

Key Initiatives

Here we introduce the case reports of our key CSR initiatives involving each of our stakeholder groups, including customers, stockholders/ investors, business partners, civil society groups, communities, agencies, and employees.

Customers

▶ Prevention of Road Traffic Accidents

▶ Supporting the Disaster Preparedness for Customers

▶ Providing the Highest Possible Quality of Service

▶ Using Digital Technology

▶ Health Promotion

▶ Supporting Japan, a Global Pioneer in Healthy Longevity

▶ Solutions for Environmental Issues

▶ Diversity & Inclusion

▶ Respect for Human Dignity and Rights

Prevention of Road Traffic Accidents

Supporting Safer Driving Using Big Data and Telematics

Products & Service

ISO 39001 (international standard for road traffic safety management systems) certified Smiling Road is a service for businesses that helps corporate vehicle drivers drive safer. Smiling Road was launched in March 2015 as the first telematics service of its kind, and it uses the Internet of Things (IoT) to encourage drivers to continuously be more aware of safety on the road, helping to reduce accident risks by assisting managers in providing effective instructions.

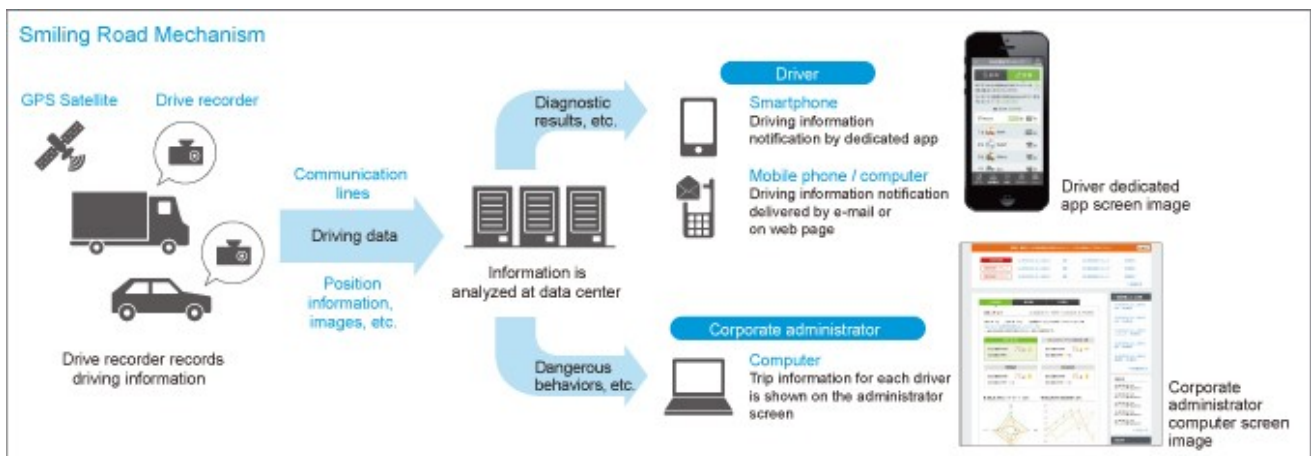
The number of accidents at corporations that have introduced the service has fallen by about 20% due to the synergistic effect of its three features: visibility and understanding of actual driving situations, and feedback to encourage drivers.

Smiling Road’s success in reducing automobile accidents and realizing higher-quality accident response for businesses earned us the top prize in the Nikkei Veritas Award category of the 2015 Nikkei Superior Products and Services Awards for being an innovative and creative service, and an award for excellence (SPRING Award) in the first Nihon Service Award program.

In January 2017 we enhanced the feedback function to further encourage awareness of driving safety and to help prevent accidents, and we launched Truck Navigation Smile, an optional car navigation app for trucks.

Since October 2016 we have been offering the Portable Smiling Road smartphone app for individual drivers to make the concept of Smiling Road service more accessible to even more customers. In March 2017 we added multiple innovative functions, including a frequent accident point alert and a safe route guide that avoids accident prone spots, which utilize our strength as an insurance company.

This service represents our ongoing commitment to using advanced technologies such as big-data analysis, in addition to our expertise in accident response and risk consulting, to offer products and services that contribute to the security, health, and wellbeing of our customers.



Road Service and Other Assistance Business

Products & Service

Prime Assistance, a road assistance service company, provides consultation and arranges for towing and/or repair services in the event that a customer has a flat battery, locked out of their vehicle, or other vehicle-related issues. Service is available 24 hours a day, seven days a week. Our service partners can quickly arrive at the scene to solve a wide range of problems. The company has formed partnerships with about 8,000 towing service and repair businesses nationwide service network.

At our three centers in Akita, Tokyo, and Kagoshima we are working to strengthen the system for continuous operation and improved convenience for customer to provide high quality service.

Through our services that range from Home Assistance^{*1} and Overseas Medical Care^{*2} to Business Process Outsourcing,^{*3} we provide customized services to corporate customers to ensure the best possible solutions, thus enhancing customer satisfaction.

- *1 For developers and housing companies, we provide support for urgent situations of homeowners such as leaking pipes or lost keys. Recently we enhanced our services by combining them with preferential services such as a housekeeping service and house cleaning service for supporting working women.
- *2 For companies with international operations, we provide coverage of medical expenses payment for their employees outside Japan. On behalf of the client company, we pay medical bills and submit reimbursement claims for health and overseas travel insurance, as well as providing information of local medical institutions.
- *3 We offer a number of business process outsourcing services based on requests from clients including an extended guarantee system for automobile manufacturers and dealers, a free services for minor repairs, and a multilingual service for tourists from foreign countries.



Helping customers solve problems

Acquisition of ISO 39001 and Customer Support for Certification

Partnerships

Many fatal road traffic accidents and injuries occur around the world and majority of the accidents take place in developing countries. Developed countries, including Japan, are expected to actively share their know-how for road traffic safety with the world. Against this backdrop, the ISO 39001 international standard for road traffic safety management systems was discussed and developed at the international conferences of the International Organization for Standardization (ISO) before it was officially published in October 2012.

Sompo Japan Nipponkoa has a major role in providing P&C insurance to cover road accident damage, and it also has an important mission to offer services that help prevent accidents. The company therefore collaborated with Sompo Risk Management & Health Care and participated in a pilot program implemented in the drafting stage of ISO 39001, and acquired the world's first registration for the standard in October 2012. Our continuous initiatives to improve road traffic safety have been highly recognized by the ISO since then.

Sompo Risk Management & Health Care also offers various consulting services for companies seeking to acquire ISO 39001 certification. While continuing to offer a wide range of customer support services for ISO 39001 acquisition, our Group will also actively help customers develop their systems to help prevent accidents, among other efforts to improve road traffic safety.

▶ [Sompo Risk Management & Health Care Inc.](#) 

Policies on road traffic safety

Aiming to fulfill its social responsibility and public mission as an insurance and financial business, Sompo Japan Nipponkoa promotes various initiatives aiming for sustainable growth, recognizing its highly transparent governance structure, risk management, and effective compliance program as a major premise of business development. As part of this effort, we actively work on reducing road traffic safety risks in various types of movement and transportation caused by our business operations, and strive to realize a safe, secure and sustainable society.



- (1) We will set up and promote concrete improvement measures after setting the purpose and target for road traffic safety to ensure the mobility and transportation safety.
- (2) With our PDCA process, we will surely check the effectiveness of improvement measures on road traffic safety and further make improvement.
- (3) We will comply with laws and regulations for road traffic safety, our safety requirements when working in offices and outside offices.
- (4) We will establish a management system, mechanisms and procedures to continuously promote road traffic safety.
- (5) We will publicize these policies widely to society as well as to our employees and those working at our affiliated companies.



Service to Help Prevent Traffic Accidents Caused by a Medical Condition

Products & Service

As traffic accidents are increasingly being attributed to the driver's medical condition, maintaining drivers' health is essential for businesses that use vehicles in their operations. To prevent such accidents, the Japan's Ministry of Land, Infrastructure, Transport and Tourism has stipulated that the transport operators grasp their drivers' state of health, implement specific measures to judge whether or not their driving is authorized, and also recommend that drivers manage their own health.

With this in mind, Sompo Risk Management & Health Care develops various services that help prevent traffic accidents caused by driver's medical condition. Such services include a day-to-day health support service for drivers that provides information useful on maintaining and improving health on a daily basis and preventing accidents by collecting information from vital sensors and various measuring instruments, a simple sleep apnea syndrome (SAS) check service, and a service that helps educate drivers and managers on health management.

Health Management Required by Operators		Suggested Services	
Grasp drivers' state of health	Understanding health examinations based on the results of periodic health checks (Listening to findings of doctors etc)	Obligation	(Physician's diagnosis)
	Certain diseases etc. that may interfere with driving of cars (Brain, heart disease, etc.) due to apparent omen and subjective symptoms Understanding diseases	Obligation	Drivers' day-to-day health support service Use the service during roll calls
	Screening test for major diseases (A thorough medical checkup, SAS screening test, electrocardiogram)	Recommended	Simple SAS check based on checking of sleeping state * Formal diagnosis requires separate screening.
	Grasp other diseases etc. (hypertension, arrhythmia, digestive system diseases (With loss of consciousness), diabetes, allergic diseases	Recommended	Drivers' day-to-day health support service Use the service during roll calls
Decide measures for safe medical conditions for work	Determination of employment measures	Obligation	(Physician's diagnosis)
	Improvement guidance by doctors etc.	Obligation	(Health guidance from a physician or other professionals)
	Driver's health management (Improvement of health management environment, organization of health information, call record register etc.)	Recommended	Drivers' day-to-day health support service Continuously grasp state of health Use the service during roll calls
Make decisions on driving during roll call prior to starting work (compare normal state of health to overall length and subjective symptoms related to brain and heart diseases)	Obligation	Promote drivers' health and lifestyle improvements Give advice on operations management	
Support and secure health improvements and management Improve lifestyle habits such as nutrition and diet, physical activity and exercise, rest, drinking alcohol, and smoking	—	Education support services e-learning Use health management support training	

Driving Diagnosis Service Using an Automated Video Analysis Program

Products & Service

Commercially available drive recorders include an event recording function and a constant recording function. Both functions have limitations in terms of educating drivers to avoid head-on collisions, which account for 24% of all road traffic accidents.*

In response, Sompo Japan Nipponkoa and Sompo Risk Management & Health Care Inc. have developed a service that focuses on intersections, automatically analyzing videos recorded using the constant recording function, and extracting incidences of failing to stop at a yellow or red light and failing to stop at stop signs, and that provides a guidance report.

* Source: "Circumstances Surrounding Traffic Accidents in 2015", Traffic Bureau, National Police Agency.

<Compensation and Service Overview>



- (1) Automated driving insurance for safety that uses accumulated insurance design know-how
- (2) Risk consulting on security by Sompo Risk Management & Health Care
- (3) Dedicated service for realizing more pleasant automated driving using the latest IoT technology

[Automobile Insurance] Launch of New Protection for Automated Driving Vehicles

Products & Service

The introduction of automated driving technology is expected to impact society in a number of ways: Securing a means of travel for the elderly and for people in rural areas; eliminating the shortage of workers in the logistics industry; reducing traffic accidents; and alleviating traffic congestion. As a result, research and development is underway in Japan and abroad for the early implementation of such technology, and Japan has seen increasing automobiles fitted with automated driving technology* and connected-cars.

The automated driving technology currently in practical use is a driving support technology that assumes a human driver is driving the vehicle, and that the driver assumes liability in principle for accidents. 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 provide insurance payments using current bodily injury liability insurance and property damage liability insurance. However, due to diversified risks resulting from the high pace of recent technological developments and increase in cyber-attacks, we anticipate 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 have newly added an special endorsement of the injured (provided for all customers) that pays insurance payments even when there is no liability for compensation on the part of the human driver, so as to continue to provide peace of mind to customers who use automobiles fitted with automated driving technology and connected-cars, and ensure prompt injured party relief and early amicable accident settlement.

We have revised our no-fault accident provision (provided for all customers of vehicle insurance) to ensure there is no impact on customers' ongoing automobile insurance policy rating as a result of accidents due to system defects or unauthorized access by a third party in which there is no negligence on the part of the customer.

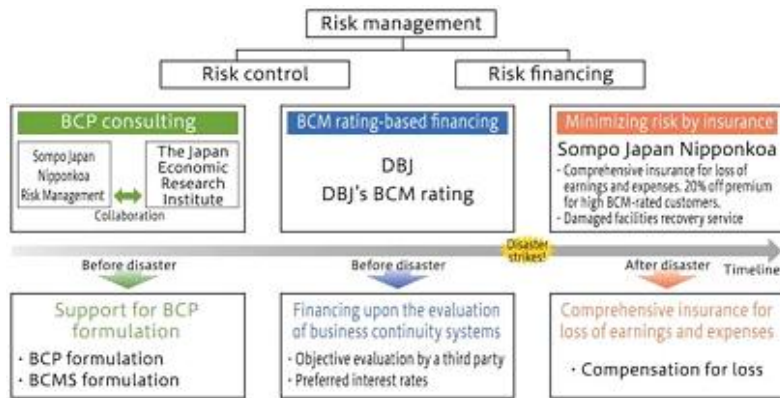
- * Vehicles in which the system simultaneously carries out multiple operations relating to the vehicle's accelerator, brakes, and steering wheel that have already been introduced onto the market by automobile manufacturers.

Supporting the Disaster Preparedness for Customers

Collaboration with Development Bank of Japan (DBJ)

Products & Service

Sompo Japan Nipponkoa works with the Development Bank of Japan (DBJ) to support the disaster risk reduction measures of corporate clients. This comprehensive financial service draws upon both the DBJ's accurate rating capabilities and our non-life insurance and risk management expertise. Sompo Japan Nipponkoa offers an insurance service that covers loss of earnings and expenses in the event of operational suspension due to a natural disaster. Companies evaluated by the DBJ as having a high Business Continuity Management (BCM) rating, so called DBJ BCM rating, can receive maximum discount rate of 20% on their premium. Sompo Risk Management & Health Care provides assistance service to DBJ clients who wish to bolster disaster risk countermeasures in their business continuity planning (BCP). We will continue to provide total financial solution services by exploring further opportunities for high-synergy collaboration projects with external partners.



Volcanic Eruption Derivative and Related Estimating Method

Products & Service

Sompo Japan Nipponkoa and Sompo Risk Management & Health Care have developed the industry's first kind of weather derivative, "Mt. Fuji Eruption Derivative," along with a method for estimating the probability of a future eruption. The derivative indexes eruption-related

information such as eruption warnings issued by the Japan Meteorological Agency, enabling business people to prepare for potential losses and costs in the event of an eruption. Since the derivative promptly pays out a predetermined amount, it can be used by companies as working capital, and is also effective as a business continuity planning (BCP) strategy. The eruption probability estimation method developed by Sompo Risk Management & Health Care takes the time lapse after an eruption into account and calculates probability based on related global research into the probabilistic forecasting of volcanic eruptions. Sompo Japan Nipponkoa is also involved in the development of “Mt. Bandai Eruption Derivative” as well as “Mt. Zaou Eruption Derivative”, and plans to extend the eruption derivative to target other volcanoes in the future.

Risk Assessment and Consulting Services for Natural Disasters

Products & Service

With large-scale natural hazards such as earthquakes, blizzards, and localized rainstorms growing more destructive in recent years, the need for disaster preparedness and resilience strategies is greater than ever. In Japan, spurred by the devastating March 2011 earthquake and tsunami, a law for national resilience was enacted in December 2013 that requires the national government, local governments, and businesses to cooperate on the development of a national infrastructural and socioeconomic system designed to improve the country’s strength and resilience to natural disasters.

Sompo Risk Management & Health Care, drawing on its time-tested expertise in risk quantification and disaster preparedness consulting, provides customers with case-specific evaluation of potential damages from such events as earthquakes, tsunamis, volcanic eruptions, and storms, along with specific strategies for dealing with them.

These services cover both hard and soft strategies: Proprietary model-based risk quantification; evaluation of seismic resistance and soil liquefaction potential for buildings and facilities; support for minimizing the impacts of operational downtime through business continuity planning (BCP); and assistance with constructing a business continuity management system (ISO 22301).

In August 2015, the company also began offering a service that provides customers with easy access to risk-related information in map and list formats. The new service centrally manages and continually updates information from various sources, including hazard maps and the large quantity of damage prediction data released by national and local governments. The company is also actively supporting local government efforts to improve their disaster resilience.

Support for Corporate and Municipal BCP and Disaster Preparedness

Products & Service

Six years have passed since 2011 earthquake and tsunami, and companies are starting to review their Business Continuity Plans (BCP) or implementing disaster drills.

To meet those customers' needs, Sompo Risk Management & Health Care has been continuously providing the support programs to further improve their Business Continuity Management Systems (BCMS), especially focused on raising awareness of top management, training employees responsible for risk management and building integrated network of departments and offices.

Furthermore, we provide comprehensive consultations for establishing and improving the BCMS, as well as the support for ISO 22301 certification.

Local governments are undertaking various measures including strengthening disaster risk reduction and crisis management in order to prepare for outbreak of infection disease such as a new strain of influenza, storm and flood damage, huge and inland earthquake and tsunami such as the 2011 earthquake and tsunami. They also promote measures for effective management of evacuation centers, support for vulnerable citizens, medical and rescue services at a disaster.

Sompo Risk Management & Health Care supports local governments to build resilient communities in various ways: Helping renewals of the Local Disaster Management Plans and establishment of BCPs; developing measurements for stranded survivors and related training; making documents on disaster response and lessons learned, and planning and researching for the Urban Renaissance Safety Security Plans in which local governments, corporations and citizens' organizations work together.

Risk Management for Global Business Operations

Products & Service

There are increasing number of Japanese companies who start to consider the business expansion in other countries given the severe price battle and shrink of the Japanese market due to the falling birth rate. It is expected that Japanese companies will further expand their businesses to not only Europe, emerging countries in Asia including China and ASEAN countries, but also Latin America and Africa.

Sompo Risk Management & Health Care has started to provide risk consulting service for business in other countries from November 2013. That includes research on local security, risk and compliance training for local staff, and support service for development of risk management system that includes assessment of local offices' risks to support the risk management activities of the Japanese companies that expand their businesses to the world. Sompo Risk Management & Health Care strives to meet customer needs by providing comprehensive service menus for

risk management for global business operations that cover the accidents as well as daily risk management.

Cyber Insurance

Products & Service

There has been an increase in insurance-related needs to deal with the risk of cyberattacks, along with a changing social environment, such as the launch of Japan's national identification number system for individuals, amendments to the Act on Protection of Personal Information, and increased sophistication of cyberattacks.

Businesses play a key role in the economy, and in order to support their cybersecurity measures, Sompo Japan Nipponkoa offers Cyber Insurance with expanded coverage for the cost of investigating the causes of leaks as well as lost profits, caused by digital data corruption, information leaks, and disconnection of network. In the event of an information leak or other incident, it is crucial to minimize losses, so urgent responses are increasingly important: Rapid investigation of the source and causes, and efforts to control the extent of losses. We have tied up with specialized businesses that provide this kind of support, and offer services to support smooth business recovery for all Cyber Insurance policy holders.

<p>Investigation/ Emergency Support</p> <ul style="list-style-type: none"> <input type="checkbox"/> Incident detection <input type="checkbox"/> Support investigate cause/scope of impact <input type="checkbox"/> Damage-control advice, etc. 	<p>Emergency Communication Support</p> <ul style="list-style-type: none"> <input type="checkbox"/> Support for media briefings <input type="checkbox"/> Checking/advice for media releases <input type="checkbox"/> Support for newspaper announcements, etc. <input type="checkbox"/> Support for social media responses (via clients' official accounts) <input type="checkbox"/> Web monitoring, urgent alerts (incident response), etc. 		<p>Call Center Support</p> <ul style="list-style-type: none"> <input type="checkbox"/> Call center set-up <input type="checkbox"/> Call center operations <input type="checkbox"/> Support to close call centers, etc.
<p>Confidence Restoration Support</p> <ul style="list-style-type: none"> <input type="checkbox"/> Issuance of certificate on implementation of recurrence prevention steps <input type="checkbox"/> Support to announce outcomes (as a rating agency), etc. 	<p>Coordination</p> <ul style="list-style-type: none"> <input type="checkbox"/> Coordination of critical support functions <input type="checkbox"/> Law firm referrals to assist with legal responses, etc. 	<p>finance</p> <ul style="list-style-type: none"> <input type="checkbox"/> Reporting on use of incident reception & emergency integrated support services <input type="checkbox"/> Insurance payments <ul style="list-style-type: none"> • Costs for public apology event, media announcement, statement writing • Costs of condolence gifts, complaint responses • Consulting costs 	

Support functions during emergencies

Cyberattacks Drills/Training Services

Products & Service

In recent years, a series of new and more sophisticated cyberattacks has occurred, resulting in frequent information security incidents with various organizations, including corporations and public institutions. This situation has led to a growing interest in information security risk, and efforts made to strengthen defenses against cyberattacks: the Basic Act on Cybersecurity was enacted in November 2014, and the Ministry of Economy, Trade and Industry of Japan (METI) enacted the Cybersecurity Management Guidelines with the Information-technology Promotion Agency, Japan (IPA) in December 2015. Some corporations have created a Computer Security Incident Response Team (CSIRT), and are also starting to hold trainings and develop manuals against cyberattacks.

Through a tie-up with LAC Co., a firm highly regarded for its information security solution services, Sompo Risk Management & Health Care offers services such as drills aimed at countering cyberattacks and trainings to support capacity building, to help strengthen corporate information security systems. The role of responses to cyberattacks in a corporation or organization varies with the person’s position and with the organization. These services involve drills and training services appropriate for each role, and we have received positive feedback from our customers.

Key components of our service: drills / training against cyberattacks

Item	Description
(1) Cyberattack simulation	For top management, information security managers, and crisis management managers to check the sequence of responses to hypothetical scenarios of information security incidents..
(2) Cyberattack simulation on computers	Hands-on training in virtual (hypothetical) computer environment to identify the source of a cyberattack within it, deal with containment, coordinate inside and outside the company, and consider business continuity measures.
(3) Training against a targeted e-mail attack	Employees receive e-mail messages designed for training purpose and are trained to immunize themselves to a targeted e-mail attack.
(4) Information security training courses	Multiple courses available.

Sora One 2.0: Risk Management via a Web-based System

Products & Service

Since launching Sora One in November 2014, Sompo Risk Management & Health Care has received a wider variety of requests: Requests to receive information on risks other than natural disasters such as terrorism and infectious diseases for employees working in other countries; emergency alert service when a typhoon is approaching, earthquake occurs, or an act of terrorism or riots occur; and tools to promote corporate risk management activities. Based on these requests, we launched in October 2016 a new version, Sora One 2.0, which includes additional and enhanced features.

Sora One 2.0 provides support to customers by systematizing their operations from the day-to-day gathering of information to recording and managing information on long-term business activities. The web-based system enables multiple companies to use it as a tool to jointly promote the management of risks such as supply chain risk management.



Image taken from Sora One 2.0 pamphlet

Bosai JAPAN-DA Project to Raise Disaster Awareness

Partnerships

Insurance being one of our core businesses, we at Sompo Japan Nipponkoa believe in the importance of raising public awareness of disasters. In the Bosai JAPAN-DA Project, we host puppet shows and experience-based workshops to teach children — society’s future leaders — and their parents how to protect themselves and others in emergency situations.

The puppet show, performed by the Yumemi Trunk Puppet Theater Troupe, is an original adaptation of The Three Little Pigs. It tells the story of how the three pigs help each other to overcome various calamities (wind, rain, lightning, fire, etc.) caused by the big bad wolf. In the

experience-based workshop, provided in partnership with the NPO Plus Arts, participants get to move their bodies in fun ways while gaining useful knowledge and skills for responding to crises. As of March 2017 these events have been held 73 times across Japan attracting more than 9,000 people.

Insurance Package as Online 'Flaming' Countermeasures

Products & Service

There has been an increase in online flaming incidents in recent years and the handling of such incidents has become a major issue for corporations and organizations, with more and more companies developing and enhancing online monitoring systems. If a company is unable to take an appropriate emergency response to a large-scale incident, despite detecting negative posts, the damage will continue to spread, ultimately affecting stock prices. In such cases it is extremely difficult to estimate the extent to which damage will spread, and the cost of recovery in the long-term could be exorbitant.

Given this situation, Sompo Japan Nipponkoa launched an online flaming insurance in March 2017. The insurance package includes an emergency response service that automatically starts when a flaming incident occurs (online flaming response service support and emergency media response support), and the expenses required for these responses are covered by the insurance package. Online flaming response support is provided by Eltes Co., Ltd., a company specializing in online risks, while emergency media response support is provided by Sompo Risk Management & Health Care.

Enrollment in this insurance assumes that web monitoring is already conducted by a specialist company. Sompo Risk Management & Health Care provides an online flaming insurance package that includes a feature offered by Sompo Japan Nipponkoa that compensates for expenses incurred by Eltes to respond in emergencies when a major flaming incident occurs and a long period of time will be required to recover from the incident.

Through this product we will support corporate online flaming countermeasures.



ネット炎上の要因と要する費用の例

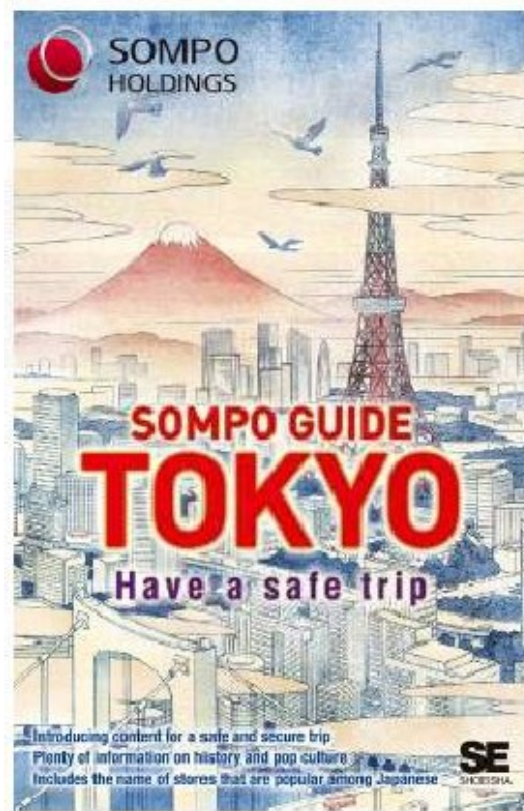
Examples of Costs Resulting from Online Flaming(in Japanese)

Sompo Guide Tokyo: Travel Guide for Touring Japan with Confidence

Products & Service

The Japanese government plans to increase the number of visitors from abroad to 40 million by 2020, and the number of inbound tourists is expected to increase. Meanwhile, tourists have a number of concerns, including inadequate communications infrastructure and services, anxieties about Japanese culture and communication with Japanese people, and a lack of information on how to resolve problems encountered with traveling around the country.

Sompo Holdings has released Sompo Guide Tokyo, a travel guide for international visitors to Japan designed to highlight the attractive aspects of Japan to a global audience while providing peace of mind to tourists that visit Japan. Through the travel guide we aim to provide a greater sense of safety, beyond insurance, to tourists.



For Resilient Risk Management — Anshin Hosho Package to Companies that Grant Privacy Marks

Products & Service

Incidences of damage from cyberattacks have been steadily increasing. The damage resulting from companies leaking information is also expanding as information databases get bigger and bigger due to technological innovation and the sophisticated telecommunications. January 2016 launch of Japan's national identification number system for individuals and the increasing popularity of IoT products are expected to further raise the risk of information leaks at companies.

Against this background, the revised version of the Personal Information Protection Act, which came into full force on May 30, 2017, changed the definition of entities handling personal information, resulting in virtually all businesses being subject to the law, and making risk management even more crucial to businesses.

Sompo Japan Nipponkoa launched a cyber insurance product in October 2015 as a non-life insurance policy that covers such risks. With the aim of contributing to further improving the level of information security at companies in Japan by promoting the spread of the privacy mark system, Sompo Japan Nipponkoa signed the industry's first comprehensive agreement with Japan Information Processing Development Center (JIPDEC), and on March 18, 2017 started offering a special cyber insurance product, Anshin Hosho Package, to organizations that grant privacy marks.

Japan's First Insurance Policy that Covers the Cost of Responding to Online Flaming

Products & Service

With the spread of the internet and smartphones it has become much easier to transmit information to an unspecified number of people, and so-called “flaming” incidents, in which a deluge of negative comments are made on social media and the like, have been increasing year-on-year. Countermeasures to such flaming are now an issue for companies. Flaming is caused by any number of reasons and preventing flaming in advance is thought to be extremely difficult as social media becomes more and more popular.

Against this backdrop, Sompo Japan Nipponkoa has launched an insurance policy that covers the cost of responding to online flaming, the first of its kind in Japan to cover expenses necessary to quickly and properly respond to minimize the damage caused by flaming incidents.

Results of Survey on Disaster Preparedness

Products & Service

In March 2017, six years after the 2011 earthquake and tsunami, Sompo Japan Nipponkoa published the results of a survey on disaster preparedness.

<Outline of Survey>

Survey period: February 8 – February 11, 2017

Method: Internet (PC/ mobile sites)

Target area: Japan

Target: Men/women aged 20-69

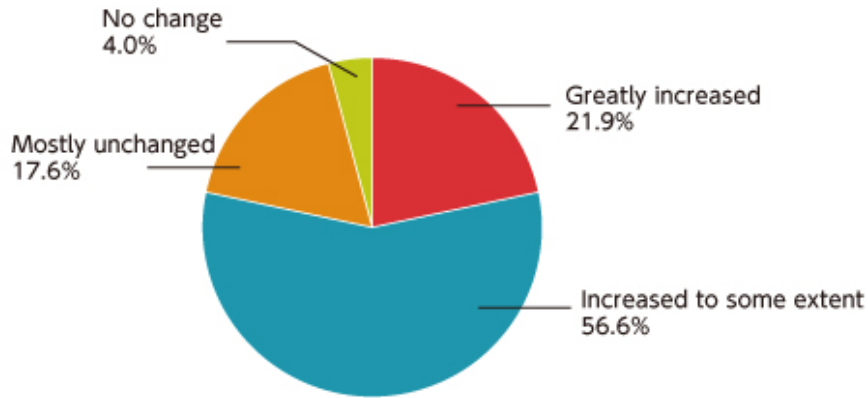
No. of valid responses: 1,112 (men: 555, women: 557)

Points to note from survey

1. Almost 80% of respondents answered that “Awareness of disaster prevention has increased after the 2011 earthquake and tsunami.”

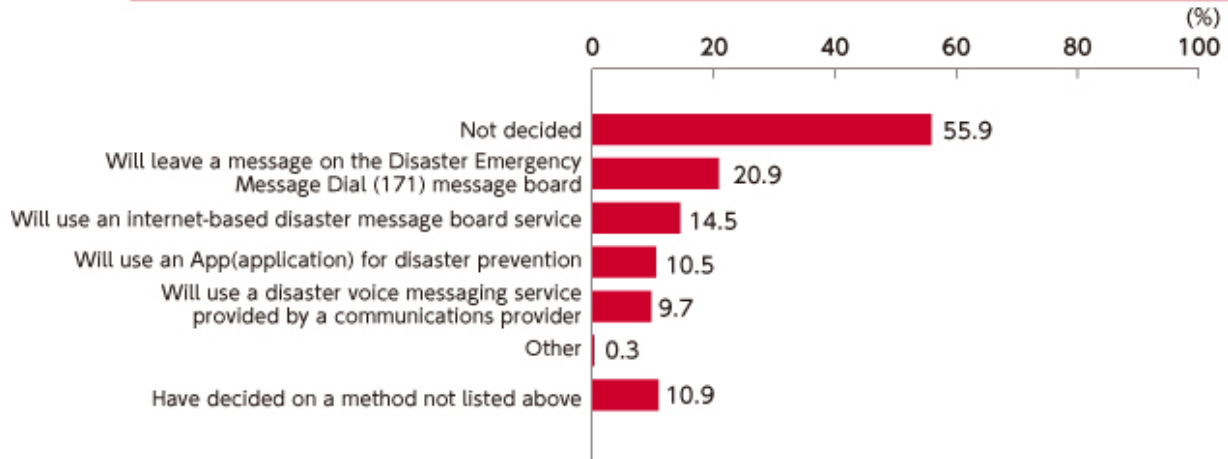
Question: Has your awareness of disaster risk reduction increased since the 2011 earthquake and tsunami? (No. of responses: 1,112)

Close to 80% of respondents (78.5%) responded, "Yes, it has increased"



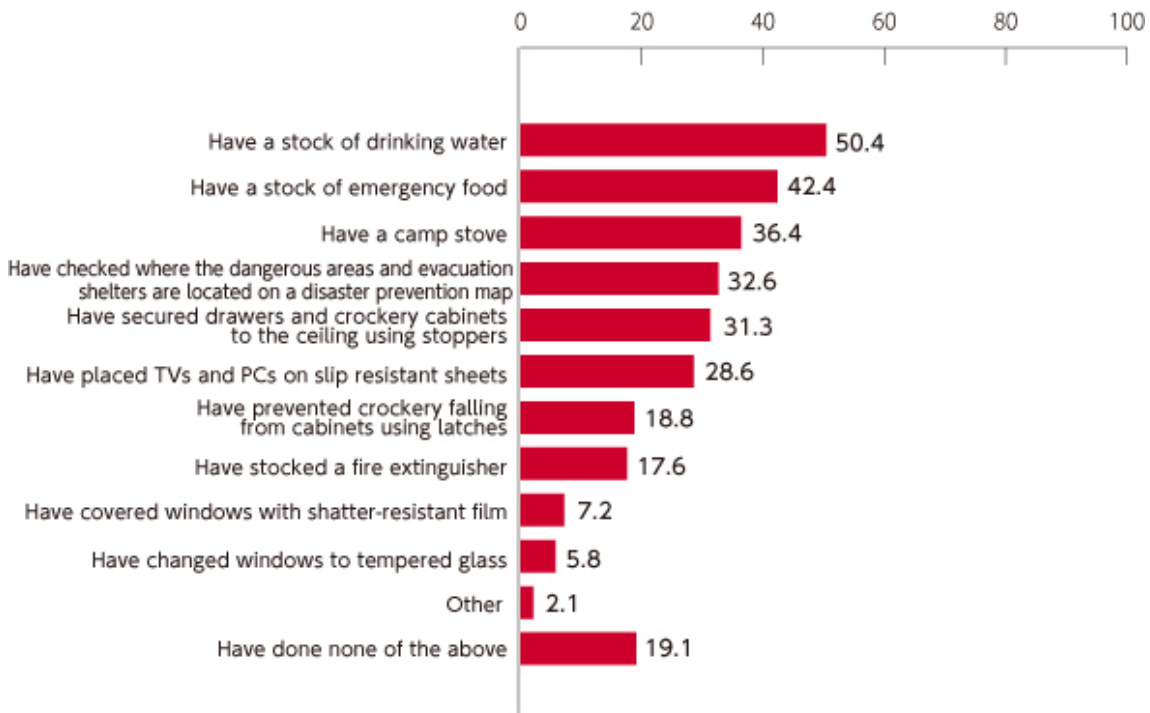
Question: Have you decided how to confirm the safety of family members in the event of a disaster? (No. of responses: 1,112, multiple responses allowed)

More than half of respondents have not decided how to confirm the safety of family members in the event of a disaster



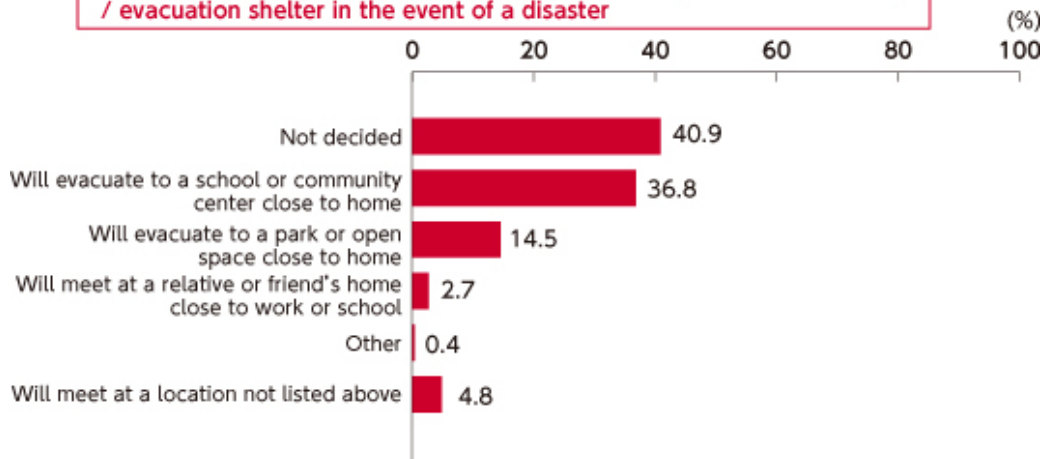
Question: What are you currently doing to prepare for an earthquake (tsunami)?
(No. of responses: 1,112, multiple responses allowed)

Just over 20% of respondents are not doing anything to prepare for a disaster



Question: Have you decided a place to meet family other than your home / evacuation shelter in the event of a disaster? (No. of responses: 1,112)

More than 40% of respondents have not decided a place to meet family / evacuation shelter in the event of a disaster



There are concerns about a Tokyo metropolitan area earthquake and a massive earthquake in the Nankai Trough, and mobile phones and PC email are expected to be out of action for a while should either occur. There is thus a need to secure multiple means of contacting family. In anticipation of it not being possible to meet at the family home due to tsunami or the risk of the building collapsing, there is also a need to choose a place to meet family other than the family home.

Based on these results of such surveys, we will continue to make efforts for a safer society in which people can live with peace of mind through the products and services that contribute to disaster risk reduction.

Initiatives to Prevent Maritime Ship Accidents

Products & Service

Sompo Japan Nipponkoa is promoting initiatives to prevent ship maritime accidents, in addition to responding to ship insurance accidents, our core business. Ship accidents are linked to serious marine pollution from oil spills to accidents involving the lives of multinational crew members. In collaboration with shipping companies and ship management companies, we hold loss prevention seminars in Singapore, Manila and Thailand to raise awareness among ship managers and crew members from other countries.

In 2016 in collaboration with specialized institutions from around the world we started issuing “SOMPO Alarm Whistle (SAW)” and “Marine Engine Newsletter” which are circulars concerning accident prevention based on our accident response know-how, and we offer warnings to sailors around the world as our unique “risk information that reaches the oceans.”



SOMPO Alarm Whistle

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TITLE: Suez Canal Expansion - Incident Records & Measures for Loss Prevention

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- **Maximise - Suez Canal Expansion**
- **Incident Records - Outline of Incidents & Geographic Analysis**
- **Measures to be taken by Master**

© Under Water Camera Photo by the author

● Maximise - Suez Canal Expansion

The Suez Canal is a major waterway in Egypt connecting the Mediterranean Sea to the Red Sea that allows vessels to travel between Europe South Asia without navigating around The Cape of Good Hope. The enlarged capacity enables vessels to sail in both directions at the same time over much of the canal's length. Beforehand, much of the canal was only one shipping lane wide, with limited water basins for passing. According to Egyptian officials this is expected to increase the capacity of the Suez Canal from 40 to 97 ships a day by 2023. Nevertheless, H&M underwriter saw a number of incidents after this expansion.

● Incident Records - Outline of Incidents

<p>INCIDENT 1</p> <p>DATE : ● March, 2016</p> <p>OUTLINE : The vessel (Bulk Carrier, 161,000 DWT) was transiting the Suez Canal under the control of pilot. While the pilot tried to alter her course to 109 degrees from 143 degrees, the vessel touched her bottom.</p> <p>LOSS : Over 140MT of steel rebar required in Dry Dock over 40 days of Off-hire (6: Under Water Temporary Repair : 10 days, for Permanent Repair 30 days)</p>	<p>INCIDENT 2</p> <p>DATE : ● February, 2016</p> <p>OUTLINE : According to the local information, the vessel (Bulk Carrier, 170,000 DWT) was grounded at km 63-69 of Suez Canal, the cause of which may be due to pilot's mistake.</p> <p>LOSS UNKNOWN</p>
<p>INCIDENT 3</p> <p>DATE : ● May, 2016</p> <p>OUTLINE : The vessel (Bulk Carrier, 163,000 DWT) experienced bottom touch incident under the same situation at the same location as incident 1.</p> <p>LOSS : Almost the same as incident 1.</p>	<p>INCIDENT 4</p> <p>DATE : ● July, 2016</p> <p>OUTLINE : According to the Lloyd's Casualty Report, the vessel (Container ship, 117,000 DWT) ran ground at km 133-136 of Suez Canal.</p> <p>LOSS UNKNOWN</p>

Issued: Marine Claims Div., Marine Claims Dept.

Sample - Sompo Alarm Whistle

September 2016

Marine Engine Newsletter

Hull Claims Div., Marine Claims Dept.
Sompo Japan Nipponkoa Insurance

#Vol 2. Shaft Grounding Assembly (SGA)

In our previous issue we have examined cases of exhaust gas turbochargers failure and how to prevent the same. This month we examine and very specifically focus on shaft grounding assembly (SGA) problems and its prevention.

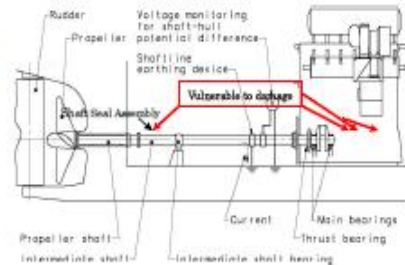
0. Background Information

SGA needs to be checked regularly whether it is earthed effectively. See the photograph on the right hand side, the possibility of damage increases when it is fitted in places such as stern side of engine room, which is not a good environment condition with high temperature and moisture contents. In this condition, SGA lack of maintenance as could be seen such as no carbon brushes direct contact with tailshaft or loose earthed cables could ultimately cause loss of propulsion and prolonged off-hire. This article strives to discuss the importance of SGA and its maintenance requirements.



1. Why is shaft grounding assembly needed?

On the external shell plating around the vessel's propeller and thruster, zinc is fitted for cathodic protection. This protects hull from electrolyte corrosion. Meanwhile, hull and propeller are each made of different materials.



Sample - Marine Engine Newsletter

Providing the Highest Possible Quality of Service

Initiatives for Building Theme Park for the Security, Health, and Wellbeing of Customers

Products & Service

Our Group upholds the following Group Management Philosophy: “We will at all times carefully consider the interests of our customers when making decisions that shape our business. We will strive to contribute to the security, health, and wellbeing of our customers and society as a whole by providing insurance and related services of the highest quality possible.” The Group has also stipulated in its Group Basic Management Policies that: “We will constantly aim for the highest possible quality in all our business processes in order to become the best service provider for our customers.”

The Group Vision also states that “Our goal is to always be the best customer service provider both at home and abroad.” In line with these policies, we are implementing various initiatives to improve customer satisfaction by incorporating customer feedback into our products and services.

System to Utilize the Voice of Customer (VOC)

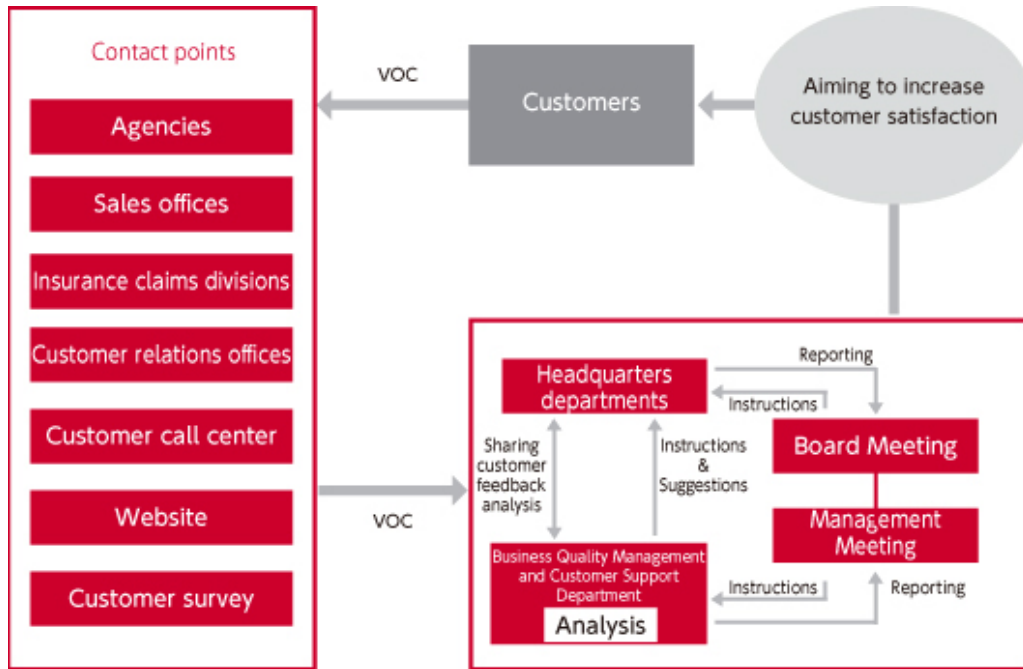
Products & Service

Sompo Japan Nipponkoa receives appreciation, gratitude, inquiries, opinions, requests, complaints, and other types of customer feedback via our sales offices, agencies, insurance claims department, customer relations office and customer call centers. We value customer feedback and respond with them promptly and appropriately.

We also analyze it to identify issues and needs, which we then address in order to improve our products, services, and operations.

To incorporate our customer feedback into our management, we established a dedicated Business Quality Management Department. The Department is responsible for analyzing the background and causal factors of customer complaints. It then shares with relevant head office departments any information on customer complaints relating to insurance product development, sales, and claims payment. For particularly critical complaints, the department submits suggestions or instructions for preventive and/or quality improvement measures to the relevant head office departments.

Furthermore, these initiatives and improvement are periodically reported to various management meetings including Business Quality / Compliance Committee to further discuss various issues.



Voice of Customer (VOC) White Paper

Partnerships

Sompo Japan Nipponkoa has published Voice of Customer (VOC) White Paper from fiscal year 2007 to utilize every customer feedback including appreciation, gratitude, inquiries, opinions, requests, and complaints. The White Paper explains the initiatives to utilize the VOC into management and how we highly value these feedbacks. Our employees and agencies are accepting VOC with sincerity and will contribute to society through providing highest quality products and services to support “security, health, and wellbeing” of our customers.

▶ [White Paper on Customer Feedback \(In Japanese\)](#) 



Analysis Service of Customer Risk and Insurance Clause

Products & Service

There are many customers who feel concern on the appropriate degree of insurance preparation of the daily life. To meet the customers' needs, our Group provides free service of analyzing and explaining the customers' total insurance coverage and their risks to contribute to the wellbeing of our customers. We provide this service through tools such as booklet and mobile device apps.



Tools that introduces customers' potential risk and insurance Coverage (In Japanese)

Customer Satisfaction of Insurance Claims Service

Products & Service

Sompo Japan Nipponkoa is undertaking a company-wide initiative to enable swift insurance claims payment by promoting the Quality of Service improvement campaign (QOS^{*1}) launched in October 2009. The company also provides psychological support to customers involved in accidents through telephone at almost every contact point after the accident.

The company, meanwhile, is working to improve customer contact both in terms of quality and quantity at insurance claims department. It defines mandatory and extra actions for each customer service milestone event or situation in order to implement the SC (Service Center) Credo^{*2} action guidelines stipulated in December 2011.

After fiscal year 2013, all employees of the company are determined to provide service tailored to each customer for greater customer satisfaction by integrating and advancing both the SC Credo, guiding principles for judgment calls, decision-making, and action, and the QOS, which defines our action guidelines.

In fiscal year 2017 we will seek to provide services that cater to customers by further building on our initiatives, strengthening collaboration with non-life insurance agencies who have a close relationship to our customers, paying insurance payments promptly and properly and providing easy-to-understand explanations.

- *1 Stands for “Quickly, at Once within a Set period!” It aims to enhance Quality Of Service (operational quality) via the QOS initiative. QOS stipulates action guidelines to enable Sompo Japan Nipponkoa's accident response personnel responsible for insurance claims department tasks to provide customers with the best outcomes.
- *2 Targeting insurance claims department personnel, the SC Credo contains guiding principles for everyday judgment calls, decision-making, and action. It highlights the importance of putting customers as the first priority and providing sincere service to every single customer.



SC Credo Card carried by all personnel of the insurance claims departments

24-hour Initial Response Service

Products & Service

Initial response service is also available for customers who are involved in a road traffic accident out of regular business hours. Specialist personnel are on hand to immediately contact the other involved party, an automobile repair shop, hospital, or tow truck operator, thus alleviating customer anxiety and providing relief.

“My Page” Online Service Offering Functions Accessible 24 hours a Day

Products & Service

In order to improve the user-friendliness for customers with regard to checking insurance products and various changing procedures, Sompo Japan Nipponkoa provides free online service of “My Page” that is 24 hours/365 days accessible from smartphone and PC. Through the registration of My Page membership, the customers are able to check their insurance agreements, current status of accident response for car insurance and accident insurance, and procedures of address change and insurance change for 24 hours/365 days. Furthermore, the mail delivery system is prepared for customers without insurance agreement.



Image of Sompo Japan Nipponkoa’s “My Page”

Service Quality Improvements by Enhancing Accident Response on Holidays

Products & Service

Following the rise in the employment rate among the working-age population thanks to the empowerment of women and the increase in double income earning households, customers increasingly want to consult with insurance companies on holidays as well as on weekdays open hours of insurance companies. In addition to our initial response such as accepting accident reports and arranging medical treatment 24 hours a day, 365 days a year, Sompo Japan Nipponkoa has set up a “holiday assistance”* center that responds to inquiries relating to road traffic accidents we are currently responding to and makes various arrangements (service enhancement).

* In response to requests from customers to be able to consult with specialists on holidays and to resolve accidents as soon as possible, we have arranged for approximately 50 experienced experts in three locations (Tokyo, Osaka, Hokkaido) to be available to respond to customers on holidays.

Examples of Customer Requests

Examples of Customer Requests
I was contacted by the other party involved in the accident and I want the insurance company to contact them.
I went to a hospital close to my workplace on a weekend but I want to change to another hospital and undergo a more detailed examination.
I want to know how to fill out paperwork relating to insurance claims

Using Digital Technology

Japan's First Telematics Insurance Utilizing Smartphones — Automobile Insurance Discount Up to 20% for Safe Drivers

Products & Service

Telematics insurance, while fairly standard in Europe and the US, has yet to be proactively developed as a product in Japan due to the establishment of a grading system in which applicable grades and insurance premiums change according to whether the insured party has been involved in an accident. However, thanks to recent digital technology innovations and discussion at Japan's Ministry of Land, Infrastructure, Transport and Tourism advisory committee in 2014, research into the effective application of telematics technology is moving forward in Japan.

In recent years the number of young people who own a car has fallen as use of rental and car sharing services has become more widespread. Insurance premiums for first time policyholders do not take safe driving records into account and tend to be high, and this cost is cited as one reason for not owning a vehicle.

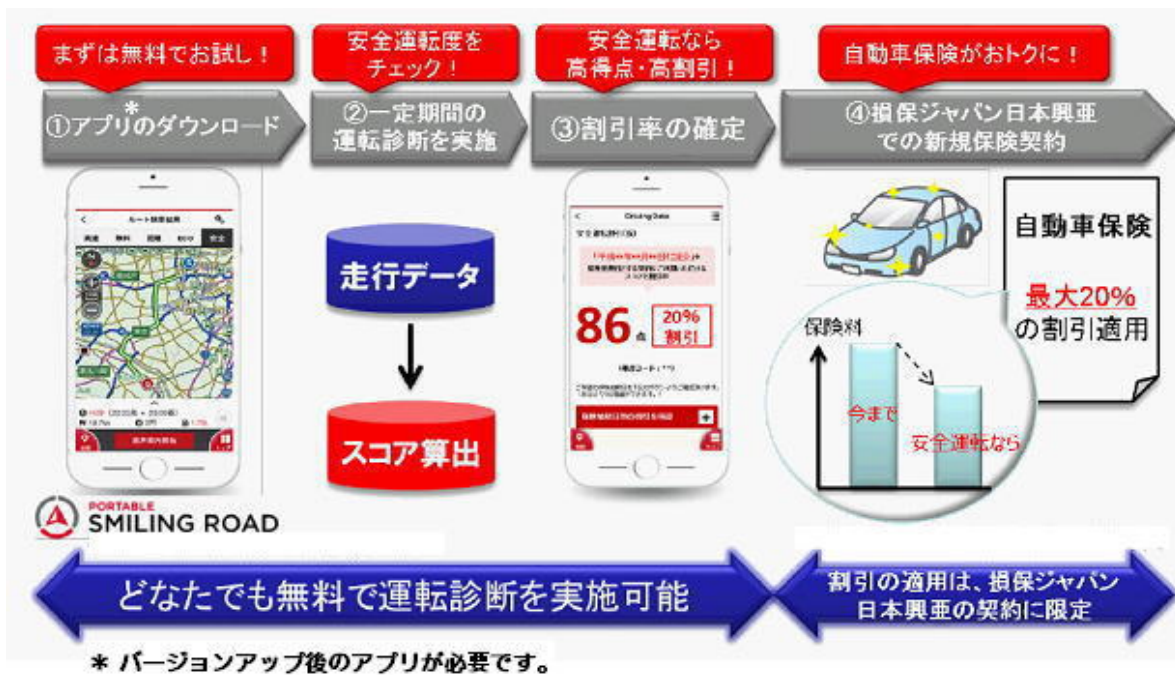
To overcome this situation, Sompo Japan Nipponkoa has been engaged in research and development from the perspective of reducing insurance premiums for drivers who drive safely using telematics technology, offering a Smiling Road^{*1} and Portable Smiling Road, safe driving support services that use telematics.

The correlation between driving characteristics of the driver and the likelihood of an accident has become clear as a result of research and analysis into the enormous volume of big data obtained via Portable Smiling Road, using the telematics technology know-how accumulated by providing these services. We became the first insurance company in Japan to develop a telematics insurance product that offers up to a 20% discount on insurance premiums^{*2} according to the results of driving diagnosis. The introduction of an insurance premium discount based on the degree of safe driving enables us to offer customers more reasonable insurance premiums and to further encourage safe driving and support the creation of an accident-free society.

*1 Service for companies that supports safe driving using a dedicated drive recorder.

*2 Targets insurance premiums for new Sompo Japan Nipponkoa policy contracts with new vehicle owners who have not previously taken out a policy.

Insurance Premium Discount Image (image of smartphone screen currently being developed)



New Automobile Insurance Using Internet-of-Things (IoT) for Safer and More Enjoyable Driving

Products & Service

Saison Automobile and Fire Insurance took on board customer feedback from market research and launched a project that creates new values such as “visible,” “touchable,” “enjoyable driving,” and “accident prevention” that were previously lacking from the automobile insurance. As the first step, the company started offering ALSOK Reliable Accident Site Support Service in April 2016.

Having defined customer contact necessary to provide such values as “new enrollment experience for automobile insurance,” “enjoyable driving,” “reliable support at accident sites,” the company started offering new services that support day-to-day safe driving for contracts effected from July 2017 while enhancing the ALSOK Reliable Accident Site Support Service.

Customer Experiences Provided by New Services

お客さまとの接点	体験の概要
契約時	<ul style="list-style-type: none"> ・「つながるキット」を受け取り、スマートフォンに「つながるアプリ」をインストールする。 ・「つながるボタン」と「つながるアプリ」を接続し車に設置する。 <p style="text-align: center;">【つながるキット】 【つながるボタン】</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
日常運転時	<ul style="list-style-type: none"> ・「運転スコア」「エコドライブ」「危険挙動」「走行マップ」のドライブレポートを確認することができる。 ・日常の運転を振り返ることができ、安心してカーライフを楽しむことができる。
事故時	<ul style="list-style-type: none"> ・「つながるボタン」を押すと、アプリ経由で自動的に位置・契約情報がセゾン自動車火災にデータ連携される。 ※「つながるボタン」が大きな衝撃を感知した場合は、ボタンを押下しなくとも、お客さまのスマートフォンに「衝撃を感知しました」とプッシュ通知が表示されます。 ・通知タップから「つながるアプリ」が開き、ワンタッチでセゾン自動車火災につながり、同時にお客さまの位置情報が送信される。 ・「つながるアプリ」からお客さまの位置情報を把握したALSOKの隊員が事故現場にかけつける「ALSOK事故現場安心サポート」などのサービスを受けることができる。

Wearable Smart Glasses for Fire Insurance Accident Investigations

Products & Service

In October 2016 our group company FRESHHOUSE and Sompo Japan Nipponkoa started using wearable devices (smart glasses) for fire accident insurance investigations. FRESHHOUSE carries out repair work for customers involved in accidents covered by fire insurance who are referred by Sompo Japan Nipponkoa. Given that repair work requires specialist fire insurance-related knowledge, wearable devices (smart glasses) were introduced to all offices in June 2017 to increase personnel capable of carrying out repair work and to homogenize service quality by using ICT and digital technology, as well as to expedite insurance payments by Sompo Japan Nipponkoa.

<Outline>

- (1) FRESHHOUSE personnel wear smart glasses during on-site investigations into fire insurance accidents, and share images and sound from the property in real-time with a

dedicated operator at FRESHHOUSE's head office.

- (2) The dedicated operator gives instructions using the images and sound filmed using the smart-glasses-based information transmitted in real time.
- (3) Using the transmitted images, the dedicated operator creates and submits estimates necessary for insurance claims to Sompo Japan Nipponkoa.

Expanded Use of Drones — First in Industry to Acquire Flight Authorization Nationwide from Japan's Ministry

Products & Service

Sompo Japan Nipponkoa has prepared a safe operational system internally for using drones, and is the first insurer to obtain a general license to fly drones anywhere in Japan without the need to apply for permission each time from the Ministry of Land, Infrastructure, Transport and Tourism. We aim to get a quicker and more accurate grasp of the extent of damage immediately after accidents or disasters and to pay insurance proceeds more quickly.

In August 2016 we were asked by Kumamoto Prefecture to assist in searching for missing people after the Kumamoto earthquakes. In February 2017 we took part in a joint initiative in Shinjuku, in the heart of Tokyo, to confirm the effectiveness of guiding stranded people using drones. We are using our advanced technology with the aim not only of paying insurance proceeds but also of contributing to society in responding to disasters.

Paperless Processing for Insurance Policy Applications — Using ICT to Shorten Approval Procedures to Two Days

Products & Service

On July 19, 2016 Sompo Japan Nipponkoa Himawari Life started accepting paperless applications for insurance policies via tablets as the first step towards reforming operations using ICT (nicknamed: Himawari Mobile Navi). Himawari Mobile Navi allows application details to be checked and notices to be input hassle-free via screens on mobile devices, enabling application procedures to be completed with just one digital signature.

The results of medical assessments relating to health status conducted using automated assessment functions are instantly displayed on screen, and contracts can take effect the following day at the earliest.

The service is extremely popular with customers, and by March 2017 more than half of all applications for target policies were completed via Himawari Mobile Navi.

Going forward, we aim to be the most innovative insurance company in Japan, using advanced

ICT technology to provide new services focusing on health as well as for insurance procedures, and offering optimal value to all our customers.



Introduced the IBM Watson Explorer for Insurance and Benefit Payment Services

Products & Service

Sompo Japan Nipponkoa Himawari Life aims to be the most innovative life insurance company in Japan by providing unprecedented new value, and to transform itself into a health support enterprise that assists customers in improving their health and wellbeing.

As the first step towards such transformation, in March 2017, with support from IBM Japan, Sompo Japan Nipponkoa Himawari Life completed demonstrations for the introduction of IBM® Watson Explorer, and based on the success of such tests, plans to start making full use of it to process insurance proceeds and benefit claims during fiscal year 2017.

We aim to reduce the time required to process claims, which currently take an average of three business days, by automating payment of insurance proceeds and benefits, and to process and pay approximately 30% of claims* on the day the claim is received.

* Excluding claims that require checks with medical institutions.

To date we have continued to work to ensure proper, prompt payment of claims, having already digitalized information such as medical certificates and introduced a system that alerts employees in charge of claim payments. With this recent addition of IBM Watson Explorer, we plan to reform our payment system.

Safe Driving Support Service “DRIVING!” for Individual Drivers (Especially Seniors)

Products & Service

While the number of road traffic accidents has continued to fall in recent years following improvements in the safety performance of automobiles, the accident rate among both elderly and young drivers remains high, and it is essential for drivers themselves to take safety measures.

Given this, we at Sompo Japan Nipponkoa believe our mission as a P&C insurance company is to provide peace of mind to inexperienced drivers and those who feel uneasy when driving, the elderly and their families. In March 2017 we began to offer a telematics-based service that uses a drive recorder (DRIVING! Living with a Car, hereinafter, “DRIVING!”).

Through the services we currently offer: Smiling Road^{*1} and Portable Smiling Road^{*2}, we have successfully reduced the number of road traffic accidents by about 20%^{*3} through the telematics services. Drawing on such expertise in applications of digital technology, we plan to provide further peace of mind and safety to all drivers, and to help realize an accident-free society.

*1 Service for companies that supports safe driving using a dedicated drive recorder.

*2 Personal car navigation and driving assessment app that uses smartphones.

*3 Achieved with Smiling Road

<DRIVING! Set up>



Participated in Blockchain Insurance Industry Initiative B3i

Products & Service

Sompo Japan Nipponkoa is a member of the Blockchain Insurance Industry Initiative B3i. B3i is a collaborative project led by 15 of the world’s leading insurance and reinsurance companies, and explores the potential use of blockchains (distributed ledger technology), and the possibility of building a shared platform in the global insurance industry.

B3i was launched in October 2016 by five European insurance and reinsurance companies. By December 2016 the number of participants had increased to 15, including our company, achieving a truly global scope that covers Asia, Europe and North America.

We will actively contribute to this global collaborative project, and use our expertise gained through participation in this global initiatives as our digital strategy. We see our digital technologies as one of the pillars of our growth, and will make use of them to develop products and services that contribute to the security, health, and wellbeing of our customers.

Japan's First Disaster Response Test in Skyscraper-Dense Area Utilizing Drones

Products & Service

Central urban areas and surrounding residential areas, as exemplified by the Shinjuku Station Area, are strongly urged to take steps to respond swiftly to a disaster immediately after it occurs, ensure business continuity, and recover from the disaster, in addition to measures for disaster preparedness and resilience. Since 2007, the Council for Measures to Reduce Disaster Risks in the Shinjuku Station Area has continuously worked to carry out locally concerted drills mainly for massive earthquakes and to increase the disaster preparedness literacy of local residents. Through these initiatives, major issues that need to be addressed have emerged, including how to collect information just after the occurrence of a disaster, communicate relevant information to give smooth guidance, and share the information among major bases seamlessly.

Against this backdrop, in order to resolve these issues, Sampo Japan Nipponkoa, Sampo Risk Management & Health Care, Kogakuin University, Rikei Corporation, and Shinjuku Ward, all members of the Council ("Team Shinjuku") teamed up to combine the technology, knowledge, and resources accumulated and utilized in their daily business operations and on February 11, 2017 conducted a test to verify the effectiveness. While promoting applied research into drones and wireless communication networks, we plan to continuously conduct tests going forward.



Partnership with Silicon Valley (US) Research Institutions for Automotive AI and Robotics Research

Products & Service

As digital technology surrounding automobiles rapidly progresses, Sampo Holdings needs to engage in cutting edge research and development in fields such as automobiles, artificial intelligence (AI), and robotics, aiming to create new and exciting customer experiences in insurance and related services. We are the first insurance company in Japan to partner with Stanford University's research institute, CARS*¹ and Comet Labs*², an incubator.

Through these research activities we strive to quickly grasp digitalization trends accelerating globally, to promote research and development for innovating products and services at each of our Group companies, and to offer customers further "security, health, and wellbeing."

- *1 CARS was established to invite competent personnel from educational institutions, automobile and IT industries, and government institutions to research the future of human-centered mobility and to understand how humans and machines work together.
- *2 Comet Labs is a venture capital fund and startup platform to focus exclusively on AI and robotics technology.

Data Science Bootcamp — HR Institute to Provide Training in Big Data and AI

Products & Service

Sampo Holdings will set up a Data Institute, a training institute, in the first half of fiscal year 2017 in collaboration with G's ACADEMY TOKYO, an engineering training school operated by Digital Hollywood, in an effort to quickly unearth and develop talent responsible for future digital strategies within the Group. As a preliminary offering, we ran a Data Science Bootcamp course providing specialized training for data scientists in April 2017.

<Outline of the Data Institute>

- The Data Institute provides comprehensive interdisciplinary training for data scientists and all persons working with data at our Group.
- In the future, there are plans to offer a wide range of programs, including Data Science Bootcamps for experienced professionals, workshops for our employees, internships for students, and research programs for human resources development through joint research with universities and research institutions.
- The aim is to be a pioneer in developing human resources in Japan with the skills to use big data including data science and AI, and to contribute to making Japanese companies more

competitive in these areas.



Virtual Reality in Dementia Care Training

Partnerships

Sompo Care Next focuses on training personnel with a high level of expertise and on providing education on dementia care through various initiatives such as the establishment of a training center, the use of various sensors and ICT in nursing care records, and encouraging the acquisition of dementia care specialist qualifications. Striving to further advance human resource development relating to dementia care, we incorporated virtual reality (VR) into our recruitment activities in March 2017.

The VR content enables users to experience the core symptoms of dementia and scenes encountered on a daily basis when caring for dementia patients, giving them a sense of what life is like for people suffering from the affliction.

Through such VR experiences, users can have a simulated experience which helps put them in patients' shoes, giving them an idea of the anxiety and confusion associated with dementia. This in turn enables them to better use their knowledge and skills in caring for people with dementia. We believe such initiatives enable us to train more specialized personnel and to further improve the quality of our services in preparation for the continued advance of our super-aging society.



Corporate briefing

Health Promotion

Nursing Care Support Services and Health and Life Support Services to Benefit Customers

Products & Service

●Nursing Care Support Services

Services that offer support to both the person requiring care and their family are available to policyholders and insured parties enrolled in policies with riders for one-time payments for nursing care and their family members. Services include introductions to fee-based nursing homes, remodeling, and food delivery.

List of Nursing Care Support Services

Introduction to fee-based nursing homes	Special introductions to our Group's nursing care facilities around the country (excluding certain facilities) ^{*)}
Remodeling service ^{*)}	Remodeling homes to make them suitable for nursing care ^{*)}
Food delivery service ^{*)}	Home delivery of five varieties of meals planned by nutritionists taking into consideration salt content and calories ^{*)}

●Health and life support service

This service aims not only to provide life insurance coverage but also to help customers lead healthy and fulfilling lives by preventing health risks. Available to policyholders, insured persons, and their family members, this extensive service includes the following 10-item menu: health and medical consultations; information on medical institutions; counseling service by doctors (reservation only); reservation and referral service for PET (Positron Emission Tomography) scans and complete medical checkups; referral service for postal examination; nursing care-related consultation service; homemaker referral service; life-related consultation service (reservation only); and security support referral service.

List of Health and Life Support Services

Health and medical consultations .	Telephone consultation service on health is available 24 hours .
Information on medical institutions .	Provides information on the nearest medical institutions, etc. .
Counseling service by doctors . (reservation only) .	Telephone counseling service provided by doctors .
Reservation and referral service for PET scans .	Provides reservation and referral service among partnering medical institutions nationwide .
Reservation and referral service for complete medical checkups .	Provides reservation and referral service among partnering medical institutions nationwide .
Referral service for postal examination .	Introduces home medical test kit including for cancer .
Nursing care-related consultation service .	Consultation service for long-term care-related issues .
Homemaker referral service .	Introduces homemaker service providers .
Life-related consultation service (reservation only) .	Telephone consultation on public pension plan, tax related issues and legal issues .
Security support referral service provided by ALSOK .	Introduces security products including home security, management of vacant house, etc., and elderly support service provided by ALSOK .

We strive to improve customer satisfaction and engage in closer dialogue with our customers through these services.



One-time Nursing Care Payment Rider for Nursing Care Level 1 or Above

Products & Service

Sompo Japan Nipponkoa Himawari Life offers a one-time nursing care payment rider as an option for medical insurance (2014) and low cancellation refund type whole life insurance policies. This rider entitles customers certified as nursing care level 1 or above under the Japanese public nursing care insurance system to receive a one-time payment towards nursing care.

Approximately 6.06 million people were certified as requiring nursing care or support under the Japanese public nursing care insurance system as of the end of March 2015, a roughly 2.4-fold increase compared to when the system was first introduced in fiscal year 2000. The majority of those certified (1.17 million people or 19.3%) are certified as being level 1 and, while such people only have a minor need for nursing care, certain expenses such as the cost of remodeling and renovating housing are conceivable. As the number of people requiring nursing care is increasing rapidly, we are responding to the needs of a wider range of customers through products that guarantee assistance from nursing care level 1.

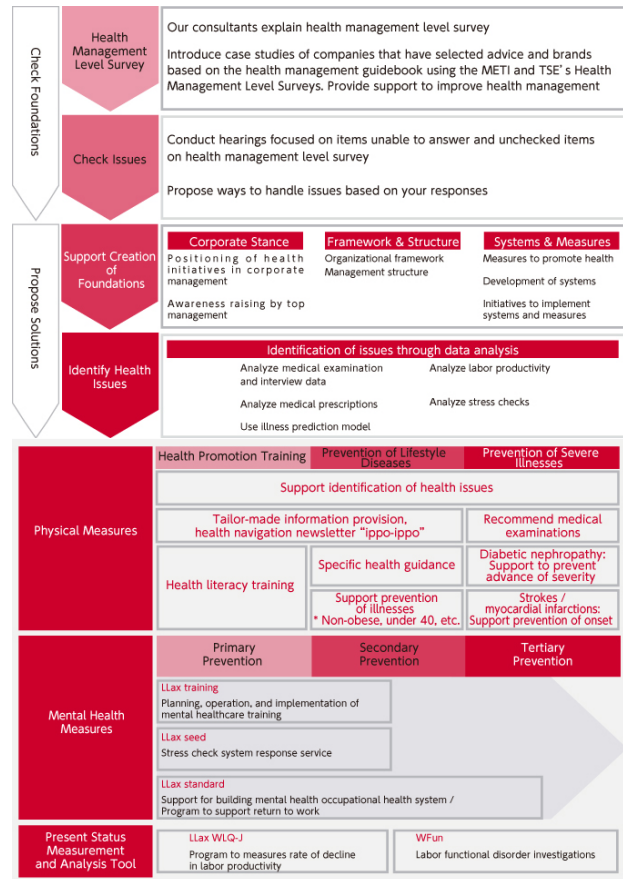
Corporate Health Promotion: Support Services for Health and Productivity Management

Products & Service

Japan's emergence as a "super-ageing" society has increased awareness of issues as its rapidly shrinking working population, rising healthcare costs due to lifestyle diseases, and the growing prevalence of mental health issues. As a result, health insurance societies (public bodies charged with providing health insurance) in Japan were asked to prepare and implement Data Health Plans* in fiscal year 2015, and since December 2015, companies are now required to conduct stress checks in offices that have 50 or more workers. In addition, in fiscal year 2017 the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi, in cooperation with insurers, jointly launched a system that recognizes large enterprises that practice excellent health management known as the Health and Productivity Management Organization Recognition Program – White 500, and expectations in health management are increasing.

Sompo Risk Management & Health Care Inc. provides comprehensive support for businesses and health insurance societies in implementing their health and work productivity management and Data Health Plans. After checking the initiatives relating to health management based on the Health Management Level Survey, solutions for creating the foundations of health management, identifying health issues, and for health guidance and mental measures are provided in line with situation surrounding initiatives.

* The business plans designed to promote the health of policyholders after conducting analysis of various data including medical prescriptions.



Launch of Health Service Brand Linkx (Link Cross)

Products & Service

Sompo Japan Nipponkoa Himawari Life seeks a health support enterprise that assists customers in improving their health as the natural evolution of a life insurance company. Striving to carry out this evolution, we launched our Linkx (pronounced "link cross") brand of services, which we supply as a forerunner in providing new value. Linkx is a concept that helps customers to comfortably and enjoyably maintain good health and it will be developed into a health-related service that focuses on innovative health-centered products and apps.

●Linkx coins

In September 2016 we launched Linkx coins (pronounced "link cross coins"; official name: insurance for advanced medical treatment with organ transplantation medical treatment benefit), an online-only product that customers can enroll in for a monthly premium of 500 yen. The insurance product focuses on covering treatment that puts the greatest financial burden on

the insured. If the insured receives care involving advanced medical treatment, Linkx coins will pay an advanced medical treatment benefit and an advanced lump sum payment. If the insured undergoes a designated organ transplantation, it will pay an organ transplantation medical treatment benefit.

● Linkx app series

- Linkx siru

Linkx siru (pronounced “link cross siru”), launched in October 2016, is a health-related information app that uses the latest analysis technology to learn patterns in the articles read by customers and distribute optimal health-focused articles.



Linkx siru screen

- Linkx Aruku

Linkx aruku (pronounced “link cross aruku”), launched in April 2017, is a walking app for daily, strain-free, enjoyable walking. The app offers over 500 walking courses throughout Japan (as of March 2017) and users can share photographs and make comments on things they discover during their walk. The app records steps taken, calories consumed, and distance walked merely by carrying the device around, and promotes healthy living by encouraging continuous walking.



Linkx aruku screen

Linkx reco (pronounced “link cross reco”), launched April 2017, is an app that encourages users to change to more healthy lifestyle habits by recording steps and meals and to undertake simple tasks everyday with the aim of improving body shape. The app aims to improve the lifestyle habits of users and has a pairing function that allows you to check your partner’s tasks using a special talk function just for the two of you. By tackling tasks together with a partner or a friend, users can continue the program enjoyably. The app gives advice on the optimal time to take meals from the perspective of “time and nutrition,” taking into account the human biorhythm.



Linkx reco screen

* These apps are available for free to non-policyholders

Physical Healthcare Support to Help Prevent Lifestyle Diseases

Products & Service

In line with the increased morbidity of lifestyle diseases such as diabetes, myocardial infarction, and cerebral apoplexy, the associated medical costs are climbing at a disturbing rate. Meanwhile, from April 2008, public health insurance providers have been required for nine years now to provide metabolic syndrome checkups as well as follow-up advice for cases specified by the national government.

From fiscal year 2015, the measures against health issues are becoming increasingly important

for health insurance companies since they must develop and implement Data Health Plan to promote health of the insured based on the data including medical prescriptions.

With a nationwide network of health professionals made up of roughly 1,100 experienced health workers, nurses, and national registered dietitians, Sompo Risk Management & Health Care Inc. provides support to corporate employees mainly in the area as Japan's largest provider of the specified follow-up advice services. One study shows that approximately 39% of employees who received the follow-up advice from us improved to the point that they required no further guidance the following year.

The company also provides follow-up checkups to help prevent the severe diseases for people on medication and non-obese people facing risks related to blood pressure, glucose, lipid levels, and smoking. It also offers health advice visits for people aged between 65–74 aimed at lifestyle improvement and disease management. In all, it provides over 300,000 health support services annually to more than 500 health insurance associations and other organizations.

Sompo Risk Management & Health Care Inc. will continuously provide face-to-face health support that matches each customers' needs, as well as original seminars and technical support on health to professionals nationwide to develop a framework that enables the provision of high quality services.

Employee Assistance Program Services Contributing to “Healthy Companies”

Products & Service

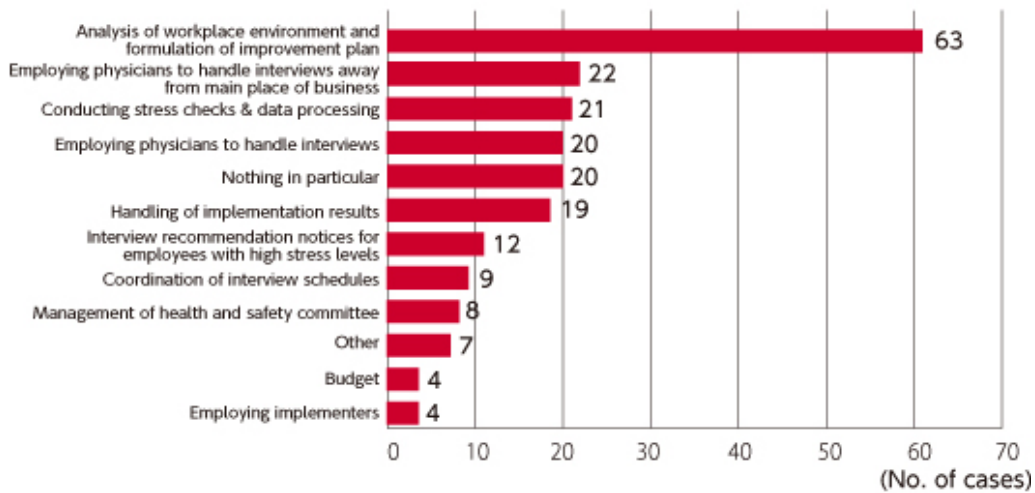
Companies have been obliged to conduct annual stress checks and to offer guidance in interviews since the stress check system was introduced by Japan's Ministry of Health, Labour and Welfare (MHLW) on December 1, 2015. At the same time, companies need to cooperate with management, human resource departments, occupational health staff and each department to improve the environment for individuals and organizations, based on information obtained from stress checks.

Sompo Risk Management & Health Care Inc. has offered services aimed at providing comprehensive solutions to corporate mental health challenges since April 2007. Among these, “LLax seed”, a stress check system compliant service, uses the brief job stress questionnaire recommended by MHLW, offering various services to many customers based on a wealth of know-how and practical experience, including the implementation of stress checks and organizational improvement measures.

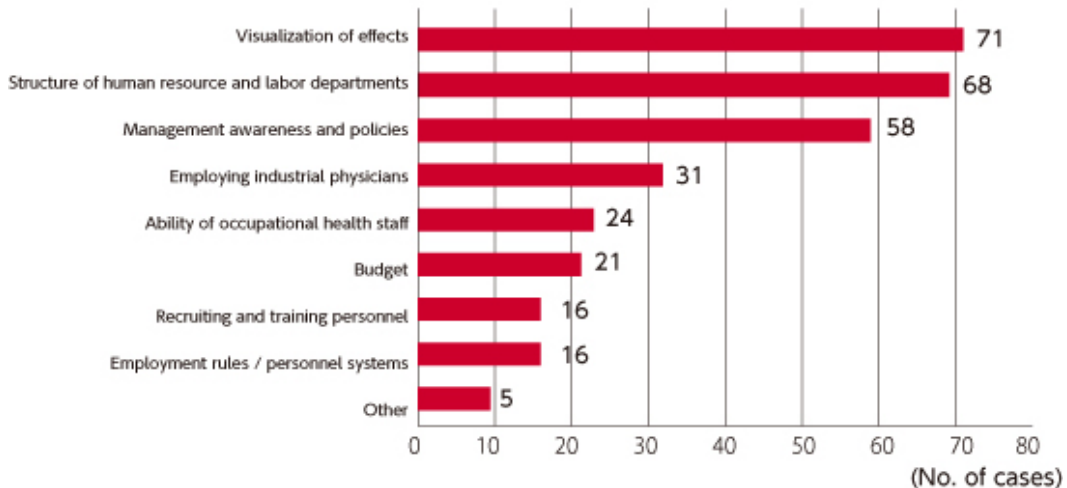
Besides conventional mental health services such as counseling as the countermeasures at companies, we offer different consulting services to resolve customer issues in various sectors: Support for the development of occupational health systems; support for those who are not mentally sound and those returning to work after a period of leave; and the employment of industrial physicians.

Sompo Risk Management & Health Care Inc. will continue to improve the service and strives to develop new services to contribute to the realization of “Healthy Companies” through its business.

Q1. Issues want to resolve



Q2. Problems and troubles when trying to strategically implement mental health measures



Source: Survey by Sompo Risk Management & Health Care Inc.

Offering Comprehensive Consulting Services for Food Risk Security

Products & Service

To support food companies in their efforts to secure food safety, Sompo Risk Management & Health Care Inc. offers comprehensive consulting services for food risk. These services include assistance in addressing core risks (such as food safety control, sanitation management, food labeling, and food-related accident response (including online flaming response) and support for the development of halal business structure. Since fiscal year 2010, the company has also held seminars for food companies at 188 locations nationwide to secure consumer trust and build

management systems with a subsidy from the Ministry of Agriculture, Forestry and Fisheries of Japan.

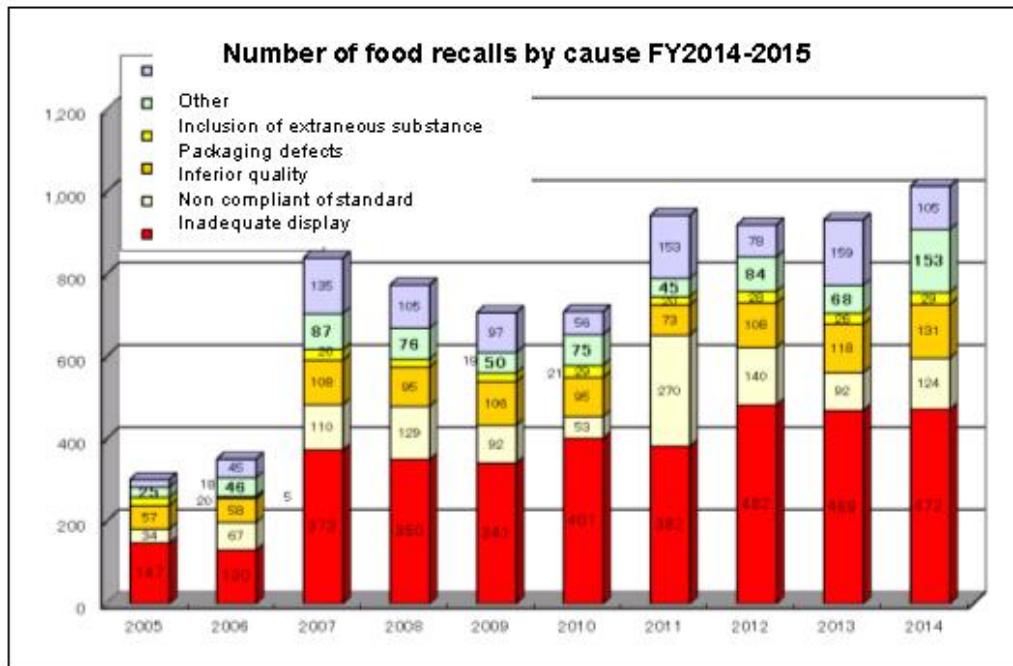


Training

Offering Comprehensive Support Services in Emergencies to Secure Food Safety and Consumer Trust

Products & Service

While approximately 1,000 food recalls continue to occur every year, many food companies express concern about whether they can carry out food recalls quickly and properly in the event of an emergency requiring a food recall. In response, Sompo Risk Management & Health Care Inc. developed a comprehensive emergency support service incidental to Sompo Japan Nipponkoa's food recall insurance, and started to offer one-stop support service in October 2011 that includes publication of information, the setting-up of a call center, and recall operations when emergencies occur.



Number of food recalls by cause



Service details available for customers (In Japanese)

Supporting Japan, a Global Pioneer in Healthy Longevity

Long-term Care Business: Supporting Japan as Global Pioneer in Healthy Longevity

Products & Service

The Group made a full-fledged entry into the long-term care business by acquiring Watami no Kaigo Co. (now Sompo Care Next Inc.) in December 2015 and Message Co. (now Sompo Care Message Inc.) in March 2016. In April 2017 we started to work towards integrating management of both companies with the aim of expediting the establishment of a system capable of accumulating know-how from both companies, thus returning group advantages to users and employees. As members of the Sompo Care Group, both companies maintain their existing brands under the motto for elderly customers based upon support for independence and ensuring their dignity, aiming to provide health care services of the highest quality.

Initiatives that set us apart from other long-term care providers include: development and operation of an internal management system that utilizes our know-how in governance, compliance, and risk management; streamlining of documentation and health record sharing procedures using electronic media; and the use of information communication technology (ICT) and digital technologies, such as sensors for patient monitoring. We are also focusing our attention to developing human resources, and in July 2017 we will open Sompo Care University, an institution that will take the lead in human resource development strategies centering on the concept of all employees being able to feel their growth. We will work together with universities and specialist institutions, crossing traditional boundaries of corporate training, to create a general research and development center for long-term care with a view to commercialization in the future.

Through these initiatives we will provide the highest quality healthcare services that further contribute to “security, health, and wellbeing.” We will also strive to provide employees with a satisfying and comfortable workplace and make Japan a prosperous aged society that sets an example for the world.

Subsidiary Companies	<p style="color: red; margin: 0;">Sompo Care Message</p> <p style="color: red; margin: 0;">Sompo Care Next</p>	Facility Nursing Care Services	Sompo Care Message operates 298 fee-based economy to mid-range nursing homes under its Sompo Care Sompo no le and Sompo Care La Vie Re brands. In addition, through the brands, the company manages 128 housing complexes for seniors that offer nursing care services to residents.
		<p>At-Home Nursing Care Services</p> <p>Day Nursing Care Services</p>	Sompo Care Message provides home-visit long-term care and other at-home nursing care services out of 398 offices across Japan under its Japan Care and Sompo Care Happy Days brands and is developing 62 offices that provide day nursing care services. In February 2015, this company launched Sompo Care Home-Care Service®, providing a full range of nursing home services to seniors at home. Sompo Care Message is currently expanding its services throughout the Tokyo metropolitan area.
Affiliated Companies	<p>Cedar Co., Ltd.*</p>	Facility Nursing Care Services	Cedar runs 38 La Nassica brand economy and other fee-based nursing homes and provides services centered on rehabilitation.
		<p>At-Home Nursing Care Services</p> <p>Day Nursing Care Services</p>	This company provides home-visit long-term care and other at-home nursing care services out of 17 offices across Japan under its Aozora-no-sato brand and is developing 32 offices that provide day nursing care services.

* A 34% stake in Cedar Co., Ltd., was acquired in September 2012

Integrated Service Product: Long-term Care Support Plan

Products & Service

A growing number of people need long-term care in Japan as the average age in this society continues to rise, and about 100,000 persons of working age leave work annually to provide long-term or nursing care for a parent, which is a growing social concern.

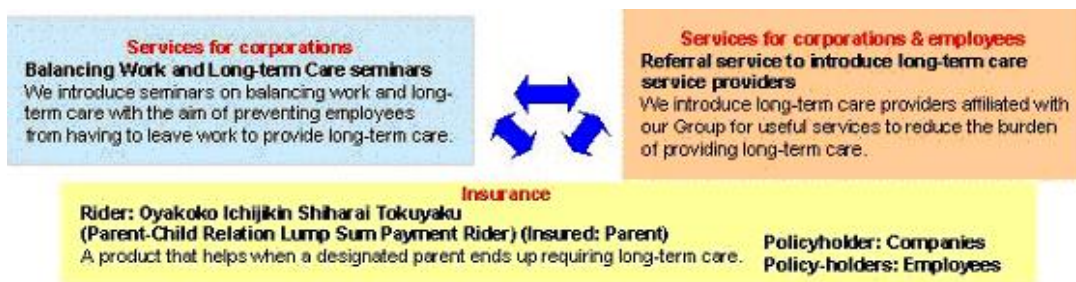
Sompo Japan Nipponkoa offers a Long-term Care Support Plan that provides multi-faceted support to reduce the need for employees of a company to leave work to provide long-term care for a relative through insurance compensation, a referral service to introduce long-term care service providers, and the provision of Balancing Work and Long-term Care seminars for corporations. The Long-term Care Support Plan, a new group health insurance that corporate employees can take out, is a set plan that includes a parent-child relation lump sum payment rider and a long-term care lump sum payment rider. Sompo Risk Management & Health Care

offers the Balancing Work and Long-term Care seminars to corporate clients to assist them in tackling issues relating to long-term care.

Overview of Long-term Care Support Plan

- (1) Overview of parent-child relation lump sum payment rider
 With this rider, a lump-sum insurance payment will be made when a parent (insured party) requires long-term care and that situation exceeds a fixed period of time. In the event of a parent requiring long-term care, the burden on the employee caring for the parent is reduced by expanding the scope of coverage so that compensation is provided for nursing care levels 2 to 5, which involve a higher burden on the caregiver.
- (2) Overview of long-term care lump sum payment rider
 With this rider, a lump-sum insurance payment will be made when an employee (insured party) requires long-term care (equivalent to nursing care levels 2 to 5) and that situation exceeds a fixed period of time.
- (3) Long-term care support services
 In a growing number of cases, employees of a company are facing difficulties balancing work and care-giving when an employee’s parent starts to require long-term care. To address this, we created a new service to make referrals, with preferential conditions, to long-term care providers, including companies in our Group. By having employees utilize services that can reduce the burdens of long-term care, we support balance between work and long-term care giving.
- (4) Balancing Work and Long-term Care seminars
 We provide information through seminars for employees experiencing anxiety regarding future long-term care, and for employees of a company dealing with challenges in balancing work and long-term care.

Overview of Long-term Care Support Plan



“Wellbeing Support” Service for Elderly Customers

Products & Service

Sompo Japan Nipponkoa Insurance Services has started offering “Wellbeing Support,” an unique service that allows elderly customers to use the company’s products with even greater wellbeing. With this service, the company contacts families or other relatives registered by elderly

customers in advance in cases where elderly customers cannot be reached (for example, when they are out for a long period of time or in the case of a disaster) to explain necessary information such as insurance expiry. This service prevents elderly customers' insurance contracts from expiring and terminating during times they cannot be reached, thus bringing wellbeing to them as well as their families living apart. Since its commencement in September 2013, the service has attracted 30,955 registered customers as of the end of March 2017. The company strives to improve its services continuously with the aim of becoming an “elderly-customer-friendly” insurance agency that meets the needs of a super-ageing society.

● How “Wellbeing Support” Service Works

* The service is available free-of-charge to the company’s policyholders. (in Japanese)



Group-Wide Training Program for Volunteer Dementia Supporters

Partnerships

The total number of dementia supporters and Caravan-Mates* among Group employees and agency employees had reached 4,992 by the end of March 2017.

To offer greater peace of mind to elderly customers, Sompo Japan Nipponkoa Insurance Services is engaging the entire company in “dementia supporter” education and activities to support communities.

Dementia supporters program was introduced by the Japan’s Ministry of Health, Labour and Welfare in 2005 as a measure to address dementia. The number of dementia supporters reached 8.82 million by the end of March 2017, under the National Caravan-Mate Coordinating Committee as the parent organization.

Sompo Japan Nipponkoa Insurance Services advocates for an elderly-friendly and locally-rooted society, and sees this program as being closely aligned with the company, so has declared it as its priority CSR initiative. By the end of fiscal year 2016, our 125 Caravan-Mate instructors nationwide had trained 1,972 dementia supporters, surpassing our target. We also strive to raise awareness by designing Guidelines for Serving Customers with Dementia and displaying posters, and having employees wear pin badges, as well as participate in a variety of community activities.

As Japan's population continues to age, we will continue to train dementia supporters and strengthen ties with local communities in an effort to promote insurance agencies that fully meet the needs of our elderly customers.

● Our achievements and initiatives

Training of supporters	<ul style="list-style-type: none"> ■ Caravan-Mates*: 125 ■ Dementia Supporters: 1,972 	
Creation/ use of tools	<ul style="list-style-type: none"> ■ Guidelines for Serving Customers with Dementia ■ In-branch display of posters showing dementia supporters present ■ All employees wear pin badges ■ Dementia supporter logo on business cards 	
Community involvement	<ul style="list-style-type: none"> ■ Participated in Chiba SSK Project (Chiba Prefecture) ■ Registered as Dementia Support Company (Saitama Prefecture) etc. 	

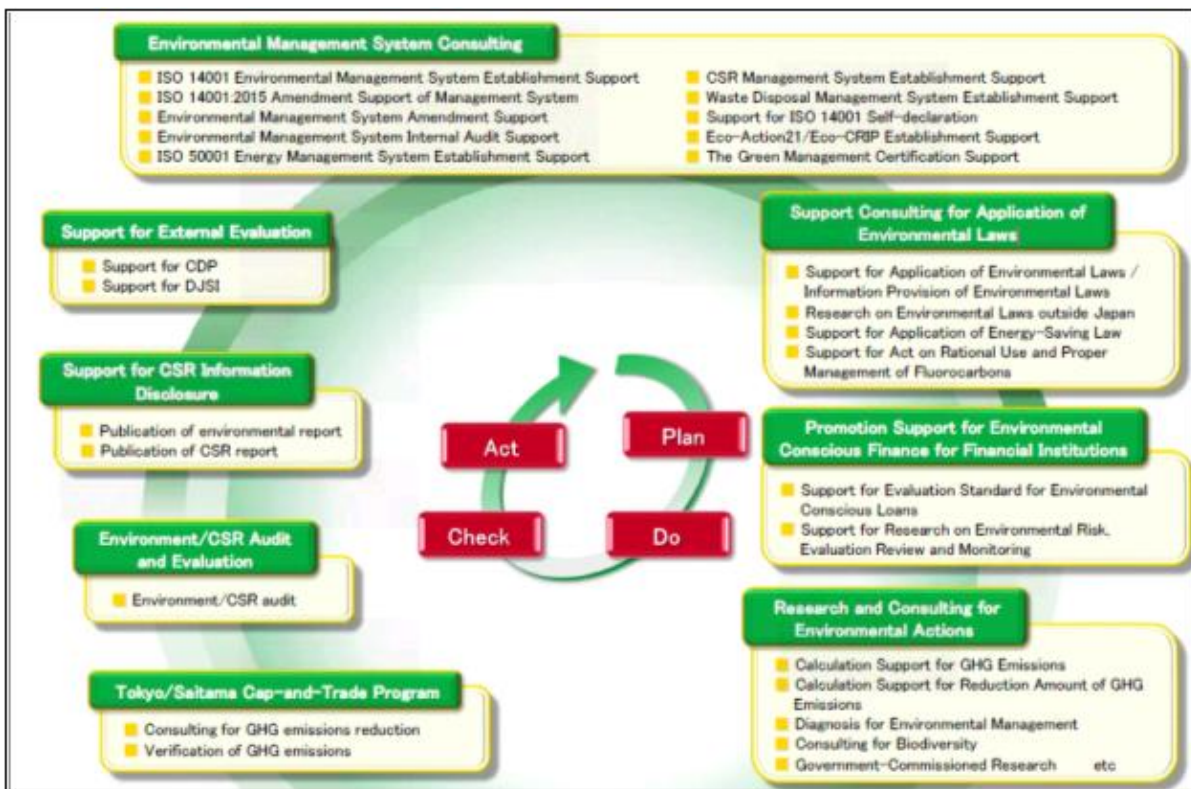
* Caravan-Mates are certified lecturers of dementia supporter training seminars. To become a Caravan-Mate, one must go through the requisite training and registration process.

Solutions for Environmental Issues

Expanded Environmental Consulting Services

Products & Service

Sompo Risk Management & Health Care provides customized consultant services to improve the sustainability of the corporate value while mitigating the risk of environmental issues.



Environmental consulting menus

Insurance for Stable Electricity Supply Costs: Support for Market Liberalization

Products & Service

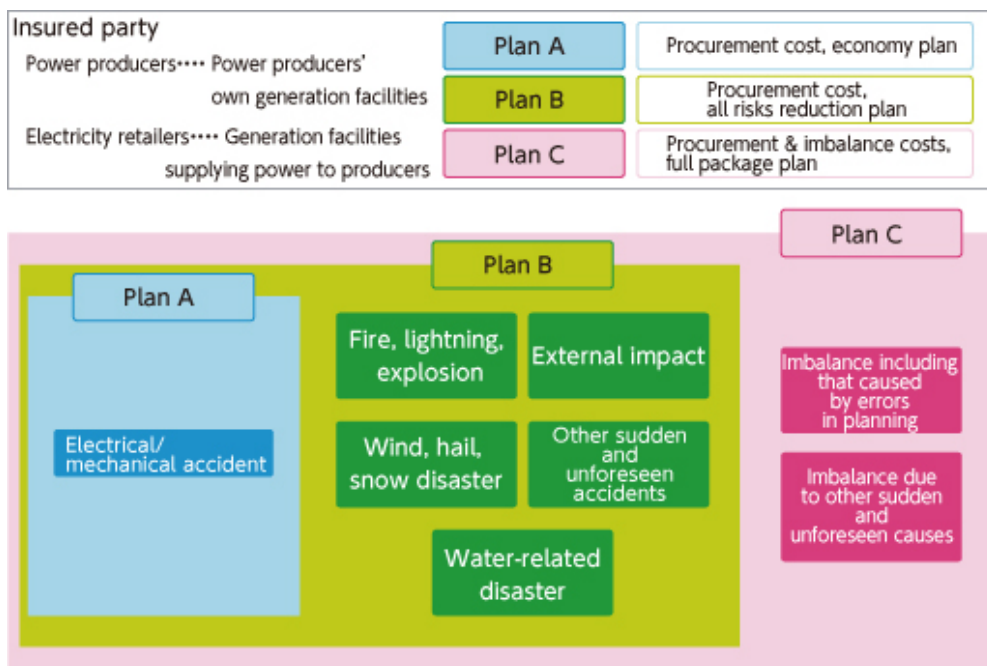
In the event of serious damage or problems caused by disasters at an electricity generation facility, a power producer’s viability can be threatened by higher costs required to procure power from other operators if the producer is unable to generate enough of its own electricity to meet demand. The full liberalization of retail electricity markets has also expanded

management risks for power producers.

In this context, on August 9, 2016, Sompo Japan Nipponkoa started selling insurance to power producers and electricity retailers to cover the costs for a stable supply of electricity by compensating for procurement costs in the event of excess or insufficient power demand and for costs caused by electricity imbalance.

In collaboration with Sompo Canopus in the UK Lloyd's insurance market, which has abundant undertakings of this product in Europe where electricity market liberalization is well under way, Sompo Japan Nipponkoa will facilitate the stability of electricity businesses and promote market liberalization by improving and providing insurance products to match future market trends and power producers' needs.

Product Outline



Diversity & Inclusion

Complying with the Japan's Disabilities Discrimination Act

Partnerships

The Act for Eliminating Discrimination Against Persons with Disabilities* took effect in Japan on April 1, 2016. Sompo Japan Nipponkoa had already been using brochures and application forms with a universal design, but the company launched a cross-divisional project team prior to the law to consider and spearhead Group-wide changes to better accommodate elderly people and those with disabilities. These include changes to insurance application and claims payment processes; the physical environment at agencies; consultation services for customers; and internal training curricula. We will continue to provide products and services with due consideration to customers' conditions (impaired cognition, vision, and hearing) by listening attentively to their feedback especially from persons with disabilities and the elderly.

* This law aims to promote inclusiveness toward people with disabilities by prohibiting unfair discrimination and requiring reasonable consideration of their circumstances.



Sign showing hearing disability assistance posted at the Headquarters Building and other office buildings

Diversity Advocates for LGBT Persons

Partnerships

With lesbian, gay, bisexual, and trans-gendered (LGBT) people comprising approximately 7.6% of the Japanese population,* Japanese society has been moving quickly to address LGBT issues. The Group is working to support LGBT employees in reaching their full potential while delivering products and services that support LGBT customers. We are working to promote an understanding of LGBT issues in an effort to create a workplace where all employees can feel welcome. We hold Group-wide employee seminars and then give participants the stickers to indicate that they are LGBT-friendly and informed supporters, as well as to help LGBT people find their allies and feel peace of mind.

Sompo Japan Nipponkoa amended its benefit programs to enable employees with a same-sex partner to take special leave for weddings and funerals, receive monetary benefits including condolence money, and make use of various welfare services. Also, since fiscal year 2015 we have included content to increase awareness and support for LGBT people in our annual CSR seminars on the environment, social contributions, and human rights. In recognition of our efforts we have received a Silver certification from the volunteer organization “work with Pride,” as an evaluation indicator for our LGBT initiatives as a corporation.

Sompo Japan Nipponkoa Himawari Life provides an abbreviated process for confirming the relationship between insured persons and their same-sex partners when their partners are designated as beneficiaries; the process includes submitting a copy of their certificate of partnership issued by Tokyo’s Shibuya Ward, which recognizes same-sex partnerships. We will continue our work to embrace LGBT and other values as we strive to realize a society that gives everyone equal opportunity.

* Source: The 2015 LGBT Survey by Dentsu Diversity Lab.



LGBT seminar

Respect for Human Dignity and Rights

Doula Liability Insurance Program

Products & Service

In February 2013, Sompo Japan Nipponkoa started to offer liability insurance for doulas in collaboration with the Japan Doula Association. The insurance program covers the cost of damages in the case where the insured doula (a professional who assists a woman before and after childbirth) incurs a liability for damages under law as a result of an accident occurring in the course of their work.

The trend of delaying pregnancy and childbirth to a later age has meant that the grandparents are often quite advanced in age. Combined with the decrease in multi-generational households, it is often difficult for an expectant mother to rely on her own parents for support before and after giving birth. Sompo Japan Nipponkoa has developed this program based on input from its female employees, who themselves experienced such difficulties. Through the program, we strive to respond to an increasing social demand for doulas.



A meeting held for the development of the program

Supporting Children to Continue Their Education (Insurance that compensates for tuition and other fees)

Products & Service

A growing number of parents are unable to enroll their children at private school or must switch them from private to public school due to their financial constraints recently.

To support children who wish to remain at the same school until graduation, Sompo Japan Nipponkoa offers a school fees insurance product that covers tuition and other fees. This program is offered through Private School Studentship Study Support Insurance Service, a company established principally by Nichinoken Kanto, Yotsuya Otsuka, and SKG Service to call for private elementary, junior and senior high schools to institute a scheme to reduce or eliminate tuition and other fees for students in financially challenging circumstances. Sompo Japan Nipponkoa provides insurance benefit payments to schools that reduce or eliminate such fees to compensate them for the loss.