

Communities

▶ Prevention of Road Traffic Accidents

▶ Supporting Disaster Preparedness in Communities

▶ Contributing to Welfare

▶ Adaptation to Climate Change

▶ Mitigation of Climate Change

▶ Contributing to Community through Business

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▶ Contributing to Community through the Arts and Culture

▶ Evaluation of CSR Programs

Prevention of Road Traffic Accidents

Yellow Badge Donation

Partnerships

Every spring, we donate Yellow Badges that come with traffic accident insurance to first-grade students just entering elementary school in Japan. The aim is to raise students' awareness of road traffic safety and enlist cooperation from car drivers and local residents to reduce road traffic accidents. Started in 1965 following a newspaper article featuring an appeal by a mother who lost her child in a road traffic accident, the campaign marked its 53rd anniversary in 2017. This program has been conducted jointly with Mizuho Financial Group, Meiji Yasuda Life Insurance Company, and the Dai-ichi Life Insurance Company. The total number of badges distributed so far reaches to approximately 64.4 million.



Yellow Badge; Approximately 64.4 million badges have been distributed so far

Supporting Disaster Preparedness in Communities

Insurance Industry’s First Disaster Risk Reduction Service for Local Governments

Products & Service

To prevent losses for citizens due to natural disasters, local governments need to take timely actions, such as issuing evacuation advisories. Meanwhile, costs may arise (such as costs to open shelters) even if a disaster does not occur at the magnitude that was anticipated, so local governments face challenges in deciding when to issue evacuation advisories or other guidance if they aim to minimize losses for the community. In this context, we have developed services to support local governments in creating rapid response systems, by providing insurance to compensate them for costs associated with the issuance of evacuation advisories and other guidance, and by providing weather and response information.

Disaster Risk Reduction Services for Local Governments



Disaster prevention/reduction insurance

- Construction costs for shelters
- Food distribution costs
- Compensation for workers' overtime pay

Supplementary services

- Provision of weather/disaster response information, etc.

(Provider: WEATHERNEWS INC.)

Contributing to Welfare

Sompo Japan Nipponkoa Smile Kids Edogawabashi (Tokyo) Nursery School — Sompo Japan Nipponkoa Smile Kids Foundation

Partnerships

Sompo Japan Nipponkoa Smile Kids Foundation, established in 2011, operates a nursery school on the first floor of a building owned by the company in Bunkyo Ward, Tokyo.

The Sompo Japan Nipponkoa Smile Kids Edogawabashi (Tokyo) Nursery School, which is accredited as meeting the government standards, accommodates 60 children up to the age of five, whose parents are residing in Bunkyo Ward and both working. On sunny days, the children go out for walks to parks and along a row of cherry trees facing the Kanda River. They also enjoy snacks and lunches prepared by nutritionists, as well as seasonal events including sports day and outings.

The nursery school organizes various events such as summer and fall festivals and a traditional New Year mochi (rice cake) pounding in collaboration with local neighborhood associations not just for its enrolled children but also for local people.

The nursery school also offers a variety of fun educational programs that allow children to learn numbers and characters, music classes, physical education, and reading English picture books to children. Efforts are also made to improve the working environment of childcare workers, and this led us to be recognized by the Tokyo Metropolitan Government as a company working earnestly to promote work-life balance.

Together with highly motivated childcare workers, the nursery school will continue striving to provide even better care for children, support childrearing of parents in the community, and gain the favor of local residents.



Industry-Academia Collaboration: Diversity on the Arts Project (DOOR)

Partnerships

Sompo Holdings, in collaboration with Tokyo University of the Arts (TUA), launched a Diversity on the Arts Project (DOOR) (Director: Katsuhiko Hibino, Dean of the Faculty of Fine Arts) from April 2017 aiming to leverage diverse art values in society, to train personnel who contribute to social inclusion and to create a social environment in which diverse people can live together. As specific initiatives, a series of systematic and practical lectures on “art × welfare” were held at TUA from April 10, 2017, and a DOOR base has been established in the suburban area near TUA. The base is a venue for DOOR attendees to interact and engage in autonomous activities and aims to serve as a “door” that opens up DOOR activities to the local community, visualizing the diverse values latent in the community, and creating opportunities to enrich the community.



Exhibition by Children with Intellectual Disabilities

Arts & Culture

Every year an exhibition of works by children with intellectual disabilities has been held in our headquarters building in Shinjuku, Tokyo that is home to the Seiji Togo Memorial Sompo Japan Nipponkoa Museum of Art.

The exhibition, which we have been involved with since fiscal year 2003, provides those children with an opportunity to exhibit the paintings, embroidery, calligraphy, and handicrafts they have produced over the past year, while enabling visitors to gain a deeper understanding of the diversity of talents found among children.

During the exhibition, we arrange to have the children visit our headquarters to view their works and also spend time with our employees, such as by having lunch together in our employee cafeteria.



Exhibition of works by children



Employees interacting with children

SOMPO Paralymp Art Contest: Support for Art by Persons with Disabilities to Realize an Inclusive Society

Arts & Culture

Sompo Japan Nipponkoa agrees with the purport of the Paralymp Art Contest organized by the Shougaisha Jiritsu Suishin Kikou Association to promote social participation by people with special needs and their economic independence, and has participated in the contest as a top sponsor from fiscal year 2016.

In fiscal year 2016, with the cooperation of the Japan Pro-Footballers Association, soccer was chosen as the theme of the contest, and 1,862 paralymp art entries were received from throughout Japan, of which 71 were awarded prizes.

We established the SOMPO Paralymp Art 47 Prefectures Award which was awarded to one entry from each one of Japan's 47 prefectures. Employees from our sales offices around the country presented the award to the winners.

The works by the recipients of the 47 Prefectures Awards were exhibited at our headquarters building in Shinjuku from October 25 to November 6, 2016 to public audience including visitors to the Seiji Togo Memorial Sompo Japan Nipponkoa Museum of Art.



Adaptation to Climate Change

Weather Index Insurance in Southeast Asia

Products & Service

Weather index insurance is an insurance product that pays out a contractually predetermined insurance amount when a weather index — such as for temperature, wind speed, or rainfall — fulfills certain conditions. Using Sampo Risk Management & Health Care's expertise, we provide a weather index insurance aimed at reducing agricultural business risk in Southeast Asian countries, where agriculture is a key industry that is also vulnerable to climate change. We began providing weather index insurance in Northeast Thailand in 2010 to alleviate the losses borne by rice farmers when their crops were damaged by drought. Cooperating with the Thai Bank for Agriculture and Agricultural Cooperatives (BAAC), we developed a scheme for farmers who have loan contracts with BAAC to easily participate in an insurance program, and have been steadily expanding the program's geographical reach. In Myanmar, we developed a weather index insurance that covers drought risk for rice and sesame farmers in the central arid region.

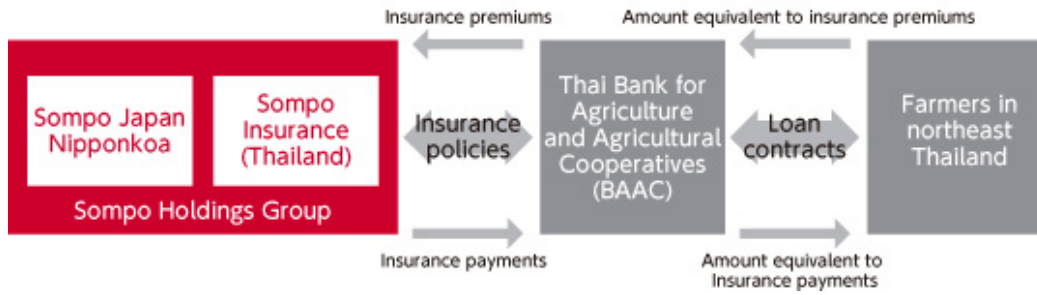
This insurance, developed in partnership with the Remote Sensing Technology Center of Japan (RESTEC), makes use of rainfall data obtained by earth observation satellites. In the Philippines, we offer Typhoon Guard Insurance which pays out a predetermined insurance amount to agricultural producers if the center of a typhoon passes through a specified area. We are also developing a weather index insurance in Indonesia with assistance from the Japan International Cooperation Agency (JICA).

In recognition of these achievements, we have been approved as a member of the Business Call to Action (BCtA) alliance led by the United Nations Development Programme (UNDP), which challenges private companies to develop business models that can achieve both commercial success and sustainable development.

In 2016 we received Japan's Environment Minister's Award for demonstrating the Principles for Financial Action towards a Sustainable Society. For our initiative in Myanmar we received the Minister of State for Space Policy Prize, at the Second Space Development and Utilization Grand Prize presentation.

Aiming to provide weather index insurance to 30,000 farmers in Thailand and other Southeast Asian countries by 2025, we will move forward on our continued efforts in this field.

System for Insurance Sales and Claims Payment



Pacific Catastrophe Risk Insurance Pilot Program

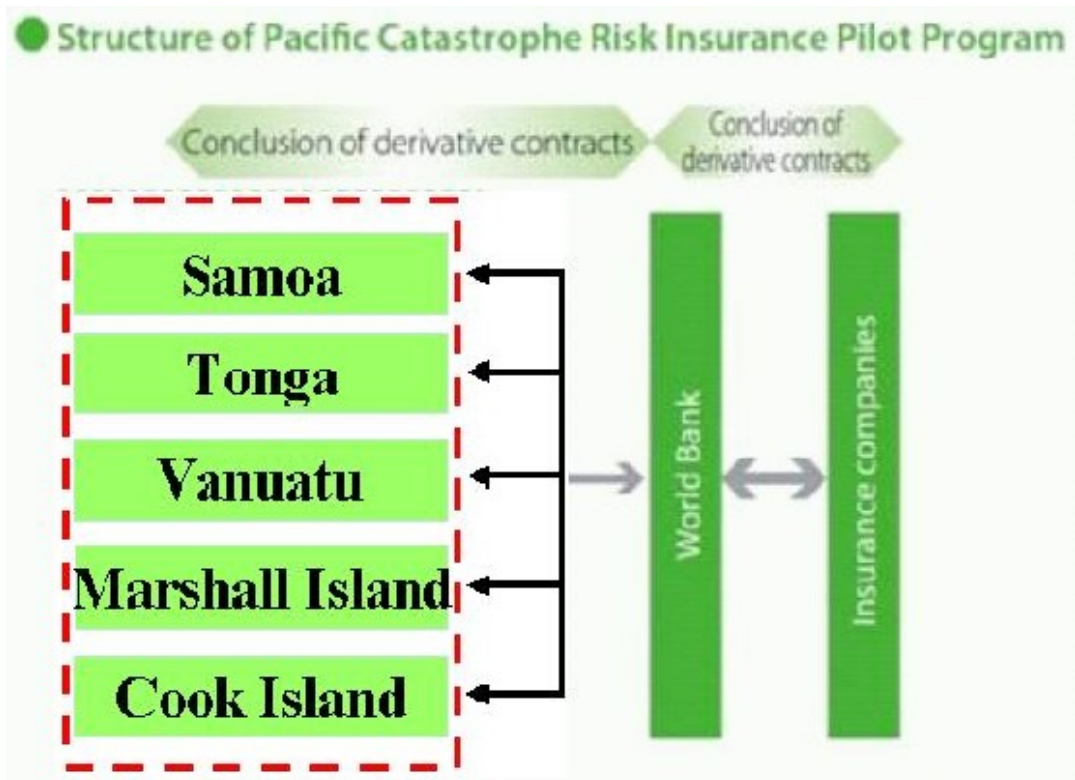
Products & Service

Sompo Japan Nipponkoa has been supporting the Pacific Catastrophe Risk Insurance Pilot Program since it was established in January 2013 by the World Bank and the Japanese government. An action to support Pacific Island countries, which are vulnerable to natural catastrophic damage, has been discussed under the leadership of the World Bank as large-scale natural disasters (e.g. cyclones and tsunamis) are occurring with greater frequency due to a climate change.

Meanwhile, Sompo Japan Nipponkoa has underwritten derivative contracts both in Japan and abroad, and developed advanced financial techniques and know-how for enhancing adaptability to climate changes. We have also been proactively involved in a study project for the Pilot Program since it was proposed at the Pacific Islands Leaders Meeting (PALM) in Hokkaido in May 2009, and took a leading position for launching the program.

●Program Outline

Five Pacific Island countries (Samoa, Tonga, Vanuatu, Marshall Islands and Cook Islands) have concluded derivative contracts with the World Bank, which established the Trust Fund to compensate for the loss incurred by the member countries in the event of a natural disaster exceeding a prescribed level. The World Bank has also concluded derivative contracts with insurance companies to transfer risks underwritten from the Pacific Islands countries to private insurance companies.



Insurance Products that Promote Renewable Energy

Products & Service

With Japan’s Renewable Electric Energy Feed-In-Tariff system starting to operate in July 2012, and a growing number of companies and other entities have been participating in renewable energy projects. For entrants into the renewable energy electricity market, we offer insurance to cover emergencies as well as risk analysis services for the project facilities’ site environments.

●Electricity Revenues Compensation Rider for Photovoltaic Power Generation Businesses

Sompo Japan Nipponkoa has developed an “Electricity Revenues Compensation Rider” to compensate for reduced business profits, considering the features of each project, based on situations associated with a reduction in electricity revenues—having calculated the projected revenues from electricity sales based on per-month and per-site data on hours of sunlight published by the New Energy and Industrial Technology Development Organization (NEDO). If a photovoltaic power generation system suffers damage due to a fire, natural disasters or other cause, the rider reduces the risk for the photovoltaic power generation business by compensating the owner for the reduction in business profits if the project’s planned electricity generation is not achieved. Through this product, we are working to encourage and promote renewable energy businesses.

●Fire Insurance for Wind Power Companies: Special Clause Covers Costs to Prevent Recurrence of Accidents

Sompo Japan Nipponkoa offers fire insurance for wind power companies with a rider that covers costs for actions to prevent accidents from recurring. For wind power companies, if accidents occur, the losses can tend to be expensive, and similar accidents are likely to recur. Thus, it is important for the management of wind power companies to identify the causes of an accident, and take measures to prevent recurrence. To address these issues, Sompo Risk Management & Health Care is supporting the stable management of wind power companies by developing this rider, which incorporates our accident recurrence prevention knowhow, to provide insurance and risk management services.

●Property and Casualty Insurance for Offshore Wind Power Companies

For offshore wind power projects, insurance coverage was arranged separately for the construction process and project operations after completion. But from the perspective of preventing gaps in insurance coverage and improving the efficiency of project management, many businesses were asking for unified insurance. In response, Sompo Japan Nipponkoa now offers insurance in the event of the occurrence of damage to offshore wind power facilities due to unforeseen or sudden accidents during facility construction and operations.

Also, Sompo Canopus has established a special in-house department and in Europe it offers property and casualty insurance for offshore wind power generation companies. The company shares their knowhow across the Group that has been developed in the European market which has some of the world's leading underwriting techniques in the areas of property and casualty insurance for offshore wind power generation companies. We will conduct insurance underwriting that more closely matches risk in Japan as well.

●Risk Diagnosis Services for Renewable Energy

Since September 2012, Sompo Risk Management & Health Care has been offering risk diagnosis services for renewable energy. These services make use of knowledge accumulated through our risk analysis services relating to natural disasters such as earthquakes, flooding, and lightning strikes, as well as the development of risk maps. The services aim for a stable electricity supply from renewable energy, which has a low environmental impact, and involve analysis and diagnosis of site risks for renewable energy facilities such as photovoltaic and wind power electricity generation facilities.

●Consulting on Fire and Crime Risk for Mega Solar Installations

Since March 2013 Sompo Risk Management & Health Care has been offering risk consulting services relating to fire and crime prevention for mega solar power plants, in partnership with Sohgo Security Services Co.

●Risk Diagnosis Services for Wind Power Businesses at the Planning Stage

Sompo Risk Management & Health Care analyzes and grades various risks during the operation of both land-based and offshore wind power operations when they are at the planning stage. These services are aimed at reducing the potential risks of projects by encouraging the operators to take steps to reduce risks based on assessments, thereby reducing the amount of risk exposure before starting the projects.

●Risk Inspections and Diagnosis Services for Wind Power Facilities in Operation

Sompo Risk Management & Health Care selects turbines at power generation sites that have a high probability of major accidents or breakdowns, then conducts third-party inspections and diagnosis of business risk. These are considered to be detailed inspections of critical risks.

●Development of Risk Assessment Model for Wind Power Facilities

Sompo Risk Management & Health Care has developed a risk assessment model for wind power facilities. Identifying the risk of electrical or mechanical breakdowns and accidents due to natural disasters and other factors using the risk assessment model enables us to quantitatively ascertain the risk of wind power projects and calculate the appropriate insurance premiums. We will further develop our services that use the risk assessment model and contribute to the spread of wind power.

●Financial Impact Analysis Service for Wind Power Projects

Sompo Risk Management & Health Care offers a service for wind power projects that evaluates the probability of losses occurring due to accidents from natural disasters and typical breakdowns, as well as losses due to a halt of operations when a breakdown or accident occurs,

and then quantitatively evaluates the impacts of identified risks on the cash flows of business plans.

●Second Opinion Service for Wind Power Companies

Sompo Japan Nipponkoa and Sompo Risk Management & Health Care started offering a second opinion service in November 2016 for wind power companies that have purchased a fire insurance policy from Sompo Japan Nipponkoa. Through this service, we offer advice on how to handle various types of trouble that could occur in operations and maintenance. When consulted on wind power operations and maintenance, Sompo Risk Management & Health Care compiles advice from wind power maintenance companies, experienced engineers and experts, and then provides it to the client.

Development of Flood Risk Assessment Methods for Japan and Asian Countries

Products & Service

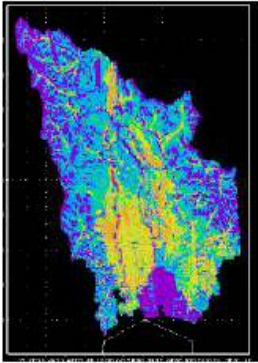
To deal with flood risk, which can be affected by medium- and long-term climate change, Sompo Risk Management & Health Care is engaged in research and development into flood risk assessment methods for Japan and Asian countries to offer new insurance services and risk consulting services that support adaptation to climate change.

In Japan, we are utilizing a flood risk assessment system^{*1}, developed jointly with Kyoto University and Kobe University, for insurance risk management and natural disaster risk consulting.

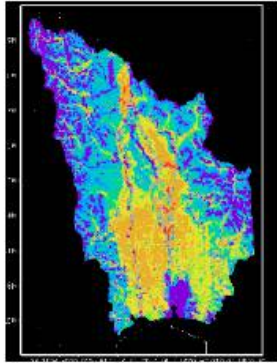
For Thailand, we are using a flood risk assessment system developed jointly with the Foundation of River & Basin Integrated Communications, Japan, to manage insurance risk and develop insurance products. We have also developed new flood scenario risk assessment methods^{*2} for major urban areas in Indonesia, the Philippines, Malaysia, Singapore, and Brazil. With these methods, we now have methods in place that enable us to assess flood scenario risks in seven countries in Asia (methods have already been developed for China, Vietnam, and Thailand), and one country in South America. We plan to steadily expand the area to which we can apply these flood risk assessment systems and methods.

In fiscal year 2015 we started new joint research with the Disaster Prevention Research Institute at Kyoto University and the Research Center for Urban Safety and Security at Kobe University, with the aim of enhancing the precision of flood risk assessments in Japan and Asian countries. Going forward, we intend to actively apply our flood risk assessment expertise to the management of insurance risk in Japan and other countries, the development of insurance and derivative products, and risk consulting services, in order to propose concrete and practical solutions.

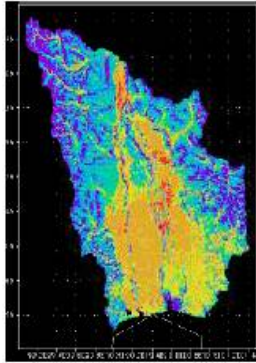
- *1 Flood risk assessment system: A system to assess flood damage stochastically over year, based on various assumed rainfall scenarios.
- *2 Flood scenario risk assessment method: A method to assess flood damage under certain pre-set rainfall scenarios, including past heavy rainfall that has been measured, and probable heavy rainfall (e.g., rainfall of a certain intensity with the likelihood of once in 100 years).



10年に1回程度発生する浸水状況



100年に1回程度発生する浸水状況



1000年に1回程度発生する浸水状況

タイの洪水リスク評価システムに組み込まれた浸水想定図。頻発する災害からめったに起きない大規模な災害までの被害を想定し、洪水リスクを評価する。

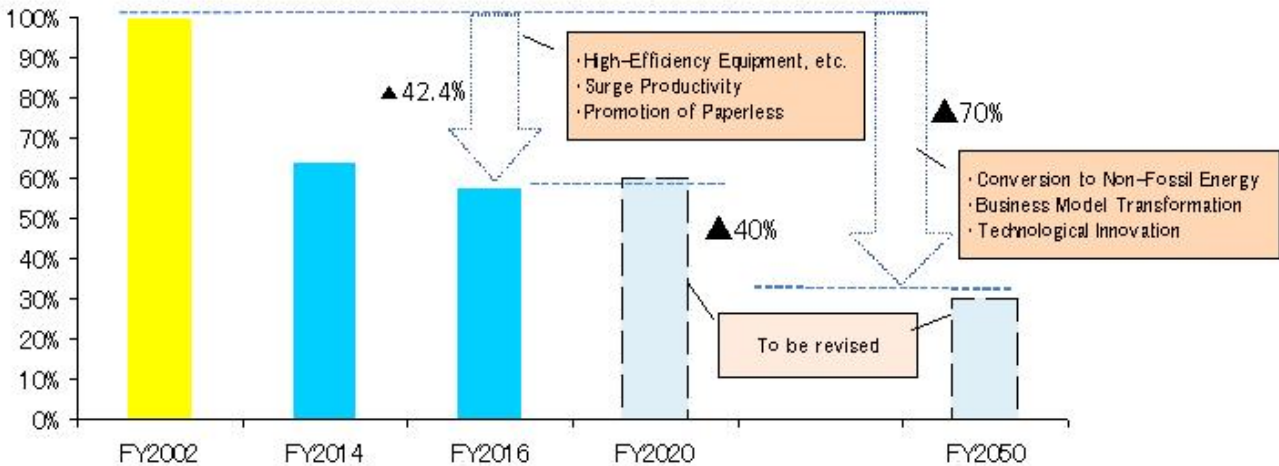
Mitigation of Climate Change

Our Environmental Impact throughout the Value Chain and Efforts for Environmental Conservation

Partnerships

We have set Group-wide GHG emission reduction targets for 2020 and 2050, and strive to reduce our environmental impact throughout the value chain while vigorously promoting sustainable procurement and energy conservation to meet these targets. These activities include not just emissions generated directly from the use of energy but also indirect emissions (Scope 3 emissions) resulting from such business activities as sales, business travel, printing, transport, and disposal.

GHG emissions in fiscal year 2016 were down by 3.6% from the previous year, and by 42.4% from fiscal year 2002, thanks to the introduction of high-efficiency equipment such as LED lighting, a reduction in printing, and ongoing efforts to boost employee productivity. The CSR management system, which covers approximately 40,000 personnel at 27 Group companies in Japan, acquired ISO 14001 certification in January 2017, advancing our efforts in the entire Group.



Contributing to Community through Business

Participating in World Bank's Pandemic Emergency Financing Facility

Products & Service

Sompo Japan Nipponkoa participated in the World Bank's Pandemic^{*1} Emergency Financing Facility in June 2017.

The Government of Japan took up the issue of international health as host country for the G7 Ise-Shima Summit in May 2016, and the World Bank cooperated with the World Health Organization to establish this facility as a new financing mechanism to respond to public health threats, based on lessons learned from the 2014 Ebola virus epidemic in West Africa. Besides avoiding the spread of infectious diseases in developing countries, the aim is to mitigate human and economic losses and then to support a speedy recovery when a serious epidemic occurs, by providing emergency response funding to the target countries and aid organizations.

●Outline

The facility will make pay-outs in the event of an outbreak of a pandemic of a certain scale, funded through derivative transactions with the International Bank for Reconstruction and Development (World Bank Group) or the purchase of catastrophe bonds issued by it. Because the size of pay-outs is determined by objective measures such as the number of cases and deaths, there is no requirement to have damage assessments, and this makes it possible for the recipients to receive pay-outs quickly. Funds equivalent to insurance premiums under this system are covered by donor organizations, including the Government of Japan.

- Term: Three years starting July 7, 2017
- Coverage: \$425 million^{*2} (approximately 47 billion yen)
- Covered perils: Pandemic risks from new influenza strains, Coronavirus, etc.
- Underwriting: Derivatives or catastrophe bonds
- Parties covered: Developing countries (77 countries^{*3}), aid organizations including civil society organizations



Using its cumulative experience and knowhow as an insurance company, Sompo Japan Nipponkoa is contributing to solutions for social issues and working to ensure healthy lives and promote wellbeing in developing countries, by participating in the world’s first system to address epidemic and pandemic risk through insurance and capital markets.

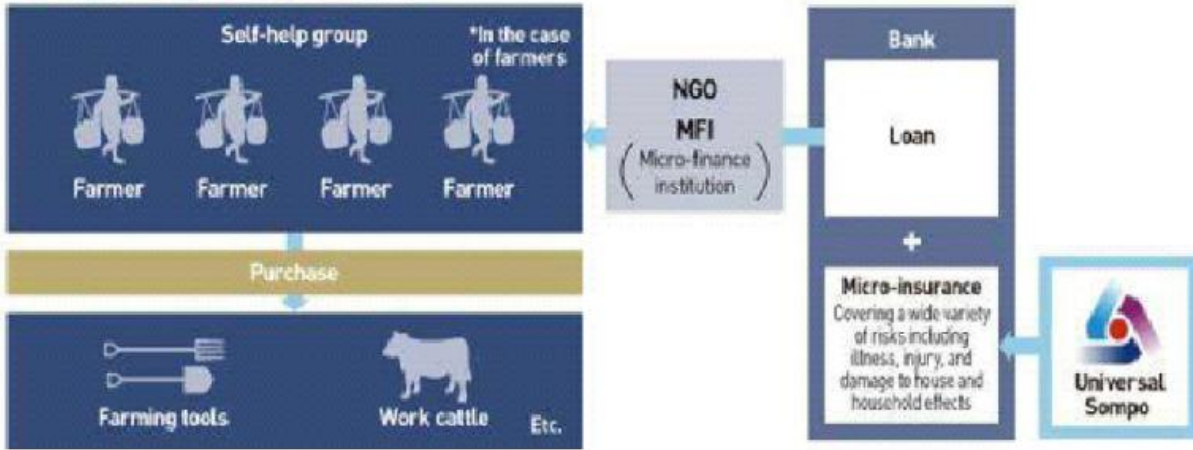
- *1 A pandemic occurs when an infectious disease (especially in the case of an epidemic) spreads across a large region and is expected to have significant infection and mortality impacts.
- *2 The World Bank has secured over \$500 million in funding, including funds other than the insurance window.
- *3 The facility targets countries that are eligible for loans from the International Development Association (World Bank Group).

Providing Micro-Insurance in India — Contributing to Independence of Economically Vulnerable Sections of Society

Products & Service

In 2008, Universal Sompo General Insurance (USGI), Sompo Japan Nipponkoa’s subsidiary in India, started to offer micro-insurance services for the protection of low-income individuals who are vulnerable to health risks and have difficulties repaying their loans. USGI’s products include livestock insurance for economically marginalized farmers, insurance packages and accident insurance for farmers, and medical insurance coupled with microfinance offered by banks and other financial institutions covering five major illnesses. These insurance product’s premiums are set low. In order to support independence, poverty reduction and the sustainable development of the country, USGI is thus striving to spread insurance as one of basic social security services among the economically vulnerable sections of society in India, where social divisions are large.

• Mechanism of Micro-insurance



Invigorating Regional Economies through Local Partnerships

- Products & Service
- Partnerships
- Arts & Culture

To promote community development in ways that increase self-reliance and sustainability based on local strengths, Sampo Japan Nipponkoa works through public-private partnerships with local governments to address issues specific to each region. Numerous and wide-ranging, these partnerships include disaster resilience, traffic safety, corporate risk consulting, gender equality in the workplace, environmental conservation, tourism industry support and tourism promotion, and collaboration with arts and cultural facilities. We also promote employee participation in community development by offering food menus and hosting vendor booths featuring local products in company cafeterias. We also support purchases of local products via the Internet and other means.

Sampo Japan Nipponkoa Himawari Life has signed a Partnership Agreement to Promote Healthy Lifestyles for Citizens of Osaka Prefecture and is working with the Osaka prefectural government on its implementation. Also, the company is participating in the Aizuwakamatsu Smart Wellness City IoT* Healthcare Platform Project by the Aizuwakamatsu IoT Healthcare Consortium (represented by Hondaya Honten Inc.) as a partner company. This project is supported by the Project for IoT Services Creation under the Japan’s Ministry of Internal Affairs and Communications.

* Internet of Things

Investment in Japan's First Social Bonds (JICA Bonds)

Partnerships

Sompo Japan Nipponkoa has invested in JICA Bonds issued by the Japan International Cooperation Agency, the first social impact bonds in Japan. Intended for the purpose of making social contributions, the bonds are issued as a means of procuring funds for assistance to developing countries and solutions to global issues. Our investment decision was made based on the fact that the Japanese government had declared the mobilization of private sector funding for developing countries through the JICA bonds to be one of its concrete actions to achieve the SDGs*, and also that the investment would match our Group Management Philosophy of contributing to society through business.

* Sustainable Development Goals: Goals on themes adopted by the United Nations to be achieved by 2030 by initiatives of the international community. The SDGs consist of 17 goals and 169 targets which cover climate change, natural resources, energy, urban issues, and inequality within and among countries, among others.

Engagement with Communities

Sompo Holdings Volunteer Days

Partnerships

We have been holding Sompo Holdings Volunteer Days annually since fiscal year 2011 for Group employees to get involved in volunteer activities. In fiscal year 2016, a variety of activities were held over the course of the month of December, with an emphasis on International Volunteer Day on December 5. Group employees participated in training classes for dementia supporters, local cleanups, the sale of fair trade products, donations, and other activities.



Training classes for dementia supporters



Sale of fair trade products



Wheelchair maintenance and cleaning



Social welfare efforts (Hong Kong)



Cleanup activities (Los Angeles)



Donation to caring house (Mexico)

Community Outreach

Partnerships

We are proactively taking initiatives to contribute to social welfare as a corporate citizen while working to develop a corporate culture and systems that encourage each employee to voluntarily take part in various activities for the communities we live and work. We also emphasize collaboration with high expertise civil society groups in their respective fields to promote our activities.

●Corporate Citizenship Policy

Under its Corporate Citizenship Policy, Sompo Japan Nipponkoa promotes community initiatives from two perspectives: commitment as a corporate citizen and commitment by individual employees. As a corporate citizen, we promote our activities for future generations mainly through our foundations with focus on the following three areas: fine arts, welfare, and the environment. We also support and encourage individual employees to proactively take part in community outreach activities mainly through the Sompo Chikyu (Earth) Club, a volunteer activity organization of which all employees are members.

Programs to Support and Encourage Employees' Efforts

●Sompo Chikyu (Earth) Club

The Sompo Chikyu (Earth) Club, a volunteer activity organization of which all employees are members, plays a pivotal role in conducting volunteer activities in cooperation with agencies on an ongoing basis throughout Japan.

The Club is undertaking various activities including forest conservation, cleanups, cleaning and

maintenance of wheelchairs in welfare facilities, and collection of second-hand books. Each project is tailored according to the needs and characteristics of local communities.

●Sompo Chikyu (Earth) Club Social Contribution Fund

The Sompo Chikyu (Earth) Club Social Contribution Fund is financed by voluntary donations by employees — with the amount of one unit of contribution being 100 yen — taken out of their monthly salaries. The funds raised are used primarily for community outreach activities conducted by Sompo Chikyu (Earth) Club, such as the payment of expenses of volunteer activities performed across Japan, support for disaster relief and donations to civil society groups and other organizations supported by the Fund members.

●Volunteer Work Leave

At Sompo Japan Nipponkoa, employees are entitled to take short-term volunteer leave (up to 10 days per year) and long-term volunteer leave (from six to 18 months) in addition to annual paid leave. The employees who take these leaves participate in a variety of volunteer activities, including “Smile Caravan” puppet shows for the support of the recovery of earthquake-stricken areas and an interactive art appreciation project.

Community Outreach Outside Japan

Partnerships

All over the world we continuously participate in various activities as a member of communities we live and work. Some examples are shown below.

●UK

~Sompo Japan Nipponkoa Insurance Company of Europe

As part of our social responsibilities, we lend our boardroom to City Brokerage (a charity) for their annual Working in the City Workshops. It was an opportunity for students to gain an insight into working in the City Brokerage, especially within the Financial Services sector. Most of the afternoon was organized by the charity organization, however there was an opportunity for students to interview “volunteers” from the company.

Also, the company supports the initiatives of BBC Children in Need, the BBC's UK corporate charity and Red Nose Day, the charity event that helps raise much needed funds for projects all over the world. It also participates in the Genes for Jeans Day that donates funds to children who suffer genetic illness.

In July 2015, it decided to support the Suited and Booted organization that helps the unemployed into employment by providing interview clothing and interview advice to create a

positive first impression when seeking employment. Also, at the Christmas party, the company held a charity raffle that gives hampers, champagne, coffee machine, tablet, and other items as prizes.

●US

~Sompo Japan Insurance Company of America

The company joined a hiking and clean-up event organized by the Japan Business Association of Southern California. The mountain clean-up started as a way of saying thank-you for the donations received from Los Angeles after the 2011 earthquake and tsunami. This year marks the fifth year of the event. In November 2016 the company took part in a clean-up along a trekking course that looks over the ocean near Santa Monica.

●Asia

China ~Sompo Japan Nipponkoa (China)

In order to support the families living in poverty, the Guangdong Province government designated June 30th as a poverty relief day in Guangdong Province. Employees in our Guangdong office have participated in annual donation activities from 2012 and donated 500 RMB to villages in poverty in 2015.

The company also developed scholarship fund in 1999 in collaboration with Dongbei University of Finance and Economics to provide financial support (three million yen per year) to talented teachers and students. We hosted the presentation ceremony in June 2015 to give donations to 61 teachers and students.

Hong Kong ~Sompo Insurance (Hong Kong) Company Limited

On August 2016, the company joined and made cupcakes with children in the event held by "Family Welfare Association".

●Turkey

~Sompo Japan Sigorta Anonim Sirketi~

On March 2016, Sompo Japan Sigorta Anonim Sirketi donated bicycles, which were assembled as the part of the volunteers, to families with elementary school students and financial difficulty. Also, on May 2016, the company hold the math contest for local elementary school students and awarded the prize to high scores.

● Mexico

~Sompo Seguros México~

Sompo Seguros México donated to the children protection facilities, the money of which had been collected by holding in-house garage sale and by selling recycling products such as bottles, cans, batteries, paper. On December 2016, bringing own toys, employees interacted with children in the facilities.

Social Contribution Initiatives in Japan

Partnerships

We conduct a diversity of social contribution activities in cooperation with agencies and citizens. The activities include conserving forests, local cleanups, maintaining and cleaning wheelchairs, and collecting and donating used stamps, prepaid cards, and other items.

<Sompo Japan Nipponkoa>

◆Hokkaido and Tohoku Regions

In July 2016, 30 employees and agency employees participated in the 24th beech tree planting initiative in Nishimeya, a village in Aomori Prefecture.



◆Kanto Region

In November 2016, we helped maintain mountain paths, remove fallen trees, and clean-up the mountain streams in an effort to protect primula kisoana (Japanese primrose) which only grow on Mt. Narukami in Gunma Prefecture. Approximately 40 employees, agency employees and their families — ranging from elementary school students to the elderly — took part in the event and learned about the rare plants growing in the region.



◆Tokai and Hokuriku Regions

In June 2016, 18 employees took part in a cleanup event to protect the environment surrounding the Aota River, which flows through Joetsu City in Niigata Prefecture. The slogan adopted for such activities is “Keeping the river clean for salmon to swim up.”



◆Kansai Region

In October 2016, 49 employees and agency employees volunteered blood at a blood donating unit set up in front of Wakayama Station. The volunteers not only gave blood but also distributed tissues and novelty goods.



◆Chugoku and Shikoku Regions

In September 2016, a total of 56 employees and agency employees participated in the maintenance and cleaning of 64 wheelchairs at Karin no Sato Care House run by Yushinkai in Takamatsu City, Kagawa Prefecture.



◆Kyushu and Okinawa Regions

In February 2017, 90 employees and agency employees from the Oita area took part in the Beppu-Oita Mainichi Marathon as volunteers, offering water at aid stations and encouragement to runners.



<Sompo Japan Nipponkoa Himawari Life>

◆Everyone's Sunflowers Project

Everyone's Sunflowers Project is an initiative that aims to spread happiness by sharing the enjoyment of growing sunflowers from seeds with children and giving them an opportunity to experience the joy when the seeds flower.

We set up a special page on our website from which special Himawari Kansatsu Nikki (sunflower observation diary) and reflections forms can be downloaded. Visitors to the website can also see

updates from schools taking part in Everyone's Sunflower Class.

Under our motto "Smiling Children Hold the Key to Community Happiness," we plan to spread the cycle of smiles by planting sunflowers throughout Japan.



<Sompo Holdings, Saison Automobile and Fire Insurance, Sompo Japan Nipponkoa DC Securities, Prime Assistance, Sompo Communications, Sompo Building Management, Sompo Japan Nipponkoa Himawari Life, Sompo Japan Research Institute>

◆Donation of Secondhand Books and CDs

We are involved in collecting old books and CDs to donate, via the secondhand bookstore chain BOOKOFF, to mobile library projects in areas affected by the 2011 earthquake and tsunami and to Kumamoto earthquake support projects.

Supporting Reconstruction after the Large-Scale Disasters

Milestones of Support for Victims of the Great East Japan Earthquake

Products & Service

Partnerships

The earthquake and tsunami that struck eastern Japan on March 11, 2011, caused catastrophic damage. We promptly paid out insurance payments and also provided various forms of reconstruction support based on changing local needs.

[Fiscal Year 2011]

- Dispatched more than 3,000 employees to the disaster area, promptly paid out insurance payment.
- Donated about 120 million yen (from Group employees) via the Central Community Chest of Japan.
- 68 employees volunteered locally to assist in reconstruction.
- Started Sompo Holdings Volunteer Days (donation of money made by selling second-hand books and CDs and other activities)
- Puppet shows in Kamaishi, Iwate Prefecture
Sompo Japan Nipponkoa has the Himawari Hall puppet theater at the Sompo Japan Nipponkoa Nagoya Building and is undertaking social contribution activities through collaboration with a local group, the Aichi Puppetry Center.

On March 20, 2012, a year after the earthquake and tsunami, Sompo Japan Nipponkoa organized puppet shows in Unosumai-cho, one of the hardest disaster hit areas of Kamaishi City, Iwate Prefecture. The events were held in collaboration with the Aichi Puppetry Center, which operates the Himawari Hall puppet theater in Aichi with the sponsorship of Sompo Japan Nipponkoa.

With the aim of cheering up children across the affected region, the puppet shows were also performed 27 times at performing venues over a broader geographical area from August 2012 to March 2017. Audience also received fabric balls and message cards made by volunteer employees of Sompo Japan Nipponkoa.

[Fiscal Year 2012]

- Launched Farmers Markets to Support Disaster Recovery and Promote Local Products from the Most Heavily Damaged Areas
- Radioactive Decontamination Liability Insurance
The nuclear power plant accident that followed the 2011 earthquake is still affecting radioactivity levels in extensive surrounding areas and a number of municipalities are working to minimize the contamination. To support such operations, the Japanese government

announced on April 1, 2012, a subsidy program that requires recipient municipalities to carry insurance for third-party liability and for physical damage in the decontamination sites. In response, Sompo Japan Nipponkoa released a new dedicated insurance product in May 2012. The new insurance, covering liabilities arising from accidents during decontamination operations, fully meets the qualification requirements for the national subsidy program. Sompo Japan Nipponkoa will continue to contribute to radioactive decontamination efforts, one of the pressing tasks in the wake of the earthquake and tsunami.

● Fiscal Year 2012: Employee Dispatch Program Highlight (1)

Ten employees were dispatched to General Incorporated Association CANNUS Tohoku during July to September 2012. CANNUS is a volunteer organization specializing in nursery care, active in helping people affected by the earthquake near Ishinomaki City, Miyagi Prefecture. The employee volunteers provided various skills and efforts while dispatched to CANNUS, such as analyzing data and developing manuals to enhance activities and the quality of everyday operations.

▶ [General Incorporated Association CANNUS Tohoku \(In Japanese\)](#) 



Employee volunteers meet with local staff

<Voice of Employee Volunteers>

“I felt the need to let other people in Japan know the current situation of the disaster affected area, how hard people are working for the recovery, and what issues need to be more aggressively addressed in the affected areas.”

“The environment was totally different from our usual working environment. But I believe we could offer our skills, such as (1) the ability to produce a solution based on the understanding of customer needs, which we have developed through sales operations; (2) an attitude of attending carefully to the voice of customers, which we have acquired in insurance claim services; (3) techniques to enhance operational efficiency through data management, which we have gained from administrative work; (4) skills to create tools with a quantitative effect evaluation; and (5) creativity to propose ideas for developing external public relations tools.



Participants in the Employee Dispatch Program

● Made in Sendai Preserved Flower Project

The Made in Sendai Preserved Flower Project was launched in collaboration with Hibiya-Kadan, a Japanese florist, to help create a sense of community among victims of the earthquake and tsunami who live in temporary housing. Over the course of four seminars held between December 2012 and March 2013, residents at Okada Nishimachi Temporary Housing learned how to make artistically preserved flowers under the instruction of a representative of Hibiya-Kadan.

Sompo Japan Nipponkoa employees provided administrative support. After the seminars, the participants formed their own organization and made 300 preserved flower products for Mother's Day for sale at Hibiya-Kadan stores and within Sompo Japan Nipponkoa's office building.



Learning how to make preserved flowers



Preserved flower named Magokoro (Sincerity in Japanese)

● Tohoku Social Entrepreneur Support Fund

We have launched a fund jointly with the Public Resource Foundation for entrepreneurs who start a socially beneficial business in disaster-hit areas by utilizing local human resource, technology, nature, and products. Out of 79 applicants, 11 recipients were selected based on an evaluation of their business model's social benefits, viability, positive impact on local communities, and other criteria.

Over the year to December 2013, we provided support to ensure the launching of new social projects according to plan, through the provision of subsidies and consulting services.



First training seminar for fund recipients



Final presentation of the problem-solving workshop

● “Learn to Create in Tohoku” Projects

We organized a series of programs under the banner of the “Learn to Create in Tohoku (northeast area of Japan, disaster-hit area)” projects in cooperation with an NGO, Japan for Sustainability. These included: (1) Learning Journey in Tohoku, where young people from Japan and abroad visited disaster-affected areas and met with local people; (2) Youth Leadership Development for Disaster Recovery, a leadership program for young people who are working hard to rebuild Tohoku; and (3) Tohoku Kids’ Performance for the Future, a musical play performed in Setagaya, Tokyo by children from disaster-hit areas.



Learning Journey



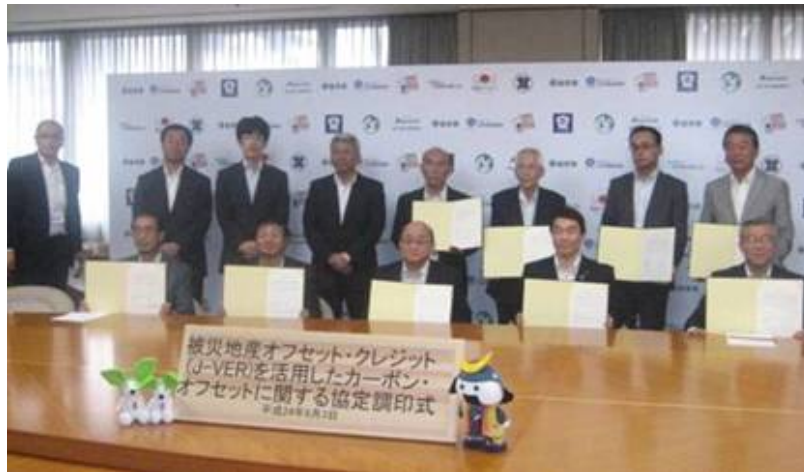
Tohoku Kids’ Performance for the Future (photo by Mr. Joe Takano)

● Supporting Low-Carbon Reconstruction Projects

To support efforts for early reconstruction and eco-friendly community development in areas affected by the earthquake and tsunami, we utilized the J-VER* scheme and purchased offset credit units generated by projects organized in quake-struck areas. In collaboration with the Japan’s Ministry of the Environment (MOE), a public nomination process was held to identify candidate projects chosen according to level of disaster-related damage, impact on job creation and local economic revitalization, and other predetermined criteria. The total amount of carbon

emissions offset by the projects was 10,000 t-CO₂, one of the largest offset amounts in Japan (as of end of August 2013).

* J-VER: Japan Verified Emission Reduction, Japan's carbon offset credit system, under which credits generated through the reduction or absorption of CO₂ by MOE-approved projects in Japan are sold as offset credits.



J-VER projects signing ceremony

[Fiscal Year 2013]

● Stranded Commuter Insurance for Local Governments

The Tokyo Metropolitan Government (TMG) on April 1, 2013 enacted an ordinance that specifies required actions to manage the estimated 5.17 million people who will be stranded in the event of a devastating earthquake striking Tokyo. In this situation, such commuters may be tempted to try to walk home, resulting in a massive crowd, which not only poses a risk of personal injury due to collapsing buildings but could also potentially hinder access by emergency responders. To discourage this, the TMG ordinance requires temporary shelters to be made available for those who would otherwise be out on the streets. TMG has implemented additional measures to alleviate the financial burden on businesses called on to provide such temporary shelter facilities. In response, Sompo Japan Nipponkoa in April 2013 launched the industry's first insurance product that covers a local government's subsidization of such temporary shelters for stranded commuters.

The company believes this product will help save lives and provide safety in the event of a catastrophic earthquake.



Shinjuku Station, Tokyo on the day of the 2011 earthquake and tsunami

● Fiscal Year 2013: Employee Dispatch Program Highlight (2)

Nine employee volunteers were dispatched from July to October 2013 to the Fukushima Recovery Minamisoma Solar Agripark in Minamisoma City, Fukushima Prefecture, a project designed to provide local children with opportunities to experience and learn about renewable energy and agriculture in a photovoltaic power plant and an agricultural factory. The dispatched employees engaged in various tasks, including developing a system that enables continuous improvement in quality with work sheets used by children to ensure more effective learning; preparing documents for grant application; proposing ideas on how to expand the number of solar panel owners; cultivating and listening to opinions of local partners; and planning and taking part in local events.

▶ Minamisoma Solar Agripark 



Children learning on site



Dispatched employees at work

<Voice of Employee Volunteers>

“When I went to the disaster affected areas to support insurance payments immediately after the earthquake, I lost words at the sight of the tremendous damage caused by the disaster and felt that I should do something. This is why I decided to participate in the program.”

“I felt how difficult it is to find issues myself and make achievements in new assignments that are

totally different from my ordinary duties. I also realized that speed and enthusiasm are key to accomplishing something new.”

“I now see the importance of responding to the needs of each individual rather than just following customs and practices.”



Debriefing meeting of the Employee Dispatch Program

[Fiscal Year 2014]

● Fiscal Year 2014: Employee Dispatch Program Highlight (3)

Sompo Japan Nipponkoa dispatched four employees in total to the CANNUS Tohoku (general incorporated association) in Ishinomaki City, Miyagi Prefecture under its fiscal year 2014 Employee Dispatch Program, where it also sent employees under the first program in fiscal year 2012. The volunteer organization of nurses in the fields of medical, nursing care and elderly care and the dispatched employees undertook various tasks, including creation of an advertising catalog covering exhaustive activities and questionnaires to handout in the debrief meeting as well as data aggregation.

The dispatched employees expressed their satisfaction after completing the program, which, they explained, allowed them to broaden their view by having extraordinary valuable experience, and proved very beneficial for future career development.



Members of CANNUS Tohoku and participants of the Employee Dispatch Program

● Bringing People Joy with Van Gogh’s “Sunflowers”

As part of the support efforts to recover from the 2011 earthquake and tsunami, we lent out a Vincent Van Gogh’s “Sunflowers” painting from Sompo Japan Nipponkoa’s art collection to a special exhibition at the Miyagi Museum of Art from July 15 to August 31, 2014.

There are seven Vincent van Gogh’s “Sunflowers” masterpieces dating to his Arles Period in the world and one of the works can only be seen in Japan at our Seiji Togo Memorial Sompo Japan Nipponkoa Museum of Art permanent exhibition. As a general rule, this “Sunflower” masterpiece cannot be lent out to other museums due to the difficulties in conservation management.

However, as part of the reconstruction support, we decided to lend out our “Sun Flowers” for the first time to Tohoku district (northeast area of Japan) with the hope of bringing brightness and courage to the disaster-affected area through the dynamic masterpiece of Van Gogh who sought bright colors in Arles, South France.



Opening ceremony



Van Gogh’s “Sunflowers” Special Exhibition at the Miyagi Museum of Art

[Fiscal Year 2015]

● Fiscal Year 2015: Employee Dispatch Program Highlight (4)

A total of five employees were dispatched to work with Replus, an organization in Ishinomaki, Miyagi Prefecture, that is promoting integrated rehabilitation services with the philosophy of creating a society where people can continue to live a healthy life in the community, from children to the elderly, and regardless of whether they have any illnesses or disabilities. Our employees worked with them to establish the management structure and prepare manuals for resident-led initiatives to develop healthy and sustainable community. An example of comments from employees who participated was that they would like to put into practice in the workplace the approach of dealing with issues as soon as they arise, rather than waiting, and have a holistic perspective to find solutions to each individual issue.

The host organization also had positive comments, saying that our employees had helped in developing the organizational structure, “not just from step one to step two, but all the way from step one to step ten.”



Employee volunteers meet with local staff

Investment in Solar Power Project in Fukushima

We have invested 420 million yen in solar power development in a district in preparation for the lifting of the evacuation order in Minamisoma City, Fukushima Prefecture. This project aims to generate electricity on farmland that has become difficult to cultivate due to radioactive contamination from the Fukushima Daiichi Nuclear Power Plant. We are working on this important and financially viable form of reconstruction support with other financial institutions and with comprehensive support from the Fukushima prefectural government.



[Fiscal Year 2016]

Farmers Markets to Support Disaster Recovery: Ganbappe Fukushima!

With the theme of working together to support Fukushima, we sponsored farmers markets at the Shinjuku Headquarters and in our Saitama and Chugoku regions. The markets were aimed at reversing some negative publicity for local products in disaster-struck areas by bringing products in to sell to Group employees. For the Chugoku markets, products were brought in not only from Fukushima but also Tottori and Kumamoto prefectures, which were hit by earthquakes in 2016. Meanwhile, in the Kansai region, we provided backup support for the purchase of local products from Fukushima.



Recovery Support for Victims of the 2016 Kumamoto Earthquakes

Partnerships

A series of large earthquakes struck Kumamoto in Kyushu, Japan, starting on April 14, 2016. We put a special effort into making payouts of insurance as one of our core business function, and also solicited donations from employees in the entire Group, making it possible to donate some 12 million yen to the Central Community Chest of Japan and other organizations. We also sold about 8,000 original-design charity t-shirts and handkerchiefs, and from revenues made a donation (about 4.6 million yen) to a reconstruction support fund for cultural assets including the Aso Shrine, damaged in the earthquakes.



Disaster Response Headquarters



Original-design charity t-shirt



Original-design charity handkerchief

New Product: Kumamoto Fire Insurance

Sompo Japan Nipponkoa has developed an insurance product that triggers donations of 100 yen from both the agency and Sompo Japan Nipponkoa when a client signs a new fire insurance

policy with an earthquake insurance rider. We started selling the special locally-targeted product as Kumamoto Fire Insurance in October 2016, with the aim of supporting the reconstruction efforts based on a comprehensive cooperation agreement with Kumamoto Prefecture, which suffered damage mainly by the earthquakes that year.

Event to Express Hope for Kumamoto Earthquake Reconstruction

On April 14, 2017, a year after the Kumamoto earthquakes struck, we held an event in multiple locations to express hope for the Kumamoto earthquake reconstruction efforts, with a slogan saying “We won’t forget that day! Don’t give up Kumamoto.” On the day of the event, we distributed 3,000 items of disaster preparedness goods such as flashlights with radios and emergency blankets, through the joint efforts of our employees and agency staff in front of our Kumamoto Branch building, agency offices, and department stores in Kumamoto City.

Contributing to Community through the Arts and Culture

Sompo Japan Nipponkoa Fine Art Foundation (Seiji Togo Memorial Sompo Japan Nipponkoa Museum of Art)

Arts & Culture

The Seiji Togo Memorial Sompo Japan Nipponkoa Museum of Art, located on the 42nd floor of the Sompo Japan Nipponkoa Headquarters Building in Nishi-Shinjuku, Tokyo, features in its permanent exhibition works by such masters as Gauguin, Cezanne, Seiji Togo, and Grandma Moses, while holding various traveling exhibitions, supporting emerging artists, and promoting art appreciation through dialogue. In 1987, a work from master post-impressionist Vincent Van Gogh's Sunflowers series was added to the permanent collection, making this the only museum in Asia where one can view a work from the series. Approximately 5.58 million people have visited the art museum as of March 31, 2017.

The art museum is cultivating art appreciation in younger generations by providing free entry to junior high school students and below, and through various educational programs in collaboration with Tokyo Shinjuku Ward public schools.

The art museum also contributes to local communities, one example being a special exhibit of Van Gogh's Sunflowers at the Miyagi Museum of Art in 2014 to support post-disaster reconstruction.



The Puppet Theater “Himawari Hall”

Arts & Culture

The Himawari Hall puppet theater has been jointly operated by the local NPO Aichi Puppetry Center and our Group since its opening in 1989.

The theater has organized a wide variety of events that draw national attention, such as puppet performances, seminars, workshops, the children’s art festival, and script competition, P New Face Award (contest to discover new talent for future generation, and "P" stands for performance art, including puppet performance, and other performance art using body and/or objects), in the area where puppet shows are very popular.



Puppet Theater “Himawari Hall”

Evaluation of CSR Programs

Evaluation of CSR Programs

Partnerships

We periodically evaluate our CSR programs based on the factors including “contribution to business,” “public interest,” “uniqueness,” “progressiveness,” “expandability.” By making a choice through multilateral evaluation, we implement the PDCA cycle to promote prioritized programs that contribute to the solution of today’s social issues.

Program	public interest	uniqueness	progressiveness	expandability	contribution to business	partnership	human development	contribution to business	required cost	final score	final rank
1 Program A	3	4	4	4	3	3	4	3	5	342	B
2 Program B	3	3	3	3	4	3	3	4	3	303	B
3 Program C	4	2	2	3	5	4	4	3	5	336	B
4 Program D	3	3	4	3	2	2	3	3	3	259	C
5 Program E	3	2	2	2	3	3	2	2	5	233	C
6 Program F	5	4	4	4	5	5	4	4	1	389	B
7 Program G	4	5	4	3	3	5	4	4	3	360	B
8 Program H	3	3	3	3	3	5	4	3		330	B
9 Program I	4	5	4	3	3	5	4	4	3	360	B
10 Program J	3	4	4	4	5	4	4	4	5	400	A
11 Program K	4	4	3	4	5	4	4	4	5	403	A
12 Program L	4	5	4	3	5	5	3	4	5	412	A
13 Program M	4	2	2	2	3	3	4	2	5	269	C
14 Program N	4	3	3	3	3	5	5	4	5	379	B
15 Program O	5	4	3	3	4	4	3	4	3	362	B
16 Program P	4	4	3	3	4	4	5	4	5	394	B
17 Program Q	4	2	2	3	4	4	3	4	5	337	B
18 Program R	4	2	3	3	3	4	3	3	5	309	B
19 Program S	3	2	2	3	5	4	3	3	5	312	B
20 Program T	3	2	2	2	4	3	3	3	5	282	C
21 Program U	2	3	3	2	2	4	4	2	4	263	C
22 Program V	3	4	5	3	4	4	5	5	5	425	A
23 Program W	4	5	4	3	4	4	4	4	5	403	A
24 Program X	3	3	3	2	3	3	3	4	5	316	B
25 Program Y	4	3	3	4	4	3	3	5	5	383	B

Note: In principle, if the final rank of the project become C, we consider discontinue or revision of the program content.

Cost (thousand yen)	Factor
0~5,000	5
5,000~10,000	4
10,000~30,000	3
30,000~50,000	2
50,000~	1