

# Sompo Holdings Group Compliance Code of Conduct

## Table of Contents

	<b>Page</b>
<b>Sompo Holdings Group Compliance Code of Conduct</b>	<b>3 - 4</b>
1. Compliance with Laws, Regulations and Internal Rules	
2. Respect for Human Rights	
3. Maintain and Promote a Healthy and Safe Working Environment	
4. Protection of Company Assets	
5. Proper Document Creation and Management	
6. Fair and Free Competition	
7. Prohibition of Bribery	
8. Prohibition of Conflict of Interest	
9. Protection and Management of Personal and Confidential Information	
10. Protection of Intellectual Property	
11. Prohibition of Insider Trading	
12. Exclusion of Relationships with Organized Crime Forces	
13. Prevention of Money Laundering and Terrorist Financing	
14. Appropriate Political Activities	
15. Appropriate Financial Reporting, Tax Treatment Based on Laws and Regulations	
<hr/>	
<b>Guidance on Compliance Code of Conduct</b>	
1. Applicable Scope	5
2. Ensuring Compliance	
3. Expectations	6
(1) All Officers' and Employees' Duties and Responsibilities	
(2) Top Management and Managers' Duties and Responsibilities	
4. Reporting Violation	
(1) Reporting and Consultation	
(2) Response after Reporting	
(3) Disciplinary Actions in Case of Violation	
5. Specific Action Examples	8 - 13

## **Sompo Holdings Group Compliance Code of Conduct**

Sompo Holdings has established the Sompo Holdings Group Basic Policy on Compliance (collectively, "Basic Policy") with the aim of being a corporate group trusted by society by remaining constantly aware of the important public mission and social responsibility of its businesses and providing customers with the highest-quality services and sense of security through appropriate corporate activities that comply with laws and regulations, societal norms, and corporate ethics.

The Sompo Holdings Group Compliance Code of Conduct (collectively, "the Code of Conduct") clearly shows the actions required to ensure that all officers and employees ("Employees") of the Sompo Holdings Group understand the importance of compliance and act in ways that consider compliance seriously. All Employees must act in compliance with the Code of Conduct.

### **1. Compliance with Laws, Regulations and Internal Rules**

We will act with integrity and good sense in compliance with laws, regulations and internal rules, and based on social norms and corporate ethics.

### **2. Respect for Human Rights**

We will respect human rights in every aspect of our business activities.

### **3. Maintain and Promote a Healthy and Safe Working Environment**

We will aim to maintain and promote a healthy and safe working environment in which Employees can have peace of mind and demonstrate their abilities fully without any concerns that threaten their mental or physical safety.

### **4. Protection of Company Assets**

We will only use the assets of the Group for the Group's business activities and properly protect them.

### **5. Proper Document Creation and Management**

We will properly create and manage documents, emails, and data, etc. related to our transactions and operations in accordance with laws, regulations and internal rules.

### **6. Fair and Free Competition**

We will construct and maintain a sincere relationship with customers, competitors, and outsourcing partners, etc., and pursue fair and free competition.

### **7. Prohibition of Bribery**

To contribute to the maintenance and development of an orderly free competitive market, we will promote fair business activities with high ethical sense and will not engage in bribery.

## **8. Prohibition of Conflict of Interest**

Under situations where the interests of Employees conflict with the interests of the company, we will take actions with preference to the interests of the company in accordance with related laws, regulations and internal rules.

## **9. Protection and Management of Personal and Confidential Information**

We will properly deal with personal information, confidential information that we obtain and data, etc. that we create in connection with our business in accordance with laws, regulations and internal rules.

## **10. Protection of Intellectual Property**

We will protect intellectual property possessed by the Group, and will not infringe it possessed by third parties.

## **11. Prohibition of Insider Trading**

By strictly prohibiting insider trading by Employees, we will ensure investors' trust in the securities market.

## **12. Elimination of Relationships with Organized Crime Forces**

We will strive not to have any relationship with organized crime forces, maintain public confidence, and realize a safe society and sound corporate management.

## **13. Prevention of Money Laundering and Terrorist Financing**

We will strive to ensure that the Group's products and services are not used to transfer proceeds from crime, to finance terrorists, or to proliferate weapons of mass destruction.

## **14. Appropriate Political Activities**

As a corporation, we will conduct fair business activities while maintaining an appropriate relationship with politics. In addition, we will clarify the distinction between public and private regarding personal political activities of Employees.

## **15. Appropriate Financial Reporting, Tax Processing Based on Laws and Regulations**

We will accurately record financial information and appropriately report and disclose such information in a timely and appropriate manner so that shareholders, investors, and other stakeholders can make decisions fairly and equitably, and also aim to maintain and improve tax compliance in accordance with tax related laws and regulations.

Established 04/01/2010

Revised 09/01/2014

Revised 10/01/2016

Revised 04/01/2017

Revised 08/01/2019

# Guidance on the Compliance Code of Conduct

Our Group operates in a wide range of fields. This guidance complements the Code of Conduct and specific action examples that all Employees must understand in order to follow the Code of Conduct.

## 1. Applicable Scope

- This Code of Conduct applies to all Employees of each Sompo Holdings Group company. “Employees” refers to all directors, officers, staff, temporary staff, and part-time workers, etc. who are carrying out duties under the command of the company or a Group company.
- Each Group company may formulate its own code of conduct that includes the contents of this Code of Conduct, according to the laws, regulations, and customs of the respective country and region, and its business activities, etc. However, conflicts with this Code of Conduct or relaxation of its requirements are not allowed.

## 2. Ensuring Compliance

- Compliance means not only complying with laws and regulations but also adhering to the highest ethical standards conforming to corporate ethics and social norms as a company that is a sound social entity.
- With the deep awareness that business operation with disregard for compliance is not sustainable, we will set compliance as the precondition for our business operations.
- All Employees must comply with laws and regulations, internal rules and the Code of Conduct and try to take fair and sincere actions based on high ethical standards and rational judgment.
- The Code of Conduct does not cover all the situations that you may encounter, so if you are not sure, ask yourself the questions below. If you have any concerns or doubt about your actions, please consult with an appropriate person in advance, such as your superior at the workplace or the person responsible for compliance.

Does the act comply with the relevant laws, regulations and internal rules, and fulfill the requirements of the Code of Conduct?

Does the act deviate from expectations of society, even when it is in line with the company's/ industry's norms?

Does the act contribute to the safety, security, and benefit of customers and other stakeholders?

Is there any possibility of damaging the company's assets, profits, or reputation?

Is the act contrary to the management philosophy and policies of the entire Group and each company?

Please be aware that you are not allowed to take any action that may correspond to any of the above.

\*If you have any questions about the content of the code of conduct, please contact the compliance section at your company as shown below.

[Inquiries for the Compliance Code of Conduct]

(Name of the compliance section, etc.) : ( Email address, etc.)

### 3. Expectations

#### (1) All Officers' and Employees' Duties and Responsibilities

- All Employees must perform their duties in compliance with relevant laws and regulations, the Code of Conduct, and internal rules. In addition, the following are expected in relation to them:
  - ☑ From day to day, please read this Code of Conduct carefully and understand it fully when doing your daily work. If you have doubts about this Code of Conduct, related laws and regulations, or internal rules, please contact the appropriate person in charge such as your superior at the workplace or the person responsible for compliance at your company and resolve the doubts.
  - ☑ If you are aware of any violation of laws, internal rules or other ethics, compliance concerns or problems, do not overlook or hide them but promptly contact your superior at the workplace or the consultation desk.

#### (2) Top Management and Manager's Duties and Responsibilities

- The following roles are expected of the top management and managers to establish a system for promoting compliance at each company and to demonstrate leadership in its practice:
  - ☑ Please practice behavior that serve as a model for other Employees in accordance with this Code of Conduct.
  - ☑ Please foster an organizational culture that promotes consulting actively and makes it easy for Employees to consult about active compliance and ethics concerns or problems.
  - ☑ If you receive a consultation about compliance and ethics concern or problem from a subordinate, etc., please deal with it seriously and if it is difficult to solve by yourself, please contact the person responsible for compliance, etc. in your company.

### 4. Reporting Violation

#### (1) Reporting and Consultation

- If you are aware of any concern or problem that is contrary to the spirit of this Code of Conduct, first, please promptly consult with your superior at the workplace.
- Also, if it is difficult to solve the issue at your workplace alone, or when it is not appropriate to consult with your superior, please consult the person responsible for compliance at your company or use the whistle-blowing system established in your company in line with your company rules.
- Even if you give your name etc., the privacy of the person who consults is strictly protected, and the received information is kept confidential (except when it is not permitted by law), and also, you can report there anonymous.
- Persons who consult are never subject to disadvantageous treatment due to making a consultation.

## **(2) Response after Reporting**

- In the event that a violation of laws and regulations, internal rules or any concern or problem contrary to the spirit of this Code of Conduct is suspected, the company will promptly investigate thoroughly and fairly.
- If you are asked for cooperation in an investigation, please cooperate fully, do not destroy or falsify related information, and do not make false remarks. Also, please do not tell the fact that you cooperated with the investigation or its contents to other parties until the results of the investigation are published internally and externally.

## **(3) Disciplinary Actions in Case of Violation**

- In the event that a violation of applicable laws and regulations, this Code of Conduct, or other internal rules is found, the offender may be subject to disciplinary action including dismissal based on the standards and requirements stipulated by the employment contract and employment rules of the Group company.

## 5. Specific Action Examples

- The following specific action examples list the situations that anyone might encounter and the actions that should be taken. Please refer to the items relevant to your business to deepen your understanding of the Code of Conduct. Also, please use this section to check your own day-to-day activities and put the code into practice.

### 1 Compliance with Laws, Regulations and Internal Rules

We will act with integrity and good sense in compliance with laws, regulations and internal rules, and based on social norms and corporate ethics.

- We will
- Familiarize ourselves with laws and regulations applicable to our businesses as well as their purposes, and pay attention to developments (new laws, revisions, etc.) in laws and regulations.
  - Always evaluate ourselves whether industry practices, business practices, and internal practices are in accordance with expectations of society.
  - Pay attention not only to domestic laws and regulations, but also to international rules and foreign laws and regulations that might be applied to our business.
  - In our relationships with our customers, business partners, agents and other stakeholders, we will not only comply with laws, regulations and internal rules, but also act in good faith in accordance with social norms and corporate ethics.

### 2 Respect for Human Rights

We will respect human rights in every aspect of our business activities.

- We will
- Understand and comply with laws and regulations, internal rules regarding respect and protection of human rights related to our business that apply internationally, nationally, and regionally.
  - Respect diversity of all people in every aspect of our business activities and always interact with other people with respect and dignity, and never discriminate unfairly based on race, color of skin, ethnicity, creed, nationality, gender, disability, or any other reason.
  - Never be involved in activities contrary to human rights such as forced labor, child labor, etc.
  - Comply with laws and regulations concerning equality of employment opportunities and adopt fair and impartial employment practices.



### **3 Maintain and Promote a Healthy and Safe Working Environment**

We will aim to maintain and promote a healthy and safe working environment in which Employees can have peace of mind and demonstrate their abilities fully without any concerns that threaten their mental or physical safety.

We will

- Understand and comply with labor-related laws, regulations and internal rules that apply to each workplace.
- Never allow any harassment such as bullying, violent behavior, intimidation, sexual harassment or abuse of authority whether physical or mental both inside and outside the workplace.

### **4 Protection of Company Assets**

We will only use the assets of the Group for the Group's business activities and properly protect them.

We will

- Only use company assets (including intangible items such as logos and brands) for the Group's business activities, and never allow fraudulent use, personal use, theft, waste and damage in regard to them.
- Never post any comments or information that would adversely affect the Group's reputation on the Internet or through social media, etc.

### **5 Proper Document Creation and Management**

We will properly create and manage documents, emails, and data, etc. related to our transactions and operations in accordance with laws, regulations and internal rules.

We will

- Create accurately and store documents, emails, and data, etc. including records of all transactions of the Group, business records, based on facts, and always store such materials in accordance with related laws, regulations and internal rules.
- Discard properly documents, emails, and data that have passed the storage period prescribed by laws and regulations and internal rules.

## **6 Fair and Free Competition**

We will construct and maintain a sincere relationship with customers, competitors, and outsourcing partners, etc., and pursue fair and free competition.

We will

- Comply with antitrust and fair competition laws and regulations of the countries and regions where we operate.
- Obtain prices, sales conditions, cost and profit, etc. relating to products and services in an appropriate way and never share competitive information with our competitors or give any hints about them.
- Never collaborate with competitors to engage in unfair practices such as agreement on prices and selling conditions of products and services, assignment of markets, or elimination of specific companies, etc. from the market, explicitly or implicitly.
- Never act to abuse a superior position in relation to outsourcing parties.
- Never conduct unjust bidding transactions.
- Never post any comments or information that would lead to slandering of other companies on the Internet or through social media, etc.

## **7 Prohibition of Bribery**

To contribute to the maintenance and development of an orderly free competitive market, we will promote fair business activities with high ethical sense and will not engage in bribery.

We will

- Never provide money, entertainment, gifts, etc. (anything of value including nonmonetary favors) with the intent to obtain fraudulent profits in business. Also, never receive money, entertainment, gifts, etc. in circumstances where our business decisions may be affected or in such circumstances where it may be considered as such.
- Follow the rules and procedures specified by each company concerned, when providing or receiving money, entertainment, gifts, etc. for appropriate purposes and to the extent deemed appropriate by social convention.
- Comply with regulations concerning facilitation payments to smoothen administrative procedures applicable to the country or region concerned, and will not make facilitation payments where prohibited.
- Carry out lobbying activities and make political contributions, and donations, etc. to public officials and organizations related to them in accordance with our firm's internal procedures for obtaining the other party's verification or necessary approvals and in accordance with local laws and regulations.
- When choosing an agent in relation to business, decide whether to accept or reject such agent by taking into consideration its attitudes and measures against bribery prevention and its relationships with public officials, etc.

## **8 Prohibition of Conflict of Interest**

Under situations where the interests of Employees conflict with the interests of the company, we will take actions with preference to the interests of the company in accordance with related laws, regulations and internal rules.

We will

- Avoid situations where personal interests conflict with company interests as much as possible.
- Never use corporate position, company assets including confidential information, etc., or business opportunities obtained in business for personal profit.
- Never engage in activities that compete with the Group's businesses or profits or be employed as an officer or employee of a company or organization that competes with the Group while employed by the Group, and never prioritize employment of, or other transactions with, our relatives or acquaintances.

## **9 Protection and Management of Personal and Confidential Information**

We will properly deal with personal information, confidential information that we obtain and data, etc. that we create in connection with our business in accordance with laws, regulations and internal rules.

We will

- Only use business confidential information and personal information on executives, Employees, customers, etc. within agreed purpose and scope and never disclose such information outside the company unless permitted to do so by laws and regulations.
- Comply with relevant domestic and foreign privacy laws and regulations, such as obtaining the consent of the individual when required, etc., when transferring personal information outside a country or region.
- Use and manage information communications equipment such as PCs properly according to internal rules.
- Return all confidential information, communication devices, IDs, etc. at the time of termination of employment relationship with the Group, and never use or disclose confidential information obtained during employment even after ceasing employment relationship with the Group.

## **10 Protection of Intellectual Property**

We will protect intellectual property possessed by the Group, and will not infringe it possessed by third parties.

We will

- Never use, duplicate, or sell contracts in relation to patent rights, copyrights, trademark rights, know-how or confidential information possessed by the Group or third parties about business, technology, etc. with disregard to the business purpose, laws and regulations.

### **1 1 Prohibition of Insider Trading**

By strictly prohibiting insider trading by Employees, we will ensure investors' trust in the securities market.

We will

- Manage strictly material, nonpublic information about the Group and other companies, etc., and never buy or sell securities such as stocks issued by them based on such information and share or tip inside information to others or encourage trading based on such information.

### **1 2 Elimination of Relationships with Organized Crime Forces**

We will strive not to have any relationship with organized crime forces, maintain public confidence, and realize a safe society and sound corporate management.

We will

- Confirm that customers and business partners are not organized crime forces, and if there is any suspicion at all, always strive to refuse the transaction and end the business relationship.
- Refuse firmly demands or pressures from organized crime forces as an organization.

### **1 3 Prevention of Money Laundering and Terrorist Financing**

We will strive to ensure that the Group's products and services are not used to transfer proceeds from crime, to finance terrorists, or to proliferate weapons of mass destruction (collectively, "money laundering, etc.").

We will

- Confirm that there are no suspicions about customers or transactions based on requirements of laws, regulations and internal rules, and degree of risk when starting and continuing business relationships with customers and contractors
- Promptly notify the authorities in accordance with the procedures stipulated by laws, regulations and internal rules, if we recognize a situation of suspected money laundering, etc.
- Never engage in transactions with persons subject to economic sanctions or organizations with which they are involved.

#### **1 4** Appropriate Political Activities

As a corporation, we will conduct fair business activities while maintaining an appropriate relationship with politics. In addition, we will clarify the distinction between public and private regarding personal political activities of Employees.

We will

- Conduct political activities as a corporation, such as lobbying to public officials and making corporate contributions to candidates for public office by following the necessary procedures required by internal rules.
- Conduct personal political activities or make political remarks after clarifying that such activities or remarks are those of the individual, without using the company name or logo.

#### **1 5** Appropriate Financial Reporting, Tax Treatment Based on Laws and Regulations

We will accurately record financial information and report and disclose such information in a timely and appropriate manner so that shareholders, investors, and other stakeholders can make decisions fairly and equitably, and also aim to maintain and improve tax compliance in accordance with tax related laws and regulations.

We will

- Perform appropriate accounting in accordance with applicable standards and internal rules for all transactions and events that occurred.
- Disclose financial information such as on our finances and performance in a fair and equitable manner in accordance with related laws, regulations and internal rules.
- Conduct appropriate tax payments in accordance with the tax laws, etc. that apply to the countries and regions where we conduct business, tax ordinances that apply internationally, and the related laws and regulations.

