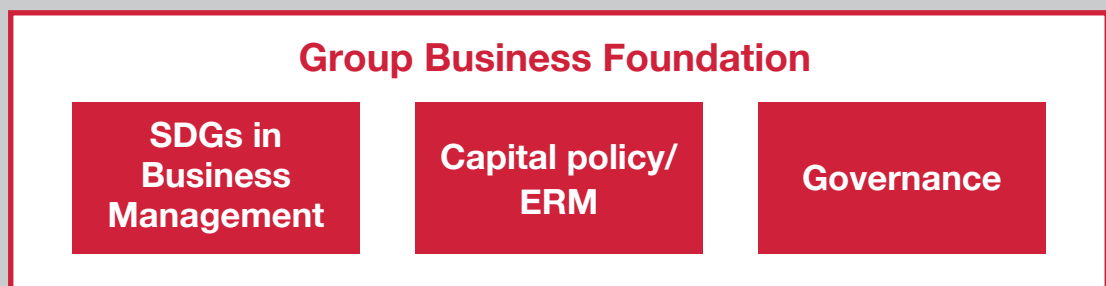
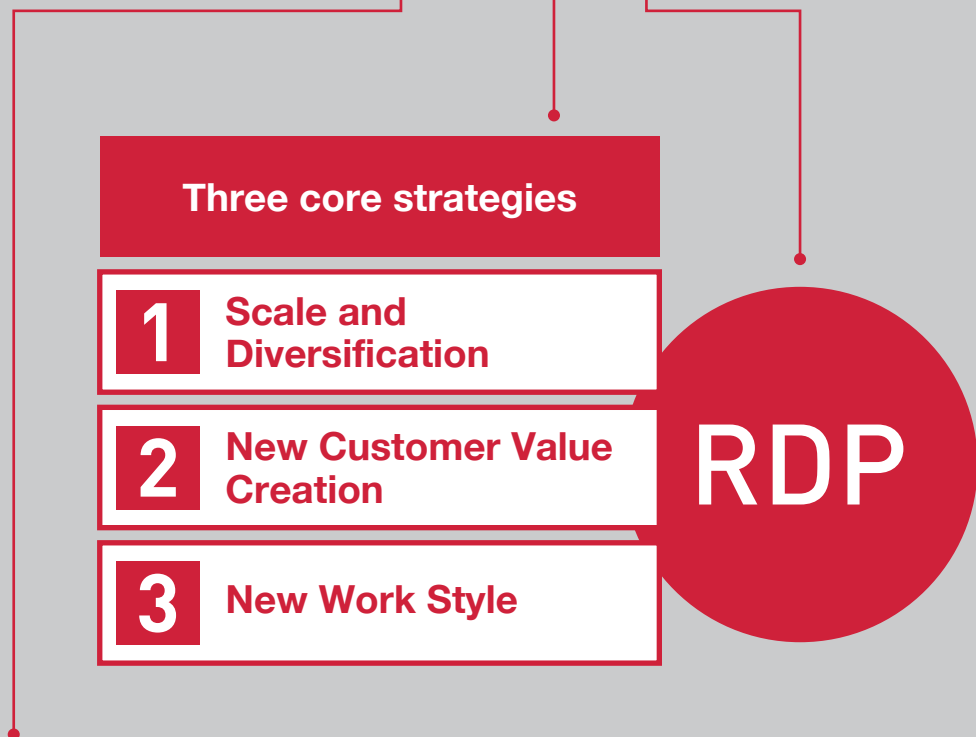
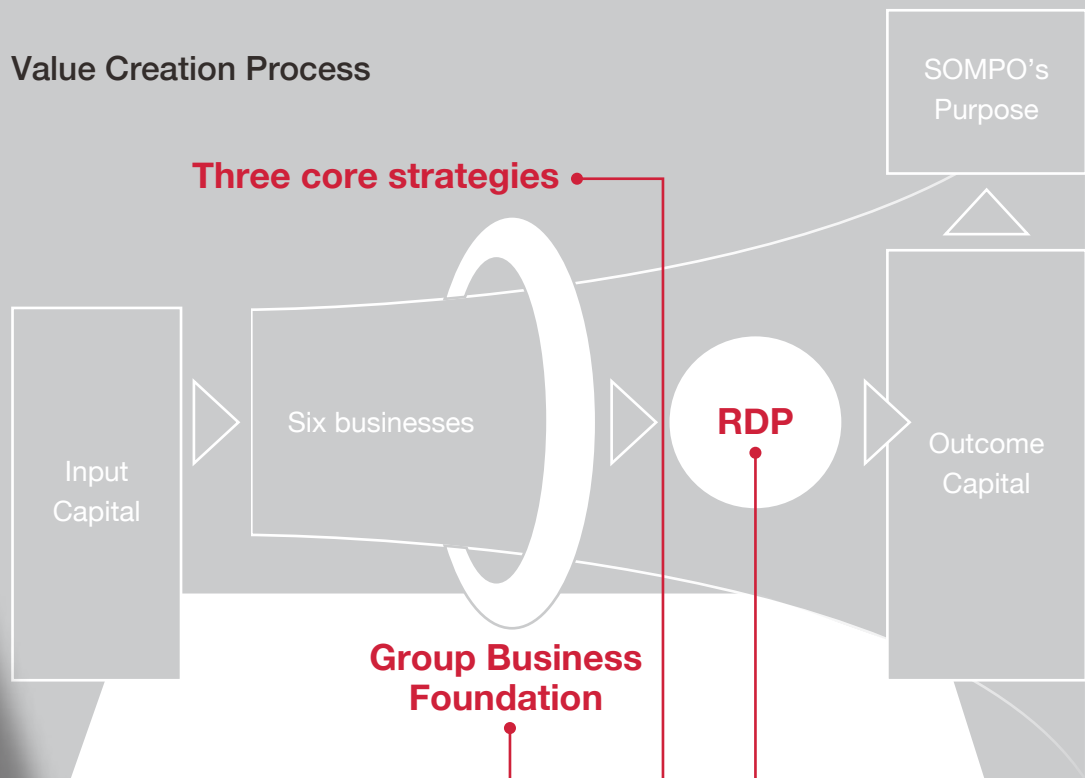


STRATEGY

How should we create value?

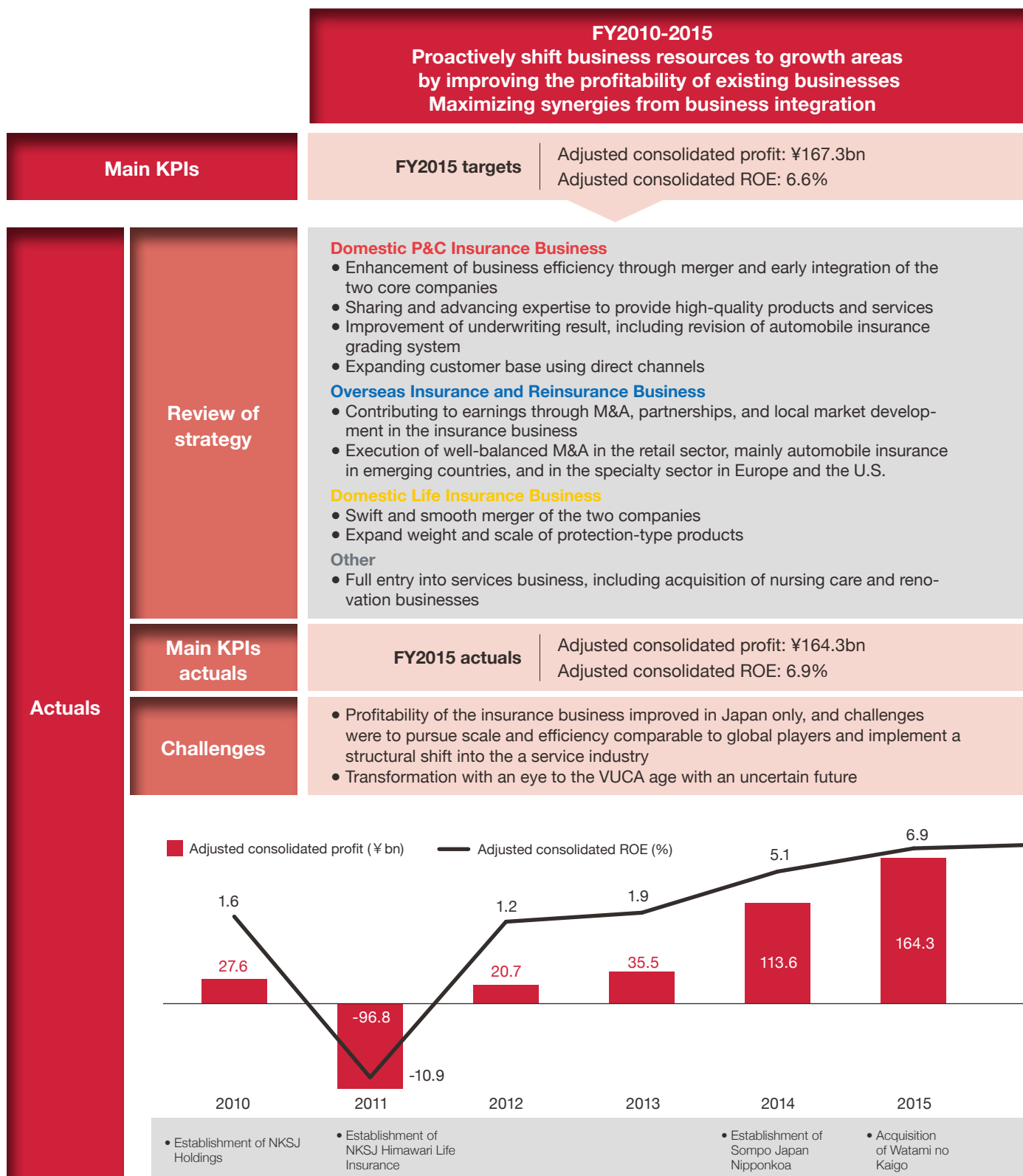
Starting with our value creation story that aims to achieve our purpose, we employed a backcasting process to formulate a new Mid-term Management Plan that sets out how the Sompo Group intends to deliver value to society over the next three years. By leveraging three core strategies that encompass our evolution towards a Real Data Platform developer, as well as an SDGs in Business Management that is geared towards achieving our purpose, the Sompo Group will materialize the vision of becoming “A Theme Park for Security, Health & Well-being” over the next three years.

Value Creation Process



History of Strategy

Since NKSJ Holdings, Inc. (now Sampo Holdings, Inc.) was founded in 2010, the Group worked on establishing a foundation for growth and business foundation by integrating the management of the Domestic P&C Insurance Business and Domestic Life Insurance Business and boosting the profitability of existing businesses, while proactively shifting business resources to growth areas, such as the full entry into the nursing business. Following this, under the previous Mid-Term Management Plan from FY2016 to FY2020 the company worked on a variety of priority issues, such as the establishment and reinforcement of the superiority of each business, appropriate allocation of management resources across the Group, enhancement of the governance system, and



*Figures for the 2010 to 2015 period are based on the current definition of adjusted profit

promotion of workforce diversity, in order to realize the Group Management Philosophy to “contribute to the security, health, and wellbeing of customers and society as a whole.” In addition, the company expanded the Overseas Business and made the Nursing Care Business profitable at an early stage, diversified business portfolio and revenue sources through new investment into growth areas and advancing digital strategy, and accelerated a transformation (qualitative evolution) toward the realization of “A Theme Park for Security, Health & Wellbeing.”

FY2016-2020 (previous Mid-Term Management Plan)
Establishing a business foundation and demonstrating the effects of measures
towards the realization of “A Theme Park for Security, Health & Wellbeing”

FY2020 targets

Adjusted consolidated profit: ¥205.0bn-¥215.0bn
 Adjusted consolidated ROE: Approximately 8.0%

Domestic P&C Insurance Business

- Execution of earning structure reforms, including pricing strategies and expense reduction measures
- Mitigate risks by reducing natural disasters risks and selling strategic shareholdings
- Create new customer touchpoints, and establish new sources of earnings

Overseas Insurance and Reinsurance Business

- Large-scale acquisition of Endurance (now SOMPO International) and steady implementation of PMI
- Accelerating growth by using global platform and expanding business foundation using bolt-on M&As

Domestic Life Insurance Business

- Transformation and expansion into a health support enterprise centered around Insurhealth®
- Developing health support service Linkx

Nursing Care & Healthcare Business

- Strengthening governance through mergers and integrations of Group companies
- Achieving profitability early by improving occupancy rates
- Executing investments for the future, such as by establishing Future Care Lab in Japan

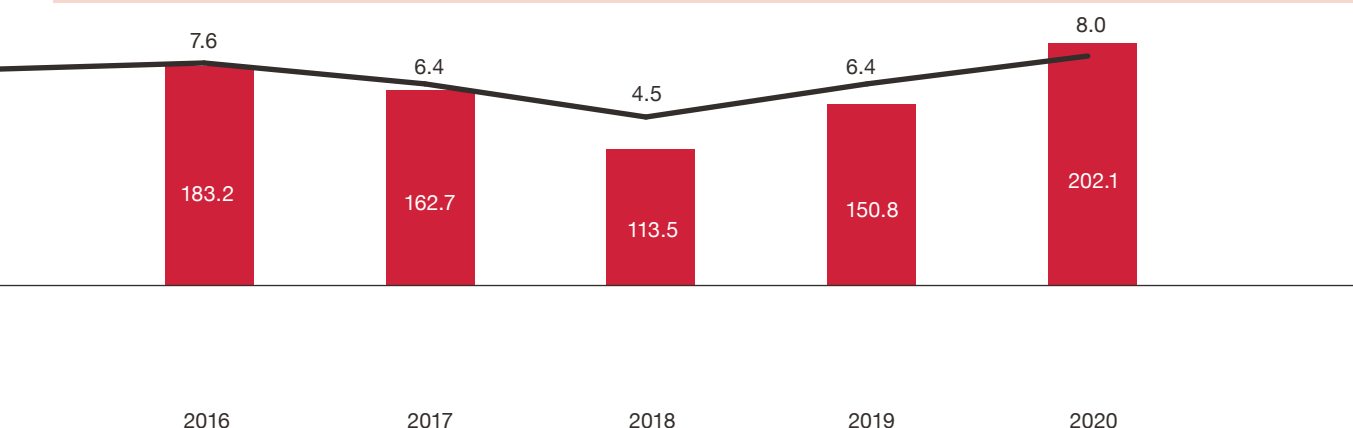
Groupwide strategy

- Implement digital strategy and establish trilateral global system
- Promoting digitalization of existing businesses and implementing data-driven business strategy
- Diversifying and securing the stability of businesses and revenue sources
- Introducing a Business Owner system, and Group Chief Officer (CxO) system, building foundation for Group governance by becoming a Company with Committees structure
- Improving productivity, achieving a mission-based work-style, and globalizing management by changing corporate culture

FY2020 actuals

Adjusted consolidated profit: ¥202.1bn
 Adjusted consolidated ROE: 8.0%

- Accelerating transformation to adapt to social structure and behavioral changes in the era with/after COVID-19
- Long-term approach to increasingly severe social challenges



• Establishment of SOMPO Digital Lab
 • Introduction of a Business Owner system

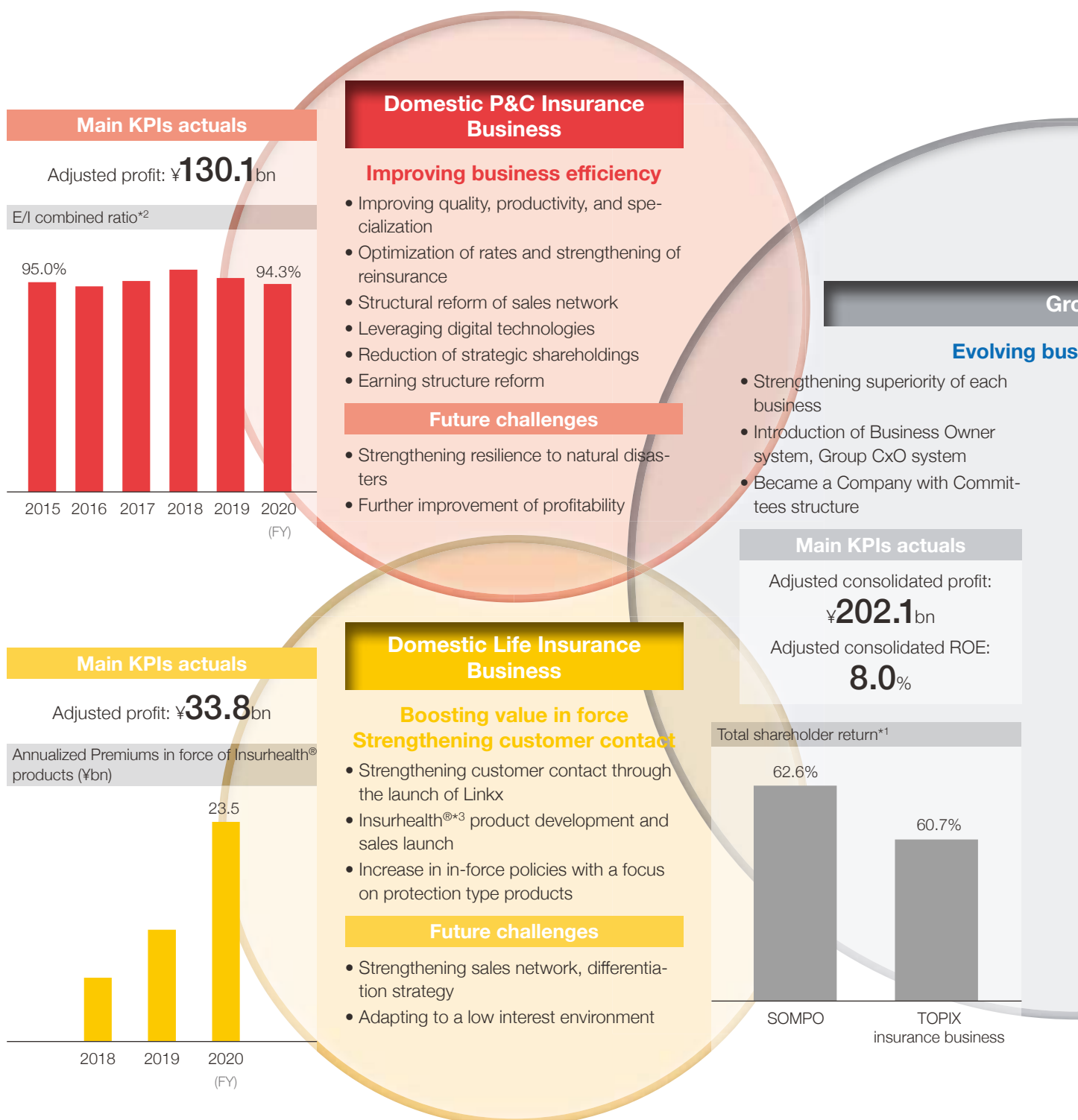
• Acquisition of Endurance
 • Introduction of Group CxO system

• Establishment of Sompo Care

• Establishment of Palantir Technologies Japan
 • Became a Company with Committees structure

Initiatives of each business under the previous Mid-Term Management Plan

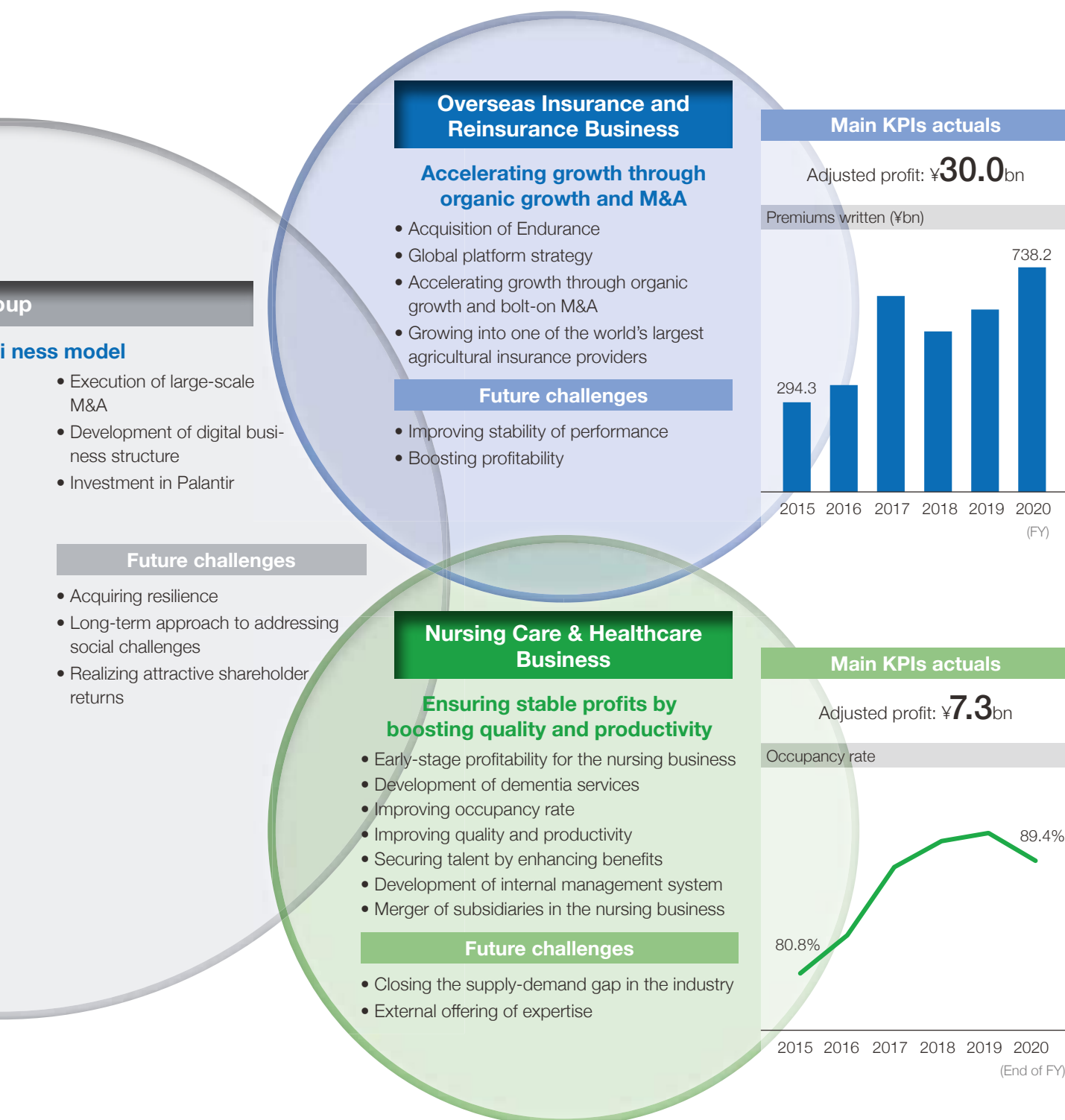
Under the previous Mid-Term Management Plan, which was started in fiscal 2016, the company achieved steady growth based on the efforts that had been made by each business, accelerated new investments in growth areas and digital strategy for the future, and made steady progress in qualitative evolution toward the realization of "A Theme Park for Security, Health & Wellbeing." The Domestic P&C Insurance Business worked on structural reform of the business foundation to strengthen the profitability of existing business as well as the development of new businesses. The Overseas Insurance and Reinsurance Business made progress toward the establishment of a global platform through reorganizing subsidiaries and expanding business scale through disciplined M&A, such as the acquisition of Endurance Specialty Holdings Ltd (now Sompo International Holdings Ltd.).



*1: After the announcement of the previous Mid-Term Management Plan (May 26, 2016) to the end of March 2021; source: Bloomberg

*2: Sompo Japan (excl. CALI, household earthquake) E/I combined ratio (=E/I loss ratio + net expense ratio)

The Domestic Life Insurance Business developed and sold new products and services to transform into a health support enterprise centered around Insurhealth®. The Nursing Care & Healthcare Business implemented measures to improve the service quality and productivity of existing nursing facilities, as well as worked on human resource development Initiatives in the digital field were stepped up, with proactive formation of partnerships with a variety of players and appointing external talent.

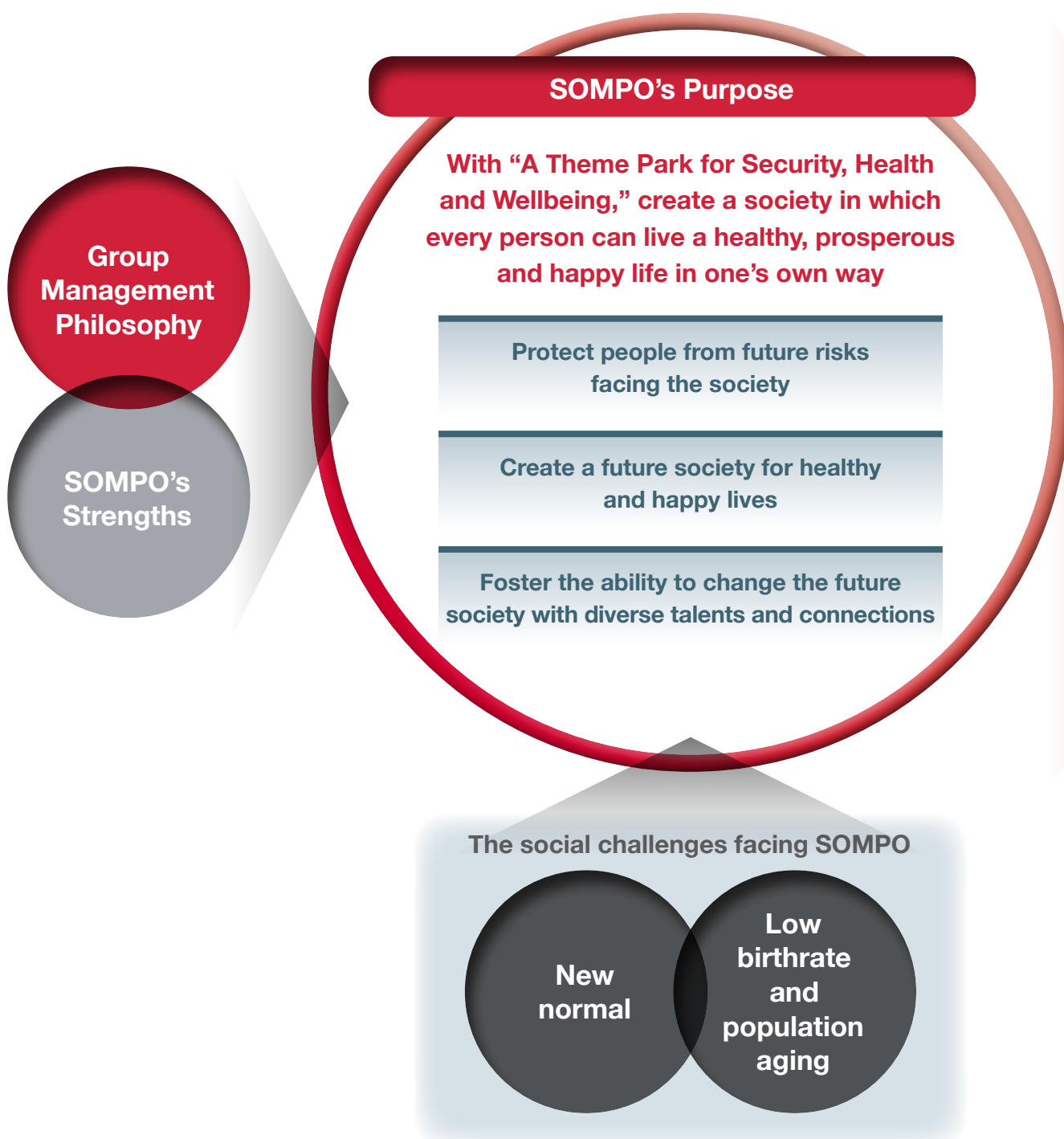


*3: Insurhealth®: a new, unprecedented value that combines preparing for "just in case" scenarios (insurance) with functions that support everyday life (healthcare)

New Mid-Term Management Plan

A new Mid-Term Management Plan started in FY2021. Since it is difficult to predict the future with certainty in the VUCA age, this plan covers a three-year period through FY2023.

The new Mid-Term Management Plan describes in detail the initiatives that will be undertaken over the next three years based on the vision for society and value delivered to society as outlined in SOMPO's Purpose. By making steady progress on the three core strategies derived from SOMPO's Purpose—Scale and Diversification, New Customer Value Creation, and New Work Style—the company aims to achieve the goals of adjusted consolidated profit of ¥300.0bn or more and adjusted consolidated ROE of 10% or higher.



Mid-Term Management Plan (FY2021-2023)

Goals

► P.38-39

Realization of “A Theme Park for Security, Health & Wellbeing”

- Adjusted consolidated profit: ¥300.0bn or more
- Adjusted consolidated ROE: 10% or more
- Demonstrating the effect of risk diversification
- A solution provider that goes beyond the boundaries of insurance

Three Core strategies

1 Scale and Diversification

In order to have a strong business foundation that can withstand rapid changes in the environment, such as increasingly severe natural disasters and spread of COVID-19, progress will be made toward improving profitability and productivity and expanding the customer base mainly in the insurance and nursing care businesses. We will also grow businesses and profits by utilizing M&A and other means to reform our business portfolio and enhance capital efficiency.

2 New Customer Value Creation

In addition, we will capture the tide of change brought about by digital technology and data, and aim to deliver unprecedented value by focusing on the new business development in areas with a high affinity to existing business and building a Real Data Platform that organically links real data from each business and field (actual data obtained from society and daily life).

3 New Work Style

In order to ensure sustainable growth for the group, it is essential to increase job satisfaction and happiness of each and every employee and achieve high productivity. We will push forward with various system reforms and human resources development to become a group of talent that embodies our three core values (mission-driven, professionalism, and diversity & inclusion).

SDGs in Business Management

► P.44

Capital policy & ERM

► P.51

Governance

► P.51

New Mid-Term Management Plan

Management targets and main KPIs

We will aim to achieve adjusted consolidated profit of ¥300.0bn or more and adjusted consolidated ROE of 10% or more by FY2023, and over the mid- to long-term aim to create market utilizing RDP (Real Data Platform) and achieve revenue of over ¥500.0bn.

By pursuing top-line (revenue) and bottom-line (profit) in each business, we will increase Group profits and ROE, reduce strategic shareholdings and interest risk, and develop new business. Through this, we will enhance the effect of diversification and achieve our targets.

		FY2020 actual	FY2021 forecast	FY2023 plan
Adjusted consolidated profit		¥202.1bn	¥205.0bn	¥300.0bn or more*
Adjusted consolidated ROE		8.0%	7.4%	10% or more
Diversification effect	Risk diversification ratio	39.4%	40.2%	Improvement on FY2020
	Overseas business ratio	14.9%	29.3%	30% or more
New Customer Value Creation		—	—	External sales/monetization of products/services (Two businesses or more)

*The plan is based on the assumption of organic growth. We will increase the probability of achieving the plan by adding 30.0 billion yen in profit through M&A to offset downside risks (30.0 billion yen) due to the impact of natural disasters and other factors beyond our expectations.

Domestic P&C Insurance

	FY2020 actual	FY2021 forecast	FY2023 plan
Adjusted profit by business	¥130.1bn	¥105.0bn	¥150.0bn or more
Net premiums written*1	¥1,903.4bn	¥1,929.3bn	¥2,000.0bn
E/I combined ratio*1	94.3%	94.8%	91.7%
Reduction of strategic shareholdings	¥70.3bn	¥50.0bn	¥50.0bn (Three-year total: ¥150.0bn)

Overseas Insurance and Reinsurance

	FY2020 actual	FY2021 forecast	FY2023 plan
Adjusted profit by business	¥30.0bn	¥60.0bn	¥100.0bn or more
GWP growth rate*2	+37.8%	+10.2%	Annual rate approximately +9%
E/I combined ratio*2	97.8%	91.7%	88% level

Domestic Life Insurance

	FY2020 actual	FY2021 forecast	FY2023 plan
Adjusted profit by business	¥33.8bn	¥32.5bn	¥40.0bn or more
Annualized new premiums*3	¥29.8bn	¥43.0bn	¥50.0bn
Policies in force	4.26 million	4.43 million	5 million
Investment for ALM matching*4	—	¥300.0bn	¥300.0bn (Three-year total: ¥900.0bn)

Nursing Care and Seniors

	FY2020 actual	FY2021 forecast	FY2023 plan
Adjusted profit by business	¥7.3bn	¥6.5bn	¥8.0bn or more
Revenue	¥131.8bn	¥137.5bn	¥162.0bn
Occupancy rate*5	89.4%	90.8%	93.8%

New Customer Value Creation

FY2023 plan	External sales and monetization of products/services utilizing RDP	Two businesses or more	Mid- to long-term targets	Group revenue generated by the utilization of RDP	Over ¥500.0bn
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*1: Sampo Japan (excl. CALI, household earthquake) *2: Sampo International (SI) commercial business *3: Sales performance base

*4: 30-year maturity equivalent *5: As of the end of the fiscal year

New Mid-Term Management Plan **Three Core Strategies**

1 Scale and Diversification

Acquiring Resilience

To prepare for the “new normal” era, characterized by climate change, global warming, and continuation of the global ultra-low interest rate environment, we will accelerate efforts related to our “Scale and Diversification” strategy in order to build a resilient portfolio. Our scale and diversification strategy will focus on three insurance businesses where we have established a solid management base: domestic P&C insurance, overseas insurance and reinsurance, and domestic life insurance. In the domestic P&C insurance business, for example,

we will further improve profitability and strengthen our ability to generate cash through the completion of earnings structure reform. In the overseas insurance and reinsurance business, we will achieve growth through disciplined M&As while increasing revenue and realizing high profit growth based on hardening insurance market. And in the domestic life insurance business, we will leverage Insurhealth® to develop a new customer base and thus increase revenue.

Climate change/global warming

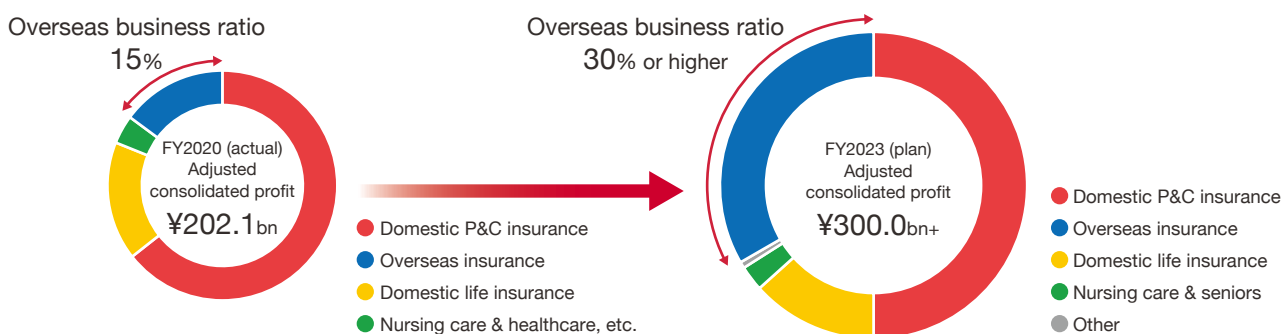
Global ultra-low interest rate environment

Prepare for uncertainty, acquire resilience

Domestic P&C Insurance Business	Overseas Insurance Business	Domestic Life Insurance Business
Profit growth/stable cash flow generation by the pursuit of profitability	High profit growth through rate increases that reflect market hardening	Revenue growth by developing new customer segments through Insurhealth®.
Growth rate of net premiums written* ¹	Growth rate of gross premiums written* ⁴	Annualized new premiums* ⁵
Approx. +1.5% (per annum)* ²	Approx. +9% (Annual rate)* ²	¥50.0 billion* ³
E/I combined ratio* ¹	E/I combined ratio* ⁴	Policies in force
91.7%* ³	88% range* ³	5 million* ³
	Disciplined M&As	
<ul style="list-style-type: none"> Complete earnings structure reform <ul style="list-style-type: none"> >Optimize pricing, especially for fire insurance >Review high-loss contracts using AI-based underwriting in collaboration with Palantir >Reform organizational and work processes using digital technologies Manage domestic storm and flood damage risks Continue reducing strategic holding stocks 	<ul style="list-style-type: none"> Increase revenue by keeping ahead of hardening insurance market Improve profitability by maintaining a disciplined underwriting policy Further improve operational efficiency through strict cost controls and optimal staff allocation Share best practices across retail platforms to improve profitability Execute disciplined M&As 	<ul style="list-style-type: none"> Growth driven by Insurhealth®, deploy data to strengthen health support contact points, and expand number of customers Promote low-cost operations by concentrating the administrative work of sales branches at head office, reducing head office floor space, and integrating branch offices Improve capital efficiency by reducing interest rate risk

*1 Sampo Japan (excl. CALI, household earthquake) *2 FY2021–2023 *3 FY2023 *4 Sampo International (SI) commercial business *5 Sales performance basis

Aiming for a well-balanced business portfolio through scale and diversification



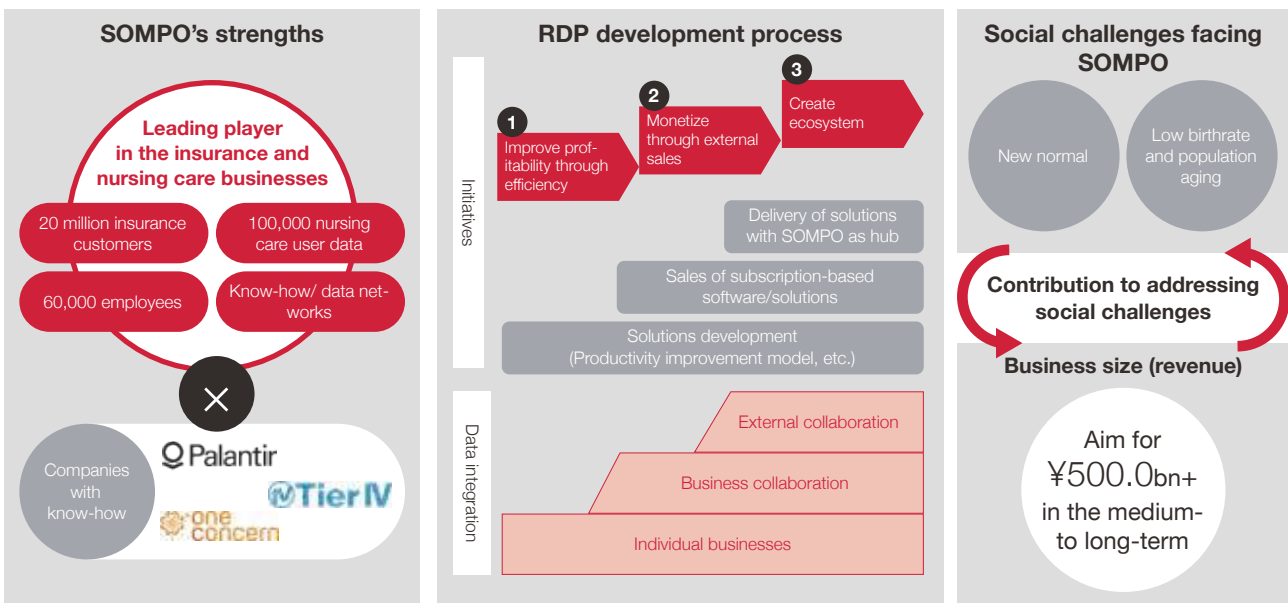
2 New Customer Value Creation

By utilizing vast amounts of real data obtained from each of our businesses both inside and outside the Group, we will create significant added value that will enrich people's lives. It will also help realize a sustainable society and enhance corporate value.

In addition to our strengths in the insurance and nursing care businesses, we will combine real data—obtained through the launch of new digital businesses—with the know-how and

technological capabilities of our partner companies, to provide subscription-based solutions externally that are not limited to conventional domains.

Through our Real Data Platform (RDP), we aim to help solve social issues and achieve medium-to long-term profit growth through the process of expanding profits in existing businesses, creating new customer value through collaboration among businesses, and ultimately forming an ecosystem.



Group CDO Message

In contrast to virtual data generated on the Internet, the importance of so-called real data, which is tied to the actual lives of customers, will become even more important in the future. In addition to our core insurance and nursing care business, we will utilize real data from new digital businesses, as well as real data collected through external collaborations with other companies. We will also deploy the technology and expertise of Palantir, which has a proven track record at the global level, to build a one-of-a-kind RDP.

Through our RDP, we will encourage enterprises and government agencies to fundamentally transform their operations and management decisions in a data-driven manner. We believe this will enable us to increase our flexibility to address challenges in the so-called VUCA era and enhance our competitiveness to win on the global stage, which in turn will lead to enhance social value.

From our perspective, one of the significant aspects of our RDP is the creation of a software business model. By acquiring, utilizing, and analyzing real data, we will provide customers with subscription-based solutions to various social issues in the software business.

Ultimately, our goal is to become a solution provider that is considered indispensable to Japanese industry, and we are also looking to expand globally.



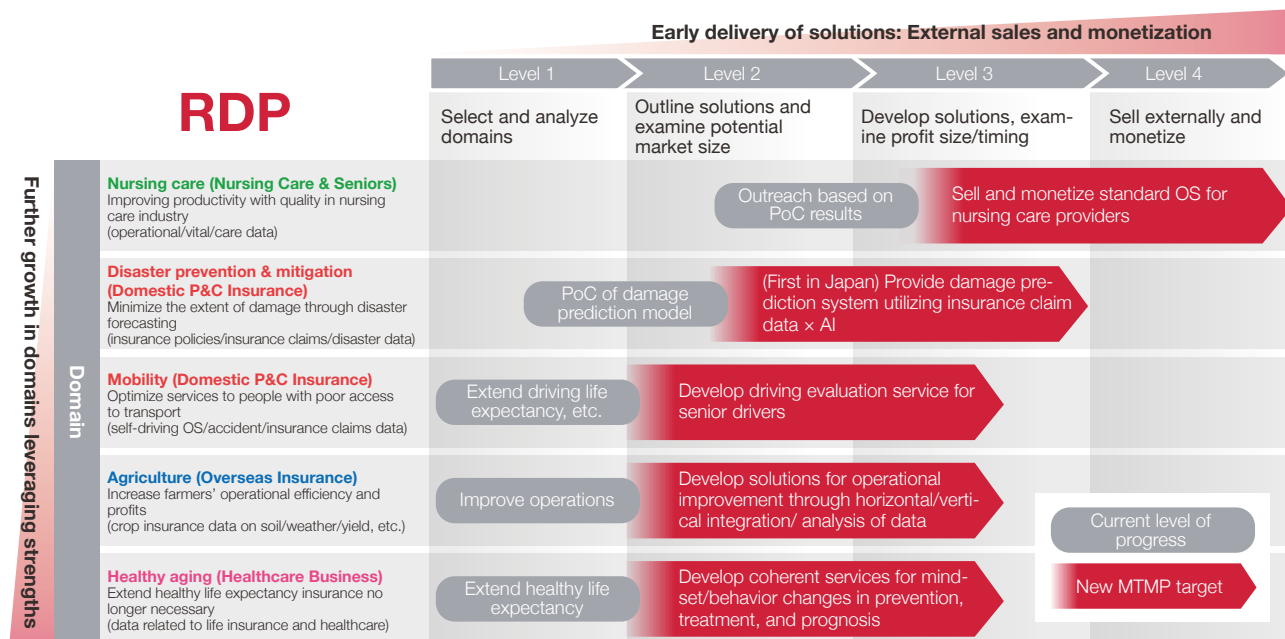
Koichi Narasaki
Group CDO
Senior Executive Vice President and
Executive Officer

2 New Customer Value Creation

Focus Areas and Progress

Seeking to strengthen our contribution to the SDGs and realize our Management Philosophy of becoming “A Theme Park for Security, Health & Wellbeing,” we have selected five areas to focus on. In the future, we will leverage our unique business

structure and strengths to swiftly deliver solutions, and implement those solutions to society through external sales and monetization.



Japan's nursing care industry is facing two major social challenges: a widening supply–demand gap and rising social security costs stemming from growing demand from increasing number of elderly people and a shrinking labor force caused by falling birthrate. This will require an increase in both productivity and quality of nursing care services, and the Group has begun taking steps to address such issues.

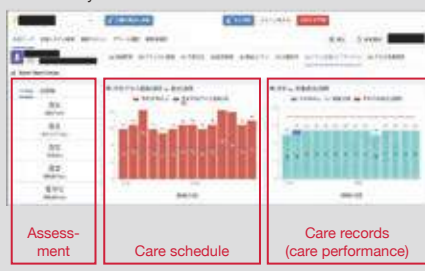
The fee-based nursing home facilities operated by Sampo Care Inc. generate a variety of data, including daily information on care for residents, various vital records to monitor their physical condition, information obtained from sensors and other devices, and care schedules of facility operations. By integrating these data, which previously were stored in different locations, facility managers are now able to quickly gather information and make data-driven decisions. In this way, we have proven that it is possible to improve and optimize nursing care operations by utilizing data.

In addition to stepping up in-house development, we are now approaching outside nursing care providers to accumulate more data and know-how, with the aim of developing solutions externally.

We are also looking at collaboration with medical institutions, which have many things in common with nursing care facilities, as well as engagement with other third parties. We are proceeding with development in the hope that our system will become the standard ecosystem for the nursing care industry.

PoC outcome 1: Improved decision-making accuracy through data integration

- Integrate data from different systems to optimally represent the information needed to make decisions
- Clearly expresses comparisons and changes in assessment, care schedules, and care performances, thus improving accuracy of decision-making for necessary countermeasures



PoC outcome 2: Rapid action based on the latest data

- Prioritization on resident care: Every morning, the system notifies residents of any changes in their physical condition
- Relevant vital data can be centrally represented to complete the collection of necessary information



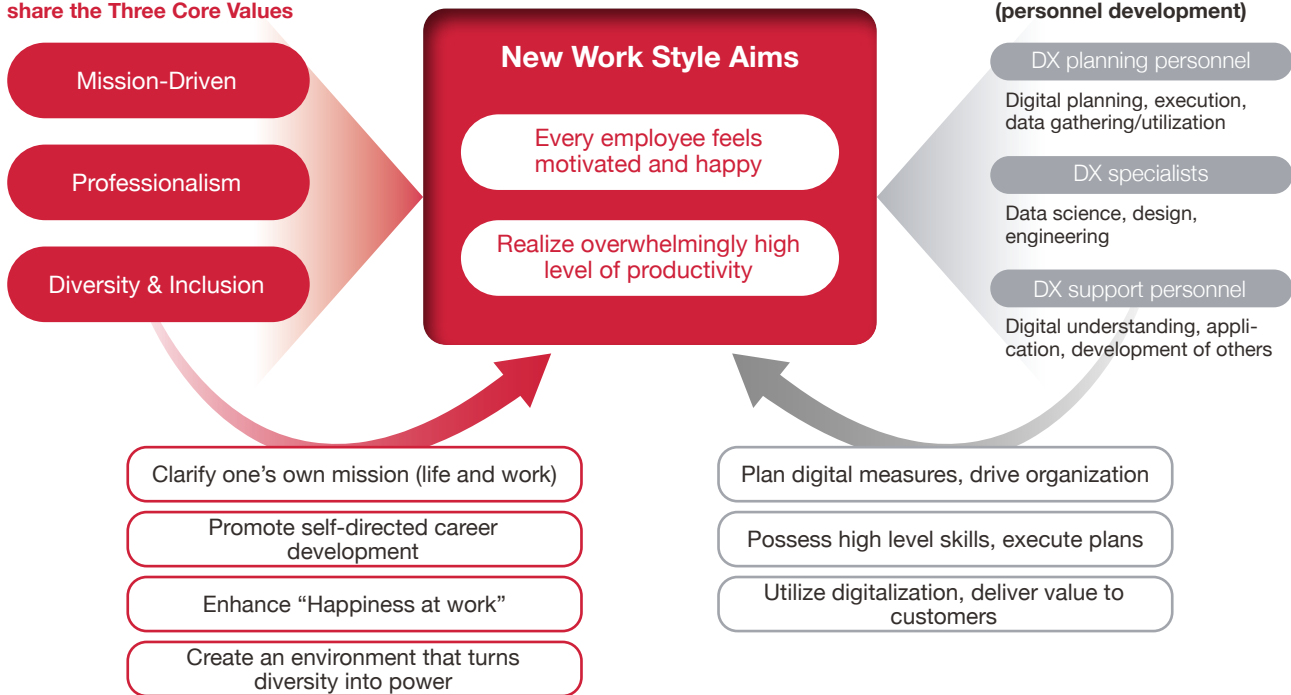
3 New Work Style

As one of the key strategies of our new Mid-Term Management Plan, we are promoting “New Work Style” to increase engagement and happiness of employees and achieve an overwhelmingly high level of productivity. Our aim is to create a group of talent who share our Three Core Values (Mission-Driven, Professionalism, and Diversity & Inclusion) and will be the

driving force for realizing the SOMPO’s Purpose.

In addition, we will introduce a “productivity KPI index” as a framework to systematize and visualize the status of our efforts to create new work styles. This will enable us to measure and improve our progress and results.

Create the ideal group of talent who share the Three Core Values



Group CHRO Message

The COVID-19 pandemic has provided an opportunity for people to reaffirm the importance of social sustainability. As a company, meanwhile, we are expected to take a stance to help realize a sustainable society. We value the happiness of our employees, who are an important part of our multi-stakeholder group, in their work as much as we value the happiness of our customers, as we strive to create a sustainable society. The key to this is a Groupwide initiative called “SOMPO’s New Work Style.” It is one of the core strategies of our new Mid-Term Management Plan and is the biggest project in the 130 years since the company was founded. The initiative is aimed at transforming our corporate culture.

Forming a group of talent who share our Three Core Values will be at the center of this effort. Those values are: “Mission-Driven” (where individuals employees are motivated by “MY Mission” — their own life mission in their work), “Professionalism” (acting autonomously and achieving results based on a high level of professionalism and ethical standards), and “Diversity & Inclusion” (understanding the importance of diversity and linking it to the creation of new value). By practicing these values, we aim to achieve sustainable growth for SOMPO by improving the job satisfaction and happiness of each employee while making our customers more satisfied.

Each and every employee will be a driving force. By combining MY Mission with SOMPO’s Purpose, we will provide new levels of value through our daily activities. At the same time, we will attract thousands of fans who will help us become “A Theme Park for Security, Health & Wellbeing.”

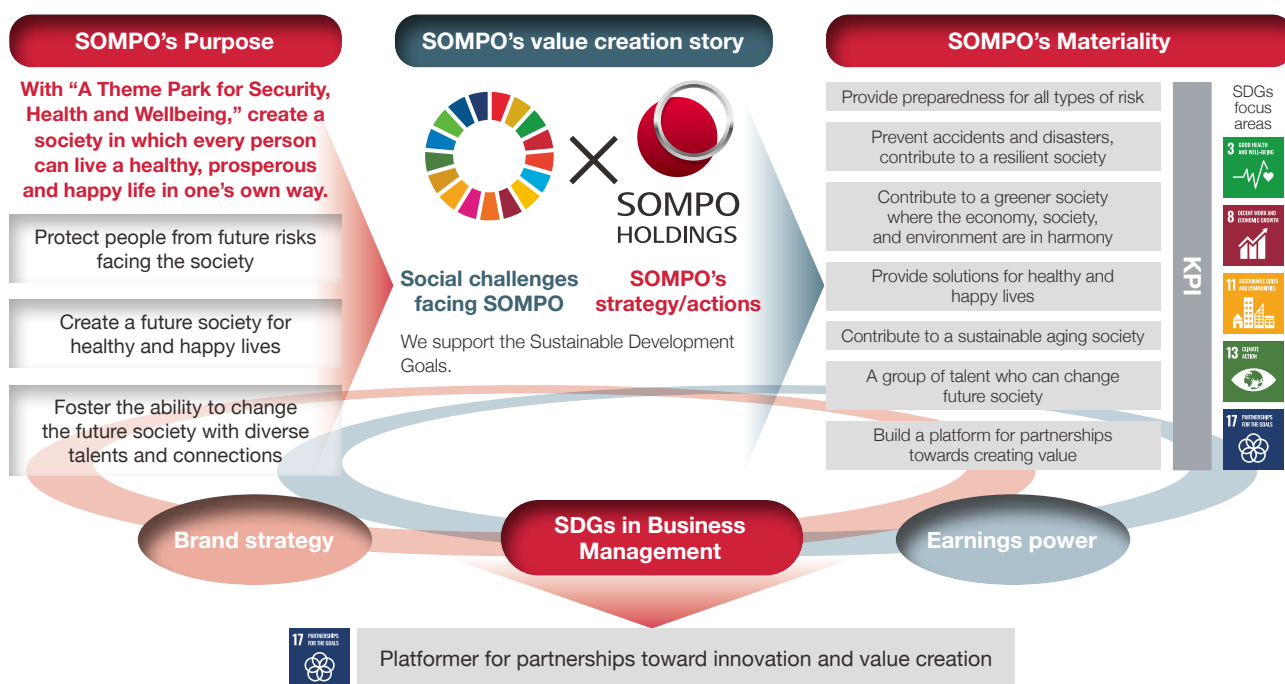


Shinichi Hara
Group CHRO
Executive Vice President and
Executive Officer

SDGs in Business Management

In the new Mid-Term Management Plan, we have positioned “SDGs in Business Management” as a new Group Business Foundation to create economic and social value by resolving social challenges through our core business in order to realize SOMPO’s Purpose. To this end, we will incorporate the social challenges, strategies, and actions that the Group is tackling into our management framework by defining materiality and KPIs. At the same time, we will implement the PDCA cycle by

communicating and promoting the outcomes of these activities while objectivizing them in the universal language of the SDGs. Under our “SDGs in Business Management” policy, we will make the most of our achievements and strengths in helping achieve SDGs through our core business, as well as our credentials as a platformer for social change. Our aim is to become a platformer for partnerships toward innovation and value creation.



SOMPO's Achievements and Strengths

Helping achieve the SDGs through our business/organizational culture and core business

Since its birth as Japan's first fire insurance company, the Group has grown by providing solutions to changing social challenges through insurance and has inherited its founding DNA of solving social challenges. In recent years, we have transcended the framework of insurance and evolved into a solution provider. For example, we made a full-scale entry into the nursing care business in order to tackle the social challenges of a low birthrate and population aging.

Achievements as a pioneer in CSR

The Group was one of the first financial institutions in Japan to set up Department of Global Environment when it participated in the Rio Earth Summit in 1992. We have since been a pioneer in advancing CSR initiatives. Since 1993, for example, we have held Open Lectures on the Environment in collaboration with environmental NPOs. We also have an extensive CSR track record on the global stage. For instance, we actively participate in the World Business Council for Sustainable Development (WBCSD), which was established in 1995. We are the only Japanese financial institution to be a member of WBCSD since its inception.

Credentials of a Platformer

“A Theme Park for Security, Health & Wellbeing” Using real data to help achieve the SDGs

Throughout the five years of its previous Mid-Term Management Plan, the Group has steadily transformed its operations and built “A Theme Park for Security, Health & Wellbeing.” Under the new plan, we will leverage the diversity of our businesses to provide a wide range of solutions. At the same time, we will utilize the abundant real data generated by each business to build a Real Data Platform (RDP) as a mechanism for solving social challenges.

Network with stakeholders, and diversified talent

Backed by a diversified business portfolio, our various businesses have together built a diverse network of stakeholders that includes corporations, local governments, universities, and research institutions, as well as NPOs and NGOs. Our diversified business portfolio has also produced a group of diverse human resources who represent a valuable quality that helps the Group build multifaceted partnerships.

SOMPO's Materiality

When we were considering SOMPO's Purpose, our value creation story for its realization, and our new Mid-Term Management Plan, we engaged in rigorous discussions on what kind of social challenges we should address and what kind of value we should deliver in light of the Group's strengths and resources. These discussions were based on our analyses of medium- and long-term megatrends and identification of social challenges. In addition, we comprehensively identified

social challenges and organized them into seven materialities that we will prioritize. These are based on international norms, such as the United Nations Global Compact and ISO 26000, and take into account issues of importance to society and stakeholders. Having set KPIs for each materiality, we will manage our progress and steadily implement the PDCA cycle aimed at achieving the SOMPO's Purpose.

Materiality identification process

PROCESS 1

Identify social challenges surrounding our business

Comprehensively identify social challenges surrounding SOMPO from the perspective of both their importance to management and their impact on stakeholders based on our value creation story and international norms, such as the United Nations Global Compact and ISO 26000

PROCESS 2

Identify social challenges to be prioritized

Evaluate the importance of social challenges surrounding SOMPO based on their relationships with the SDGs (which represent a universal language) to identify social challenges the Group should prioritize through its business

SDGs matrix ► P.46-47

PROCESS 3

Organize into seven Materialities (Key management themes)

Organize and integrate priority social challenges from the perspective of the Group's management strategy approach and organize them into seven Materialities as key management themes

Seven Materialities and KPIs

Provide preparedness for all types of risk

Prevent accidents and disasters, contribute to a resilient society

Contribute to a greener society where the economy, society, and environment are in harmony

Provide solutions for healthy and happy lives

Contribute to a sustainable aging society

A group of talent who can change future society

Build a platform for partnerships towards creating value









KPIs

► P.48-49

Each company's
SDGs
promotion
plan
(PDCA)

Social challenges and SDGs SOMPO will address

This matrix organizes the relationship between social challenges facing SOMPO, which were identified in Process 1, and the core subjects of ESG and ISO 26000 by following the frameworks of ISO 26000. It also indicates the SDGs to which the Somp Group will contribute through the provision of its products and services, etc. with 169 targets. Priority social challenges to address through

Process 1 Identify social challenges surrounding our business			Process 2 Identify social challenges to be prioritized							
ESG category	ISO 26000 7 core subjects	Social challenges surrounding SOMPO								
G	Organizational governance	Refining governance								△8.8
		Refining ERM								△8.10
		Strengthening cyber security								
	Fair operating practices	Strengthening compliance								△8.8
		Anti-corruption								△8.8
S	Human rights	Value chain with considering ESG							●7.2	●8.7
		Human dignity and Human Rights Risk	△1.3		●3.4	●4.4	△5.4			●8.8
		Preventing the spread of infectious diseases			●3.3					●8.10
	Labor practices	Improving employee engagement through new work style			△3.4	●4.4	△5.4			●8.2
		Developing and utilizing innovatival human resources				△4.4	△5.b			●8.2
		Promoting diversity and inclusion	△1.4		△3.4	●4.5	●5.5			●8.2
		Promoting a health and productivity management®*			●3.4					●8.8
		Investment in HR (Lifelong Learning/Recurrent Education)				●4.4				●8.2
	Community involvement and development	Supporting regional development for regional revitalization								
		Promoting cultures and arts				△4.7				
		Financial inclusion and promoting insurance to vulnerable and all people	●1.4	●2.3	●3.3					●8.10
		Contribution to the resilient society against natural disasters	●1.5							●8.10
		Contribution to the safe and peaceful next-generation mobility society			●3.6					●8.10
		Contribution to a sustainable social security system	●1.3		●3.4					●8.8
		Support for people vulnerable to disasters	△1.5							
		Partnership with various stakeholders	●1.4	●2.4	●3.6	●4.7	●5.5	●6.6	●7.a	●8.10
	Consumer issues	Promotion of digital society	●1.5	●2.4	●3.4	△4.4	△5.b	△6.4	△7.b	△8.10
		Improving quality of customer services			△3.6					△8.3
		Privacy protection								△8.8
		Contributing to smart society			●3.4					
		Extending healthy life expectancy	△1.4		●3.4	△4.7				●8.10
		Providing products and services reflecting changes in people's value and behavior								●8.10
		Next generation education: Education for disaster prevention and traffic safety			●3.6	●4.7		△6.6		
		Next generation education: Education for environment								
E	The environment	Sustainable finance (Insurance)			△3.9				●7.a	△8.10
		Sustainable finance (Investment and Lending)							●7.a	△8.3
		Contribution to a sustainable food supply	●1.5	●2.4				△6.6		●8.10
		Contributing to green society	●1.5	●2.4	△3.9	△4.7		△6.6	●7.2	
		Contribution to a circulating society/economy						●6.b		
		Contribution to a society in harmony with nature						●6.6		

1: SDG targets strongly linked to the Somp Group's initiatives are marked as "●," and those somewhat linked are marked as "△."

The Somp Group will continuously review this in response to the development of problem solving business, changes in social challenges, etc.

2: This matrix is put together under the supervision of Hidemitsu Sasaya.

*Health and productivity management® is a registered trademark of Nonprofit Organization Workshop for the Management of Health on Company and Employee.

the Sampo Group's business have also been identified through Process 2, which narrows down materiality candidates based on level of importance. These social challenges are organized, integrated, and systematized according to SOMPO's strategy in Process 3, and are referred to as Materialities (key management themes for realizing SOMPO's Purpose).



Process 3 Organize into seven Materialities (Key management themes)

9	10	11	12	13	14	15	16	17	Priority social challenges
							●16.7		
							●16.5		
●9.1							●16.5		
	△10.3						●16.5		
	△10.3						●16.5		
			●12.2	●13.2	△14.2	△15.1	△16.2	●17.17	☆
△9.1	△10.2						●16.1	●17.16	☆
				△13.1					
									☆
	●10.2		△12.6						☆
								△17.16	☆
●9.5	△10.2							●17.16	☆
		△11.3						●17.16	
								●17.16	
△9.3		●11.1		●13.1				●17.16	☆
△9.1		●11.b		●13.1				●17.16	☆
●9.1		●11.2						●17.16	☆
	△10.2							●17.16	☆
		△11.b		△13.3				△17.16	
●9.2	●10.4	●11.b	●12.5	●13.3	●14.2	●15.1	●16.2	●17.16	☆
●9.2	△10.2	●11.b	△12.5	△13.1	△14.2	△15.a	△16.1	●17.16	☆
								●17.16	
							●16.5		
		●11.3		△13.1				●17.16	☆
	△10.2							●17.16	☆
			△12.8					●17.16	
		●11.b						●17.16	☆
		●11.b	●12.3	●13.3	●14.1			●17.16	☆
●9.1		●11.4		●13.3	△14.1	△15.5		●17.16	☆
●9.4			△12.c	●13.a	△14.1	△15.5		●17.16	☆
				●13.1				●17.16	☆
△9.1		△11.4	●12.8	●13.2	△14.1	△15.5		●17.16	☆
			●12.5	△13.3	●14.1	△15.4		●17.16	☆
			●12.5	△13.3	●14.1	△15.2		●17.16	☆

Provide preparedness for
all types of risk

Prevent accidents and
disasters, contribute to
a resilient society

Contribute to a greener society
where the economy, society
and environment
are in harmony

Provide solutions for
healthy and happy lives

Contribute to a sustainable
aging society

A group of talent who can
change future society

Build a platform for
partnerships towards creating
value

Materiality KPIs

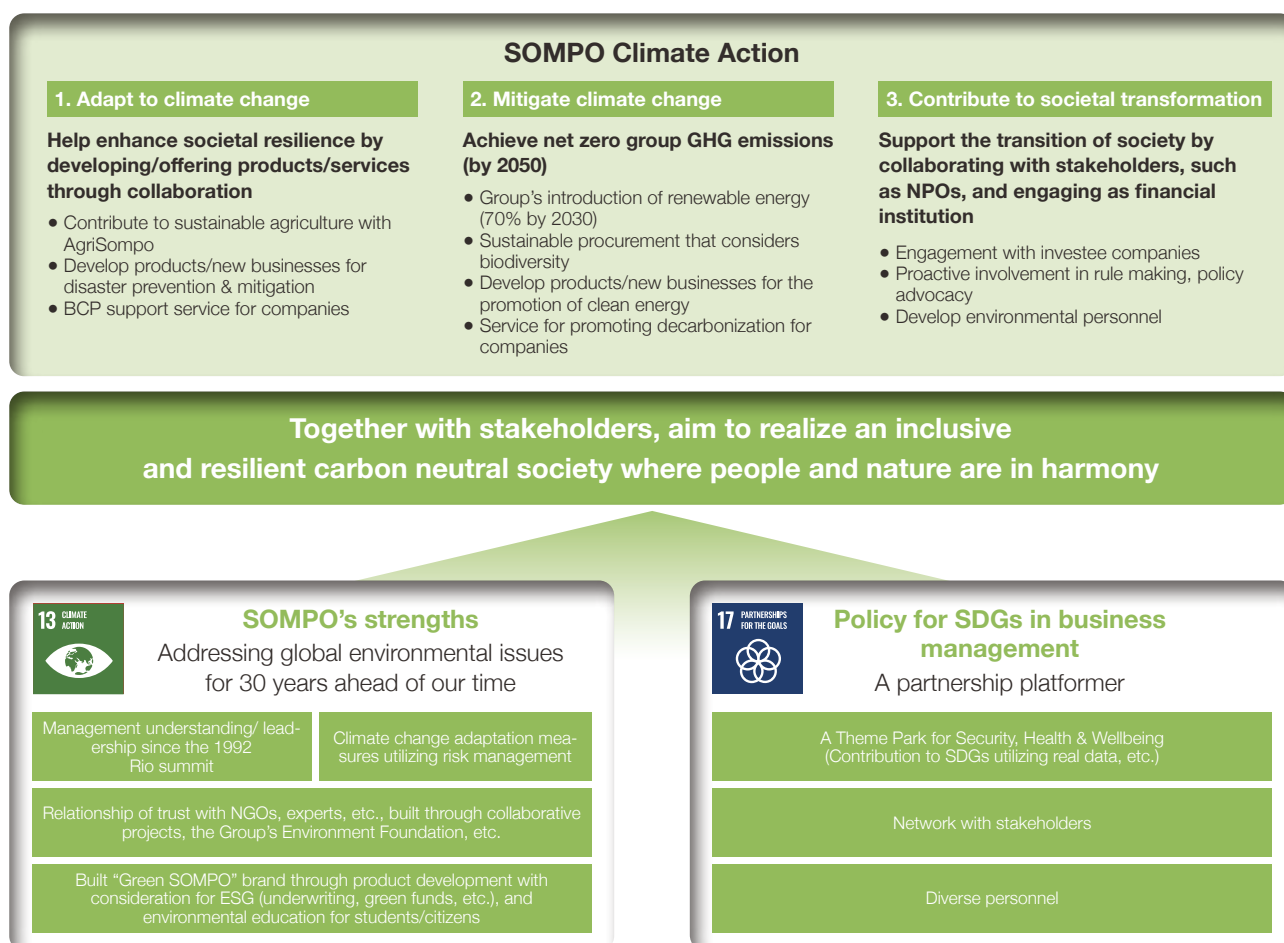
Materiality	Materiality subcategories		Materiality KPIs	
			KPIs	Target business
Provide preparedness for all types of risk	Financial inclusion and promoting insurance to all people	Co-creation with various stakeholders	Domestic net written premiums (contribution to promoting insurance)	Domestic P&C insurance
			Overseas gross written premiums (contribution to promoting insurance)	Overseas insurance
			No. of life insurance policies in force (contribution to promoting insurance)	Domestic life insurance
			No. of sales and premiums for insurance products that help people prepare for illness and injury (Medical Master, Nyuin Passport)	Domestic P&C insurance
	Contribution to a sustainable food supply		Expansion of AgriSampo's agricultural insurance business to more countries	Overseas insurance
Prevent accidents and disasters, contribute to a resilient society	Contribution to resilient society against natural disasters		Customer satisfaction with insurance claims paid for natural disasters	Domestic P&C insurance
	Contribution to secure and healthy next-generation mobility society		No. of sales and premiums for insurance products that contribute to secure and healthy next-generation mobility society (New DRIVING!, UGOKU)	Domestic P&C insurance
	Next-generation education (disaster prevention and traffic safety)		No. of participants in disaster prevention and traffic safety training	All businesses of the Group
Contribute to a greener society where the economy, society and environment are in harmony	Sustainable finance (insurance underwriting, product development, investing and lending)		Participation and activities in sustainability-related initiatives and rulemaking	All businesses of the Group
	Contribution to a green society, recycling society and society in harmony with nature		No. of engagement with investee and borrower companies	All businesses of the Group
	ESG conscious value chain		Greenhouse gas emission reduction rate (Scope 1-3)	All businesses of the Group
	Next-generation education (environment)		Switching to renewable energy sources	All businesses of the Group
			No. of participants in environmental education programs	All businesses of the Group
Provide solutions for healthy and happy lives	Extending healthy life expectancy		No. of Insurhealth® policies sold	Domestic life insurance
			No. of Insurhealth® policies in force	Domestic life insurance
			Weighting of Insurhealth® products	Domestic life insurance
			Company name recognition	Domestic life insurance
			Perception as a health-promoting company	Domestic life insurance
			No. of facilities offering dementia prevention programs	Nursing care & seniors
			Health guidance business revenue	Healthcare
		Mental health service revenue	Healthcare	
		No. of smart community proof of concepts	Nursing care & seniors	
	Contribution to a smart society			
Contribute to a sustainable aging society	Contribution to a sustainable social security system	No. of facilities that introduce a Future Nursing Care model	Nursing care & seniors	
		Nursing care facility occupancy rate	Nursing care & seniors	
		No. of nursing care users	Nursing care & seniors	
		Care provider turnover rate	Nursing care & seniors	
A group of talent who can change future society	Improving employee engagement through new work style	Employee engagement	All businesses of the Group	
		My Mission training participation rate	All businesses of the Group	
		Telework rate	All businesses of the Group	
	Health and poroductivity management, human dignity and human rights risk	Health and productivity management index (WLQ)* *Work Limitations Questionnaire	All businesses of the Group	
		Ratio of female managers	All businesses of the Group	
		Ratio of employees with disabilities	All businesses of the Group	
	Promoting diversity and inclusion	Shift to job-based HR system	All businesses of the Group	
		Investment in HR (Lifelong learning / Recurrent education)	No. of digital personnel developed/employed	All businesses of the Group
	Build a platform for partnerships towards creating value	Promoting a digital society	Group revenue generated by utilizing RDP* *Real Data Platform	Digital
External sales and monetization of RDP products and services			Digital	

Numerical targets	Partnership KPIs	Relevant SDG targets			Society SOMPO aims for / Vision to be realized
FY2021: ¥1,988.6bn / FY2023: ¥2,079.9bn	Increase in partnerships (1) No. of collaborations/ partnerships announced to the public (2) No. of PoC* and pilot tests conducted through collaborations/ partnerships (3) No. of solutions provided through collaborations/ partnerships *Proof-of-Concept	1.4	8.10	11.7	Due to the evolution of insurance, people are protected from new risks such as climate change, infectious diseases and cyberattacks, and can live a secure and healthy life.
FY2021: +7.9% / FY2022: +7.1% / FY2023: +6.9% *In USD		1.4	8.10	13.1	
FY2021: 4.43M / FY2023: 5.00M		1.4	3.3	8.10	
Increase YoY		3.3	3.4	8.10	
Increase in number of target countries by FY2023		1.5	2.4	13.1	
Improve YoY		1.5	11.b	13.1	Risks are controlled and damage is minimized by detecting signs and preventing damage.
Increase YoY		3.6	8.10	11.2	
FY2021: 15,000		3.6	4.7	11.b	Inclusive and resilient carbon neutral society where people and nature are in harmony
Publish activity results		9.4	11.4	13.3	
Increase YoY		7.a	9.4	13.a	
60% reduction by FY2030 (compared to 2017), net zero by FY2050 *The target for FY2050 includes investee and borrower companies		7.2	12.8	13.2	
70% introduction rate by FY2030		7.2	12.2	13.2	
FY2021: 11,500		12.3	13.3	14.1	People who need support can live a healthy and happy life with dignity as individuals.
End of FY2021: 300,000 / End of FY2023: 420,000		1.4	3.4	8.10	
End of FY2021: 600,000 / End of FY2023: 1,300,000		1.4	3.4	8.10	
End of FY2021: 60% / End of FY2023: 80%		3.4	3.a	8.10	
End of FY2021: 60% / End of FY2023: 80%		3.4	3.a	8.10	
End of FY2021: No. 5 in the life insurance industry End of FY2023: No. 1 in the industry		3.4	3.a	8.10	The burden on people who support an aging society with a declining birthrate is reduced and everyone can pursue their dreams.
FY2021: 38 / FY2023: 171		3.4	5.4	10.2	
FY2021: ¥3.519bn		3.4	3.5	4.7	
FY2021: ¥1.485bn		3.4	4.4	8.8	
FY2021:10		3.4	3.d	11.3	
FY2021: 28 / FY2023: 258	Our diverse employees develop innovative solutions and have the power to drive transformation towards a better society.	1.3	3.4	8.8	Our diverse employees develop innovative solutions and have the power to drive transformation towards a better society.
FY2021: 90.8% / FY2023: 93.8%		1.3	3.4	10.2	
FY2021: 90,000 / FY2023: 120,000		1.3	3.4	10.2	
FY2021: 11.4% / FY2023: 10.5%		1.3	3.4	8.5	
End of FY2023: Gallup Q12 average points: (domestic) 3.70 pt, (overseas) 4.10 pt		4.4	8.2	8.8	
End of FY2023: 100% of eligible employees		3.4	4.4	8.2	SOMPO proposes a prosperous life for both people who support and people who are supported in an aging society by creating innovation based on facts and data.
More than 50% of whole Group *Nursing care frontline not included		4.4	5.4	8.8	
Improvements YoY at each company		3.4	4.4	8.8	
End of FY2023: 30%		5.5	8.2	10.2	
End of FY2023: 2.5%		4.4	8.2	10.2	
Realize job-based system at each company by the end of FY2023		8.2	8.5	9.5	
End of FY2023 DX specialists: 177 DX planning personnel (A) Employees who have completed basic DX training: 4,000 (B) Participants in AI planning, data utilization, CX agile design training: 3,000 Personnel using DX: 17,100 training participants		4.4	8.2	9.5	
¥500bn (medium- to long-term target)		3.4	9.2	11.b	SOMPO proposes a prosperous life for both people who support and people who are supported in an aging society by creating innovation based on facts and data.
More than two projects by the end of FY2023		3.4	9.2	11.b	

SDGs in Business Management: SOMPO Climate Action

With the adoption of the SDGs conclusion of the Paris Agreement in 2015, companies are increasingly expected to take concrete action to combat climate change. With this in mind, we have positioned “SDGs in business management” as part of our management foundation. We will also accelerate our “SOMPO Climate Action” program, which calls for us to “adapt to climate change,” “mitigate climate change,” and “contribute to societal transformation.”

Since the 1990s, the Group has been tackling global environmental issues in collaboration with a wide range of stakeholders. Through partnerships with stakeholders built up over many years, we will promote initiatives that emphasize environmental, economic, and social sustainability. Our aim is to realize a resilient, carbon-neutral society where people and nature are in harmony.



In 1992, SOMPO's president at the time participated in the Rio Summit as the chairman of the Keidanren Committee on Nature Conservation. In the same year, we established the Department of Global Environment—the first for a Japanese financial institution—and have since been working on global environmental issues in collaboration with NPOs and other organizations. In 1997, we obtained ISO 14001 certification for environmental management systems (another first for a Japanese financial institution), and been working to “adapt to” and “mitigate” climate change.

We are also contributing to “societal transformation” by participating in sustainability promotion and rule-making organizations. Recently, we have been working hard to promote climate-related information disclosure in the insurance industry, including by developing methods for analyzing climate risks.

For example, we joined the insurance pilot working group of the Task Force on Climate-related Financial Disclosures (TCFD), promoted by the United Nations Environment Programme Finance Initiative. We are also committed to the Science Based Targets (SBT) initiative, which aims to achieve the 1.5°C target of the Paris Agreement, and since September 2018 we have been the only domestic insurance group to participate in the Expert Advisory Group for the development of SBT guidelines for financial institutions. In December 2020, meanwhile, we joined the Business for Nature Strategic Advisory Group, which consolidates the opinions of industry and makes policy proposals to address the growing sense of crisis about biodiversity.

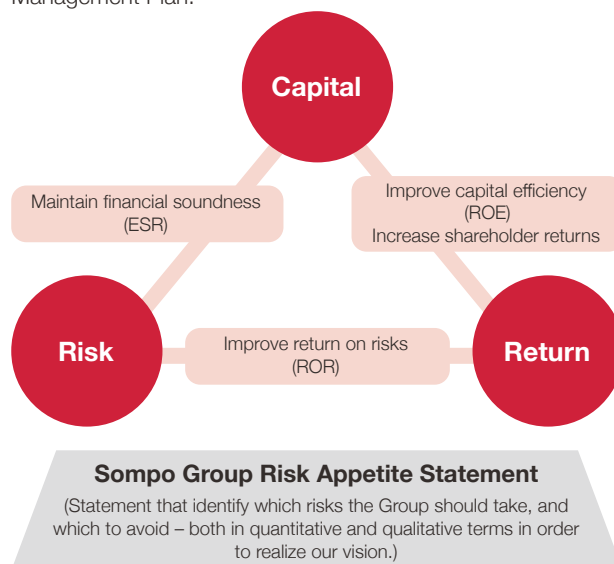
Through the SOMPO Climate Action initiative, we will help realize a resilient, inclusive, and sustainable society.

Capital Policy and Enterprise Risk Management (ERM)

Our ERM framework is a management approach that aims to maximize corporate value by maintaining strong financial soundness while balancing capital, risk, and return. It has the goal of increasing profits and achieving steady improvements in capital efficiency to deliver target ROE of 10% or more. Under the new Mid-Term Management Plan, we have established the “Sompo Group Risk Appetite Statement,” which consists of the Risk Appetite Principles, the Medium-term Risk-taking Strategy and the Risk Appetite Indicator. Based on the medium-term risk-taking direction encapsulated in this statement, we will improve capital efficiency in existing businesses through measures such as: reduction in the strategic holdings of stocks that have low capital efficiency; and strengthening of ALM to continuously reduce interest rate risk.

In addition, we will further improve the Group’s capital efficiency by directing surplus generated capital towards growth areas, with a focus on seeking overseas M&As opportunities that can enhance the value, scale and diversification of the Group’s business. Through these initiatives, we aim to achieve our medium-term targets – adjusted consolidated profit of JPY

300 billion or higher and adjusted consolidated ROE of at least 10% – by fiscal year 2023, the final year of the new Mid-Term Management Plan.

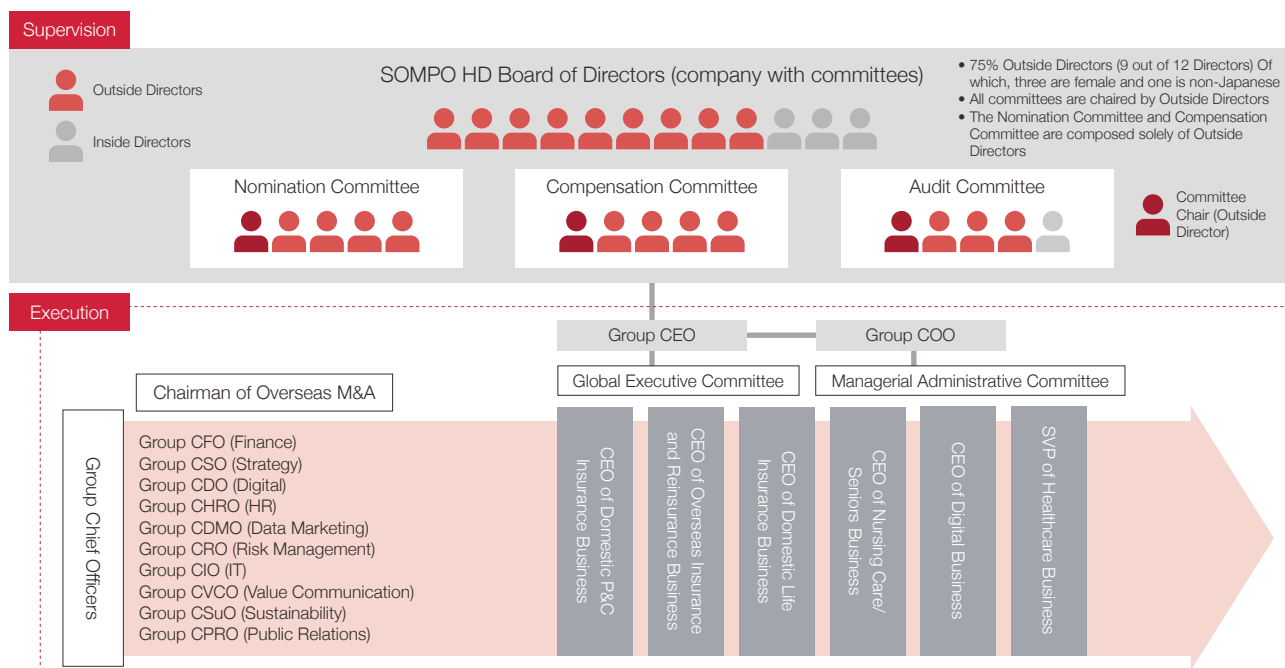


Governance

As a Company with Committees, we have established a governance system in which the Board of Directors, composed mainly of outside directors, supervises the executive divisions. We also have three statutory committees—the Nomination Committee, Compensation Committee, and Audit Committee—all chaired by outside directors. These committees engage in fair and active discussions aimed at strengthening the Group’s governance. Also, the status of execution

is actively shared at Board of Directors meetings in order to enhance the soundness and transparency of governance.

Under the leadership of the Group CEO and Group COO, we have established a matrix-style group management system, with Business CEOs (vertical axis) serving as CEOs of the business divisions and Group CxOs (horizontal axis) serving as chiefs of operational functions of the Group. Through this system, we are working to enhance the Group’s corporate value.



A tripartite discussion: SDGs in Business Management for fulfilling the SOMPO's Purpose



Masahiro Hamada

Group CFO, Group Co-CSO
Senior Executive Vice President
and Executive Officer

Hidemitsu Sasaya

CSR/SDGs Consultant

Kayoko Sakai

Director and Executive Officer
Sompo Japan Insurance Inc.

In the Mid-Term Management Plan starting from fiscal 2021, we will work on SDGs in Business Management to fulfill the SOMPO's Purpose.

We invited Hidemitsu Sasaya, a CSR/SDGs consultant, to exchange opinions with Masahiro Hamada, Group CFO, Group Co-CSO, and Senior Executive Vice President and Executive Officer, and Kayoko Sakai, Director and Executive Officer of Sompo Japan Insurance Inc., on the theme of SDGs in Business Management toward fulfilling the SOMPO's Purpose.

What is the Sompo Group's SDGs in Business Management?

Mr. Hamada Here at the Sompo Group, we have always been committed to going beyond insurance and helping solve social challenges under the Sompo Group's vision of becoming "A Theme Park for Security, Health & Wellbeing."

When we started preparing our Mid-Term Management Plan about a year and a half ago, we first envisioned the changes in the environment 10 years ahead and started "backcasting" from there. When we think about the megatrends of the next 10 years, they overlap with the SDGs, which are set to target the year 2030. When we combined this with business trends such as stakeholder capitalism and DX (Digital Transformation), we were once again convinced that becoming "A Theme Park for Security, Health & Wellbeing" was the right direction to move in.

In addition, the impact of the COVID-19 pandemic is bringing about a massive change in social values. When we took into consideration life during the COVID-19 pandemic and post-COVID-19 environment, all of us in the management team realized that the Theme Park concept is not a vision of the distant future, but that the timeline for realizing it has

moved considerably closer. That's when we took another look at the Sompo's reason for existence (Purpose), which underlies the Theme Park concept, and asked ourselves what it means to be the Sompo Group, and how the Sompo Group can contribute to society.

With regard to the SOMPO's Purpose, we deliberated on our social value creation story from the early stages of preparing our Mid-Term Management Plan, clearly defining what kind of society we aim to create and what kind of value we will provide through the Theme Park concept. We had thorough discussions not only at Sompo Holdings but also at other Sompo Group companies with real businesses and customers.

The important thing is to demonstrate the value we deliver to society, and in doing so, enhance economic value and contribute to boosting corporate value. Initially, we were thinking along the lines of how to balance social value and economic value, but through repeated discussions, we came to the conclusion that the two are not in conflict, and the only difference is in the time frame for achieving profit.

And of course, the scale of this social value story is not something that can be achieved in a three-year Mid-Term Management Plan, but it has been sublimated as part of the SOMPO's Purpose for us.

What we focused on most when formulating the Purpose was to make it something that each and every employee at each of the operating companies would feel proud and take ownership of.

SDGs in Business Management is a framework to promote initiatives to fulfill the Purpose. It is a management approach specifically designed to materialize the Theme Park concept, and we have positioned it as a business foundation in the new Mid-Term Management Plan. Going forward, we will create a framework that uses SDGs in Business Management to clarify the social challenges that the Sompo Group faces, develop them into earning power over the medium to long term, and communicate and promote them outside the company to fulfill the SOMPO's Purpose.

Ms. Sakai Mr. Hamada talked about the Sompo Group as a whole, including its Purpose and the new Mid-Term Management Plan, but Sompo Japan Insurance Inc., which is the core company of the Sompo Group, was founded in the early years of the Meiji Era in 1888, rooted in local fire brigade in Edo. We have carried on our mindset of protecting our customers and contributing to society for 130 years.

The President of Sompo Japan attended the Rio Earth Summit in 1992 and established the Department of Global Environment in the same year. I was also assigned to this Office in 1996. I remember many people asking at that time "why a P&C insurance company addresses environmental issues." However, since expectations for companies have evolved from Corporate Social Responsibility (CSR) to Creating Shared Value (CSV), and then contribution to SDGs, I feel that Sompo Japan was one of the companies that realized its value quite early.

In fact, about 85% of Sompo Japan Insurance Inc.'s employees think that their work is related to sustainability. The challenge is how to evolve this idea while tying it into business. I believe that if we can create a virtuous cycle of solving social challenges and creating social value through our core business, we will grow into an even better company.

We have clearly stated our focus on "SDGs in Business Management" in the new Mid-Term Management Plan, and we fully intend to establish a unique position in this field.

Mr. Sasaya Tying SDGs to management is a great idea and is extremely important. Differences in the competency of top management and employees in terms of their understanding of sustainability become apparent through management. This has been a point of focus since the publication of the "Guidance on Social Responsibility (ISO26000:2010)." The Sompo Group already has this. Your company's legacy, including its CSR activities, is a great strength.

The impact of the Sompo Group, with its long history of CSR, turning to SDGs in Business Management is profound. The SDGs are related to all four elements of management - people, goods and services, money, and information - and there are methods for incorporating them into management, which makes them an effective compass for disseminating



information worldwide. I think it is remarkable that your company has adopted this as the basis for management.

What are the features of the Sompo Group's SDGs in Business Management?

Mr. Hamada I see the term SDGs in Business Management as a framework for management that does not simply mean "manage with SDGs in mind" but rather something that includes clarifying issues that need to be addressed to fulfill the Purpose, carrying out the PDCA (Plan-Do-Check-Act) cycle for long-term initiatives, and communicating the results. While there are many management frameworks for pursuing short- and medium-term results, particularly in insurance, there have not been many frameworks for promoting long-term, non-financial initiatives.

After unpaid insurance claims developed into a major social issue, the insurance industry reaffirmed the importance of service quality. Since then, the Sompo Group has established a management framework that regularly checks quality, and both management and the field continue to place a high priority on quality. Similarly, when considering initiatives that create social value or contribute to the SDGs, but do not immediately lead to economic value, it is necessary to create a common awareness across the entire Sompo Group in order to keep these initiatives on track and sustain them, and this is exactly what the Purpose is for. And the various mechanisms and management PDCA process aimed at enhancing quality is what SDGs in Business Management is.

With regard to "incorporating the SDGs into our management system," which is critical in promoting SDGs in Business Management, we have set the SOMPO's Materiality which covers the key issues for fulfilling the Sompo's Purpose. In this process, we created a matrix of the SDGs, identified the relationship between the 169 targets of the SDGs and the products and services offered by the Sompo Group as well as its future strategies, and set KPIs tied to the SDGs for initiatives aimed at achieving the SOMPO's Materiality. These Materiality KPIs are closely linked to the value creation story for fulfilling the Purpose and the new Mid-Term Management Plan, and as a result, about 80% of the KPIs have a strong connection to our businesses and are suitable indicators to see the progress of the respective businesses.

In this way, we will continue to create social and economic value, and hopefully, in one year, we will be able to take our



Hidemitsu Sasaya

Hidemitsu Sasaya graduated from the University of Tokyo Faculty of Law in 1976. He joined the Ministry of Agriculture and Forestry in 1977, serving as Deputy Director-General of the Minister's Secretariat of the Ministry of the Environment, then as Deputy Director-General of the Minister's Secretariat of the Ministry of Agriculture, Forestry and Fisheries, and finally as Director-General of the Kanto Regional Forest Office. In 2008, he joined ITO EN, LTD. and retired after serving as Director and Managing Executive Officer. He holds a PhD in Policy Studies and has been a professor of Chiba University of Commerce's Platform for Arts and Science since April 2020.

SDGs in Business Management further to the point of setting the 18th SDG for Sampo Holdings.

Ms. Sakai By organizing the Materiality KPIs and SDGs matrix, we realized that the issues that Sampo Japan Insurance Inc. is tackling in the new Mid-Term Management Plan and the approaches to SDGs in Business Management are not far apart, but aligned. And now, there are four things that we are going to put into practice as Sampo Japan Insurance Inc.

The first is to improve society with the SDGs by developing products and services within the P&C insurance business. New technological innovations could include insurance and services to mitigate risks. In addition, Sampo Japan Insurance Inc. has a network of about 23,000 employees and 48,000 agents, which we will leverage to address issues specific to each region.

Next, we are working to go beyond providing conventional insurance to solve social challenges. Specifically, we will focus on enhancing preventive services such as disaster prevention and mitigation through the use of DX, and on supporting Mobility as a Service (MaaS).

The third point is to address the issue of climate change. In order to achieve the Japanese government's goal of carbon neutrality by 2050, we continue replacing our power usage with renewable energy. In addition, in the field of "adaptation," which society has high expectations for, we will work to provide new solutions, such as insurance and risk consulting, by leveraging the knowledge we have accumulated over the years.

The fourth point is engagement (constructive dialogue). As an institutional investor, we will actively engage in dialogue on ESG issues to promote the initiatives of our investees and loan customers, and also contribute to the transformation of Japanese society.

Mr. Sasaya It is extremely important to incorporate the SDGs into management, rather than simply being aware of

them. For companies to achieve their SDGs, it is important to implement the competitive strategy of creating shared value (CSV), which aims to simultaneously achieve economic value and social value. However, the social issues we address should not be subjective. This is where the SDGs can be utilized, and social issues can be objectified through the SDGs. This is the key to differentiating a company and building a competitive advantage. For example, this can influence the consumer's product preferences and help secure partners that can contribute to your competitive advantage.

In addition, employees will grow to think about SDGs, which will lead to SDG-related conversations inside and outside the company, leading to new initiatives and innovations. In this way, it is important to incorporate the SDGs into management, as it will make a big difference in terms of organizational strength.

Furthermore, the relationship between ESG and SDGs is currently confusing. To address this, I have used my experience working with companies to develop a method called the ESG/SDGs Matrix, which helps to organize the 17 goals of the SDGs in relation to ESG in an easy-to-understand manner. The benefits of using this method are firstly that it helps in the selection of materiality by organizing it in a comprehensive manner, and secondly that it prevents criticism that the company has opted for SDGs that are a convenient fit. This will greatly boost the appeal to investors and make the focus more visible to multi-stakeholders. It will also help improve employee understanding. The matrix of your company, which I've had the pleasure of advising this time, served as a very good start as we organized the SDGs at the target level, shared it within the Sampo Group, and set materiality for the Group as a whole.

It is also important to note that over 80% of the KPIs for implementing the SDGs are aligned with the Sampo Group's core business. This is because creativity and innovation through the company's core business is expected when it comes to pursuing SDGs, and by incorporating SDGs into the company's core business, it can become a source of competitiveness and a business model that leads to high quality services.

There are still very few companies that have incorporated the SDGs into their management and are thoroughly using them, so it will be fascinating to watch.

How will the Sampo Group carry out its partnership strategy?

Mr. Hamada The Sampo Group has developed various partnerships over the years centering on the P&C insurance business, but in the nursing care business, which we started five years ago, we have gone from trying to create an ecosystem to being approached by stakeholders. In this context, the Real Data Platform (RDP) concept is a major initiative that serves as a key to creating partnerships. In the previous Mid-Term Management Plan, we set out to create "A Theme

Park for Security, Health & Wellbeing,” and pursued this vision for the ensuing five years. Then, in the new Mid-Term Management Plan, we positioned the RDP as a tangible representation of the Theme Park.

The key here is that it is a dynamic process that starts from a single dot which becomes lines and develops into an all-encompassing platform. It may start out with improving our productivity, but it leads to selling outside of the company, creating new revenue streams, and solving social challenges. We can't call it RDP unless we take it this far. For example, we are starting to think about RDP in the five domains of nursing care, disaster prevention and mitigation, mobility, healthy aging, and agriculture, with the big idea of helping Japan's social security resources. To create an ecosystem as a provider of various services, we believe that we need partners for data acquisition and solution development on top of Palantir's data analysis technology. The important thing is to build a system of data processes that will serve as our competitive advantage along with our passion for the SDGs and our desire to solve social issues, and we would like to expand our partnerships by inviting other players with a strong passion for the SDGs. This is the sort of platformer we strive to become.

Ms. Sakai I believe that Goal 17 of the SDGs (partnership) is special, and particularly important. Today's social issues are complex and difficult for individual companies to solve on their own. Since the early 1990s, SOMPO has been actively working to address environmental challenges, and we have insisted on partnering with stakeholders from the outset. To date, we have partnered with over 300 NPOs and have concluded cooperation agreements with more than 200 local governments. For example, our “Open Lectures on the Environment,” held in collaboration with environmental NPOs, has attracted about 30,000 participants over the past 30 years. We are confident that our partnership initiatives will never be considered “SDGs wash.”

Furthermore, in recent years, the presence of social entrepreneurs has been growing and the mindset of the younger generation has been changing drastically, so we are envisioning a new platform to connect these people with local companies and local governments. In addition, Institute for Advanced Biosciences, Keio University (Tsuruoka City, Yamagata Prefecture), where employees of Sampo Japan Insurance Inc. are assigned, is taking on the challenge of new co-creation involving venture companies and NPOs. We would like to further evolve our partnership model, taking into account talent development and recurrent education for senior personnel.

Mr. Sasaya The more I hear about it, the more profound it gets. Insurance can be a hub for solving social challenges because it can close in on a wide range of social challenges. I think Sampo Holdings has the potential to become a platform for partnerships, including for the newly acquired RDP. The SDGs are like magnetic fields that strengthen partnerships



and attract innovation. Cooperation based on SDGs is quicker because of the common language the SDGs provide. To visualize the impact of the SDGs on the RDP going forward, place SDG 17 (partnership) in the middle and draw the other SDGs around it. The RDP will tie into a variety of solutions that leverage the data as an outlet through B2B2C, and as a result, contribute to the many targets of the SDGs that surround it. For example, nursing care is Goal 3 (Good health and Well-being), resiliency is Goal 11 (Sustainable cities and communities), and so on. Seen this way, the RDP is like an all-encompassing framework governed by the SDGs.

The SDGs consist of “compulsory performances” that all companies must do and company-specific “showcase performances.” The matrix organization, which is compulsory, applies to many issues, but since Sampo Holdings has a sophisticated business model, the 17 goals alone are not enough to describe it. In particular, I don't think it is possible to fully express the “assurance of physical, mental, and social well-being” which is clearly stated in the UN document “Transforming Our World: The 2030 Agenda for Sustainable Development” that contains the SDGs. That portion will be a showcase. I refer to this as the 18th goal of the SDGs. What your company communicates will generate reactions worldwide and invigorate the entire Sampo Group, accelerating the movement globally. I think it evokes the “moonshot” or “level of ambition” that the SDGs emphasize as part of solving difficult social challenges.

In addition, as the massive network of Sampo Japan Insurance Inc. incorporates SDGs, it will become a model within the Sampo Group and take on the role of rolling the SDGs out across the Group. Then, carrying out SDGs in Business Management by making full use of intangible assets such as history and tradition, corporate culture, network, brand credibility, group strength, and risk management know-how will lead to the redesign of the corporate brand.

The biggest thing that came about with COVID-19 was the separation of people. Our conventional values were invalidated, which led to a paradigm shift as more and more people began to reflect. In addition to carbon neutrality, which is included in the “E” portion of ESG, the Sampo Group's SDGs in Business Management also focuses on people, which is important in the “S” portion of ESG. I believe that the world will look to the Sampo Group as a solution provider that contributes to “Build Back Better” in the post-COVID-19 days.