

Stakeholder Engagement

Key stakeholders that influence our business activities are highly diverse. We value stakeholder engagement because we believe communicating with our stakeholders is important for understanding social issues, building relationships of trust and collaboration, and accomplishing greater results. One of our key strengths defined as approaches to the material issues is "Promoting the development of advanced human skills by fostering partnerships with stakeholders representative of broad sectors of civil society."



Stakeholder	Overall objectives	Overall objectives
Customers	As stated in the Group Management Philosophy, carefully consider the interests of our customers when making decisions, and 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.	<ul style="list-style-type: none"> ▶ Feedback received at customer centers • Information disclosure on official websites • Interactive communication on Facebook
Stockholders, investors	Through the timely and appropriate disclosure of information, we aim to ensure that shareholders and investors	<ul style="list-style-type: none"> ▶ Investor Materials ▶ Disclosure

	<p>have a suitable understanding of the Group's business conditions and status of each initiative. We also make use of input received through constructive dialogue with shareholders and investors in order to promote sustainable growth and increase corporate value.</p>	
Business partners	<p>Conduct fair and equitable business with partners (suppliers, companies we invest in), observe legislation and regulations, and collaborate with them to address social issues.</p>	<ul style="list-style-type: none"> ▶ Environmental and CSR Initiatives in Partnership with Business Partners ▶ Consideration of ESG issues ▶ Implementation of Japan's Stewardship Code
Civil societies	<p>Work to address social issues and promote projects and education through partnerships with civil society organization.</p>	<ul style="list-style-type: none"> ▶ Major initiatives with civil societies • Collaborative community initiatives • Engagement on social issues • Sponsorship of educational programs
Local communities	<p>Aim to address local social issues through group-wide initiatives as well as voluntary efforts by individual employees.</p>	<ul style="list-style-type: none"> ▶ Major initiatives in local communities • Engagement through industry organizations • Dialogue on ESG • Engagement through local community activities
Agencies	<p>Strive to provide appropriate advice and adequate service to satisfy customers, and make an effort to consider the environment and local communities through collaboration between agencies and employees.</p>	<ul style="list-style-type: none"> ▶ Initiatives to boost quality at agencies ▶ Environmental initiatives in our supply chain
Employees	<p>Conduct capacity building and exchange</p>	<ul style="list-style-type: none"> ▶ Capacity building initiatives

programs across the Group, emphasizing action and achievement, impartiality and fairness, openness, and diversity as stated in the Group Personnel Vision.

- ▶ Initiatives to promote diversity
- ▶ Engagement through CSR Management System

Objectives of Stakeholder Engagement

We engage with stakeholders with two main objectives: The first is to incorporate stakeholders' ideas and opinions into Group decision-making so that we can innovatively improve the quality of our initiatives. The second is to actively pursue deeper levels of understanding and collaboration with our stakeholders so that based on shared values we can take action toward a better society.

Continued engagement informs and influences the identification of our material issues and setting of our CSR-KPIs. Through such engagement, we work to deliver products and services that help address social issues while revising and improving our initiatives.

Declaration to Society and Participation in CSR Initiatives

- ▶ Declaration to Society and Participation in CSR Initiatives

Engagement Highlights

▶ FY 2017

▶ FY 2016

▶ FY 2015

▶ FY 2014

Declarations to Society and Participation in CSR Initiatives

To solve social issues on a global level, the collaboration of a broad range of stakeholders is indispensable. Our Group participates actively and endeavors to take a leading role in a wide variety of international and domestic initiatives.

United Nations Global Compact (UN GC)

Advocated by the then UN Secretary-General Kofi Annan in July 2000, the UN GC is a partnership initiative between the UN and businesses that motivates companies to enhance corporate citizenship by voluntarily addressing the issues of human rights, labor, the environment, and anti-corruption. Sompo Holdings became a signatory in 2006.



We publish an annual Communication on Progress (COP), which is a regular activity report on the realization of The Ten Principles of the UN Global Compact and on participation in UN partnership programs such as the Sustainable Development Goals (SDGs).

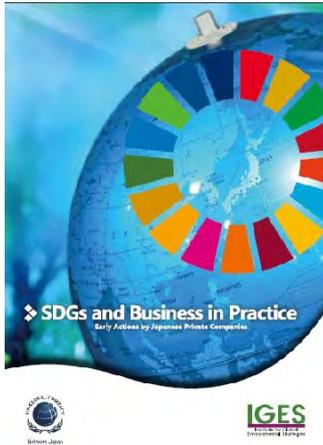
- ▶ [United Nations Global Compact](#) 
- ▶ [Sompo Holdings' COP on the UN GC website](#) 

UN GC's SDGs reports

- ▶ [SDG Industry Matrix for Financial Services \(Industry Handbook on the SDGs\) \(UN GC, KPMG International\)](#) 



▶ [SDGs and Business in Practice: Early Actions by Japanese Private Companies \(Global Compact Network Japan, Institute for Global Environmental Strategies\)](#) 



Women’s Empowerment Principles (WEPs)

The WEPs, a joint initiative between the United Nations Development Fund for Women and the UN Global Compact, offers a framework for business on how to empower women in the workplace, marketplace and community. Its seven principles point the way to best practice in advancing gender equality by elaborating the gender dimension of corporate responsibility and private organizations, the UN Global Compact, and business’s role in sustainable development. Sompo Holdings became a signatory of WEPs in June 2012.



▶ [Women’s Empowerment Principles \(WEPs\)](#) 

Business Call to Action (BCtA)

The BCtA is a global initiative launched in 2008 by the United Nations Development Programme (UNDP) and five government institutions that challenges companies to develop business models with the potential to achieve both long-term commercial success and sustainable development outcomes.

A weather index insurance provided by our Group company has been recognized as meeting the requirements for membership in the BCtA. This makes us the first financial institution in Japan, and the first property and casualty (P&C) insurance group in the world, to be granted membership.



▶ [Business Call to Action](#) 

United Nations Environment Programme Finance Initiative (UNEP FI)

The UNEP FI is an international financial sector network comprising financial institutions that aim to contribute to sustainable development. Since its launch in 1992, it has promoted the integration of environmental considerations into all aspects of the financial sector's operations and services in pursuit of sustainable development that is conducive to both economic progress and environmental protection. Sompo Japan Nipponkoa became a signatory in 1995.



▶ [United Nations Environment Programme – Finance Initiative](#) 

United Nations Principles for Responsible Investment (UN PRI)

The UN PRI was formulated by the UNEP FI as a declaration by financial institutions that take ESG issues into account when making investment decisions. In 2006, Sompo Japan Nipponkoa became the first Japanese insurance company to become a signatory to these principles and Sompo Japan Nipponkoa Asset Management also became a signatory in January 2012.



▶ [Principles for Responsible Investment](#) 

United Nations Principles for Sustainable Insurance (UN PSI)

The UN PSI was formulated by the UNEP FI in June 2012, as a declaration by insurance companies that they will take ESG issues into account through their business operations. Sompo Japan Nipponkoa participated in the development of the principles and became a signatory when it made a statement to promote the principles at the formal launch during the UN Conference on Sustainable Development (Rio+20) in Rio de Janeiro, Brazil, in June 2012.



▶ [Principles for Sustainable Insurance](#) 

Caring for Climate

Caring for Climate is an initiative established by UN GC, UN Environment Programme, UN Framework Convention on Climate Change (UNFCCC) in 2007 to advance the role of business in addressing climate change. Masao Seki, Senior Advisor on CSR at Sompo Japan Nipponkoa, is a member of the steering committee.



▶ [Caring for Climate](#)

Participation in side meetings during COP22 of the UN Framework Convention on Climate Change

As a steering committee member, Masao Seki participated in the High-Level Meeting on Climate Change of Caring for Climate during the 22nd Session of the Conference of the Parties (COP22) to the United Nations Framework Convention on Climate Change, held in Marrakech in November 2016.



World Business Council for Sustainable Development (WBCSD)

The WBCSD, established in 1995, is a CEO-led global association of companies. Company leaders from around the world provide industry leadership on the environment and sustainable development through lively debate, policy recommendations, and other activities. Sompo Japan Nipponkoa is the only Japanese financial institution participating in the initiatives of the WBCSD. The company is also a board member of



Redefining Value, a cross-cutting WBCSD program focused on advancing the measurement of “True Value,” “True Costs” and “True Profits” in corporate decision-making, disclosure and reporting.

▶ [World Business Council for Sustainable Development \(WBCSD\)](#) 

Contributions to WBCSD reports

▶ [Incentives for Natural Infrastructure](#)

Review of existing policies, incentives and barriers related to permitting finance and insurance of natural infrastructure (May 2017) 



▶ [The Social Capital Protocol](#)

Making companies that truly value people more successful (April 2017) 



▶ [Landscape Connectivity: A call to action](#) (March 2017) 



▶ Sustainability and enterprise risk management: The first step towards integration (January 2017) 



Participation in WBCSD Council Meeting

Masao Seki, Senior Advisor on CSR of Sompo Japan Nipponkoa, participated in a council meeting held in Chennai, India in October 2016. He also joined a plenary panel discussion session on "Enabling a Sustainable 2030: The Transformational Roles of ICT and Finance" to discuss the roles of information and communication technologies (ICT) and finance to accelerate and scale-up innovation, which are all essential to achieve the SDGs and to realize a zero carbon society. In addition, he joined meetings on other topics, including the SDGs, climate change, and corporate information disclosure, and dialogued with local companies.



CDP

The CDP is a set of collaborative initiatives by the world's leading institutional investors. It encourages businesses worldwide to adopt climate change strategies and disclose their GHG emissions. Sompo Japan Nipponkoa has been a member since 2005 as an institutional investor.



▶ [CDP](#) 

Selected for "A List" of CDP climate survey of companies

In 2017, Sompo Holdings won the A List of a survey on climate change by the international CDP project two years in a row, under which the world's major institutional investors call upon businesses to adopt climate strategies and disclose their GHG emissions. We were among the highest ranked financial institutions in Japan and the world.



▶ [List of 2017 Climate "A List" companies](#) 

Japan Business Federation (Keidanren)

Committee on Corporate Behavior & Social Responsibility

The Committee on Corporate Behavior & Social Responsibility of Keidanren promotes corporate ethics and social responsibility, and advances and encourages social contribution activities of companies and their employees, including assistance with post-disaster reconstruction. Masaya Futamiya, Chairman and Director of Sompo Japan Nipponkoa, serves as co-chair of the committee.

Participation in Japan's SDGs roundtable as a Business Leader

Japan's SDGs Promotion Headquarters was established in May 2016 with the entire Cabinet as members and the Prime Minister of Japan as the chair. A multi-stakeholder roundtable was later created in order to develop implementation policies for the SDGs in Japan. Representing the business sector, Masaya Futamiya, Chairman and Director of Sompo Japan Nipponkoa and co-chair of the Committee on Corporate Behavior & Social Responsibility, serves as a member of the roundtable.

▶ [Leadership to achieve the SDGs](#)

Council for Better Corporate Citizenship (CBCC)

The CBCC is an organization established by Keidanren that is responsible for planning and operating lectures and other events on CSR, promoting exchanges and collaboration with overseas CSR-related organizations, and conducting research and study through sending delegates abroad and other means. Masaya Futamiya, Chairman and Director of Sompo Japan Nipponkoa, serves as the chair of CBCC.

▶ Council for Better Corporate Citizenship (CBCC) 

Leading overseas missions as chair

The CBCC sends CSR dialogue missions overseas each year, aiming to monitor global CSR trends and examine the innovative CSR efforts of companies and CSR Promoter organizations outside Japan, as well as to promote an understanding of CSR approaches and initiatives in Japan.

In November 2016, Futamiya participated in a CBCC mission to Brussels, Paris and London, three influential cities for European policy-making, and through discussions with the European Commission, international organizations, and local organizations, companies, civil society organizations and investor organizations, he gathered the latest information on social responsibility in Europe and engaged in dialogue with key persons in social responsibility.

In 2017, he visited some Germany cities, Frankfurt, Berlin and Munich and had dialogues with various stakeholders such as the government, companies, investors, and research institutions. Through the dialogues, he grasped the trends and latest information on CSR in Germany and actively disseminated the idea of “achieving SDGs through the realization of Society 5.0” and some specific initiatives by Japanese companies.



Keidanren One Percent Club

The Keidanren One Percent Club provides information on social contribution activities by companies to promote further corporate involvement in social contribution, while facilitating cooperation between companies and civil society. Masaya Futamiya, Chairman and Director of Sompo Japan Nipponkoa, serves as the chair of the Keidanren One Percent Club.

▶ [Keidanren One Percent Club \(Japanese\)](#) 

Keidanren Committee on Nature Conservation (KCNC)

The KCNC financially supports civil society working on the conservation of biodiversity and nature through the Keidanren Nature Conservation Fund (KNCF), while promoting companies' awareness of biodiversity and nature conservation as well as communication and cooperation with civil society. Masaya Futamiya, Chairman and Director of Sompo Japan Nipponkoa, serves as the chair of KCNC.

▶ [Keidanren Committee on Nature Conservation \(KCNC\)](#) 

Participation in COP13 of the UN Convention on Biological Diversity

As the chair of KCNC, Futamiya participated in the 13th Conference of the Parties (COP13) to the Convention on Biological Diversity held in Mexico in December 2016, and gave a speech to represent the business sector at a UN Decade on Biodiversity Day (UNDB Day) side event. The conference itself is held every two years, with the participation of many government representatives and civil sector organizations from around the world, and was an occasion for dialogue with representatives from influential organizations that promote global nature conservation.



Speaking as KCNC chair at a side event (Masaya Futamiya)

Japan Business and Biodiversity Partnership

The Japan Business and Biodiversity Partnership was founded in October 2010 to coincide with the 10th meeting of the Conference of the Parties (COP10) to the Convention on Biological Diversity. The partnership was established by businesses, economic organizations, governments, civil society, and other parties that endorse the Japan Business and Biodiversity Partnership Action Policy. Our Group companies signed up to the partnership when it was established.

▶ [Japan Business and Biodiversity Partnership](#) 

ECO FIRST Program, Japan's Ministry of the Environment

In November 2008 Sompo Holdings became the first companies in the insurance business to be accredited by the Japanese Minister of the Environment as an “ECO FIRST Business.” Under the ECO FIRST program, companies make a commitment to the minister about the environmental conservation initiatives they will take in fields such as combating climate change.



▶ [ECO FIRST Commitment](#)( PDF/489KB)

▶ [ECO FIRST \(Japanese\)](#) 

Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century) (PFA)

These principles were developed to guide the actions of financial institutions to fulfill their roles and responsibilities to create a sustainable society. Sompo Japan Nipponkoa was a member of the drafting committee, and 10 Group companies signed the principles in 2011 (currently 7 Group companies are signatories). Mie Sasaki, Manager, Corporate Social Responsibility Department of Sompo Japan Nipponkoa is serving as a co-chair of the steering committee and chair of the insurance working group.



▶ [Principles for Financial Action towards a Sustainable Society \(Principles for Financial Action for the 21st Century\)](#) 



Steering committee meeting



Insurance working group

SDG Stakeholders Roundtable, Japan's Ministry of the Environment

Masao Seki, Senior Advisor on CSR of Sompo Japan Nipponkoa, is a member of the SDG Stakeholders Roundtable, which promotes environmental aspects for implementation of the SDGs.

Montreal Carbon Pledge

In September 2017, Sompo Japan Nipponkoa Asset Management signed the Montreal Carbon Pledge which was adopted at the annual general meeting of the Principles for Responsible Investment (PRI) held in Montreal, Canada, in September 2014, aiming to reduce GHG emissions.

Signatories are required to measure and disclose GHG emissions associated with some or all of their stock portfolios, and Sompo Japan Nipponkoa Asset Management is committed to regularly disclosing the volume of GHG emissions it has invested.



ICGN

Sompo Japan Nipponkoa Asset Management has joined ICGN (International Corporate Governance Network) since November 2017. Established in 1995 in London, ICGN is a international organization that provides various supports and advice on corporate governance and stewardship activities, and has members

such as institutional investors and asset owners all over the world. Sompo Japan Nipponkoa Asset Management will deepen its insight on these issues both domestically and internationally through ICGN, and make its investment process and stewardship activities improve.



ICGN
International Corporate Governance Network

Group Implementation of ISO 26000

ISO 26000, an international standard providing guidance on social responsibility, was published in November 2010. To plan and implement more relevant CSR initiatives, our Group uses the standard as a self-assessment tool for identifying its strengths and weaknesses, while also incorporating elements of the standard into training curricula of all levels and into our CSR management system. As an expert from Japan's business sector, Masao Seki, Senior Advisor on CSR of Sompo Japan Nipponkoa, participated in development of the standard.

▶ [ISO 26000](#) 

Stakeholder Engagement (Major Topics in Fiscal 2017)

Developing and Offering Products and Services

We work through dialogue and collaboration with a variety of stakeholders to develop and provide products and services.

We will continue through dialogue and collaboration with a variety of stakeholders to provide products and services that contribute to solving social issues.

▶ [Products and Services for a Sustainable Society](#)

Engaging with Customer Feedback

Based on the Group Management Philosophy and Group Basic Management Policies encouraging us to carefully consider the interests of our customers when making decisions, the Group as a whole pays close attention to and makes use of customer feedback to improve products, services, and business operations.

Based on expectations identified through customer input and dialogue with consumer and industry organizations, for example, in fiscal 2016 Sompo Japan Nipponkoa made a voluntary declaration of consumer-oriented management, which summarizes the ideas and aspirations to be a company trusted by its customers. Also, on March 28, 2017, it declared its intention to comply with the ISO 10002 standard (quality management -- customer satisfaction -- guidelines for complaints handling in organizations). In addition, it released the Policy on Customer-Oriented Business Operations, dated June 26, 2017. Moving forward, every employee is going to continue to work with a customer perspective, and strive for even better performance.

▶ [Policy on Customer-Oriented Business Operations \(in Japanese\)](#) 

▶ [Incorporating Customer Input](#)



Sompo Japan Nipponkoa's white paper on customer feedback has been published since fiscal 2007 to incorporate customer input in corporate management.

Group-wide Engagement on SDGs

We conduct annual CSR Development Seminars to offer hints for Group employees to practice social responsibility through our core business.

Continued from the last year, the theme of the latest seminar held in February 2018 was SDGs (Sustainable Development Goals).

A presentation on social trends was provided by Masaya Futamiya, who serves as Chairman and Director of Sompo Japan Nipponkoa, as well as chair of the Japan Business Federation (Keidanren) Committee on

Corporate Behavior & Social Responsibility, and representative of the business sector on the Japan's SDGs roundtable. Masao Seki, Senior Advisor on CSR of Sompo Japan Nipponkoa and Chair of Task Force on Keidanren's Charter of Corporate Behavior, Keidanren, gave a presentation about SDGs integration into management and business and about Revisions to the Keidanren's Charter of Corporate Behavior. In the seminars, Group employees discussed contributions to SDGs through our business and about 90% of attendees answered they were satisfied with the meaningful seminar. We are going to utilize these seminars for development of products and services going forward.



Stakeholder Engagement (Major Topics in Fiscal 2016)

Developing and Offering Products and Services

We work through dialogue and collaboration with a variety of stakeholders to develop and provide products and services.

In 2016, as part of development of our weather index insurance product, we held engagement sessions with Myanmar farmers and regional agricultural departments to discuss local weather conditions, insurance needs, and product details. We will continue through dialogue and collaboration with a variety of stakeholders to provide products and services that contribute to solving social issues.

- ▶ [Weather Index Insurance for Southeast Asia](#)
- ▶ [Products and Services for a Sustainable Society](#)



Dialogue for development of weather index insurance (Myanmar)

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basic information about the SDGs. In the seminars, Group employees discussed what actions they can take to move toward the SDG targets, and they are putting their ideas into action in their work, particularly for the development and provision of products and services.

▶ Initiatives to Achieve the SDGs (Sustainable Development Goals)



Stakeholder Engagement (Major Topics in Fiscal 2015)

Japan's Stewardship Code

Sompo Japan Nipponkoa and Sompo Japan Nipponkoa Asset Management declared their endorsement of the Japan's Stewardship Code, called the Principles for Responsible Institutional Investors, and have disclosed detailed policies on their official websites.

The code calls on institutional investors to enhance the corporate value and support the sustainable growth of investee companies. We engage in dialogue with investee companies based on a clear understanding of the significance and importance of this initiative.

Policy on Japan's Stewardship Code (only in Japanese)

- ▶ [Sompo Japan Nipponkoa Insurance Inc.](#) 
- ▶ [Sompo Japan Nipponkoa Asset Management Co., Ltd.](#) 

Civil Societies

In February 2016 Sompo Japan Nipponkoa held a joint forum on private sector-civil society partnership with the Japan NPO Center called "Sustainability Partnership in Action: Five Years of the SAVE JAPAN Project." About 100 people attended the forum which presented the collective impact of the rare species conservation initiatives supported by the SAVE JAPAN Project and discussed the future of cooperation between private sector businesses and civil societies. Sompo Japan Nipponkoa plans to use feedback gained through the forum in continued efforts to address social issues with civil societies.

- ▶ [SAVE JAPAN Project website\(only in Japanese\)](#) 



Stakeholder Engagement (Major Topics in Fiscal 2014)

Stakeholder : SRI Experts

In May 2014, We invited Masaru Arai, SRI expert and Chair of the Japan Sustainable Investment Forum (JSIF), to sit down for a discussion on responsible investing with Masaki Hanawa, former Director and Managing Executive Officer of Sompo Japan Nipponkoa Insurance, and a representative of Sompo Japan Nipponkoa Asset Management.

Arai explained global trends and the current state of responsible investing in Japan, and then expressed his expectations of the group. This was followed by an exchange of ideas on SRI efforts being carried out by the two companies.

New insights gained from this engagement are being used in a variety of initiatives, such as implementing the Japanese version of the Stewardship Code and financing and investing in projects in growth fields.



Stakeholder : ESG Experts

In September 2014, directors in charge of CSR at 12 group companies gathered for a dialogue with Junko Edahiro, ESG expert and President of the Institute for Studies in Happiness, Economy and Society. Edahiro shared examples of initiatives at companies with high sustainability performance and also expressed her expectations of the group. Group representatives then presented a program at Sompo Japan Nipponkoa Insurance Services that trains employees to serve as volunteer "dementia supporters" * among other initiatives.

Group companies are using the stimulating examples provided by Edahiro as a model for future initiatives.

* Members of the public who have undergone specialized training in a nationwide program to better understand and extend support to people with dementia.



Stakeholder : CSR Rating Agencies

We also value communication with organizations that evaluate and rank companies on their CSR and ESG performance. Feedback from these agencies is used to improve group initiatives.



Dialogue meeting with Swiss asset management advisor RobecoSAM