

26<sup>th</sup> July, 2016

Sompo Japan Nipponkoa Holdings Inc.

**Business Alliance Between Myanmar Rice Federation and  
Sompo Japan Nipponkoa Insurance Inc.**

Sompo Japan Nipponkoa Insurance Inc. (hereinafter “Sompo Japan Nipponkoa,” President: Keiji Nishizawa), a 100% subsidiary of Sompo Japan Nipponkoa Holdings Inc. (President: Kengo Sakurada), has concluded a memorandum of understanding with the Myanmar Rice Federation (hereinafter “MRF”).

Sompo Japan Nipponkoa developed a prototype of weather index insurance for Myanmar in December 2014. Since the weather index insurance\* is able to mitigate farmer economic losses due to unusual climate conditions, MRF and Sompo Japan Nipponkoa have agreed to collaborate to put the prototype into practical use and contribute to further development of Myanmar’s agriculture.

The points of this alliance are as follows:

- MRF is to coordinate with related authorities, industry groups, and farmers in order to collect necessary information so that Sompo Japan Nipponkoa can develop weather index insurance.
- MRF and Sompo Japan Nipponkoa are to jointly use seminars and similar means to increase farmers and related agricultural parties’ understanding and awareness of weather index insurance.

**\*Weather Index Insurance**

This is an insurance product that pays a fixed claim amount when weather indexes such as those on temperature, speed of wind, rainfall amount, and sunshine duration meet certain predetermined conditions. Since the impact of climate change has been getting more and more serious in recent years, the weather index insurance is gaining attention as a measure for coping, mainly by the agriculture sector of developing countries, which is vulnerable to climate change.

**Profile of MRF**

Name	MRF (Myanmar Rice Federation)
Head office address	No.29, Room (901-903), Min Ye Kyaw Road, Lanmadaw Township, Yangon, Myanmar
Year of foundation	2012

President	Mr. Chit Khine
Outline	<p>MRF represents the private sector of Myanmar Rice Millers Association (MRMA), Myanmar Rice &amp; Paddy Traders Association (MRPTA), Myanmar Paddy Producers Association (MPPA), Myanmar Farmers Association (MFA), Myanmar Fertilizer, Seed and Pesticide Entrepreneurs Association (MFSPEA) and Rice Specialization Companies (RSC). The objectives of MRF are to support and implement sustainable development of Myanmar's rice industry by optimizing effective and efficient utilization of all available resources in the rice industry. MRF is a federation that always acts in the interest of its members and stakeholders.</p>