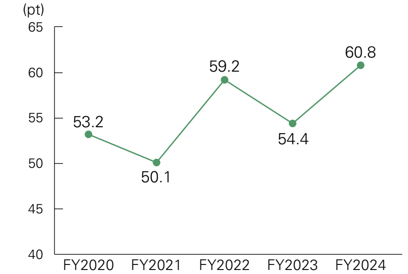
2. Customer survey (contract procedures)
Evaluation of insurance proposal content and insurance explanation content

3. Number of complaints

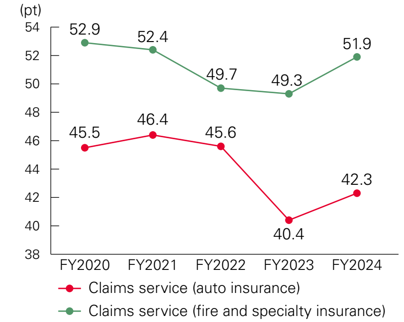
4. Percentage of positive feedback

1. Customer survey NPS®*1

(1) Contract procedures (Auto insurance)



(2) Claims service (Auto insurance, fire and specialty insurance)



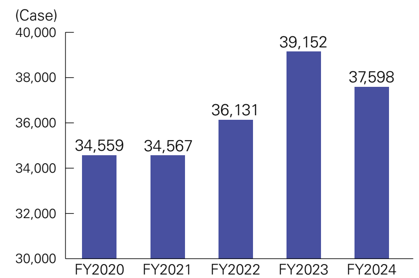
*1 NPS®: Net Promotor Score, an indicator of customer loyalty, calculated by subtracting the ratio of "detractors" (respondents who awarded 0–6 points) from the ratio of "promoters" (respondents who awarded 9–10 points) on a 10-point scale in 11 categories. NPS® is a registered trademark of Bain & Company, Fred Reichheld, and NICE Systems, Inc.

2. Customer survey (contract procedures)*2

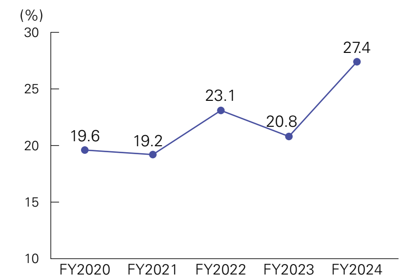
- FY2024 evaluation of insurance proposals considering customer's intentions
  4.7 points
- FY2024 evaluation of explanations of scope of indemnity, incidental services, premiums, and so on.
  4.6 points

*2 Averages of responses to the survey on a 5-point scale (understood very well, understood fairly well, did not understood well, did not understand at all, there was no explanation, where 5 represents the best score)

3. Number of complaints



4. Percentage of positive feedback*3



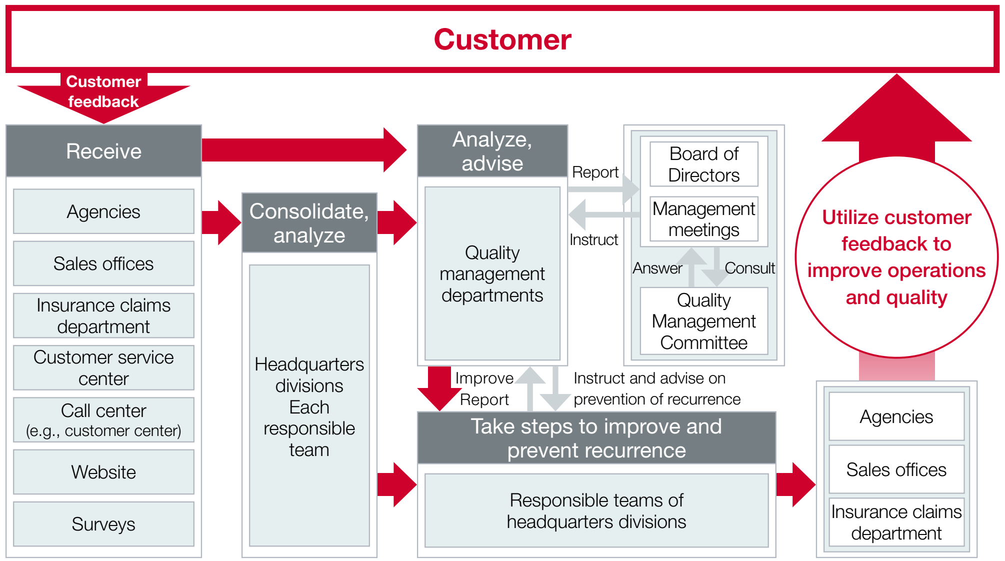
*3 Percentage of open-ended comments in customer surveys that included words of appreciation ("thank you," "gratitude," and so on.)

Improving the Quality of Customer Services

Initiatives to utilize Voice of Customer (VOC)

To incorporate customer feedback into management, we analyze trends and content related to customer feedback and share the results with headquarters divisions in an effort to improve operations and enhance service quality.

Customer feedback response management framework



Receiving feedback	We take customer feedback received through our insurance agencies, sales branches, insurance claims departments, customer service centers, and call centers very seriously, and strive to respond promptly and thoroughly.
Consolidating feedback **Analyzing causes** **Steps to improve operations**	To address the problems and issues underlying feedback from customers, the various headquarters divisions consolidate and analyze the feedback. The Quality Management Department, established to build and strengthen the structure for drawing on customer feedback in management, analyzes the background and causes of customer feedback and shares the issues it identifies with the relevant headquarters divisions in charge to explore and implement measures to improve operations and enhance quality.
Internal sharing of feedback	These initiatives and business improvements based on the customer feedback are reported regularly to the Board of Directors, management meetings, the Quality Management Committee, and other bodies.
Improving operations and quality	Through these initiatives, we are working to improve business operations and quality by capitalizing on customer feedback.

Initiatives to incorporate outside perspectives

We are working to incorporate outside perspectives to improve our products and services.

■ Quality Management Committee

The Quality Management Committee with outside experts was established as an advisory committee to the management meetings. It engages in active discussions with the senior management team with regard to business improvements and quality enhancement based on customer feedback.

In addition, with the aim of becoming a company that considers everything from the customer's perspective, the senior management team also listens directly to customer feedback and engages in exchanges of opinions.

<Main topics discussed in FY2024 (met 10 times)>

- Revision of policy on customer-centric business operations, action plan
- Customer trust and quality standards, action plan
- Action plan for capitalizing on customer feedback
- Policy for handling customer harassment

■ External monitoring system

We solicit a variety of opinions from consumer lifestyle consultants and other outside experts to gain a customer perspective on the services and documents we provide to customers.

Disclosure

Voice of Customer (VOC) White Paper

Sompo Japan Insurance has published a Voice of Customer (VOC) White Paper annually since FY2007. The aim is to keep all of our stakeholders informed of our initiatives to incorporate customer feedback in management and efforts to make improvements, as well as our initiatives based on the policy on customer-centric business operations.

For details, see the Sompo Japan Insurance official website (in Japanese):
Voice of Customer (VOC) White Paper

Improving the Quality of Customer Services

Activities and Achievements Sompo Himawari Life insurance's initiatives

Sompo Himawari Life Insurance has developed a policy on customer-centric business operations with the aim of achieve its Purpose of realizing a future of health, wellbeing, and financial protection. Guided by this policy, we intend to establish our reason for existence as a health support company that helps customers stay healthy with a focus on life insurance.

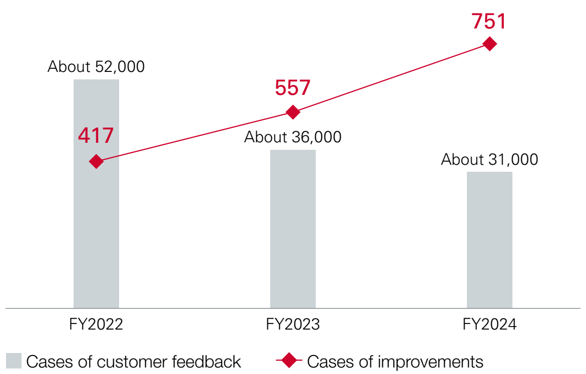
Framework for promoting customer-centric business operations

We appoint a Chief Fiduciary Duty Officer from among our directors or executive officers and have established a FD Promotion Department to take responsibility for promoting, instilling, and further evolving this policy. We have also established the FD External Monitor Committee, which meets monthly in principle to receive opinions from external experts such as consumer lifestyle counselors and advisors.

Initiatives to utilize Voice of Customer (VOC) in management

We actively engage in collecting a broad spectrum of customer feedback, including direct expressions of gratitude, complaints, opinions, and requests through various channels such as customer centers, consultation desks, surveys, sales branches, and agencies. Additionally, we gather a wide range of suggestions and ideas from employees based on customer perspectives.

Cases of customer feedback and improvements



We centrally manage the customer feedback we have collected and utilize it to develop products and services, improve operations, enhance quality, and improve customer convenience. We continue to use customer feedback to make improvements and disclose the improvements on our website.

For details, see the Sompo Himawari Life official website (in Japanese): Examples of Improvement Initiatives

Enhancing the operational quality of insurance agencies and sales representatives

To maintain and strengthen our framework for offering customers appropriate products and services, we endeavor to improve the quality of work provided by agencies and sales representatives by running training sessions and educational programs with a focus on the following.

(1) Topics related to insurance solicitation, including understanding customer intent, explaining important details, and handling notices
(2) Topics related to the continuous provision of optimal coverage and services to customers (follow-up services)
(3) Topics related to establishing and strengthening the agency's own business improvement cycle (agency internal control system)

As a concrete initiative, we aim to enhance the quality of agency and soliciting work through ongoing training programs. These include education on matters related to insurance solicitation, such as understanding customer intent, explaining important details, handling notices, and providing appropriate explanations regarding the selection and recommendation of certain products. We also focus on training related to after-sale services.

Cultivating HL Advisors®

We designate our top-quality sales representatives as HL Advisors® in recognition of their high-level consulting and proposal capabilities, their ability to support customer health by promoting Insurhealth®*, and their customer-centric business operations. We are working to foster the development of sales representatives who inspire and move our customers.

The HL Advisor® certification criteria include not only sales criteria, such as the number of Insurhealth® products sold, but also quality standards such as the percentage of paperless applications and financial planner qualifications. We screened and certified 254 sales representatives as HL Advisors® in the first half of FY2024 and 268 sales representatives in the second half.

* Insurhealth®: The provision of unprecedented new value combining the traditional functions of insurance with features that support health (healthcare).

Improving the Quality of Customer Services

Activities and Achievements Sompo Care's initiatives

Sompo Care University: Learning in the same environment as a real-world nursing care facility

Improving service quality and retaining staff are both key missions in supporting the future of caregiving. Sompo Care University, our corporate university, aims to facilitate company-wide and continuous skill development and job satisfaction through a training program based on medium- to long-term career planning. In addition to the Shibaura Campus and Osaka Campus, both of which provide practical and theoretical learning environments that faithfully replicate real-world nursing care facility settings, we have opened an online campus, further augmenting our learning venues.

Practical and theoretical training

Sompo Care University serves as a comprehensive learning forum where employees can acquire practical skills and attend classroom lectures. Since its opening, new hires and veteran employees alike have made an effort to improve their skills by attending training sessions tailored to their years of service and skill level.

Replicating facility-based and home-based nursing care environments

We provide realistic training environments by replicating both facility-based or home-based care settings, including a traditional Japanese home furnished with rooms and a bathroom similar to major housing brands in Japan, which include the care challenges posed by numerous stair steps and confined toilet spaces. In particular, the facility has an adequate number of beds, bathrooms, and toilets, which are essential for hands-on training. Also, by creating spaces that allow for a multi-faceted approach to hands-on learning, we can efficiently manage large training groups.

Opening, expanding the online campus, enabling staff to learn anytime, anywhere

We opened an online campus in July 2023 so that staff can engage in learning anytime and anywhere. This has resulted in a significant increase in training categories. In addition to the three pillars of compulsory training, open training, and elective seminars, we added specialized seminars in FY2024, featuring well-known speakers from various fields. By taking advantage of a range of training programs and utilizing the company intranet, employees can now take part in training sessions in real time, even from remote locations. Archived videos can also be viewed from a personal device, which means employees nationwide have equal learning opportunities regardless of their location or working arrangement. Since FY2023, a cumulative total of over 30,000 employees have taken part in training.

HR training curriculum to support quality of care

As the overwhelming shortage of workers grows even more acute in Japan, securing enough workers has become a challenge for nursing care providers. Sompo Care has established an education and training system tailored to each stage of workers' careers, along with a career structure that individuals can pursue based on their own preferences. We want to equip employees with highly specialized knowledge and skills that foster a sense of pride in their work. We are also endeavoring to create environments where employees will want to work for as long as possible.

Well-developed curriculum for every employee at every stage

We hold regular follow-up training sessions for employees, in addition to the training provided when they join the company. Furthermore, we aim to facilitate medium- to long-term skill development and maintain motivation among employees by offering training suited to the career path each employee aspires to.

Care Pride Meister System

By nominating and appointing iconic caregivers who embody pride in nursing care, we aim to give greater visibility to such pride, boost each employee's expertise and motivation to grow, and create an environment in which caregiving staff can continue to take pride in their work. The system began in 2021 with the Care Staff Division, and a total of 211 people have since been accredited as Care Pride Meisters in 2025, including in the Care Manager and Food divisions.

KAIGO PRIDE MEISTER SOMPOケア 介護プライドマイスター

<Role>

- Demonstrate high professional expertise and work to resolve challenges faced by customers through improved service quality
- Contribute to the growth of the team to meet future challenges and take pride in nursing care in the workplace

<Selection criteria>

- Individuals who take pride in the nursing care profession and are motivated to grow
- Individuals with outstanding interpersonal skills, customer service skills, nursing care and medical knowledge and skills, and specialized knowledge

<Selection method>

Care Pride Meisters are selected from among care staff across Japan through multiple selection processes, including the screening of reports on care practices, executive interviews, and group discussions.

For details, see the Sompo Care official website (in Japanese): Care Pride Meister System

Corporate Citizenship Activities

Concept and Policy — Basic concept

We are proactively taking initiatives to contribute to social welfare as a corporate citizen while working to develop a corporate culture and systems that encourage each employee to voluntarily take part in various activities for the communities in which we live and work. We also emphasize collaboration with specialist NPOs to promote our activities.

Structure — Corporate Citizenship Policy

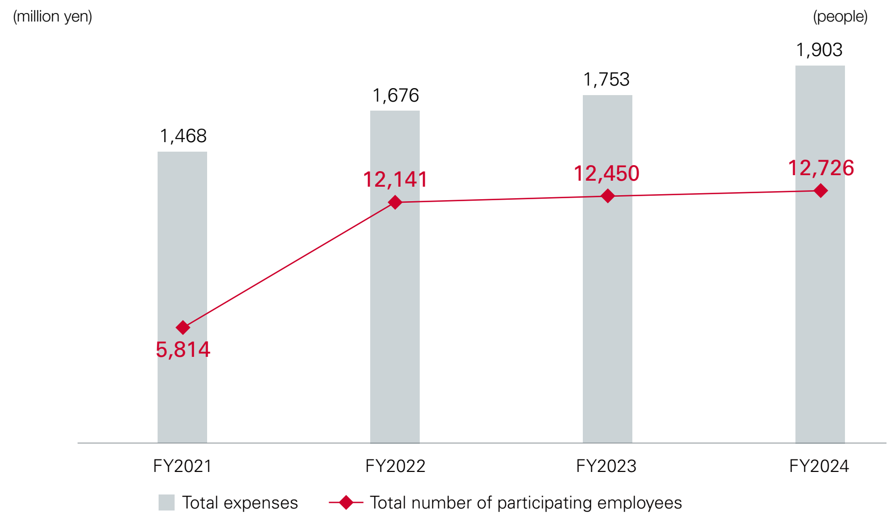
Under our Corporate Citizenship Policy, the Group promotes community initiatives from two perspectives: commitment as a corporate citizen and commitment by individual employees.

As a corporate citizen, we promote our activities for future generations mainly through our foundations with focus on the following three areas: fine arts, welfare, and the environment. We also support and encourage individual employees to proactively take part in community outreach activities mainly through the Sompo Chikyu (Earth) Club, a volunteer activity organization of which all executives and employees are members.

Activities and Achievements — Social contribution expenses and participants

Our activities are centered on three areas (fine arts, welfare, and the environment) with an awareness of nurturing the next generation. In FY2024, we spent 1,902.88 million yen on social contribution activities. A total of 12,726 Group employees also participated in social contribution activities.

Social contribution expenses and total number of participating employees



Reference: Programs to support and encourage employee efforts

Volunteer work leave

At Sompo Japan Insurance, employees are entitled to take short-term volunteer leave (up to 10 days per year) and long-term volunteer leave (from 6 to 18 months) in addition to annual paid leave.

Corporate Citizenship Activities

Structure | Activities and Achievements

Volunteer organization: Sompo Chikyu (Earth) Club

Sompo Chikyu (Earth) Club

The members of the Sompo Chikyu (Earth) Club — a volunteer organization — consist of the Group's executives and employees. They voluntarily and proactively undertake social contribution activities for the purpose of cultivating a heightened sensitivity to social issues and contributing to the building of a resilient and sustainable society.

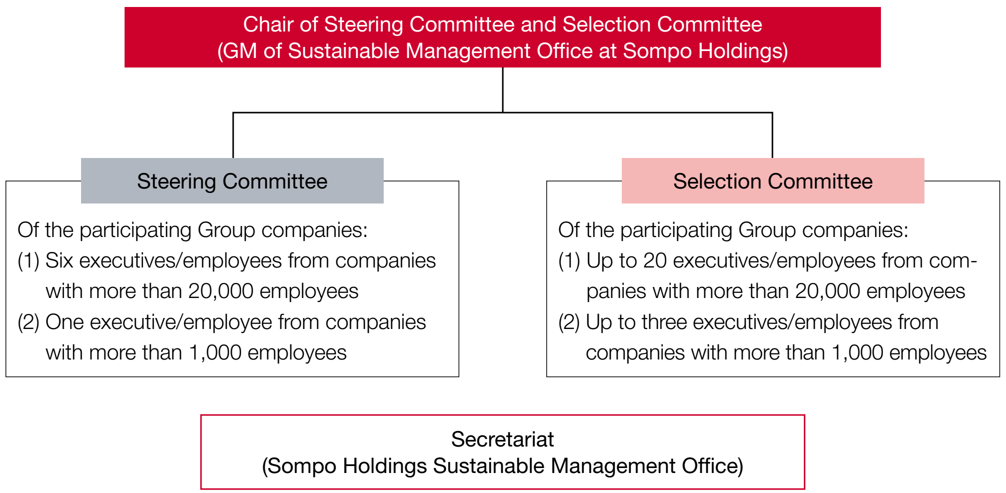
Started by Sompo Japan Insurance in 1993, the Sompo Chikyu (Earth) Club now carries out activities across the entire Sompo Group and in every region of Japan. These activities are rooted in each region and address the issues of local communities.

Operation structure

The Sompo Chikyu (Earth) Club has a Steering Committee and a Selection Committee, each comprising representatives of the Club's members.

The chair of both these committees is the general manager of the Sustainable Management Office at Sompo Holdings. The secretariat is also located within the Sustainable Management Office.

Organization



Sompo Chikyu (Earth) Club Corporate Citizenship Fund

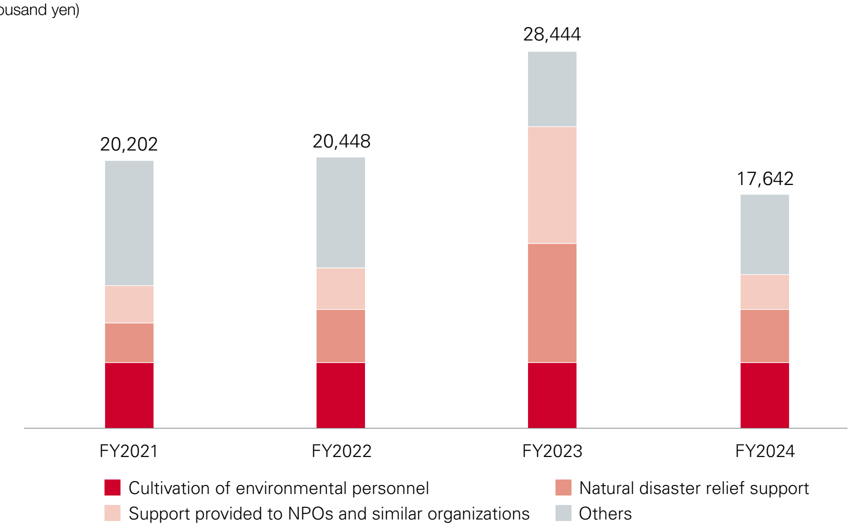
Group executives and employees voluntarily donate money to this fund through salary deductions. The funds are then put towards social contribution activities carried out by the Sompo Chikyu (Earth) Club. The funds raised are used primarily for community outreach activities, such as the payment of expenses of volunteer activities performed across Japan, immediate response and relief efforts after a major disaster, and donations to NPOs and other organizations supported by the Club's members.

Utilization of the Corporate Citizenship Fund

In FY2024, a total of 17,642 thousand yen from the Corporate Citizenship Fund was used to fund social contribution activities.

Sompo Chikyu (Earth) Club Corporate Citizenship Fund spending

(thousand yen)



Corporate Citizenship Activities

Activities and Achievements Initiatives for training the next generation and addressing local issues

Running "SOMPO-style children's cafeterias" as intergenerational exchange hubs

Sompo Care runs SOMPO-style children's cafeterias once a month at approximately 470 locations nationwide, mainly at nursing homes.

Starting this initiative in November 2022, the number of meals provided to local children exceeded 50,000 as of July 2025. Not only children and their parents, but also the number of volunteers are increasing, with the total number of participants in SOMPO-style children's cafeterias reaching about 70,000 people.

We provide children with new experiences and a place to belong, while fostering an understanding of and admiration for the work of caregivers. Our employees also derive greater job satisfaction from seeing valued users of our care facilities smile and become physically and mentally healthier.

The cafeterias will continue to serve as a place for people of all ages to interact, creating opportunities for our users to both enjoy and find meaning in their daily lives, while also contributing to the resolution of complex social issues in the community.

Donation of educational manga conveying the appeal of nursing care

Sompo Holdings and Sompo Care have produced a manga book on nursing care, entitled "Insider's Guide Bringing Smiles Together! The Work of Nursing Care," as part of the Manga Social Studies Series edited and published by Kodansha BC. We have donated this book to approximately 20,000 elementary schools nationwide and approximately 3,000 public libraries. Through this manga, we aim to inspire as many children as possible to learn more about the physical changes in the elderly and the work of caregiving in a more accessible way, and to discover the appeal of caregiving, thereby making it a career aspiration for children.

＼An Exciting Future!／ Job experience festival for children

This is a job experience event for elementary school students aimed at broadening future choices available to the children who will lead the next generation and inspiring them to have high aspirations. Through this event, we contribute to solving social issues such as child poverty and the hollowing out of industry in Japan, as well as to regional revitalization. Beginning with Okinawa in 2022, the event has now been held in Hiroshima, Saitama, Kumamoto, Gifu, Nara, and Fukui, extending the scope of initiatives throughout the country.

Donation of "Yellow Badges" with traffic personal accident insurance

Four companies—Sompo Japan Insurance Inc, Mizuho Financial Group, Inc, Meiji Yasuda Life Insurance Company, and The Dai-ichi Life Insurance Company, Limited—jointly conduct a road traffic safety program to donate Yellow Badges to first-grade students just entering elementary school across Japan. Following the previous year, commemorative Yellow Pikachu Badges were distributed in FY2025 in collaboration with The Pokémon Company.

Having been linked to traffic personal accident insurance coverage since 1968, the Yellow Badges will pay the insurance benefit if a new first-grader who has been provided with a Yellow Badge should be killed or permanently disabled in a road traffic accident on their way to or from school. The aim of the Yellow Badges is to raise schoolchildren's awareness of road traffic safety and enlist the cooperation of guardians and car drivers to reduce road traffic accidents.

Corporate Citizenship Activities

Japan Women's Empowerment Professional Football League WE League

The Sompo Group, together with the WE League, Japan Women's Empowerment Professional Football League, with which it has a title partnership agreement, is working to resolve various social and community issues, including gender issues. By collaborating with the WE League, we aim to co-create a future of health, wellbeing and financial protection for people from all walks of life through disaster preparedness efforts (disaster prevention and mitigation), seminars on asset building and health, inter-industry networking events, and multi-generational exchanges at the SOMPO-style children's cafeterias.

©CEREZO OSAKA

Community-based sports event SOMPO Ball Game Festa

Sompo Holdings is committed to nurturing the next generation through sports as the top sponsor of the SOMPO Ball Game Festa, a community-based sports event organized by the Japan Top League Alliance. At this event, former top athletes and other instructors teach various ball games to elementary school students, giving them the opportunity to experience the fun and appeal of sports and improve their skills. We began sponsoring the event in 2016 and will mark its 10th anniversary at the end of this fiscal year. In FY2024, the event took place at 37 locations nationwide.

Contributing to Shinjuku with Criacao Shinjuku

The Sompo Group is committed to contributing to the local community with Criacao Shinjuku, a soccer club based in Shinjuku, where our headquarters are located.

On June 15, 2025, Criacao Shinjuku hosted the Shinjuku Day 2025 JFL 12th Round match between Criacao Shinjuku and Iwate Grulla Morioka. As part of Criacao Shinjuku's initiative to create an enjoyable viewing environment for everyone*1, in collaboration with Tokyo University of the Arts, which has a track record of industry-academia collaboration through its DOOR project*2, a sensory room was set up within the National Stadium. This room was designed for individuals sensitive to sound or light, those with sensory processing disorders, and their families, providing a comfortable and safe space to enjoy the match.

*1 Criacao Shinjuku official website (in Japanese): https://criacao.co.jp/soccerclub/event-report/post-26061/
*2 DOOR (Diversity on the Arts Project) (in Japanese): https://door.geidai.ac.jp/

A sensory room project that uses art to make environments more accessible for people with disabilities

Production and operation:	Tokyo University of the Arts DOOR Project, Department of Design, Kazuyuki Hashimoto Laboratory
Director:	Katsuhiko Hibino
Cooperation:	Arts-Based Communication Platform for Co-creation to Build a Convivial Society

On June 26, 2025, we participated in Lessons about the Sun, Criacao Shinjuku's educational program held at Kashiwagi Elementary School in Shinjuku Ward, alongside seven of the team's partner companies. Lessons about the Sun is an educational program designed to teach children the importance of friendship and to help them grow up to be people who shine like the sun and brighten those around them. Adults working for companies and groups based in Shinjuku served as instructors and talked to the children about what work is like, the meaning of working, and the importance of human connections.

Corporate Citizenship Activities

Column

Return-to-School Support Condolence Benefit, Claim, Payments Insurance Supporting children and students who have stopped attending school to return to school

With the rise of chronic absence among school children in Japan, Sompo Japan Insurance launched a Return to School Support Indemnity Insurance policy in April 2025 to provide learning opportunities for chronically absent children and to support them in returning to school. Local governments, schools, PTAs, and others are the policyholders for this insurance, which provides financial assistance if a child enrolled in their respective schools becomes chronically absent and meets eligibility requirements.

Through this insurance, we will secure educational opportunities through financial support, expand choices for learning, and connect students to truancy support measures provided by local governments and other entities. We will also offer support beyond the scope of the insurance to promote the return of students to school.

Activities and Achievements

Bosai JAPAN-DA Project, Sompo Japan Insurance

Bosai JAPAN-DA Project

In this project, we host experience-based workshops to teach children—society's future leaders—and their guardians how to protect themselves and others in emergency situations. As of March 2025, these events have been held a total of 976 times across Japan, attracting approximately 126,000 participants.

My Emergency Kit Puzzle

My Emergency Kit Puzzle is a puzzle game in which players choose items they think they will need in a disaster from puzzle pieces and have fun putting together their own unique disaster readiness backpack. It was jointly developed by the Fukushima University Disaster Volunteer Center (a student group) established in the wake of the Great East Japan Earthquake, as a new way of conveying the importance of emergency preparedness.

SOMPO de Manaboccia

SOMPO de Manaboccia is a tool that teaches people about useful items for evacuation shelters, based on boccia, a parasport that can be enjoyed by people of all ages, genders, and abilities. It was developed jointly with the NPO Ishikawa Barrier-Free Tour Center, with funding from Sompo Chikyu (Earth) Club, with the aim of promoting self-reliance in times of disaster. This initiative won the Grand Prize in the Building a United Culture category at the SOMPO Awards 2024 and is expected to be used in various situations to improve local disaster readiness capabilities.

SOMPO-style Evacuation Map "Nigechizu"* Workshops

Nigechizu maps are hand-made maps that visualize evacuation routes by color-coding the times required to indicate how to reach the evacuation areas in the event of disasters. Having grown in scale, frequency and severity over time, natural disasters clearly present a significant social problem to local communities. This workshop facilitates risk communication between participants, thereby contributing to the promotion of both "mutual aid" (which enables community members to help each other) and a spirit of "self-reliance" (with which people can seek to protect themselves) by encouraging participants to recognize disaster prevention and evacuation as their own personal issues.

* Nigechizu is a registered trademark of NIKKEN SEKKEI LTD.

Corporate Citizenship Activities

Activities and Achievements Disaster prevention initiatives (Sompo Japan Insurance)

Real SOMPO Park

Given current weather anomalies, even "once-in-a-million-years" disasters have occurred almost every year in recent years. "What can we do to make local communities more resilient against disasters and prevent people from suffering from them?" Employees who were enthusiastic about addressing this challenge in different parts of Japan voluntarily gathered and launched a new project, the Real SOMPO Park. The space was established on the first floor of the Sompo Japan Insurance Nihonbashi Building in September 1, 2023, with the hope that it would help people learn basic knowledge about disaster prevention and be better prepared to protect lives in the event of disasters.

Psychological First Aid (PFA) for Children

Psychological First Aid (PFA) for Children is about how children can be supported after experiencing natural disasters and other emergencies. In collaboration with Save the Children, Sompo Japan Insurance produced a video and a leaflet entitled PFA for Children and supported PFA training and disaster preparedness workshops for after-school program staff. PFA has been incorporated in our SOMPO-style Evacuation Map "Nigechizu"* Workshops to further raise awareness. PFA leaflets were distributed at evacuation centers and other places in the aftermath of the Noto Peninsula Earthquake in January 2024.

For details, see the website and watch the video (in Japanese): Psychological First Aid (PFA) for Children.

Tsunagaru Bosai Project

We have been running the Tsunagaru Bosai Project (or Inclusive Disaster Prevention Project) since October 2022 in collaboration with the Japan NPO Center and the Foundation for Promoting Sound Growth of Children. We support various events under this program, such as the creation of disaster prevention maps involving people who require special care* at children's centers, training programs and lecture meetings. These efforts, help raise public awareness about community-based disaster prevention and foster more connected, sustainable communities. As of March 2025, we had held 186 events, attracting approximately 24,000 participants in total.

* Senior citizens, infants, persons with disabilities, people from other countries, and others stipulated by the Disaster Countermeasure Basic Act

Comments from organizing partners

The Tsunagaru Bosai Project is developing unique disaster prevention and mitigation programs in collaboration with various local organizations. With the cooperation of branches in the areas where the project is being implemented, we are also leveraging synergy by offering other programs developed by Sompo Japan Insurance, such as the Bosai JAPAN-DA Project and SOMPO-style Evacuation Map "Nigechizu" Workshops.

A wide variety of problems arise whenever a disaster strikes. The Basic Act on Disaster Management designates "senior citizens, persons with disabilities, infants, and other persons requiring special consideration" as persons requiring special consideration. However, the specific challenges such people face during a disaster vary depending on the nature of the disaster. In the context of expecting the unexpected, it is essential to maintain a constant awareness of persons requiring special consideration and to foster diverse community connections to respond more effectively. We believe a framework involving not only children's centers and NPOs but also employees at all Sompo branch offices are of great importance.

Kenji Yoshida
Managing Director, Japan NPO Center (JNPOC)

Corporate Citizenship Activities

Activities and Achievements: Corporate citizenship activities of Group companies

Group-wide

Ongoing support for disaster-stricken region and victims of the Noto Peninsula Earthquake in 2024

The Sompo Group continues to provide support to those affected by the Noto Peninsula earthquake that occurred on January 1, 2024. In January 2025, as part of a project organized by Sompo Chikyu (Earth) Club, a volunteer organization made up of all executives and employees of the Sompo Group, 10 volunteers participated in a program to support disaster-stricken regions in the Noto Peninsula in cooperation with local NPOs.

Employees who participated in the program were based in the city of Anamizu in Ishikawa Prefecture, where they provided operational support for community centers and planned and operated events such as foot bath salons. In February, they shared their experiences and thoughts with other employees at a group event, thereby expanding the circle of people involved in the initiative.

Sompo Himawari Life Insurance

Contributing to local communities to achieve Sompo Wellbeing's Purpose in each region

As a health support company, aiming to resolve the three concerns identified by the SOMPO Wellbeing business, namely in terms of health, nursing care, and retirement finance, our sales offices throughout Japan are working with local stakeholders to address issues such as nursing care and dementia in their respective communities by planning and holding seminars on dementia, and by hosting events on health and wealth for local residents.

Sompo Direct Insurance

Living together in an aging society, all employees registered as dementia support personnel

Sompo Direct Insurance has been offering the Training Course for Supporting Individuals with Dementia promoted by the Sompo Group every year since FY2015. By July 2024, all executives and employees had completed the course, achieving 100% registration as dementia support personnel. With this pool of support personnel, we continue to contribute to the creation of a society where everyone can live comfortably.

Sompo Systems

Donation of food reserves to social welfare organizations

Sompo Systems donated 2,250 portions of instant rice to the Social Welfare Council in Tachikawa, where its head office is located, when it was time to replenish its stock. The council accepts donations of excess food, and Sompo Systems agreed to participate in this initiative, which aims to reduce food waste and alleviate poverty.

Sompo Business Services

Supporting local children through food drives

Sompo Business Services administrative headquarters building holds food drives twice a year. Food collected from employees is donated to local children's cafeterias and after-school cafes through the Nishi-Tokyo City Council of Social Welfare and the Nishi-Tokyo City Social Welfare Corporation Liaison Council. This is a community contribution activity that supports child development through food and reduces food waste.

ND Software

Social contribution of company track and field team

We hold track and field classes for elementary and junior high school students in the local community to promote these sports and contribute to the community well-being. In FY2023, we launched a Patrol Mimaromi (community watch) program, in which athletes patrol the community while practicing, creating value through social contribution through sports, deepening local ties, and helping to make a brighter community.

Corporate Citizenship Activities

Sompo International

Establishment of Sompo Foundation

The Sompo Foundation is a philanthropic organization dedicated to fostering positive and sustainable transformations in the areas of Good Health & Wellbeing and Quality Education. In addition to targeting these important Sustainable Development Goals, the Foundation is also poised to provide disaster response support, addressing urgent needs in times of crisis. As a registered 501(c)(3) nonprofit organization based in the United States, the Foundation reflects Sompo International Holdings' commitment to corporate social responsibility and community investment around the globe.

The Foundation's Leadership team has been assembled from a pool of Sompo people who are passionate about giving back to the community. Furthermore, to ensure effective oversight and strategic execution, a Board of Directors comprising Sompo leaders has been established. Over the next decade, the Foundation expects to have a $100 million impact, empowering underserved populations and enhancing equitable access to critical resources around the globe. These priorities were shaped by the efforts of the Leadership Team and the Board, as well as by a survey of Sompo employees. The Foundation is funded annually by Sompo International Holdings, with its first partnerships set to be announced in 2025. Moving forward, the Foundation aims to collaborate with mission-aligned organizations and will share further details on its strategy and philanthropic initiatives in due time.

Column SOMPO Grand Mural Project

As part of its ART for wellbeing* initiative, and with the aim of raising awareness of Sompo among the general public, Sompo Japan Insurance has created a mural depicting SOMPO's Purpose in the atrium on the first floor of its Shinjuku headquarters building. The mural was created through the SOMPO Grand Mural Project, which was organized by 10 Sompo Group employees selected from across Japan through an open call for applications, with the cooperation of OVER ALLs ltd., a company that specializes in expressing corporate history and philosophy through murals.

After seven workshops and repeated discussions with the senior management team, two murals were created communicating two messages: "Protecting the smiles of children, who are the symbol of the future" and "We will always be here." In this way, the space was transformed into something entirely new.

In Shinjuku Ward, the public and private sectors are collaborating on various projects to revitalize the ward by utilizing open spaces such as public plazas, roads, and parks. The atrium at our headquarters building has long been open to local residents in the event of a disaster, but going forward, we also aim to make it a lively space that many stakeholders can enjoy.

* Art-based initiatives to accelerate the realization of wellbeing based on the concepts of connecting, supporting, and nurturing.

Initiatives of Supporting Activities and Research in Social Welfare

Activities and Achievements Sompo Welfare Foundation

The Sompo Welfare Foundation, established in 1977, conducts a variety of programs such as providing financial assistance to NPOs in the social welfare field in Japan, ASEAN countries, India and South Africa, holding academic conferences and funding research on social welfare, social security, insurance and gerontology, and awarding outstanding academic papers. Its objective is to contribute to the advancement and improvement of social welfare.

Recognizing the rapid aging of society in Japan, the foundation also promotes activities that help to resolve increasingly complex social issues, including supporting families that provide home care to senior citizens with dementia or other conditions and providing scholarships for students studying to become certified care workers. Its programs are designed to meet contemporary needs through both research and practice in the field of social welfare.

Support for purchase of vehicles

Since 1999, the foundation has financially supported organizations that need to purchase vehicles for their welfare activities serving people with disabilities.

In FY2024, the foundation solicited applications from Western Japan and selected ten organizations. These vehicles allow organizations to expand the range and scale of their activities and support higher incomes for people with disabilities and a greater number of users of their welfare services.

Subsidized vehicles can be used to transport care facility users and deliver work items, increasing wages

Support to reinforce the organizations and operations of NPOs

In 2004, the foundation began providing financial support to reinforce the operational foundations of NPOs that render welfare services to local communities.

In FY2024, it provided financial support to a total of 47 organizations through programs to reinforce their organizations and operations, to help them acquire official status as certified NPOs, and to support activities through which local residents participate in providing comprehensive support to address life tasks. The foundation supports the creation of high-quality NPOs that can work sustainably by playing core roles in their respective communities as well as the realization of more inclusive local communities.

Supporting collaboration between local residents and government agencies to develop disaster response measures for severely ill children and children requiring medical care

Support for overseas welfare activities

The foundation has supported NPOs in the social welfare field in ASEAN countries, India, and South Africa since 2010. In FY2024, it provided grants to three organizations in three countries entailing assistance to a vocational high school to combat low unemployment (Indonesia); assistance to provide for and shelter children living in poverty (Philippines); and support for children and students living in poverty who do not have adequate living conditions or access to education due to typhoon damage (Vietnam).

Donation ceremony in Indonesia

Donation ceremony in the Philippines

Initiatives of Supporting Activities and Research in Social Welfare

Sompo Welfare Foundation award

The foundation has awarded outstanding academic literature in the field of social welfare since FY1999. In FY2024, it gave an award to Tomoko Kazama for her publication of *Disability and Income Security: Discussing Distribution Based on Management Standards*. Shunsuke Takada also received the Encouragement Award for his book *Inclusion through Education, Principles for Opposing Exclusion in Child Welfare: Starting with Compulsory Education at Children's Self-Reliance Support Facilities.* The presentation ceremony was held in March 2025, and the commemorative lecture and symposium by Tomoko Kazama was held in July 2025.

Professor Kazama (recipient of the Foundation Award), President Nishizawa, and others


Presentation ceremony in Tokyo

Support for networking and learning of family caregivers for the elderly

Since 1991, the foundation has provided support for networking events and learning programs intended to help reduce the stress of families caring at home for elderly dementia patients, and to improve their care-giving skills.


Training to improve care-giving skills

Scholarships for students studying to become certified care workers

To boost the pool of caregivers, which is facing a shortage of workers in Japan, the foundation offers scholarships for students in two-year vocational school programs and for high school students in the welfare field.

In 2024, the foundation gave scholarships to 12 first-year vocational school students and four second-year high school students. After graduating, many of them are playing an active role as care professionals.


Practicum for students to become certified care workers

Financial support for gerontology research

The foundation provides financial support for creative and innovative research in the field of social sciences relating to gerontology. In addition, it organizes study groups on Japan's Insurance Business Act, health insurance and nursing care insurance systems, gerontology, and other topics. The foundation also publishes a report series and distributes it widely to libraries and elsewhere to spread information about research findings.


Study groups on the Insurance Business Act

Contributing to Community through the Arts and Culture

Activities and Achievements

Sompo Fine Art Foundation (Sompo Museum of Art)

The Sompo Museum of Art opened its doors in Shinjuku in 1976, based on the desire to provide the general public with a venue for art appreciation as part of our corporate citizenship activities.

The only museum in Asia to display Van Gogh's "Sunflowers" painting, it also hosts unique and captivating exhibitions covering a wide range of themes, from Western paintings to contemporary art. The museum aims to bring about the cultural enrichment of society, mainly by expanding the horizons for art appreciation by lending out its collections. It also seeks to leverage knowledge from art and culture to address issues in society, mainly with educational initiatives focused on interactive art appreciation and open-call art contests that support new and emerging artists.

The museum is working to create a space that attracts visitors of all ages from within Japan and overseas and will continue to contribute to society by further promoting culture and art.

Exhibitions in FY2024

In FY2024, we held five exhibitions as an art landmark in Nishi-Shinjuku, in Tokyo. In spring, we presented "The Magic North," followed by a Toulouse-Lautrec exhibition in summer, "Canaletto and the Splendour of Venice" in autumn, and the open-call "FACE2025" in winter. Additionally, we showcased the subsequent works of artists who have won the FACE award over the past three years (2022–2024) in "The Way of Paintings 2025 FACE Award Winners," attracting many visitors.

The Magic North — Norwegian, Swedish, and Finish Paintings

The term "Nordic countries" broadly refers to the northern part of Europe and generally includes five countries: Norway, Sweden, Finland, Denmark, and Iceland. Of these, the first three countries, although connected to the European mainland, have nurtured unique cultures under the influence of the northern climate and environment. This exhibition focused on these three countries and, with the cooperation of the Nasjonalmuseet — The National Museum of Norway, the Nationalmuseum — Sweden's museum of art and design and the Finnish National Gallery, Ateneum Art Museum, presented approximately 70 carefully selected works from their respective collections.

A new endeavor, involved incorporating sound into the exhibition: The chirping of birds, the neighing of horses, and the sound of the wind was played subtly in the background near works with forest themes, while mysterious music was played in walkways to enhance the atmosphere of the exhibition.

Exhibition: March 23 – June 9, 2024

Toulouse-Lautrec, Elegance of the Master of the Belle Époque

The Firos Collection is a collection of works by Henri de Toulouse-Lautrec (1864–1901), a painter of the French fin-de-siècle, assembled by Belinda and Paul Firos, a Greek couple living in the United States. The collection focuses on works created on paper by Toulouse-Lautrec, including sketches and prints, and is considered to be one of the largest and finest private collections of his works in the world. The exhibition featured approximately 70 sketches and watercolors from the Firos Collection, along with iconic works such as posters, prints created for magazines and books, and letters written by Toulouse-Lautrec to family and friends, totaling approximately 240 works and documents.

We also created a Toulouse-Lautrec Exhibition Coloring and Craft Kit as a summer vacation worksheet kit, which included coloring pages based on the exhibited works and a Moulin Rouge-style windmill craft. We distributed kits to elementary school students visiting the museum during the exhibition period—it could also be downloaded from the museum's website for use in a variety of settings, such as at home or in facilities for the elderly.

Exhibition: June 22 – September 23, 2024

Canaletto and the Splendour of Venice

Canaletto (1697–1768) was a master of veduta (landscape painting) who enjoyed great success in 18th-century Venice. This exhibition, the first in Japan to focus on this little-known master, featured approximately 60 works, including oil paintings, sketches, and prints, primarily from the collections of the National Gallery of Scotland and other museums in the UK. It traces the development of veduta, examines Canaletto's life and career, and explores his influence on his contemporaries and later artists.

Exhibition: October 12 – December 28, 2024

The Way of Paintings 2025 FACE Award Winners

The FACE contest was an open-call two-dimensional art contest that included a group exhibition entitled "The Way of Paintings," where past winners of the Grand Prize and Excellence Award presented their new and recent works. The Way of Paintings 2025 featured 78 works by 12 award winners from FACE 2022 to 2024, with each artist presenting 3 to 10 works to showcase their unique artistic worlds and post-award developments.

Exhibition: January 18 – February 11, 2025

Contributing to Community through the Arts and Culture

Support and recognition of artists

Nationwide call for "FACE" artwork and the FACE Exhibition

For the 13th FACE contest in 2025, we made two changes in consideration of the future direction of the contest. First, to select works more carefully, we limited the number of entries to 60. Second, to further support emerging artists, we established a U30 Frontier Award for artists younger than 30, replacing the previous Yomiuri Shimbun Award.

Saito Dai "camp fire"
2024 oil on canvas

In FY2024, 1,312 entries were submitted, representing a 10.8% increase from the previous year, and the selection ratio reached a record high of 1 out of 23. Personal information was concealed so that entries could be judged solely on their artistic merit, and 57 works were selected. The selected artists ranged in age from 20 to 73 at the time of submission, with an average age of 36.3. Nine winning works were chosen for awards out of the selected entries through voting and deliberation. Saito Dai's "camp fire" was selected as the Grand Prize winner by unanimous decision, as it featured intriguing color contrasts, fantasy elements, and a sense of inner anxiety, while maintaining an overall dynamism. The results were announced on the museum's website and elsewhere, and during the presentation ceremony and private viewing, the recipients were awarded with plaques . We also provided the award winners and all the other submitting artists with the opportunity to connect with the judges, other people in the art community, and the media.

We hope that this open-call contest serves as a gateway for new and emerging artists, regardless of age or affiliation, and will be a source of support for emerging talent for many years to come.

FACE2025: March 1–23, 2025

Sompo Museum of Art Award

We gave the Sompo Museum Art Award to a public exhibition run by 22 art associations for the purpose of supporting and nurturing emerging artists.

Cooperating in loaning out major works

In FY2024, we participated in overseas exhibitions and collaborated in the Togo Seiji Exhibition.

Paul Gauguin, "Lane at Alchamps, Arles"
"Gauguin's World: Tōna Iho, Tōna Ao"
(National Gallery of Australia, June 28 – October 7)

78 works by Seiji Togo
Seiji Togo, Special Exhibition: "Variations on Beauty"
(Kobe City Koiso Memorial Museum of Art, October 5 – December 15)

Art appreciation and other educational outreach activities for FY2024

The Art Appreciation and Education through Dialogue support program targeting elementary and junior high schools in Shinjuku Ward has entered its 17th year. In the 2024 academic year, we were able to provide classroom support to all 29 elementary schools and 6 out of 10 junior high schools in the ward. We introduced multilingual appreciation card last year for students who are not native Japanese speakers. Presenting the cards in their native language put these students at ease, and marked the first step toward enjoying art appreciation sessions.

In FY2024, 13 new volunteer guides joined the program, bringing the total number of guides to 84. During the training seminar, we had the opportunity to learn about cognitive developmental disabilities through a simulation experience provided by Winds, the Shinjuku Ward Hand-in-Hand Parents' Association Caravan Team.

In addition, in FY2024 we created a 10-minute video series titled Sompo Museum of Art Online Experience for use in welfare facilities for the elderly. The videos are designed to enable viewers not only to enjoy works of art but also to spark thought while they view the art.

Activities and Achievements Himawari Hall puppet theater

Since opening in 1989, the Himawari Hall puppet theater in Sompo Japan Insurance's Nagoya Building has been jointly operated by our Group and the NPO Aichi Puppetry Center, which was established by local residents involved in puppet shows in the region.

The puppet theater continues to offer a wide range of activities that gain national attention in regions known for their vibrant puppet theater scene. For example, we host domestic and international puppet shows, run workshops, hold children's art festivals utilizing the entire Nagoya Building, and host the P-Shinjinsho NEXT workshops, which are geared towards uncovering new talent that will shape the future of puppet theater.

Since 2023, Sompo Care has been focused on social contribution activities in the local community. For example, it organizes touring puppet performances alongside hosting a children's cafeteria program at Sompo Care's nursing facilities in Aichi Prefecture.

Puppet show performance at Sompo Care's nursing homes

Performance at Himawari Hall of puppet show "ODE TO JOY"

Group Companies

SOMPO DIRECT

Sompo Direct Insurance sells mainly mail-order automobile insurance, "Otona no Jidousha Hoken," as well as fire insurance and other products. By leveraging the characteristics of a direct insurance company that connects directly with customers and providing products and services that continue to be chosen by customers based on the concept of "easier to understand and simpler," we aim to fulfill our mission "to create a world where experiencing insurance digitally is commonplace and to continue to help customers achieve a fulfilling life."

Sompo Direct Insurance (in Japanese)

Sompo Risk Management Inc.

Sompo Risk Management specializes in the business of management consulting, risk engineering, data-driven solutions, and cybersecurity. Its goal is to become an indispensable partner to local communities by offering solutions and services that address customer needs in relation to emerging social issues and risks.
The company aims to be a trusted partner that customers can rely on in their daily activities as well as in times of crisis, by providing security, health, and wellbeing solutions.

Sompo Risk Management

MYSURANCE

As the Sompo Group's small-amount, short-term insurance provider, Mysurance collaborates with platform providers and other partners in various industries to provide digitally driven online insurance products, including travel cancellation insurance, smartphone insurance, and renters' insurance. Mysurance aims to rapidly and continuously create products to accommodate changes in society and in the environment, and to meet emerging customer needs. Its goal is to provide customers with a comfortable and convenient experience every step of the way, from insurance enrollment to the payment of claims.

Mysurance (in Japanese)

Prime Assistance

To help customers lead lives of security, health, and wellbeing, Prime Assistance offers outstanding services across the mobility, lifestyle, and global business sectors. It strives to become a company that assists customers with a wide range of challenges by launching new businesses that address social issues and benefit local communities, including Eyeco Support, a service for the visually impaired.

Prime Assistance

SOMPO WARRANTY

Sompo Warranty offers repair services for household appliances, home equipment, and smartphones that have malfunctioned after the manufacturer's warranty has expired under extended warranty service terms. To meet the diverse needs of its customers, the company is committed to improving the quality of its services by expanding the range of the products it covers and developing a system that enhances customer convenience, aiming to bring about a bright future for stakeholders.

Sompo Warranty (in Japanese)

SOMPO JAPAN PARTNERS

As one of the largest insurance agencies in Japan with service locations around the country, Sompo Japan Partners provides roughly one million customers with comprehensive P&C and life insurance services to help them enjoy security, health, and wellbeing. The company places great importance on the opinions and thoughts of every customer, and aims to continue bringing satisfaction as their agency of choice by fulfilling its promise to come alongside customers and understand how they live.

Sompo Japan Partners (in Japanese)

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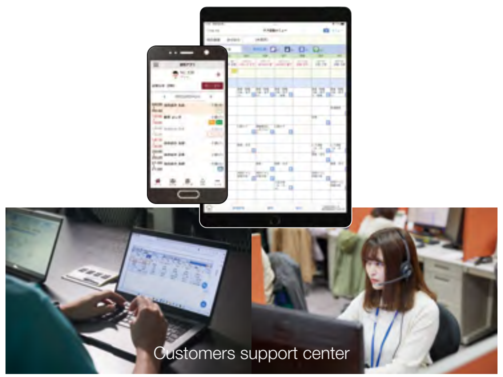
Group Companies

ND Software

ND Software develops software in-house to support office management and on-site operations, with a focus on nursing care and welfare.

Having joined the Sompo Group in February 2023, ND Software is committed to offering products and services that help support more customers. By enhancing the features and improving the quality of its product lineup, particularly flagship product Honobono NEXT, the company aims to realize a future of health, wellbeing and financial protection. Furthermore, to help address Japan's pressing social challenges, such as a super-aging society and labor shortages in the nursing care sector, the company is integrating the Sompo Group's operational expertise and technology as a nursing care provider with its own experience in developing, deploying, and managing software for nursing care and welfare operations. As a software company that supports nursing care facilities, ND Software aims to build a better future by using technology to offer innovative solutions.



Customers support center

ND Software (in Japanese)

SOMPO HEALTH SUPPORT

Sompo Health Support caters to the diverse needs of health insurance providers, offering support for various insurance services and health promotion initiatives.

The company delivers outcome-focused services, ranging from health information provision to specific health guidance and serious illness prevention, by combining a nationwide network of professionals with cutting-edge digital support tools.

In the corporate wellness domain, in addition to assigning physicians and public health nurses according to the needs of each company's industrial health framework, the company dispatches mental health professionals who provide comprehensive support for increasingly diverse issues ranging from preventing illness to assisting employees on leave due to mental health issues.

Along with offering tools like stress checks and engagement measurements, the company also provides services that aim to support health management by employing consulting data analysis to find the best solutions for customers.

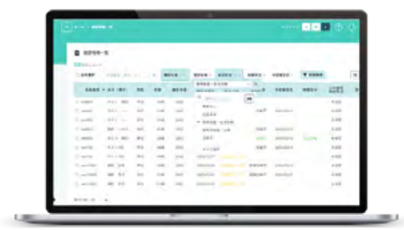
Sompo Health Support (in Japanese)

WELLNESS COMMUNICATIONS

Wellness Communications provides services to support the health management and health promotion of employees and their families for companies and health insurance associations. It has established a network of more than 2,000 partner medical institutions, including health checkup centers and clinics, located throughout all of Japan's 47 prefectures. It offers Network Medical Checkup Service, a comprehensive service that handles all tasks related to health checkups, including arranging appointments, managing progress, handling billing, and standardizing data health checkup results. The company also offers Growbase, a cloud-based SaaS-based health management service that allows year-by-year tracking of employee wellbeing data, including organizational and personnel data, health and stress check results, overtime, and other work-related data.

Wellness Communications aims to energize companies and people by providing solutions that promote human capital management and address the issues faced by companies and health insurance associations that are investing in employee health in response to increasingly diverse working styles, moves to ensure greater employee diversity, and the need to offer more robust disclosure of their human capital.

Growbase



Wellness Communications (in Japanese)

Group Companies

SOMPO JAPAN DC SECURITIES

Sompo Japan DC Securities (SJDC) is one of the few companies in Japan that specializes in defined contribution pension (DC) plans, offering comprehensive end-to-end service. Its full range of English-language services has made SJDC the industry leader in the number of DC plan contracts with foreign-affiliated companies in Japan. SJDC also offers comprehensive services related to individual DC plans (iDeCo). It is committed to providing high-quality services, such as Japan's first web service that utilizes a robotic advisor.

Sompo Japan DC Securities

SOMPO ASSET MANAGEMENT

In the asset management business, Sompo Asset Management has incorporated ESG considerations into its investment process since 1993, operating as a manager focused on active value management, basing investment decisions on the medium- to long-term intrinsic value of assets. In addition, the company is actively working to address climate change and other social issues through dialogue with investees and the exercise of voting rights. The results of these activities are summarized in its ESG/Stewardship Activities Report, which is issued once a year and is highly regarded by external experts.

Sompo Asset Management

Sompo Light Vortex, Inc.

SOMPO Light Vortex is the organization that spearheads the creation of new businesses for the Sompo Group. By utilizing cutting-edge digital technology, the company is working to address social issues through creativity and co-creation by comprehensively pursuing business ideas in digital services related to security, health, and wellbeing from inception to implementation.

SOMPO Light Vortex believes that even small flashes of inspiration can change the world. A single idea can move someone's heart, and people who resonating with that idea will connect with others, and together cultivate a grand future. The company believes in this chain of inspiration and connection and aims to make it a reality.

While AI and data technologies are important tools for achieving this vision for the future, the company is also capitalizing on the diverse assets and networks that the Sompo Group has cultivated over many years to create new value for society through co-creation with various partners, across many fields.

SOMPO Light Vortex (in Japanese)

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External Evaluation

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Recognized with prestigious "A" score for climate action by CDP

Sompo Holdings

Sompo Holdings has been awarded an A (the highest rating) in the 2024 CDP climate change assessment, an international project in which major institutional investors around the world request companies from various participating countries to disclose their climate change strategies and greenhouse gas (GHG) emissions. This marks the eighth time Sompo Holdings has been named to the CDP Climate Change A List.

(February 2025)

Selected as one of the World's Most Sustainable Companies of 2025

Sompo Holdings

Sompo Holdings was selected among the top 500 companies in TIME magazine's World's Most Sustainable Companies of 2025.

More than 5,000 companies were evaluated through a four-step multilayered analysis in the selection process based on more than 20 key indicators related to sustainability, such as international reporting standards, GHG emissions, and commitments to targets.

(June 2025)

Received the highest "S" rating by a registered verification agency the Tokyo Cap-and-Trade Program

Sompo Risk Management

Sompo Risk Management has been awarded the highest "S" rating for 12 consecutive years in the Registered Verification Agency in the Tokyo Cap-and-Trade Program. Of the 21 registered and certified institutions currently registered with the Tokyo Metropolitan Government, only six have received an "S" rating. Sompo Risk Management is the only registered and certified institution to have received an "S" rating for 12 consecutive years since the rating system was launched in 2013.

(August 2024)

Certification by Information Technology Federation of Japan (IT-renmei) Cyber Index Enterprise Survey 2024

Sompo Holdings

In January 2025, Sompo Holdings was awarded a one-star rating as an outstanding company in 2024 survey on corporate cybersecurity initiatives and disclosure administered by the Information Technology Federation of Japan (IT-renmei).

Sompo Holdings was highly commended for its proactive disclosure on cyber security in annual securities reports and other documents, active dissemination of information at external seminars, implementation of comprehensive and cross-sectional cyber security measures across the Sompo Group, and establishment of specialized security bases overseas.

(January 2025)

Information Technology Federation of Japan (IT-renmei)

External Evaluation

Certified as 2025 Health & Productivity Management Outstanding Organization in the Large Enterprise Category (White 500)	Sompo Holdings

The company has been certified as a Health & Productivity Management Outstanding Organization for nine consecutive years as a company excelling in Health and productivity management.

Our group companies were certified as Health & Productivity Management Outstanding Organizations by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi (Japan Health Council). Six of these companies were certified as 2025 Health & Productivity Management Outstanding Organizations in the Large Enterprise Category (White 500), seven as 2025 Health & Productivity Management Outstanding Organizations in the Large Enterprise Category, two as 2025 Health & Productivity Management Outstanding Organizations in the Small and Medium-Sized Enterprise Category (Bright 500), one as a 2025 Health & Productivity Management Outstanding Organization in the Small and Medium-Sized Enterprise Category (Next Bright 1000), and four as 2025 Health & Productivity Management Outstanding Organizations in the Small and Medium-Sized Enterprise Category.

We will continue to communicate the ongoing effectiveness of our initiatives both internally and externally, in collaboration with the health insurance association. By conducting verification and review, we will strive to expand the adoption of Health and productivity management across our group companies and our client companies.

Certified Group companies

2025 Health & Productivity Management Outstanding Organization in the Large Enterprise Category (White 500)
Sompo Holdings, Inc.
Sompo Japan Insurance Inc.
Sompo Himawari Life Insurance Inc.
Sompo Health Support Inc.
Sompo Japan Partners Inc.
Sompo Corporate Services Inc.

2025 Health & Productivity Management Outstanding Organization in the Large Enterprise Category
Sompo Risk Management Inc.
Sompo Business Services Inc.
Sompo Communications Inc.
Sompo Direct Insurance Inc.
Sompo Care Inc.
Prime Assistance Inc.
Sompo Systems Inc.

2025 Health & Productivity Management Outstanding Organization in the Small and Medium-Sized Enterprise Category (Bright 500)
Sompo Japan Career Bureau Inc.
Sompo Challenged Inc.

2025 Health & Productivity Management Outstanding Organization in the Small and Medium-Sized Enterprise Category (Next Bright 1000)
Sompo Warranty Inc.

2025 Health & Productivity Management Outstanding Organization in the Small and Medium-Sized Enterprise Category
Sompo Asset Management Co.,Ltd.
Sompo Japan DC Securities Inc.
Sompo Business Solutions Inc.
Sompo Commercial Line Claims Support Inc.

External Evaluation

Inclusion in ESG indices

Sompo Holdings is included in the following ESG related indices (as of July, 2025).

FTSE4Good Index Series*[1] — Sompo Holdings

The FTSE4Good Index Series, created by the global index provider FTSE Russell, is designed to measure the performance of companies demonstrating strong environmental, social and governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

FTSE Blossom Japan Index*[1] — Sompo Holdings

The FTSE Blossom Japan Index, created by the global index provider FTSE Russell, is designed to measure the performance of companies demonstrating strong environmental, social and governance (ESG) practices. The FTSE Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

FTSE Blossom Japan Sector Relative Index*[1] — Sompo Holdings

The FTSE Blossom Japan Sector Relative Index, created by the global index provider FTSE Russell, is designed to be sector-neutral and reflects the performance of Japanese companies that demonstrate relatively strong environmental, social and governance (ESG) practices within each sector.

*1 FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Sompo Holdings has been independently assessed according to the criteria of the FTSE4Good Index Series, FTSE Blossom Japan Index, and FTSE Blossom Japan Sector Relative Index, and has satisfied the requirements to become a constituent of these indices. These indices, created by the global index provider FTSE Russell, are designed to measure the performance of companies demonstrating strong environmental, social and governance (ESG) practices. They are used by a wide variety of market participants to create and assess responsible investment funds and other products.

S&P/JPX Carbon Efficient Index — Sompo Holdings

S&P/JPX Carbon Efficient Index is an index jointly developed by the U.S. S&P Dow Jones Indices LLC and the Japan Exchange Group that weights constituent stocks by focusing on the status of disclosure of environmental information and the level of carbon efficiency (carbon emissions per unit sales) within TOPIX, a representative stock index reflecting the trend of the Japanese market.

iSTOXX MUTB Japan Platinum Career 150 Index — Sompo Holdings

This ESG index, which focuses on human capital, was jointly developed by Mitsubishi UFJ Trust and Banking Corporation and STOXX, an index provider under Deutsche Börse. It comprises 150 Japanese companies that are actively engaged in career development for their employees.

MSCI Selection Indexes*[2] — Sompo Holdings

MSCI ESG Leaders Indexes comprise companies from various industries that have earned high evaluations in relation to the environment, society, and governance.

MSCI Japan ESG Select Leaders Index*[2] — Sompo Holdings

MSCI Japan ESG Select Leaders Index is designed to select companies with high evaluation in environment, society, governance (ESG) aspects from among the MSCI Japan IMI Top 500 Index.

MSCI Nihonkabu ESG Select Leaders Index*[2] — Sompo Holdings

MSCI Nihonkabu ESG Select Leaders Index, which is based on the MSCI Japan IMI Index, is a selection of companies in each industry that have high ESG ratings.

MSCI Japan Empowering Women Index (WIN)*[2] — Sompo Holdings

MSCI Japan Empowering Women Index (WIN) is designed to select companies with high evaluation in gender diversity from among the MSCI Japan IMI Top 700 Index.

*2 The inclusion of Sompo Holdings in any MSCI Index, and the use of MSCI logos, trademarks, service marks or Index names herein, do not constitute a sponsorship, endorsement or promotion of Sompo Holdings by MSCI or any of its affiliates. The MSCI Indexes are the exclusive property of MSCI. MSCI and the MSCI Index names and logos are trademarks or service marks of MSCI or its affiliates.

Other Related Information

ESG-related data

Group ESG-related data is shown on the website listed below.

ESG data
- General Information on ESG Data
- Group Employee Data
- Reporting of Greenhouse Gas (GHG)
- Environmental Performance Data
- Social Performance Data
- Governance Data

GRI content index

Disclosure of our Group’s GRI Standards can be found on the following website.

GRI Content Index