

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Sompo Holdings, Inc., hereafter, Sompo Holdings, traces its roots back to Japan's first fire insurance company, established in 1888 with the aim of providing protection from the threat of fire in everyday life. Since then, Japanese society has changed due to the decline and aging of its population, climate change, and new conditions emerging as a result of technological innovation. In response, Sompo Holdings has helped tackle issues by passing down and putting into practice a philosophy focused on working for the well-being of people and society. In the coming era, Sompo Holdings continues taking on the challenge of new value creation in order to realize our vision of "A Theme Park for Security, Health & Well-being." Sompo Holdings adopted "Sompo Climate Action Plan: (1) Adaptation, 2) Mitigation, and 3) Social Transformation" in May 2021 and announced to achieve net-zero GHG emissions, including investments by FY 2050. Through engagement with global initiatives in investment, financing and insurance underwriting, Sompo Holdings aims to participate in rulemaking around the world and provide clear solutions for dialogue with customers by providing cutting-edge information.

<At a Glance>

Sompo Holdings deploys P&C insurance business with approximately 30% of the market share in Japan and other diverse businesses such as Life insurance, Nursing care, Financial and other services.

Main operating consolidated companies are as follows;

- Sompo Japan Insurance Inc.
- Sompo Himawari Life Insurance, Inc.
- Sompo Care Inc.
- Sompo International Holdings Ltd.
- SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED
- Sompo Asset Management Co., Ltd.
- Sompo Risk Management Inc.
- Sompo Health Support Inc.
- Sompo Japan DC Securities Inc.
- Sompo Japan Partners Inc.
- Mysurance Inc.
- Sompo Warranty Inc.
- SOMPO Light Vortex Inc.
- Sompo Insurance China Co., Ltd.
- NIPPONKOA Insurance Company (China) Limited

<Overseas operation>

Sompo Holdings employees outside of Japan are engaged in insurance underwriting, claim handling, risk engineering and other services and boasts a global business network encompassing 28 countries and regions, including Europe, the Middle East, North America, Central and South America, Asia, Oceania and Africa.

<Participation in Sustainability Initiatives>

Sompo Holdings actively participates in sustainability initiatives globally and endeavors to take a leading role internationally and domestically.

Became a member to the CDP since 2005 and joined the CDP Advisory Board of Japan since 2007. Sompo Holdings and its group companies are also signatories to the following initiatives. World Business Council for Sustainable Development (Since 1995), UNGC (Since 2006), UNEPFI (Since 1995), Founding signatory to PRI (Since 2006) and PSI (Since 2012), Women's Empowerment Principles (Since 2012) and a member of the steering committee for Caring for Climate, an initiative established by UNGC, UNEPFI and UNCCC.

Sompo Holdings has been included to the Dow Jones Sustainability Indices for 21 times in total. Selected to DJSI Asia Pacific in 2022. Sompo Holdings is also included in FTSE4Good Index Series, FTSE Blossom Japan Index, MSCI ESG Leaders Indexes/SRI Indexes, MSCI Japan ESG Select Leaders Index and MSCI Japan Empowering Women Index (WIN).

Following TCFD Recommendations Report published in June 2017, Sompo Holdings declared support for TCFD and also participating in the TCFD insurance working group of UNEPFI to formulate TCFD standards for the insurance sector.

In July 2018, the Japan Climate Initiative Network was established to enhance information dissemination and the exchange of opinions among corporations, local governments, and civil society organizations actively taking measures to challenge climate change. Sompo Holdings endorses the purpose of this initiative and are participating as a founding member.

Sompo Holdings has become the first P&C insurance group in Japan to join Partnership for Carbon Accounting Financials (PCAF) and PCAF Insured Emissions Working Group in November 2021. PCAF is an international initiative established in 2015 to develop methods for measuring GHG emissions through financial institutions' investments and loans and insurance underwriting.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

April 1 2022

End date

March 31 2023

Indicate if you are providing emissions data for past reporting years

No

Select the number of past reporting years you will be providing Scope 1 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for

<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

Belgium

Bermuda

Brazil

Canada

China

France

Germany

Hong Kong SAR, China

India

Indonesia

Italy

Japan

Malaysia

Mexico

Myanmar

Netherlands

Singapore

Spain

Switzerland

Taiwan, China

Thailand

Turkey

United Kingdom of Great Britain and Northern Ireland

United States of America

Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

JPY

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

C-FS0.7

(C-FS0.7) Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?

	Does your organization undertake this activity?	Insurance types underwritten	Industry sectors your organization lends to, invests in, and/or insures
Banking (Bank)	No	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	<Not Applicable>	Exposed to all broad market sectors
Investing (Asset owner)	Yes	<Not Applicable>	Exposed to all broad market sectors
Insurance underwriting (Insurance company)	Yes	General (non-life) Life and/or Health	Exposed to all broad market sectors

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	JP3165000005
Yes, a Ticker symbol	8630

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Chief Sustainability Officer (CSO)	<p>Senior Vice President and Executive Officer, Group CSO, the company is responsible for climate-related issues. Group CSO overlooks risks and opportunities across the following committees .</p> <p>i. Sustainable Management Committee - As for climate-related issues the committee discusses matters such as reduction of ESG risks and identify opportunities to promote sustainable initiatives including climate change issues for the group. The Committee is chaired with full responsibility by Group CSO. Group CSO as a responsible individual, can directly address ESG issues which include climate change issues and, if necessary, reports to the board of directors at the highest level.</p> <p>ii. Group ERM Committee - As for climate-related risks, the committee appoints Group CSO as the risk owner, the most responsible C-suite officer, of the "Material Risk - the damage to Sampo Holdings' reputation related to transition to a carbon neutral society," and Group CSO is in charge of executing countermeasures and the matter is reported to Board of directors at least twice a year.</p> <p>As an example of decision on Sustainable Management Committee, Group CSO made 2 major decisions in FY 2022:</p> <ul style="list-style-type: none"> -Set a new ESG's policy related to investment and insurance underwriting -Set a target related to net-zero in investment

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Reviewing and guiding the risk management process	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our investment activities Climate-related risks and opportunities to our insurance underwriting activities The impact of our own operations on the climate The impact of our investing activities on the climate The impact of our insurance underwriting activities on the climate	Sompo group has established a "Sustainable Management Committee" and identified seven material issues and KPIs for our group, including climate change. The KPIs will enable the entire Group to share goals and work together to address the Group's critical issues, including climate change, thereby further improving sustainability and ESG. The KPIs will also allow us to evaluate the progress and impact of our actions, and disclosure of the results will lead to enhancing trust among stakeholders and promoting engagement. To monitor and review the Group's progress and status regarding climate change, the Top Management Review Meeting is annually held. At the meeting, the Group CSO receives regular updates regarding results on our entire GHG footprints and activities to mitigate and adapt towards climate change from Sustainable Management Department. Sustainable Management Department will receive direct orders from the Group CSO regarding the company's wide strategy towards climate change in the course of our core business to scale up the Group's worldwide efforts. Also, Sustainable Management Department annually operates a survey to the entire Group regarding ESG data & issues. Keeping track of the ESG performance of the worldwide group companies allows us to identify issues as an opportunity and risk to all our divisions of the Group to take carefully tailored and prioritized actions on climate change.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1 Yes	One of Sompo Holdings' board member has been engaged in research related to global management, Creating Shared Value (CSV) and SDGs for approximately 11 years and is a director of several companies. Since 2014, he has presided over the CSV Forum to support corporate growth through the creation of common value, including climate change. With the approval of the board authority, "Sompo Climate Action" was announced in May 2021, as mid-long term plan.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Sustainability Officer (CSO)

Climate-related responsibilities of this position

Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

"The Group Sustainable Management Committee" is chaired by the Group CSO, and its membership comprises Executive Officers in charge of corporate planning and sustainability at Group companies. The Committee carries out discussions on climate-related issues like developing a climate transition plan and implementing a climate transition plan, integrating climate-related issues into the strategy and assessing and managing climate-related risks and opportunities which related to the overall business including investment and underwriting. It then submits policies and measures for discussion to the Sampo Group's highest executive committee called "Global ExCo", thereby raising the quality of our decision-making. Like this, CSO has collected and monitored climate related issues through managing this Committee. Furthermore, the Board of Directors (including preliminary briefing meetings) also receives reports on the discussions held by "Global ExCo" from CSO, thereby increasing the effectiveness of its supervisory functions.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Chief Sustainability Officer (CSO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary
Bonus – set figure

Performance indicator(s)

Achievement of climate transition plan KPI
Progress towards a climate-related target
Achievement of a climate-related target
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)
Implementation of employee awareness campaign or training program on climate-related issues

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

Senior Vice President and Executive Officer of the Company is responsible for climate-related issues as Group CSO. CSO has responsible to generate business and develop products or services related to sustainability issues including climate change. Group CSO manages "Sustainable Management Committee", sets and establishes 7 material issues and KPIs which include climate change for Sampo Group.

The KPIs will also allow us to evaluate the progress and impact of our actions, and disclosure of the results will lead to enhancing trust among stakeholders and promoting engagement, the monetary reward for Group CSO is linked to the degree of achievements KPI's related to climate change. Multiple KPIs are set, and achievement of all KPIs has a large positive impact on incentives.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

KPIs on climate-related issues linked to incentives are disclosed externally through integrated reports and sustainability reports. Through the disclosing, stakeholders can not only confirm our commitment to climate change and the progress of our climate transition plan, but also evaluate our efforts. And, that is one of the motivations to promote climate change commitments and climate transition plans and to achieve the net zero target.

Entitled to incentive

All employees

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Increased engagement with customers on climate-related issues

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

Currently, many companies are struggling to calculate their own GHG emissions and formulate transition plans in response to climate change issues. On the other hand, our group is developing various solutions for them, but it is difficult for us to promote them alone, and collaboration with customers is essential. If we can lead to collaboration, it will lead to an increase in our sales. Increased collaboration with customers on climate change is a key performance indicator as it leads to the goal of increased sales which incentivizes all employees.

Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan

Incentives reflect employee evaluations, and evaluations are based on contributions to the company, such as sales. Collaborating with customers on climate-related issues that lead to increased sales raises own evaluations. Not only is it a motivation, it also strengthens our commitment to the climate to achieve the net zero target.

Entitled to incentive

Environment/Sustainability manager

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Achievement of climate transition plan KPI
Progress towards a climate-related target
Achievement of a climate-related target
Increased engagement with suppliers on climate-related issues
Increased engagement with customers on climate-related issues

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

The KPIs will allow us to evaluate the progress and impact of our actions, and disclosure of the results will lead to enhancing trust among stakeholders and promoting engagement. And, the monetary reward for the sustainability manager is linked to the degree of achievements KPI's related to climate change, and multiple KPIs are set, and achievement of all KPIs has a large positive impact on incentives.

Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan

The Incentive reflect the evaluation of the sustainability manager, and the evaluation is based on the achievement of KPIs and the expansion of cooperation between customers and suppliers. It not only gives us an incentive to improve the evaluation, but also strengthens our commitment to the climate to achieve the net zero target

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG criteria, including climate change?

	Employment-based retirement scheme that incorporates ESG criteria, including climate change	Describe how funds within the retirement scheme are selected and how your organization ensures that ESG criteria are incorporated	Provide reasons for not incorporating ESG criteria into your organization’s employment-based retirement scheme and your plans for the future
Row 1	Yes, as an investment option	Sompo Group has a defined contribution pension plan that allows employees to choose investment products at will. Investment products include multiple ESG products as defaults, allowing employees to freely select investment products. We also regularly replace investment products.	<Not Applicable>

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	Fiscal year basis
Medium-term	1	3	Mid-Term Management Plan
Long-term	3	30	Long-Term GHG Emission Reduction Plan

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

<Definition of Material Risk>

Under Strategic Risk Management (ERM), which is Sompo group's framework for risk management, "Risks that may have a material impact on the business" is defined as "Material Risk" and risks faced by business are comprehensively grasped and evaluated. The Group CRO comprehensively identifies major risks based on risk assessments and the views of experts, etc., and evaluates the risks both qualitatively and quantitatively based on the frequency of occurrence and the degree of impacts (three criteria of economic loss, business continuity and reputation loss), assuming the impact of the risks on our group with specific scenarios. As for climate change, we evaluated the likelihood as large and impact on the business as large and defined the substantive financial and strategic impact to be a Material Risk.

Climate change risks, such as the occurrence of greater-than-expected aggravated natural disasters as well as reputation damage and the impact on asset prices caused by the transition to a decarbonized society, are Material Risks, which have substantive financial or strategic impact to our group's management.

<Description of the quantitative two indicators>

Substantive financial or strategic impact on our business is defined in our risk management process as follows: Impact (influence) of "Medium" or greater in Impact (Influence) and "Small" or greater in Likelihood. If Impact (influence) evaluation differs according to the three criteria, economic loss, business continuity and reputation loss, the highest evaluation is applied.

[Likelihood]

- Probability of occurrence is evaluated by the following 4-point scale:

1. Extremely Large: More than once a year
2. Large: Once or more in 10 year
3. Medium: Once or more in 100 years
4. Small: Less than once in 100 years

[Impact (Influence)]

- Economic losses are evaluated by the following 4-point scale:

1. Extremely Large: Economical loss of over 500 billion JPY or more; Revocation of business license; Extremely large damage to reputation.
2. Large: Economical loss of over 200 billion JPY or more; Suspension of major business operations; Large damage to reputation (Over 5 years to recover reputation).
3. Medium: Economical loss of over 10 billion JPY or more; Suspension of some business operations; Damage to reputation (2-3 years to recover reputation).
4. Small: Economical loss of below 10 billion JPY; No influence in business operations; Small damage to reputation.

However, even if the risk does not meet our criteria, what is recognized as a major risk category in accordance with the Financial Services Agency's Guidelines for Supervision (e.g. liquidity risk and concentration risk) and what is determined to be closely monitored at the management level (e.g. Ill-informed strategic decision in the nursing care business and geopolitical risk) are also added to Material risk.

As for Climate Change risks, the risk is considered to have substantive impact to our business operation. We evaluate the likelihood of climate change risk as large and influence of climate change risks as large because economic loss can be more than 200 billion JPY with large damage to reputation.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

< Risk Management Process >

Sompo Group risk control system to manage risks & opportunities including climate change

- Identifying

Under this system, all departments and subsidiaries companies are annually required to implement risk assessment of Short (1 year), medium (less than 3 years) & long (more than 3 years) and report to Risk Management Dept. of Sompo Holdings at least twice a year.

The system begins with this assessment to comprehensively identify, quantitatively & qualitatively evaluate material risks of the group within the Material Risk Management Framework.

- Assessing

CRO gains deep understanding of material risks based on Group risk control's risk assessment with expert perspectives. After creating specific scenarios where risk influences our business, it is quantitative & qualitatively evaluated according to frequency of occurrence & degree of influence on 3 factors; economic losses, business continuity, reputation damage. As to the measure of occurrence frequency assessment, we set occurrence probability in 4 categories, at least once a year, at least every 10 years, at least every 100 years, & less than once every 100 years.

- Responding

Identified & assessed material risks are overseen and taken countermeasures for mitigating risks under the management of CRO. Management status is reported at least twice a year to the Managerial Administrative Committee (MAC), the COO's advisory committee & board of directors. Risks with large variations and responses that are delayed are reported to the Global Executive Committee (CEO's advisory committee) or MAC for consideration.

<Opportunity Management Process>

At Sompo group, the Sustainable Management Committee, chaired by CSO, the chief executive officer in the area of sustainability and composed of the executive officers in charge of corporate planning and sustainability at each Group company, promotes sustainable management for the entire group.

- Identifying

In order to realize a sustainable society, all divisions of each Group company formulate an annual action plan based on the group's material issues. Sompo group has formulated "Sompo Climate Action" as the group's basic action plan on climate change in accordance with the group's mid-long term plan.

- Assessing

Sustainable Management dept. provided feedback on the initiatives specified in the annual action plan and reports on the status to the CSO at the Management Review.

CSO approved & provided direction for steady implementation of de-carbonization measures, such as our own efforts to achieve net zero and strengthening investment and loan engagement.

- Responding

KPI's authorized by the CSO are incorporated into the action plan. Each department checks the status of initiatives twice a year, and reports the status & results to the Sustainable Management dept. At the Sustainable Management Committee, CSO reviews at least twice a year in response to Management Review's instructions. The results are reported at least twice a year to MAC & board of directors in compliance with the necessities.

<Risk Case Study for Physical risks>

- Situation

Natural disasters becoming more severe, frequent, we have identified climate change as a material risk under the material risk management framework. For previous years, we have taken countermeasures towards climate change and enhancing our resilience towards physical risks.

- Task

P&C insurance as a core business, climate change issues will significantly affect our whole business, Life insurance & Nursing Care, etc., operation and continuously need to evolve countermeasure toward physical risks. As one of the countermeasures, we continuously evaluated physical risks associated with the intensification of natural disasters using climate scenarios. With regard to the risk of wind & flood disasters, we have been conducting stress tests to quantitatively assess the financial impact of stress scenarios that have a significant impact on management, and verify the adequacy of capital and the effectiveness of risk mitigation measures.

- Action

To proactively enhance our countermeasures, we participated in the UNEP-FI TCFD Insurance Working Group and estimated the impact of typhoons using a quantitative model based on the comprehensive guidance issued by the working group in Jan 2021. The model is based on the IPCC RPC 8.5 scenario that captures the frequency of typhoons & changes in wind speed between 2050 & present, and calculates changes in frequency & damages.

- Result

The results of model show that the frequency of typhoons is about -30% to +30%, and the amount of damage per typhoon (gross basis) is about +10% to +50%. For natural disasters overseas, including hurricanes and floods in the United States, we are developing its own scenarios and applying them to overseas natural disaster models.

<Opportunity Case Study for Transition risks>

- Situation

Natural disasters becoming more severe, frequent, business are expected to contribute towards a resilient society and we are utilizing the CSR Management System to create business opportunities such as product development & risk consulting services that contribute to a resilient society.

- Task

All dept.'s at subsidiaries companies prepare an annual CSR Action Plan under this System based on the Group's CSR Material Issues for realizing sustainability in the Mid to Long term and to identify effective KPI's we need to understand the social trends towards transition risks.

- Action

Sustainable management dept. reported to the CSO at the management review and to the MAC chaired by COO in 2022 about our KPI's. Instruction from the CSO was to enhance in business creation related to climate change transition related products and services.

The dept. provides feedback on the initiatives specified in the action plan and reports on the status of initiatives to CSO at the Management Review. CSO approves and provides direction for the development of such products & risk consulting services that contribute to climate change.

- Result

KPI's authorized by the CSO have incorporated into action plan of related dept.'s and companies. Each dept. checked the status of initiatives and report the results to the Sustainable management Dept. The Sustainable Management Committee chaired by CSO conduct reviewed twice a year in response to Management Review's instructions. The progress and results were reported to MAC (Chaired by COO).

As a result, insurance product for offshore wind power generation was developed and also many risk consulting services such as TCFD recommendation consulting was

provided to our customers more than previous years. In addition, offshore wind power insurance was highly evaluated by the government and has won various awards such as "ESG FINANCE AWARD" run by the Ministry of the Environment Japan.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p><Company specific example of risk type></p> <ul style="list-style-type: none"> - For Somo Holdings' strategic risk management, "Current Regulation" is the risk that needs to be assessed. For example, Somo Holdings' 2 major buildings in Tokyo, Headquarters Building in Shinjuku and Data Processing Building are participating in the Tokyo Cap & Trade Scheme organized by the Tokyo Metropolitan Government. These 2 buildings consist of more than 7,000 working employees as the major operating Hub of the Group companies. The scheme requires a 25% to 27% GHG decrease during FY2020 to FY2024 compared to base year CO2 emissions. - As the regulation becomes more severe due to the progress of climate change, there is a risk of increasing business expenses such as energy saving measures expenses and carbon credit purchase expenses. <p><How it is included in climate-related risk assessment></p> <ul style="list-style-type: none"> - Since the acquisition of the environmental management system ISO14001 from 1997, we have been fully complying with environment-related regulations. - Furthermore, engaging with global initiatives such as UNGC, WBCSD, and multi stakeholders, we evaluate collected information as to global mega-trends including regulatory issues throughout the year.
Emerging regulation	Relevant, always included	<p><Company specific example of risk type></p> <ul style="list-style-type: none"> - For Somo Holdings' strategic risk management, "Emerging Regulation" is the risk that needs to be assessed. <p>For example, we are monitoring and assessing regulatory enforcement on climate-related information disclosure such as TCFD and IFRS Foundations initiatives through the Sustainable Management Committee which is our sustainable issues reporting system and Risk Management System, which may defame our reputation and financially impact our profit or stock price once we fail to comply with the regulation (In the case of removed from ESG Indices which cause financial and reputation loss as we operate in Europe there is a risk of voluntary disclosure initiatives related to climate change such as TCFD to be regulated).</p> <p>Another example is an enforcement on carbon pricing, once the regulation turns into an obligation basis, it may incur extra cost as a risk at a global level such as suddenly purchasing sufficient renewable energy at each of our operating countries which include Asia, Europe, North America and South America, etc.</p> <p><How it is included in climate-related risk assessment></p> <ul style="list-style-type: none"> - Since the acquisition of the environmental management system ISO14001 from 1997, we have been fully complying with environment-related regulation. - Furthermore, engaging with global initiatives such as UNGC, WBCSD, and multi stakeholders, we evaluate collected information as to global mega-trends including regulatory issues throughout the year.
Technology	Relevant, always included	<p><Company specific example of risk type></p> <ul style="list-style-type: none"> - For Somo Holdings' strategic risk management, "Technology" is the risk that needs to be assessed. Specifically, we are sure that in the current era the evolution of digital technology, including AI, block-chains, and the Internet of Things (IoT), as well as the spread of mobile devices, is dramatically changing industry structures and creating risks and opportunities globally. For example, we currently utilize digital technologies to analyze new types of typhoons which have different courses so that we can provide climate-related products and services such as weather index insurance with sensing technology. Utilizing technologies, we could improve the accuracy and efficiency of grasping the impact of natural disasters and local conditions. As technology evolves day by day, if we don't grasp and manage the latest technology, it may prevent our business development. <p><How it is included in climate-related risk assessment></p> <ul style="list-style-type: none"> - We set up the Digital Strategy Department under the Group CDO (Group Chief Digital Officer) pursuing innovation leveraging the power of digital technologies and aiming to develop climate-related products and services to enhance the resilience of the society. They regularly report the plans and results including the solution for climate change to the Group's Sustainable Management Committee.
Legal	Relevant, always included	<p><Company specific example of risk type></p> <p>Strengthening environment-related laws and regulations and increasing environmental awareness among citizens will lead to an increase in the number of lawsuits and higher compensation amounts.</p> <p>Examples of lawsuits could include lawsuits to hold companies responsible for environmental pollution caused by their corporate activities, the transition to a low-carbon and decarbonized society, and shareholder derivative lawsuits against management decisions of companies whose corporate value has decreased due to failure to adapt to climate change. Somo Japan, which is one of Somo group companies, sells liability insurance that covers legal fees and compensation for the defendant company's response to the lawsuit, and there are several insurance lines, including environmental pollution liability insurance, product liability insurance, and D&O liability insurance. The net claims paid for these casualty insurance lines, including liability insurance, was 189 billion JPY, accounting for 16% of all claims paid in FY 2022. In light of the above, an increase in the number of lawsuits will lead to an increase in both legal fees and indemnity insurance claims, and will lead to an increase in indemnity insurance claims.</p> <p><How it is included in climate-related risk assessment></p> <p>Through Strategic Risk Management, Somo Holdings monitors information on trends in the nature of lawsuits and evaluates them. Somo Holdings defines emerging risks as those that are not currently material but which, due to environmental changes, could become material and have a significant impact on the Group in the future. We identify the precursors of risks becoming significant and manage such risks accordingly. Through dialogue with experts in Japan and overseas and with reference to various sources of information, we identify candidate emerging risks. Of these risks, we monitor, research, and study on a Group-wide basis those with potential effects above a certain level.</p> <p>In addition, the Company has participated in the research in the field of compensation in the TCFD Information Disclosure Pilot of the UNEP FI (United Nations Environment Programme Finance Initiative) from the Sustainability Promotion Office of the Corporate Planning Department of the holding company, and obtained the latest international information.</p>
Market	Relevant, always included	<p><Company specific example of risk type></p> <p>For Somo Holdings' strategic risk management, "Market Trends" is the risk that needs to be assessed. For example, as the issue of climate warming is recognized as a common global issue, the development of a recycling-oriented society and an energy-saving society from mass production and mass consumption of resources, a recycling-oriented society utilizing local resources that do not use materials, an energy-saving society, and sharing services that do not use materials is expected. In June 2020, the Japanese government announced its "Long-term Strategy as a Growth Strategy Based on the Paris Agreement," which includes the promotion of mobility services aimed at improving services and convenience, promotion of initiatives to realize seamless mobility, and the rapid expansion of the sharing economy, including car sharing. "Mobility revolution" that will reduce car ownership by expanding car sharing could have a major impact on car insurance, which accounts for about 30% of Somo Holding's premium revenue. Specifically, this could include a decrease in automobile insurance sales due to a decrease in the number of vehicles owned and a loss of new market opportunities (loss of sales opportunities) due to changes in the market environment.</p> <p><How it is included in climate-related risk assessment></p> <ul style="list-style-type: none"> - Since 2017, we have been organizing a cross department team aiming to disclose climate-related financial information in line with TCFD recommendations. Utilizing expertise of respective departments, we gather all climate-related information and are monitoring the degree of impact of climate-related issues. Based upon Group ERM Basic Policy, the team members regularly report the issue to the management team, as necessary, the issue is discussed on the board. - Engaging with global initiatives such as UNGC, WBCSD, and multi stakeholders, we evaluate collected information in regard to global Mega-trends including market trends throughout a year.

	Relevance & inclusion	Please explain
Reputation	Relevant, always included	<p><Company specific example of risk type></p> <ul style="list-style-type: none"> - For Sampo Holdings' strategic risk management, "Reputation" risk incurred by insufficient action by not responding appropriately towards environmental initiatives which require actions beyond regulations or compliance such as follows; -As a financial institution, we are expected not to invest and underwrite insurances for companies or projects that are not aligned with the Paris Agreement - As an asset owner, we are expected to hold ESG engagement with companies. <p>From the respect of environmental issues such as tackling climate change, we have been proactively initiated and adapted to the world trend of social responsibility issues . Signing to an UN led ESG initiative or communicating with environmental NGO's would be the case and If we do not act appropriately we could lower our non-financial/ESG performance, which will lead to reputation risks. In particular, environmental NGOs have published their rankings of insurance companies that contribute to climate change by restricting insurance underwriting and investment in coal-related companies by insurance companies.</p> <p>As a third party evaluation of our reputation, Sampo Holdings has been selected and ranked 65th by "Inter Brand" among the whole Japanese business sector in FY2022 with the evaluation of approx., 710million USD. Inter Brand is an organization that evaluates and rank companies brand images which include CSR (environmental issues are included) aspects. If we do not achieve our reputation in ESG or climate change issues we will not be able to maintain our reputation as a good corporate citizen imaged brand. (e.g. Inter Brand evaluation for Sampo Holdings in FY2021 was 512 million USD).</p> <p><How it is included in climate-related risk assessment></p> <ul style="list-style-type: none"> - Since 2017, we have been organizing a cross department team aiming to disclose climate-related financial information in line with TCFD recommendations. Utilizing expertise of respective departments, we gather all climate-related information and are monitoring the degree of impact of climate-related issues. Based upon Group ERM Basic Policy, the team members regularly report the issue to the management team, as necessary, the issue is discussed on the board. - Responding to requests from ESG evaluation institutions such as CDP and DJSI, we are collecting information as to global mega-trends, stakeholder's needs and social reputation.
Acute physical	Relevant, always included	<p><Company specific example of risk type></p> <p>For Sampo Holdings' strategic risk management, Acute Physical Risk needs to be assessed. Insurance paid towards natural disasters, such as storms, floods, hurricanes, typhoons, droughts, have increased recently causing great financial impact to our business.</p> <p>For example, in the case of a typhoon that caused extensive damage in 2018, more than 5,000 employees gathered from all over the country to pay insurance claims quickly, which affected business operations. In this case, there is a risk that insurance claims and operating costs will increase in proportion to natural disaster insurance claims. Also, if we do not respond quickly to this incident, we may lose the trust of society as a reputational risk.</p> <p>In addition, in order to dispatch 5,000 employees to the disaster area, expenses such as transportation and accommodation expenses will increase.</p> <p><How it is included in climate related risk assessment></p> <p>Since 2017, we have been organizing a cross dept. team aiming to disclose climate related financial information in line with TCFD recommendations. We use the expertise of each department to collect all climate-related information and monitor its impact on climate-related issues. Based upon Group ERM Basic Policy, the cross dept. team regularly report to the management team, and when necessary the issues are discussed at the board.</p> <p>We appropriately manage natural catastrophe risks by conducting quantitative analysis of data on past natural events and keeping the risks within tolerance levels, which are established in light of capital and profits. Further, in response to the recent increase in the frequency of natural catastrophes, we are acquiring the latest knowledge through analysis of the damage trends of recent typhoons & other natural catastrophes as well as through analysis of meteorological & climatic big data. We then incorporate our findings into in house models and upgrade them. At the same time, we use evaluations of natural catastrophe risks when considering appropriate premium levels and in business management decisions on business plans and reinsurance strategies.</p> <p>To accurately understand and manage events that may have a major impact on Group management, scenario stress tests, reverse stress tests & sensitivity analyses are conducted on a Group wide basis. We analyse the degree of impact on capital and risk and establish a system to implement countermeasures as necessary.</p>
Chronic physical	Relevant, always included	<p><Company specific example of risk type></p> <ul style="list-style-type: none"> - For Sampo Holdings' strategic risk management, "Chronic Physical Risks" is the risk that needs to be assessed. Once temperature rises, for example in our group's Nursing Care & Healthcare Business, the possibility of food poisoning (we manage a group company which provides food supply to nursing care houses) and the number of patients who get heatstroke will increase, which will affect our workers and business operations. <p><How it is included in climate-related risk assessment></p> <ul style="list-style-type: none"> - We have been organizing a cross department team aiming to disclose climate-related financial information in line with TCFD recommendations since 2017. Utilizing expertise of respective departments, we gather all climate-related information and are monitoring the degree of impact of climate-related issues. Based upon Group ERM Basic Policy, the team members regularly report the issue to the management team, as necessary, the issue is discussed on the board.

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Explain why your portfolio's exposure is not assessed and your plans to address this in the future
Banking (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	<Not Applicable>
Investing (Asset owner)	Yes	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	<Not Applicable>

C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

	Type of risk management process	Proportion of portfolio covered by risk management process	Type of assessment	Time horizon(s) covered	Tools and methods used	Provide the rationale for implementing this process to assess your portfolio's exposure to climate-related risks and opportunities
Banking (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	Scenario analysis	<p>At Sampo Asset Management, we think that a variety of factors related to climate change can have impacts on corporate finance-both positively as opportunities or negatively as risks. At Sampo Asset Management, we deem that how we tackle climate change as contributions to society as a responsible investment manager. Thus, the way we manage climate change is underpinned by our strong governance structure, which oversees our responsible investment and stewardship activities.</p> <p>Sampo Asset Management became a signatory to Montreal Carbon Pledge in September 2017 and has been calculating the carbon footprint of a portfolio "SNAM Sustainable Investment Mother Fund" ever since. Not only calculating the footprints, we have been making analysis of how the carbon footprint of the portfolio altered in accordance with our investment activities changes. Furthermore, we have been modifying our analysis approach as we became a signatory to TCFD-we have adjusted out analysis method in conjunction with TCFD umbrella.</p> <p>At our climate change scenario analysis, we have been making analysis of how corporates are making progress towards Paris Agreement as well as overall sector-specific risk analysis. Also, we have been evaluating how the business opportunities might emerge as climate change prevails as well as how that would have impacts on portfolios.</p> <p>At our carbon footprint calculation, we have changed our analysis method for the long-term that are consistent with our scenario analysis. Furthermore, we have expanded our carbon footprint calculation beyond the scope of "SNAM Sustainable Investment Mother Fund" to the overall Japanese equities investment portfolio.</p>
Investing (Asset owner)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	Scenario analysis	<p>In order to analyze the risks to which the investee is physically affected and the associated numerical effects, a method capable of quantitative and qualitative evaluation is adopted.</p> <p>A climate change framework is being developed to identify, assess and manage climate change risks. In this framework, evaluation is performed in the following three steps. Step 1. Identify changes brought about by climate change based on political, economic and research findings. Step 2. Discuss the impact of changes in the external environment on our group with external experts and related departments. Step 3. Evaluate the impact and potential of the content organized in Step 2 on Sampo group.</p> <p>In addition, based on the research results of external organizations such as the IPCC and the World Economic Forum, risk assessment is conducted under the assumption of possible policy transition patterns, and risks affecting asset management are continuously monitored through three transition patterns: a. Slow transition, b. Major transition immediately, and c. Transition at different speeds in different countries.</p> <p>Greenhouse gas emissions are calculated for listed stocks and corporate bonds whose scope is fixed by the calculation method such as PCAF and NZAOA, among assets held by Sampo group. The target assets are listed stocks and corporate bonds of Sampo Japan, Sampo Himawari Life, SAISON AUTOMOBILE&FIRE INSURANCE, Sampo International Holdings and Sampo Holdings, which own corporate assets. GHG emissions from owned assets are collected by referencing databases such as MSCI and CDP. From the perspective of risks and opportunities in investment activities, we make investments with investee companies by referring to the GHG emissions of investee companies calculated above.</p>
Insurance underwriting (Insurance company)	Integrated into multi-disciplinary company-wide risk management process	100	Qualitative and quantitative	Short-term Medium-term Long-term	Scenario analysis	<p>In order to analyze the risks to which the insurance customers is physically affected and the associated numerical effects, a method capable of quantitative and qualitative evaluation is adopted.</p> <p>A climate change framework is being developed to identify, assess and manage climate change risks. In this framework, evaluation is performed in the following three steps. Step 1. Identify changes brought about by climate change based on political, economic and research findings. Step 2. Discuss the impact of changes in the external environment on our group with external experts and related departments. Step 3. Evaluate the impact and potential of the content organized in Step 2 on our group.</p> <p>In addition, based on the research results of external organizations such as the IPCC and the World Economic Forum, risk assessment is conducted under the assumption of possible policy transition patterns, and risks affecting insurance underwriting are continuously monitored through three transition patterns: a. Slow transition b. Major transition immediately c. Transition at different speeds in different countries.</p> <p>After that, we visualized it as a climate change risk map. It is a visualization of risks that require continuous monitoring. By gaining a bird's-eye view of the degree of impact, possibility, timing of emergence, trends, etc. of risks that mainly affect insurance underwriting of Sampo Japan and Sampo International, which account for the majority of insurance underwriting, we aim to stimulate discussions on climate change at the Board of Directors and various executive bodies.</p> <p>Now, we have tackled to calculate Insurance Associated Emissions (IAE) are calculated by the calculation method such as PCAF.</p> <p>From the perspective of risks and opportunities in insurance underwriting, we have engaged with each companies of insurance customer in high-emission sectors, and provide service related to net zero.</p>

C-FS2.2d

(C-FS2.2d) Does your organization consider climate-related information about your clients/investees as part of your due diligence and/or risk assessment process?

	We consider climate-related information	Explain why you do not consider climate-related information and your plans to address this in the future
Banking (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	<Not Applicable>
Investing (Asset owner)	Yes	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	<Not Applicable>

(C-FS2.2e) Indicate the climate-related information your organization considers about clients/investees as part of your due diligence and/or risk assessment process, and how this influences decision-making.

Portfolio

Investing (Asset manager)

Type of climate-related information considered

Emissions data
Emissions reduction targets
Climate transition plans

Process through which information is obtained

Directly from the client/investee
Data provider
Public data sources

Industry sector(s) covered by due diligence and/or risk assessment process

Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

State how this climate-related information influences your decision-making

With regard to the impact of transition risks on our group's assets (Domestic stocks, domestic bonds, foreign stocks, foreign bonds), MSCI analyzed the impact of the transition to a low-carbon global economy on companies using Climate Value-at-Risk (CVaR) *provided by MSCI, based on scenarios in which temperature increases by the end of this century would be kept below 1.5, 2, and 3 degrees Celsius above pre-industrial levels. All domestic and overseas listed stocks and corporate bonds are covered. As a result of the analysis, the impact on domestic stocks increased.

Based on these results, in order to reduce the risk of green bank and portfolio transition among the companies in which we invest and finance, we strengthen engagement by using Fundamental Research, Investment Decisions and Engagement (including the exercise of voting rights), which are three parts of our management structure in FY2021. Rather than using engagement as an opportunity for special dialogue with companies, we work in sync with a series of research and investment decision cycles.

- Fundamentals Research: Approximately 700 companies
- Investment Decisions: Approximately 350 companies
- Engagement (including voting): Approximately 30 companies

And, in FY 2022, all funds incorporate GHG emissions, coal-related business initiatives, etc. into ESG integration. ESG-focused funds conduct positive screening using a unique questionnaire on companies' efforts to address environmental issues and an environmental score assigned based on the questionnaire. In the questionnaire, questions were asked about the status of support for the TCFD, efforts for water and waste treatment, etc.

*MSCI Climate Value-at-Risk

Portfolio

Investing (Asset owner)

Type of climate-related information considered

Emissions data
Emissions reduction targets
Climate transition plans
TCFD disclosures

Process through which information is obtained

Directly from the client/investee
Data provider

Industry sector(s) covered by due diligence and/or risk assessment process

Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products

Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

State how this climate-related information influences your decision-making

With regard to the impact of transition risks on our group's assets (Domestic stocks, domestic bonds, foreign stocks, foreign bonds), MSCI analyzed the impact of the transition to a low-carbon global economy on companies using Climate Value-at-Risk (CVaR) *provided by MSCI, based on scenarios in which temperature increases by the end of this century would be kept below 1.5, 2, and 3 degrees Celsius above pre-industrial levels. All domestic and overseas listed stocks and corporate bonds are covered. As a result of the analysis, the impact on domestic stocks increased.

Based on these results, in order to reduce the risk of green bank and portfolio transition among the companies in which we invest and finance, in 2022 we are working to reduce the risk of transition and capture opportunities by strengthening engagement with the top 20 companies with the highest GHG emissions among the companies in which we hold shares and promoting the replacement of public and corporate bonds with sectors with the lowest GHG emissions at maturity.

*MSCI Climate Value-at-Risk

Portfolio

Insurance underwriting (Insurance company)

Type of climate-related information considered

Emissions data
Emissions reduction targets
Climate transition plans
TCFD disclosures

Process through which information is obtained

Directly from the client/investee
Data provider

Industry sector(s) covered by due diligence and/or risk assessment process

Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

State how this climate-related information influences your decision-making

Sompo group is working to enhance corporate resilience to social change through green transition support for underwriters and companies with which it invests and finances. We defines all companies engaged in business activities as GHG emitters and is subject to our underwriting policy.

In terms of insurance underwriting, we will stop new underwriting for new and existing coal-fired power generation and coal mine development (thermal coal), and we will stop new insurance contracts for energy mining projects in oil sand and the Arctic National Wildlife Refuge.

(However, if a reduction effect contributing to the realization of the Paris Agreement is recognized, such as the Company's innovative technologies such as carbon dioxide capture, utilization and storage (CCS, CCUS) and ammonia co-firing, the Company may carefully consider and respond to such reduction effect.)

And, in order to reduce the risk of transition among policyholders, firstly with the aim of facilitating the transition towards net-zero, we will gather information on our customers' reduction targets, climate transition plans and TCFD information disclosure, and then we decided to engage with insurance underwriting companies based on the climate-related information. For example, Sompo Japan held a dialogue with 15 insurance underwriting companies (trading companies, electric power companies, chemical manufacturers, etc.) on transportation of hydrogen and ammonia leading to de-carbonization, risks related to carbon credit transactions, insurance, and initiatives toward carbon neutrality in 2022. As a result, we have developed insurance products and services that address risks related to climate change.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Carbon pricing mechanisms
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

Sompo Holdings' two major buildings in Tokyo, the Headquarters Building in Shinjuku and the Data Processing Building are participating in the Tokyo Cap and Trade Scheme organized by the Tokyo Metropolitan Government. The two buildings consist of more than 7,000 working employees as the major operating Hub of the Group companies. (In 2022, the System Tachikawa Buildings was excluded because it fell below the standard to participate.)

The scheme requires a 25% to 27% GHG decrease during FY2020 to FY2024 compared to base year CO2 emissions. There is a risk if the reduction of emissions is not achieved by penalty and shamed by disclosing the corporate name which impacts the reputation of the company. In addition, if the reduction target is not achieved, we could be excluded from ESG indices which relate to stock price.

Time horizon

Medium-term

Likelihood

Very unlikely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

31000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Normally, carbon credits are transacted between 200 JPY to 1,100JPY. If you sum up all the estimated carbon credits of all the participating 2 buildings of Sompo Holdings, the total cost will be approximately 31 million JPY(1,100JPY/tCO2 * reduction obligation(tCO2) of 2 buildings) which is less than 0.001% of the entire groups profit. As for the likelihood of this risk, we have been complying with the Cap and Trade Scheme and relevant emission reduction rules through the ISO14001 management system. Additionally, as a result of energy saving efforts in our three buildings, we have been fully complying with the emission reduction level. Therefore, we consider the likelihood of this risk "very unlikely".

Cost of response to risk

5100000

Description of response and explanation of cost calculation

< Description of response>

While monitoring trends in environmental laws, we have fulfilled our obligation to reduce efforts based on the Act on the Rational Use of Energy (Energy Conservation Act) and to reduce greenhouse gas emissions based on the Tokyo Metropolitan Ordinance.

If the obligation is not met, we will have to raise the cost of emissions credits. Such costs need to be avoided and reported while fulfilling obligations.

Since the acquisition of the environmental management system ISO14001 from 1997, the secretariat of the ISO14001 management team will review its energy consumption data. The data along with the initiatives to reduce the CO2 emission is reported to the board of directors at least twice a year. Under this PDCA cycle, we have implemented a system to renew eco-friendly equipment and products. All of the group's main buildings are managed by a subsidiary company "Sompo Corporate Services Inc." and operates equipment management every year. Energy is saved by renewing equipment to eco-friendly products and all employees under the ISO14001 environmental management system are promoting eco-efficient initiatives to contribute in reducing CO2 emission as a whole. We reduced GHG emissions by 204,375 kg-CO2 by switching to LED lighting at the head office building and by 31,254 kg-CO2 by switching to LED lighting at the Data Processing Building.

In FY2022, we achieved a reduction of 142 tons of GHG emission on the basis of the Group's total energy consumption, satisfying the effort requirement of the Energy Conservation Law and meeting the compliance criteria with the Tokyo Metropolitan Ordinance.

<Explanation of cost calculation> Total of cost is 51,000,000 JPY

- The renewal examination fee for ISO 14001 environmental management system: 35,000,000 JPY

- Consulting fee for outside consulting companies: 16,000,000 JPY

Comment**Identifier**

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Cyclone, hurricane, typhoon
----------------	-----------------------------

Primary potential financial impact

Increased insurance claims liability

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

The increase in extreme weather of natural disasters caused by climate change relates directly to an increase in insurance claims and payments (including reinsurance premiums). It is widely known that climate change is affecting the increase in recent extreme weather events such as tropical cyclones, hurricanes, typhoons, flood, drought, and sea level rise, etc. This would directly impact and necessitate a rise in premiums on the part of insurers, making it difficult to ensure stability in the insurance domain. Furthermore, due to the rise of the number of claims the operation in establishing a countermeasure headquarters on-sites, additional operational costs incur. For example, in the case of a typhoon that caused extensive damage in 2018, more than 5,000 employees gathered from all over the country to pay insurance claims quickly, which affected business operations.

Time horizon

Short-term

Likelihood

Unlikely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

126000000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Insurance paid towards natural disasters has increased in recent years causing great impact to insurance business. Nat Cat SERVICE Munich Re, discloses in their research for weather related loss events in FY2021 worldwide as follows. Overall loss: 280 billion USD. Insured loss: 120 billion USD.

In fiscal 2022, Sompo Japan's weather-related insurance claims resulting from typhoons and other extraordinary natural disasters in Japan totaled 126 billion JPY after taking into account the number of insurance claims and insurance claims amount. We set this figures as a financial impact.

As for the likelihood of this risk, since we are under the circumstances we can attain reinsurance cover as calculated above, we consider the Magnitude of impact of this risk "Unlikely."

Cost of response to risk

20500000

Description of response and explanation of cost calculation

The increase in the number of natural disasters leads to an increase in the amount of insurance claims paid, which is a major risk for Sompo Japan. Therefore, in order to identify and reduce risks, Sompo group gathered information through participation in the Insurance WG of the UNEP FI/PSI from January 2018 to January 2021, and conducted scenario analysis in collaboration with Sompo Risk Management, one of Sompo group companies. In addition, to reduce risk, Japanese P&C insurance companies have adopted a maximum of 10 years for long-term contracts from October 2015 (up to 35 years before October 2015). This revision is due to the fact that it is difficult for P&C insurance companies to predict over the long term the premiums needed to pay for damages. At the same time, Sompo Japan is also handling risks through its own reinsurance.

As the result of these evaluation and activities, Sompo group predicts to increase natural disaster caused by climate change in the future. In order to reduce risks, Sompo group will continue to implement financial structural reforms, Price optimization, Underwriting, and Productivity improvement that have been implemented since 2020, in addition to risk hedging such as reinsurance to ensure the soundness of earnings.

1. Price optimization

Price strategy that emphasizes profitability, such as optimizing group discounts for corporate employees and setting rates based on age

2. Underwriting

- Optimized rates and underwriting conditions for high-loss agencies and corporate policies
- Accident prevention support

3. Productivity improvement

- Advance sales network structure reform
- Digitization (AI/Robotic Process Automation)/zero-based work review

In FY2021, these three measures improved earnings by 31 billion JPY, but in FY2022, they had an effect of 56 billion JPY, generating a year-on-year increase of 25 billion JPY. In addition, by FY2023, Sompo Japan plans to increase profits by approximately 76.5 billion JPY.

<Explanation of Cost of Response>

Our cost of operation to develop our physical risk analysis into a more forward-looking one is composed by the following item::

- Fees for TCFD Insurance working group of UNEP FI/ PSI: 2,500,000 JPY (100JPY / 1USD)
- Fees for Sompo Risk management Inc. to develop group based scenario analysis for physical risk in accordance with TCFD recommendation: around 18,000,000 JPY

Comment**Identifier**

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Technology	Substitution of existing products and services with lower emissions options
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Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

Market risk

Company-specific description

<Description including time horizon>

In a world where global temperature increases will be held to less than 1.5 ° C in 2050, effective measures against climate change will be taken under a certain level of economic development, and the environment and economy will be in harmony, it is assumed that a recycling-oriented society that makes use of local resources, an energy-saving society, and the development of material-free sharing services will develop. In the "Long-term strategy as a growth strategy based on the Paris Agreement" issued by the Japanese government in June 2020, the promotion of mobility services to improve services and convenience, the promotion of initiatives for the realization of seamless transportation, and the rapid expansion of the sharing economy including car sharing were indicated.

<Company-specific description>

In such a society, "mobility revolution" such as the development of seamless public transportation in the local community, may have an impact on the business of Sampo Holdings P&C insurance, of which auto insurance revenue exceed 30%, such as a decrease in the number of automobiles. Specifically, it could include a decline in automobile insurance sales due to a decline in the number of vehicles owned, and the loss of opportunities in new markets as the market environment changes (loss of sales).

To address these risks, Sampo Japan, Japanese P&C insurance company of Sampo Group, established a joint venture for person-to-person car sharing in 2019 and made a parking lot sharing business affiliate, positioning "Mobility as a Service" related businesses as a growth area. As of 2022, after two years since its establishment 700 thousand customers have registered to this person-to-person car sharing service. Drawing on the strengths of Sampo Japan, which has automobile insurance data and nationwide insurance agent sales channels, Sampo Japan is working to create business opportunities by developing related specialized insurance and services.

Time horizon

Long-term

Likelihood

Unlikely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

18000000000

Potential financial impact figure – maximum (currency)

30000000000

Explanation of financial impact figure

Based on various survey data, Sampo independently calculated the growth potential of the parking lot sharing market, and by FY 2030, the market is expected to grow to about 600 billion to 1,000 billion JPY. We estimate the financial impact as the amount of risk of losing opportunities to provide sharing businesses and specialized insurance currently offered in these emerging markets. Multiply the expected market price by the current market share of approximately 30% for domestic P & C insurance to estimate the financial impact of lost business opportunities in future markets.

Calculation is as follows:

Maximum: 100 billion JPY x 30% share = 30 billion JPY

Minimum: 60 billion JPY x 30% share = 18 billion JPY

Cost of response to risk

2650000000

Description of response and explanation of cost calculation

Response:

Sampo Holdings has positioned "Mobility as a Service" related businesses as growth fields through the establishment in 2019 of a joint venture for person-to-person car sharing and the conversion of a parking lot sharing business company into an affiliate. Leveraging the strength of Sampo Japan, which has automobile insurance data and nationwide insurance agent sales channels, Sampo Holdings minimizes the risk of missing business opportunities in these emerging markets by developing and providing related specialized insurance. For example, through providing specialized insurance, the car-sharing business company provides new service like using electric car as the car-sharing. As a result of it, the number of membership increased from 500 thousands in 2021 to 700 thousands in 2022.

Cost calculation:

In addition to establishing a joint venture company for inter-individual car-sharing business, establishing a car-sharing business company as an affiliated company and operating the business, costs (year) and personnel expenses (year) are as follows.

Annual business administration cost for person to person car sharing: approximately 997,000,000 JPY

Annual business administration cost for parking sharing: approximately 1,653,000,000 JPY

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Insurance underwriting portfolio

Risk type & Primary climate-related risk driver

Acute physical	Drought
----------------	---------

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

Insurance risk

Company-specific description

The P&C insurance industry is the sector vastly affected by the increase of natural disasters such as extreme weather caused by climate change, both in positive and negative sense. The increase in extreme weather of natural disasters caused by climate change relates directly to an increase in insurance claims and payments (including reinsurance premiums). It is widely known that climate change is affecting the increase in recent extreme weather events such as tropical cyclones, hurricanes, typhoons, flood, drought, and sea level rise, etc. This would directly impact and necessitate a rise in premiums on the part of insurers, making it difficult to ensure stability in the insurance domain.

For example, Sampo International Holdings Ltd. (SIH), one of Sampo Holdings' companies, completed the acquisition of Diversified Crop Insurance Services (DCIS) a subsidiary of CGB Enterprises, Inc. (CGB) in December 28th, 2020. The acquisition brought insurance revenues from the agriculture sector to more than 2 billion USD, making it the world's largest provider of agricultural insurance. However, the agricultural sector is vulnerable to natural disasters, so it is necessary to pay close attention to natural disasters and the impacts to our business.

Time horizon

Short-term

Likelihood

Unlikely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

55300000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Insurance paid towards natural disasters has increased in recent years causing great impact to insurance business. Nat Cat SERVICE Munich Re, discloses in their research for weather related loss events in FY2021 worldwide as follows. Overall loss: 280 billion USD. Insured loss: 120 billion USD.

Sampo International's weather-related insurance claims resulting from typhoons and other extraordinary natural disasters totaled 553 billion USD in fiscal 2022 (464 billion in 2021) after taking into account the number of insurance claims and insurance claims amount. We set this figures as a financial impact (1 USD=100yen). And, in terms of a combined ratio, which is the sum of the loss ratio, which indicates the ratio of insurance claims paid to insurance premium income, and the expense ratio, which indicates the ratio of expenses to insurance premium income, in agricultural insurance in Sampo International the ration increased from 84.8 % in 2021 to 93.3% in 2022 because of drought in North America.

Cost of response to risk

20500000

Description of response and explanation of cost calculation

The increase in the number of natural disasters leads to an increase in the amount of insurance claims paid, which is a major risk for Sampo International. Therefore, in order to identify and reduce risks, Sampo group gathered information through participation in the Insurance WG of the UNEP FI/PSI from January 2018 to January 2021, and conducted scenario analysis in collaboration with Sampo Risk Management, one of Sampo group companies.

As the result of these evaluation and activities, Sampo group predicts to increase natural disaster caused by climate change in the future. In order to reduce risks, Sampo International will implement financial structural reforms, especially scrutinizing underwriting portfolio for lower combined ratio.

<Explanation of Cost of Response>

Our cost of operation to develop our physical risk analysis into a more forward-looking one is composed by the following item.

- Fees for TCFD Insurance working group of UNEP FI/ PSI: 2,500,000 JPY (100JPY / 1USD)

- Fees for Sampo Risk management Inc. to develop group based scenario analysis for physical risk in accordance with TCFD recommendation: around 18,000,000 JPY

Comment**Identifier**

Risk 5

Where in the value chain does the risk driver occur?

Investing (Asset owner) portfolio

Risk type & Primary climate-related risk driver

Emerging regulation	Regulation and supervision of climate-related risk in the financial sector
---------------------	----------------------------------------------------------------------------

Primary potential financial impact

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Climate risk type mapped to traditional financial services industry risk classification

Policy and legal risk

Company-specific description

Sampo Japan, which is a P&C company of our group, has traditionally held strategic-holding stocks. In recent years, some cross-shareholdings have been criticized as not being an efficient investment, and they could be a factor in hindering the improvement of capital efficiency. There is also the downside of holding a large amount, which is a financial risk factor through price fluctuations. In the situation, stronger de-carbonization policies and regulations will cause negative price volatility in high-emission sector equities, leading to financial risks for our company. Now, as an asset owner, we have 13.7 billion yen worth of carbon-related assets, so we anticipate a significant decline in property values by tightening policies and regulations related to de-carbonization. Therefore, we have planed to reduce the amount of stock risk by selling our holdings of

strategic stocks.

Time horizon

Long-term

Likelihood

Unlikely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

708000000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Assuming a certain fluctuation scenario for risk factors, calculate the amount of fluctuation in the present value of financial assets and liabilities, and capture it as the amount of risk. In FY2022, the amount of risk related to domestic stocks possessed by Sompo Japan Inc. is 708 billion JPY. We will decrease the amount by selling strategic holding stocks. Also, we will promote the transition to green by strengthening engagement with the top 20 companies that emit the most greenhouse gases (GHG) among our shareholdings and the switching from high GHG emission sectors to low emission sectors at the time of maturity redemption in terms of public and corporate bonds.

Cost of response to risk

1500000

Description of response and explanation of cost calculation

We are a signatory to the Principal for Responsibility Investment (PRI), and PRI develops guidelines of stock ownership policies. And, we believe that the guidelines are an important part of preparing for the risk. We aim to reduce cross-shareholdings (on a market value basis) to 20% or less of adjusted consolidated net assets by FY2030. Strategic stocks, which were worth 846 billion JPY in 2010, will fall to 360 billion JPY in 2022. From 2023 onwards, the company plans to sell 70 billion JPY worth of strategic stocks every year. Through this sale, we will prepare for the risk of asset value fluctuations due to changes in climate change-related policies and laws.

<Explanation of Cost of Response>

Our cost of operation to analyze the risk of changing regulations and policies is composed by the following item.

- Fee for Principal for Responsibility Investment (PRI): approx. 1,500,000 JPY

Comment

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Investing (Asset manager) portfolio

Risk type & Primary climate-related risk driver

Emerging regulation	Regulation and supervision of climate-related risk in the financial sector
---------------------	----------------------------------------------------------------------------

Primary potential financial impact

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Climate risk type mapped to traditional financial services industry risk classification

Policy and legal risk

Company-specific description

Sompo Asset Management has a fund that selects and manages companies to invest in based on its own share price analysis from among companies that are actively working on environmental issues. On the other hand, we also hold carbon-related assets amounting to 21 billion JPY. These assets are subject to the risk of asset value fluctuations due to changes in climate change-related policies and laws, and we assume that the asset values will drop significantly as de-carbonization laws and regulations are strengthened.

Time horizon

Medium-term

Likelihood

Unlikely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

21000000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Sompo Asset Management currently owns 21 billion JPY of carbon-related assets. This asset is primarily oil and gas, not coal. Currently, it is assumed that this asset value will decrease significantly due to the tightening of laws and regulations related to oil and gas. On the other hand, we have chosen "Unlikely" because laws and regulations do not occur frequently, and since the direction is known to some extent in advance, we have chosen a Medium as a magnitude of impact.

Cost of response to risk

1500000

Description of response and explanation of cost calculation

We are a signatory to the Principal for Responsibility Investment (PRI), and PRI develops engagement guidelines. And, we believe that engagement is an important part of preparing for the risk of changing regulations and policies. Then, we are stepping up our dialogue, including in high-emission sectors, to prepare for the risks posed by increased legislation on climate change. Through dialogue, we are promoting GHG emission reduction targets and the introduction of lower-carbon technologies. In addition to our independent efforts, we engage with as lead investors. For example, As for the major energy companies that we engage, in May 2020, the company set out a vision of achieving carbon neutrality for their own emissions by 2040, but in 2022 it reviewed its carbon neutral plan and announced that it would aim to become carbon neutral by 2050, including Scope3 emissions, in addition to our own emissions.

<Explanation of Cost of Response>

Our cost of operation to analyze the risk of changing regulations and policies and engagement is composed by the following item.

- Fee for Principal for Responsibility Investment (PRI): approx. 1,500,000 JPY

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of climate adaptation, resilience and insurance risk solutions

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Sompo Holdings, one of global leading social responsibility companies, has been proactively tackling sustainability issues, and fully incorporated the PDCA management system. Therefore, we are always aware of creating business opportunities even if new regulations apply. Sompo Risk Management Inc., as part of Sompo Holdings' social responsibility initiatives, has been expanding its consultation business in relation to Cap and Trade schemes, renewable energy, and solar & wind power based upon accumulated knowledge as well as experience of tackling climate change. In particular, Sompo Risk Management Inc. has been one of the "Registration Verification Authority" for "Tokyo Cap and Trade Scheme" organized by the Tokyo Metropolitan Government, which has been highly evaluated by the government and awarded the highest "S" Rank in the 10th consecutive year. Therefore, the regulation "Cap and trade schemes" could be one of business opportunities for our entire Group.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

250000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Sompo Risk Management Inc. has been expanding its consultation business in relation to Tokyo Cap and Trade Scheme and renewable energy, solar and wind power the total revenue for a year of released information is as follows;

Total: Around 250 million JPY

- 177 million JPY for Environmental related services including "Registered safety management audit institute" but excluding items below.

- 45 million JPY for "Risk consulting business related to renewable energy (solar energy and wind power)"

- 28 million JPY for "Regular Safety management examination for Wind Power Generation Business"

In 2022, sales increased by 73 million from 2021.

As for the likelihood of this opportunity, since we have been developing new services and products, we consider the likelihood of this opportunity "Likely" in the midterm horizon.

Cost to realize opportunity

3000000

Strategy to realize opportunity and explanation of cost calculation

Strategy and Management: We have acquired the ISO14001 environmental management system since 1997. That is how we are aware of new social trends including climate change and assess the impacts related to our business domain constantly. Through the PDCA management system, Sompo Risk Management Inc., as part of Sompo Holdings' social responsibility activities, has been expanding its consultation business in relation to Cap and trade schemes, renewable, solar and wind power based upon historical knowledge and experience of tackling climate change. From FY2020 to FY2022, the Sustainability Department, which is the main department in charge of climate change in Sompo Risk Management Inc., increased the number of employees by 12 through new hires and internal transfers. In addition, the number of partners for GHG emission calculation and energy conservation diagnosis of factories has increased, and the business capacity has been increased.

Example: Sompo Risk Management Inc. has been one of the "Registration Verification Authority" for "Tokyo Cap and Trade Scheme" organized by the Tokyo Metropolitan Government, which have been highly evaluated by the government and awarded the highest "S" Rank in the 10th consecutive year from 2013 to 2022.

Cost of Management:

The cost of the management system ISO14001 involves all employees from top to bottom, each year we have an external audit and the cost for the audit is approximately 3 million JPY. Although the costs of developing consulting services are not separately quantified, thanks to accumulated know-how and experiences in Sompo Risk Management Inc. since 1997 the impact of these costs are not significant.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of climate adaptation, resilience and insurance risk solutions

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

The P&C insurance industry is the sector vastly affected by the increase of natural disasters such as extreme weather caused by climate change, both in positive and negative sense. To cope with this changing environment and to take as much benefits out of it, Sompo Holdings has been developing and launching a number of products and services related to physical risks of climate change.

The Group is expanding the geographical areas abroad by tackling climate change as an opportunity. For example, Sompo Japan Insurance offers a variety of financial products and services that adapt towards climate change and also considering behavior change of consumers by providing products such as Weather Index Insurance in Thailand, Typhoon Guard Insurance in Philippines. In 2016 we received Japan's Environment Minister's Award for demonstrating the Principles for Financial Action towards a Sustainable Society. For our initiative in Myanmar utilizing the rainfall data estimated from earth observation satellites, we received the Japanese Minister of State for Space Policy Prize, at the Second Space Development and Utilization Grand Prize presentation. In FY2018, Sompo Insurance Thailand launched a new product to provide the first parametric weather insurance program for Longan farmers, developed under the direction of AgriSompo, an integrated platform to provide agriculture insurance and reinsurance solutions across globe, and in cooperation with Bank for Agriculture and Agricultural Cooperative (BAAC), in Thailand.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

337100000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Sompo Holdings has originally developed Weather Index Insurance for rice farmers who struggle against drought in Thailand starting in 2010. Since 2017, Sompo International Holdings has been promoting AgriSompo, a global integrated agricultural insurance platform. In FY2020, Sompo International Holdings acquired Diversified Crop Insurance Services ("Diversified"), a leading U.S. crop insurance organization, and a strategic distribution partnership with InVivo Group, an agricultural cooperative in France.

With this acquisition, AgriSompo became one of the largest crop insurance providers in the U.S. and the world.

Sompo International Holdings' total agricultural insurance premiums increased annually from 97 million USD in FY2020, 2,696 million USD in FY2021, to 3,371 million USD in FY2022. The increase was due to the acquisition of Diversified Crop Services and an increase in the number of insurance policies. (1USD=100JPY)

As for the likelihood of this opportunity, since we have been developing our infrastructure to provide and develop our climate related products and services, we consider the likelihood of this opportunity "Very Likely" in the short term horizon.

Cost to realize opportunity

25500000

Strategy to realize opportunity and explanation of cost calculation

To identify opportunities in climate change, in fiscal 2021, our group identified 7 material issues and established KPIs for all sustainability factors, including climate change. To identify materiality, we participated in the TCFD Insurance Group of the UNEP FI, conducted scenario analysis using the TCFD recommended method in cooperation with Sampo Risk Management, a group company in our group, and participated in other global initiatives. In addition, through risk assessment using EMS, disaster prevention, disaster reduction, and the spread of renewable energy became new business areas of focus. In addition, through risk assessment using EMS, disaster prevention and mitigation, and the spread of renewable energy were identified as new business areas.

As a result of these activities, we believe there are business opportunities in expanding agricultural insurance. Since 2010, we have offered Weather Index Insurance to reduce agricultural business risks due to extreme weather events. The weather index insurance is an insurance product that pays the insurance amount determined by the contract when the weather index such as temperature, wind speed, rainfall, and hours of sunshine meets certain conditions. In 2010, we launched a weather index insurance for farmers in Northeast Thailand aiming at reducing their damages caused by drought. In Myanmar, we developed a weather index insurance that covers drought risk for rice and sesame farmers. In February 2019, we launched a parametric weather insurance program for Longan fruit farmers in Thailand. In order to expand its market into North America and Europe, where the agricultural market is large, we acquired Endurance Specialty Holdings in 2016, Diversified Crop Services in 2020, and ARA 1857 S.p.A. - Assicurazioni Rischio Agricoli VMG 1857 in 2021 (This acquisition expected to close in 2022).

Our cost to realize developing climate-related products and services is composed by following items.

- Fees for TCFD Insurance working group of UNEP FI/ PSI: 2,500,000 JPY (100JPY / 1USD)
- Fees for Sampo Risk Management Inc. to develop group based scenario analysis in accordance with TCFD recommendation: around 8,000,000 JPY
- Fees for global initiatives to address social issues and to generate collective impact liaising with them: 15,000,000 JPY

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

<Description including time horizon>

In a world where global temperature increases will be held to less than 1.5 ° C in 2050, effective measures against climate change will be taken under a certain level of economic development, and the environment and economy will be in harmony, it is assumed that a recycling-oriented society that makes use of local resources, an energy-saving society, and the development of material-free sharing services will develop. In the "Long-term strategy as a growth strategy based on the Paris Agreement" issued by the Japanese government in June 2020, the promotion of mobility services to improve services and convenience, the promotion of initiatives for the realization of seamless transportation, and the rapid expansion of the sharing economy including car sharing were indicated.

<Company-specific description>

In such a society, "mobility revolution" such as the development of seamless public transportation in the local community, may have an impact on the business of Sampo Holdings P&C insurance, of which auto insurance revenue exceed 50%, such as a decrease in the number of automobiles. Specifically, it could include a decline in automobile insurance sales due to a decline in the number of vehicles owned, and the loss of opportunities in new markets as the market environment changes (loss of sales).

To address these risks, we established a joint venture for person-to-person car sharing in 2019 and made a parking lot sharing business affiliate, positioning "Mobility as a Service" related businesses as a growth area. As of 2020, after two years since its establishment 500 thousand customers have registered to this person-to-person car sharing service. Drawing on our strengths, which has automobile insurance data and nationwide insurance agent sales channels, we are working to create business opportunities by developing related specialized insurance and services. Sampo Japan started providing automobile insurance from 1960's an era of motorization in Japan and now has grand data and nationwide insurance agent sales channels. We are continuously working to create new business opportunities by developing related specialized services.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

18000000000

Potential financial impact figure – maximum (currency)

30000000000

Explanation of financial impact figure

Based on various survey data, Sampo Holdings independently calculated the growth potential of the parking lot sharing market, and by FY2030, the market is expected to grow to about 60 to 100 billion JPY. As an estimate of financial impact, multiply the current domestic P&C insurance market share of approximately 30% and Calculation is as follows.

Maximum: 100 billion JPY x 30% share = 30 billion JPY

Minimum: 60 billion JPY x 30% share = 18 billion JPY

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

<Strategy to realize opportunity>

Based on the above forecasts, Sompo Holdings has positioned "Mobility as a Service" related businesses as growth areas, including the establishment in 2019 of a joint venture for interpersonal car sharing and the conversion of a car sharing business into an affiliate. Drawing on the strengths of Sompo Japan, which has automobile insurance data and nationwide insurance agent sales channels, Sompo Japan is working to create business opportunities by developing related specialized insurance. Through the establishment of a joint venture company related to the car sharing business and the conversion of the car sharing business company into an affiliated company, Sompo Japan provides an interpersonal car sharing service that analyzes the demand for car sharing in areas and cars utilizing big data, a car sharing service utilizing the insurance agency network, and specialized insurance associated with these services.

In fiscal 2019, the number of car sharing members was more than 250,000, the number of registered vehicles was more than 8,000, and the cumulative number of car-sharing days was 130,000. In fiscal 2020, the number of car sharing members was more than 350,000, the number of registered vehicles was more than 16,000, and the cumulative number of car sharing days was 210,000. In fiscal 2021, the number of car sharing members was more than 500,000, the number of registered vehicles was more than 20,000, and the number of car sharing days was 280,000. In fiscal 2022, the number of car sharing members was more than 700,000, the number of registered vehicles was more than 28,000, and the number of car sharing days was more than 280,000.

<Cost calculation>

In addition to establishing a joint venture company for inter-individual car-sharing business, establishing a car-sharing business company as an affiliated company and operating the business, costs (year) and personnel expenses (year) are as follows.

Annual business administration cost for person to person car sharing: approximately 997,000,000 JPY

Annual business administration cost for parking sharing: approximately 1,653,000,000 JPY

Comment**Identifier**

Opp4

Where in the value chain does the opportunity occur?

Insurance underwriting portfolio

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

The P&C insurance industry is the sector vastly affected by the increase of natural disasters such as extreme weather caused by climate change, both in positive and negative sense. To cope with this changing environment and to take as much benefits out of it, Sompo Holdings has developing and launching not only a number of products and services related to physical risks of climate change but also utilizing new technologies such as generative AI and blockchain and Generative AI for improvement of underwriting profit.

For example, Sompo Japan, which is a P&C company, provides the following services to increase insurance underwriting profit and reduce claims payments using new technology.

- Climate change physical risk visualization

It evaluates physical risks according to multiple climate change scenarios based on property information such as collateral properties of client companies.

- Earthquake risk visualization

It evaluates earthquake risk based on property information such as collateral properties of client companies.

These services benefits for not only our client companies but also our company because it precisely understands the amount of risk (quantification of opportunities) due to climate change. As a result of it, they leads to securing and improving insurance underwriting profits and reducing insurance payments.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

20000000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Sompo Japan has been using them to focus on improving the profitability of its business insurance and supporting disaster response. One workflow alone has already delivered significant value to Sompo Japan in terms of underwriting profits and is currently being deployed to over 10,000 sales representatives across the Japanese insurance business. The company's disaster response operations have also been highly successful, streamlining traditionally labor-intensive tasks such as exchanging information with investigators and processing claims, creating workflows that are reusable across disasters. , can now be accomplished in a few days.

By promoting digital transformation, we aim to improve underwriting income and expenditure, improve operational efficiency, and create new business opportunities.

The efficiency of digital transformation was 2.2 billion JPY in FY 2021, but it expanded to 12.3 billion JPY in FY 2022 and it will be 20 billion JPY in FY2023

Cost to realize opportunity

50000000000

Strategy to realize opportunity and explanation of cost calculation

Sompo Japan has been focused on improving profitability for the commercial insurance business, and supporting disaster response. Digital transformation has already

delivered significant value in terms of underwriting profits in the company, and is now being rolled out to 10,000+ salespeople across the Japanese insurance business. The organization's disaster response work has also delivered substantial results — streamlining traditionally labor-intensive efforts such as exchanging information with inspectors and processing claims into reusable workflows across disasters that can now be executed in days. Improving operational efficiency is expected to lower insurance prices, increase competitiveness, and increase the number of underwritten policies.

<Cost calculation>

We expanded business with technology company (Palantir Technologies Inc.) in 2022 (50 million USD, five-year). (1USD=100yen)

Comment

Identifier

Opp5

Where in the value chain does the opportunity occur?

Investing (Asset owner) portfolio

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

We provide products and services for various risks. Currently, requests for disclosure of information on climate change are increasing rapidly, and many companies are having difficulty calculating GHG emissions and others, and if they are unable to disclose information, they face reputational risk. Then, we not only develop climate change-related products and services ourselves, but also invest as an asset owner and provide climate change-related products and services through joint research. For example, as an asset owner, we are investing in pulsESG, which is a venture company that provide products covering from calculating GHG emissions to disclosing information on climate change. In the development process of the product, we have conducted joint research by providing calculation methods and information related to GHG calculation. And, products are being developed and marketed as products that support climate change-related disclosures. In this way, new markets can be accessed, which can lead to increasing revenue.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

750000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

With the unification of ESG standards and the Corporate Governance Code, etc., corporate information disclosure is becoming more and more sophisticated, and many companies face increasing legal and reputational risks that cannot respond to information disclosure. In response to such risks, as an asset owner, we will support the information disclosure of many companies by investing in ESG-related products and services that have strengths in ESG information disclosure and conducting joint research.

Along with that, we aim to achieve sales of 750 million JPY by 2027 through investing in companies and selling by ourselves.

Cost to realize opportunity

240000000

Strategy to realize opportunity and explanation of cost calculation

<Strategy to realize opportunity>

Currently, there are multiple competitors in the market for products and services such as GHG emissions measurement and fields, but the products and services made we are currently investing in are not possessed by other companies, and we are fully committed to them. In addition to trying to expand the market by appealing to the public, by inputting our past know-how through joint research, etc., we will create even more superior product.

And, in order to achieve potential financial impact figure of 750 million JPY, for example, we will take a strategy of aggressively investing and selling to the market as a sales agent. In addition, we will add a service that support the disclosure of information related to ESG's "S (social)" in addition to information related to climate change after 2024, and the sales of products and services will increase.

<Cost calculation>

Selling, general and administrative expenses to sell the products and services by 2027 : 240,000,000 JPY

Comment

Identifier

Opp6

Where in the value chain does the opportunity occur?

Investing (Asset manager) portfolio

Opportunity type

Markets

Primary climate-related opportunity driver

Increased demand for funds that invest in companies that have positive environmental credentials

Primary potential financial impact

Increased portfolio value due to upward revaluation of assets

Company-specific description

Since 1999, Sompo Asset Management has operated the Sompo Japan Green Open (Buna no Mori), which invests in companies that actively address environmental issues, referring to the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators by Financial Service Agency in Japan. We have a dialogue with companies and they have a chance to mitigate and/or adapt to climate change. By investing in companies that actively address environmental issues, investors' funds are expected to indirectly contribute to environmental conservation. The total greenhouse gas emissions (carbon intensity)* of the Fund is at a level lower than the market average (TOPIX: Tokyo Stock Price Index), and the stocks in which the Fund invests and are selected for the analysis of environmental management capabilities are highly rated for their environmental performance. The amount of total asset increased by 13% from 28.9 billion JPY to 32.7 billion JPY in FY2022.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

123000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The companies in which the fund invests are also proactive in their environmental initiatives and create a positive impact on the environment, and companies with excellent environmental management in which this fund invests are expected to have positive business opportunities through active efforts in environment-related technologies and low-carbon products and services. It is expected that there is potential to offset the impact. As a result of the expansion of the environmental efforts of the companies in which we have invested, there is a result that an investment of 100 million yen produced an economic effect of 123,000 JPY in 2022. This is based on the market capitalization of each company, assuming that the latest holdings (as of the end of December 2022) were held throughout the year (FY2021).

Cost to realize opportunity

1500000

Strategy to realize opportunity and explanation of cost calculation

<Strategy to realize opportunity>

We are a signatory to the Principal for Responsibility Investment (PRI) and PRI develops engagement guidelines. And, we believe that engagement is an important part of creating the opportunities. To realize the opportunities, which leads to potential financial impact, as an asset manager, it seeks to share mutual awareness and constructive exchanges of views toward resolving issues by placing the common objectives of corporate value enhancement and sustainable growth at the center of dialogue between companies and investors.

Then, in fiscal 2022, through research activities conducted by our company analysts, we were able to hold a total of about 2,300 dialogues with companies. In these dialogues, we discuss environmental themes such as environmental management, GHG emission reduction plans, TCFD responses, and measures to reduce environmental impact, and information disclosure such as promotion of ESG information disclosure. By engaging with companies, they have a chance to mitigate and/or adapt to climate change and contribute to expand economic effect by encouraging companies to take environmental measures.

<Cost calculation>

Our cost of operation to develop our engagement into a more forward-looking
 - Fees for Principal for Responsibility Investment (PRI): approx. 1,500,000 JPY

Comment**C3. Business Strategy****C3.1**

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

In addition to receiving feedback at general meetings of shareholders, we hold regular meetings to receive feedback from our shareholders and environmental NGOs.

Frequency of feedback collection

More frequently than annually

Attach any relevant documents which detail your climate transition plan (optional)

Page 50-52 of Sustainability Report 2022 and all page of the NZIA press release.

C3.1 0630_New policy_e_20220628_1.pdf

Sustainability Report 2022.pdf

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios NGFS scenarios framework	Portfolio	<Not Applicable>	To assess the impact of migration risk on our group's portfolio, the Sampo Group selected the NGFS scenario, which provides parameters for the Net zero 2050 scenario aligned with the 2050 net zero emissions target, and then used MSCI's Climate Value-at-Risk (CVaR) to assess the impact of policy risks and technological opportunities on our portfolio. The parameters are the cost of achieving GHG emission reduction targets for each portfolio company and the potential of the company's environmental technologies to contribute to the transition to a low-carbon society. Starting from this year, the evaluation period is set at our group's net zero target by 2050. Assumptions were based on the four scenario frameworks of the NGFS scenario: Orderly, Disorderly, Hot house world, Too little, and Too late.
Physical climate scenarios RCP 8.5	Company-wide	<Not Applicable>	In order to predict future changes in typhoon risk associated with global warming, the Sampo Group selected the RCP 8.5 scenario, a model that captures changes in typhoon frequency and wind speed between 2050 and the present to calculate changes in frequency and damage costs, and evaluated it using the d4 PDF (database for Policy Decision making for Future climate change), a climate prediction database developed under the Ministry of Education, Culture, Sports, Science and Technology's Climate Change Risk Information Creation Program. The parameters are Typhoon frequency and damage amount per unit wind. Starting from this year, the evaluation period is set at our group's net zero target by 2050. Analytical Selection is a simplified quantitative analysis tool based on the comprehensive outer line of the UNEP FI TCFD Insurance Working publication (calculation scenario based on the RCP 8.5 scenario in IPCC).
Physical climate scenarios Customized publicly available physical scenario	Company-wide	1.5°C	For risk assessment, we also use the socio-economic scenario SSP (Shared Socio-Economic Pathway) developed at the request of the IPCC. By selecting three patterns each from the IPCC scenario (SSP: SSP1-1.9, SSP-2-4.5, SSP5-8.5), which shows changes in average temperature, and the NGFS scenario (Orderly / Net Zero 2050, Disorderly/Delayed Transition, Hot House World / Current Policy), which shows policy transitions, we evaluate the scenarios that assume environmental change patterns and their accompanying impacts on our company. Each scenario assumes a spill over path, and we devise ways to ensure that each business has a common understanding of the conditions under which losses are generated and the path through which losses are generated in the assessment. In addition, we hope that the illustrations will not only provide new insights, such as missing pathways, but also create a climate change risk map that can visualize risks that require continuous monitoring. By providing a bird's-eye view of the impact, likelihood, timing of occurrence, and trends of risks that primarily affect insurance underwriting and asset management, we aim to stimulate discussions on climate change within the Board of Directors and executive bodies.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

1. Impact of an increase in insurance payments due to an increase in natural disasters associated with climate change; Sompo group's P&C insurance business, which accounts for more than 80% of Sompo group's net sales, pays substantial insurance claims for damage caused by natural disasters (Earthquakes, storm and flood damage, snowstorms, etc.) both in Japan and overseas, and can have a material impact on our business results. Natural disasters may occur in all countries and regions of the globe due to accelerated climate change, so they need to be quantitatively assessed. In addition, due to the frequent occurrence and intensification of natural disasters caused by climate change, the provision of stable insurance may become difficult due to the effects of an increase in insurance claims and a deterioration in the balance of underwriting.
2. Impact on asset management and insurance underwriting in our group due to stranded assets in sectors with high greenhouse gas emissions and worsening credit risk; Fossil fuels such as coal, oil, and natural gas will not be able to be used as an energy source if it becomes necessary to reduce carbon dioxide emissions in response to climate change, and it is thought that their asset value will decline significantly. The company holding the asset is required to write down the value of the asset for financial accounting purposes, which will severely damage the company's income statement and balance sheet. If Sompo group had invested or underwrote this company, it would have a very negative impact on our portfolio.

Results of the climate-related scenario analysis with respect to the focal questions

<Impact of increased insurance payments due to increased natural disasters associated with climate change>

1. Results of Analysis

Using RPC 8.5 and NGFS scenarios, we estimate the occurrence frequency of water disasters in the world and the damage amount per 1 unit of water disasters. According to the scenario analysis, natural disasters could increase further in the future, resulting in economic losses of more than 200 billion JPY. The frequency of typhoons increases or decreases from minus 30% to 30%, but the amount of damage per typhoon increases by 10% to 50%. In agricultural insurance, which is one of our strengths, insurance payments increase sharply when crops are damaged by natural disasters. Like this, disasters and our insurance are closely related.

2. Whether the results were reflected in decisions and actions

As a result, in order to reduce our payment risk, we increased change in reserve for outstanding losses and claims by 32.5 billion JPY from 27.6 billion JPY in FY2021 to 60.2 billion JPY in FY 2022. In the United States, based on the results of these calculations, we collaborates with external vendors and research institutions to analyze the impact of climate change risks, and uses these results in its own scenarios as well as in overseas natural disaster models in Sompo group's P&C insurance business.

<Impact on asset management and insurance underwriting in our group due to stranded assets and worsening credit risk in sectors with high GHG emissions>

1. Results of Analysis

Through MSCI 's Climate Value-at Risk and NGFS analyses, we examined the impact of corporate policy risks associated with the transition to a low-carbon global economy and the impact of technological opportunities arising from efforts to mitigate and adapt to climate change, on our group's portfolio assets (Domestic stocks, domestic bonds, foreign stocks, foreign bonds), based on a scenario in which the temperature increase by the end of the 21 century is contained at 1.5 °C, 2 °C, and 3 °C below pre-industrial levels. As a result of the analysis, the impact of domestic stocks is about twice that of foreign stocks, and that of domestic corporate bonds is about seven times that of foreign corporate bonds.

2. Whether the results were reflected in decisions and actions

Based on our analysis, we have set a target to reduce the GHG emissions of our asset management portfolio by 25% by 2025 (stocks and bonds compared to 2019) by engaging with the top 20 GHG emitters among our assets, including high-impact domestic stocks, promoting the replacement of high-emission industries with low-emission industries. In 2022 Sompo Asset Management set an interim goal of reducing GHG emissions by 50% compared to 2019 by 2030, targeting 40% of asset. Then, it selected companies not disclosing their "mid-term targets for GHG emissions" as targets for engagement, and set the number of company which disclose reduction targets of GHG emissions as a KPI.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>(Situation) With the Paris Agreement, offshore wind power is attracting attention as a form of renewable energy. The Japanese government has set a target in the Fifth Basic Energy Plan to increase the total installed capacity of wind power generation to about 10 GW by FY2030. In addition, the Act on Promoting the Utilization of Sea Areas for the Development of Marine Renewable Energy Power Generation Facilities came into effect on April 1, 2019 to promote offshore wind power generation.</p> <p>(Task) On the other hand, stable management of the wind power generation business, which is a large-scale project worth hundreds of billions of yen, remains a challenge. We are exposed to a variety of risks, including the increasing frequency of natural disasters and accidents specific to offshore wind power generation. Quantitative analysis of the risks inherent in offshore wind power generation and the risks of natural disasters, which have different characteristics depending on the location, is essential, and measures such as risk management and the transfer of these risks to insurance are essential and have an impact on our business.</p> <p>(Action) As a result of the scenario analysis in our group, the technological opportunities of Japanese companies under the 1.5 °C scenario will have the greatest impact. We will develop renewable energy-related insurance underwriting products and services for its main customers, Japanese companies. Against this situation, in 2020, Sompo Japan released the ONE SOMPO WIND Service, which supports businesses by providing a comprehensive range of services, from identifying and assessing risks in offshore wind power generation to arranging insurance. We have launched "Sompo Climate Action" in our mid-term management plan from 2021 to 2023, and we plan to support the transition of society by providing risk consulting services and insurance in the wind power business.</p> <p>(Result) Our proposal for risk consulting services, which enables us to provide professional and multifaceted support in the business planning of mid-term offshore wind power development projects, has been highly evaluated. As proof of this, we have been awarded insurance/risk advisory services in three of the four promotion zones designated by the government. We have started providing "ONE SOMPO WIND Service" in terms of risk identification and assessment.</p>

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Supply chain and/or value chain	Yes	<p>(Situation)</p> <p>Financial institutions, as asset holders, are playing an important role in the transition to a decarbonized society. In this sense, investee companies are important stakeholders in the supply chain of financial institutions.</p> <p>Sompo group used Climate Value-at-Risk provided by MSCI to analyze the impact of migration risk on our group's assets (Domestic stocks, domestic bonds, foreign stocks, foreign bonds), assuming that temperature increases at the end of this century will remain below 1.5 °C, 2 °C, and 3 °C above pre-industrial levels. As a result, the impact on domestic stocks was the greatest.</p> <p>(Result)</p> <p>In our Medium-Term Management Plan "Sompo Climate Action," Sompo Holdings has set greenhouse gas reduction targets in line with the Paris Agreement, and aims to achieve a carbon neutral society by 2050. As a concrete activity of this goal, we are promoting the transition to green by strengthening engagement with the top 20 companies with high emissions among our shareholdings. Regarding corporate bonds, we have set a target of reducing GHG emissions in our asset management portfolio by 25% by 2025 (Based on total GHG emissions from stocks and corporate bonds compared to fiscal 2019) by promoting the replacement of high-emitting sectors with low-emitting sectors at the time of maturity and by reallocating such resources to impact investments and transition finance that take ESG into consideration. We became the first Japanese P&C insurance company to join three initiatives: the Net Zero Asset Owners Alliance (joined in May 2022), the Net Zero Insurance Alliance (joined in June 2022), and the Net Zero Asset Managers Initiative (joined in January 2022).</p>
Investment in R&D	Yes	<p>(Situation)</p> <p>Due to climate change, major natural disasters have become more frequent in the past few years as a new normal risk influencing many lives.</p> <p>(Task)</p> <p>There is a heightened need to develop new measures to address natural disasters, particularly given that disaster-related rules of experience and prediction methods amassed over the years have started to prove ineffective.</p> <p>(Action)</p> <p>In light of these conditions, in order to enhance local disaster preparedness capabilities, Sompo Japan has formed a business alliance with One Concern, a Silicon Valley (U.S.A.)-based startup specializing in disaster preparedness systems. The two companies have begun jointly developing a disaster preparedness and mitigation system using advanced AI technology.</p> <p>(Result)</p> <p>Sompo Japan and One Concern have made partnerships with 6 Japanese major cities to develop the system. The system predicts floods from a weather forecast 72 hours before the incident occurs.</p> <p>The aim of this project is to enhance the Japanese local communities resilience in the coming few years with the aim to enhance the resilience in Japan. In addition, Sompo Holdings has invested approx. 100 million USD in One Concern financially.</p>
Operations	Yes	<p>(Situation)</p> <p>One example of transition risk in the connection with business operation is the increased cost of complying with stricter CO2 emission regulations.</p> <p>For example, in Japan, under the Energy Conservation Law, energy use reduction is an effort obligation, and the Tokyo Metropolitan Government has imposed a reduction obligation in global warming countermeasures with performance obligations.</p> <p>In addition to the regulations, we have been making efforts to reduce GHG emissions in line with the Paris Agreement.</p> <p>(Task)</p> <p>Sompo Holdings has been tackling a target of reducing emissions by 60% in FY2030 and 100% in FY2050, using FY2017 as the base year. We have also set a target of 70% renewable energy use by 2030. Sompo Holdings identifies group-based materiality KPIs which include climate change. Since then, we have been tracking the KPI which is set in the level of target reduction percentage in each year.</p> <p>Since SBT initiative recommends global companies to set the level of 1.5°C, we are promoting energy conservation and the use of renewable energy in company-owned buildings and has set GHG reduction targets higher than current levels below 2 °C.</p> <p>(Action and Result)</p> <p>In FY2022, we have invested 733,246,900 JPY in energy-saving construction costs and continued to discuss a level of ambition for GHG reduction initiatives. Sompo Japan switched electricity from its energy source to 100% renewable energy in Head office building in 2021 and four large-scale buildings in 2022. And, it set a medium-term target to pursue the higher ratio by switching to renewable energy in all company-owned buildings.</p>

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs	<p>(Situation)</p> <p>In recent years, climate change has led to an increase in the scale and frequency of natural disasters.</p> <p>(Task)</p> <p>The increase in the number of natural disasters is certain to lead to an increase in the amount of insurance claims paid, necessitating a reform of the profit structure.</p> <ol style="list-style-type: none"> 1) Price optimization for insurance products (Insurance Premium) 2) Insurance Underwriting(Insurance Rates) 3) Efficient Business operations (Productivity improvement) <p>(Action)</p> <p>As an example of measures toward reforming the profit structure, Sompo Japan has strengthened the following three measures.</p> <ol style="list-style-type: none"> (1) Price optimization for insurance products: Pricing strategy that emphasizes profitability, such as optimizing group discounts for corporate employees and setting rates based on age. (2)Insurance Underwriting: <ul style="list-style-type: none"> · Optimized rates and underwriting conditions for high-loss agencies and corporate policies · Accident prevention support (3)Productivity improvement: <ul style="list-style-type: none"> · Advance sales network structure reform · Digitalization(AI/Robotic Process Automation)/Non paper promotion / Tele-commuting, zero-based work review <p>As an example we have implemented a zero based work review in promoting employees to work at home (Tele commuting) through digitalization, costs were reduced by 6 billion JPY per year in 2020 and 2021.</p> <p>(Result)</p> <p>As a result of these measures, the profit in FY2021 increased by 59 billion JPY compared to the previous year. By FY2023, we plan to increase profits by approximately 100 billion JPY compared to FY2020.</p>

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	Yes, we identify alignment with our climate transition plan	<Not Applicable>

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

Financial Metric

OPEX

Type of alignment being reported for this financial metric

Alignment with our climate transition plan

Taxonomy under which information is being reported

<Not Applicable>

Objective under which alignment is being reported

<Not Applicable>

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

90903591

Percentage share of selected financial metric aligned in the reporting year (%)

0.04

Percentage share of selected financial metric planned to align in 2025 (%)

0.1

Percentage share of selected financial metric planned to align in 2030 (%)

0.2

Describe the methodology used to identify spending/revenue that is aligned

The Sompo Group uses electricity from both renewable and fossil fuel sources. Of this amount, only electricity generated from renewable energy sources is reported as "in line with the 1.5 °C world" as part of OPEX in the financial statements.

As part of its commitment to achieve Net Zero emissions by FY 2050, Sompo Group aims to introduce 70% renewable energy by 2030, and Sompo Japan, one of Sompo group companies, plans to switch all of its buildings to 100% renewable energy by 2030. Sompo Japan switched electricity from its energy source to 100% renewable energy in Head office building in 2021 and four large-scale buildings in 2022. And, renewable energy share of OPEX increased by 0.04% compared to 2019. It is expected to increase by 0.1% in 2025 and 0.2% in 2030.

C-FS3.6

(C-FS3.6) Does the policy framework for your portfolio activities include climate-related requirements for clients/investees, and/or exclusion policies?

	Policy framework for portfolio activities that include climate-related requirements for clients/investees, and/or exclusion policies	Explain why the policy framework for your portfolio activities do not include climate-related requirements for clients/investees, and/or exclusion policies
Row 1	Yes, our framework includes both policies with climate-related client/investee requirements and climate-related exclusion policies	<Not Applicable>

C-FS3.6a

(C-FS3.6a) Provide details of the policies which include climate-related requirements that clients/investees need to meet.

Portfolio

Investing (Asset manager)

Type of policy

Sustainable/Responsible Investment Policy
Investment policy/strategy

Portfolio coverage of policy

100

Policy availability

Publicly available

Attach documents relevant to your policy

C-FS3.6a_ESGにフォーカスしたファンドラインナップ_ S O M P O アセットマネジメント.pdf
C-FS3.6a_Sompo Asset Management Responsible Investment Policy _ Sompo Asset Management Co., Ltd_.pdf

Criteria required of clients/investees

Disclosure of Scope 1 emissions
Disclosure of Scope 2 emissions
Set a science-based emissions reduction target

Value chain stages of client/investee covered by criteria

Direct operations only

Timeframe for compliance with policy criteria

Complying with criteria is a pre-requisite for business

Industry sectors covered by the policy

Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

Exceptions to policy based on

<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined

Funds that conduct ESG Positive Screening conduct ESG questionnaires, including environmental issues, to companies, and assign ESG scores based on the responses to the questionnaires, and invest in companies that meet or exceed a certain level.

Portfolio

Investing (Asset owner)

Type of policy

Sustainable/Responsible Investment Policy
Other, please specify (Underwriting policy)

Portfolio coverage of policy

100

Policy availability

Publicly available

Attach documents relevant to your policy

Refer to Page 3 and 4 of "Policy_Sompo Holdings" and all page of "0630_New policy".
C-FS3.6a 0630_New policy.pdf
C-FS3.6a policy_Sompo Holdings.pdf

Criteria required of clients/investees

Disclosure of Scope 1 emissions
Disclosure of Scope 2 emissions
Disclosure of Scope 3 emissions
Set a science-based emissions reduction target
Develop a climate transition plan

Value chain stages of client/investee covered by criteria

Direct operations only

Timeframe for compliance with policy criteria

Complying with criteria is a pre-requisite for business

Industry sectors covered by the policy

Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services

Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

Exceptions to policy based on

<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined

Since business activities in all industries emit GHGs, all stocks and bonds are covered. With no GHG reduction plan in place by 2025, companies that generate 30% or more of their income from coal-fired power generation, thermal coal mining, or oil sand mining, or generate 30% or more of their energy from coal, will not be insured, invested, or financed.

Portfolio

Insurance underwriting (Insurance company)

Type of policy

Insurance underwriting policy

Portfolio coverage of policy

100

Policy availability

Publicly available

Attach documents relevant to your policy

Refer to Page 3 and 4 of "Policy_Sompo Holdings" and all page of "0630_New policy".

C-FS3.6a 0630_New policy.pdf

C-FS3.6a policy_Sompo Holdings.pdf

Criteria required of clients/investees

Disclosure of Scope 1 emissions

Disclosure of Scope 2 emissions

Disclosure of Scope 3 emissions

Set a science-based emissions reduction target

Value chain stages of client/investee covered by criteria

Direct operations only

Timeframe for compliance with policy criteria

Complying with criteria is a pre-requisite for business

Industry sectors covered by the policy

Energy

Materials

Capital Goods

Commercial & Professional Services

Transportation

Automobiles & Components

Consumer Durables & Apparel

Consumer Services

Retailing

Food & Staples Retailing

Food, Beverage & Tobacco

Household & Personal Products

Health Care Equipment & Services

Pharmaceuticals, Biotechnology & Life Sciences

Software & Services

Technology Hardware & Equipment

Semiconductors & Semiconductor Equipment

Telecommunication Services

Media & Entertainment

Utilities

Real Estate

Exceptions to policy based on

<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined

Since business activities in all industries emit GHG emissions, all insurance underwriting are covered. With no GHG emissions reduction plan in place by 2025, companies that generate 30% or more of their income from coal-fired power generation, thermal coal mining, or oil sand mining, or generate 30% or more of their energy from coal, will not be insured, invested, or financed. We also will not underwrite new insurance or make new investments in or loans for oil and gas extraction projects in the oil sands or the Arctic National Wildlife Refuge (ANWR).

C-FS3.6b

(C-FS3.6b) Provide details of your exclusion policies related to industries and/or activities exposed or contributing to climate-related risks.

Portfolio

Investing (Asset manager)
 Investing (Asset owner)
 Insurance underwriting (Insurance company)

Type of exclusion policy

All Coal

Year of exclusion implementation

2020

Timeframe for complete phase-out

By 2025

Application

New business/investment for new projects
 New business/investment for existing projects
 Existing business/investment for existing projects

Country/Area/Region the exclusion policy applies to

Other, please specify (There are no excluded areas.)

Description

◆ Advancing the Energy Transition

As the most significant challenge humankind faces, we believe the world – and the financial services sector – must take meaningful climate action today. Therefore, we commit to net zero emissions in our underwriting, investments, and operations by 2050.

We promote the transition through our insurance of and investments in renewable energy and other innovative green technologies

We will not underwrite or make any new investments in new or existing coal power plants or thermal coal mine projects (*1).

We also will not underwrite new insurance or make new investments in or loans for oil and gas extraction projects in the oil sands or the Arctic National Wildlife Refuge (ANWR).

We will not insure or make investments or loans to companies whose primary business is coal (*2), unless they establish a GHG reduction plan by January 2025 (*3).

◆ Aspiring for Excellence in Governance

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

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

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

*2-Defined as companies that derive at least 30% of their revenues from coal-fired power generation, thermal coal mines, or oil sands, or electric utilities companies that generate at least 30% of their energy from coal.

*3-We will not apply restrictions to insurance that supports the health and wellbeing of individuals, e.g. workers' compensation insurance.

C-FS3.7

(C-FS3.7) Does your organization include climate-related requirements in your selection process and engagement with external asset managers?

	Climate-related requirements included in selection process and engagement with external asset managers	Primary reason for not including climate-related requirements in selection process and engagement with external asset managers	Explain why climate-related requirements are not included in selection process and engagement with external asset managers and your plans for the future
Row 1	Yes	<Not Applicable>	<Not Applicable>

C-FS3.7a

(C-FS3.7a) Provide details of the climate-related requirements included in your selection process and engagement with external asset managers.

Coverage

Majority of assets managed externally

Mechanisms used to include climate-related requirements in external asset manager selection

Include climate-related requirements in investment mandates
Review investment manager's climate-related policies

Describe how you monitor and engage with asset managers to ensure investment activities are consistent with your climate strategy

Sompo group announced "Sompo Climate Action Plan" at our IR in May 2021, and set a policy to achieve net-zero in its investments and insurance underwriting by 2050. Sompo Asset Management, Inc. (SAM), a group company that manages a portion of Sompo Japan's assets, joined the Net Zero Managers Alliance (NZAM) in 2022 to achieve to net-zero in its management portfolio by 2050, and is conducting activities consistent with our group's policy. Some Japan conducts the annual meeting with SAM to confirm that SAM is making investments in accordance with the SOMPO Group's ESG policies. When making new investments, we also check the consistency with our group's EGS policy. In June 2022, we will join NZAOA and NZAM and strengthen our investment. In the case of coal-related industries, we will make investment decisions after confirming consistency with our group's investment, such as whether there is a transition plan or whether it is scheduled to be prepared by January 2025. And, in regard to climate-related issues, Sompo Asset Management, Inc. (SAM) asks and evaluates the following items with external asset managers: whether or not they agree with TCFD (if not, ask why), actual GHG emissions values of the strategy (portfolio) to which the company entrusts management, evaluation of climate risks, existence and results of scenario analysis, and whether or not they agree with the NZAM initiative (If not, ask why and whether you are considering doing so.) (In the case of approval, check the content of the interim target and whether the strategy to which management is entrusted is included in the interim target.).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target
Portfolio target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Target ambition

1.5°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2
Scope 3

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Category 1: Purchased goods and services
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 4: Upstream transportation and distribution
Category 5: Waste generated in operations
Category 6: Business travel
Category 7: Employee commuting

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

37265

Base year Scope 2 emissions covered by target (metric tons CO2e)

160496

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

16392

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
32843

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
16609

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
13644

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
21894

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
16757

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
118139

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
315900

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
100

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
100

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
100

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
100

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
100

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

70

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

86

Target year

2031

Targeted reduction from base year (%)

60

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

126360

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

28209

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

116611

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

12893

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

27741

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

11207

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

15192

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

15305

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

12395

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

94734

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

239554

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

40.2796243536984

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

This data includes domestic and overseas group companies. Downstream, as described in C 6.5, is not applicable except for Cat. 15. The target of Cat. 15 are described in C-FS 4.1 d. Cat.2 is excluded from the target. This target is currently being reviewed by the Science Based Targets initiative, but met all of the following criteria;

- the % of emissions in scope are 70% or higher,
- targets must cover both scope 1 and 2 emissions,
- has a medium time frame (target year is between 5 and 15 years more than the "Start year" inclusive),
- has a long time frame (target year is after 15 years more than the "Start year"),
- the targets meet at least a 2.1% year-on year emissions reductions between base year and target year.

Plan for achieving target, and progress made to the end of the reporting year

To achieve the target of reducing GHG emissions by 60% (compared to 2017 levels) by 2030, we will replace its buildings with LED lighting and high-efficiency air conditioning, regenerate 70% of its total energy consumption, use EVs for company vehicles, reduce GHG emissions through business trips, and reduce paper consumption.

In fiscal 2022, we upgraded our buildings to LED lighting and high-efficiency air conditioning, and introduced renewable energy. Through these efforts, we achieved our target of approximately 40.3%.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C-FS4.1d

(C-FS4.1d) Provide details of the climate-related targets for your portfolio.

Target reference number

Por1

Year target was set

2022

Portfolio

Investing (Asset owner)

Product type/Asset class/Line of business

Fixed income
Listed equity

Sectors covered by the target

All sectors

Target type

Portfolio emissions

Target type: Absolute or intensity

Absolute

Scopes included in temperature alignment

<Not Applicable>

Metric (or target numerator if intensity)

tCO2e

Target denominator

<Not Applicable>

Base year

2019

Figure in base year

2072536

Percentage of portfolio emissions covered by the target

100

Monetary metric for portfolio coverage (unit currency as reported in C0.4)

Assets under management

Percentage of portfolio covered by the target, using a monetary metric

100

Frequency of target reviews

Every five years

Interim target year

2025

Figure in interim target year

1554402

Target year

2050

Figure in target year

0

Figure in reporting year

1841714

% of target achieved relative to base year [auto-calculated]

11.1371768693041

Aggregation weighting used

<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data

100

Proportion of the temperature score calculated in the reporting year based on company targets

<Not Applicable>

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science-based target initiative in the next two years

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

This is because listed stocks and corporate bonds subject to reduction targets under the Net Zero Asset Owners Alliance are included, and the calculation method for GHG emissions has not been determined, and sovereign bonds and unlisted stocks are not included.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Net-zero target(s)

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Target year for achieving net zero

2050

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Please explain target coverage and identify any exclusions

This data includes domestic and overseas group companies. This target is currently being reviewed by the Science Based Targets initiative, but met all of the following criteria;

- the % of emissions in scope are 70% or higher,
- targets must cover both scope 1 and 2 emissions,
- has a medium time frame (target year is between 5 and 15 years more than the "Start year" inclusive),
- has a long time frame (target year is after 15 years more than the "Start year"),
- the targets meet at least a 2.1% year-on year emissions reductions between base year and target year.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Unsure

Planned milestones and/or near-term investments for neutralization at target year

<Not Applicable>

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	13	0
To be implemented*	17	250
Implementation commenced*	0	0
Implemented*	28	11564
Not to be implemented	4	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

5271

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

19806077

Investment required (unit currency – as specified in C0.4)

850946900

Payback period

16-20 years

Estimated lifetime of the initiative

16-20 years

Comment

Initiative category & Initiative type

Low-carbon energy consumption	Hydropower (capacity unknown)
-------------------------------	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

6293

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

62106444

Payback period

No payback

Estimated lifetime of the initiative

<1 year

Comment

Additional cost is calculated by 4.5JPY/kwh x(multiplied) 13,801,432kwh

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Dedicated budget for energy efficiency "Top Management Review Meeting" is held annually to monitor and review the group's progress and status regarding climate change for Sampo Holdings. At the meeting, the Group CSO received regular updates regarding on our GHG footprints and the results of the activities to adapt and mitigate climate change from Sustainable Management Dept. also receives direct orders from Group CSO regarding the company wide strategy to diminish our carbon footprint in the course of our business activities.

C-FS4.5

(C-FS4.5) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of climate change?

Yes

C-FS4.5a

(C-FS4.5a) Provide details of your existing products and services that enable clients to mitigate and/or adapt to climate change, including any taxonomy used to classify the products(s).

Product type/Asset class/Line of business

Insurance	Motor
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Taxonomy or methodology used to classify product

Externally classified using other taxonomy or methodology, please specify (ISO14024. "Eco Mark" is certified by the Japan Environment Association, and our automobile insurance "THE KURUMANO HOKEN " and "SGP" have been certified with the Eco Mark as products that have a low environmental impact throughout their life cycle.)

Description of product

Web Agreement; Web Agreement is a service in which customers who have made into insurance contracts can view their insurance agreement on their computer over the internet. Customers can reduce paper usage by choosing Web Agreement. A portion of the cost reduced is used as capital for the Save Japan Project, an initiative that protects the domestic natural environment and works towards creating a sustainable society while bearing in mind about developing the next generation. In FY 2022, Web Agreement saved approximately 438 ton of paper, which is calculated as an estimated 666 t -CO2 reduction.

Product enables clients to mitigate and/or adapt to climate change

Mitigation

Portfolio value (unit currency – as specified in C0.4)

54568000000

% of total portfolio value

94

Type of activity financed/insured or provided

Paperless/digital service

Product type/Asset class/Line of business

Investing	Mutual funds
-----------	--------------

Taxonomy or methodology used to classify product

Externally classified using other taxonomy or methodology, please specify (Comprehensive Guidelines for Supervision of Financial Instruments Business Operators by Financial Service Agency in Japan)

Description of product

Since 1999, Sampo Asset Management has operated the Sampo Japan Green Open (Buna no Mori), which invests in companies that actively address environmental issues, referring to the Green Investment Guidance. We have a dialogue with companies and they have a chance to mitigate and/or adapt to climate change. The fund uses a combination of positive screening and valuation analysis for E.

Product enables clients to mitigate and/or adapt to climate change

Mitigation

Portfolio value (unit currency – as specified in C0.4)

32729000000

% of total portfolio value

1

Type of activity financed/insured or provided

Green buildings and equipment
Low-emission transport
Renewable energy
Carbon removal

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, other structural change, please specify (Establishment of subsidiary)

Name of organization(s) acquired, divested from, or merged with

Establishment of Sompo Light Vortex, Inc. for Digital Business

Details of structural change(s), including completion dates

Sompo Holdings, Inc. established a new subsidiary on July 2021, SOMPO Light Vortex, Inc., to expand sales of digital solutions to outside parties in the future and set "creation of new customer value" as one of its primary strategies in its Mid-Term Management Plan (FY2021-2023). The purpose of it is to plan, develop, and sell products and services using digital technology. In terms of emission data, we did not collect data in 2021 because it was just established, but we collected the data from 2022. However, there was only one base and about 20 employees, so the impact for the data of entire group is very limited.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	Yes	Scope 2, market-based Scope 3	Base year and past year emissions are recalculated when the amount of increase or decrease in emissions resulting from the following changes is 0.5% or more of the emissions in the base year and past year. - Cases which the calculation target company has changed due to a company merger, etc. (involving both an increase and a decrease) - When the calculation method such as the emission factor used in the calculation has been changed. Due to improved calculation accuracy, base year data was newly obtained and organized, and its impact exceeded 0.5% of the base year emissions, so the base year emissions were recalculated.	Yes

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

37265

Comment

Scope 2 (location-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 2 (market-based)

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

160496

Comment

Scope 3 category 1: Purchased goods and services

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

16392

Comment

Scope 3 category 2: Capital goods

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

50187

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

32843

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

16609

Comment

Scope 3 category 5: Waste generated in operations

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

13644

Comment

Scope 3 category 6: Business travel

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

21894

Comment

Scope 3 category 7: Employee commuting

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

16757

Comment

Scope 3 category 8: Upstream leased assets

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 10: Processing of sold products

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 11: Use of sold products

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 13: Downstream leased assets

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

0

Comment

Scope 3 category 14: Franchises

Base year start

April 1 2017

Base year end

March 31 2018

Base year emissions (metric tons CO2e)

0

Comment

Activity volume: Energy consumption was calculated based on the number of franchisees and the energy consumption per typical office building of our group companies.
Emission factor: We mainly used data from the "List of Emission Factors" provided by the Ministry of the Environment's "Greenhouse Gas Emissions Calculation, Reporting, and Publication System.

Calculation method: CO2 emissions were calculated by multiplying the amount of energy by the emission factor.

Insurance sales agents do not fall under the category of franchise in the strict sense of the term. Therefore, the number of franchisees is zero, resulting in zero emissions in this category.

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

28209

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

121662

Scope 2, market-based (if applicable)

116611

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

12893

Emissions calculation methodology

Average data method

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Activity data: The volume of purchased goods and services in the reporting year was calculated from the financial data. Activities that correspond to this category are as follows; Use of paper, Printing, Water supply, Sewerage, Use of PC server.

Emissions factor: We mainly applied data from the "Emissions intensity database for calculating corporate supply chain greenhouse gas emissions (Ver.3.3)" created by Japan Ministry of the Environment and Ministry of Economy, Trade and Industry.

Methodology: We calculated CO2 emissions by multiplying the volume of purchased goods and services and the emissions factor.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

19890

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Activity data: The volume of capital goods (New construction of buildings) in the reporting year was calculated from the financial data.

Emissions factor: We mainly applied data from the "Emissions intensity database for calculating corporate supply chain greenhouse gas emissions (Ver.3.3)" created by Japan Ministry of the Environment and Ministry of Economy, Trade and Industry.

Methodology: We calculated CO2 emissions by multiplying the volume of capital goods and the emissions factor.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

27741

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Activity data: The annual energy consumption in the reporting year was compiled on the basis of data from internal systems.

Emissions factor: We mainly applied data from the "Emissions intensity database for calculating corporate supply chain greenhouse gas emissions (Ver.3.3)" created by Japan Ministry of the Environment and Ministry of Economy, Trade and Industry.

Methodology: We calculated CO2 emissions by multiplying Fuel, Electricity and Steam consumption and the emissions factor.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

11207

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Activity data: The volume of Upstream transportation and distribution in the reporting year was calculated from the financial data.

Emissions factor: We mainly applied data from "Default emission factor based on Act on Promotion of Global Warming" and "Emissions intensity database for calculating corporate supply chain greenhouse gas emissions (Ver.3.3)" created by Japan Ministry of the Environment and Ministry of Economy, Trade and Industry.

Methodology: We calculated CO2 emissions by multiplying the volume of upstream transportation and distribution and the emissions factor.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

15192

Emissions calculation methodology

Average data method

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Activity data: The amount of waste by type in the reporting year was estimated from figures of some domestic business sites as sample.

Emission factor: We mainly applied data from "the basic database of Carbon Footprint Communication Program conducted by Japanese government and JEMAI (Japan Environmental Management Association for Industry)" and "Emissions intensity database for calculating corporate supply chain greenhouse gas emissions (Ver. 3.3)" created by Japan Ministry of the Environment and Ministry of Economy, Trade and Industry".

Methodology: We calculated CO2 emissions by multiplying the amount of waste by type and the emissions factors by treatment method.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

15305

Emissions calculation methodology

Average data method

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Activity data: The distance of business travel in the reporting year was calculated from the data on the internal systems. And the volume of business travel (train, super express, bus, taxi, car rental, airplane, ship, staying at the hotel) in the reporting year was calculated from the financial data.

Emissions factor: Mainly data from the "LCI Database IDEAv2 (for calculating supply chain greenhouse gas emissions) (version updated on March 16, 2020) and Data from "Guidelines for Calculating Greenhouse Gas Emissions for Carbon Offsetting (Ministry of the Environment)" and "Database on Greenhouse Gas Emissions in Supply Chains of Companies (Ver. 3.3) (Ministry of the Environment and Ministry of Economy, Trade and Industry)" were used.

Methodology: We calculated CO2 emissions by multiplying the amount of business travel (distance and amount) by an emission factor

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

12395

Emissions calculation methodology

Average data method

Other, please specify (Guideline: Ministry of the Environment "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains (ver. 2.5))

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Activity data: Employee commuting costs (train, bus, private car, and ship) in the reporting year was calculated from the financial data.

Emission factor: We mainly used data from the "List of Calculation Methods and Emission Factors in the System for Calculation, Reporting, and Publication of Greenhouse Gas Emissions" (Ministry of the Environment) and the "Database on Greenhouse Gas Emissions in the Supply Chain of Companies (Ver. 3.3)" (Ministry of the Environment and Ministry of Economy, Trade and Industry).

Methodology: CO2 emissions were calculated by multiplying the commuting costs by an emission factor.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Activity data;

Upstream leased assets are copy machine and commercial vehicles. For this reason, the emissions associated with the operation of the leased assets used by the company are calculated as Scope 1 and 2. (Compliant with the calculation report publication system of the Ministry of the Environment of Japan and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3 emission calculation standard))

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This category does not apply because the Company bears all shipping costs for sending documents to customers, etc., which falls under the category of "Upstream transportation and distribution".

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This category is not applicable because the Company does not manufacture or sell products requiring intermediate processing.

Use of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This category is not applicable because the Company does not manufacture or sell products that use energy directly or indirectly when used.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This category is not applicable because we do not sell manufactured products.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Energy related to leased properties (energy used by tenants) falls under this category, but we have no applicable activity volume because we combine it into Scope 1 and 2.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Insurance agencies do not qualify as franchises in the strict sense of the term. Therefore, there is no volume of activity that falls under this category.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

3.1e-8

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

144820

Metric denominator

unit total revenue

Metric denominator: Unit total

4607134000000

Scope 2 figure used

Market-based

% change from previous year

10.8

Direction of change

Decreased

Reason(s) for change

Other emissions reduction activities

Please explain

Scope 1+2 decreased by about 1.4% due to mitigation activities such as purchasing renewable energy and switching to LED lighting. On the other hand, profit in 2022 increased by about 10.5%.

Due to the recalculation of Scope 1 and 2 for FY2021, last year's intensity was also revised.

(Scope 1+2:146,914tCO2e) / (Metric denominator : 4,167,496,000,000JPY) = 0.000000035 t-CO2e / JPY

Intensity figure

2.3

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

144820

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

61696

Scope 2 figure used

Market-based

% change from previous year

1.1

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Please explain

Scope 1+2 decreased by 1.4% due to mitigation activities such as purchasing renewable energy and switching to LED lighting. The number of FTE employees in FY2022 was almost the same as in the previous year (decrease of 0.3%).

Due to the recalculation of Scope 1 and 2 for FY2021, last year's intensity was also revised.

(Scope 1+2:146,914tCO2e) / (Metric denominator : 61,899FTE) = 2.4 t-CO2e /FTE

C7. Emissions breakdowns

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Yes

C7.7a

(C7.7a) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Subsidiary name

Sompo Japan Insurance Inc.

Primary activity

Insurance

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

8889

Scope 2, location-based emissions (metric tons CO2e)

39404

Scope 2, market-based emissions (metric tons CO2e)

37633

Comment

Subsidiary name

SAISON AUTOMOBILE&FIRE INSURANCE CO.,LTD

Primary activity

Insurance

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

369

Scope 2, market-based emissions (metric tons CO2e)

353

Comment

Subsidiary name

Sompo Japan Partners Inc.

Primary activity

Insurance

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

455

Scope 2, location-based emissions (metric tons CO2e)

572

Scope 2, market-based emissions (metric tons CO2e)

582

Comment

Subsidiary name

Sompo Himawari Life Insurance Inc.

Primary activity

Insurance

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

696

Scope 2, location-based emissions (metric tons CO2e)

1995

Scope 2, market-based emissions (metric tons CO2e)

2729

Comment

Subsidiary name

Sompo Risk Management Inc.

Primary activity

Insurance

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

41

Scope 2, market-based emissions (metric tons CO2e)

46

Comment

Subsidiary name

Sompo Health Support Inc.

Primary activity

Health care services

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

106

Scope 2, market-based emissions (metric tons CO2e)

107

Comment

Subsidiary name

Sompo Asset Management Co.,Ltd.

Primary activity

Asset managers

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

53

Scope 2, market-based emissions (metric tons CO2e)

56

Comment

Subsidiary name

Sompo Japan DC Securities Inc.

Primary activity

Other financial

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

67

Scope 2, market-based emissions (metric tons CO2e)

124

Comment

Subsidiary name

Sompo Care Inc.

Primary activity

Health care services

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

10302

Scope 2, location-based emissions (metric tons CO2e)

69362

Scope 2, market-based emissions (metric tons CO2e)

70617

Comment

Subsidiary name

Sompo Warranty Inc.

Primary activity

Other financial

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

73

Scope 2, market-based emissions (metric tons CO2e)

77

Comment

Subsidiary name

Sompo International Holding, Inc.

Primary activity

Insurance

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

7867

Scope 2, location-based emissions (metric tons CO2e)

4288

Scope 2, market-based emissions (metric tons CO2e)**Comment**

Since overseas subsidiaries are integrated into SIH, only SIH is answered.

C7.9**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

C7.9a**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	6293	Decreased	4.3	Sompo Japan Insurance has successfully reduced its Scope2 emissions by 6,293t-CO2e in FY2022 by expanding the use of renewable energy. [Calculation method] 4.3% = (CO2 emission reduction by use of renewable energy in FY2022: 6,293t-CO2e) / (Scope 1+2 emissions in FY2021: 144,820tCO2e) * 100
Other emissions reduction activities	5271	Decreased	3.6	Sompo Japan Insurance successfully reduced Scope 1 and Scope 2 emissions in FY2022 by 5,271t-CO2e compared to FY2021. [Calculation method] 3.6% = (Reduction activities in FY2022: 5,271t-CO2e) / (Scope 1 + 2 emissions in FY2021: 144,820tCO2e) * 100 Emissions reduction activities are mainly due to the reduction of electricity consumption through energy-saving activities such as the use of LED lighting and high-efficiency air conditioning. Electricity reduction is one of the Group's KPIs in relation to climate change.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions	5163	Increased	3.5	The Sompo Group's Scope 1 and Scope 2 emissions in fiscal 2022 increased by 5,163t-CO2e compared to fiscal 2021. [Calculation method] 3.5% = (FY2022 increase: 5,163t-CO2e) / (FY2021 Scope 1+2 emissions: 144,820tCO2e) * 100 The resumption of face-to-face sales activities, which had been restricted due to the COVID-19 pandemic, led to an increase in employees coming to work and going out, resulting in an increase in energy use, primarily gasoline use.
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

C8. Energy**C8.1****(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	122558	122558
Consumption of purchased or acquired electricity	<Not Applicable>	13806	255528	269333
Consumption of purchased or acquired heat	<Not Applicable>	0	1816	1816
Consumption of purchased or acquired steam	<Not Applicable>	0	8875	8875
Consumption of purchased or acquired cooling	<Not Applicable>	0	15293	15293
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	55	<Not Applicable>	55
Total energy consumption	<Not Applicable>	13860	404069	417929

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Indonesia

Consumption of purchased electricity (MWh)

181

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

181

Country/area

Brazil

Consumption of purchased electricity (MWh)

1636

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1636

Country/area

China

Consumption of purchased electricity (MWh)

671

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

671

Country/area

Germany

Consumption of purchased electricity (MWh)

16

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

16

Country/area

Italy

Consumption of purchased electricity (MWh)

53

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

53

Country/area

Japan

Consumption of purchased electricity (MWh)

258162

Consumption of self-generated electricity (MWh)

80636

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

25984

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

364782

Country/area

Luxembourg

Consumption of purchased electricity (MWh)

19

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

19

Country/area

Malaysia

Consumption of purchased electricity (MWh)

1005

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1005

Country/area

Singapore

Consumption of purchased electricity (MWh)

172

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

172

Country/area

Spain

Consumption of purchased electricity (MWh)

16

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

16

Country/area

Switzerland

Consumption of purchased electricity (MWh)

80

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

80

Country/area

Turkey

Consumption of purchased electricity (MWh)

1263

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1263

Country/area

United States of America

Consumption of purchased electricity (MWh)

5515

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

5515

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)

543

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

543

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CDP-verification-letter-2022_SompoHD_Fixed20230629.pdf

Page/ section reference

Page.2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CDP-verification-letter-2022_SompoHD_Fixed20230629.pdf

Page/ section reference

Page.2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Purchased goods and services

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CDP-verification-letter-2022_SompoHD_Fixed20230629.pdf

Page/section reference

Page.2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CDP-verification-letter-2022_SompoHD_Fixed20230629.pdf

Page/section reference

Page.2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CDP-verification-letter-2022_SompoHD_Fixed20230629.pdf

Page/section reference

Page.2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Waste generated in operations

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CDP-verification-letter-2022_SompoHD_Fixed20230629.pdf

Page/section reference

Page.2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CDP-verification-letter-2022_SompoHD_Fixed20230629.pdf

Page/section reference

Page.2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Employee commuting

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CDP-verification-letter-2022_SompoHD_Fixed20230629.pdf

Page/section reference

Page.2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Investments

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CDP-verification-letter-2022_SompoHD_Fixed20230629.pdf

Page/section reference

Page.2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

Yes

C10.2a**(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?**

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C7. Emissions breakdown	Progress against emissions reduction target	Tokyo Cap and Trade Program	Tokyo Cap and Trade Program applies to 2 buildings of Sompo Japan Insurance. These buildings are verified by third party verification about their GHG emissions every year.

C11. Carbon pricing

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price

Internal fee

How the price is determined

Alignment with the price of allowances under an Emissions Trading Scheme

Objective(s) for implementing this internal carbon price

Change internal behavior
Drive energy efficiency
Drive low-carbon investment
Stakeholder expectations

Scope(s) covered

Scope 1
Scope 2

Pricing approach used – spatial variance

Uniform

Pricing approach used – temporal variance

Static

Indicate how you expect the price to change over time

<Not Applicable>

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

1100

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

1100

Business decision-making processes this internal carbon price is applied to

Operations
Procurement

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for all decision-making processes

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

Internal Carbon Pricing (ICP) will be examined and judged based on a comparative balance after confirming the external price of the Tokyo Cap & Trade Scheme. Investment in energy saving equipment such as high efficiency appliances and LED lighting introduction as well as CO2 reduction effects based on a comparison of installation prices.

Since the purpose of investment in energy saving facilities is not merely to reduce CO2, but also include various effects such as periodic facility renewal, the appropriateness of prices is confirmed for each item.

We use ICP for investment decision making in regard of LED or CO2 efficient facility. Sampo Japan owns at least 150 buildings and using ICP we prioritize which building we should invest first by assessing the each buildings GHG emissions.

We convert estimated GHG emission to a monetary figure by 1,100JPY/tCO2, as uniformed price. By monetizing GHG emissions, priorities are determined based upon the economic rationale compared with the investment amount. In case of a decision to introduce an eco-efficient facility system to Building A on an investment basis, the decision to priorities Building B was made by taking into consideration the effect of CO2 reduction.

In the past, investment decisions were based solely on cost effectiveness calculated based on electricity consumption. By introducing ICP, the estimated carbon credits of Sampo's 2 buildings participating in the Tokyo Cap & Trade Scheme total cost sum up to approx. 31 million JPY (1,100JPY/tCO2 reduction obligation of 2 buildings). There is a payment risk of max. of 31 million JPY but have been complying with the scheme and relevant emission reduction rules. ICP is now included in investment decisions and evaluated from various perspectives. As a result of energy saving efforts in our 2 buildings, we have fully complied with the emission reduction level. In addition, understanding the monetary value of GHG emissions and the impact to society, awareness towards renewable energy have grown internally as an important sustainability issue. As a majority of our domestic business operation is conducted at offices with more than 40,000 employees working, the energy consumption at an office level emits approx. 50% of our GHG emissions. We are now in a process in expanding the implementation of such eco-friendly energy.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

- Yes, our customers/clients
- Yes, our investees
- Yes, other partners in the value chain

C-FS12.1b

(C-FS12.1b) Give details of your climate-related engagement strategy with your clients.

Type of clients

Customers/clients of Insurers

Type of engagement

Engagement & incentivization (changing client behavior)

Details of engagement

Engage with clients on measuring exposure to climate-related risk

Engage with clients and potential clients, particularly those with the most GHG-intensive and GHG-emitting activities, on their decarbonization strategies and net-zero transition pathways

Encourage better climate-related disclosure practices

Encourage clients to set a science-based emissions reduction target

Offer financial incentives for clients who reduce your downstream emissions (Scope 3) and/or exposure to carbon-related assets

% client-related Scope 3 emissions as reported in C-FS14.1a

38.9

Portfolio coverage (total or outstanding)

27.5

Rationale for the coverage of your engagement

Engagement targeted at clients with the highest potential impact on the climate

Impact of engagement, including measures of success

Sompo Group adopted "Sompo Climate Action Plan: (1) Adaptation, 2) Mitigation, and 3) Social Transformation" in May 2021 and announced our long-term goal to achieve net-zero GHG emissions, including investments and insurance underwriting, by FY 2050. Through engagement with global initiatives in investment, financing and insurance underwriting, we aim to participate in rulemaking around the world and provide clear solutions for dialogue with customers by providing cutting-edge information.

Specifically, Sompo Holdings has been participating in an insurance-related emissions working group launched jointly by PCAF and NZIA since November 2021.

Sompo Holdings joined NZAOA in May 2022. We have also updated our ESG investment and underwriting policies and strengthened our engagement to support our customers' green transition to achieve net zero GHG emissions, including underwriting.

We include commercial insurances as our portfolio. Our measure of success is all listed companies have a transition plan by January 2025. Sompo Japan Insurance Inc., which provides P&C insurance, asked 1,622 companies to explain our policies and confirmed their climate change related activities through questionnaire survey in 2022.

Sompo Japan Insurance received responses from 272 companies. In addition, in order to further understand our policies and promote initiatives of each company, we invited 32 companies that responded to the survey to a briefing session to strengthen their efforts. This initiative only started in 2021, and in 2022 target enterprises for engagement has been selected.

And, Sompo Japan held a dialogue with 15 insurance underwriting companies (trading companies, electric power companies, etc.) on transportation of hydrogen and ammonia leading to de-carbonization, risks related to carbon credit transactions and initiatives toward carbon neutrality in 2022. Through this engagement, we developed new insurance products, provided solutions to companies that have issues with scope 3 calculations and Sompo Risk Management Co., Ltd., a Sompo Group company, has decided to participate as a risk advisor in a demonstration experiment of corporate de-carbonization initiatives with a view to formulating a transition plan.

We believe that through our engagement, more companies are developing transition plans than at the outset.

C-FS12.1c

(C-FS12.1c) Give details of your climate-related engagement strategy with your investees.

Type of engagement

Engagement & incentivization (changing investee behavior)

Details of engagement

Support climate-related issues in proxy voting

Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner

Encourage better climate-related disclosure practices among investees

Encourage investees to set a science-based emissions reduction target

% scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

95

Investing (Asset managers) portfolio coverage

80

Investing (Asset owners) portfolio coverage

100

Rationale for the coverage of your engagement

Engagement targeted at investees currently not meeting climate-related policy requirements

Impact of engagement, including measures of success

Sompo Asset Management, Inc., an asset manager, seeks to share mutual awareness and constructive exchanges of views toward resolving issues by placing the common objectives of corporate value enhancement and sustainable growth at the center of dialogue between companies and investors.

First, with regard to the exercise of voting rights, we have included in our guidelines since December 2021 "companies that do not adequately respond to sustainability issues, including social and environmental issues," and we have an engagement with investees before exercising our voting rights. The threshold of engagement is to eliminate sources of undervalued stock prices" and increase corporate value calculated by us", and has set KPIs.

Secondly, we have selected companies that have not disclosed their "mid-term targets for GHG emissions" as targets for engagement, and set the number of company which disclose reduction targets of GHG emissions as a KPI from 2022. We selected 19 companies that did not disclose target settings as priority target companies for climate change engagement, and set a KPI to aim for at least 5 of them to disclose their targets. As a result, 9 companies made disclosures, so we evaluate that the target of engagement has been achieved.

In addition, in fiscal 2022, through research activities conducted by our company analysts, we were able to hold a total of about 2,300 dialogues with companies. In these dialogues, we discuss environmental themes such as environmental management, GHG emission reduction plans, TCFD responses, and measures to reduce environmental impact, and information disclosure such as promotion of ESG information disclosure.

Furthermore, we request ESG-related information disclosure, including holding ESG briefings, review GHG emission targets announced earlier than government targets, and plan to reduce GHG emissions in the medium term, including switching to businesses with lower GHG emissions. As a result of it, one company announced a carbon neutral plan that went further at the timing of its earnings briefing.

As for the major energy companies that we engage with as lead investors, in May 2020 the company set out a vision of achieving carbon neutrality for their own emissions by 2040, but in 2022 it reviewed its carbon neutral plan and announced that it would aim to become carbon neutral by 2050, including Scope3 emissions, in addition to our own emissions.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Sompo Holdings sets material issues and KPIs based on material issues including engagement with stakeholders. Sompo Holdings continues to check the status of each material issue and KPIs. Monitoring material issues and KPIs allows the group to achieve ever-greater nonfinancial performance, while also allowing us to evaluate progress, disclose results and, in turn, promote dialogue and build trust with our stakeholders.

In order to solve social issues such as climate change on a global scale, Sompo Holdings feels the need to collaborate with our stakeholders, especially with our agencies who are important partners in the sales channel. Sompo Holdings encourages its approx. 40,000 agencies through sales promotion in Japan to promote Web Agreement, a service in which customers who have entered into insurance contracts over the internet can view their insurance agreement on their computer. As for promotion, we renewed the agent insurance contract system to easily select the web based insurance clause rather than the paper based insurance clause. Each year we monitor and disclose the result in our annual reporting. We also provide tools such as brochures to encourage our agents to continuously communicate and engage with our customers to join this initiative towards a sustainable society. This initiative started since 2012 and has been awarded several accolades from governmental officials, etc., which also help to engage more and create stronger partnership with our stakeholders. Customers can reduce paper usage by choosing Web Agreement. A portion of the cost reduced is used as capital for the Save Japan Project, an initiative that protects the domestic natural environment and works towards creating a sustainable society while bearing in mind about developing the next generation.

Furthermore, Sompo Japan continues to carry out awareness-raising activities and organizational promotion with other partners in the value chain in order to reduce the environmental impact of the entire value chain and develop community-based environmental conservation activities.

Since 2008, the AIR AUTO Club, an organization of car maintenance agencies, has been developing the voluntary chain group AIR e-Shop 21, which actively engages in environmentally friendly business activities. It has been focusing on efforts to reduce CO2 emissions, such as acquiring ISO 14001, the international standard for the environment, at all stores. In addition, each member has devised its own ways to actively promote the use of recycled parts and reduce power consumption, which are particularly effective in reducing energy consumption in the automobile maintenance. We have steadily reduced CO2 emissions every year, and achieved a reduction of approximately 121 tons in fiscal 2021.

C-FS12.2

(C-FS12.2) Does your organization exercise voting rights as a shareholder on climate-related issues?

	Exercise voting rights as a shareholder on climate-related issues	Primary reason for not exercising voting rights as a shareholder on climate-related issues	Explain why you do not exercise voting rights on climate-related issues
Row 1	Yes	<Not Applicable>	<Not Applicable>

C-FS12.2a

(C-FS12.2a) Provide details of your shareholder voting record on climate-related issues.

Method used to exercise your voting rights as a shareholder

Exercise voting rights directly

How do you ensure your shareholder voting rights are exercised in line with your overall strategy or transition plan?

<Not Applicable>

Percentage of voting disclosed across portfolio

100

Climate-related issues supported in shareholder resolutions

Board oversight of climate-related issues

Do you publicly disclose the rationale behind your voting on climate-related issues?

Yes, for all

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

On page 3, 51, 61 of Sompo group Sustainability Report 2022, it is disclosed that our group is conducting activities based on plans and targets that are consistent with the goals of the Agreement.

(Sustainability Report 2022.pdf)

Sustainability Report 2022.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

The Sompo group has a process to ensure that direct and indirect activities affecting we are consistent with climate change measures. In Mid-Term Management Plan starting from FY 2021, we has set forth "Sompo Climate Action" (Adaptation to Climate Change, Mitigation, and Contribution to Social Transformation) as a priority issue. Responding to climate change is positioned as an important issue, and sustainable management for the entire group is promoted by the Global Executive Committee (4 times a year), which is composed of the CEO of Sompo group and the presidents of group companies, and the Sustainable Management Committee, which is chaired by CSO, who is responsible for corporate planning and sustainability at each group company. Through this committee, we confirm, report, and discuss the alignment with Sompo group strategy.

For example, Sompo group is participating in economic organizations such as the Japan Business Federation (Keidanren) and the Japanese Association of Corporate Executives (chaired by our group CEO), and is promoting activities consistent with the goals of the Paris Agreement. In 2021, we set the Sompo Climate Action in line with the goals of the Paris Agreement. Sompo Climate Action is positioned as one of the important material issues and KPIs that comprehensively identify Sompo's social issues from the perspectives of both importance to management and impact on stakeholders, based on our story of value creation towards the realization of environmental goals as well as international norms such as the United Nations Global Compact and ISO 26000.

However, achieving the targets is difficult with our own GHG emissions. To this end, we have formulated the Sompo Climate Action as a concrete action plan and linked it with the action plans of Group companies.

(Our targets for reducing GHG emissions are a 60% reduction in FY 2030 (compared to FY 2017) and net zero emissions in FY 2050 * Scope 3 for FY 2050 includes investments.)

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (Japan Association of Corporate Executives)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The Japan Association of Corporate Executives (Chairman: CEO of Sampo Holdings, Inc.) released on July 29, 2021, a policy proposal that calls for achieving a 40% renewable energy ratio in Japan's energy mix in 2030. Similarly, we have also set a goal of increasing the introduction rate of renewable energy to 70% or more by fiscal 2030. Furthermore, our company and the association share the position of focusing on partnerships between companies and NPOs/NGOs. For example, the Sampo Environment Foundation has a "CSO Learning Program" for internships with environmental NPOs/NGOs, and has run "Public Seminars on the Environment" together with environmental NPOs/NGOs. In the same way, the association supports NPOs and NGOs in Japan and overseas that are engaged in nature conservation. And, we support NPOs/NGOs through the association. In fiscal 2022, we will participate in matching with NPOs/NGOs and make donations to support NPO/NGOs through the association. Like this, our positions promoting renewable energy and supporting NPO/NGOs to advance climate change initiatives are same, and we have actions to influence the position of the association.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

220000

Describe the aim of your organization's funding

The aim is to cooperate and promote the association's activities related to climate-related issue like introducing renewable energy and building partnerships with environmental NPOs/NGOs.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

C12.4 2022q4_report.pdf

Page/Section reference

Governance: Page 25-32

Strategy: Page 25-32

Risks and Opportunities: Page 25-32

Indicators and targets: Page 32

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

Publication

In mainstream reports, in line with the CDSB framework (as amended to incorporate the TCFD recommendations)

Status

Underway – previous year attached

Attach the document

annual report 2022.pdf

Page/Section reference

Governance: Page 96-101

Strategy: Page 59, 64,-65,101

Risks and Opportunities: Page 59-65

Emission figure: Page 65

Emission target: Page 64-65

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1 CDP Signatory Climate Action 100+ Glasgow Financial Alliance for Net Zero (GFANZ) Montreal Pledge Net Zero Asset Managers initiative Net Zero Asset Owner Alliance Partnership for Carbon Accounting Financials (PCAF) Principle for Responsible Investment (PRI) Science-Based Targets Initiative for Financial Institutions (SBTI-FI) UN Global Compact UNEP FI UNEP FI Principles for Sustainable Insurance World Business Council for Sustainable Development (WBCSD)	< PCAF > Sampo Group has been participating in PCAF's Insured Associated Emissions Working Group (Working group to develop international standards for measurement and disclosure of GHG emissions through underwriting), which was established by PCAF with NZIA, since November 2021. We contribute to measure and disclose GHG emissions in insurance by working to develop international standards, and PCAF published a consultation on methods for future measurement and disclosure through our contribution to working group. And, we has begun working with customers to achieve a green transition by changing its ESG underwriting and lending policies. <SBTI-FI> From FY2021, we announced a greenhouse gas emission reduction policy, which aims to achieve net zero by 2050. We are working toward a goal of 60% reduction in 2030 (compared to 2017) by promoting measures such as switching to renewable energy as a source of over 70% of electricity used by the Group.

C14. Portfolio Impact

C-FS14.0

(C-FS14.0) For each portfolio activity, state the value of your financing and insurance of carbon-related assets in the reporting year.

Investing in all carbon-related assets (Asset manager)

Are you able to report a value for the carbon-related assets?

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

2100000000

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

2.4

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

<Not Applicable>

Details of calculation

Target assets are listed equities and bonds, and the carbon-related assets classification refers to the "Energy Sector" and "Utility Sector (excluding renewable energy related)" in the GICS classification. (1USD=100yen)

Investing in coal (Asset manager)

Are you able to report a value for the carbon-related assets?

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

0

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

0

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

<Not Applicable>

Details of calculation

Target assets are listed equities and bonds, and the coal classification refers to sub-industries (industry subgroups) in the GICS classification.

Investing in oil and gas (Asset manager)

Are you able to report a value for the carbon-related assets?

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

5880000000

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

0.7

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

<Not Applicable>

Details of calculation

Target assets are listed equities and bonds, and the oil and gas classification refers to sub-industries (industry subgroups) in the GICS classification. (1USD=100yen)

Investing all carbon-related assets (Asset owner)

Are you able to report a value for the carbon-related assets?

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

137565000000

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

1.6

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

<Not Applicable>

Details of calculation

Target assets are listed equities and bonds, and the carbon-related assets classification refers to the "Energy Sector" and "Utility Sector (excluding renewable energy related)" in the GICS classification.

Investing in coal (Asset owner)**Are you able to report a value for the carbon-related assets?**

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

0

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

0

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

<Not Applicable>

Details of calculation

Target assets are listed equities and bonds, and the coal classification refers to sub-industries (industry subgroups) in the GICS classification.

Investing in oil and gas (Asset owner)**Are you able to report a value for the carbon-related assets?**

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

57638000000

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

0.5

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

<Not Applicable>

Details of calculation

Target assets are listed equities and bonds, and the oil and gas classification refers to sub-industries (industry subgroups) in the GICS classification.

Insuring all carbon-related assets**Are you able to report a value for the carbon-related assets?**

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

3305242000

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

3305242000

Percentage of portfolio value comprised of carbon-related assets in reporting year

1.4

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

<Not Applicable>

Details of calculation

For the calculation method, the denominator is a written premium of companies that can calculate the GHG emissions of Insurance Associated Emissions (IAE) among our corporate contracts, and the numerator is a written premium of companies classified as sectors of electricity, gas and mining according to the Japan Standard Industrial Classification.

Insuring coal

Are you able to report a value for the carbon-related assets?

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

383282000

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

383282000

Percentage of portfolio value comprised of carbon-related assets in reporting year

0.2

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

<Not Applicable>

Details of calculation

For the calculation method, the denominator is a written premium of companies that can calculate the GHG emissions of Insurance Associated Emissions (IAE) among our corporate contracts, and the numerator is a written premium of companies classified as a sector of mining according to the Japan Standard Industrial Classification.

Insuring oil and gas

Are you able to report a value for the carbon-related assets?

Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

2921960000

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

2921960000

Percentage of portfolio value comprised of carbon-related assets in reporting year

1.2

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

<Not Applicable>

Details of calculation

For the calculation method, the denominator is a written premium of companies that can calculate the GHG emissions of Insurance Associated Emissions (IAE) among our corporate contracts, and the numerator is a written premium of companies classified as sectors of electricity and gas according to the Japan Standard Industrial Classification.

C-FS14.1

(C-FS14.1) Does your organization measure its portfolio impact on the climate?

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Please explain why you do not measure the impact of your portfolio on the climate
Banking (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	Portfolio emissions Other carbon footprinting and/or exposure metrics (as defined by TCFD)	<Not Applicable>
Investing (Asset owner)	Yes	Portfolio emissions Other carbon footprinting and/or exposure metrics (as defined by TCFD)	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	Portfolio emissions	<Not Applicable>

C-FS14.1a

(C-FS14.1a) Provide details of your organization's portfolio emissions in the reporting year.

Investing (Asset manager)

Portfolio emissions (metric unit tons CO2e) in the reporting year

1086656

Portfolio coverage

100

Percentage calculated using data obtained from clients/investees

100

Emissions calculation methodology

The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation

Included listed equities for which the PCAF WG has established a methodology for calculating GHG emissions.

Investing (Asset owner)

Portfolio emissions (metric unit tons CO2e) in the reporting year

1841714

Portfolio coverage

100

Percentage calculated using data obtained from clients/investees

100

Emissions calculation methodology

The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation

Included listed equities and corporate bonds for which the PCAF WG has established a methodology for calculating GHG emissions.

Insurance underwriting (Insurance)

Portfolio emissions (metric unit tons CO2e) in the reporting year

218345

Portfolio coverage

27.5

Percentage calculated using data obtained from clients/investees

100

Emissions calculation methodology

The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation

Includes commercial insurance and reinsurance of listed companies for which the PCAF WG has established a methodology for calculating GHG emissions.

C-FS14.1b

(C-FS14.1b) Provide details of the other carbon footprinting and/or exposure metrics used to track the impact of your portfolio on the climate.

Portfolio

Investing (asset manager)

Portfolio metric

Weighted average carbon intensity (tCO2e/Million revenue)

Metric value in the reporting year

126.4

Portfolio coverage

100

Percentage calculated using data obtained from clients/investees

100

Calculation methodology

Sompo group adopted WACI because WACI is a weighted average of a company's GHG emissions per unit of sales according to the percentage of the investor's portfolio, and it can identify companies with high GHG emissions per unit of production. TCFD also encourages investors to use WACI because it is a reliable indicator that many investors use.

We uses WACI to identify companies and sectors that could potentially generate significant emissions in the future and target them for priority engagement enhancements. As a result, we was able to identify some of the power sectors with small holdings as high emission sectors.

Portfolio

Investing (asset owner)

Portfolio metric

Weighted average carbon intensity (tCO2e/Million revenue)

Metric value in the reporting year

125.05

Portfolio coverage

100

Percentage calculated using data obtained from clients/investees

100

Calculation methodology

Sompo group adopted WACI because WACI is a weighted average of a company's GHG emissions per unit of sales according to the percentage of the investor's portfolio, and it can identify companies with high GHG emissions per unit of production. TCFD also encourages investors to use WACI because it is a reliable indicator that many investors use.

We uses WACI to identify companies and sectors that could potentially generate significant emissions in the future and target them for priority engagement enhancements. As a result, we was able to identify some of the power sectors with small holdings as high emission sectors.

C-FS14.2

(C-FS14.2) Are you able to provide a breakdown of your organization's portfolio impact?

	Portfolio breakdown	Please explain why you do not provide a breakdown of your portfolio impact
Row 1	Yes, by asset class	<Not Applicable>

C-FS14.2a

(C-FS14.2a) Break down your organization's portfolio impact by asset class.

Asset class	Portfolio metric	Portfolio emissions or alternative metric
Investing Listed Equity	Absolute portfolio emissions (tCO2e)	931821
Investing Corporate Bonds	Absolute portfolio emissions (tCO2e)	909893
Insurance Property & Casualty	Absolute portfolio emissions (tCO2e)	218344

C-FS14.3

(C-FS14.3) Did your organization take any actions in the reporting year to align your portfolio with a 1.5°C world?

	Actions taken to align our portfolio with a 1.5°C world	Briefly explain the actions you have taken to align your portfolio with a 1.5-degree world	Please explain why you have not taken any action to align your portfolio with a 1.5°C world
Banking (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes	In January 2022, Sompo Asset Management joined the NZAM, an international initiative by asset management companies aiming to achieve net zero greenhouse gas emissions by 2050, which is necessary to keep global temperature rise below 1.5 degrees. Through participation in the initiative, we are aiming for net zero by 2050, and in November 2022, we set an interim goal of reducing GHG emissions by 50% compared to 2019 by 2030, targeting 40% of assets under management to align our portfolio with a 1.5°C world. Furthermore, in addition to measuring the GHG emissions of our investment portfolio, we use scenario analysis tools such as ITR (Implied Temperature Rise) to assess the extent to which the climate change initiatives and business strategies of our investees are aligned with the 1.5°C target.	<Not Applicable>
Investing (Asset owner)	Yes	In May 2022, Sompo Holdings joined the NZAOA, an international initiative by asset owners companies aiming to achieve net zero greenhouse gas emissions by 2050, which is necessary to keep global temperature rise below 1.5 degrees. Through participation in the initiative, we are aiming for net zero by 2050, and in May 2022, we set an interim goal of reducing GHG emissions of investments and loans by 25% by 2025 (compared to 2019 levels), and we strengthened investee and borrower company policies to align our portfolio with a 1.5°C world in June 2022. For example, we will not make new investments in or loans for new or existing coal power plants or thermal coal mine projects and for oil and gas extraction projects in the oil sands or the Arctic National Wildlife Refuge (ANWR). Furthermore, in addition to measuring the GHG emissions of our investment portfolio, we use scenario analysis tools such as ITR (Implied Temperature Rise) to assess the extent to which the climate change initiatives and business strategies of our investees are aligned with the 1.5°C target.	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	In June 2022, Sompo Holdings joined the NZIA an international initiative by Insurance companies aiming to achieve net zero greenhouse gas emissions by 2050, which is necessary to keep global temperature rise below 1.5 degrees. Through participation in the initiative, we are aiming for net zero by 2050, and strengthened underwriting policies to align our portfolio with a 1.5°C world. For example, we will not underwrite new insurance for new or existing coal power plants or thermal coal mine projects and for oil and gas extraction projects in the oil sands or the Arctic National Wildlife Refuge (ANWR). Furthermore, in addition to measuring the GHG emissions of our investment portfolio, we use scenario analysis tools such as ITR (Implied Temperature Rise) to assess the extent to which the climate change initiatives and business strategies of our investees are aligned with the 1.5°C target.	<Not Applicable>

C-FS14.3a

(C-FS14.3a) Does your organization assess if your clients/investees' business strategies are aligned with a 1.5°C world?

	Assessment of alignment of clients/investees' strategies with a 1.5°C world	Please explain why you are not assessing if your clients/investees' business strategies are aligned with a 1.5°C world
Banking (Bank)	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	Yes, for all	<Not Applicable>
Investing (Asset owner)	Yes, for all	<Not Applicable>
Insurance underwriting (Insurance company)	Yes, for all	<Not Applicable>

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, executive management-level responsibility	In 1992, we became the first financial institution to set up a specific department to control global environmental issues. Also in 1992, our CEO participated Rio Earth Summit as head of Keidanren (Japan Business Federation) delegation. Inspired by international NGO leaders, we introduced the importance of collaboration with NGOs to Japanese business community. In the same year, Keidanren Committee on Nature Conservation (KCNC) was established. Our CEO became the first Chairman and made effort to found Keidanren Nature Conservation Fund. This fund is a scheme to let business contribute to NGO led nature conservation projects mainly located in developing countries in Asia. KCNC became the first business sector member of IUCN in 1996. KCNC delegation started participating CBD COP from COP9 in Bonn, Germany, and since COP11 in Hyderabad, India, our chairman is the head of Keidanren delegation. Through these International conference, we actively collect latest trends in nature related issues, and disseminate Japanese business actions and contributions to nature.	Risks and opportunities to our own operations

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to not explore or develop in legally designated protected areas Commitment to respect legally designated protected areas Commitment to no conversion of High Conservation Value areas Commitment to no trade of CITES listed species	CBD – Global Biodiversity Framework SDG Other, please specify (TNFD Forum, Environmental Foundation, WBCSD, UNEP FI Nature-positive Insurance White Paper Workshop, Business for Nature Call to Action, Business for Nature Strategic Advisory Group, 30 by 30 Alliance led by Ministry of Environment Japan)

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Direct operations

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

Other, please specify (How many endangered species have an impact on our activity.)

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

We have over 10 years of history supporting biodiversity conservation projects in Japan through the Save Japan Project which started in 2011, in partnership with Japan NPO Center. We ask our customers to consider choosing web-based policies or terms and conditions when they purchase automobile insurance and using recycled parts for vehicle accident repairs. The cost savings are used to fund biodiversity conservation projects. This project aims to raise awareness of biodiversity conservation among civil society through partnerships between the private sector and environmental NPOs working to create an environment where we can live in harmony with nature. It started right after the adoption of the Aichi Targets at the 10th Conference of the Parties to CBD in Nagoya, Japan, in 2010. We have succeeded in conserving 300+ endangered species across the nation with a total of 62,000+ multi-stakeholders' participation. Starting 2023, we will support projects that contribute to 30 by 30, such as Eco-DRR (Ecosystem-based Disaster Risk Reduction) and OECMs (Other Effective Area-based Conservation Measures) to meet the targets adopted in COP 15.

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Species management Education & awareness Other, please specify (Participation in Business for Nature's strategic advisory group, holding of environmental courses on biodiversity for citizens, forest improvement activities in cooperation with six municipalities, and nationwide development of the SAVE JAPAN Project)

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	State and benefit indicators

C15.7

(C15.7) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In mainstream financial reports	Governance Risks and opportunities	P.31, 35 : Listed biodiversity loss as an emerging risk in securities reports. C12.4 2022q4_report.pdf
In voluntary sustainability report or other voluntary communications	Governance Risks and opportunities	P.59 : Listed biodiversity loss as an emerging risk in sustainability reports. Sustainability Report 2022.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Group CSuO (Chief Sustainability Officer), Senior Vice President and Executive Officer	Chief Sustainability Officer (CSO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company’s annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Please select	

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

FW-FS Forests and Water Security (FS only)

FW-FS1.1

(FW-FS1.1) Is there board-level oversight of forests- and/or water-related issues within your organization?

	Board-level oversight of this issue area	Explain why your organization does not have board-level oversight of this issue area and any plans to address this in the future
Forests	No, but we plan to within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the Taskforce on Climate-related Financial Disclosures (TNFD) Forum, which reviews trends in our relationship as a financial institution.
Water	No, but we plan to within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS1.1c

(FW-FS1.1c) Does your organization have at least one board member with competence on forests- and/or water-related issues?

Forests

Board member(s) have competence on this issue area

No, but we plan to address this within the next two years

Criteria used to assess competence of board member(s) on this issue area

<Not Applicable>

Primary reason for no board-level competence on this issue area

Other, please specify (Sompo group implements to set a target and reduce for GHG emissions from climate change investments and insurance. In the area of biodiversity, we are participating in the TNFD Forum to confirm future trends such as methodologies.)

Explain why your organization does not have at least one board member with competence on this issue area and any plans to address this in the future

Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

Water

Board member(s) have competence on this issue area

No, but we plan to address this within the next two years

Criteria used to assess competence of board member(s) on this issue area

<Not Applicable>

Primary reason for no board-level competence on this issue area

Other, please specify (Sompo group implements to set a target and reduce for GHG emissions from climate change investments and insurance. In the area of biodiversity, we are participating in the TNFD Forum to confirm future trends such as methodologies.)

Explain why your organization does not have at least one board member with competence on this issue area and any plans to address this in the future

Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS1.2

(FW-FS1.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests- and/or water-related issues.

Position or committee

Chief Sustainability Officer (CSO)

Issue area(s)

Forests

Water

Forests- and/or water-related responsibilities of this position

Assessing forests- and/or water-related risks and opportunities

Coverage of responsibilities

Risks and opportunities related to our investing (asset management) activities

Risks and opportunities related to our investing (asset ownership) activities

Risks and opportunities related to our insurance underwriting activities

Reporting line

Reports to the Board directly

Frequency of reporting to the board on forests- and/or water-related issues via this reporting line

As important matters arise

Please explain

FW-FS2.1

(FW-FS2.1) Do you assess your portfolio's exposure to forests- and/or water-related risks and opportunities?

	We assess our portfolio's exposure to this issue area	Explain why your portfolio's exposure is not assessed for this issue area and any plans to address this in the future
Banking – Forests exposure	<Not Applicable>	<Not Applicable>
Banking – Water exposure	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Forests exposure	No, but we plan to within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (Asset manager) – Water exposure	No, but we plan to within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (Asset owner) – Forests exposure	No, but we plan to within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (Asset owner) – Water exposure	No, but we plan to within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Insurance underwriting – Forests exposure	No, but we plan to within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Insurance underwriting – Water exposure	No, but we plan to within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS2.2

(FW-FS2.2) Does your organization consider forests- and/or water-related information about clients/investees as part of its due diligence and/or risk assessment process?

	We consider forests- and/or water-related information	Explain why information related to this issue area is not considered and any plans to address this in the future
Banking – Forests-related information	<Not Applicable>	<Not Applicable>
Banking – Water-related information	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Forests-related information	No, but we plan to do so within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (Asset manager) – Water-related information	No, but we plan to do so within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (Asset owner) – Forests-related information	Yes	<Not Applicable>
Investing (Asset owner) – Water-related information	Yes	<Not Applicable>
Insurance underwriting – Forests-related information	Yes	<Not Applicable>
Insurance underwriting – Water-related information	Yes	<Not Applicable>

FW-FS2.2a

(FW-FS2.2a) Indicate the forests- and/or water-related information your organization considers about clients/investees as part of your due diligence and/or risk assessment process, and how this influences decision making.

	Type of information considered	Process through which information is obtained	Industry sector(s) covered by due diligence and/or risk assessment process	State how these forests- and/or water-related information influences your decision making
Banking – Forests-related information	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Banking – Water-related information	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Forests-related information	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Water-related information	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

	Type of information considered	Process through which information is obtained	Industry sector(s) covered by due diligence and/or risk assessment process	State how these forests- and/or water-related information influences your decision making
Investing (Asset owner) – Forests-related information	Other, please specify (The location of projects)	Directly from the client/investee From an intermediary or business partner Public data sources	Energy Materials Capital Goods Commercial & Professional Services Transportation Automobiles & Components Consumer Durables & Apparel Consumer Services Retailing Food & Staples Retailing Food, Beverage & Tobacco Household & Personal Products Health Care Equipment & Services Pharmaceuticals, Biotechnology & Life Sciences Software & Services Technology Hardware & Equipment Semiconductors & Semiconductor Equipment Telecommunication Services Media & Entertainment Utilities Real Estate	Sompo Japan identifies projects which have potentially negative environmental impact. For example, we describes projects with negative impact on UNESCO World Heritage Sites and projects with negative impact on Ramsar-listed wetlands as sensitive projects, and if there are information related to forest and water in these projects, we evaluates the risks, and responds appropriately whether we insure and invest in them.
Investing (Asset owner) – Water-related information	Other, please specify (The location of projects)	Directly from the client/investee From an intermediary or business partner Public data sources	Energy Materials Capital Goods Commercial & Professional Services Transportation Automobiles & Components Consumer Durables & Apparel Consumer Services Retailing Food & Staples Retailing Food, Beverage & Tobacco Household & Personal Products Health Care Equipment & Services Pharmaceuticals, Biotechnology & Life Sciences Software & Services Technology Hardware & Equipment Semiconductors & Semiconductor Equipment Telecommunication Services Media & Entertainment Utilities Real Estate	Sompo Japan identifies projects which have potentially negative environmental impact. For example, we describes projects with negative impact on UNESCO World Heritage Sites and projects with negative impact on Ramsar-listed wetlands as sensitive projects, and if there are information related to forest and water in these projects, we evaluates the risks, and responds appropriately whether we insure and invest in them.

	Type of information considered	Process through which information is obtained	Industry sector(s) covered by due diligence and/or risk assessment process	State how these forests- and/or water-related information influences your decision making
Insurance underwriting – Forests-related information	Other, please specify (The location of projects)	Directly from the client/investee From an intermediary or business partner Public data sources	Energy Materials Capital Goods Commercial & Professional Services Transportation Automobiles & Components Consumer Durables & Apparel Consumer Services Retailing Food & Staples Retailing Food, Beverage & Tobacco Household & Personal Products Health Care Equipment & Services Pharmaceuticals, Biotechnology & Life Sciences Software & Services Technology Hardware & Equipment Semiconductors & Semiconductor Equipment Telecommunication Services Media & Entertainment Utilities Real Estate	Sompo Japan identifies projects which have potentially negative environmental impact. For example, we describes projects with negative impact on UNESCO World Heritage Sites and projects with negative impact on Ramsar-listed wetlands as sensitive projects, and if there are information related to forest and water in these projects, we evaluates the risks, and responds appropriately whether we insure and invest in them.
Insurance underwriting – Water-related information	Other, please specify (The location of projects)	Directly from the client/investee From an intermediary or business partner Public data sources	Energy Materials Capital Goods Commercial & Professional Services Transportation Automobiles & Components Consumer Durables & Apparel Consumer Services Retailing Food & Staples Retailing Food, Beverage & Tobacco Household & Personal Products Health Care Equipment & Services Pharmaceuticals, Biotechnology & Life Sciences Software & Services Technology Hardware & Equipment Semiconductors & Semiconductor Equipment Telecommunication Services Media & Entertainment Utilities Real Estate	Sompo Japan identifies projects which have potentially negative environmental impact. For example, we describes projects with negative impact on UNESCO World Heritage Sites and projects with negative impact on Ramsar-listed wetlands as sensitive projects, and if there are information related to forest and water in these projects, we evaluates the risks, and responds appropriately whether we insure and invest in them.

FW-FS2.3

(FW-FS2.3) Have you identified any inherent forests- and/or water-related risks in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Risks identified for this issue area	Primary reason why your organization has not identified any substantive risks for this issue area	Explain why your organization has not identified any substantive risks for this issue area
Forests	No	Not yet evaluated	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Water	No	Not yet evaluated	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS2.4

(FW-FS2.4) Have you identified any inherent forests- and/or water-related opportunities in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Opportunities identified for this issue area	Primary reason why your organization has not identified any substantive opportunities for this issue area	Explain why your organization has not identified any substantive opportunities for this issue area
Forests	No	Not yet evaluated	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Water	No	Not yet evaluated	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS3.1

(FW-FS3.1) Do you take forests- and/or water-related risks and opportunities into consideration in your organization's strategy and/or financial planning?

Forests

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning

No, we do not take risks and opportunities into consideration

Description of influence on organization's strategy including own commitments

<Not Applicable>

Financial planning elements that have been influenced

<Not Applicable>

Description of influence on financial planning

<Not Applicable>

Explain why forests- and/or water-related risks and opportunities have not influenced your strategy and/or financial planning

Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

Water

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning

No, we do not take risks and opportunities into consideration

Description of influence on organization's strategy including own commitments

<Not Applicable>

Financial planning elements that have been influenced

<Not Applicable>

Description of influence on financial planning

<Not Applicable>

Explain why forests- and/or water-related risks and opportunities have not influenced your strategy and/or financial planning

Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS3.2

(FW-FS3.2) Has your organization conducted any scenario analysis to identify forests- and/or water-related outcomes?

Forests

Scenario analysis conducted to identify outcomes for this issue area

No, we have not conducted any scenario analysis to identify outcomes for this issue area, but we plan to in the next two years

Type of scenario analysis used

<Not Applicable>

Parameters, assumptions, analytical choices

<Not Applicable>

Description of outcomes for this issue area

<Not Applicable>

Explain how the outcomes identified using scenario analysis have influenced your strategy

<Not Applicable>

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future

Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

Water

Scenario analysis conducted to identify outcomes for this issue area

No, we have not conducted any scenario analysis to identify outcomes for this issue area, but we plan to in the next two years

Type of scenario analysis used

<Not Applicable>

Parameters, assumptions, analytical choices

<Not Applicable>

Description of outcomes for this issue area

<Not Applicable>

Explain how the outcomes identified using scenario analysis have influenced your strategy

<Not Applicable>

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future

Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS3.3

(FW-FS3.3) Has your organization set targets for deforestation free and/or water secure lending, investing and/or insuring?

	Targets set	Explain why your organization has not set targets for deforestation free and/or water secure lending, investing and/or insuring and any plans to address this in the future
Forests	No, but we plan to set targets within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Water Security	No, but we plan to set targets within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS3.4

(FW-FS3.4) Do any of your existing products and services enable clients to mitigate deforestation and/or water insecurity?

	Existing products and services that enable clients to mitigate deforestation and/or water insecurity	Explain why your organization does not offer products and services which enable clients to mitigate deforestation and/or water insecurity and any plans to address this in the future
Forests	Yes	<Not Applicable>
Water	No, but we plan to address this within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS3.4a

(FW-FS3.4a) Provide details of your existing products and services that enable clients to mitigate deforestation and/or water insecurity.

Product type

Property & Casualty

Taxonomy or methodology used to classify product(s)

Internally classified

Product enables clients to mitigate

Deforestation

Description of product(s)

Sompo Japan, which a P&C company in our group, start providing compensation for forest carbon credits in 2022. Forest credits contribute not only to the absorption of CO2 through proper forest management, but also to the conservation and restoration of natural capital, and the creation of more credits is expected in the future. However, with forest credits, if the forest owned by the credit creator is damaged, the amount of CO2 absorption will decrease, and there will be issues such as not being able to obtain the expected credits. If forests owned by the insured person are damaged by fire or natural disasters, and the amount of CO2 absorbed by the credit purchaser falls short of the amount agreed upon with the purchaser of credits, the amount of credits equivalent to the credits purchased from the market is compensated. By expanding the sales of this insurance, the market of forest carbon credits expands, and contributes to conservation and restoration of forest.

Type of activity financed, invested in or insured

Sustainable forest management

Forest protection

Forests restoration

Portfolio value (unit currency – as specified in C0.4)

0

% of total portfolio value

0

FW-FS3.5

(FW-FS3.5) Does the policy framework for the portfolio activities of your organization include forests- and/or water-related requirements that clients/investees need to meet?

	Policy framework includes this issue area	Explain why your organization does not include this issue area in the policy framework and any plans to address this in the future
Forests	Yes	<Not Applicable>
Water	Yes	<Not Applicable>

FW-FS3.5a

(FW-FS3.5a) Provide details of the policies which include forests- and/or water-related requirements that clients/investees need to meet.

Portfolio

Insurance (Insurance company)

Issue area(s) the policy covers

Forests

Type of policy

Policy related to other products and services

Portfolio coverage of policy

100

Policy availability

Publicly available

Attach documents relevant to your policy

FW-FS Addressing ESG Issues in Sompo Group Business Operations.pdf

C-FS3.6a policy_Sompo Holdings.pdf

Requirements for clients/investees

Commit to no conversion of High Conservation Value areas

Commit to no activities in Ramsar sites.

Adopt the UN International Labour Organization principles

Value chain stages of client/investee covered by criteria

Direct operations only

Timeframe for compliance with policy criteria

Complying with criteria is a pre-requisite for business

Industry sectors covered by the policy

Energy

Materials

Capital goods

Commercial & Professional Services

Transportation

Automobiles & Components

Consumer Durables & Apparel

Consumer Services

Retailing

Food & Staples Retailing

Food, Beverage & Tobacco

Household & Personal Products

Health Care Equipment & Services

Pharmaceuticals, Biotechnology & Life Sciences

Software & Services

Technology Hardware & Equipment

Semiconductors & Semiconductor Equipment

Telecommunication Services

Media & Entertainment

Utilities

Real Estate

Forest risk commodities covered by the policy

All agricultural commodities

Commodities with critical impact on water security covered by the policy

<Not Applicable>

Forest risk commodity supply chain stage covered by the policy

Production

Processing

Trading

Manufacturing

Retailing

Exceptions to policy based on

<Not Applicable>

Explain how criteria coverage and/or exceptions have been determined

In accordance with our group's "Group Environmental Policy", we are committed to protecting the environment in the areas designated as wetlands by the Ramsar Convention and the High Conservation Value areas, and to complying with the UN International Labour Organization principles in accordance with "Group Human Rights Policy".

FW-FS4.1

(FW-FS4.1) Do you engage with your clients/investees on forests- and/or water-related issues?

	We engage with clients/investees on this issue area	Explain why you do not engage with your clients/investees on the issue area and any plans to address this in the future
Clients – Forests	No, but we plan to within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Clients – Water	No, but we plan to within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investees – Forests	No, but we plan to within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investees – Water	No, but we plan to within the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS4.2

(FW-FS4.2) Does your organization exercise its voting rights as a shareholder on forests- and/or water-related issues?

	We exercise voting rights as a shareholder on this issue area	Issues supported in shareholder resolutions	Give details of the impact your voting has had on this issue area	Explain why your organization does not exercise voting rights on this issue area and any plans to address this in the future
Forests	No, but we plan to within the next two years	<Not Applicable>	<Not Applicable>	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Water	No, but we plan to within the next two years	<Not Applicable>	<Not Applicable>	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS4.3

(FW-FS4.3) Does your organization provide financing and/or insurance to smallholders in the agricultural commodity supply chain?

	Provide financing and/or insurance to smallholders in the agricultural commodity supply chain	Agricultural commodity	Primary reason for not providing finance and/or insurance to smallholders	Explain why your organization does not provide finance/insurance to smallholders and any plans to change this in the future
Row 1	Yes	Soy Rice Fruit Vegetable	<Not Applicable>	<Not Applicable>

FW-FS4.3a

(FW-FS4.3a) Describe how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity.

Soy

Financial service provided

Insurance

Smallholder financing/insurance approach

Use of government subsidized schemes

Other smallholder engagement approaches

Other than financing/insuring, we do not engage in other support for smallholders

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

AgriSOMPO, which provide insurance focusing on agriculture in our group, provides a solution to help offset any further potential financial losses for a generational, family-owned soybean farm in Brazil because of supporting of change of environmental and weather patterns causing years of struggle. The farmer is made aware of a policy that could provide protection for the farm against various risks, including adverse weather conditions, in addition to a government subsidy that would pay for part of the cost of the crop insurance policy. As a result of it, we provide multiple policies for them.

Rice

Financial service provided

Insurance

Smallholder financing/insurance approach

Other, please specify (A fixed amount of insurance money is paid immediately when weather indicators such as temperature, wind speed, and precipitation meet certain predetermined conditions.)

Other smallholder engagement approaches

Other than financing/insuring, we do not engage in other support for smallholders

Number of smallholders supported

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

We provides the Weather Index Insurance, which is an insurance product that pays out a contractually predetermined insurance amount when a weather index – such as temperature, wind speed, rainfall–fulfills certain conditions, to reduce agricultural business risks because agricultural business risks in Southeast Asia

We are developing and promoting insurance products as climate change adaptation measures for farmers of Thailand's major agricultural exports.

By introducing this insurance, farmers can receive quicker insurance payments than regular agricultural insurance.

Fruit

Financial service provided

Insurance

Smallholder financing/insurance approach

Use of government subsidized schemes

Other smallholder engagement approaches

Other than financing/insuring, we do not engage in other support for smallholders

Number of smallholders supported

0

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

AgriSOMPO, which provide insurance focusing on agriculture in our group, provides a solution to help offset any further potential financial losses for a generational, family-owned soybean farm in Brazil because of supporting of change of environmental and weather patterns causing years of struggle. The farmer is made aware of a policy that could provide protection for the farm against various risks, including adverse weather conditions, in addition to a government subsidy that would pay for part of the cost of the crop insurance policy. As a result of it, we provide multiple policies for them.

Vegetable

Financial service provided

Insurance

Smallholder financing/insurance approach

Other, please specify (A fixed amount of insurance money is paid immediately when weather indicators such as temperature, wind speed, and precipitation meet certain predetermined conditions.)

Other smallholder engagement approaches

Other than financing/insuring, we do not engage in other support for smallholders

Number of smallholders supported

0

Explain how the financing/insurance your organization provides enables smallholders to improve agricultural practices and reduce deforestation and/or water insecurity

We provides the Weather Index Insurance, which is an insurance product that pays out a contractually predetermined insurance amount when a weather index – such as temperature, wind speed, rainfall–fulfills certain conditions, to reduce agricultural business risks because agricultural business risks in Southeast Asia.

We are developing and promoting insurance products as climate change adaptation measures for farmers of Thailand's major agricultural exports. For example, in

February 2019, we launched a weather index insurance for longan farmers while in May 2021 we launched a weather index insurance for sugarcane and cassava farmers.

By introducing this insurance, farmers can receive quicker insurance payments than regular agricultural insurance.

FW-FS4.4

(FW-FS4.4) Does your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may impact forests and/or water security?

	External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area	Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area	Explain why you do not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area
Forests	Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact this issue area	<Not Applicable>	<Not Applicable>
Water	Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact this issue area	<Not Applicable>	<Not Applicable>

FW-FS5.1

(FW-FS5.1) Does your organization measure its portfolio impact on forests and/or water security?

	We measure our portfolio impact on this issue area	Explain how your organization measures its portfolio impact on this issue area, including any metrics used to quantify impact	Primary reason for not measuring portfolio impact on this issue area	Explain why your organization does not measure its portfolio impact on this issue area and any plans to change this in the future
Banking – Impact on Forests	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Banking – Impact on Water	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager) – Impact on Forests	No, but we plan to in the next two years	<Not Applicable>	Lack of tools or methodologies available	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (Asset manager) – Impact on Water	No, but we plan to in the next two years	<Not Applicable>	Lack of tools or methodologies available	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (Asset owner) – Impact on Forests	No, but we plan to in the next two years	<Not Applicable>	Lack of tools or methodologies available	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (Asset owner) – Impact on Water	No, but we plan to in the next two years	<Not Applicable>	Lack of tools or methodologies available	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Insurance underwriting – Impact on Forests	No, but we plan to in the next two years	<Not Applicable>	Lack of tools or methodologies available	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Insurance underwriting – Impact on Water	No, but we plan to in the next two years	<Not Applicable>	Lack of tools or methodologies available	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS5.2

(FW-FS5.2) Does your organization provide finance or insurance to companies operating in any stages of the following forest risk commodity supply chains, and are you able to report on the amount of finance/insurance provided?

	Finance or insurance provided to companies operating in the supply chain for this commodity	Amount of finance/insurance provided will be reported	Explain why your organization is unable to report on the amount of finance/insurance provided for this commodity
Lending to companies operating in the timber products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the palm oil products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the cattle products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the soy supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the rubber supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the cocoa supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Lending to companies operating in the coffee supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the timber products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (asset manager) to companies operating in the palm oil products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (asset manager) to companies operating in the cattle products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (asset manager) to companies operating in the soy supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (asset manager) to companies operating in the rubber supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

	Finance or insurance provided to companies operating in the supply chain for this commodity	Amount of finance/insurance provided will be reported	Explain why your organization is unable to report on the amount of finance/insurance provided for this commodity
Investing (asset manager) to companies operating in the cocoa supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (asset manager) to companies operating in the coffee supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (asset owner) to companies operating in the timber products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (asset owner) to companies operating in the palm oil products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (asset owner) to companies operating in the cattle products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (asset owner) to companies operating in the soy supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (asset owner) to companies operating in the rubber supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (asset owner) to companies operating in the cocoa supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Investing (asset owner) to companies operating in the coffee supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Insuring companies operating in the timber products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Insuring companies operating in the palm oil products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Insuring companies operating in the cattle products supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Insuring companies operating in the soy supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Insuring companies operating in the rubber supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Insuring companies operating in the cocoa supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.
Insuring companies operating in the coffee supply chain	Yes	No, but we plan to assess our portfolio's exposure to this commodity in the next two years	Sompo Group focuses on climate change measures for the purpose of calculating and reducing GHG emissions in investment and insurance underwriting, recognizes the importance of biodiversity, and participates in the TNFD Forum, which reviews trends in our relationship as a financial institution.

FW-FS5.3

(FW-FS5.3) Indicate whether you measure the percentage of clients/investees compliant with your forests- and/or water-related requirements stated in question FW-FS3.5, and provide details.

FW-FS6.1

(FW-FS6.1) Have you published information about your organization's response to forests- and/or water-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms