

October 31, 2024

Company Name: Sompo Holdings, Inc.

Representative: Mikio Okumura,
Group CEO, Director, President and Representative Executive Officer
(Stock Code: 8630, Prime Market of Tokyo Stock Exchange)

Company name: Sompo Japan Insurance Inc.

Representative: Koji Ishikawa, President and CEO

Sompo Japan Insurance Inc. Receives Cease and Desist Order and Surcharge Payment Order from Japan Fair Trade Commission

Sompo Japan Insurance Inc. (President and CEO: Koji Ishikawa; hereinafter “Sompo Japan”), a subsidiary of Sompo Holdings, Inc., has been under investigation by the Japan Fair Trade Commission (JFTC) since August 2023 on suspicion of violating of the Antimonopoly Act (unreasonable restraint of trade) in relation to non-life insurance contracts with TOKYU CORPORATION, Sendai International Airport Co., Ltd., the Tokyo Metropolitan Government (including the Tokyo Metropolitan Police Department; hereinafter meaning the same), Keisei Electric Railway Co., Ltd., COSMO ENERGY HOLDINGS CO., LTD. and COSMO OIL CO., LTD., JERA Co., Inc., Japan Organization for Metals and Energy Security, and Sharp Corporation as policyholders. Sompo Japan has been cooperating fully with the investigation to date.

Sompo Japan announces today that it has received from the JFTC a cease and desist order and payment order for a surcharge under the Antimonopoly Act.

We sincerely apologize for the great concern and inconvenience these matters have caused to our customers and other related parties.

We seriously take this order from the JFTC and will strive to regain trust by further strengthening our initiatives to comply with the Antimonopoly Act and thoroughly implementing recurrence prevention measures in line with our business improvement plan in order to prevent this from happening again.

1. Overview of the Cease and Desist Order

On the grounds that that Sompo Japan has violated the Antimonopoly Act (unreasonable restraint of trade) in relation to non-life insurance policies for TOKYU CORPORATION, Sendai International Airport Co., Ltd., the Tokyo Metropolitan Government, Keisei Electric Railway Co., Ltd., COSMO ENERGY HOLDINGS CO., LTD. and COSMO OIL CO.,

LTD., JERA Co., Inc., Japan Organization for Metals and Energy Security, and Sharp Corporation as policyholders, Sompo Japan was ordered to confirm that the violations of the Antimonopoly Act (unreasonable restraint of trade) have been eliminated and to take necessary measures to prevent recurrence in the future.

2. Overview of Surcharge Payment Order

- Amount of surcharge payable: 647.98 million yen (total)
- Payment deadline: June 2, 2025

As a result of applying to the Fair Trade Commission for a surcharge reduction and application of the exemption system (leniency system), the surcharge has been either exempted or reduced in each of the above matters.

3. Impact on Our Business Performance Arising from These Matters

We have already recorded a loss equivalent to the above surcharge in the second quarter of the consolidated accounting period for the fiscal year ending March 2025, and therefore we believe that the impact arising from these matters on our business performance for the current period will be limited.

4. Future Initiatives

We will carefully consider our future initiatives after examining and confirming the details of the cease and desist order and the payment order for a surcharge and will continue to further strengthen our initiatives to comply with the Antimonopoly Act and to prevent recurrence in line with our Business Improvement Plan.

[Status of Progress on the Business Improvement Plan (as of August 31, 2024)]

https://www.sompo-hd.com/-/media/hd/en/files/news/2024/e_20240913_1.pdf