Sompo Holdings

Sustainability Case Studies 2026



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Guide to Reading This Report

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Overview of Disclosure

To allow readers easy access to the information they are interested in, we have organized the content of the Integrated Report as follows.

- Main Section: an overview of value creation starting with growth strategy and financials
- Sustainability Case Studies: specific sustainability initiatives and related information

Integrated Annual Report
IR website (IR library)
Sustainability website
Corporate Governance Report
Annual Securities Report (in Japanese)

ESG-Related Data

Group ESG-related data are shown on the website listed below.

ESG data

External Evaluation

The Group's major recent awards and recognition are presented below.

External Evaluation

Reporting Period

This report relates mainly to initiatives from April 1, 2025, to March 31, 2026, but also contains some latest initiatives and policies to provide updated information.

Scope of This Report

This report covers Sompo Holdings, Inc. and its affiliated Group companies in and outside Japan. It also features some activities by Group company agencies.

Publication Period

Japanese version: August 2026 (Updated October 2026), English version: October 2026

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On the Publication of the "Sustainability Case Studies"



Kayoko Sakai
Group CSuO
Senior Executive Vice President

As Group Chief Sustainability Officer (CSuO), the executive officer responsible for publishing our Integrated Report and the Sustainability Case Studies, I would like to express my deepest gratitude for your continued support of the Sompo Group's activities.

We publish our Integrated Report to highlight our long-term value creation initiatives aimed at realizing the Sompo Group's vision. In the Main Section of this year's Integrated Report, we present the background of our growth strategies and future actions, aspects that cannot be fully conveyed through IR materials or Annual Securities Reports alone, by weaving them into a cohesive narrative of value creation that spans both financial and non-financial dimensions. This accompanying booklet, the Sustainability Case Studies, highlights concrete examples of how this value creation is being put into practice, specifically focusing on our efforts to address social challenges like climate change and human rights, as well as our leveraging of non-financial capital, including human capital and technology. These two booklets are designed to be read in tandem, providing a deeper and more comprehensive understanding of the sustainable growth the Group aims to achieve and the specific financial and non-financial initiatives that undergird this growth.

We view these reports as essential communication tools for deepening constructive dialogue with all our stakeholders. Through this dialogue, we sincerely aim to meet your expectations, deliver a positive social impact, and sustainably enhance our corporate value.

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SOMPO's Materiality

To realize our Purpose, "For a future of health, wellbeing and financial protection," the Sompo Group aims to achieve sustainable growth and enhance corporate value by integrating our business activities with sustainability and resolving key social issues. To accelerate these efforts and earn the support of a broader range of stakeholders, we have identified our "Materiality" and clarified the challenges we must address.

Based on our materiality, each Group company formulates a 'Value Creation Story' that demonstrates the economic and social value it creates, along with KPIs (Key Performance Indicators) to measure progress, thereby driving the practice of value creation across the entire Group.

Materiality Identification Process

[Step 1] Identifying Issues

We comprehensively identified issues based on international guidelines, the SDGs, the Group's strategy, and significant risks that could impact our management.

[Step 2] Prioritizing Issues *1

For the issues identified in Step 1, we conducted quantitative and qualitative assessments of their impact on our company and on society. We then prioritized these issues through both dialogue with external overseas and Japanese stakeholders (including customers, investors, NGOs, partners such as insurance agencies, and experts) and internal employee and management discussions.

See p. 4 for a mapping of these issues.

*1 Within material risk management under our ERM framework, we identify and evaluate the risks our business faces by conducting risk assessments that incorporate materiality perspectives.



Dialogue with an insurance agency

[Step 3] Identifying Materiality *2

Following Steps 1 and 2, we identified the following five material issues.

Realizing "For a future of health, wellbeing and financial protection"

Sustainable growth through the creation of social and financial value

Sompo's Materiality

- Building a future beyond risk
- Peace of mind for an aging society
- SOMPO Earth Positive Actions

Social issues SOMPO aims to resolve

- Strategic use of digital, data and AI
- Human rights / Embodying our values of Integrity, Self-motivation and Diversity

Governance and Compliance

Foundation for solving social issues

*2 Following discussions at the Group Sustainable Management Committee, the Materiality has been approved by the Group CEO (Director) and reported to the Board of Directors.

[Step 4] Linking Issues with Strategies and KPIs*3

For each material issue, we will define the specific SOMPO businesses, strategies, and initiatives that should address it, and establish corresponding financial and non-financial KPIs.

*3 The executive remuneration system of the Sompo Group incorporates variable pay consisting of "financial performance-linked compensation" and "strategic performance-linked compensation." To promote the creation of social value integrated with our business strategy, quantitative targets related to specific material issues are incorporated into the "strategic targets" of each executive according to their respective missions.
Depending on each executive's area of responsibility, specific targets linked to materiality (e.g., quality of customer service; the three concerns of health care, nursing care, and retirement finances; climate change, biodiversity, circular economy, and human rights, etc.) are set in the performance evaluation process. The payout amount of strategic performance-linked compensation fluctuates according to the degree of achievement of these targets.

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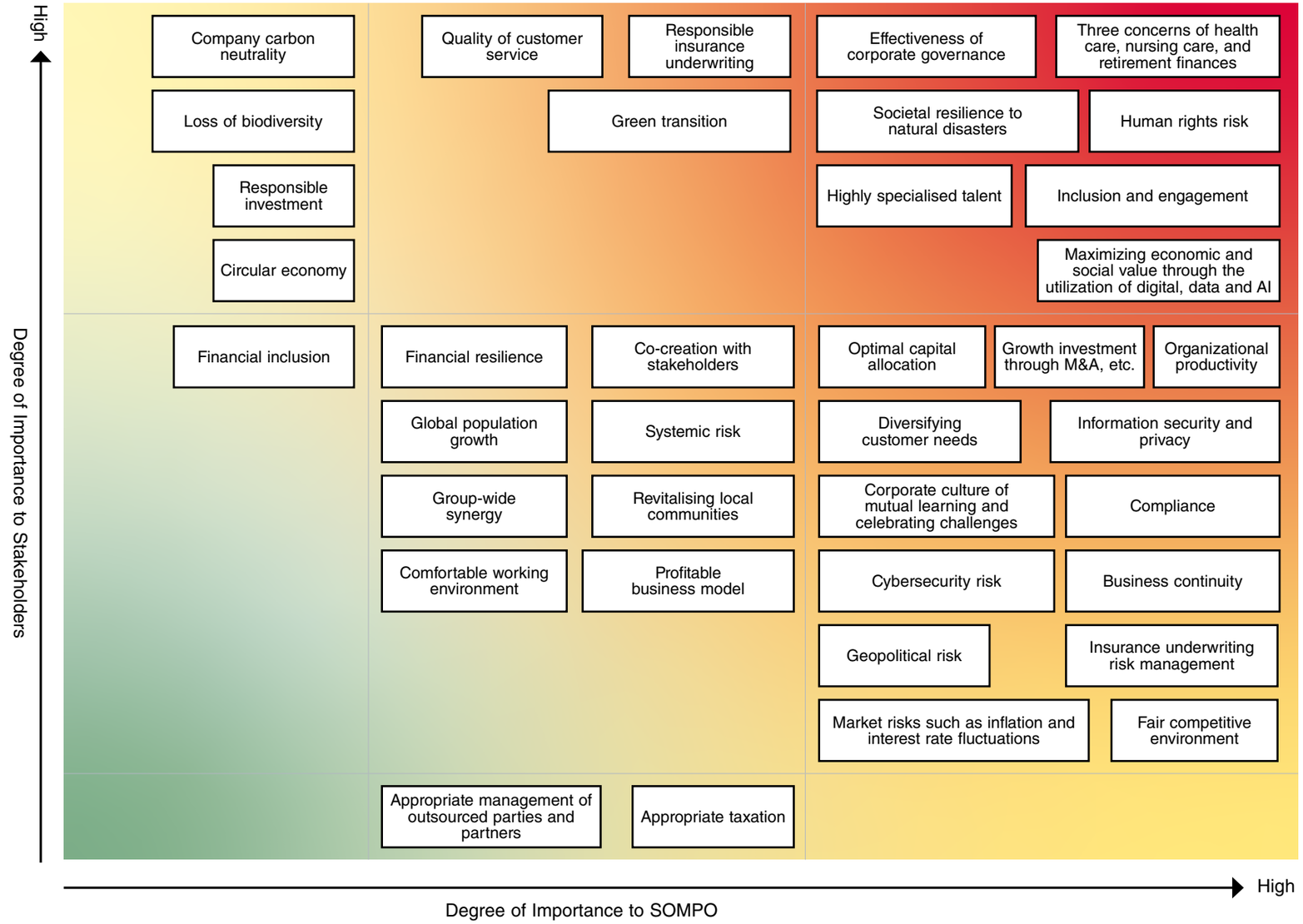
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SOMPO's Materiality

Mapping of issues (As of March 2026)*



* With regard to issue identification and prioritization, we perform an annual analysis to confirm whether revisions are necessary, taking into account changes in the external environment, the Group's business strategies, and requests from stakeholders.

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Sustainability Governance

Structure Promotion Structure

The Somp Group has established a system of sustainability governance whereby Executive Officers and Senior Vice Presidents execute measures in line with Group-wide strategies and policies aimed at realizing SOMPO's Purpose. The Board of Directors monitors their performance.

The Group Chief Sustainability Officer (Group CSuO) is in overall charge of sustainability at the Group, and is responsible for formulating and executing strategies related to sustainable management, and for overseeing the sustainability functions of the entire Group.

With regard to the promotion structure, the Group Sustainable Management Committee (hereafter referred to as "the Committee") is positioned as the parent organization for promoting sustainability throughout the Group. The members of the Committee include the sustainability officers and the executive officer in charge of the Corporate Planning Department of Sompo Japan Insurance, Sompo International, Sompo Himawari Life, and Sompo Care. By monitoring the progress of and identifying potential issues in the implementation plans formulated by each company, the Committee discusses and makes decisions on important issues regarding sustainability, including climate change, and drives the sustainability initiatives of the entire Group.

Furthermore, to deepen our understanding of the latest global trends and specialized issues related to sustainability, we hold study sessions featuring external experts in conjunction with the Committee meetings.

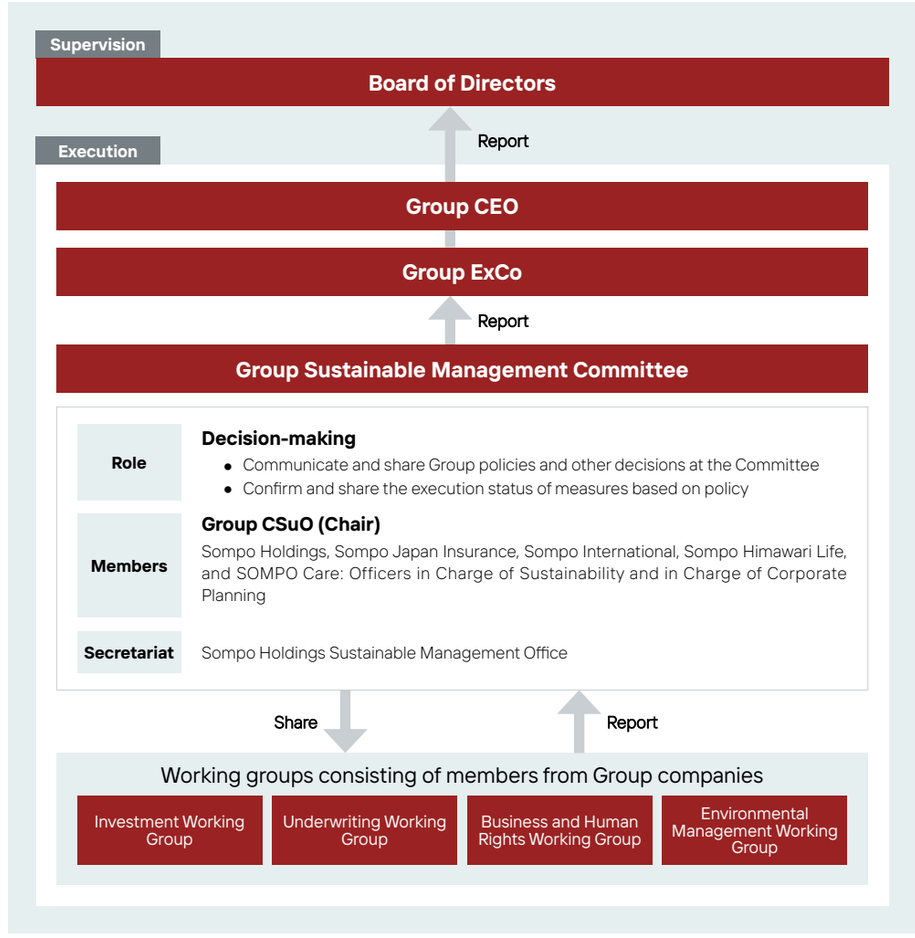
Additionally, we established four working groups under the umbrella of the Committee: Investment, Underwriting, Business and Human Rights, and Environmental Management. We are thus building a system to advance information sharing and policy implementation based on the consideration of individual issues and the content of the discussions of the Committee.

The matters discussed by the Committee are then presented to the Group Executive Committee (Group ExCo), the Group's highest executive committee, leading to higher quality decision-making. The Board of Directors also receives reports on the discussions held by the Group ExCo through venues such as preliminary briefing meetings, thereby increasing the effectiveness of its supervisory functions.

Activities and Achievements Most Recent Discussions and Reports at the Committee

June 2025	• FY2025 action plan for the Committee • Revision of Sustainability-related Policy for Underwriting, Investments and Loans • Status of greenhouse gas emissions reductions in investment and loans
October 2025	• Preparation for the new sustainability disclosure standards SSBJ • Status of Initiatives on Business and Human Rights
January 2026	• Formulation of the Group's "Materiality" and "Value Creation Story" • Future direction of climate change measures • Status of the Sompo Group Awards 2025 Initiative

Organization chart



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Value Creation through Employees' Challenges — Sompo Group Awards

Concept and Policy Sompo Group Awards 2025

The Group is promoting initiatives that encourage employees to take on challenges and lead to new value creation. The Group-wide awards program "Sompo Group Awards" serves as an important platform for recognizing and sharing challenges based on My Purpose throughout the entire Group.

It highlights not only the scale of results, but also the thoughts and processes behind each challenge, fostering a culture where colleagues encourage one another. The stories shared inspire other employees and are creating a chain of new challenges.

In FY2025, the "Sompo Group Awards" was held for the third time since its establishment in FY2022.



Entries in FY2025 covered a wide range of topics that reflect the changes occurring today, including promoting DX using generative AI, solving issues in local communities, and delivering well-being that supports customers' health. These are considered important initiatives essential for the Group to achieve sustainable growth and contribute to society.

Categories for submissions

Calls are made for initiatives in two categories. Entries were widely submitted from around the world, from both individuals and teams.

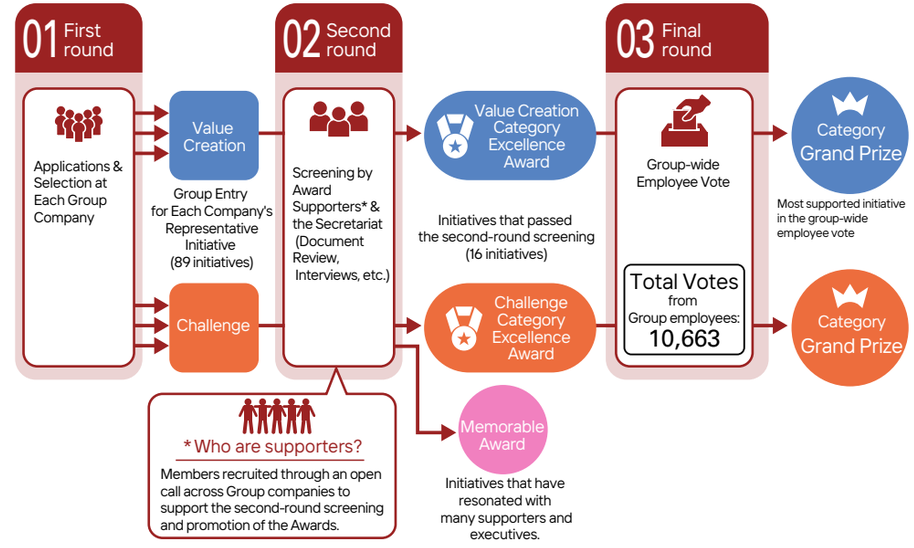
Value Creation	Initiatives that create new value and achievements by engaging with clients and the community.
Challenge	Challenges that step out beyond one's existing work.

Application and selection

In FY2025, to foster greater engagement and a stronger sense of unity among Group employees, we introduced a "supporter system" where employees selected through an open call from various Group companies directly participated in the evaluation process. This selection process, reflecting diverse perspectives, not only enhanced transparency but also provided supporters with valuable opportunities for personal growth and networking.

Furthermore, many employees participated in the Group-wide vote. By learning about the diverse businesses and initiatives of their colleagues from around the world, this initiative served as a precious opportunity to strengthen our collective sense of unity.

Overview of Sompo Group Awards 2025



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Value Creation Through Employees' Challenges — Sompo Group Awards

Activities and Achievements

Sompo Group Awards 2025 Winning Initiatives

[Grand Prize] Value Creation

"Learning Encouragement" Beyond the Scope of Insurance, for 350,000 Children!
- A Reassuring Future Forged by Our Industry-first Insurance Scheme for Students With School Attendance Difficulties -

Summary

Sompo Japan Insurance began offering the industry's first "Learning Support Insurance for Students Not Attending School," with the aim of supporting efforts to secure diverse learning options for children and students who refuse to attend school.

By combining financial assistance with various municipal support measures, the company provides comprehensive support to help children and students return to school and secure learning opportunities. Since its release, it has attracted attention from many local governments and media outlets, and has been highly acclaimed as a model for solving social issues that goes beyond the scope of insurance.

Our Passion

"We want to create a society where all children are able to grow in their own way and with a positive outlook."

I was shocked by an acquaintance's struggle with school refusal and by seeing firsthand, during my child's class observation day, how common school refusal has become. Approximately 350,000 children are experiencing school refusal, and many do not receive adequate support. The initiative began with the question of whether insurance could help address this social issue.



(Scene from an Excellence Award winner's speech at the awards ceremony)





[Grand Prize] Challenge

MY Himawari: Reducing Stomach Cancer Risk with a Mail-in H. Pylori Test Kit

Summary

Sompo Himawari Life Insurance provides a service that allows users to purchase a Helicobacter pylori mail-in test through the web service "MY Himawari." Users can easily take the test at home, and those concerned about their results receive follow-up support to help them take the next appropriate steps.

This has helped prevent and detect stomach cancer early, while creating new value by helping extend healthy life expectancy.

Our Passion

"We want to protect the health of as many people as possible."

A team member who is a qualified pharmacist drew on clinical experience and focused on the effectiveness of eradication treatment in preventive care.

This service was developed based on a strong desire to "create a future in which no one develops stomach cancer," together with the member's expertise and knowledge as a pharmacist.



Future Outlook

The Group will continue to evolve the "Sompo Group Awards" as a sustainable platform that enables employees to take on challenges in their daily work, grow, and connect with one another. By continuing to encourage challenges grounded in each employee's "My Purpose," the Group will continue creating new value for society.

SOMPO GROUP AWARDS

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Participation in Sustainability Initiatives

Activities and Achievements

The Sompo Group believes that collaboration with a diverse range of partners is essential to solving social issues. For this reason, we participate in various initiatives, both in Japan and overseas, and work to demonstrate leadership in them.

Initiative	Overview	Sompo Group activity
United Nations Global Compact (UNGC)	The United Nations Global Compact is a voluntary initiative for participation by companies in the creation of a global framework under which companies exercise responsible and creative leadership to act as good members of society to realize a sustainable society.	・Signed in 2006 ・Submit this Integrated Annual Report each year to disclose progress on implementing the four areas (human rights, labor, environment, and anti-corruption) and ten principles of the UNGC
Women's Empowerment Principles (WEPs)	Global principles representing the seven steps that companies and private organizations can take to promote and empower women.	・Signed in 2012 ・Signed by Sompo Asset Management in 2018
United Nations Environment Programme Finance Initiative (UNEP FI)	The UNEP FI is an international financial sector network comprising financial institutions that aim to contribute to sustainable development.	・Signed in 1995 ・Participated in the APAC roundtable held in Suzhou, China in June 2025 as a panelist on the topic of "Advancing nature-positive insurance in Asia Pacific."
United Nations Principles for Responsible Investment (UN PRI)	Formulated by UNEP FI. Investment principles that require financial institutions to consider ESG issues when making investment decisions.	・First Japanese insurance company to sign in 2006 ・Signed by Sompo Asset Management in 2012 ・Report annually on the implementation status through a designated questionnaire, based on the annual reporting framework defined by the PRI.
United Nations Principles for Sustainable Insurance (UN PSI)	Formulated by UNEP FI. Declaration by insurance companies to consider ESG issues in their business operations.	・Signed in 2012 ・Participation in TCFD Insurance Working Group sponsored by PSI ・Submit an annual report on the practice and results of the PSI. ・Contributed to the writing of "Nature Positive Insurance: Evolving Thinking and Practices." ・Participated in the Insurance for Nature-Positive Leadership Forum as a panelist

Initiative	Overview	Sompo Group activity
World Business Council for Sustainable Development (WBCSD)	Global organization of more than 200 leading companies committed to sustainable development.	・Joined in 1995 ・Participated in various projects, including "Redefining value" and "Vision 2050." ・Produced a Japanese translation of a report on physical risks to the value chain in March 2026, and spoke as a panelist at the annual general meeting in April 2026.
Partnership for Carbon Accounting Financials (PCAF)	A global industry-led initiative, consisting of financial institutions and partners, that are working to develop and implement a harmonized accounting approach to measure and disclose greenhouse gas emissions associated with their financial activities.	・Joined in 2021. Participated as the first member from Asia in the PCAF Insurance-Associated Emissions Working Group (working group under its umbrella that develops international standards for measuring and disclosing GHG emissions through insurance underwriting). ・Calculate and disclose greenhouse gas emissions from our investments and loans and from insurance underwriting based on the measurement methodology developed by PCAF.
Taskforce on Nature-related Financial Disclosures (TNFD) Forum	TNFD is an international organization established to build a framework for corporate risk management and disclosure related to nature. The TNFD Forum is a stakeholder organization established to help build the framework.	・Sompo Japan Insurance joined in 2021 ・Sompo Holdings signed TNFD Adopters in 2024
G7 Alliance for Nature Positive Economy (G7ANPE)	An international alliance established at the G7 Ministers' Meeting on Climate, Energy and Environment in Sapporo in April 2023 as a forum for sharing knowledge on a nature-positive economy and building networks. To encourage investment in nature and to achieve a nature-positive economy, the alliance is engaged in activities such as sharing case studies on nature-positive technologies and business models.	・Sompo Japan Insurance joined in 2026.

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Initiative	Overview	Sompo Group activity
Keidanren Nature Conservation Council (KNCC)	Through the Keidanren Nature Conservation Fund (KNCF), financial support is provided to NPOs and NGOs engaged in biodiversity conservation and nature protection, while also promoting awareness-raising and education for companies and fostering exchange and collaboration with NPOs/NGOs.	・Sompo Japan Insurance has been a member since it was established in 1992. Sompo Risk Management joined in 2024. ・Keiji Nishizawa, an Executive Advisor to Sompo Japan Insurance, serves as the Chair. ・As a member of the Planning Committee we are involved in policy recommendations formulated jointly by KNCC and Keidanren.
Keidanren Initiative for Biodiversity Conservation	Initiative by companies and groups that work on multiple items of Keidanren Declaration for Biodiversity and Guideline, or agree with its overall purpose.	・Sompo Japan Insurance has been a member of the initiative since 2009, when it started as "The Declaration of Biodiversity by Keidanren" Promotion Partners.
Council for Better Corporate Citizenship (CBCC)	An organization established by Keidanren that from the start has consistently aimed to support Japanese companies seeking to explore what it means to be good corporate citizens. In recent years, the organization has actively worked to support practical initiatives in sustainable management among Japanese companies	・Sompo Japan Insurance has been a member since it was established in 1989, and Sompo Holdings joined in 2025. ・Keiji Nishizawa, an Executive Advisor to Sompo Japan Insurance, serves as the Chair.
Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century) (PFA)	Principles developed to guide the actions of financial institutions to fulfill their roles and responsibilities to create a sustainable society through the spread of sustainable finance.	・Sompo Japan Insurance joined as a drafting member in 2010. ・Signed by 10 Group companies (currently 6) in 2011 ・Sompo Japan Insurance serves as co-chair of the Steering Committee and chair of the Insurance Business Working Group

Initiative	Overview	Sompo Group activity
Japan Climate Initiative (JCI)	Network established to enhance information dissemination and the exchange of opinions among non-government entities such as corporations, local governments, civic groups, and NGOs that are actively taking measures to combat climate change.	・Joined in 2018
30by30 Alliance for Biodiversity	A coalition of companies, local governments, and groups that support the registration of "other effective area-based conservation measures" (OECMs) towards achieving the international goal of "30by30" preserving more than 30% of land and sea by 2030.	・Sompo Japan Insurance joined in 2022
Official Supporters System of "River Basin Disaster Resilience and Sustainability by All"	Program designed to advance initiatives that contribute to watershed management, as well as to promote widespread awareness of companies and organizations committed to it.	・Sompo Japan Insurance certified in 2023
Declaration of Partnership Building	The Declaration of Partnership Building was established at the "Council on Promoting Partnership Building for Cultivation of the Future," whose members include the Chair of Keidanren, the Chair of the Japan Chamber of Commerce and Industry, the Chair of Japanese Trade Union Confederation, and each minister of Japan (Cabinet Office, Ministry of Economy, Trade and Industry, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of Land, Infrastructure, Transport and Tourism). It is also a declaration aimed at building new partnerships by promoting cooperation and coexistence with business partners and value-creating businesses in the supply chain.	・The following Sompo Group companies have signed on to the declaration: Sompo Holdings Sompo Japan Insurance Sompo Himawari Life Insurance Sompo Care Sompo Health Support Sompo Risk Management Sompo Direct Insurance

* To ensure alignment with our climate change targets and the Paris Agreement, the Sustainable Management Office, under the supervision of the Group Chief Sustainability Officer (CSuO), evaluates, coordinates, and manages all direct lobbying activities, public policy engagements, and affiliations with external organizations such as sustainability initiatives and trade associations. The Group's positions on public policies are consolidated cross-functionally and, following approval by the Group CSuO, are reported to the Board of Directors depending on the nature of the policy. Furthermore, if an Executive Officer of the Company concurrently serves in these initiatives or trade associations, such involvement is subject to approval by the Board of Directors. Additionally, if the policies of these initiatives or trade associations—including those related to climate change—are deemed to deviate from or contradict the Company's vision, policies, or the Paris Agreement, we will engage in dialogue with the organization. If this does not result in a policy change, we have established a framework to consider withdrawing from the organization, following discussions among the member companies (Sompo Holdings, Sompo Japan Insurance Inc., Sompo International, Sompo Himawari Life Insurance Inc., and Sompo Care Inc.) of the Group Sustainable Management Committee chaired by the Group CSuO.
Related details are disclosed in our responses to the CDP questionnaire.

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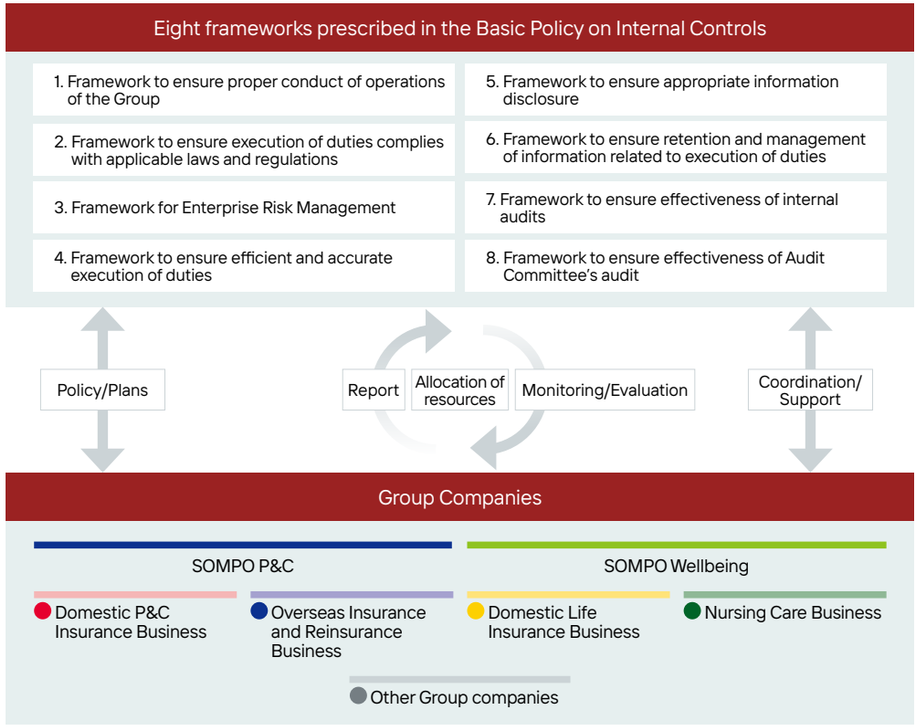
Internal Controls

Concept and Policy

The Board of Directors has established eight frameworks in the Basic Policy on Internal Controls as a foundation for ensuring the proper conduct of operations and for improving corporate value.

The Group takes very seriously its various internal issues and the business improvement orders and is working to enhance the effectiveness of its monitoring of subsidiaries and its sharing of information. Through the steady implementation of the business improvement plans, we are striving to restore trust and strengthen the Group's internal control systems.

Group internal controls systems



Please refer to the "Progress Report on the Business Improvement Plan" (as of the end of May 2026) for the progress of the business improvement plan related to "Fraudulent Car Insurance Claims."

For further details, please visit the website: Basic Policy on Internal Controls.

Internal Audits

Concept and Policy

Status of Internal Audits

We have established the Internal Audit Department with organizational and operational independence to conduct internal audits within our company and oversee internal audits across Group companies. The Internal Audit Department has a total of 24 staff members (as of June 1, 2026), comprising not only internal personnel with extensive experience in the management of the Group's businesses including overseas operations, but also specialists recruited externally who have deep experience and advanced expertise in auditing and IT systems. We also actively promote the acquisition of qualifications such as Certified Internal Auditor (CIA), a professional qualification in internal auditing.

Based on the "Group Basic Policy on Internal Audit," the Internal Audit Department audits the operational execution status of departments within our company, and ensures that the internal audit functions of each Group company implement highly effective internal audits. In addition, we summarize and analyze audit results and the status of follow-up actions to address issues identified across our company and Group companies, and report these to the Audit Committee and the Board of Directors.

Developing the Group's Internal Audit Framework

We have established the "Group Basic Policy on Internal Audit," which defines internal audits as processes for assessing the internal control framework and providing recommendations on methods for improving identified issues. Accordingly, we strive to enhance corporate value and meet the expectations of stakeholders by developing an efficient and effective Group-wide internal audit framework, and by conducting risk-based internal audits that consider our business characteristics and management strategies.

Specifically, we have enhanced our monitoring functions and adopted an agile auditing approach to respond dynamically to evolving risks. Concurrently, we support our Group companies in enhancing their internal audit frameworks by conducting quality assurance reviews and providing recommendations to address their respective challenges. Furthermore, in April 2025, aiming to strengthen our internal audit framework across the entire Group and achieve consistent and effective internal audits on a global level, we appointed a Group CAE, who is responsible for internal audits across the entire Group, and in November of the same year, a Group Deputy CAE, who also serves as the Head of our Internal Audit Department.

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Compliance

Concept and Policy Basic Concept and Policy

Basic Policy on Compliance

The Sompo Group has established various policies, including the "Sompo Group Basic Policy on Compliance," and is working to enhance the Group compliance systems as well as ensure thorough understanding and compliance with the "Sompo Group Compliance Code of Conduct," which is based on this Basic Policy, through measures such as conducting training for officers and employees.

For specific compliance-related policies, please visit (in Japanese): Basic Policy on Compliance, Management of Conflict of Interest Transactions, Protection of Customer Information, and Response to Anti-social Forces

Sompo Group Compliance Code of Conduct

The Group has established the Sompo 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 Group Compliance Code of Conduct lays down the norms to ensure that, based on the Basic Policy, all officers and employees of the Sompo Group understand the importance of compliance and act in ways that take compliance seriously. All officers and employees must act in compliance with the Code of Conduct shown below. In addition, if anyone becomes aware of any compliance or ethical concerns, or issues involving themselves or their colleagues that may violate the Code of Conduct, they are obligated not to ignore or conceal, but to promptly report such concerns or issues to their supervisors or the whistleblowing/consultation points of contact.

Furthermore, our Group has established "SOMPO's Yes" as a guiding principle for when judgment is uncertain while acting in accordance with this Code of Conduct. This is a group-wide guideline that encourages officers and employees to ask themselves: "Do you feel comfortable explaining your actions or decisions openly and honestly to society?," "Are you being fair in your dealings with customers and business partners?," and "Do you feel comfortable telling your family and friends with confidence?" If the answers to all three questions are not "Yes," one should pause and consult one's supervisor or other appropriate persons.



For further details, see: Sompo Group Compliance Code of Conduct

Sompo Group Compliance Code of Conduct

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. Elimination of Relationships with Organized Crime Forces
13. Prevention of Money Laundering and Terrorist Financing
14. Appropriate Political Activities
15. Appropriate Financial Reporting, Tax Processing Based on Laws and Regulations



To ensure thorough awareness across the entire Group, we are implementing an initiative where all officers and employees review and pledge to comply with the "Sompo Group Compliance Code of Conduct." The level of penetration of this Code of Conduct and the effectiveness of related initiatives are assessed annually through indicators such as the results of employee engagement surveys and the number of compliance violations.

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Compliance

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Fostering a Culture That Emphasizes Compliance

We take very seriously the administrative sanctions imposed on our company and our domestic P&C insurance subsidiary regarding fraudulent auto insurance claims (FY2023), as well as the administrative sanctions imposed on the same subsidiary regarding the adjustment of insurance premiums (FY2023) and the inappropriate management of insurance contract information (FY2024). We are working to prevent any recurrence and fundamentally strengthen our management structure in accordance with the business improvement plans. Specifically, to enhance and improve the effectiveness of our Group governance, we have appointed a director in charge of compliance and established a Compliance Department, which supervises and monitors the sufficiency and effectiveness of the internal controls of the subsidiary. We have also established rules to ensure that all critical matters concerning subsidiaries are reported to us without any omissions. As a holding company, we have established a system to proactively obtain critical information, through measures such as implementing mutual appointments of officers and employees between both companies and through various communication opportunities. Furthermore, we are working to ensure understanding and penetration of the "Sompo Group Compliance Code of Conduct," which defines the basic compliance actions for officers and employees of our Group, its companion guide "Practical Handbook" and "SOMPO's Yes," which serves as a basis for making decisions in daily operations for officers and employees. To further promote the penetration and establishment of the Group Compliance Code of Conduct, and to ensure that each and every executive and employee always acts with high ethical standards, we conduct a group-wide initiative at the beginning of each fiscal year to review and pledge to comply with the Code of Conduct. We are promoting the development of an organizational culture and framework to ensure thorough "compliance with laws and regulations" and "customer-oriented business operations."

Looking at our business environment, in addition to the Domestic P&C Insurance Business and Overseas Insurance and Reinsurance Business, the Group engages in the Wellbeing Business, which involves the provision of various solutions related to health/nursing care/retirement savings through our Domestic Life Insurance Business and the Nursing Care Business. In developing our compliance framework, it is imperative that we consider not only the relevant laws, but also the business characteristics, scale, and operating conditions of each Group company, as well as their business models and industry practices and their inherent risks. In collaboration with our Group companies, to not only ensure compliance with laws and regulations but also respond to societal and public demands, we are actively responding to conduct risk and will continue to strive to establish a compliance framework that aligns with our Group strategy and the external environment.

With our internal whistleblowing and consultation system, a key mechanism for detecting problematic issues at an early stage, we are enhancing the effectiveness of the system in identifying early warning signs of such issues, conducting trials of a point of contact that accepts concerns or consultations instead of reports, seeking to create a system that allows capturing a wide range of voices and concerns, and verifying it for group-wide deployment. We are currently evaluating the results with a view to rolling out the system across the Group. We are also taking steps to further raise awareness and enhance the trustworthiness of the whistleblowing systems. In FY2025, there were 308 whistleblowing reports and consultations across the Group.

Compliance Training

The Sompo Group systematically implements compliance-related education and training to ensure that officers and employees comply with laws and regulations and act in accordance with social norms and corporate ethics.

For compliance training results, please refer to the ESG data.

Anti-Corruption

The "Sompo Group Compliance Code of Conduct" stipulates that our Group shall not engage in any form of bribery or corrupt practices, including the provision of gifts and entertainment (including non-monetary benefits). The Compliance Code of Conduct has been approved by the Group CEO.

To promote understanding among officers and employees, the "Compliance Manual" outlines the content, purpose and examples of the Code, and each Group company conducts training, including on anti-corruption, tailored to the characteristics of its respective business. In terms of political contributions to public officials or related organizations as well as charitable donations and sponsorships, we conduct checks on the recipient and carry out the necessary approval procedures, thereby preventing these from being used as a cover for corrupt practices. When selecting agents in relation to business, we make decisions on whether to engage them after confirming the efforts they are taking to prevent bribery, among other checks.

These policies are communicated to all officers and employees. We also maintain confidential internal points of contact for whistleblowing and strive to detect ethical concerns at an early stage. When suspected cases of bribery or corruption are reported or confirmed, we conduct a rigorous and impartial investigation. If violations are found, we will take the necessary corrective measures. Depending on the nature and severity of the case, such violations may result in disciplinary action in accordance with internal regulations. As a result of these continuous efforts, there were no cases of bribery or corruption confirmed in FY2025.

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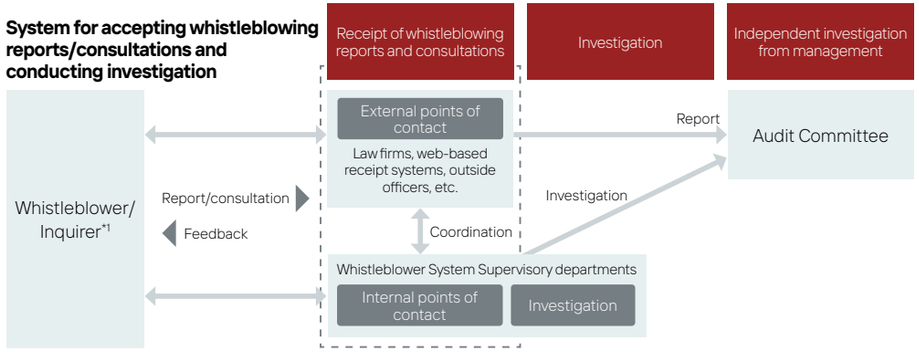
Compliance

Whistleblowing and Consultation System

To prevent misconduct, including legal and regulatory violations (as well as bribery and corruption), harassment, and other problematic behavior, and to maintain and enhance corporate value through self-correcting mechanisms, our Group has established internal and external whistleblowing and consultation points of contact at each Group company. The whistleblowing and consultation points of contact also accept inquiries regarding how to use the system and the mechanisms for protecting whistleblowers and individuals seeking consultation. External points of contact include law firms and similar companies that accept whistleblowing reports and consultations independently from the company. Depending on the circumstances in each country, methods such as e-mail, telephone, and other reporting and consultation methods are available, with support provided in the languages of the major regions where we operate (including English).

Each Group company has a system in place in accordance with the relevant laws and regulations of each country. In Japan, we have a system in place in accordance with the revised Whistleblower Protection Act (effective June 2022), and overseas, we have a system in place based on both local laws and Group Compliance System Establishment Standards. Our Group continuously conducts awareness-raising activities for employees regarding the internal whistleblowing system, including how to use it, through in-house training and group-wide awareness surveys.

System for accepting whistleblowing reports/consultations and conducting investigation



*1 In Japan, this includes persons who have resigned from their jobs within one year, and persons who are employed by other companies and engaged in work for the Sompo Group (eligibility varies depending on circumstances in each country).

Whistleblowing reports and consultations are handled by specific persons in charge (whistleblowing service staff) who are obliged to maintain strict confidentiality. Whistleblowing reports and consultations received through the external points of contact are forwarded to the department in charge in an appropriate manner, taking into account the intentions of the whistleblower or person seeking consultation The department in charge then takes the lead in investigating the case and implementing corrective measures. Significant cases, including those where officers are suspected of being involved, are reported to the Audit Committee, an independent body from the management, where the response policy is determined. The progress of the investigation and other updates are reported to the whistleblower or person seeking consultation as appropriate through the internal or external points of contact.

Protection of whistleblowers and inquirers

We are working to strengthen the protection of whistleblowers and inquirers by providing a system that can be used quickly and safely when problems arise that are difficult to resolve in the workplace. Any actions that seek to identify a whistleblower or individual seeking consultation, as well as any disadvantageous treatment based on the act of whistleblowing or consultation, are prohibited. Specific persons in charge are required to maintain strict confidentiality, and disciplinary actions, etc., for those who violate these rules are also clearly stipulated. Anonymous whistleblowing and consultations are also possible.

Information regarding inquiries from customers and stakeholders, including the raising of concerns or reports of misconduct, is published on the website of each Group company.

Number of whistleblowing reports received

Category	FY2023	FY2024	FY2025	Scope		
				Consolidated companies in Japan		Overseas consolidated companies
				Sompo Japan Insurance	Other Group companies	
Number of reports received*	252	293	308	●	●	●
[Included] Number of reports and consultations regarding human rights violations (including harassment)	167	213	226	●	●	●

* Reports received concerning human rights violations (including harassment) and violations of laws and rules

Compliance Code of Conduct Violations

Category	FY2025	Scope		
		Consolidated companies in Japan		Overseas consolidated companies
		Sompo Japan Insurance	Other Group companies	
Bribery and corruption	0	●	●	●
Conflict of interest	0			
Money laundering and insider trading	0			

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Tax

Concept and Policy Establishment of Group Tax Policy

In recent years, the environment surrounding taxation has been characterized as follows;

1. The progress of the BEPS* project by the OECD has brought tax compliance into the spotlight on a global scale.
2. In Japan, there are calls for large companies to enhance and improve their corporate governance with respect to taxation, and the importance and necessity of active involvement and guidance by top management and the formulation of a "global transfer pricing policy (transfer pricing strategy for the entire group)" are pointed out as examples of such efforts.

Against these backgrounds the Group Tax Policy was established in August 2018 as a practical guideline for the entire Sompo Group, including overseas Group companies, with the approval of the Group CFO (Director), who was delegated authority by the Board of Directors (The Group CFO has the authority to make decisions when conducting revises.).

The tax divisions of the Group manage and operate the policy, and the Group CFO periodically confirms the details of the financial statements, including the amount of income taxes, and reports the results to the Board of Directors.

* BEPS: Base Erosion and Profit Shifting

Group Tax Policy

1. Regulatory Compliance

The Sompo Group sets out a basic principle of "Compliance with applicable laws and regulations relevant to its business activities in each country." The Group aims to maintain and improve its tax compliance in accordance with tax related laws, regulations and standards published by international organizations, such as OECD, EU and UN guidelines, as well as the domestic laws, regulations and standards of each country and region, and fulfills its corporate social responsibility by properly paying its taxes.

2. Approach to International Taxation

The Sompo Group strives to mitigate any risk of damaging corporate value by exposing the Group to tax penalties and/or double taxation, based on understanding the purpose of the BEPS initiative led by the OECD.

International transactions between intra-group entities are conducted at an arm's length price. The Sompo Group also ensures international income is allocated between parties on an appropriate basis.

3. Optimization of Tax Burden

In order to maximize corporate value, the Sompo Group aims to minimize tax risks and to make appropriate and effective use of tax mitigation measures in accordance with each jurisdiction's laws and morals. The Sompo Group does not perform tax avoidance by, for example, utilizing excessive tax saving practices based on interpretations and/or applications that deviate from the actual content, meaning and/or intention of the relevant laws and regulations.

4. Relationship with the Tax Authorities

The Sompo Group seeks to maintain a positive relationship with the tax authorities of each country by ensuring that its explanations of its positions are always sincere, transparent and based on true facts.

The tax filing and payment practices of the Sompo Group will be timely and appropriate, and tax-related information will be submitted to the tax authorities when it is requested. On this basis, in cases where it is agreed with the tax authorities that there is a need for corrective and remedial measures, such measures will be appropriately taken by the Sompo Group.

Structure Tax Management System of SOMPO Group

In principle, the head of each region's domestic tax division is responsible for managing tax issues in each region. On the other hand, since global transactions within the group affect multilateral, tax management is conducted to consider the tax systems of multiple countries and examine tax issues from various perspectives.

Specifically, the global tax sections in Japan, the US, the UK (including other European regions), and Singapore handle any tax issues on a global basis, and they hold regular meetings to exchange information closely and discuss various global tax-related issues, including global minimum tax. The appropriate solutions are then presented to the CFOs and/or each business unit as necessary.

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ERM

Concept and Policy Our Basic Approach to ERM

Through the practice of Enterprise Risk Management (ERM), which is a framework for risk management, the Sompo Group aims to minimize unexpected losses, improve profits by effectively utilizing capital, and maximize corporate value, based on the "Sompo Group Basic Policy on ERM" established by the Board of Directors.

(1) ERM as the "Compass of Management"

The Sompo Group is striving to maximize its corporate value by setting "Increase Resilience" and "Connect and be connected" as its goals in its MTMP (FY2024–2026). To achieve this, we make use of the ERM framework, also known as the "compass of management," to guide the Group in the best direction by not only avoiding losses before they happen, but by reducing opportunity losses, such as missed investments in new business. We make sure of this by (1) Correct understanding of the Group's current position (multifaceted analysis); (2) Sensitive detection of potential risks (accurately understanding and addressing key risks), and (3) Clear indication of the routes the Group should take (recommendation of an optimal business portfolio).

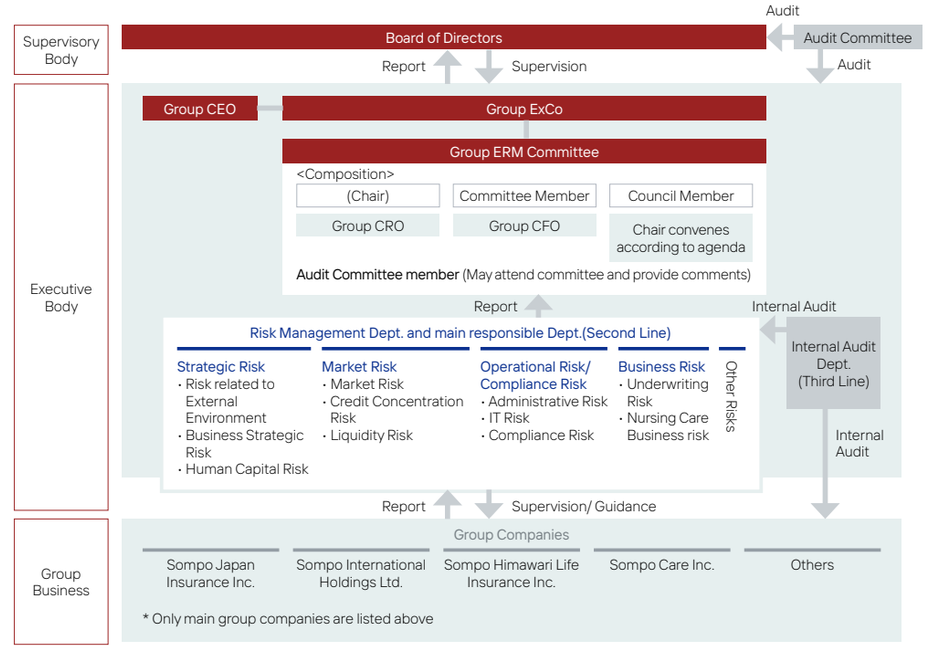
(2) Risk Management for Governance Structure

The Group Executive Committee, an advisory body to the Group CEO, regularly holds management discussions on matters related to risk management, including the Group's risk appetite statement, medium-term Group ERM promotion policy, and risk tolerance policies and measures. The Group ERM Committee, chaired by the Group CRO, has been established as a subordinate body of the Group Executive Committee to conduct cross-sectional management discussions on important Group ERM issues, such as risk-taking strategies, and the status of control of material risks by the department with primary responsibility and risk management department. The results are reported to the Board of Directors through the Group Executive Committee, and we have established a framework to continuously enhance governance pertaining to group risk management, incorporating advice and recommendations from the Board.

The Group CRO ensures that the "Sompo Group Basic Policy on ERM" and the "Medium-term Group ERM Promotion Policy" are known to all Group companies, and works to improve the effectiveness of ERM for the entire Group through regular monitoring and discussions with the CROs of each company.

Group companies have established risk management systems in line with Group policies and manage risk autonomously. The Company and its major subsidiaries have adopted a "three lines" model: First line: Each department or business unit responsible for developing and implementing policies and measures within our company and its key subsidiaries autonomously manages its own risks. Second line: The risk management department, along with the department in charge of relevant duties, oversees and supports the first line's risk management activities. Third line: The internal audit section independently evaluates the validity and effectiveness of the overall risk governance framework. These measures collectively ensure and enhance the effectiveness of the Group's risk management system. The Internal Audit Department also conducts on-site audits at least once a year and continuous monitoring (off-site) of relevant operating departments and subsidiaries on themes selected on a risk basis and evaluates the development status of the risk management framework and the effectiveness of processes such as the controls for risks associated with the relevant themes. In addition, the Internal Audit Department monitors the Risk Management Department, which is responsible for the development and promotion of the Group-wide ERM framework, throughout the year to ensure the adequacy of its operational structure.

Risk management governance structure



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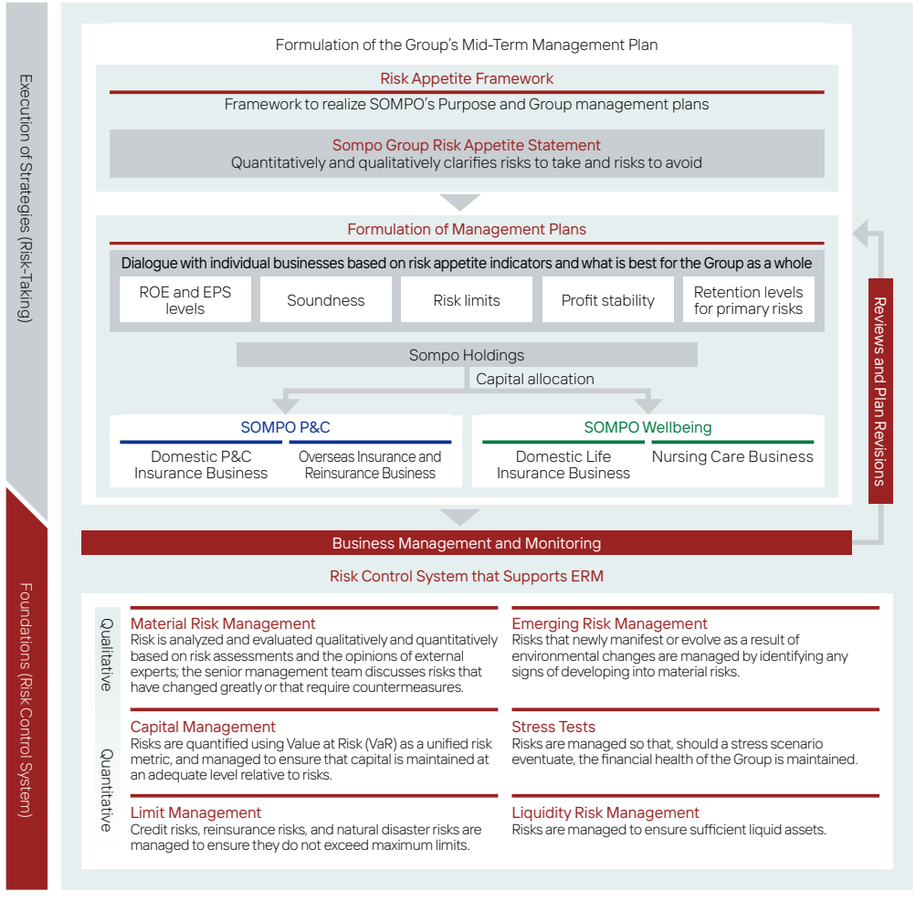
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Activities and Achievements

Overview of the Sompo Group's Enterprise Risk Management

The Group ERM framework aims to maximize corporate value while balancing capital, risk, and return. To effect this, it has two main components: the "Risk Appetite Framework," which supports conscious risk-taking in pursuit of strategic objectives, and the "Risk Control System," which contributes to stabilizing the foundations of our business.

Overview of the Sompo Group's enterprise risk management



(1) Risk Appetite Framework

From the perspective of risk-taking, we utilize a risk appetite framework as the main tool for analyzing capital, risk, and return, which we then apply to important management decisions. The "Risk Appetite Framework" is a system for increasing the certainty of achieving the Group's strategic goals — as set forth in SOMPO's Purpose, and the Group Management Plan — by conducting risk-taking based on the Group's "Risk Appetite Statement," which clearly states the risks to be taken and the risks to be avoided. We formulate a Group Management Plan and allocate capital to each business, after dialogue with the respective management teams, based on risk appetite indicators and the perspective of overall optimization as a Group.

(2) Risk Control System

On the aspect of risk control, the Group utilizes a "Risk Control System" that identifies, analyzes, and assesses the various risks surrounding the Group. We define "risks that could have significant impacts on the business" as "material risks" and comprehensively capture and evaluate the risks faced by our business through bottom-up risk assessment and top-down confirmation and discussion by the Board of Directors and others. In conducting risk assessment, we have clarified the criteria so as to emphasize the reputational impact from the viewpoints of customers, society, and other stakeholders, in addition to economic loss and business continuity. Material risks are comprehensively identified by the Group CRO based on risk assessments and the views of experts, etc., and risks are evaluated both qualitatively and quantitatively in terms of likelihood of occurrence and impact, based on specific scenarios of impact of risks on the Group, and the management status is discussed in the Group ERM Committee, then reported to the Group Executive Committee and the Board of Directors at least twice a year. The assessment of material risks and their likelihood and impact is as shown in the "Material Risk Heatmap (Likelihood and Impact)" on the next page.

Further, we have defined "emerging risks" as risks that, although it is difficult at this time to evaluate risks based on specific impact scenarios, have the potential to emerge or change due to changes in the environment and have a significant impact on our group in the future, and we manage them appropriately by associating them with individual material risks. An outline of emerging risks and countermeasures is provided in <Examples of Emerging Risks: Impacts and Mitigating Actions> (p.19).

Through "Capital Adequacy Management," "Stress Testing," "Risk Limit Management," and "Liquidity Risk Management," we strive to minimize unexpected losses and stabilize profits.

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Capital adequacy management

We quantify the insurance underwriting risks, asset management risks, nursing care risks, and operational risks we are exposed to maintain a sufficient level of capital relative to risks. A system has been established so that countermeasures are properly implemented if necessary.

Stress testing

We conduct "scenario stress testing", "reverse stress testing", and "sensitivity analyses" on a Group-wide basis to accurately identify and manage events that could significantly affect its business management. We analyze the impact on both capital and risk and take countermeasures as required.

Risk limit management

We have established the maximum limit for each risk on a Group-wide basis such as credit risk, reinsurance counterparty risk, and natural catastrophe risk to avoid outsize losses arising from the occurrence of specific events. The Group sets the limits within the maximum limits based on risk characteristics and has established a system to take appropriate measures when those limits are exceeded.

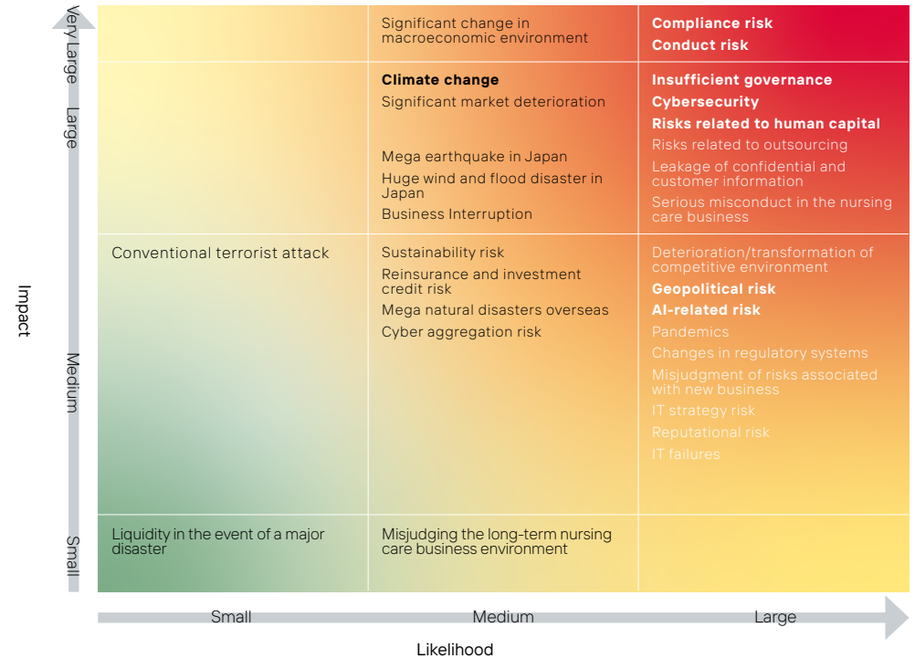
Liquidity risk management

In addition to projecting cash requirements for day-to-day operations, we project the maximum cash outflows that could result from events such as a large-scale natural catastrophe. We then conduct management to ensure we have sufficient liquid assets to meet cash requirements in these scenarios.

For an overview, evaluation, and status of countermeasures for main material risks, please refer to "Overview of Major Risks and Status of Countermeasures"

Material risk heat map

(Bold text: Risks requiring strengthened control)



	The Degree of Impact			Probability of Occurrence
	Financial Loss	Business Continuity	Reputation	
Very Large	≧ 500 bill. JPY	License cancellation	Extreme loss of trust	≧ once a year
Large	≧ 200 bill. JPY	Disruption of core business	Severe loss of trust (5+ years to recover)	≧ once in 10 years
Medium	≧ 10 bill. JPY	Partial disruption	Loss of trust (2-3+ years to recover)	≧ once in 100 years
Small	< 10 bill. JPY	-	Low risk of trust loss	< once in 100 years

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<Examples of Emerging Risks: Impacts and Mitigating Actions>

Innovative medical technologies

Risk Description	With the advent of new medical tests and treatments, it has become easier to detect diseases that were previously difficult to detect, and diagnosis criteria are becoming less stringent. The Sompo Group offers a wide range of medical insurance, cancer insurance, and long-term care insurance within its Life Insurance Business. There are risks associated with changes in customer insurance needs and behavior, as well as increases in claims and benefit payments, stemming from advances in medical testing and treatment technologies in the future.
Impact	The spread of innovative diagnosis and treatment technologies such as liquid biopsy, immunotherapy, photodynamic therapy, and regenerative medicine may not only cause fluctuations in the number of policyholders, but may also change the insurance needs of customers. Early detection of diseases, improved survival rates, and longer treatment periods may also result in higher-than-expected claim payments and benefit payments.
Mitigating Actions	To prepare against such risks, Sompo Himawari Life Insurance Inc. conducts surveys and research on trends in early detection and prevention through innovative medical technologies, and monitors signs of potential impact on the Life Insurance Business by utilizing actual data on claims paid, benefits paid, and insurance payouts. Looking ahead, we will assess the validity and adoption of these technologies, analyze their impact on life insurance underwriting and claims payments, and consider how to respond in the future, including their use in product and service development.

Critical infrastructure outages due to highly uncertain factors

Risk Description	Digital technologies are essential for social activities in modern societies, and we are highly dependent on interconnected global critical digital infrastructure, such as power grids, submarine cables, and satellite communication networks. This infrastructure is vulnerable to highly uncertain external shocks, such as severe space weather like solar flares and geomagnetic storms, or physical destruction, posing a significant threat to the digital society. As the Sompo Group operates a wide range of businesses, including insurance and nursing care, prolonged outages of such critical infrastructure would expose us to risks, such as threats to the continuation of business operations and the provision of services to customers in the event of large-scale losses.
Impact	If digital critical infrastructure suffers outages for a prolonged period due to external factors, the non-life insurance business could face unexpected and enormous insurance claims resulting from disruptions to customer supply chains and business interruptions. At the same time, continuing our Group's own business would become difficult due to the disruption of our systems and communications. This could not only negatively impact business performance but also lead to a serious decline in social credibility, particularly due to threatening the provision of nursing care services, which are extremely important as they involve human life and health.
Mitigating Actions	To increase resilience against such highly uncertain risks, the Sompo Group is continuously conducting research and analysis on the potential for outages of critical infrastructure due to various factors, including solar flares, and the impact on the company and its customers, in order to assess the degree of impact on our business.

Strengthening of regulations and guidelines concerning business and human rights

Risk Description	Amid rapidly changing values around the world, societal sensitivity and demands regarding "business and human rights" in corporate activities have intensified significantly. Consequently, related laws, regulations, and guidelines are evolving at a pace that exceeds conventional frameworks. Through our diverse and globally deployed business activities—including insurance underwriting, investment and financing, and well-being businesses—we engage with a wide range of supply chains. Within these business processes, we face the risk of causing, contributing to, or being directly linked to adverse human rights impacts, both directly and indirectly.
Impact	Rising societal demands may compel us to tighten our insurance underwriting standards or revise how we deliver our well-being services, potentially constraining or significantly transforming our business model itself, and leading to lost revenue opportunities. Furthermore, in the unlikely event that our efforts to respect human rights are deemed insufficient or fall short of societal expectations and regulatory guidelines, we could face severe reputational damage resulting from a loss of trust among customers and investors.
Mitigating Actions	In accordance with international regulations and guidelines on business and human rights, we have formulated the "Group Policy for Human Rights" and are conducting ongoing education and awareness-raising activities to ensure that it is fully embedded throughout the Group. Based on this policy, we are strengthening our human rights due diligence across both our own business activities and our entire supply chain. Beyond identifying and assessing potential human rights risks, we are taking concrete measures to prevent and mitigate them, establishing a cycle of continuously verifying and improving their effectiveness. Furthermore, we are deepening constructive dialogue with various stakeholders to reflect societal demands and expectations in the review of our internal framework, thereby balancing risk prevention with the promotion of respect for human rights. In the unlikely event that a human rights violation occurs, we are working to develop a grievance mechanism to ensure remediation and provide victims with access to a remedy, while considering the establishment of a framework to respond in a prompt and appropriate manner.

For other emerging risks, please refer to the "Emerging Risks List."

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Activities and Achievements Initiatives to Foster and Embed a Risk Culture

Our group companies have received business improvement orders: Sompo Japan Insurance regarding its handling of premium adjustment practices, etc., and customer information leaks, and both our company and Sompo Japan Insurance regarding their handling of fraudulent car insurance claims. We are fully committed to implementing a recurrence prevention measure. On risk control, we are revising the Group's internal processes for identifying and evaluating operational and other risks.

In today's society, the business environment is becoming increasingly uncertain, and the needs of stakeholders, including customers, are constantly evolving. In such an environment, it is crucial to not only avoid risks but also take the risks that are necessary in order to continuously provide customers with services that contribute to their "health, wellbeing and financial protection," as well as to enhance corporate value. In order to foster and embed a sound risk culture, we will promote risk awareness and dialogue through training and other measures and will also develop and institutionalize a system where each executive and employee, in addition to complying with laws and regulations, is encouraged to proactively think, judge, and act in accordance with the expectations of our customers and society.

(1) Initiatives to Promote and Establish Awareness of and Sensitivity to Risks

To ensure thorough risk management, it is essential that each employee understands the importance of risk management, and that we instill and fully ensure risk awareness, and enhance risk sensitivity. Our Group provides training programs (including e-learning) on ERM to the management team and employees.

Reports on major trends in risk are also prepared by outside experts and regularly distributed to Executive Officers in Japanese and English to enhance the risk sensitivity of management. Other measures include regular training sessions with external experts on geopolitical and other risks for Executive Officers.

(2) Consideration of Risk Factors in New Product Development

Sompo Japan Insurance explicitly bears in mind risk factors such as risks in underwriting, operational risks, compliance risks, and reputational risk in the development and revision of insurance products.

(3) Financial Incentives That Include Risk Management Metrics

Because the company considers human capital to be the driving force behind the creation of social and economic value, it regards human capital risks to be material risks. To prevent human capital risks from materializing, we are managing human capital with a focus on improvements to corporate culture, strengthening Group human resources, continually developing our HR system, and expanding our human resource base. To measure the effects of these initiatives, we have included employee engagement scores in our KPIs and review them regularly. Compensation for executives reflects the assessment of those initiatives to improve employee engagement.

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Crisis Management and Business Continuity

Concept and Policy Basic Concept

Even in the event of a crisis such as a natural disaster, pandemic, or system failure, our Group aims to recognize the social mission of our business and achieve the continuation of critical operations in each business.

Based on the "Sompo Group Basic Policy on Business Continuity Framework," we have also established a rapid response framework for emergencies that prioritizes the safety of human life and security of customers and employees, as well as preparedness measures for normal times.

Activities and Achievements Initiatives

Preparedness in Normal Times and Practical Countermeasures

We have established crisis management oversight organizations at each Group company and a communication system that centralizes information collection and dissemination functions. In addition to formulating Business Continuity Plans (BCPs) for continuing critical operations, the manuals outline specific actions for ensuring employee safety (such as first aid for the injured, transport methods for the seriously injured, and locations of AEDs). Based on these plans, we conduct regular emergency drills simulating fires, earthquakes, etc., to enhance the effectiveness of this framework.

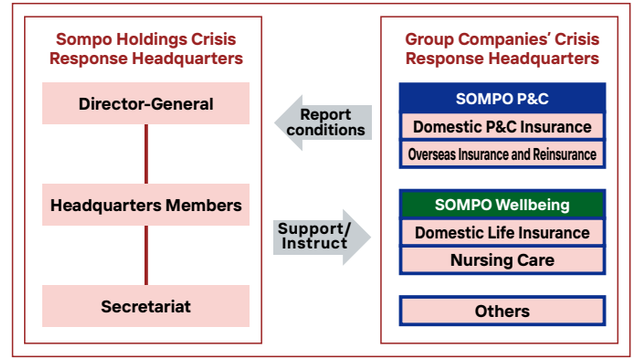
In particular, for large-scale disasters that are expected to cause significant damage, we are strengthening our practical preparedness as follows.

- Measures for an earthquake directly hitting the Tokyo Metropolitan Area: We have established a temporary alternative site and dedicated crisis response personnel in the Kansai region, creating a backup system for core functions.
- Measures for a Nankai trough earthquake: We have formulated a group-wide response policy, and we are promoting various measures, including conducting group-wide simultaneous drills (verifying inter-group coordination methods, scenario-based drills), identifying sites expected to be flooded using "SORA Resilience (risk management system)" (for prioritized framework development), and confirming evacuation action plans.

Response in the Event of a Crisis, Crisis Management Framework

In the event of an emergency, an Emergency Management Headquarters will be established at each Group company to take swift action.

- Situation Assessment and Impact Containment: The Emergency Management Headquarters at each company will quickly acquire information such as the state of damage to management resources, including customers, officers and employees, facilities, and systems, as well as the operational status of the business and the progress of the crisis, striving to avoid confusion and prevent the spread of impact.
- Unified Group-wide Response: Centered on the Emergency Management Headquarters headed by the Group CEO, Sompo Holdings centrally manages the state of damage and operational status of the entire Group, and accurately implements the intra-group coordination necessary to achieve business continuity.



Continuous Improvement

After the crisis has subsided, we review the response during the crisis as necessary to further strengthen the business continuity framework. In addition, for matters that significantly impact management, the response policy is promptly decided by the Board of Directors, etc., and the necessary measures are taken.

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Information Security

Concept and Policy Basic Approach to Information Security

To ensure the continuity of our business activities and maintain social trust, the Sompo Group has established the "SOMPO Group Security Policy" and the "SOMPO Group Basic Policy on Cybersecurity." These policies clearly stipulate the fundamental measures that Group companies must take to ensure the security of all their information assets (i.e., maintaining an appropriate management framework to minimize risks to information assets, such as loss, theft, leakage, unauthorized use, unauthorized access, falsification, and destruction).

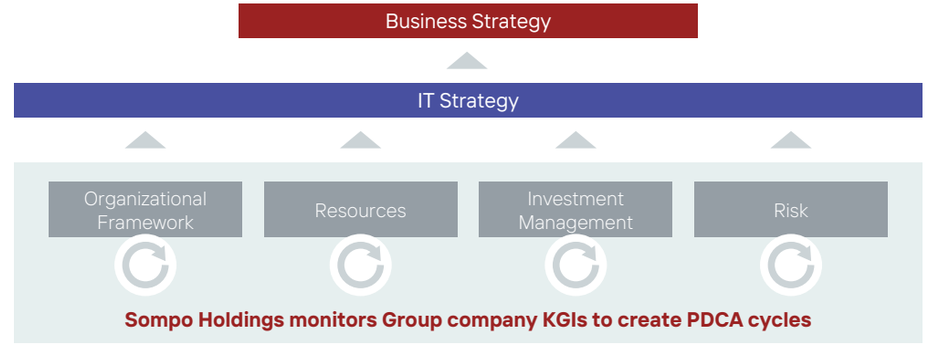
1. Implementation of technical security control measures: We implement measures such as controlling access to information assets, managing privileges, and recording and monitoring access.
2. Implementation of organizational and human security control measures: We establish procedures for the appropriate handling of information assets, implement measures such as appointing information asset managers, and conduct education and training for all employees to ensure compliance with laws and regulations.
3. Strict enforcement of security requirements for outsourced parties: When permitting external parties to handle information assets, such as through outsourcing (including agency business outsourcing), we require them to maintain the same level of risk control as our own company, and implement measures such as stipulating these requirements in contracts.
4. Establishment of a comprehensive and systematic risk management framework: We continuously monitor and grasp information security risks and threat trends, and respond promptly to incidents. In addition, we establish a system to ensure that the occurrence of material security-related events is appropriately reported to management.
5. Continuous improvement of information security systems: We appropriately verify the implementation status of each measure through internal audits and other means, and strive for further improvement as necessary.

IT Governance/Cybersecurity

Concept and Policy Structure Basic Approach to IT Governance

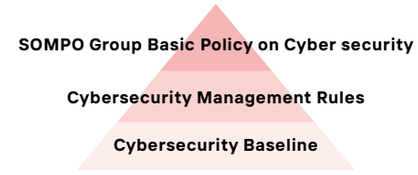
Monitoring KGIs to Create PDCA Cycles

Each entity's system implementation, operation processes are aligned in accordance with each country and industry regulations. By continuously improving the PDCA cycle via KGI monitoring and aligning to international standards, we strive to optimize the IT processes to support the Group-wide business and IT strategy.



Concept and Policy Basic Approach to Cybersecurity

Promoting Group-wide Cybersecurity Measures



Recognizing that it is the social responsibility of enterprises to build a safe and secure society by devoting themselves to cybersecurity, the Sompo Group has established the "SOMPO Group Basic Policy on Cyber security" as the cornerstone to continuously improve the efficiency and effectiveness of its cyber risk management. Cybersecurity risks are classified as material risks by our Group ERM Committee. The Group CIO is responsible for countermeasures, driving unified cybersecurity initiatives across the entire Group.

For details on risk management, including the Group ERM Committee, please refer to ERM (p.16).

For the policy on cybersecurity, please refer to the Sompo Group Basic Policy on Cyber Security.

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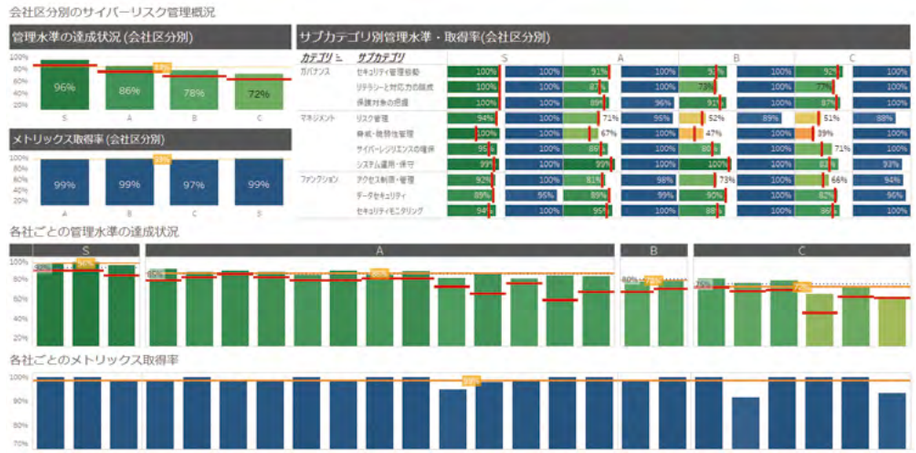
Visualizing the Status of Cybersecurity Measures

Recognizing that it is of the utmost importance to establish a corporate culture that respects cybersecurity and to continuously improve our ability to respond to cyberattacks, which are becoming increasingly sophisticated and ingenious every day, the Sompo Group is working together to improve and maintain its cybersecurity management system.

We have formulated basic concepts and standards for cybersecurity based on global standard frameworks such as the NIST* CSF (Cyber Security Framework), and each Group company is working to strengthen its cybersecurity and resilience measures and systems under their respective roles and responsibilities. To ensure the continuous improvement of these initiatives in a PDCA cycle, we have built a "Cyber Metrics" tool to quantitatively monitor and visualize the status of cybersecurity measures at Group companies, and we use it to ascertain the status of measures at each company, as well as to formulate and manage KPIs. Cyber metrics is dashboard visualization of data collected from each Group company regarding the strength and level of completeness of cybersecurity management, which is then scored uniformly. This allows for a common understanding of the state of cybersecurity of each company, including among the management level. Through this series of ongoing initiatives, we aim to turn cybersecurity into a competitive advantage in Group management by linking it not only with Group defense and operational risk mitigation, but also with various strategies such as cyber insurance and the promotion of digital transformation.

* NIST: National Institute of Standards and Technology

Image of visualization of cybersecurity countermeasures by Cyber Metrics



The top section categorizes and visualizes the overall management standard for cybersecurity measures for the Group, while the bottom section shows the progress of each company toward achieving that standard.

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Structure Cybersecurity Promotion Framework

A Team of Cyber Experts that Transcends Departmental Boundaries

Cybersecurity is a domain in which the environment is constantly changing, and knowledge and application of cutting-edge technologies are required. We have therefore established a Cyber Center of Excellence (CoE) structure within Sompo Holdings, in which cybersecurity personnel with the relevant qualifications, such as the state certified Registered Information Security Specialists or the Certified Information Systems Security Professionals (CISSP), play a central role in promoting effective enhancement of the structure based on a division of roles among the companies at a global level. The policy and direction have been decided based on discussions by relevant executives, led by the Group CIO. In particular, in addition to the IT departments, the Office of Group CEO, Risk Management Division, and other related departments are working together to increase resilience, which requires action that transcends departmental boundaries. Furthermore, from the perspective of the effectiveness and efficiency of countermeasures, we strive to continuously enhance our management framework through internal audits focused on IT infrastructure, cybersecurity, and data privacy, as well as third-party assurance including Information Security Management Systems (ISO 27001) standard assessments.

SHD-CSIRT (Computer Security Incident Response Team) also collaborates with other companies in the industry and security-related organizations to improve the level of maturity not only of the Sompo Group but also of the entire security community.

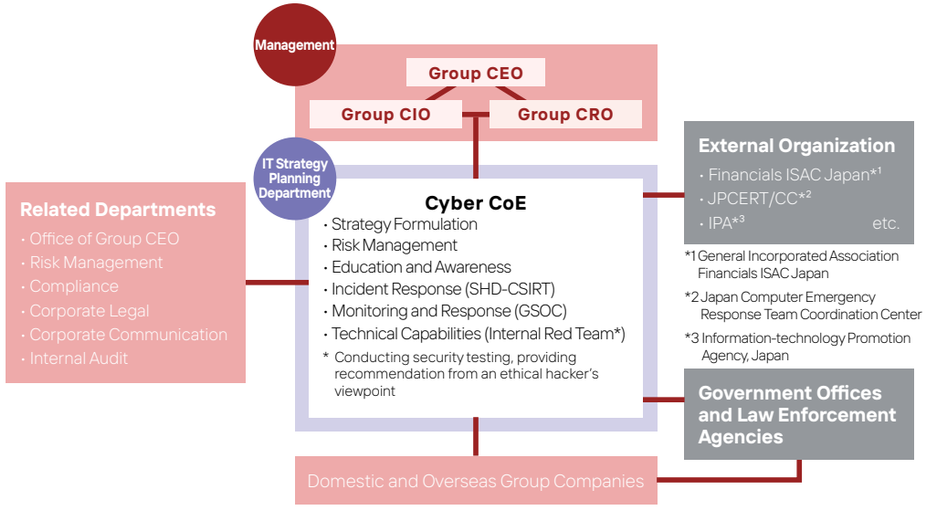
Global Risk Response Framework

Cyber risk knows no borders. To address these global risks, our company is responding to cyber threats not only with our domestic Group companies but also in collaboration with Group companies around the world. Security engineers belonging to the Cyber CoE provide support for various security tests, train security personnel at each company, and conduct research on cyber technologies, all from a unified, Group-wide perspective.

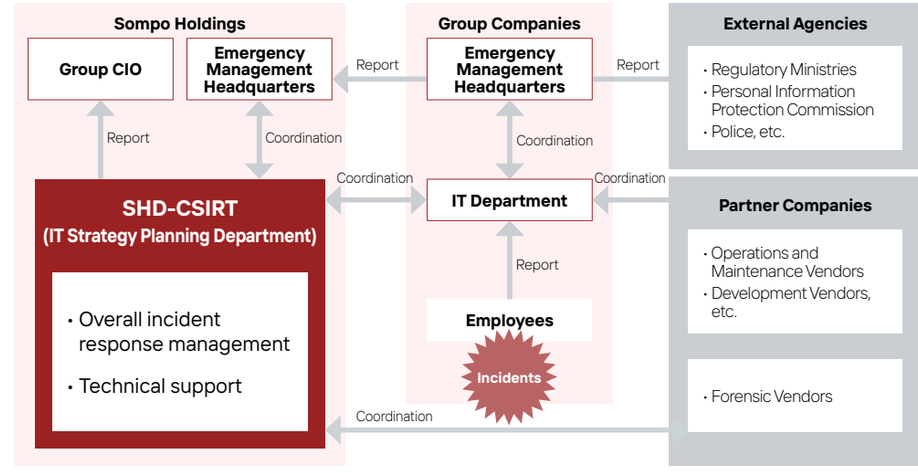
Emergency Response System

To prepare for security incidents, Sompo Holdings has established an SHD-CSIRT (Computer Security Incident Response Team) within the organization. This ensures systematic readiness to promptly and efficiently execute various necessary responses during emergencies, such as information sharing, decision-making, and forensic investigations. Furthermore, we have established crisis response manuals and incident response guidelines for business continuity. We also regularly conduct practical cyber incident exercises based on specific scenarios, such as malware infections, striving to enhance our resilience.

Promotion framework centered on the Cyber CoE



Emergency response system



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Activities and Achievements

Cybersecurity Initiatives

Implementing Protection Measures

The Sompo Group implements comprehensive technical measures based on a multi-layered defense approach, focusing on ensuring the confidentiality, integrity, and availability of systems and data, in addition to administrative measures such as organizational structures and rules. For networks, in particular, we are striving to ensure security by operating the Secure Access Service Edge (SASE) platform, an integrated model of security based on the zero trust security concept that authenticates the security of all communications, and monitoring various security data by our Group Security Operation Center (SOC). These efforts are made to respond flexibly to changes in work style and system configurations. Moreover, we implement various measures, including the application of security guardrails to prevent errors in cloud configurations, cyber patrol activities to monitor and protect Internet assets regardless of country or region, and vulnerability assessment and penetration tests for the IT assets of domestic and overseas Group companies. We routinely monitor the security of assets within the Group during normal times. Looking ahead, we will further expand the scope of monitoring and strive to strengthen our resilience further through the early detection of emergency vulnerabilities in our Group's assets, as well as through issuing alerts and providing technical support to the entire Group. In light of the recent rapid changes in the external environment, we will also work to further strengthen our defense framework by continuously monitoring threat trends and verifying the effectiveness of existing countermeasures.

Nurturing Cybersecurity Personnel

Cybersecurity measures sometimes require expertise. For this reason, we have established the Cyber Lab, a cybersecurity R&D center, within Sompo Holdings to support and train each company's cybersecurity personnel through cybersecurity-related technical research and hands-on training. The Cyber Lab regularly hosts online and in-person events titled "Cyber Tech Talk" and "Global Cyber Tech Forum" to enhance cybersecurity knowledge. These gatherings enable cybersecurity professionals worldwide to share their expertise, sharpen their skills through mutual learning, and foster the development of future talent. These initiatives are based on the idea that in order to respond to cyber risks that are spreading on a global scale, it is necessary to have a network where our Group's cybersecurity personnel can connect and interact with each other. The goal is to create an environment where information can be exchanged beyond the boundaries of one's organization, country, region, or language.



Scene from the "Global Cyber Tech Forum" held near the headquarters in Shinjuku (October 23-24, 2025)

Adapting to New Technologies

The Sompo Group is actively conducting research and investigations to incorporate and utilize new technologies such as AI and quantum-resistant cryptography. Similarly, with regard to security, we work with the relevant departments to formulate procedures, rules, and guidelines for the safe use of new technologies and take the necessary measures to introduce innovations in a safe manner. New technologies can be applied not only to business applications but also to security. In addition to researching how new technologies can be used in cyberattacks and other threats, we conduct research and investigation on a daily basis so that we can respond quickly to changes in various IT environments and always adopt the latest security measures. The Cyber Lab is also used as a base for this research and investigation. The Cyber Lab has a dedicated network environment that is isolated from the normal business environment, making it possible to conduct technical verification and similar activities safely.



Cyber Lab set up at the headquarters in Shinjuku

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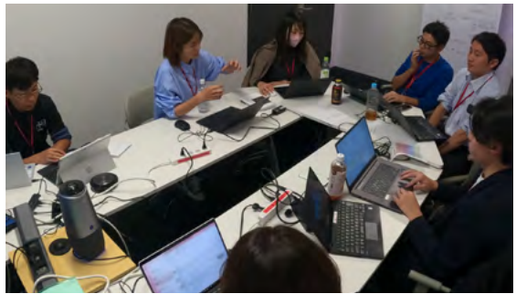
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Fostering a Culture of Security and Security Education

To ensure cybersecurity, it is essential to foster a "security culture" in which each employee understands the importance of cybersecurity and is aware of how to use IT assets safely.

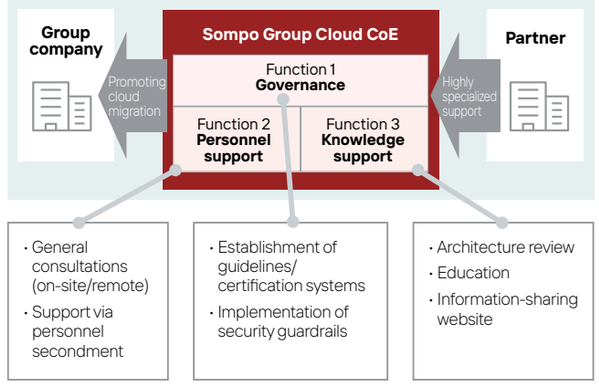
The Sompo Group implements educational programs at multiple levels, from employees to management. We are also working to acquire knowledge related to cyberattacks and raise awareness at Group companies through e-learning, phishing email training, cyber incident drills, and newsletters. We have expanded our cyber incident drills in recent years, from conventional tabletop exercises to include practical security log analysis training for practitioners (SOMPO Cyber Blue). At the same time, we are working to build up resilience, including across the entire business and management level, by incorporating more practical scenarios, such as those assuming a ransomware attack.



Practical drill for practitioners to analyze security logs (SOMPO Cyber Blue)

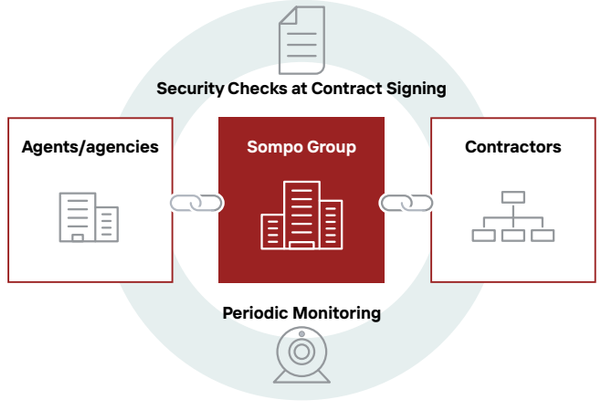
Promoting Cloud Migration

The Sompo Group has established a Cloud Center of Excellence (CoE) system within Sompo Holdings to promote cloud migration as a means of responding flexibly to the constantly evolving business environment while remaining competitive. The Cloud CoE establishes guidelines for the safe and secure use of public cloud systems, and provides personnel and knowledge support to enable the promotion of cloud migration and AI utilization among Group companies. Shifting to the cloud will help optimize costs, ensure scalability and service availability, and ensure security with common security functions. We also contribute to reducing carbon emissions by actively adopting public clouds that are committed to and investing in clean energy.



Addressing Third-Party Risks

Modern business relies on collaboration with various external providers (third parties) and operates within complex supply chains. In recent years, cyberattacks targeting these supply chains have increased. If one company is attacked, the impact can ripple through the entire network of business partners. Since cybersecurity measures are essential not only within the Sompo Group but also among our business partners, such as agents/agencies and contractors, we establish agreements on the handling of confidential information and subcontracting through outsourcing contracts, and we conduct regular security monitoring of our contractors. By implementing supply chain-aware initiatives, we strive to minimize security risks, protect valuable information assets such as customer data, and pursue stable business operations.



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Protection of Personal Information

Concept and Policy Group Policy

The Sompo Group aims to realize its Purpose, "For a future of health, wellbeing and financial protection." As a company entrusted with customers' personal information across a wide range of businesses, from insurance to nursing care, we believe that the appropriate protection of personal information is the foundation of trust from our stakeholders.

Based on the "Sompo Group Privacy Policy," each Group company has established policies to ensure compliance with laws and regulations and the proper management of operations that handle customers' personal information. Furthermore, when outsourcing operations that handle customers' personal data, each company has established rules regarding the screening criteria, inspections, and audits of contractors. This enables us to take appropriate measures, such as concluding contracts that include security management clauses and verifying their compliance status.

The protection of personal information is also explicitly stated in the "Sompo Group Compliance Code of Conduct," and all Group officers and employees are required to comply with it. Violations of the Code of Conduct or other internal rules regarding the protection of customers' personal information may result in disciplinary action, depending on the nature and severity of the violation.

For more details, refer to the Sompo Group Privacy Policy and the Sompo Holdings Privacy Policy.

For examples on Group company policies, refer to the Sompo Japan Insurance Privacy Policy, the Sompo Japan Insurance Handling of Personal Information, and the Sompo International General Privacy Notice.

Structure Promotion Structure

The protection of customers' personal information is integrated into the Group's overall risk and compliance management framework. Risks related to the leakage of confidential and customer information are evaluated and managed as material risks. Furthermore, the Group's policy on protecting customers' personal information is positioned within the Group's compliance management framework. Under this management structure, our Compliance Department collaborates with the teams in charge of protecting customers' personal information at each Group company to ensure adherence to the policy and applicable personal information protection laws and regulations. To drive these initiatives, Sompo Japan Insurance has appointed a Chief Privacy Officer, among other measures.

To independently verify the effectiveness of personal information protection measures, the Internal Audit Department conducts internal audits at Group companies. In addition, we have established points of contact for whistleblowing points to respond promptly to any concerns.

Activities and Achievements Initiatives

Education for Officers and Employees

To ensure that all employees share a common understanding of the importance of protecting customers' personal information, the Sompo Group conducts education and training for officers and employees and requires them to submit a pledge of compliance.

In addition, our AI literacy training and internal guidelines incorporate risks and countermeasures related to the protection of personal information when using AI for business operations.

Education for Agencies

At insurance agencies, which are the Group's primary face-to-face sales channel, obtaining appropriate consent from customers and properly handling personal information are essential. Therefore, Sompo Japan Insurance provides guidance by establishing practical rules regarding clear explanations of data usage purposes and the prevention of information leakage through dedicated handbooks and other means. Furthermore, Sompo Japan Insurance is strengthening its guidance and management of internal control systems at agencies through the use of e-learning and tailored educational content, such as the "SOMPO Agent Academy" established in FY2025, as well as verification through agency inspections.

Column PrivacyMark at Sompo Japan DC Securities

In addition to internal audits, the Group actively undergoes independent third-party audits in certain business divisions to ensure the strict operation of privacy protection measures. For example, Sompo Japan DC Securities, which specializes in defined contribution pension plans, has consistently retained its "PrivacyMark" certification from JIPDEC (Japan Information Processing Development Center) and recently completed its 10th renewal. Since its initial acquisition in October 2006, this rigorous third-party certification has served as objective proof that the company continually upholds and enhances a robust information security and personal information protection system.

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Responsible AI

Concept and Policy Basic Approach to AI Governance

The Sompo Group positions AI as an important technology that serves as the foundation for executing our business strategy, and actively promotes its utilization. At the same time, to address the ethical, legal, and social issues inherent in AI, we have established the "SOMPO Group AI Governance Basic Policy" and built an effective internal control system. This policy aims to meet the trust of society and our customers through the responsible operation of AI, and clarifies the principles that must be complied with across the Group throughout the entire AI lifecycle, from development to utilization and disposal.

1. Robust Risk Management System

The Group strives to ensure the soundness of AI from both the development and utilization perspectives. Specifically, when developing AI systems, we have established a framework to comprehensively manage the diverse risks associated with AI utilization (e.g., data privacy, intellectual property, cybersecurity, and model bias) in a multi-layered manner, including oversight functions. On the utilization side, we ensure strict compliance with relevant laws and regulations, and prohibit the use of AI for anything other than its defined intended purposes.

2. Respect for Human Rights

In utilizing AI, the Group is committed to rigorously ensuring that its use "does not compromise human dignity and autonomy." Specifically, we absolutely do not use or deploy unethical AI systems, such as those that engage in the unjustified manipulation of human decision-making and emotions, or social scoring. In addition to implementing measures to prevent discriminatory responses, we combine this with appropriate human monitoring and intervention to prevent bias and unjustified discrimination from being introduced into our business operations.

3. Ensuring Transparency and Accountability

Regarding the outcomes generated by AI, we aim to ensure the processes are as explainable as possible. To clarify where the responsibility lies for the outcomes produced by AI models and tools, we prescribe the roles and responsibilities of each department in the planning, development, and operation of AI. Furthermore, in the event of an incident, we have established a system to swiftly grasp the situation and respond.

4. Maintaining Effectiveness and Continuous Improvement

Our Group's AI governance undergoes continuous review and improvement to ensure we can swiftly respond to technological advancements, regulatory trends, and changes in societal demands.

Core Principles of the SOMPO Group AI Governance Basic Policy

(1) The Group will define clear objectives tailored to AI utilization status and will promote its development and utilization.
(2) The Group will identify and assess various risks associated with AI utilization and will engage in appropriate risk management.
(3) The Group is committed to rigorously ensuring that AI use does not compromise human dignity and autonomy. Furthermore, the Group recognizes the importance of policyholder protection and accountability and will strive to communicate with stakeholders.
(4) The Group will establish and operate AI Governance that will respond appropriately and in a timely manner to the advancements in AI technologies, the evolving laws and regulations and shifts in societal and customer expectations, and ensure its continuous improvement.

This Basic Policy was established with the approval of the Group CEO. Backed by this management-level commitment, we are driving the appropriate operation and continuous improvement of AI governance across the entire Group.

Activities and Achievements Initiatives

Risk and quality management

Through the "SOMPO Group AI Governance Basic Policy" the Group complies with the Ministry of Economy, Trade and Industry's "AI Guidelines for Business" and manages the entire lifecycle of responsible AI systems.

When introducing AI systems, we conduct risk assessments and model tests tailored to their scope and intended use, covering areas such as "fundamental human rights," "fairness and discrimination," and "handling of personal information." We also conduct continuous monitoring after the release. In addition, we have established a mechanism to detect drift over time and performance degradation in AI models. If these are confirmed, we take prompt action, including system improvement or suspension.

* At present, the Group does not develop or use AI systems or functions that could have a significant impact on individual rights and privacy, such as facial recognition and surveillance. Even if we were to introduce these in the future, risk assessments will be conducted, and access to the systems will be strictly limited to authorized personnel with specific privileges.

Ensuring fairness and transparency

Through risk assessments and model tests, we conduct regular evaluations regarding the fairness and bias of deployed AI systems. Even during actual business use, executives and employees are required to verify the output results. Furthermore, to ensure transparency, we make it our policy to clearly label all internal and

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external AI-generated content to easily distinguish it from human-created information.

Employee AI literacy and customer feedback channels

The Group aims to improve AI literacy through training for executives and employees, fostering a corporate culture that practices the responsible use of AI across the entire Group.

Our company-wide "AI Literacy Training" promotes a deep understanding among employees of important considerations when using AI, such as ensuring data privacy, rigorous information management, and the prevention of copyright infringement. Furthermore, taking the "SOMPO AI Agent Leadership Training" has been made mandatory for managers, thereby strengthening governance in a multi-layered manner.

Regarding concerns about the use of AI, as well as appeals from customers or affected third parties to contest AI-driven decisions and outcomes, we accept inquiries through existing channels such as each company's website and call centers. The received feedback is centrally managed as the "Voice of Customer" (VOC), providing a clear pathway for complainants to seek explanations and remediation, and ensuring accessible, fair, and prompt investigation and response.

For details, please refer to Customer-centric Business Operations and Quality Improvement (p.95).

Managing the environmental impact of AI

The Group is working to reduce its environmental impact across the entire value chain, including the digital solutions that support our business. We continuously collect environmental data, including server power consumption, from Group companies in Japan and overseas to grasp the environmental footprint of our overall IT infrastructure. Going forward, we will continue to closely monitor the impact of changes in our operations on the environment, such as the expanding use of AI across the Group, as we aim to achieve our environmental targets.

Column

Supporting Decarbonization for SMEs through the "Denki Check" AI Electricity Diagnosis

Going beyond reducing our own environmental impact, we are also leveraging AI to help solve our customers' environmental challenges. To support small and medium-sized enterprises (SMEs) in their emissions reduction efforts, Sompo Japan Insurance and Sompo Risk Management have partnered with tanso-manGX Inc. to roll out "Denki Check," a decarbonization management support service developed by tanso-manGX. This service offers various features, including an "AI Electricity Diagnosis" that instantly calculates an SME's potential for electricity reduction through a simple two-step, one-minute assessment. By simply uploading documents such as electricity bills, users can obtain bulk estimates from multiple providers and receive concrete plans that simultaneously reduce energy costs and advance decarbonization, such as switching to optimal renewable energy sources or installing solar power and energy-saving equipment. Through the use of these AI solutions, the Group will continue to back our customers' transition to a net-zero society.

For case studies demonstrating the operational improvements achieved by customers using this service, please refer to the "Denki Check" website (in Japanese).

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Sustainability through Underwriting, Investments and Loans

Concept and Policy Basic Concept and Policy

The Sompo Group sees sustainability as a driver of long-term value creation, and contributes to the realization of a resilient and sustainable society by making its business decisions, including underwriting and investment, based on SOMPO's Purpose. To fulfill our corporate social responsibility, we have established the Group Sustainability Vision and its subordinate policies, which sets out its approach to human rights, climate change, nature and community considerations. To appropriately identify and manage sustainability challenges and risks, particularly in underwriting, investments and loans, we have established "Sustainability-related Policy for Underwriting, Investments and Loans" and are advancing our initiatives. Insurance underwriting under this policy covers direct insurance and facultative reinsurance.

Approach to engagement (policy on Effective Dialogue)

To support realizing net zero by 2050 and just transition, we will create new opportunities for collaboration and co-creation through engagement with our insurance customers and investee companies. We will propose and provide insurance products and solutions that contribute to solving our customers' challenges.

Concurrently, to ensure the effectiveness of these efforts, we are calling on 30 priority companies*, which account for over 80% of GHG emissions in our insurance underwriting portfolio, to formulate a "transition plan" towards net zero by 2050. We will, in principle, phase out business relationships with companies that have not formulated such a plan following dialogue through the end of FY2035.

* The selection of the 30 priority companies is primarily based on their GHG emissions within the Sompo Group's insurance underwriting portfolio. Furthermore, the selection comprehensively considers sectors with high dependence on and impact on natural capital, identified with reference to frameworks such as the TNFD (Taskforce on Nature-related Financial Disclosures), as well as the overall impact on our investment and financing portfolio. In the base year for selection (FY2024), these 30 companies account for over 80% of the GHG emissions associated with our insurance underwriting and over 70% of the GHG emissions associated with our investments and financing.

Summary of Sustainability-related Policy for Underwriting, Investments and Loans

◆Policy for cross sectors

Regardless of sector, we will assess the adverse environmental and social impacts of the following projects that may have such impacts, confirm the status of our customers' responses to such impacts, and carefully consider and respond to cases when evaluation transactions.

- Projects with negative impact on UNESCO World Heritage Sites
- Projects with negative impact on Ramsar-listed wetlands
- Projects with negative impact on human rights, e.g. use of Child or Forced labor
- Projects that violate the human rights of indigenous peoples*1 or local communities
- Projects related to inhumane weapons, including anti-personnel landmines, biological weapons, chemical weapons, and nuclear weapons

In addition, we will not underwrite insurance or invest and loan for anti-social forces and companies involved in the production of cluster munitions.

*1 We refer to the following standards:
- United Nations Declaration on the Rights of Indigenous Peoples
- United Nations Free, Prior and Informed Consent (FPIC)

◆Policy for specific sectors

A. Coal

We will not engage in new insurance underwriting or investment and loans in the following businesses:

- Newly constructed or existing coal-fired power plants
- New or expanded coal mining development projects (Thermal coal)

However, we may carefully consider and respond to cases where there are innovative technologies such as Carbon Dioxide Capture, Utilization, and Storage (CCS, CCUS), carbon recycling, ammonia co-firing, or other innovative technologies in place that are expected to reduce GHG emissions and contribute to the realization of the Paris Agreement.

Additionally, we will not underwrite new or renewal insurance*4 or provide investments or loans to the following companies whose primary business is coal-related activities:

- Companies that derive at least 20% of their revenue from coal-fired power generation, thermal coal mining, and oil sands mining
- Companies of electric utilities that generate at least 20% of their electricity from coal

However, this does not apply to companies that have a plan to achieve Net Zero by 2050.

B. Oil sands

We will not engage in new insurance underwriting or investment and loans in the following businesses:

- Oil sands extraction projects

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C. Energy extraction in the Arctic

We will not engage in new insurance underwriting or investment and loans in the following businesses:

- Energy extraction projects*2 in the AMAP area (Arctic Monitoring and Assessment Programme)*3

Additionally, we will not underwrite new or renewal insurance*2 or provide investments or loans to the following companies:

- Companies involved in energy extraction projects in the ANWR

However, this does not apply to companies that have a plan to achieve Net Zero for GHG emissions by 2050.

*2 Energy extraction projects refer to standalone extraction projects.
*3 Defined by AMAP, excluding operations in Norwegian territories.
*4 These restrictions will not apply to insurance that supports the health and wellbeing of individuals, e.g. workers' compensation insurance.

Structure Sustainability Risk Management System

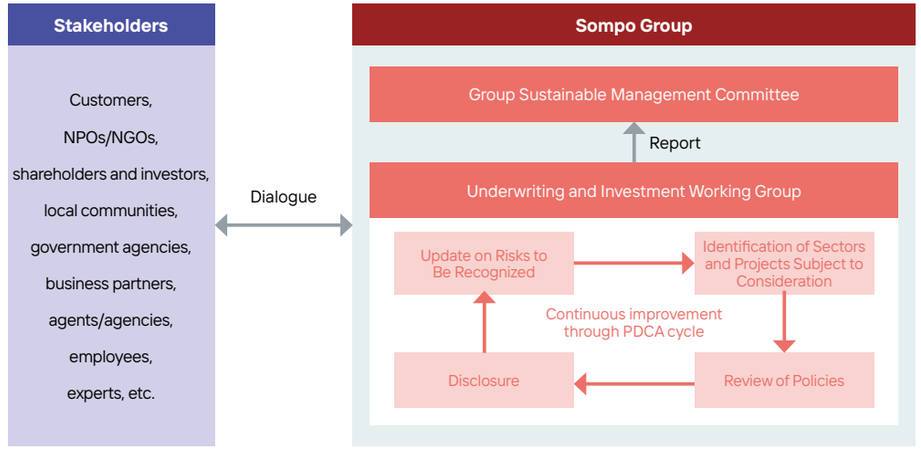
The Sompo Group has positioned the Board of Directors as the oversight body for sustainability matters and has established the Group Sustainable Management Committee (hereinafter referred to as "the Committee"), with the Group Chief Sustainability Officer (Group CSuO) who is in overall charge of sustainability at the Group, as the oversight body for sustainability. The Committee discusses and makes decisions on sustainability issues, risks, and initiatives.

Through gathering information and exchanging opinions with stakeholders, the Committee and its working group discuss responses to individual issues that pose significant sustainability risks and are likely to damage the Group's corporate value.

Review of Various Policies

The Committee and its working group engage in dialogue with NGOs, indigenous peoples and other members of the public, as well as with experts, to accurately gauge the expectations and needs of stakeholders. We utilize this information in managing underwriting, investment, and loans. The Committee also regularly reviews risks that need to be recognized as well as the appropriateness and adequacy of sectors and projects needing consideration, and revises its various policies accordingly.

We assess specific risks that have been identified in target sectors and projects in cooperation with Sompo Risk Management, and in light of dialogue with stakeholders.

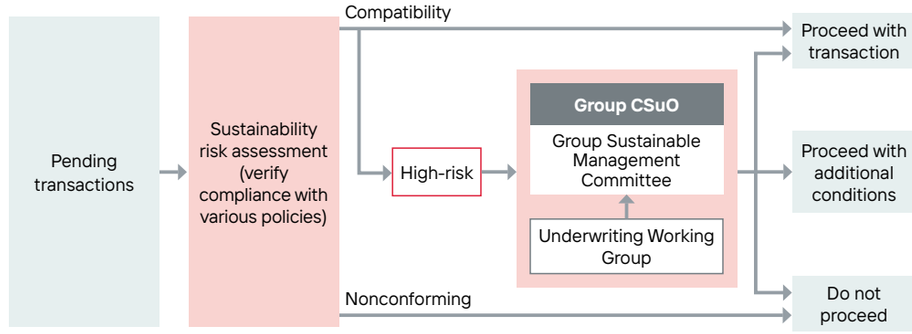


Underwriting Review Process

The Group verifies that any proposed business transactions are in accordance with various Group policies, including the Sustainability-related Policy for Underwriting, Investments and Loans.

The Committee and its working group discuss and formulate a response to projects deemed to have high sustainability risks, such as those that are likely to negatively impact the environment or society.

32 cases were discussed in FY2025.



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Activities and Achievements Main Initiatives

Insurance Products and Services Related to Sustainability

Insurance that contributes to society's green transition and the diffusion of next-generation energy sources such as renewable energy

Aiming to contribute to society's green transition, we are working to develop products and services that contribute to the diffusion of renewable energy and next-generation energy. We have set a "Transition Insurance Target" aiming to achieve premium income of 25 billion yen in FY2026 for insurance products that contribute to decarbonization both domestically and overseas.

To achieve this target, we are working to develop products and services that contribute to the diffusion of renewable energy and energy conservation, including the "ONE SOMPO WIND Service" (insurance and risk management service for offshore wind power operators). Our FY2025 results are as follows.

Transition insurance premiums written from insurance products that contribute to decarbonization (FY2025)

Transition insurance premiums written from insurance products that contribute to decarbonization	Net premiums written
¥34.8 billion	¥5,372.9 billion

Insurance that contributes to extending healthy life expectancy

We are working to provide Insurhealth®, an insurance product that combines the original function of insurance with healthcare functions that support the health of customers, to serve as insurance that contributes to extending a healthy life expectancy. Our aim is to support the abundant lives of customers and to help them realize their dreams.

Annualized new premiums for Insurhealth® products (FY2025)

Annualized new premiums for Insurhealth® products	Annualized new premiums (total)
¥22.9 billion	¥27.7 billion

Contributing to the Transformation of Society through Engagement

Sompo Japan Insurance selects and engages with companies that are deeply involved in sustainability issues, such as those in industries with high greenhouse gas emissions and those involved in supply chain management that includes environmental and human rights concerns. We conduct interviews to further dialogue about risk management frameworks and strategies related to climate change, the setting of greenhouse gas reduction targets, the status of human rights risk assessments in the value chain, and methods for identifying human rights risks.

Industries of main dialogue partners

Electric power, general trading companies, construction, electrical equipment, transportation equipment, pulp and paper, transportation, machinery, chemicals, wholesale, finance, etc.

Main topics of discussion

- Scenarios for achieving carbon neutrality
- Response to human rights and FPIC* in the value chain
- Integrated initiatives on climate change and biodiversity and appeals to investors
- Collaboration with NPOs on biodiversity conservation
- Business and human rights-related initiatives

* FPIC: Free, Prior and Informed Consent, International standards for respecting the rights of indigenous peoples.

ESG Survey

Sompo Japan Insurance conducts an annual Survey on ESG and Sustainability Initiatives, mainly for investees and the companies for whom we underwrite insurance policies, seeking to verify their initiatives and current status regarding corporate value enhancement and sustainable growth.

We received responses from 284 companies in FY2025 and are using them to understand each company's needs and identify opportunities for collaboration. We also held an ESG seminar for the companies covered by this survey. The seminar focused on exploring ways to address the issues identified in the survey through business activities, drawing on OMRON Corporation's sustainability management as a reference. During the seminar, we support sustainability initiatives by explaining global trends and the aggregated survey results and presenting case studies of specific initiatives.

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Sustainability through Underwriting, Investments and Loans

Concept and Policy Basic Concept and Policy

The Sompo Group fulfills its responsibility as an asset owner by safely managing and investing the premiums entrusted to it by customers in preparation against future claim payments, maturity refunds to policyholders, and other payments. At the same time, we take sustainability into account in all of our investments and loans to contribute to the sustainability of society and enhance corporate value. Specifically, under the Group-wide policy, we promote investment and lending activities that emphasize governance factors such as the composition and diversity of the Board of Directors, in addition to environmental and social factors such as climate change, biodiversity, human rights, Diversity, Equity & Inclusion (DE&I) and consideration for local communities.

In making decisions on investments and loans, we respond cautiously to transactions that may have negative impacts on the environment and society, depending on the asset class and each company's investment status and structure, and we implement "ESG integration" that considers non-financial information such as ESG (environmental, social, and governance) and compliance, in addition to credit analysis based on financial information. We also examine and implement initiatives that are conducive to improving sustainability, and undertake efforts to achieve sustainability-related KPIs, such as those related to climate change and engagement.

Based on this policy, we have set targets for GHG emissions in our investments and loans portfolio (listed equities, corporate bonds, loans to listed companies, and listed equity and corporate bond funds): a 2030 target to reduce intensity by 50–60% compared with FY2019, and a 2050 target to achieve net-zero emissions. We manage progress toward these targets, track the status of sustainability theme-based investments and loans, and disclose progress regularly.

In addition, we encourage initiatives that seek to address climate change and other social issues through dialogue with industries and companies that are deeply involved in sustainability issues.

As an "asset manager," our Group company Sompo Asset Management provides products and services that support customers' medium- to long-term asset growth. While fulfilling its fiduciary responsibilities to customers, it practices ESG integration, mainly in discretionary Japanese equity management, throughout the investment process and security selection, and engages in "active ownership" as part of its activities as an investor and shareholder, thereby contributing to the sustainable development of investee companies and society and the economy as a whole.

Sustainability initiatives by asset class

	Government bonds	Equities	Corporate bonds	Loans
Careful consideration of investments and loans that may have negative impact on the environment and society	✓	✓	✓	✓
Consideration and implementation of initiatives that are conducive to improving sustainability	✓	✓	✓	✓
Initiatives aimed at achieving sustainability-related KPIs	—	✓	✓	✓

Concept and Policy Activities and Achievements Initiatives as an Asset Owner

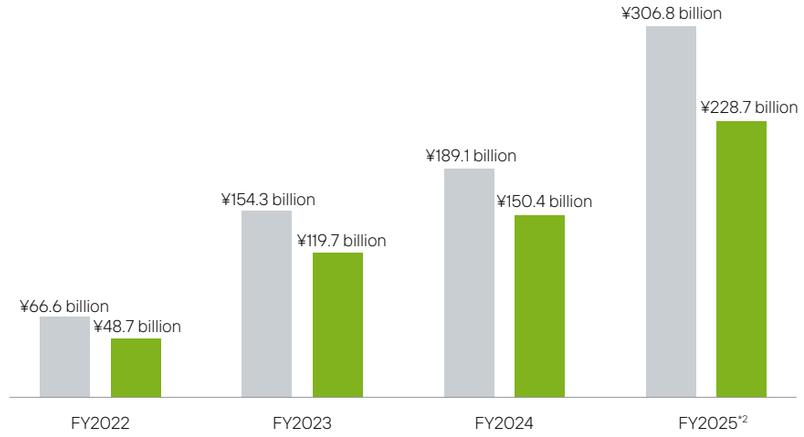
Sustainability-themed Investment and Loans

The Sompo Group supports and remains committed to the global net-zero goal and Sustainable Development Goals. Recognizing our role as a responsible institutional investor, we will continue investments and loans that are conducive to climate change measures and the sustainable development of society, while ensuring economic viability and fulfilling our fiduciary responsibilities.

Initiatives and Achievements

Beyond investing in and lending to green, social, and other sustainability-focused bonds and loans, we drive economic and social development through international organization bonds, as well as funds dedicated to social impact and environmental conservation.

Total amount of investment and loans*1



*1 Total amount of new investments and loans in target assets beginning in FY2022
Total amount of sustainability theme-based investments and loans (1)
Of (1) above, the amount of investments and loans that address climate-related risks and opportunities

*2 As a transitional measure to standardize fiscal year-ends, the cumulative results for FY2025 include the results for January–March 2025 for the Overseas Insurance and Reinsurance Business.

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Initiatives in Stewardship Activities

Within the Sompo Group, Sompo Japan Insurance, which holds a certain amount of shares in listed companies and other investees, endorses the principles for responsible institutional investors outlined in Japan's Stewardship Code.

In accordance with the intent of the Code, we strive to accurately grasp the non-financial information, performance trends, business strategies, business risks, and other aspects of investees, with a focus on governance and other sustainability issues. We seek to share our understanding with investees and work with them through constructive dialogue aimed at the medium- to long-term enhancement of corporate value and sustainable growth. At the same time, by providing risk management services and other services, we help address social issues together with investees.

Viewing proxy voting as an important opportunity to contribute to the sustainable growth of investees, we also exercise our voting rights appropriately, taking into consideration the status of sustainability initiatives and corporate governance, as well as compliance frameworks and other factors. When exercising voting rights, we make decisions based on the criteria for reviewing proposals that Sompo Japan Insurance has set forth.

For details, please refer to the Stewardship Activities Report (in Japanese).

Engagement

We engage in dialogue with investee companies about their business strategies, business risks, and ESG issues (environmental, social, and governance). Specifically, we select target companies based on a comprehensive assessment of factors such as the market value of our shareholdings, financial results, ROE, dividend payout ratios, and initiatives addressing ESG issues, and engage in effective dialogue with them.

◆Main themes of engagement

Industry trends	• Measures to improve performance at companies with consecutive losses • Factors behind the previous fiscal year's results and the outlook for the current fiscal year's results
Capital policy	• Shareholder return policy • Return on equity and shareholder return status, etc.
ESG issues (environmental, social, and governance)	<Environment> Progress in considering measures related to climate change, decarbonization, etc. <Social> Numerical targets for the number of female managers; initiatives aimed at coexistence with local communities <Governance> Tenure of Outside Directors; attendance at Board of Directors meetings

◆Escalation strategies as needed

In principle, for matters such as governance, if no improvement is observed despite continued engagement and none is expected, we will vote against the relevant proposals.

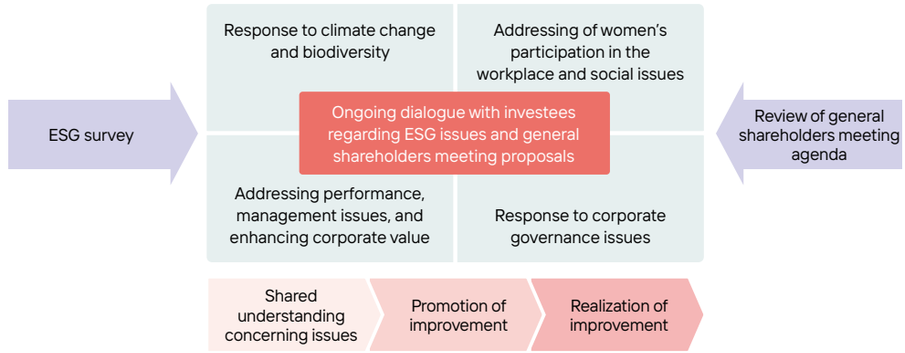
<Cases where we actually voted against proposals>

- Attendance rate of Outside Directors is below 75%
- Number of independent non-executive directors
  TSE Prime: less than 1/3; TSE Standard: fewer than two; other listed companies: none

Proxy voting

In accordance with the voting standards established by Sompo Japan Insurance, we view proxy voting as an important opportunity to contribute to the sustainable growth of investees. We comprehensively evaluate corporate governance, compliance frameworks, and their approach to climate change and biodiversity, and responsibly exercise our voting rights as a shareholder. For proposals that require especially careful consideration, we make decisions after conducting thorough investigations by ascertaining the purpose and background of the proposal with the company concerned.

For our proxy voting results, please refer to the Stewardship Activities Report (p.7) (in Japanese).



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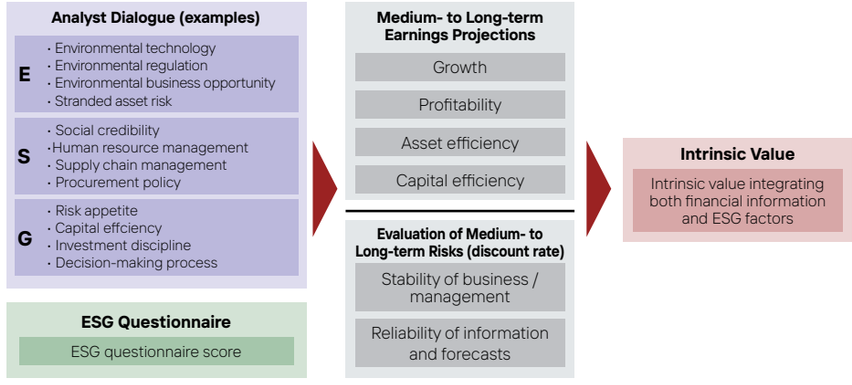
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Concept and Policy | Activities and Achievements

Initiatives as an Asset Manager

Sompo Asset Management has set out a Responsible Investment Policy delineating its approach to and specific action guidelines for its social responsibilities as an institutional investor. The company aims to maximize investment returns on funds entrusted to it by customers mainly through equity investments in listed companies. In its active management, which aims to generate medium- to long-term investment returns, the company constantly tracks the status of potential investees and strives to accurately grasp non-financial as well as financial information, including the response to climate change issues among other ESG information, as important factors in its investment decisions. It continuously monitors companies' ESG information, assessing this as part of the comprehensive value of the investment, pursuing ESG integration that incorporates ESG factors into the investment process.

Investment value assessment based on an accurate understanding of companies



ESG investment practices in Japanese equity management

	Considerations in operational processes and stock selection			Investors, shareholder actions (active ownership)		
	Integration into assessments of investment value	Positive screening	Negative screening	Dialogue, engagement	Measurement of greenhouse gas emissions	Proxy voting
Core strategy	●		●	●	●	●
Concentration strategy	●		●	●	●	●
Green strategy	●	●	●	●	●	●
Concentrated and ESG strategy	●	●	●	●	●	●
Diversified and ESG strategy	●	●	●	●	●	●

Stewardship Activities

Engagement

Sompo Asset Management builds relationships with investees and potential investees that enable it to engage in routine dialogue (engagement) to fulfill its stewardship responsibilities. Building on these relationships, the company makes fundamental value, evaluated from a medium- to long-term perspective that serves as its investment criteria, the center of dialogue as it seeks to grasp the source of investees' value creation and their process of distribution.

The company is also incorporating ESG factors into the investment process and promoting dialogue. In FY2025, it selected around 700 companies as candidates for investment and, aided by the research of their analysts, held 396 separate dialogues with investees and attended 1,155 briefings and other events—a total of 1,551 occasions for dialogues.

Proxy voting

Sompo Asset Management has set out proxy voting guidelines and discloses the purpose of the guidelines, its basic approach to proxy voting, its approach to individual proposals, and its operational framework for proxy voting.

As basic principles for proxy voting, the company carefully examines all individual proposals before issuing instructions to vote for or against them, and does not abstain or submit blank votes. In making such decisions, it has determined that the sole criterion for judgment is to be the impact on shareholder value.

When determining support or opposition for each proposal, we may obtain reports from the external proxy advisory firm Institutional Shareholder Services Inc. (ISS) as reference materials, but Sompo Asset Management makes decisions on all proposals on its own. We also keep track of annual revisions to the recommendations of external proxy advisory firms through activities such as attending seminars. Based on this, for important proposals where there are differences between external recommendations and our internal standards, we make case-by-case decisions taking into account the content of dialogues and other factors.

In exercising voting rights, if the investee company's response does not improve despite our repeatedly voting against the relevant proposals, we may also oppose the reappointment of the Representative Director.

If we determine that improvement through dialogue (engagement) and the exercise of voting rights is extremely difficult, we may lower the investment value calculated using Sompo Asset Management's proprietary methodology by raising the discount rate (adding a risk premium), and may consider or proceed with the sale of the shares.

Sompo Asset Management: Our Response to Japan's Stewardship Code

Sompo Asset Management: Proxy Voting Guidelines

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Group Environmental Policy

Concept and Policy Group Environmental Policy

We, the Sompo Group will contribute to developing a resilient, inclusive and sustainable society so that future generations can inherit our irreplaceable Earth, by addressing environmental issues in the course of our core business operations and working proactively to resolve environmental issues through active dialogue and engagement with stakeholders.

Action Guidelines

1. Providing products and services to make a more resilient society

We will provide products and services that increase preparedness against the risk of natural catastrophes. In order to contribute to adapting to climate change, building a low carbon society, conserving biodiversity and promoting stakeholders' eco-consciousness.

2. Promoting resource conservation through the entire value chain

We will assess the environmental impact of our business including the emission of waste and comply with environmental laws and regulations. We will promote resources and energy conservation as well as recycling activities throughout the entire value chain by cooperating with various stakeholders.

3. Raising awareness of environmental issues and corporate citizenship

We will broadly promote environmental education and awareness of environmental conservation by providing environmental information with the unique aspect of a global group engaged in a wide range of business centering on insurance.

Furthermore, we will proactively encourage our employees' individual voluntary efforts as a global citizen to conserve the environment through involving in the local community.

To enable continuous improvements, we will periodically review the above-mentioned activities to reflect our environmental objectives and targets.

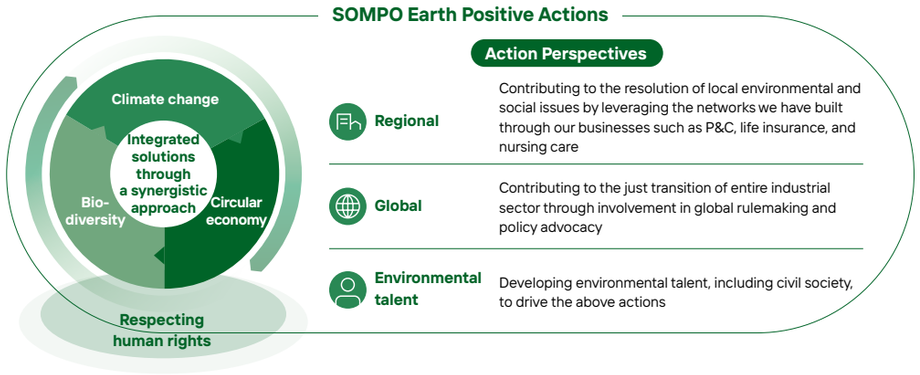
SOMPO Earth Positive Actions

Concept and Policy SOMPO Earth Positive Actions

From FY2026, the Group launched the new Group strategy, "SOMPO Earth Positive Actions". This new strategy is an evolution of the "SOMPO Climate Action" initiative that had been in continuation since FY2021 and promotes a synergistic approach that integrates climate change, biodiversity, and the circular economy. Based on respect for human rights, the Group aims to deliver a positive impact on the global environment and achieve sustainable growth with this strategy.

As the increasing severity of natural disasters and the collapse of ecosystems directly threaten people's lives, addressing these environmental issues is essential to ensuring the sustainability of the Group's business, enhancing resilience across society.

We will maximize SOMPO's unique strengths and resources through the following three "action perspectives" as we pursue SOMPO Earth Positive Actions.



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SOMPO Earth Positive Actions — Specific Initiatives

The Group has begun implementing its strategy of "SOMPO Earth Positive Actions," centered on a synergistic approach that integrates climate change, biodiversity, and the circular economy. With respect for human rights as our foundation, we will leverage SOMPO's unique strengths from three perspectives—local, global, and human resource development—to implement solutions that deliver a positive impact for the Earth's future.

▶Related pages
SOMPO Earth Positive Actions (Integrated Report Main Section / p.41)

Support for Decarbonization and Strengthening Resilience Across the Entire Value Chain

Climate (Adaptation) Climate (Mitigation)

Comprehensive support to strengthen the supply chain resilience of Japanese companies

Sompo Risk Management entered into a strategic partnership agreement with EcoVadis SAS (EcoVadis), an international sustainability ratings organization. By combining EcoVadis' globally recognized sustainability assessment methodology with Sompo Risk Management's consulting expertise, we will support Japanese companies in managing supply chain risks, enhancing supplier engagement, and strengthening resilience to improve competitiveness in global markets.

Climate (Adaptation) Climate (Mitigation)

Participation in the Paddy Field JCM* Consortium

Sompo Japan Insurance formed the "Paddy Field JCM Consortium" together with seven companies, including Osaka Gas Co., Ltd. This is Japan's first initiative formed by private-sector companies to promote the expansion of paddy field-derived credits under the Joint Crediting Mechanism (JCM). By incorporating an insurer's expertise into analysis of the relationship between alternate wetting and drying (AWD) irrigation techniques and weather in the Philippines, we work to mitigate the risks involved in scaling JCM credits, promote their wider adoption, and contribute to achieving a carbon-neutral society.

* JCM: A scheme under which Japan and partner countries cooperate to achieve greenhouse gas reduction and share the results between the two countries.

Climate (Adaptation)

Labor/heatstroke management service "Mimamori Fukuro"

Sompo Risk Management provides the labor management service "Mimamori Fukuro," which specializes in heatstroke prevention, to help protect employees working in harsh environments such as outdoor worksites. The service collects and analyzes data such as heart rate using vital sensors and notifies managers of heatstroke risks in real time. By supporting the creation of a safe working environment to protect lives from heatstroke risks that are worsening due to the impacts of climate change, we will promote measures for "adaptation" to climate change.

Climate (Mitigation)

Ridesharing

To address the social issue of "transportation deserts" caused by a shortage of local transportation providers, we are promoting the spread of safe and secure ridesharing. In March 2024, in response to a new national system, we expanded coverage under our "Automobile Insurance Tailored for Mobility Support Services." In addition, in partnership with Mitsuba Mobility Co., Ltd., we also provide a training service that visualizes drivers' risky behaviors. By offering insurance and training as an integrated package, we will contribute to achieving a society where everyone is able to travel with peace of mind. Moreover, the spread of ridesharing not only helps secure transportation options in areas with limited mobility, but also encourages efficient shared transportation across the entire region. This helps to curb the distance traveled by vehicles and contributes to a reduction in greenhouse gas (CO_2) emissions from the transportation sector.

Climate (Mitigation)

Providing insurance for the Dogger Bank Wind Farm

Sompo is committed to supporting the transition to a decarbonized society through its renewable energy insurance and reinsurance capabilities. By providing specialized risk solutions across the renewable energy value chain, Sompo helps developers, operators, and investors bring critical clean energy projects to life while managing the complex risks associated with emerging technologies and large-scale infrastructure. One example is the Dogger Bank Wind Farm in the North Sea, located approximately 130 km off the northeast coast of England. Sompo provides insurance support for various aspects of this landmark project, which is set to become the world's largest offshore wind farm. When fully operational in 2027, Dogger Bank is expected to have a capacity of 3.6 GW—enough to power up to 6 million homes annually. The project is also expected to avoid emissions equivalent to removing approximately 1.5 million cars from the road, while creating thousands of jobs and advancing technologies that will help accelerate the growth of offshore wind worldwide.

Response to TCFD and TNFD

Through alignment with both the TCFD and TNFD recommendations, The Group is working to provide highly transparent disclosures to stakeholders on climate- and nature-related risks and opportunities, response measures, and other matters, while also contributing to the dissemination and further development of both sets of recommendations.

▶Related pages
Response to TCFD and TNFD Recommendations (p.43)

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SOMPO Earth Positive Actions — Specific Initiatives

Contributing to Increased Resilience through Disaster Prevention and Mitigation and a Landscape Approach

Climate (Adaptation) Human Resource Development

The Bosai JAPAN-DA Project

We run the hands-on disaster prevention workshop "Bosai JAPAN-DA Project" for children who will lead the future and their parents/guardians. By raising awareness of the importance of preparedness in normal times, these activities have brought total participation to approximately 186,000 people (as of the end of March 2026). Working in collaboration with diverse organizations, we have expanded activities nationwide and received an Encouragement Prize at the "Excellent Company -Taiken Award" run by the Ministry of Education, Culture, Sports, Science and Technology of Japan.



Biodiversity

Forest surveys using drones and AI

Sompo Japan Insurance and Sompo Risk Management, in collaboration with Hitachi Systems Ltd., launched a new forest survey service combining drones and AI analysis technologies in February 2026. This collaboration enables safe and low-cost surveys of a wide range of forests—from small and medium-scale areas to broad regions—that were previously difficult to survey due to labor shortfall, high costs, and topographical constraints. In doing so, we aim to achieve improvements in the quality and efficiency of forest management and, by contributing to solutions for forest conservation challenges, help achieve a sustainable, disaster-resilient society.

Biodiversity

Dedicated insurance for land-based aquaculture

Through a business alliance with the nonprofit corporation Personal Property Appraiser, we established a framework for the rapid provision of insurance for closed recirculating land-based aquaculture. By combining the company's comprehensive business feasibility assessments and surveys with Sompo Japan Insurance's expertise in insurance and risk management, we will swiftly carry out processes from pre-underwriting surveys through to contract execution, supporting sustainable food production.

Biodiversity

OECM 100 Project

Sompo Japan Insurance is implementing the OECM 100 Project to promote the registering of areas outside protected areas that contribute to biodiversity (OECMs), with the aim of achieving its "30by30" goal of conserving at least 30% of land and ocean by 2030. Through the SAVE JAPAN Project, which supports citizen-led biodiversity conservation activities nationwide, we assist with the application process for Nationally Certified Sustainably Managed Natural Sites and promote the adoption of ecosystem-based disaster risk reduction (Eco-DRR), thereby helping to build disaster-resilient communities. This initiative has been recognized internationally, and was featured as a case study in the Asia-Pacific Synergies Report, jointly published by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), the United Nations Environment Programme (UNEP), and the Asian Development Bank (ADB).

We also have a Group member serving as a director on the board of the Natural Capital Credit Consortium (NCCC), which aims to conserve natural capital through the development of a carbon credit market. In June 2026, we became the first entity in Japan to purchase voluntary carbon credits* certified by the NCCC in Akaiwa City, Okayama Prefecture. Through initiatives such as this, we are working to promote and raise awareness of carbon credits derived from natural capital and OECMs.

* Credits generated from CO_2 absorbed by soil after the grounds of a solar power facility in Akaiwa City, Okayama Prefecture, were converted to grassland

Biodiversity

Insurance that provides indemnity for losses resulting from emergency firearm hunting of bears and wild boars

In June 2026, Sompo Japan Insurance began offering municipalities nationwide a new insurance product covering costs municipalities incur when compensating for losses specified under the Wildlife Protection, Control and Hunting Management Act arising from emergency firearm hunting. It is structured to be included as basic coverage in an insurance program joined by approximately 1,000 municipalities from June 2026 onward.

Climate (Adaptation) Climate (Mitigation) Biodiversity Human Resource Development

SAVE JAPAN Project

Sompo Japan Insurance is collaborating with the Japan NPO Center, regional NPO support centers, and environmental NPOs to conduct community-based biodiversity conservation activities nationwide. These activities are funded in part by the cost savings generated from the customers who opt for web-based policy wording and web-based insurance policy certificates.

Diverse stakeholders, including citizens, NPOs, businesses, and local governments, will dialogue and work together to promote integrated environmental conservation, thereby contributing to the enhancement of local resilience and the restoration of landscapes.



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SOMPO Earth Positive Actions – Specific Initiatives

Taking on the Challenge of Building a Circular Economy Model

Circular economy

Introduction of a hail damage scanner and dent repair/alert service

Sompo Japan Insurance entered into a strategic partnership with DRS Group, a global leader in paintless dent repair (PDR) technology. In response to hail disasters that have become more severe and frequent in recent years due to the impacts of climate change, Sompo Japan Insurance, as part of the "HIKESHI DNA 2030 Project," is advancing the development of a new vehicle repair platform and pre-disaster measures.

As a pre-disaster measure, we also launched a "hail damage alert service" that delivers timely warning information to customers in areas at high risk of hail, encouraging "avoidance actions" such as moving vehicles to safety. After a disaster, in collaboration with DRS Group, we use AI scanners to quickly identify damaged areas and leverage PDR technology, which reduces environmental impact.

We aim to become a new kind of insurer that protects customers throughout the entire process—from providing peace of mind by helping prevent accidents to staying alongside them until their vehicles are fully restored.

[Sample distribution screen]



Climate (Mitigation) Circular economy

Joint development of innovative insurance design technology for EV batteries (secondary use)

Sompo Japan Insurance jointly developed innovative insurance product design technology with the National Institute of Advanced Industrial Science and Technology (AIST) and AIST Solutions Co. which properly assesses and guarantees EV battery performance.

In the used car market and secondary use market, there is currently uncertainty regarding the remaining performance and the lifespan of EV batteries, which is an impediment to transactions. Through durability testing and disassembly analysis of the latest EV batteries, the project expressed degradation mechanisms mathematically and developed a model for calculating warranty risk based on remaining performance. This enables prediction of complex degradation processes, highly accurate degradation forecasting, and optimal insurance design.

By offering insurance products that utilize this technology, we will seek to revitalize the used EV market and reduce the total cost of EV ownership, while creating a secondary use market for used batteries and contributing to achieving a sustainable, resource-circulating society.

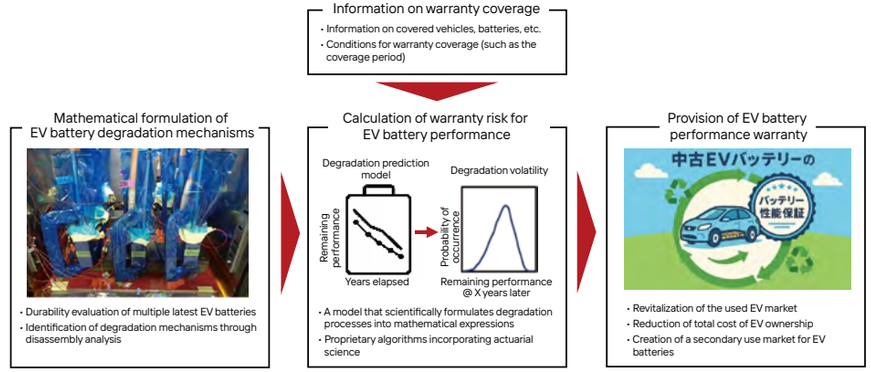


Figure: Conceptual image of the composition of EV battery performance warranty using the jointly developed technology

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Activities and Achievements

Contributions to Global Rulemaking and Awareness-Raising through Participation in Sustainability Initiatives and Other Forums

The Group believes that collaboration with diverse stakeholders is essential for resolving complex social issues, including global environmental challenges. By participating in a variety of initiatives in Japan and overseas and taking a leading role in international rulemaking, we will advance our own initiatives while contributing to the achievement of a sustainable society.



Co-authored the Japanese version of the World Business Council for Sustainable Development (WBCSD) physical risk report



Group Chief Sustainability Officer Sakai speaking at the 2026 Global Nature Positive Summit in Kumamoto (Kumamoto Summit), Japan

Major initiatives in which the Group participates

World Business Council for Sustainable Development	経団連自然保護協議会 Keidanren Nature Conservation Council	PFA21 Principles for Financial Action for the 21st Century
Global organization of more than 200 leading companies committed to sustainable development.	Keidanren-affiliated groups that advance corporate nature conservation and biodiversity conservation initiatives	Promotes contributions by financial institutions to shape a sustainable society
The Group has participated since its establishment in 1995 and has contributed to numerous projects, including "Redefining Value" and "Vision 2050."	The Group was involved in the organization's establishment in 1992 and, as the chair company, has contributed to dialogue and collaboration with stakeholders in Japan and overseas toward the achievement of a sustainable society in harmony with nature.	The Group joined as a drafting committee member in 2010 and currently, as Co-Committee Chair, contributes to achieving a sustainable society through the promotion of sustainable finance.

Year/Month	Main Communications	Implementing Organization
July 2025	International Forum for a Sustainable Asia and the Pacific (ISAP): Practicing an integrated approach through business	Institute for Global Environmental Strategies (IGES)
October 2025	JICA Japan Public-Private Platform for Forest-based Solutions: Biodiversity-related initiatives	Japan International Cooperation Agency (JICA)
November 2025	Climate Change COP30: Methane detection using GOSAT	Ministry of the Environment, National Institute for Environmental Studies.
November 2025	Climate Change COP30: Accelerating Synergistic Solutions to the Triple Planetary Crisis	Ministry of the Environment
November 2025	National Council for the Promotion of Forest Creation: OECM 100 Project	Forestry Agency
November 2025	National Council for the Promotion of Forest Creation: Strengthening local communities	Japan Voluntary Organizations Active in Disaster (JVOAD)
December 2025	The 2nd Climate Change Adaptation Information Exchange Meeting: Adaptation-related initiatives	Ministry of the Environment
December 2025	CDP Japan Club: Activity report at COP/WBCSD	CDP
December 2025	Regional decarbonization of supply chains	Principles for Financial Action for the 21st Century
January 2026	Nature Positive National Forum: Practice-based NbS	The Nature Conservation Society of Japan International Union for Conservation of Nature Japan Committee (IUCN-J)
January 2026	Disaster prevention "Nigechizu" facilitator networking meeting: Strengthening local communities through creating "Nigechizu" (evacuation maps)	"Nigechizu" research meeting
March 2026	WBCSD Tokyo summit: Addressing physical risks across the value chain	WBCSD
July 2026	Kumamoto summit: Addressing physical risks in the value chain and enhancing local resilience through the spread of OECMs	Nature Positive Initiative (NPI), IUCN-J

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Human Resource Development

Sompo Environment Foundation

Sompo Environment Foundation, based on its philosophy of "Fostering People Who Plant Trees," supports education, human resource development, action and research in conservation and other environmental fields with the goal of contributing to global environmental protection.

Public Seminars on the Environment

The foundation, in collaboration with Sompo Holdings and the Japan Environmental Education Forum, has been running environmental lectures for the public for the last 33 years since 1993. This course was launched to help citizens understand and recognize environmental issues and take specific action from their respective positions. Since FY2020, it has been offered free of charge online during the COVID-19 pandemic, enabling participation from across Japan. In FY2025, with the overall theme of "My Well-Being and the Earth's Well-Being," we held nine regular sessions and one special session to explore hints for taking a future-oriented approach to environmental issues while maintaining a sense of inner richness amid increasingly complex and serious changes in the global environment. To date, a cumulative total of 65,500 people have participated (as of March 2026). In addition, to support those who cannot attend on the day and those who wish to deepen their learning through repeat viewing, we provide recorded sessions, which participants have rated very highly as an opportunity to learn regardless of time or place.

Grant Program for Environmental Protection Projects

Since 1999 the foundation has awarded grants for environmental conservation projects to support groups working on environmental issues. These grants support projects that carry out practical activities and awareness-raising activities in a wide range of environment-related fields, including nature conservation, ecosystem conservation, waste issues, and climate and energy.

Grant Program for Doctoral Course Students

Since 2001 the foundation has provided academic research funding for graduate students' costs of writing PhD theses in the humanities and social sciences to support outstanding young researchers who are inspired to write on environmental themes. So far, a total of 127 people have been granted assistance through this program. (as of the end of March 2026)

CSO Learning Program

The foundation operates the CSO Learning Program, which provides a seven-month paid internship experience at a CSO (Civil Society Organization: a concept that encompasses NPOs and NGOs) in the environmental field for undergraduate and graduate students.

Since its launch in 2000, this program has continued without interruption, and together with CSOs, we have worked to develop human resources who can contribute to building a sustainable society. As of March 2026, 1,453 people have completed the program, and graduates are active in a wide range of fields, including government agencies, private companies, and CSOs. The program has also been implemented in Indonesia since 2019, and to date, 151 people across seven cohorts have completed it. As a program for developing the next generation of leaders, it has also attracted considerable interest from local governments and NGOs.

In FY2025, we held an event at Expo 2025 Osaka, Kansai, Japan titled "Fostering People Who Plant Trees: The Challenge of an Indonesia x Japan Environmental Internship," where graduates from Japan and Indonesia took the stage and engaged in discussions on approaches to solving environmental issues and the importance of human resource development. We also held an event to commemorate the program's 25th anniversary, bringing together graduates across generations and fields. These long-standing initiatives have been recognized with the "Minister of the Environment Award (Corporate Category)" at the 13th Good Life Award hosted by the Ministry of the Environment.

In addition, this program has garnered high international acclaim, as evidenced by its being featured among the case studies in the "Asia-Pacific Synergies Report," jointly published by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), the United Nations Environment Programme (UNEP), and the Asian Development Bank (ADB).



Event at Expo 2025 Osaka, Kansai, Japan



25th anniversary commemorative event

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Concept and Policy Sompo's Approach to Climate Change and Nature-related Disclosures

The Group recognizes climate change and nature-related issues that affect the security, health and wellbeing of people's lives as important issues to address. We are working to actively and fairly disclose information to our stakeholders in a transparent manner regarding the risks, opportunities, and measures we are taking to address these issues through our responses to the TCFD and TNFD recommendations*.

In 2018, we announced our support for the TCFD recommendations and joined the TCFD Insurance Working Group of the United Nations Environment Programme Finance Initiative (UNEP FI). To support the development of the TNFD framework, Sompo Japan Insurance and Sompo Risk Management also joined the TNFD Forum in 2021 and participated in the pilot test of the UNEP FI TNFD framework. Furthermore, Sompo Holdings registered as a TNFD Early Adopter in 2024, contributing to the dissemination and development of both recommendations.

* TCFD: Task Force on Climate-related Financial Disclosures
* TNFD: Taskforce on Nature-related Financial Disclosures

Structure Governance

(1) Oversight by the Board of Directors

The Board of Directors is responsible for overseeing the risks and opportunities related to sustainability, including climate change and nature-related issues, throughout the entire Group. In the Directors' Skills Matrix*, we also identify the directors from whom we expect beneficial advice and supervision regarding sustainability (ESG/SDGs), including climate and nature-related matters. These directors include knowledgeable individuals and experts with advanced knowledge related to sustainability. They lead sustainability discussions at the Board of Directors, and we determine that the Board of Directors as a whole possesses sufficient skills and competencies.

* Directors' Skills Matrix: (https://www.sompo-hd.com/en/company/summary/skillmatrix/)

The Board of Directors establishes the strategies and policies for the entire Group and oversees the status of execution towards achieving the Purpose. The Board's scope of oversight includes the consideration of risks and opportunities related to sustainability, including climate and nature-related issues, and their trade-offs.

The executive compensation structure does not currently include climate-related performance metrics.

(2) Role of management and committees established to support the Board of Directors' oversight

To achieve agile and flexible decision-making and business execution, as well as to clarify authority and responsibility, we have adopted the "Group CxO System," under which Group Chief Officers (Group CxOs) exercise their high level of expertise across business domains to pursue the best outcomes for the Group.

1. Climate change and nature (general)

The Group Chief Sustainability Officer (CSuO), who is in charge of the sustainability area of the Group, bears responsibility for climate change and nature-related risks and opportunities.

Under the Group-wide sustainability promotion system we have established, the Group Sustainable Management Committee, chaired by the Group CSuO, supports the decision-making of the Group CSuO by discussing response measures in light of related risks and opportunities. We have also established the Sustainable Management Office to support the Group CSuO in carrying out the duties of the position.

The status of the Group CSuO's business execution, including discussions at the Group Sustainable Management Committee, is reported to the Board of Directors by the Group CEO, Group CHRO, etc., whenever a significant topic arises, to enable the Board to oversee the status of responses to climate change and nature-related risks and opportunities.

The company also makes efforts to provide Outside Directors with various types of information, including the Integrated Annual Report, Annual Securities Report, and IR presentation materials. The Audit Committee, composed of directors, is also responsible for monitoring the status of initiatives on key Group issues, including the setting and progress of goals related to climate and nature-related risks and opportunities. To enhance the effectiveness of its monitoring, the committee endeavors to receive information from the executive side.

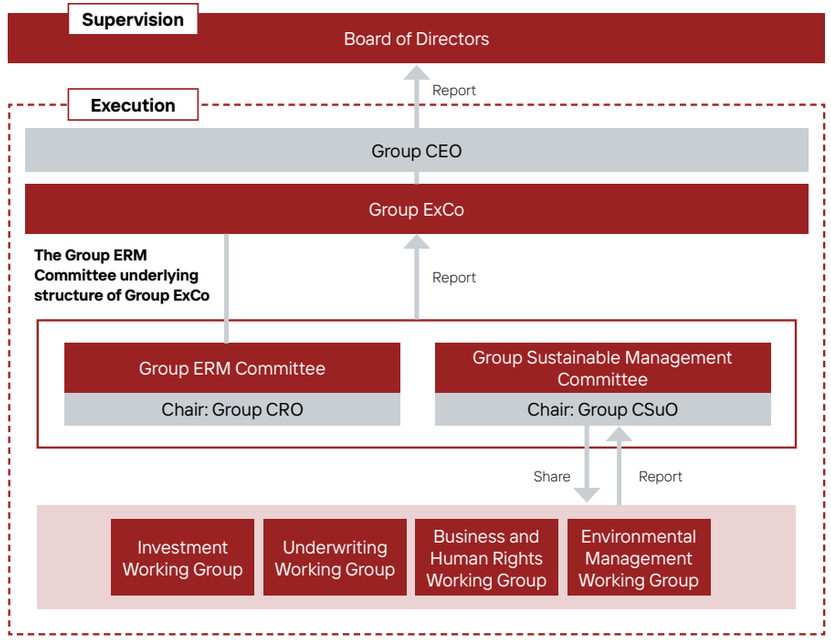
2. Climate change (risk)

The Group has established the Risk Control System to manage risks based on the "Sompo Group Basic Policy on ERM" established by the Board of Directors. As the chief executive responsible for the Group's risk management area, the Group CRO comprehensively identifies and assesses the risks inherent in each business. For significant risks that could have a material impact on the Group, including climate change, the status of their control is reviewed and discussed at the Group ERM Committee, a sub-committee of the Group Executive Committee, which is an advisory body to the Group CEO. The status of these risks is then reported to the Board of Directors and the Group Executive Committee, etc., semi-annually.

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Organization chart



(3) Stakeholder Engagement

We have established a "Group Environmental Policy" which stipulates that we will be working proactively to resolve environmental issues, through active dialogue and engagement with stakeholders, and by addressing environmental issues in the course of our core business operations, so that future generations can inherit our irreplaceable Earth.

In addition, since our business activities, through underwriting and investment, could potentially infringe on the rights of local communities, indigenous peoples, and future generations, we perform human rights risk assessments targeting a wide variety of stakeholders, and have accordingly established the Group Policy for Human Rights. In these human rights risk assessments, we identify risks in the regions where investees and the companies for which we underwrite insurance policies are undertaking projects. For the human rights risks of the highest priority, we employ measures designed to mitigate such risks through engagement with these companies.

We report on stakeholder engagement on these environmental and human rights issues to the Group Sustainable Management Committee.

For details, see the Group Environmental Policy and the Group Policy for Human Rights.

Concept and Policy Strategy

(1) Climate-related Strategy

1. Identification of climate-related risks and opportunities

We have identified the following as climate-related risks and opportunities that could reasonably be expected to affect our Group's outlook:

<Climate-related risks and opportunities, and the time frames over which their impacts can reasonably be expected to materialize>

	Risks and opportunities	Time frame
Physical risk	Deterioration of underwriting balance due to weather disasters	Medium-term Long-term
Transition risk	Price fluctuations of investment assets (stocks and bonds) due to policy and legal changes	Medium-term
Opportunities	Increased opportunities to provide environmentally friendly products and services	Short-term Medium-term Long-term
Opportunities	Improved reputation	Long-term

The time frames over which the impact of these risks and opportunities can reasonably be expected to materialize are defined as follows: "Short-term" (within 2-3 years), "Medium-term" (4 to less than 10 years), and "Long-term" (10 years and beyond). These time frames have been set to align with the period for which the Group sets quantitative management targets for business performance (short-term), the deadline for achieving the vision the Group has qualitatively set forth (medium-term), and the period thereafter (long-term). Also, with regard to these risks and opportunities, we are proceeding with evaluation, analysis, and responses covering the entire value chain of our insurance business (upstream: product and service development; midstream: sales, marketing, and asset management; downstream: accident response and claim payment).

2. Impact of climate-related risks and opportunities on the company's business model and value chain

Regarding each of the above risks and opportunities, the expected impact on the current and future business of our Group, as well as the parts of our business model and value chain where climate-related risks and opportunities are concentrated, are outlined on the following page.

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Risks / Opportunities	Impact (Expected Impact) on the Current and Future Business of Our Group
<Risk> Deterioration of underwriting balance due to weather disasters	As global warming leads to more severe natural disasters, increased insurance claims payments and higher reinsurance costs could cause the underwriting balance to become worse. Together with this, it is expected that changes to the sales strategy of primary insurance products (such as rate increases, tightening of underwriting, and reductions in coverage, including raising the deductible) and a review of the reinsurance strategy will become necessary.
<Risk> Price fluctuations of investment assets (stocks and bonds) due to policy and legal changes	We recognize that policy and legal changes could affect the corporate value of our investee and borrower companies and the prices of financial products held by our Group, through increased costs, the development of new technologies, and the obsolescence of existing technologies. In particular, this impact is expected to be greater for companies with high greenhouse gas emissions.
<Opportunity> Expansion of opportunities to provide environmentally friendly products and services	In the SOMPO P&C (insurance underwriting and risk consulting services) domain, opportunities are increasing for the development and provision of climate risk consulting services and the provision of insurance products and services aimed at improving natural disaster resilience and contributing to carbon neutrality. The opportunities for developing and providing these products and services are expected to expand over the medium to long term as natural disasters become more severe and laws and regulations become stricter.
<Opportunity> Improved reputation	The combined efforts, such as our ongoing development and provision of environmentally friendly products and services, excellent information disclosure, and environmental activities in local communities, have been recognized. This recognition is currently leading to the advancement of activities to strengthen local communities across the entire Group and an increase in co-creation opportunities. By continuing these efforts into the future, and given that companies and individuals, who are our Group's customers, increasingly prefer environmentally friendly products in response to stricter laws and regulations and changing consumer behavior, it is expected that this will lead to a superior evaluation and an increase in revenue over the long term.

3. Financial impact of climate-related risks and opportunities

A. Climate-related risks

Regarding the "Deterioration of underwriting balance due to weather disasters," we recognize that a worsening of the underwriting balance could lead to a deterioration of the financial situation. However, given that the impact of intensified natural disasters due to climate change varies among public institutions and is highly uncertain, we have determined that quantitative information is not useful.

Regarding "Price fluctuations of investment assets (stocks and bonds) due to policy and legal changes" we recognize that the prices of financial products held by our Group may fluctuate when policy and legal changes are announced. However, due to the high degree of uncertainty regarding the actual degree and impact of policy and legal changes as well as our Group's investment and funding plans, we have determined that quantitative information involving many assumptions is not useful.

Moreover, it is difficult to reasonably estimate the combined financial impact based on climate-related risks and other factors, and we have determined that quantitative information is not useful.

B. Climate-related opportunities

In addressing the "Expansion of opportunities to provide environmentally friendly products and services" and "Improved reputation," an increase in insurance revenue is expected over the short, medium, and long terms. We are managing risks and opportunities to further increase insurance premium revenue and encourage purchasing behavior through an improved reputation.

Regarding the impact on the company's financial position, financial performance, and cash flows during the current reporting period, as well as the outlook for financial performance and cash flows over the short, medium, and long terms based on the company's strategy for managing climate-related risks and opportunities, we have not disclosed this information for "Improved reputation" because the degree of measurement uncertainty in estimating the impact is too high.

Furthermore, it is difficult to reasonably estimate the combined financial impact based on climate-related opportunities and other factors, and we have determined that quantitative information is not useful.

C. Related financial statements

The line items in the related consolidated financial statements that are likely to be affected by climate-related risks and opportunities are as follows.

- <Risk> Deterioration of insurance underwriting balance due to weather-related disasters: Insurance service profit/loss
- <Risk> Price fluctuations of investment assets (stocks and bonds) due to policy and legal changes: Financial profit/loss
- <Opportunity> Expansion of opportunities to provide environmentally friendly products and services, and improved reputation: Insurance revenue, other revenue

4. Impact of climate-related risks and opportunities on the company's strategy and decision-making

Our Group's main business is insurance, so any delay in providing insurance for new risks and needs is itself a risk and a lost opportunity. The Sompo Group established "SOMPO Climate Action" in FY2021, which includes climate change adaptation and mitigation along with contributing to social transformation in our commitment to implementing a comprehensive approach to climate change risks and opportunities. This statement guides our climate-related initiatives, and we have set various targets and promoted efforts.

From FY2026, we have updated this "SOMPO Climate Action" to "SOMPO Earth Positive Actions," with the aim of achieving integrated solutions through a synergistic approach to climate change, biodiversity, and circular economy. Under this new strategy and based on a foundation of respecting human rights, we will maximize the use of our Group's unique resources and strengths, such as regional networks, contributions to the formation of international rules on sustainability, and the development of environmental human resources, to develop "community-based initiatives" and "global initiatives."

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A. Targets for managing risks and opportunities

As outlined in "Metrics and Targets," our Group has formulated targets for managing climate-related risks and opportunities and is managing progress towards those targets.

B. Measures to address risks and opportunities

The measures to achieve the above targets and address climate-related risks and opportunities are as follows.

Risks / Opportunities	Past, Current, and Future Mitigation and Adaptation Measures, and Response Plans	Progress Against the Plan
<Risk> Deterioration of underwriting balance due to weather disasters	• Formulation of sales strategies for primary insurance products in response to weather disaster risks (optimizing rates, enforcing underwriting discipline, reviewing coverage terms, etc.) (Domestic P&C Insurance Business) • Diversifying reinsurance placement channels to secure stable reinsurance capacity	• A fire insurance premium rate revision was implemented in October 2024 (Domestic P&C Insurance Business) • Transition to the new integrated structure (SOMPO P&C) bringing together the Domestic P&C Insurance Business and Overseas Insurance and Reinsurance Business from April 2025
<Risk> Price fluctuations of investment assets (stocks and bonds) due to policy and legal changes	• (Mitigation) To achieve the targets for our own greenhouse gas emissions and the greenhouse gas emissions of our investment portfolio, we will engage with investee companies, particularly the top 20 companies with high greenhouse gas emissions among our stock holdings. In addition, we will promote a shift to low-greenhouse gas emission sectors when replacing assets held by the Group.	• For the latest greenhouse gas emissions data, please refer to our ESG Data webpage • In FY2025, we conducted engagements with industries such as finance and electric power, focusing on themes such as climate change (decarbonization/GX), biodiversity, circular economy, and respect for human rights.
<Opportunity> Expansion of opportunities to provide environmentally friendly products and services	• (Mitigation) Sompo Japan Insurance conducts an annual "Survey on ESG/Sustainability Initiatives" primarily targeting the companies in which it holds shares, to confirm their policies and status regarding ESG and sustainability initiatives, aiming to contribute to the sustainable growth of these business partners. • (Mitigation/Adaptation) We support the improvement of societal resilience through the development and provision of products and services via collaboration. • (Mitigation) We have set a "Transition Insurance Target" (target for premiums written from insurance products that are accretive, conducive to decarbonization) to achieve a combined total of 25.0 billion yen in Japan and overseas for insurance products that contribute to decarbonization in FY2026.	• We received responses to the "Survey on ESG/Sustainability Initiatives" from 284 companies. • Provision of new products and services (For details, please refer to "SOMPO Earth Positive Actions — Specific Initiatives (p.38)" • Transition Insurance: 34.8 billion yen as of FY2025
<Opportunity> Improved reputation	• (Mitigation/Adaptation) Participation in and dissemination of information through international initiatives, including PCAF and WBCSD • Proactive information disclosure through integrated annual reports, sustainability reports, etc.	• Sompo Japan Insurance participated in COP30 held in Belém, Brazil in November 2025, and delivered presentations at two seminars at the "Japan Pavilion" hosted by the Japanese government. • Recognized with prestigious "A" score for climate action by CDP • Inclusion in ESG-related indices: Our company is a constituent of the following ESG-related indices. Details are available on the External Evaluation page of our website.

Among these, for "Deterioration of underwriting balance due to weather disasters," we have secured personnel by establishing departments to manage weather disaster risks, departments to handle insurance product rate revisions according to the risks, and departments to arrange appropriate reinsurance.

For "Price fluctuations of investment assets (stocks and bonds) due to policy transitions," "Expansion of opportunities to provide environmentally friendly products and services," and "Improved reputation," we have established the Sustainable Management Office to lead "SOMPO Climate Action" and "SOMPO Earth Positive Actions," and have allocated personnel and secured related expenses with these activities in mind.

Furthermore, in addressing these risks and opportunities, we consider trade-offs, such as the difficulty of risk assessments for new technologies like renewable energy facilities (wind, solar), EVs, and storage batteries, as accident data and loss data have not yet been accumulated, making it difficult to establish appropriate risk assessment models and insurance rates.

While addressing these risks and opportunities does not currently require changes to our existing business model, we will continue to closely monitor the situation through climate change risk assessments and reflect the findings in our reinsurance strategy and other plans.

5. Climate resilience (climate-related scenario analysis)

A. Scenario selection

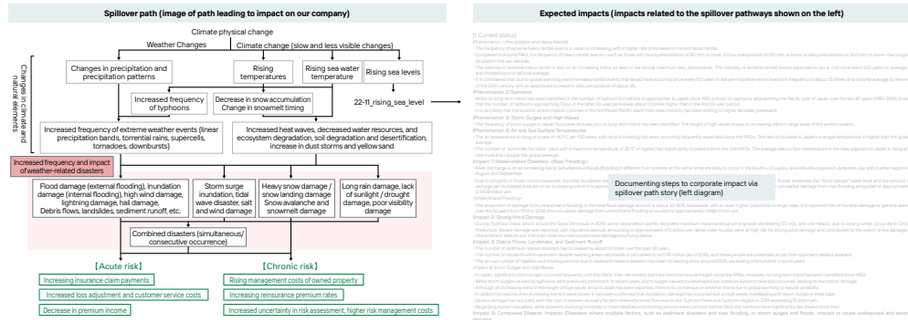
Our Group has set scenarios in accordance with those published by the Network for Greening the Financial System (NGFS), as they are widely referenced as an international standard. From among the NGFS scenarios, we have selected the three scenarios with differing characteristics as follows, considering their likelihood and the magnitude of their impact.

Furthermore, by assuming patterns for the pathways and nature of impacts on our Group and evaluating risks for each pattern within each scenario, we thoroughly examine the impacts on our Group and verify our Group's resilience from multiple angles under various environments. (See [Diagram of Risk Spillover Pathways and Impact Content Patterns] (example)).

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<Diagram of Risk Spillover Pathways and Impact Content Patterns (Example)>



Category	Scenario	Summary
Orderly	Net Zero 2050	Aims to limit global warming to 1.5°C and achieve net-zero global CO_2 emissions by 2050 through stringent emission reduction policies and innovation. Net-zero for all greenhouse gases is achieved by 2050 in regions such as the US, EU, UK, Canada, Australia, and Japan.
Disorderly	Delayed Transition	Greenhouse gas emissions do not decrease until 2030. Strong policies are needed to limit warming to below 2°C. Negative emissions are limited.
Hothouse World	NDCs	Assumes all pledged national policies are implemented (including those not yet enacted at this point).

B. Physical risks in underwriting

a. Purpose and content of scenario analysis

The Group's P&C insurance business could be financially affected by higher-than-expected insurance payouts due to the increased severity and frequency of natural disasters, including typhoons, floods, and storm surges. To quantitatively assess risks based on scientific findings, Sompo Japan Insurance has collaborated with universities and other research institutions since 2018. Based on large-scale analysis using weather and climate big data, such as "database for Policy Decision making for Future climate change (d4PDF)"*1, we are working to understand the long-term impacts of a climate with higher average temperatures with respect to changes in the average trends for typhoons, floods, and storm surges affected by sea level changes and trends in the occurrence of extreme weather events. We are also analyzing and evaluating the medium-term impact over the next five to ten years and incorporating this information into our business strategies.

In our climate-related scenario analysis, we utilize not only our own analysis but also the natural catastrophe risk model developed by the General Insurance Rating Organization of Japan (GIROJ), known as the "GIROJ Model" *2. The GIROJ Model is used for calculating standard rates and reference rates for earthquakes, windstorms, and floods, and is also commonly adopted as a standard model for the economic value-based solvency regulations newly introduced from the fiscal year ending March 2026. It also enables climate-related scenario analysis. The assumptions for the scenario analysis using the GIROJ Model and our Group's climate resilience assessment are as follows.

*1 An ensemble climate prediction database developed under the Program for Risk Information on Climate Change of the Ministry of Education, Culture, Sports, Science and Technology. It is a database that enables probabilistic and high-precision evaluation of future changes in extreme events, such as typhoons and torrential rain, allowing for highly reliable conclusions regarding the impact of climate change-related natural disasters on future society, by utilizing a large number of experimental samples (ensembles).

*2 For details on the GIROJ Model, please refer to the GIROJ website "Research on Natural Disaster Risks" (in Japanese).

b. Assumptions for scenario analysis

・Key assumptions

Given the uncertain outlook for the future reinsurance market, we have estimated the impact on our primary underwriting contracts. Furthermore, we assume that future changes in the insurance contract portfolio, including demographic shifts and changes in urban structures, as well as the current strength of buildings and the state of embankment and sewage systems, remain unchanged from the present. We have not taken future disaster prevention and mitigation measures into account.

・Timing of implementation

Sompo Japan Insurance conducted a climate-related scenario analysis during this reporting period (fiscal year ending March 2026). This analysis covered the fire insurance policies held as of the end of September 2025.

・Changes in the scenario analysis process

In the previous reporting period, we disclosed the results of a simple impact assessment for typhoons using the simplified quantitative analysis tool *3 based on the guidance published by the UNEP FI TCFD Insurance Working Group in January 2021. However, from this reporting period, we are conducting the analysis using the GIROJ Model, which is based on the latest scientific knowledge.

*3 Intergovernmental Panel on Climate Change (IPCC): A model that captures changes in the frequency and wind speed of typhoons between now and 2050 based on the RCP8.5 scenario used in the UN's IPCC Fifth Assessment Report (AR5), and calculates changes in the amount of damage caused.

c. Our Group's climate resilience and countermeasures as seen from scenario analysis results

(a) Results of scenario analysis and impact on strategy

Sompo Japan Insurance has conducted scenario analyses on global warming progression to confirm its impact on the risk amount of domestic typhoons and flood disasters.

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Our Group is striving to further improve its resilience to achieve its Purpose, and this includes improving resilience to natural disasters that are intensifying due to climate change—namely, climate resilience. For fire insurance, which is particularly susceptible to natural disasters, we are pursuing a strategy to improve our portfolio by working to suppress profit volatility and risk amount, in addition to rate optimization efforts, by enforcing underwriting discipline and reviewing coverage terms. While continuing our current strategy, we will implement resilience improvement measures based on the results of scenario analysis going forward.

(b) Significant uncertainties considered in the climate resilience assessment

Natural catastrophe risk models are developed by modeling the mechanisms of natural disasters and the degree of damage caused, using scientific knowledge. They are generally developed by taking into consideration the opinions of external research institutions and experts. While these models make it possible to evaluate catastrophic disasters that have never been experienced before through scientific simulations, there is a possibility of divergence from the true probability of occurrence or the degree of damage due to insufficient observational data.

The climate prediction data, d4PDF, used for evaluating the impacts of climate change, employs multiple future climate projection models, and there are multiple patterns for future sea surface temperature changes. The degree of impact from climate change for each pattern is applied to the natural catastrophe risk model to estimate the impact on the risk amount. However, the results vary accordingly depending on the pattern, indicating high uncertainty in future projections.

(c) Our Group's capacity to address climate change and conclusion

As stated in (a), our Group has implemented measures to address and improve climate resilience. Even if global warming progresses further in the future, we will consider measures to control risks, such as changes to the sales strategy of primary insurance products (rate optimization, enforcing underwriting discipline, reviewing coverage terms, etc.) and revisions to our reinsurance strategy.

At the same time, in order to improve society's resilience to increasingly severe natural disasters, it is crucial to mitigate the damage caused by the disasters themselves. In conjunction with the "HIKESHI DNA 2030 Project," we are further strengthening our disaster prevention and mitigation efforts against natural disaster risks exacerbated by climate change.

Specific predictions of the impact of climate change on future cash flows and financial position are highly uncertain and difficult to estimate at this point in time. We believe it is essential to continue efforts to increase resilience while closely monitoring the effects of climate change and to implement necessary measures in a timely and appropriate manner. Through these efforts, we conduct self-assessments to ensure that we can continue to provide products in a sustainable manner, even if future scenarios materialize.

C. Transition risks, physical risks, and opportunities in asset management

To understand the short-, medium-, and long-term financial impact of the transition to a decarbonized society on our company, we assessed what impacts there are on the Group assets using the Climate Value-at-Risk (CVaR) *4 provided by MSCI for "policy risks" arising from tighter laws and regulations and global economic changes that will affect companies in the transition to a decarbonized society, "technology opportunities" arising from climate change mitigation efforts, and "physical risks" posed by weather disasters caused by climate change, including chronic heatwaves, extreme cold, heavy snowfall, torrential rain, violent storms, acute typhoons, floods, and wildfires, based on the NGFS scenarios. For details, please refer to the following sections on pp.49-50: (a) Climate Value-at-Risk (CVaR) "Comparison by NGFS Scenario and Asset Class," and (b) Climate Value-at-Risk (CVaR) "Comparison by NGFS Scenario - Short-term, Medium-term, and Long-term Time Horizons."

In addition, since it is important to encourage companies that have not yet made progress in decarbonization efforts to reduce transition risks, we use the Implied Temperature Rise (ITR) *5 provided by MSCI to quantitatively analyze whether our portfolio companies have set greenhouse gas emission reduction targets consistent with the goal of limiting global warming to 1.5°C by FY2100. For details, refer to p. 50, "(c) Implied Temperature Rise (ITR)."

*4 Climate Value-at-Risk (CVaR)
- A method to measure the impact on corporate value associated with climate change-related policy and legal changes and disasters.
- The future costs and profits arising from climate change-related risks and opportunities are discounted to their present value, and the impact is calculated as of March 31, 2025, taking into account the market value weighting of each security in the Group's asset management portfolio.

*5 Implied Temperature Rise (ITR)
- A forward-looking assessment method that evaluates the extent to which a company is likely to contribute to warming of 2°C or 1.5°C to date, measured in degrees (°C).
- The contribution to temperature rise is expressed based on the gap between the investee companies' greenhouse gas emissions (calculated based on current emissions and the reduction targets set by the companies) and the carbon budget, and is calculated as of the end of March 2025, taking into account the market value weight of each stock in the Group's asset management portfolio.

a. Timing of implementation

We conducted a climate-related scenario analysis during this reporting period (fiscal year ending March 2026). This analysis targets the equity and corporate bond portfolio as of March 31, 2025.

b. Methodology (inputs, key assumptions, reasons for selection, etc.)

- Scope of analysis

The analysis is conducted on the equity and corporate bond portfolios held by all our Group's consolidated subsidiaries in Japan and overseas.

- Key assumptions underpinning the analysis

The key assumptions underpinning the analysis are in accordance with the content defined in the selected

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NGFS scenarios.* These scenarios depict future world outlooks based on multiple variables, such as the intensity and timing of climate policies in each country (policy reaction), the degree of introduction of Carbon Dioxide Removal (CDR) technologies, and the severity of physical risks. Our analysis evaluates the financial impact on the portfolio by using macroeconomic parameters such as carbon prices, energy demand, and GDP growth rates presented in these scenarios as inputs. Please note that this analysis assumes a static portfolio as of the current point in time and does not take into account any future changes in investment strategy.

* For details on the assumptions of each NGFS scenario, please refer to the documents published by the NGFS. In analyzing the financial impact based on the above scenarios, we used the Climate Value-at-Risk (CVaR) from MSCI, which has analytical capabilities corresponding to the NGFS scenarios.

・Information on input data

The analysis uses information on the portfolio's constituent stocks, market value of holdings, and asset class as of the reference date (end of March 2025), as well as the various macroeconomic and climate-related parameters provided by the NGFS scenarios mentioned above, as input data.

・Changes in the scenario analysis process

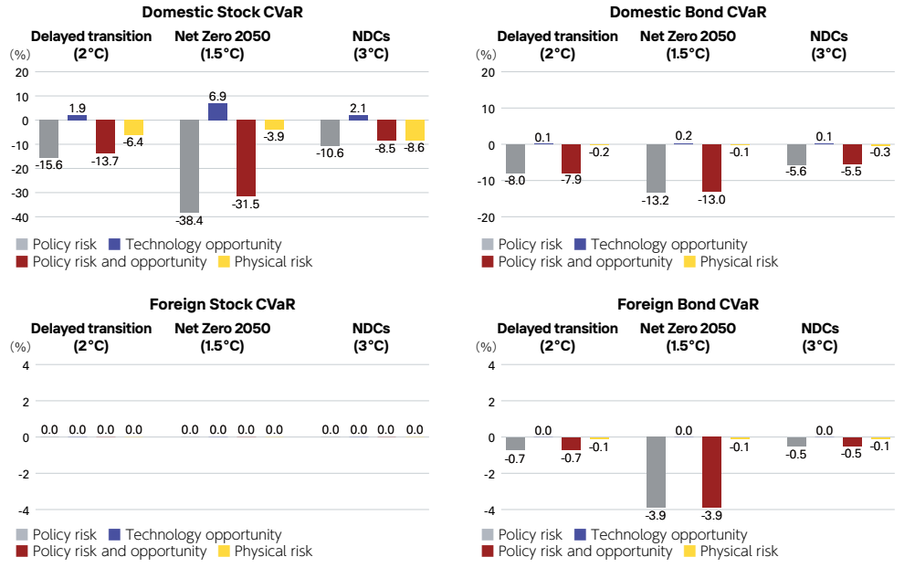
There has been no change in the scenario analysis process conducted by our company from the previous reporting period.

c. Scenario analysis results

(a) Climate Value-at-Risk (CVaR) NGFS scenarios - comparison by asset types

The policy risks and technology opportunity are greatest in the Net Zero 2050 (1.5°C) scenario for all assets, indicating that even with an orderly transition, there are significant policy risks to achieving the 1.5°C target. On the other hand, the impact of physical risk is greatest in the NDCs (3°C) scenario, with the exception of foreign stocks, indicating that the physical risk posed by rising temperatures is significant. In the comparison by asset type, the impact of policy risk and technology opportunity is the largest for domestic stocks (see graph below: top left), at -38.4% and 6.9% respectively under the Net Zero 2050 (1.5°C) scenario. Domestic stocks also face the greatest physical risk, declining 8.6% under the NDCs (3°C) scenario. However, we have confirmed that the impact on loans for the Group is limited.

Sompo Group CVaR analysis of Policy/physical risks and technology opportunities by asset types and NGFS scenarios



- Policy risk: Figures calculated for each level of Scope 1, 2, and 3 for the cost required to achieve the greenhouse gas emission reduction targets.
- Technology opportunity: Figures calculated for the potential business opportunities created by environment-related technologies owned by companies against the backdrop of the transition to a low-carbon economy.
- Physical risk: Figures calculated based on the impact of chronic or acute extreme weather on corporate assets and sales.

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(b) Climate Value-at-Risk (CVaR) NGFS scenarios - comparison by short-term, medium-term, and long-term time horizons

Comparing short-term, medium-term, and long-term time horizons, we can see that the majority of risks in the Group's portfolio will become apparent after 2034. In particular, the Delayed Transition scenario (2°C; disorderly: rapid transition to decarbonization) assumes a rapid policy transition after 2030, so the long-term impact is particularly pronounced. The policy risk is also highest in the Net Zero 2050 (1.5°C) scenario at -14.72%, which shows that even in an orderly transition to achieving the 1.5°C target, long-term policy risks remain large. Physical risk will have relatively greater long-term impact in the Delayed Transition (2°C) scenario and the NDCs (3°C) scenario, which involve rising temperatures, but the overall impact is limited at less than 1%.

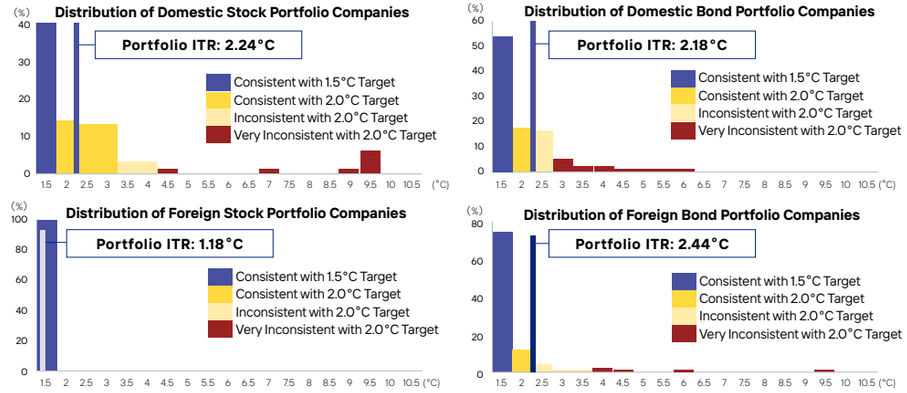
Sompo Group CVaR analysis results of Policy/ Physical Risks and Technology Opportunities by time horizon

	Delayed transition (2°C)			Net Zero 2050 (1.5°C)			NDCs (3°C)		
Horizon Year	Policy risk	Technology opportunity	Physical risk	Policy risk	Technology opportunity	Physical risk	Policy risk	Technology opportunity	Physical risk
Cumulative for April 2025–March 2028	-0.08%	0.01%	-0.03%	-0.99%	0.19%	-0.03%	-0.55%	0.08%	-0.03%
Cumulative for April 2025–March 2035	-0.88%	0.10%	-0.28%	-5.53%	1.33%	-0.25%	-2.34%	0.50%	-0.29%
Cumulative for April 2025–March 2050	-5.05%	0.63%	-0.84%	-14.72%	2.74%	-0.65%	-4.60%	0.88%	-0.86%

(c) Implied Temperature Rise (ITR)

The percentages of companies with ITRs below 2°C for domestic stocks, foreign stocks, domestic corporate bonds, and foreign corporate bond portfolios are 57%, 100%, 70%, and 87%, respectively, on a market value basis. The percentages of companies with ITRs below 1.5°C for domestic stocks, foreign stocks, domestic corporate bonds, and foreign corporate bond portfolios are 40%, 100%, 53%, and 75%, respectively, and with the exception of domestic stocks, more than half of companies have set GHG emission reduction targets that are consistent with the 1.5°C target set by the Paris Agreement. On the other hand, for the portfolio as a whole, the ITRs for domestic stocks, foreign stocks, domestic bonds, and foreign bonds are 2.24°C, 1.18°C, 2.18°C, and 2.44°C, respectively, exceeding 1.5°C for all categories, except for foreign stocks.

Sompo Group ITR analysis by asset types



Source: Sompo Holdings, using MSCI's Climate Value-at-Risk and Implied Temperature Rise metrics

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(d) Key risks and opportunities identified from analysis results and countermeasures

- Sectors with the highest transition risk
  - Fossil fuel-related sectors (oil & gas, coal): These are the sectors with the highest transition risk towards achieving decarbonization targets. Sectors and companies with high risk are the primary targets for investment and insurance underwriting restrictions, as well as engagement to achieve emission reduction targets.
- Sectors significantly affected by physical risk
  - Agriculture, manufacturing, and utility sectors: These sectors are susceptible to negative impacts on investment returns due to water scarcity as part of physical risk. Sectors and companies with high risk are primary targets for engagement to achieve emission reduction targets.

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- Sectors with the greatest opportunities
  - Transportation sector: This is a sector where opportunities are highly likely to arise from societal changes towards decarbonization. We focus engagement on these companies, working to accelerate their transition and create opportunities for collaboration with our Group.

d. Assessment of climate resilience at the end of the reporting period

(a) Impact of scenario analysis results on strategy

The results of this scenario analysis reaffirmed the importance of climate-related risks in our Group's investment strategy. In particular, the results supported the effectiveness of our existing strategy, such as strengthening engagement with sectors identified as having high transition risk and continuing and enforcing our investment restriction policy. Going forward, for sectors and companies with particularly high CVaR values identified in this analysis, we will accelerate and enhance the execution of our existing strategy by raising the priority of engagement and making the themes of dialogue more specific.

(b) Significant uncertainties in the assessment

In our resilience assessment, we recognize that "timing and stringency of radical policy and legal changes in the Delayed Transition scenario" and the "pace of innovation and diffusion of low-carbon technologies" in particular are areas of significant uncertainty that could influence future financial impacts.

(c) Our Group's capacity to address climate change and conclusion

Our Group possesses a sound financial base and an effective governance framework for managing the risks and opportunities identified in this analysis. We also have the capital flexibility to dynamically restructure our portfolio as necessary.

Leveraging these capabilities, we will strengthen engagement with the sectors and companies with high transition risks and physical risks identified in this analysis, while accelerating sustainable investments in areas where opportunities are expected. Through this, we aim to support the steady transition of our investee and business partners, reduce risks across the portfolio, and create revenue opportunities.

Based on the above, we assess that our Group's strategy and business model possess resilience to climate-related risks and opportunities.

6. Response to climate-related risks and opportunities

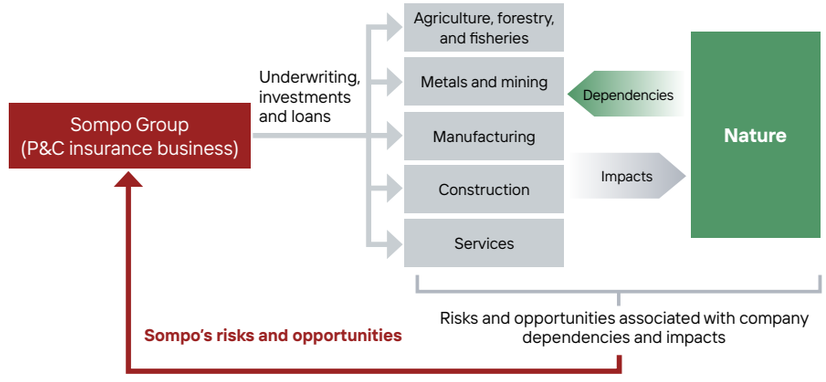
For the main initiatives, please refer to the SOMPO Earth Positive Actions — Specific Initiatives (p.38).

(2) Nature-related Strategy

Alongside climate change, nature-related environmental issues such as biodiversity loss, ecosystem collapse, and natural resource shortages are increasingly being recognized as global risks. Some of our investees and the companies for which we underwrite insurance policies face the risks of future instability in raw material procurement and operations, cost increases associated with compliance, and decreased sales due to their dependencies and impacts on nature. If these risks materialize, such as a decrease in reinsurance coverage or an increase in claim payments, the risks of the Group's P&C insurance business may increase, resulting in a decrease in premiums written or an increase in claims paid.

On the other hand, the transition to nature-positive economy, as advocated by the Kunming-Montreal Global Biodiversity Framework, is expected to create business opportunities in Japan worth approximately 47 trillion yen by 2030 (estimated by Ministry of the Environment Government of Japan). Such new business opportunities could lead to improved earnings at our investees and the companies for which we underwrite insurance policies, and provide the chance for us to offer products and services that benefit the natural environment.

Examples of companies to whom we invest in and loan, or provide underwriting services to



To address these nature-related risks and opportunities, the Group has assessed, analyzed, and taken actions based on the LEAP approach* recommended by the TNFD with a focus on our core Domestic P&C Insurance Business and our Overseas Insurance and Reinsurance Business.

* An integrated assessment process for nature-related risk and opportunity management, LEAP stands for the four phases of Locate, Evaluate, Assess, and Prepare.

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Analysis flow using the LEAP approach



1. Identifying and assessing nature-related risks and opportunities

A. Analysis of nature-related risks and opportunities, and impacts of the Group

The Group assessed, analyzed, and responded to risks and opportunities across the value chain—upstream in product and service development; midstream in sales, marketing, and asset management; and downstream in accident response and claim payments—with a focus on the P&C insurance business. This included physical risk and opportunities associated with the deterioration of ecosystem services, and transition risks and opportunities associated with the strengthening of policies and regulations aimed at achieving nature positivity, technological advances, and changes in market preferences. In identifying and assessing risks and opportunities, we referred to the results of 2-1. Identifying and evaluating dependencies and impacts in underwriting, investments and loans.

The time frames for assessment are defined as follows: "Short-term" (within 2-3 years), "Medium-term" (4 to less than 10 years), and "Long-term" (10 years and beyond). These time frames have been set to align with the period for which the Group sets quantitative management targets for business performance (short-term), the deadline for achieving the vision the Group has qualitatively set forth (medium-term), and the period thereafter (long-term). The table below lists the main environmental changes related to nature and the risks and opportunities that are expected to have a significant impact on the Group. We will continuously review these risks and opportunities in light of changes in the internal and external environment.

Nature-related risks and opportunities, and the time frames over which their impacts can reasonably be expected to materialize

Risks and opportunities		Time frame
Physical risk	Decrease in premiums written and investment returns due to degradation of ecosystem services	Medium-term Long-term
Transition risk	Decrease in premiums written and investment returns due to policy and legal changes	Medium-term Long-term
Opportunities	Increase in premiums written and Increase in premium income and investment returns due to policy and legal changes	Medium-term Long-term
Opportunities	Expansion of opportunities to provide environmentally friendly products and services	Short-term Medium-term Long-term
Opportunities	Improved reputation	Short-term Medium-term Long-term

Regarding each of the above risks and opportunities, the expected impact on the future business of the Group, as well as the parts of our business model and value chain where nature-related risks and opportunities are concentrated, are as follows.

Risks / Opportunities	Impact (expected impact) on the future business of our Group
<Risk> Decrease in premiums written and investment returns due to degradation of ecosystem services	Risks such as wind and flood damage, water shortages, and degradation of tourism resources are anticipated as degradation of ecosystem services progresses. Affected by these factors, a deterioration in the performance of our Group's business partners could lead to a decrease in insurance revenue and investment returns. This impact is expected to be particularly significant for companies in sectors with a high dependency and impact on nature (high-risk sectors).
<Risk> Decrease in premiums written and investment returns due to policy and legal changes	As the transition to a nature-positive economy progresses, risks such as stricter regulations, increased technology development costs, and market changes are anticipated. Affected by these factors, a deterioration in the performance of our Group's business partners could lead to a decrease in insurance revenue and investment returns. This impact is expected to be particularly significant for companies in sectors with a high dependency and impact on nature (high-risk sectors).
<Opportunity> Increase in premiums written and investment returns due to policy and legal changes	As the transition to a nature-positive economy progresses, opportunities such as increased demand for services and products that address stricter regulations and market changes are anticipated. Affected by these factors, an improvement in the performance of our Group's business partners could lead to an increase in insurance revenue and investment returns. This impact is expected to be particularly significant for companies in sectors with a high dependency and impact on nature (high-risk sectors).

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<Opportunity> Expansion of opportunities to provide environmentally friendly products and services	As the transition to a nature-positive economy progresses, we expect increased opportunities for the development and provision of insurance products and consulting services related to Eco-DRR (Ecosystem-based Disaster Risk Reduction), and green infrastructure, the expansion of green finance, sustainability disclosures, and nature credits.
<Opportunity> Improved reputation	It is expected that our combined efforts, such as providing products and services that contribute to nature positivity, information disclosure, active participation in nature-related initiatives, and environmental activities in local communities, will be recognized, leading to enhanced brand value and an increase in revenue.

B. Results of identifying nature-related risks in high-risk sectors

Among the nature-related risks mentioned above, the "Decrease in premiums written and investment returns due to degradation of ecosystem services" would cause the performance of business partners to deteriorate in line with wind-storm damage, rising temperatures, water shortages, etc. (physical risk), while the "Decrease in premiums written and investment returns due to policy and legal changes" would cause the performance of business partners to deteriorate in line with stricter regulations, technological innovation, market changes, etc. (transition risk). Both of these factors would lead to a decline of Group earnings. Therefore, among our business partners, we have identified risks in high-risk sectors for business partners that have significant transaction amounts with the Group as well as significant dependencies and impacts on nature, and conducted a risk assessment for the Group based on this identification.

In particular, we confirmed expected risks based on risks identified in 2-1. Identifying and evaluating dependencies and impacts in underwriting, investments and loans and the disclosure of companies in high-risk sectors, i.e., construction, transportation (including passenger transportation), warehousing, and automobiles and auto parts.

- Decrease in premiums written and investment returns due to degradation of ecosystem services (physical risk): High-risk sectors that have significant impacts on nature, i.e., construction, transportation (including passenger transportation), and warehousing
- Decrease in premiums written and investment returns due to policy and legal changes (transition risk): High-risk sectors that have significant impacts on nature, i.e., construction, transportation (including passenger transportation), warehousing, and automobiles and auto parts

The risks identified as a result of this confirmation for each high-risk sector are as follows. We believe these risks could cause a deterioration in the performance of our business partners, which could have an impact on the Group, including a decrease in premiums written and a decrease in investment returns.

Decrease in premiums written and investment returns due to degradation of ecosystem services (physical risk)

Sector		Risk
Construction	Acute	· Difficulty in procuring construction materials due to increased severity of wind and flood disasters, and rising prices of materials · Suspension of or delays in construction work due to disasters
	Chronic	· Suspension of or delays in construction work due to water shortages · Difficulty in procuring construction materials due to a decrease in natural capital (wood, minerals, etc.) and rising material prices · Lower productivity and increased health risks for workers due to rising summer temperatures
Transportation (including passenger transportation), warehousing	Acute	· Difficulty in operation due to wind and flood disasters, and increased risk of accidents
	Chronic	· Difficulty in operation due to water shortages · Energy cost increases due to rising summer temperatures · Increased health risks for workers due to rising summer temperatures · Deterioration of tourism resources due to changes in ecosystems

Decrease in premiums written and investment returns due to policy and legal changes (transition risk)

Sector		Risk
Construction	Policy	· Cost increases due to stricter regulations on GHG emissions, noise, and pollution during construction · Decrease in construction demand due to stricter regulations on land alteration · Procurement cost increases for construction materials due to stricter regulations in production and extraction areas · Increases in procurement costs due to the introduction of a carbon tax
	Legal	· Risk of litigation due to environmental destruction around construction sites
	Technology, market preference	· Cost increases associated with the introduction of environmentally friendly technologies, increased technology development costs · Cost increases to ensure traceability of construction materials · Damage to reputation due to environmental destruction in construction material production and extraction areas
Transportation (including passenger transportation), warehousing	Policy	· Cost increases due to stricter regulations on GHG emissions, noise, and pollution during operation · Increases in procurement costs due to the introduction of a carbon tax
	Legal	· Risk of liability stemming from oil pollution
	Technology, market preference	· Cost increases associated with the introduction of environmentally friendly technologies, increased technology development costs

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Automobiles, auto parts	Policy	· Increases in raw material procurement costs due to stricter regulations in raw material production and extraction areas · Cost increases due to stricter regulations on GHG emissions, water pollution, and waste during manufacturing · Increases in procurement costs due to the introduction of a carbon tax
	Legal	· Risk of litigation due to environmental destruction in raw material production and extraction
	Technology, market preference	· Cost increases associated with the introduction of environmentally friendly technologies, increased technology development costs · Cost increases to ensure traceability of raw materials · Damage to reputation due to environmental destruction in raw material production and extraction areas

2-1. Identifying and evaluating dependencies and impacts in underwriting, investments and loans

Some of the Group's business partners (including investees and the companies for which we underwrite insurance policies) engage in business activities that have dependencies and impacts on nature, which may lead to nature-related risks and opportunities for the Group. Therefore, to gauge which dependencies and impacts on nature that are material to the Group, we used the ENCORE*1 tool to identify and assess the dependencies and impacts on nature for each sector of the Group's investees and the companies for which we underwrite insurance policies. We classified business partners into 23 sectors and targeted the 18 priority sectors outlined in the TNFD's additional guidance for financial institutions*2. (See A. Results of identifying and evaluating dependencies and impacts)

Furthermore, as a reference for 1. Identifying and assessing nature-related risks and opportunities, we identified sectors that may pose high risks to the Group from the perspective of nature (high-risk sectors) using the following procedure.

*1 A nature-related risk assessment tool jointly developed by the Natural Capital Finance Alliance (NCFA), the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), and other entities.

*2 TNFD Additional guidance for financial institutions v2.0

<Procedure for identifying high-risk sectors>

(1) Using ENCORE, we create a heat map of the dependencies and impacts on nature and their magnitude for each sector.

(2) We reflect the amount of premiums written and investment and loans for each sector in (1) on the part of Sompo Japan Insurance and its subsidiaries in the Overseas Insurance and Reinsurance Business in the heat map.

(3) Based on the results of (2), we identify high-risk sectors within the Group for each category of underwriting, investments and loans.

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A. Results of identifying and evaluating dependencies and impacts (Step 1)

Below is the heat map illustrating the nature-related dependencies and impacts of the Group's underwriting, investment, and loan portfolios across key sectors.

■**Dependencies:** We found significant dependencies on functions such as water purification, rainfall regulation, soil stabilization, and the use of genetic information.

Sector \ Category	Animal labor	Biomass provisioning	Bioremediation	Soil stabilization	Water purification	Soil quality regulation	Dilution by atmosphere and ecosystems	Prevention, reduction of disease and pest damage	Air filtration	Flood mitigation	Use of genetic information	Global climate regulations	Water supply	Maintenance of habitats (nurseries, farms, etc.)	Noise attenuation	Adjustment of the amount of light, etc.	Local (micro and meso) climate regulation	Pollination	Wind and sandstorm mitigation	Flow rate adjustment	Rainfall regulation	Providing recreational value	Visual comfort provided by natural scenery	Contributions to education, science, and research	Contributions to cultural and artistic activities
Apparel																									
Energy																									
Pharmaceuticals and biotechnology																									
Food and beverage services																									
Chemicals																									
Metals and mining																									
Construction																									
Construction materials																									
Public works (electricity, gas, water, waste collection)																									
Paper and forest products																									
Automobiles, auto parts																									
Food and beverage production																									
Wholesale, retail of daily necessities																									
Durable consumer goods																									
Agriculture, fisheries																									
Semiconductors, semiconductor manufacturing equipment																									
Transportation (including passenger transportation), warehousing																									
Personal care products																									

■**Impacts:** We found significant impacts in areas such as noise and light pollution, emissions of harmful substances and eutrophic substances into water and soil, use of freshwater bodies, introduction of invasive species, emissions of air pollutants.

Sector \ Category	Noise and light pollution	Use of freshwater bodies	GHG emissions	Use of the seabed	Non-GHG air pollutant emissions	Other biotic resource extraction (e.g. fish, timber)	Extraction of minerals, etc.	Emissions of harmful substances into water and soil	Emissions of eutrophic substances into water and soil	Generation and release of solid waste	Land use	Water use	Introduction of invasive species
Apparel													
Energy													
Pharmaceuticals and biotechnology													
Food and beverage services													
Chemicals													
Metals and mining													
Construction													
Construction materials													
Public works (electricity, gas, water, waste collection)													
Paper and forest products													
Automobiles, auto parts													
Food and beverage production													
Wholesale, retail of daily necessities													
Durable consumer goods													
Agriculture, fisheries													
Semiconductors, semiconductor manufacturing equipment													
Transportation (including passenger transportation), warehousing													
Personal care products													

Key: very high, high, moderate, low, very low

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B. Consideration of transaction amounts in each sector (Step 2)

We identified high-risk sectors for the Group by multiplying the amount of premiums written and the amount of investments and loans in each sector by the magnitude of the dependencies and impacts identified in Step 1.

Outline of specific high-risk sectors

Dependency heatmap

Sector \ Category	Animal labor	Biomass provisioning	Bioremediation	· · ·	· · ·	· · ·	· · ·
○○○		4			5		3
●●●		4		4			3
△△△	2	2			2		2
▲▲▲	3	3	1	3	2	2	2
□□□		4	1	3	2	2	2
■■■		2	1	2	2	2	1
◎◎◎							

Impact heatmap

Sector \ Category	Noise and light pollution	Use of freshwater bodies	GHG emissions	· · ·	· · ·	· · ·	· · ·
○○○	5	2	4	3	4		3
●●●	5	2	4	4	4	4	4
△△△	4			2	2		
▲▲▲	4			4	4	4	
□□□	4	4		4		4	4
■■■	4			2			
◎◎◎				4			

×

By sector (ranked in three tiers)
- Premiums written
- Investments and loans amount

C. Identification of high-risk sectors (Step 3)

We have identified three sectors as high-risk sectors that have significant dependencies and impacts on nature and have a large amount of transactions with Sompo Japan Insurance and its subsidiaries in the Overseas Insurance and Reinsurance Business: construction, transportation (including passenger transportation), warehousing, and automobiles and auto parts.

High-risk sectors identified

Category	Sector	Categories with high dependencies, impacts
Underwriting	Construction	[Dependency] Rainfall regulation
		[Impact] Noise and light pollution, use of freshwater bodies
	Transportation (including passenger transportation), warehousing	[Dependencies] Rainfall regulation, providing recreational value, visual comfort provided by natural scenery
		[Impacts] Noise and light pollution, Non-GHG air pollutant emissions, introduction of invasive species
Investments and loans	Automobiles, auto parts	[Impacts] Noise and light pollution
	Transportation (including passenger transportation), warehousing	[Dependencies] Rainfall regulation, providing recreational value, visual comfort provided by natural scenery
		[Impacts] Noise and light pollution, Non-GHG air pollutant emissions, introduction of invasive species

2-2. Identification of priority locations at directly operated business sites

With the aim of grasping the organization's interface with nature and identifying areas that should be prioritized, we used tools such as the WWF Biodiversity Risk Filter* to identify the directly operated business sites of Sompo Japan Insurance, Sompo Risk Management, and the subsidiaries of the Overseas Insurance and Reinsurance Business that fall under the priority locations defined by the TNFD. Our directly operated business sites are located in Japan, Canada, Russia, Australia, Guam, Vietnam, Myanmar, Cambodia, India, the United Arab Emirates, South Africa, the U.S., Mexico, Brazil, Bermuda, Indonesia, Malaysia, Singapore, Thailand, Turkey, Italy, the U.K., and Luxembourg. As a result of the confirmation, we determined that the operations at our directly operated sites involve office activities such as property and casualty insurance and consulting, and consider their dependencies and impacts on nature to be small. We thus determined that none of our directly operated business sites fall within the priority locations and that there are no significant points of contact with nature for the Group.

* A tool developed by the WWF (World Wildlife Fund) to help companies assess and address risks that affect biodiversity in their business and supply chains.

3. Initiatives to address nature-related risks and opportunities

For the main initiatives in our Group's business, please refer to the SOMPO Earth Positive Actions — Specific Initiatives (p.38).

The Group has also established "Sustainability-related Policy for Underwriting, Investments and Loans" and is pursuing engagement and other initiatives to address identified risks and opportunities.

For further details, please refer to the Sustainability through Underwriting, Investments and Loans (p.30).

(3) Policy-related Activities

To address global environmental issues, the Sompo Group advocates for rule-making and policy decisions regarding climate change and natural capital, and has engaged in direct advocacy regarding the development of the following frameworks.

- Sustainability Standards Board of Japan (SSBJ): We participate as a committee member of the SSBJ, which is responsible for developing sustainability disclosure standards in Japan (including climate change disclosures) towards the regulatory adoption of standards aligned with the ISSB. We have submitted our opinions directly to these policy-making processes. The SSBJ standards are being codified into regulations by the Financial Services Agency (FSA) and will become mandatory in phases starting from the fiscal year ending March 2027.

Furthermore, through activities of the industry associations to which our Group belongs, we are also involved in formulating recommendations to the government and related organizations.

- The General Insurance Association of Japan: To promote a practical climate-related disclosure framework, we contributed to the association's development and submission of position papers regarding the SSBJ draft standards and the GHG Protocol (Scope 2) revisions.
- Keidanren Nature Conservation Council (KNCC): Former presidents of Sompo Japan Insurance

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have successively served as chairmen, leading biodiversity initiatives on behalf of the Japanese business community. We contributed to drafting the "Recommendations for Balancing Biodiversity and Natural Capital Conservation with Sustainable Economic Growth" and submitted our views on key strategic pillars, such as "Achieving Growth through the Transition to a Nature-positive Economy" and "An Integrated Approach to Biodiversity/Natural Capital Conservation and Climate Change Countermeasures".

*We continuously monitor the industry associations to which our Group belongs, and during FY2025, we confirmed that the activities and policy directions of these organizations are consistent with our climate change goals and the objectives of the Paris Agreement.

For other initiatives, please refer to the Participation in Sustainability Initiatives (p.8).."

Structure Risk Management

(1) Climate- and Nature-related Risks and Opportunities

In addition to physical risks such as the increased severity and frequency of natural disasters, droughts, and chronically rising sea levels due to climate change, transition risks may arise as a result of changes in industrial structures and markets brought about by the strengthening of laws and regulations and development of new technologies for the transition to decarbonization that could affect corporate finances and reputations. These risks are accompanied by an increasing number of climate change lawsuits globally that seek to hold companies legally liable for the impact of climate change resulting from their business activities, investment and lending activities in highly carbon-intensive businesses, and improper disclosure. Such lawsuits may increase the risk of liability insurance payouts in the Group's P&C insurance business. On the other hand, the stronger societal awareness of natural disaster risks and changes in social structure may bring business opportunities such as the creation of new service demands and technological innovations.

It also brings about "physical risks," such as the loss of biodiversity, degradation of ecosystem services, wind and flood damage, water shortages, and the degradation of tourism resources. These factors could lead to a decrease in insurance revenue and investment returns due to the deteriorating performance of our business partners. The transition to a nature-positive economy could also bring "transition risks," including a decrease in our Group's insurance revenue and investment returns due to wind and flood damage, water shortages, degradation of tourism resources, and the deteriorating performance of business partners. On the other hand, the transition to a nature-positive economy also leads to the creation of business opportunities, such as the development of new insurance products and consulting services related to Eco-DRR and green infrastructure. The creation of these business opportunities is expected to support the improvement of the corporate value of our business partners, increase insurance revenue and investment returns across the entire portfolio, and further enhance our reputation.

(2) Risk Management

To achieve the Group's Purpose and the goals of the Management Plan, we have established a risk appetite framework, clarifying both risks to be taken and risks to be avoided to increase the certainty of achieving the goals.

For natural catastrophe risk, we clarify risk appetite and quantitatively assess the claim payments we expect in the event of a natural catastrophe, based on meteorology and other scientific knowledge, and the characteristics of Group products. We then formulate and manage reinsurance policies and Groupwide risk retention strategies based on the impact on financial soundness, profitability, and profit stability, as well as trends in the reinsurance market.

We control climate change-related risks through a multifaceted approach within the Risk Control System framework of our Enterprise Risk Management (ERM). This involves material risk management, capital adequacy management, stress testing, risk limit management, and liquidity risk management.

We are assessing short-, medium-, and long-term climate-related risks and opportunities through a climate change risk framework, conducting scenario analysis (transition risk and physical risk) based on the framework, as well as various initiatives to improve our resilience to these risks and opportunities.

In addition, our Group has identified "Loss of biodiversity" as one of the emerging risks* and appropriately manages it in connection with individual significant risks. As part of our response to this "Loss of biodiversity," our Sustainable Management Office is taking the lead in analyzing and assessing nature-related dependencies and impacts that could affect the Group's business activities. For details on the analysis and assessment methods, please refer to the previously mentioned "(2) Nature-related strategy."

* The identification of emerging risks is as described in the previously mentioned "ERM (p.16)."

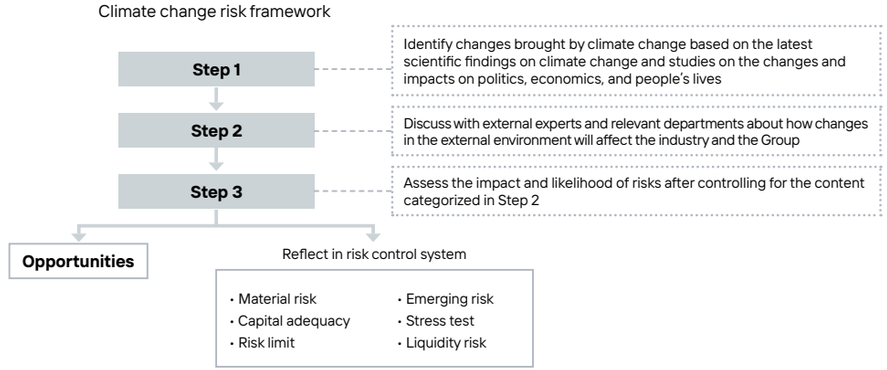
1. Climate change risk framework (risk identification, assessment, and management)

Climate change can impact various aspects of the Group's business, including our non-insurance business, and the impacts will be long term and are highly uncertain. To manage climate change risks, we have developed a climate change risk framework to complement our Risk Control System and to identify, assess, and manage risks by taking an in-depth look at scenarios in which the Group is affected through various pathways over the long term.

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To gauge the complex impacts of climate change, the climate change risk framework uses the following three steps to assess and organize the risks and opportunities outlined in "(1) Climate-related strategy."



We will also incorporate the knowledge gained through the climate change risk framework into our Risk Control System framework, which involves capital management, stress testing, risk limit management, and liquidity risk management, thereby enhancing the overall sophistication of our risk management.

2. Process for identifying, etc., and monitoring sustainability-related opportunities

Regarding climate- and nature-related opportunities, in addition to assessments in significant risk management and climate change risk assessments, we share and discuss reports from relevant departments in the Insurance Underwriting Working Group and the Asset Management Working Group, as well as the progress of initiatives in each business, at the Group Sustainable Management Committee. Through this process, we identify, assess, prioritize, and monitor opportunities without using scenario analysis.

Activities and Achievements ## Metrics and Targets

(1) Metrics for Assessing Risks and Opportunities

We are evaluating our climate-related actions based on the recognition that implementing "SOMPO Earth Positive Actions" will reduce risks and capture new business opportunities for the Group, using the following metrics.

For further details, see SOMPO Earth Positive Actions (p.37).

We are also referring to the global core disclosure indicators in the TNFD framework for nature-related indicators and including them in the following indicators for our evaluation.

For the most recent actual figures, please refer to our ESG Data webpage

Category		Core Global Metrics (TNFD)	
		Driver of nature change	Indicator
GHG emissions (Scope 1, 2, 3 excluding insurance underwriting, investments and loans)		Climate change	GHG emissions
GHG emissions (Scope 3 Category15: Investments and loans)	Equities		
	Bonds		
	Total		
Paper consumption		Resource use, replenishment	Quantity of high-risk natural commodities sourced from land, ocean, freshwater
Total surface area controlled, managed		Change in land, freshwater, ocean use	Total spatial footprint
Clean water usage*		Resource use, replenishment	Water withdrawal and consumption from areas of water scarcity
Wastewater discharge		Pollution, pollution removal	Wastewater discharged
Total amount of waste generated		Pollution, pollution removal	Waste generation and disposal
Amount of waste recycled			
Breakdown by disposal method	Landfill		
	Incineration		
	Other forms of disposal		
	Disposal method unknown		

* It shows the amount of water used by our Group. We will continue to check whether this applies to areas with water scarcity.

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(2) Indicators for Evaluating Nature-related Dependencies and Impacts

The TNFD's additional guidance for financial institutions* encourages financial institutions to disclose their financial exposure to sectors in which they expect to have significant nature-related dependencies and impacts.

With reference to the priority sectors in the guidance, the percentage of the Group's insurance underwriting, investments and loans amounts for the 18 sectors listed in (2) Nature-related strategy, 2-1. Identifying and evaluating dependencies and impacts in underwriting, investments and loans, including chemicals, automobiles and auto parts, transportation (including passenger transportation), and warehousing, is as shown below.

* TNFD Additional guidance for financial institutions v2.0

Category	Percentage of financial sector amounts (core sector disclosure metrics for financial institutions)
Insurance underwriting	35.9%
Investments and loans	34.9%

(3) Targets for Managing Risks and Opportunities

The Sompo Group has set the following targets and is managing their progress.

Going forward, we will also consider setting nature-related targets.

Target	Sompo's GHG emissions reduction rate
Sompo's GHG emissions reduction rate	2030: 60% reduction (compared to 2017) 2050: Net-zero emissions * Scope 1, 2, 3 (excluding underwriting, investments and loans) * Emissions in 2017, the target base year, were: 399,072t-CO_2e
Investments and loans GHG emissions reduction rate	2025: 25% reduction (compared to 2019) 2050: Net-zero emissions * Scope 3 Category 15 is covered (target assets are listed equities and corporate bonds) * Emissions in 2019, the target base year, were as follows: Equities: 1,013,157 t-CO_2e Bonds: 1,059,379 t-CO_2e Total: 2,072,536 t-CO_2e 2030: 50–60% reduction compared to 2019, based on intensity (GHG emissions per unit of investments and loans amount) * Target assets include listed equities, corporate bonds, loans to listed companies, and listed equity and corporate bond funds
Switch to renewable energy for electricity usage	2030 adoption rate: 70% 2050 adoption rate: 100% * Including utilization through renewable energy certificates
Transition Insurance Target	FY2026: 25 billion yen * We have set a target for the direct insurance premiums of insurance products that contribute to decarbonization.

(4) Incentive Schemes Linked to Environmental Targets

To achieve environmental targets, the Sompo Group has established a mechanism linking the incentives of officers and employees with various indicators. Within our executive compensation structure, we have introduced performance-linked compensation consisting of financial performance-linked compensation and strategic performance-linked compensation. For example, from the perspective of addressing climate change issues, the Group CEO's strategic targets include increasing resilience in the P&C business to respond to risks such as natural disasters intensified by climate change. The strategic targets for the Group CSuO are established around executing the "SOMPO Earth Positive Actions" environmental strategy, which covers climate change, and improving corporate value through external ESG evaluations and investor dialogues, with the degree of achievement of these strategic targets linked to executive incentives. Furthermore, responsibility for climate change is also incorporated into the annual performance evaluations of various departments, notably the sustainability department. Incentives for these managers and employees are structured to be linked to KPIs such as greenhouse gas emission reductions, stakeholder engagement, and the achievement of sustainability strategy targets.

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Initiatives to Respect Human Rights

Concept and Policy

Essential Initiatives in Pursuit of SOMPO's Purpose

The Sompo Group has established Integrity, Self-motivation, and Diversity as important values to be shared by all executives and employees under the Purpose of "For a future of health, wellbeing and financial protection."

Throughout our global business activities, the Group is fortunate to have opportunities to collaborate with a diverse range of stakeholders and rights holders. In this context, the Group aims to practice respect for human beings based on these values.

We are confident that promoting actions based on these values together with our stakeholders and rights holders will deepen our initiatives to respect human rights and, ultimately, lead to the realization of SOMPO's Purpose.

Based on this recognition, we aim to promote our "Group Policy for Human Rights" in collaboration not only with all executives and employees but also with partners, including business partners, collaborators and contractors.

To promote understanding of and action toward this policy, our Group carries out a diverse range of education and awareness-raising activities on an ongoing basis and enhances their effectiveness the effectiveness of these efforts through regular evaluation.

- Group Policy for Human Rights
- Group Sustainable Procurement Policy
- Sustainability-related Policy for Underwriting, Investments and Loans

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Respect for Human Rights — Business and Human Rights

Structure Initiatives for Business and Human Rights

Business and Human Rights is a universal "shared value" that all companies should respect and foster. This initiative not only contributes to the realization of a sustainable society but is also indispensable for the sustainable growth of our Group.

The Group believes that all executives and employees must actively address this important issue, as members of society. Therefore as the foundation of respecting human rights, we will always sincerely consider the question, "What kind of treatment do those being respected truly desire?" We will listen to their voices and act accordingly.

Concept and Policy

1. Establishment and Disclosure of Human Rights Policy

Our Group recognizes that all business activities in global marketplace have the potential to cause adverse impacts on human rights. Based on this recognition, we have supported the United Nations Global Compact since 2006 and respect international norms on human rights, including the ILO Declaration on Fundamental Principles and Rights at Work. In addition to respect for these international norms, we also value the Group Policy for Human Rights, which our Group has independently established and is shared by all executives and employees, as an important guideline in all our business activities.

The Group does not tolerate forced labor in any form, human trafficking, child labor, or discrimination and harassment related to employment and occupation (including sexual harassment, power harassment, and customer harassment). In addition to complying with applicable laws and regulations, we respect fundamental human rights, including children's rights (including support for the Children's Rights and Business Principles), women's rights, gender equality, freedom of association and the right to collective bargaining, and safe and healthy working environments.

Furthermore, to establish sound labor practices, we promote the payment of appropriate living wages, the realization equal remuneration for men and women, the avoidance or reduction of overtime and excessive working hours, the setting of maximum working hours, and the taking of annual paid leave, based on our health and productivity management strategy. In cases of dismissal, with a view to ensuring employment stability and protecting the livelihoods of our workers, we comply with relevant laws and regulations, such as the Labor Standards Act*1 and the Labor Contract Act*2, and handle all matters appropriately. These principles and policies serve as the fundamental stance for all executives and employees. At the same time, we actively encourage our business partners, collaborators, and contractors, to understand and adopt similar initiatives, working collaboratively to promote these practices.

For further details on our policies regarding stakeholders' human rights, please refer to the following:

Group Policy for Human Rights

Health and Productivity Management

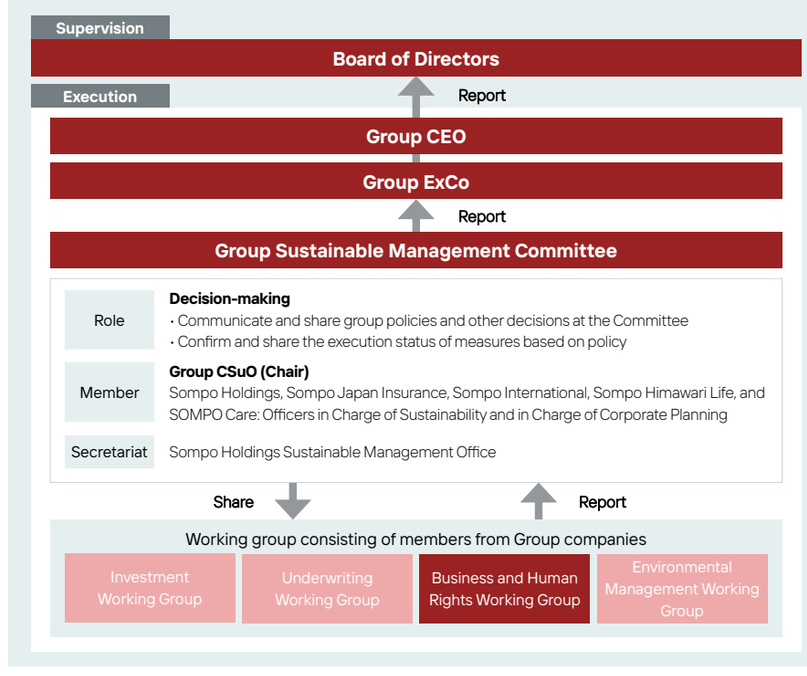
ESG data

*1 Rules regarding dismissal and termination of employment (in Japanese):
https://www.mhlw.go.jp/stf/houdou/2r98520000014uzs-att/2r9852000001dhat.pdf

*2 Decree and rule about employment contract (conclusion of contract, change in the labor condition and dismissal, etc.) (in Japanese):
https://www.mhlw.go.jp/stf/seisakunitsuite/bunya/koyou_roudou/roudoukijun/keiyaku/index.html

Structure Promotion Structure

To promote appropriate sustainability practices, the Group has established a promotion framework centered on the Group Sustainable Management Committee (the "Committee") and is strengthening its initiatives related to business and human rights. Under the Committee, we have established the "Business and Human Rights Working Group (WG)," comprising operational members from each Group company. With the Sustainable Management Office serving as the secretariat, we have built an effective Group-wide promotion framework.



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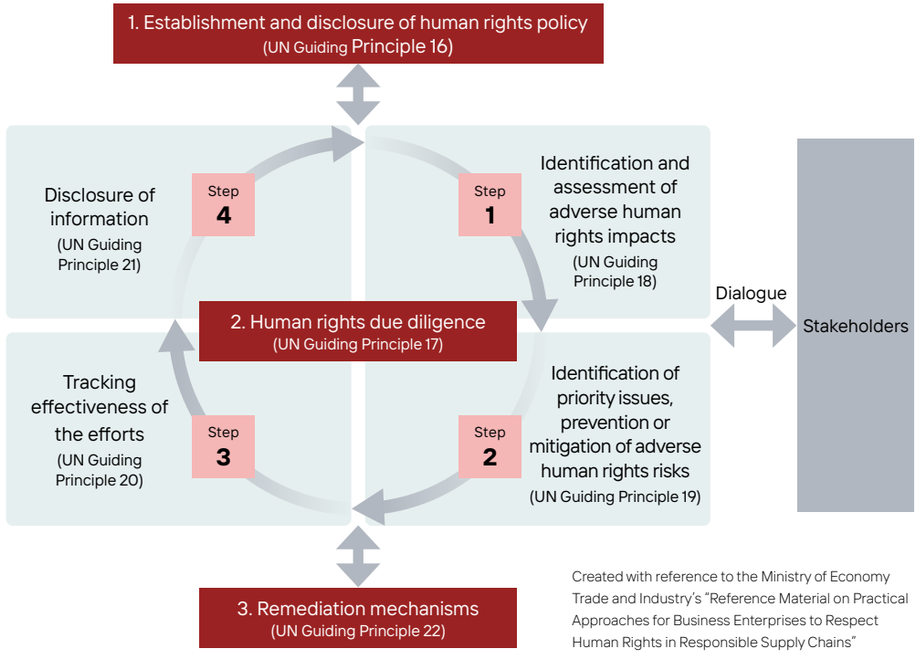
Respect for Human Rights — Business and Human Rights

Structure **Activities and Achievements**

2. Human Rights Due Diligence

In accordance with the UN Guiding Principles on Business and Human Rights, the Group conducts human rights due diligence (human rights DD) on an ongoing basis, covering our own business activities as well as our entire supply chain (including business partners contractors, agents, investee and borrower companies, and insurance underwriting counterparties, etc.).

This global and comprehensive process is, not limited to specific countries or products, and is positioned as a regular annual initiative.



Created with reference to the Ministry of Economy Trade and Industry's "Reference Material on Practical Approaches for Business Enterprises to Respect Human Rights in Responsible Supply Chains"

Human rights roadmap

Starting in FY2025, the Group has embarked on establishing a framework for business and human rights within our organizations. In the first year, we established WGs at 26 Group companies. We conducted a new human rights risk assessment to identify human rights risks and select priority issues based on the business characteristics of each company. In this way, by establishing promotion frameworks at each company, we have created a system for formulating, executing, tracking the effectiveness of, and continuously improving our response measures. The WGs periodically hold opportunities to exchange opinions on each other's initiatives, striving for continuous awareness-raising.

We have formulated a three-year roadmap for our initiatives to respect human rights spanning from FY2025 to FY2027, and will continue to steadily promote these initiatives moving forward.

	FY2025 (current): Establishing and instilling the foundations	FY2026 (medium-term): Expanding the scope and running a pilot	FY2027 and beyond (long-term / target state): Autonomous operation and full establishment
A. Human rights policy	Already formulated based on the Guiding Principles; instilled through training	Consider whether revisions to the human rights policy are necessary	Formulate a new roadmap and consider periodic reviews
B. Human rights DD (Group-wide rollout)	Establish WGs at 26 domestic companies; conduct risk assessment	Expand the WG structure to 28 domestic companies; implement prevention and mitigation measures and monitoring; autonomous PDCA	Ensure the full establishment of autonomous human rights DD operations at each Group company
B. Human rights DD (supply chain)	—	Pilot DD with domestic procurement destinations and external contractors; prepare DD for Sompo Japan Insurance agents/ agencies	Conduct full-scale DD; identify and address all human rights risks
C. Remedy	Hotlines for employees and customers have already been established	Consider establishing a hotline for suppliers, etc.	Continue operating the external reporting system and evaluate its effectiveness
D. Internal environment and framework development	Provide training for Directors and Executive Officers and all employees	Provide ongoing, practical support and promote participation	Expand human rights education in specific domains and consider formulating new operational manuals

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2. Human Rights Due Diligence

Step 1

Identification and Assessment of Adverse Human Rights Impacts (Risk Assessment)

To identify human rights risks, the Group obtains professional expertise from external human rights experts, in addition to conducting surveys based on international guidelines. Furthermore, going beyond desk research, we engage with potentially affected stakeholders in our business operations and supply chains. Through interviews and questionnaire surveys, we directly gather first-hand voices regarding potential human rights issues on the ground and utilize them to improve the accuracy of our risk assessment.

In investment decision-making processes such as M&A transactions, we conduct comprehensive due diligence covering finance, tax, legal, compliance, business, and other areas.

In these DD processes, depending on the characteristics and requirements of each transaction, we also identify and assess related risks, including ESG and human rights risks, and utilize these findings for investment decisions and post-acquisition risk management.

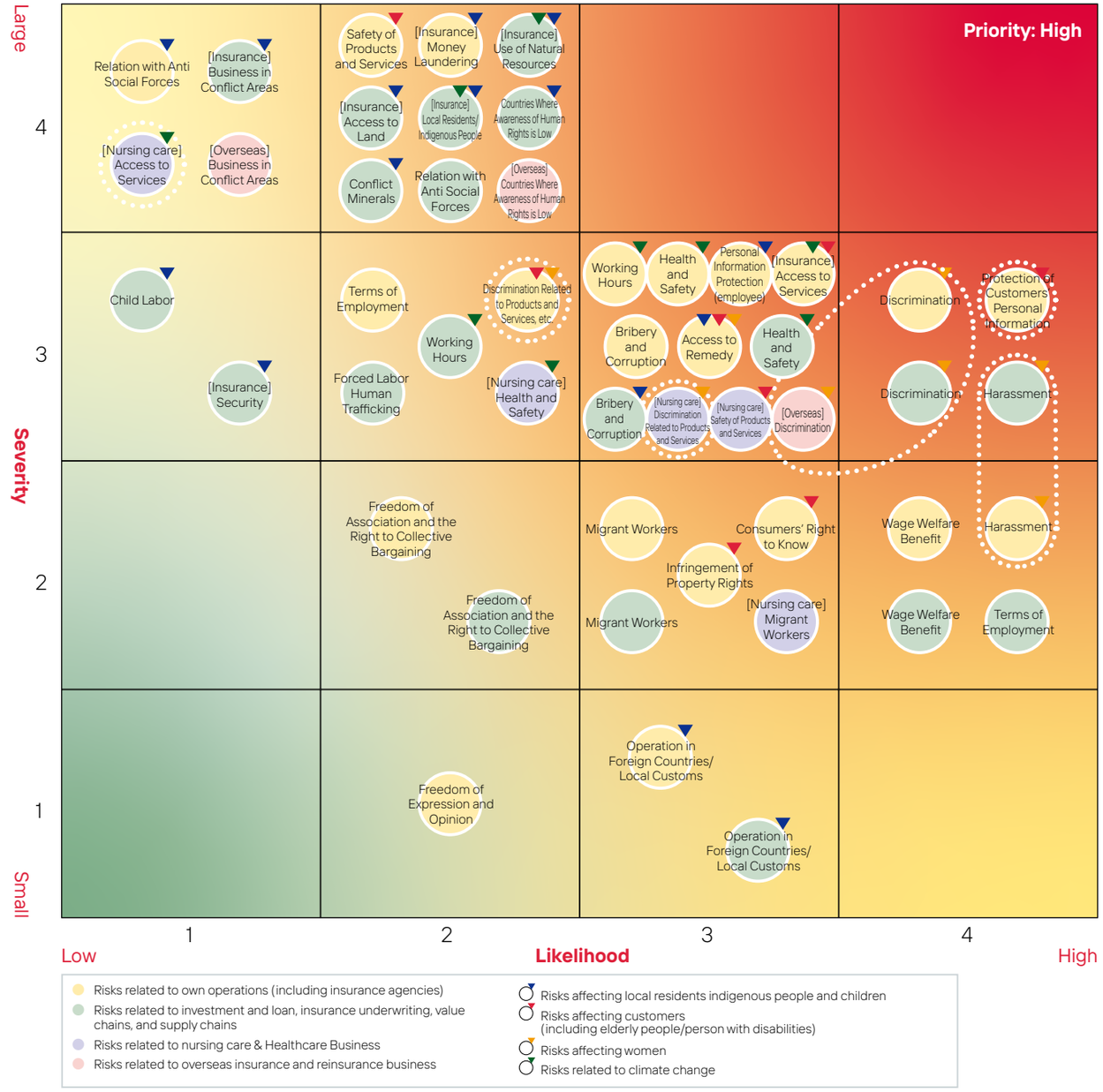
Human rights risk map for FY2025

Based on the assessment results, we create and update a "human rights risk map" once a year.

In this map, we evaluate identified risks on two-axis matrix of "severity*1" and "likelihood of occurrence*2". At the same time, we analyze these risks from multiple perspectives, considering the Group's relationship to each risk (whether solely or collectively) and our degree of involvement (whether we cause, contribute to, or are directly linked to the impact), to organize and determine priority issues to be addressed.

*1 Evaluated based on scale (gravity of the adverse human rights impact), scope (range of the adverse impact), and irremediability (difficulty of restoring affected individuals to their original state prior to the impact).

*2 Evaluated based on the likelihood (frequency) of the risk actually occurring, specifically on a scale of approximately once every n years."



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2. Human Rights Due Diligence

Steps 2 and 3 Identification of Priority Issues; Measures to Prevent and Mitigate Adverse Impacts; and Tracking of Implementation Status and Results (Monitoring)

The Group promotes specific initiatives to prevent and mitigate adverse impacts on the priority issues identified through our human rights risk assessments. We also assess the effectiveness of these initiatives through ongoing monitoring and strive for continuous improvement.

In FY2025, we newly designated Access to Services as a priority issue. This encompasses risks that could infringe upon customers' right to access services due to business suspension or stagnation caused by extreme weather events driven by climate change, earthquakes, pandemics, system failures, or labor shortages.

Priority issues and prevention or mitigation initiative

Customers	Employees	Employees in the supply chain	Priority issues	Main initiatives and progress
	●	●	Harassment	[Education and training] ・We continuously conduct e-learning and compliance training for all employees to raise awareness. ・In FY2025, we conducted harassment prevention training for management-level employees multiple times to ensure the cultivation of a healthy workplace environment. [Supply chain] ・We have incorporated human rights and occupational safety and health criteria into our contractor selection process, building a framework that ensures respect for human rights throughout our supply chain.
	●	●	Discrimination in the Workplace	[Education and training] ・We continuously provide all employees with training on the Group Compliance Code of Conduct, as well as training on sustainability and human rights. ・We regularly conduct training for recruitment interviewers and equip them with an interviewer guide to ensure fair and impartial recruitment and selection. [Systems and framework development] ・We have established and operate internal regulations that treat same-sex partners on an equal basis with a spouse, thereby fostering a workplace environment that accommodates diverse family structures.
●			Leakage of Customers' Personal Information or Infringement of Privacy	[Education and training] ・Through training, we ensure that the awareness that information leakage can lead to serious human rights violations (infringement of privacy) is fully embedded among all employees. [Systems and framework development] ・We continuously strengthen our information security management framework and take thorough preventive measures against recurrence, including stricter contractor management.
●			Access to Services (nursing care: ensuring continuity of assistance provision)	[Strengthening BCP (Business Continuity Plan)] ・We regularly conduct Group-wide BCP drills based on scenarios such as a Nankai Trough earthquake, as well as disaster preparedness drills at each nursing care facility. ・To ensure the continuity of service provision even during emergencies, we are systematically advancing efforts to reinforce alternative functions, supplies, and infrastructure, aiming to improve our business continuity capabilities.
●			Discrimination Related to Products and Services	[Education and training] ・In our nursing care business, we regularly conduct training aimed at instilling our management philosophy of "Respect for Human Rights" as well as staff training on accident and abuse prevention. [Ensuring accessibility] ・We establish and maintain systems so that everyone can smoothly use our services, regardless of nationality or disability. For those who find it difficult to complete procedures independently, we provide support tailored to individual circumstances, including guidance on having a representative complete procedures on their behalf. [Supply chain] ・We incorporate criteria related to "health and productivity management" and "occupational health and safety" into our contractor selection process, promoting human rights considerations throughout our supply chain.

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2. Human Rights Due Diligence

Steps 2 and 3 Identification of Priority Issues; Measures to Prevent and Mitigate Adverse Impacts; and Tracking of Implementation Status and Results (Monitoring)

FY2025 Business and Human Rights WG Activities and Employee Awareness Improvement

To embed business and human rights initiatives across all Group companies, we continuously conduct study sessions and training tailored to different organizational levels. In our WG activities for FY2025, we prioritized "building a framework for implementing human rights DD" and "enhancing knowledge across the Group" for our members.

■Shift in participant mindsets and tangible outcomes

The greatest achievement of our FY2025 activities was the "transformation of mindset" among participants. Through the WGs, the recognition has taken root that addressing human rights is not merely about regulatory compliance, but is a key strategy for enhancing corporate value, creating business opportunities, and protecting corporate reputation.

In particular, the study sessions with invited external experts (Sessions 1 and 2) provided valuable opportunities to deepen understanding of international trends and the perspective of rights holders. This led to concrete behavioral changes, with approximately 60% of participants reaching a level of "being able to take action on their own." Furthermore, the learning within the WGs has developed into concrete actions across the entire organization, such as reflecting these insights into each company's human rights risk assessment and conducting independent internal training.

■Practical learning in the WGs and future outlook

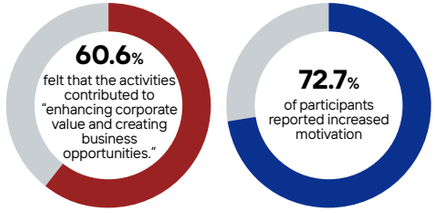
In the third WG session, we conducted small-group discussions and shared best practices on highly requested topics, including "how to conduct risk assessments" and "embedding human rights awareness internally," thereby fostering opportunities for Group-wide collaborative problem-solving.

The activities in FY2025 served as a solid foundation for advancing from acquiring foundational knowledge to proactive, independent implementation in each company. In the post-session survey, we received many practical and forward-looking comments indicating a commitment to securing management buy-in and embedding awareness throughout the organization, such as, 'I want to utilize this when briefing our management' and 'It helped us identify potential human rights risks within our business.'

<Activities>

Session	Contents
1 2	Study Sessions featuring External Experts. Themes: ・Understanding global trends and the fundamental principles of business and human rights ・Learning the perspectives of rights holders and stakeholders to internalize these concepts
3	Group discussion ・Conducting human rights risk assessments ・Embedding awareness through training ・Establishing internal frameworks
4	Annual review and the formulation and sharing of the next fiscal year's plan

Changes in participants' awareness and motivation



"What participants can now do" through the WG



Comments from participants

- We shared and exchanged opinions with other members of the senior management team at internal meetings, and also reported and shared these updates with the Executive Committee and Board of Directors.
- We successfully provided foundational knowledge training to all Directors, Executive Officers, and employees.
- In our internal human rights DD and risk assessment processes, we ensured active involvement not only by managers but also by staff in charge.
- We are considering revising our HR system and intend to incorporate respect for human rights as a fundamental prerequisite.

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2. Human Rights Due Diligence

Steps 2 and 3 Identification of Priority Issues; Measures to Prevent and Mitigate Adverse Impacts; and Tracking of Implementation Status and Results (Monitoring)

・Human rights awareness training for all executives and employees

With the aim of deepening mutual understanding among employees based on respect for human rights and creating a supportive, rewarding, and vibrant workplace, we conduct "Sustainability and Human Rights Training" (including e-learning) for all employees every year.

In this training, while promoting awareness of the Group Policy for Human Rights and continuously learning about the outline of Business and Human Rights, participants also study a wide range of human rights issues that reflect contemporary social concerns.

・Study session for all Group executives

In addition to human rights awareness training for all employees, we conducted a study session for Directors and Executive Officers, inviting an external attorney as a guest speaker. The session aimed to deepen understanding and proactive implementation at the management level. We reaffirmed "why SOMPO needs human rights initiatives to respect human rights now," and, in light of global sustainability trends and the current landscape of Japanese companies, deepened discussions on the specific responses and roles required of Directors and Executive Officers.

・Leakage of customers' personal information or infringement of privacy

We recognize that the leakage of customers' personal information or the infringement of their privacy is an issue of extremely high priority from both human rights and compliance perspectives. To improve the knowledge and awareness of employees and the organization as a whole, we conduct regular mandatory training.

In this training, we classify potential accident types and strive to enhance knowledge and awareness through both self-study and organizational learning. Furthermore, in the unlikely event of an information leakage incident, we respond based on specific rules that define a clear, sequential process—from the initial response flow to the formulation of preventive measures and confirming that they are fully embedded across the organization.

For further details, please refer to the Protection of Personal Information (p.27).

・Establishment of customer harassment response system

It is essential to create a workplace environment in which employees can work in a safe and healthy manner, both mentally and physically, and to protect each and every employee from acts that may be considered customer-initiated harassment to ensure the continued provision of high-quality services to our customers. Each group company is provided with materials on how to respond to customer harassment, with reference to the Manual on Customer Harassment Prevention for Corporations published by the Ministry of Health, Labour and Welfare in Japan.

One example of this is that Sompo Japan Insurance has been promoting efforts such as publicizing its Policy on Customer Harassment, providing education and training for employees, and establishing a consultation and reporting system for employees.

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・Initiatives for deterrence and prevention of harassment incidents

In order to build a sound work environment free from harassment, the Group positions the deterrence and prevention of harassment incidents as an important management issue. To achieve this, we have set the year-on-year reduction in the number of harassment incidents recognized as a key KPI and are prioritizing the initiatives below to strengthen prevention and appropriate responses when incidents occur.

1)Through the "Group Common Competencies," which were formulated in November 2024 based on SOMPO's Values (Integrity, Self-motivation, and Diversity), we encourage behaviors such as recognizing others with respect, active listening, and constructive dialogue. By integrating these perspectives into our evaluation system and promoting daily behavioral change, we seek to foster a corporate culture that prevents harassment.

For further details, please refer to the Key Initiatives in Our Human Capital Value Creation Story (Integrated Report Main Section / p.58).

2) Based on the revised standards for appointing Directors and Executive Officers and for promoting employees to management positions, we are thoroughly ensuring that we do not appoint employees who were involved in past harassment incidents or who are considered to pose harassment-related risks.

3) In the Guidance on the Compliance Code of Conduct, an explanatory guide to the Sompo Group Compliance Code of Conduct, we present zero tolerance for all forms of harassment as a behavioral standard and clearly identify consultation channels for employees who become aware of concerns or issues, with the aim of fostering an environment in which employees feel comfortable seeking advice.

For further details, please refer to Sompo Group Compliance System.

4) We have revised our disciplinary rules to clarify what types of misconduct may result in disciplinary action and the level of disciplinary action that may be taken. This is intended to raise employee awareness of appropriate conduct. We have also introduced a new Group-wide process for determining disciplinary action. By clarifying the standards and the factors considered in determining the severity of disciplinary action, we aim to promote consistency in decision-making and enhance transparency.

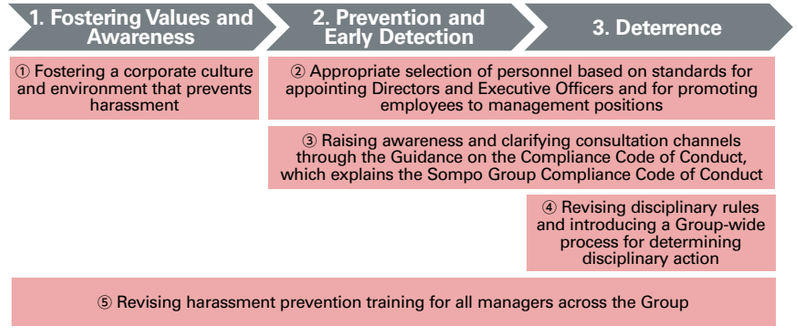
5) We have revised our harassment prevention training for all managers across the Group. The training incorporates case-study videos based on actual incidents within the Group, presenting both the perpetrator's and the victim's perspectives. Through discussions, the training is designed to enhance awareness of harassment risks and encourage participants to reflect on their own behavior and make necessary changes.

The training also uses specific examples to clarify the distinction between appropriate guidance and harassment, helping managers carry out their responsibilities with confidence without becoming overly cautious. In the post-training survey, 98% of participants responded that the training helped them view harassment as an issue relevant to themselves.



Harassment prevention training

Initiatives to Deter and Prevent Harassment (Overview)



Through these initiatives, we have observed increased employee awareness of human rights and a stronger sense of responsibility for creating a healthy workplace, as reflected in an increase in early-stage consultations and reports from third parties. In FY2025, 23 harassment incidents were substantiated across the Group, representing a decrease of 10 cases from the previous fiscal year. Where incidents occurred, we took appropriate measures, such as disciplinary actions, based on the circumstances of each case.

We will continue to strengthen our efforts to prevent and eliminate harassment.

・Excessive working hours

In the FY2025 risk assessment, we also identified the risk of "long working hours for employees and workers in the supply chain." All organizations affected are developing and implementing measures to mitigate the risk of long working hours.

For further details, please refer to the Measures to prevent overwork and support mental health (p.85).

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・Migrant workers—Coexistence with diverse talent and respect for human rights

Sompo Care is promoting the development of an environment where diverse talent can thrive regardless of nationality, in order to help resolve the social issue of the supply-demand gap in Japan's nursing care workforce.

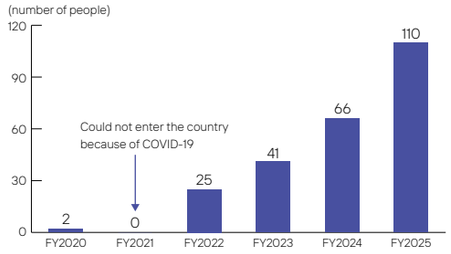
In light of this, to ensure that overseas personnel are able to work and grow with confidence, we provide an initial orientation program (a 16-day group training) and first-year training after arrival in Japan. These programs aim to foster mutual understanding of cultures and customs, while preventing discrimination and harassment. In addition to improving job-related skills, the training also offers practical support for daily life in Japan, such as guidance on using public transportation and navigation apps.

Following assignment to a workplace, we continue to provide on-the-job and follow-up training, along with ongoing support for Japanese language learning and professional certification. Through these efforts, we are building a work environment where overseas personnel can enhance their expertise, and where individuals with diverse backgrounds can grow together.

Comments from participants

- I was able to learn about Japanese culture in addition to Japanese nursing care skills. I would like to use this to communicate smoothly in the workplace.
- Teamwork is essential to achieving goals. I learned the importance of respecting each other's opinions and working together.
- I learned to understand the feelings of users, treat them kindly with a smile, and support their independence by encouraging them to do what they can on their own.
- For the safety and security of users, we must never resort to physical restraints or abuse. We should always put ourselves in the users' position.

Number of foreign employees accepted





Initial orientation program

Column

Co-creating value through a partnership in India



Through a partnership with the Indian government-affiliated organization NSDCI, SOMPO Care is working to develop caregiving talent and support their integration into Japan. This long-term collaboration launched in August 2024 aims to address Japan's shortage of care workers while creating new career opportunities in India.

The program combines Japanese-language education by NSDCI and practical training in caregiving, leveraging SOMPO Care's experience in Japan. After training, participants will be assigned to Sompo Care facilities as Specified Skilled Workers. (As of March 2026, a cumulative total of 43 people have completed this program and are working at Sompo Care.)

Through this initiative, going forward, we will create a sustainable cycle of value in which job-ready talent not only remains active in Japan over the long term, but also, after learning advanced nursing care techniques and gaining experience in Japan, contributes to the development of the nursing care industry in their home countries.

For "creating an environment where overseas talent can work with peace of mind (acceptance framework and training environment)," please refer to Empowering International Staff and Building a Diverse and Inclusive Workplace (p.75).

Step 4 Disclosure of information

In accordance with the Group Policy for Human Rights, we actively disclose and report on the progress of our initiatives to address adverse impacts on human rights, through our official website and sustainability report, and also publish our statement on the UK Modern Slavery Act. We place great value on two-way communication with stakeholders through these disclosures, reflecting the feedback received in human rights impact assessments, reviews of various processes, and the continuous improvements of our framework.

- Integrated Annual Report
- Our Response to the UK Modern Slavery Act
- Modern Slavery Act Policy and Statement

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3. Remediation Mechanisms

Basic policy and commitment to remedy

The Group is deeply aware that our business activities have the potential to cause adverse impacts on human rights. Mitigating these adverse impacts and providing an appropriate remedy are essential elements for us to fulfill our responsibility to respect human rights.

To fulfill this responsibility, in addition to our existing whistleblowing system, we have established and maintained a framework to broadly accept complaints, consultations, and opinions related to human rights from a diverse range of stakeholders and rights holders. Through this framework, we aim for early detection and swift resolution of human rights violations, provide an appropriate remedy to victims, and ensure that insights gained are integrated into robust measures to prevent recurrence.

Protection of persons making reports or seeking consultation and strict privacy safeguards

In receiving reports and consultations, we strictly ensure anonymity and take the utmost care in handling personal information and consultation details. We thoroughly protect those who make reports or seek consultation, as well as all stakeholders, to ensure that they are not subjected to retaliation or any other adverse treatment for doing so.

Going forward, we will continue to improve accessibility to our remedy channels, enhance internal awareness of the whistleblowing system, and continuously work to strengthen the expertise of the personnel in charge of the consultation desks. Furthermore, to build a more effective grievance mechanism, we will engage in respectful and constructive dialogue with relevant stakeholders and work to make continuous improvements.

Receiving and responding to opinions and complaints (voice of customers)

Sompo Japan Insurance considers expressions of dissatisfaction from customers regarding its overall business to be complaints. We handle all complaints received from customers seriously, addressing them through a fair and highly transparent process. By aggregating and analyzing the trends and details of these complaints, we use the findings to identify and prevent adverse impacts on human rights and prevent their recurrence. In addition, we will promote continuous improvements to our operations, products, and services.

System to Utilize Voice of Customer (VOC) in Management (in Japanese)

Complaints Received (in Japanese)

Reporting and consultation system for employees and corrective measures

In order to build a comfortable workplace environment, the Group strives to quickly identify information related to problematic conduct in the workplace, including harassment, bullying, and abusive behavior. As part of this effort, in addition to a reporting and consultation hotline for compliance in general, we have established a human rights consultation hotline and accept individual consultations by phone and email.

If any of the reports or consultations received raise concerns or problems that are suspected to be in violation of laws and regulations, internal rules, or the spirit of the Sompo Group Compliance Code of Conduct, the Company will conduct an investigation in a strict and fair manner.

If misconduct is confirmed, we will implement corrective measures, such as disciplinary action, against the violators based on the standards and requirements stipulated in employment contracts and the Rules of Employment.

Whistle-blowing and Consultation System

Sompo Group Compliance System

Human rights consultations from outside the company

As an important channel for receiving opinions and consultations on human rights from a diverse range of external stakeholders—including the Group's direct business partners and suppliers throughout our supply chain—we have permanently established an "Inquiry Form" on our official website.

Our specialized and relevant internal departments take all submissions seriously and handle them appropriately. The learnings and insights gained through this process are reflected in the formulation of preventive measures against recurrence and in the continuous improvement of our overall business activities.

This consultation channel also supports English-language inquiries, accommodating consultations from overseas. Considering the official languages of our key operating regions, we have established and maintained a framework that ensures accessibility for the vast majority of our stakeholders.

Other inquiries to Sompo Holdings

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3. Remediation Mechanisms

Activities and Achievements

Dialogue with Stakeholders

To further deepen initiatives to respect human rights, the Group places importance on dialogue with a diverse range of stakeholders, including Group companies. Through dialogue, we deepen our understanding of the mutual impacts between human rights issues and business activities, as well as adverse impacts, reflecting the insights gained in initiatives of each Group company.

Dialogue with Group companies

As the Secretariat of the Business and Human Rights WG, we identify specific needs through direct dialogue with each Group company and provide support for human rights risk assessments and framework development. In addition, within the WG, we promote the following activities to enhance knowledge across the Group and raise the overall level of initiatives.

- Study sessions to enhance knowledge: regularly providing a forum to learn about the latest trends and expert knowledge related to "Business and Human Rights"
- Sharing good practices and discussions: sharing exemplary cases from each company and promoting their adoption across the Group
- Conducting status surveys: visualizing the progress of initiatives at each company through regular surveys and using the results to refine our operations and support

Human rights considerations in advertising placements

In dialogue with external experts (attorneys, etc.), we received advice that, regarding the decision-making processes for our advertising activities, "ensuring transparency that allows us to explain the basis for our judgments to stakeholders" is essential.

In addition, in dialogue with media companies, we were advised that it is extremely important not to stop at a superficial or checklist-based approach, but to address the following points:

- Clarifying the purpose of the dialogue and devising appropriate methods to disclose the information obtained.
- Systematically establishing principle-based internal rules rather than relying solely on ad-hoc, case-by-case responses.

Taking these recommendations and insights seriously, we will further enhance our initiatives to respect human rights in advertising activities by building transparent decision-making processes, strengthening dialogue with media companies, and referencing international best practices.

Integrated initiatives on climate change and human rights

We engaged in meaningful dialogues with external experts regarding the impacts of climate change on human rights, the importance of integrating environmental and human rights initiatives, and effective information disclosure. Through this dialogue, we gained multifaceted insights that will contribute to our future tangible initiatives, such as the potential for business collaborations that simultaneously mitigate environmental impacts and support vulnerable populations.

Furthermore, we held in-depth discussions on further deepening human rights considerations in our nursing care business and the importance of comprehensively re-evaluating our existing products and services from both human rights and environmental perspectives, strengthening our commitment toward the realization of a sustainable society.

Through this series of dialogues, the Group has once again deeply recognized the necessity of embedding respect for human rights into the foundation of all business activities, and we will proceed with integrating this perspective into our operations.

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Human Capital Strategy — Inclusion & Engagement

Concept and Policy

The Sompo Group's Inclusion & Engagement Vision

We promote Inclusion & Engagement as a key initiative essential to the Group's growth. The employee perspective is to foster a corporate culture that respects individual differences, encourages dialogue, and increases employee pride and job satisfaction, thereby supporting their growth. The company's perspective is to encourage diverse individuals to play an active role in better decision-making, thereby improving value creation and resilience. The social perspective aims to create a workplace and a society in which all people can play an active role with confidence.

To embody the SOMPO's Purpose — a future of health, wellbeing and financial protection — we will respect the values of every person, regardless of gender, disability, nationality, or age. We will engage in dialogue and make the most of our talents and strengths. We will stay ahead of change to create new value. In this way, we will put true Inclusion & Engagement into practice.

Activities and Achievements

Initiatives to Promote Inclusion & Engagement

Close the Gender Gap

We implement training programs and workshops aimed at enhancing skills and abilities and raising awareness to promote self-directed career development in each company and across the Group. In this way, we create an environment and culture that supports women's career advancement.

Sompo Japan Insurance

SJI* Mentor Program and Women's Leadership Council

Sompo Japan Insurance is proactively implementing its own initiatives to accelerate the development and active participation of female leaders to close the gender gap.

The core measure is the "SJI Mentor Program," which aims to improve the experience of female employees. This program comprises two tiers, "Next," where executive officers serve as mentors, and "Future," where department and branch heads serve as mentors, and it aims to provide personalized support catering to the career stage of the development target (mentee). A key feature is the incorporation of the "sponsorship" element, which goes beyond offering advice from mentors to also providing opportunities for career development. Mentors also collaborate with the mentees' direct supervisors to build a system that supports their growth across the entire organization. Many positive comments have been received from participating mentees, including "I was able to take on experiences that enhanced my abilities" and "My career path became clearer, and I want to join in again."

The "Women's Leadership Council" was also established in May 2025, primarily comprising participants in this mentor program.

This council serves as a practical forum where female leaders themselves examine and discuss the obstacles they perceive in their daily work, focusing on "ease of work" and "job satisfaction," and develop recommendations for management teams. Through discussions held at the council, a booklet titled "The Reality of the New Female Leader," compiling the rewards of being a leader, effective support from superiors, and insights gained through career development, was also published. This booklet is utilized for company-wide human resource development and organizational culture reform, including support for female employees aiming for career advancement and workplace development.



* SJI is an abbreviation of Sompo Japan Insurance.

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Human Capital Strategy — Inclusion & Engagement

Initiatives to foster female students in science and engineering fields

We participate in the Girls Meet STEM Project launched by the Yamada Shintaro D&I Foundation, with the aim of eliminating gender gaps in the fields of science, technology, engineering, and mathematics (STEM).

As part of the Girls Meet STEM Project, the Sompo Group participated in Girls Meet STEM Career, an initiative aimed at sparking interest among female junior high and high school students in STEM fields through conversations with women working in STEM fields and through workplace experience. In 2025, we held an online roundtable discussion for female junior high and high school students.

Empowering Diverse Human Resources —Persons with Disabilities—

The Group is aiming to provide stable opportunities for persons with disabilities to demonstrate their abilities and achieve self-fulfillment in their professional lives, while also advancing Inclusion & Engagement through their active participation. As a result of these efforts, the employment rate of persons with disabilities was 2.69% (statutory requirement 2.5%) as of April 1, 2026.

* We use the notation "persons with disabilities," based on the "social model of disability."

Special subsidiary* Sompo Challenged, Inc.

In April 2018, we established a special subsidiary, Sompo Challenged, to promote stable employment and active participation of people with disabilities across the Group and to create an environment where people with disabilities can actively work. Since December 2023, our company and Sompo Challenged have taken the lead in supporting the recruitment and retention of persons with disabilities across Group companies, further promoting their employment and active participation. In FY2025, we implemented various support measures for Group companies, including training. One example of this is where we held training for six Group companies, including an office tour of Sompo Challenged, targeting Group company presidents and human resources officers. (Number of employees at Sompo Challenged: 302 (of which 208 are employees with disabilities) *As of April 2026)

* A special subsidiary is a company that pays special attention to the employment of people with disabilities and must meet the requirements specified in the Employment Promotion of People with Disabilities Act and be certified by the Japanese Minister of Health, Labour and Welfare.

Sompo Japan Insurance

Initiatives to Support the Active Participation of Persons with Disabilities and Customer Support

Sompo Japan Insurance has built an environment where employees with disabilities are able to consult about their concerns, challenges, and needs for new aspirations, providing comprehensive support. Specifically, we provide manuals for management-level staff and have established a system with 83 disability vocational life consultants nationwide (as of May 2026).

In December 2025, we introduced the "YY Prove" on company-provided smartphones for employees with hearing impairments. We are boosting the development of an information accessibility environment by providing real-time captioning of conversations during meetings and other occasions. Our internal Employee Resource Groups (ERGs) also allow employees with disabilities and their colleagues to gather, voluntarily working to solve internal challenges and organizing events aimed at understanding disabilities.

For customers, we offer a sign language interpretation service at the Accident Support Center, available for use by customers with hearing or speech impairments when reporting an accident. In addition to "Online and LINE reporting" and "FAX reporting," we also offer an accident reporting method via video call in collaboration with a sign language interpretation service provider. In addition to sign language, the video call enables communication through written notes and text chat, providing support for a variety of needs.

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Human Capital Strategy — Inclusion & Engagement

Support for Balancing Work with Childcare and Caregiving

Holding "SOMPO Nursing Care Month"

In conjunction with "Nursing Care Day" on November 11, the Group held "SOMPO Nursing Care Month" as a time for considering solutions to the "challenges of nursing care." During this period, we held a variety of events, including seminars by persons with dementia and their families, lectures on the latest measures for dementia, the provision of special meals at nursing care facilities, the provision of unique menus at "SOMPO-style children's cafeterias," and the publication of a group-wide joint internal newsletter.



Introduction of "Wellbio Biz"

Against the backdrop of a declining birthrate and an aging population, employee turnover due to nursing care is a significant management issue for companies. From FY2025, the Sompo Group began rolling out "Wellbio Biz," a service supporting the balance between work and nursing care provided by SOMPO Wellbeing, to some Group companies.

Through comprehensive support, including providing information, running seminars, and holding individual consultation services supervised by nursing care professionals, we are seeking to achieve a workplace environment where all employees balancing nursing care and work can thrive in their own way.

Childcare Evolution Package for Everyone

Sompo Japan Insurance

Sompo Japan Insurance is providing the "Childcare Evolution Package for Everyone," which compiles our original training and tools for all employees. This initiative aims to build an environment where employees are able to develop their own careers and grow by promoting "Ikuji" (self-development through childcare), enabling them to "grow oneself" through childcare. We also widely solicit examples from within the company of ingenuity in childcare participation and cases that led to personal growth, which are showcased as "My Childcare x Ikuji Episodes." This collection of episodes is used as a reference for employees to learn about diverse models, thereby promoting the balance between childcare and work in their own way, and fostering an inclusive workplace where diversity is transformed into strength.

Sompo Himawari Life Insurance

Grandchild/Nephew & Niece Childcare Leave and Himawari Childcare Leave Support System

In FY2023, Sompo Himawari Life Insurance introduced "Grandchild/Nephew & Niece Childcare Leave," which allows employees to take up to seven days off upon the birth of a grandchild, nephew, niece, or younger sibling, promoting childcare participation regardless of gender or age. In FY2024, the company also newly established the "Himawari Childcare Leave Support System," which provides a catalogue gift to employees who take childcare-related leave for a certain period and return to work, encouraging the use of leave and supporting a smooth return to work. These initiatives are aimed at expanding the scope of childcare participation and fostering an organizational culture that supports the entire workplace.

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Human Capital Strategy — Inclusion & Engagement

Inclusion of Diverse Talent

Holding "SOMPO START DAY 2026" (Group Joint Entrance Ceremony)

We held "SOMPO START DAY 2026," where approximately 900 new employees from domestic Group companies gathered. In addition to a variety of experiential content, we held talk sessions featuring senior employees working in the SOMPO P&C and SOMPO Wellbeing domains.

Through dialogue that transcended business boundaries, the event provided an opportunity for new employees to experience the scale of our Group and the breadth of diverse career paths. By aligning their own 'My Purpose' with SOMPO's Purpose, they renewed their motivation for autonomous growth. We will foster an inclusive organizational culture that respects diverse personalities and generates synergy, thereby contributing to a sustainable society and developing human resources who will spearhead transformation.



Promotion of mid-career recruitment and strengthening of onboarding

The fusion of diverse values and expertise is essential for sustainable growth and the innovation of an organization. Our Group is strengthening mid-career recruitment. In FY2025, 68 employees joined our company and 264 joined Sompo Japan Insurance through mid-career recruitment. To support the rapid success of new hires, we distribute handbooks to both the new hires themselves and their receiving departments, and hold "Group-Wide Networking Events" (held twice in the same fiscal year, with 74 participants) aimed at deepening connections between new employees. At Sompo Japan Insurance, initiation ceremonies for mid-career hires are held every month. These measures encourage organizational retention and business understanding, promoting the creation of an environment where the expertise of each employee leads to new value creation.

Holding "SOMPO Inclusion & Engagement Days"

From October 2025 to February 2026, we held an Inclusion & Engagement promotion event across the entire domestic Group to further implement Inclusion & Engagement across the entire Group. Now in its fourth year, to enable more officers and employees to participate, this event evolved from the previously held one-week intensive "SOMPO Inclusion & Engagement Week" to "SOMPO Inclusion & Engagement Days," where events were held continuously over a six-month period. A total of approximately 2,000 officers and employees participated across the Group.

During "SOMPO Inclusion & Engagement Days," we held events periodically, including lectures by external experts, collaborative events with external parties, and presentations by employees on their initiatives. This provided a valuable opportunity for each and every officer and employee of our Group to once again consider Inclusion & Engagement as their own personal matter.



Sompo Care

Empowering International Staff and Building a Diverse and Inclusive Workplace

At Sompo Care, diverse international staff actively contribute to our nursing care services. To ensure international staff feel secure and maximize their potential in Japan, we have established a comprehensive support framework spanning from pre-employment to post-assignment. (* For the collaboration scheme with Indian government agencies, please refer to the Respect for Human Rights — Business and Human Rights (p.69).

Specifically, our pre-arrival training program in India, which spans approximately nine months, includes practical instruction in a dedicated facility equipped with care beds and bathroom fixtures. Trainees acquire knowledge and skills in Japanese-style nursing care as well as cross-cultural communication before joining the company. Simultaneously, we provide host facilities in Japan with thorough advance guidance regarding the framework for accepting international staff and fostering intercultural understanding. We also distribute on-site support tools to raise awareness and facilitate smooth integration among facility staff in Japan.



Going forward, we will continue to practice "Team Care" (our team-based care approach)—fostering mutual learning that transcends linguistic and cultural differences—and remain committed to creating a diverse and inclusive workplace where all employees can realize their full potential with confidence.

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Personnel Systems Supporting Employee Engagement

Balancing work and private life is a common theme for all employees, regardless of gender or age. To enable employees to work enthusiastically, find job satisfaction, and continue working for a long time, an employee-friendly workplace needs to be created according to their respective circumstances and to realize diverse work styles. Therefore, it is necessary to embody a variety of work styles to accommodate each individual's situation.

The Group is working to create an environment that supports a healthier work-life balance. Here are some examples introduced at major Group companies, such as Sompo Japan Insurance.

Career transfer program

We have a system in place that allows employees whose roles do not typically involve relocation to continue working by changing their work location, if they are required to relocate for unavoidable reasons, such as a spouse's relocation, provided they meet certain requirements.

Support systems for pregnancy, childbirth, and childcare

We have the following systems in place to support a healthier work-life balance: maternity leave before and after childbirth, paternity leave, childcare leave, and shorter work hours for childcare.

The childcare leave schemes allow employees to take leave until the child reaches 25 months of age. Under such schemes, the leave of seven consecutive days is categorized as "short-term childcare leave." This paid leave is available regardless of gender. The shorter work hours for childcare system offers multiple working hour arrangements until the child completes third grade.

We have also introduced an "Hourly Special Leave System" (paid), which can also be used for breaks during working hours for breastfeeding, pumping milk, and childcare, as well as a "Subsidy for Childcare Expenses" for children under the age of 2, supporting work-life balance from both an economic and time perspective.

If there are unavoidable circumstances due to the child's illness or disability and the company deems it necessary, the employee may work shorter hours until the child reaches 18 years of age. We have systems in place that make it easy for all genders to take parental leave and balance work and childcare.

We actively recommend that male employees take at least one month of childcare leave. To further promote support for balancing work and childcare, and the uptake of childcare leave by male employees, we have been holding training sessions for all relevant parties and management throughout the Group from FY2023, called the "Childcare Leave Forum."

Caregiver support system

"Nursing care" is considered one of the social issues in the era of the 100-year life, and even for our employees, nursing care for themselves or their family members is becoming a familiar issue. To help employees achieve a better balance between work and caregiving more securely, we are expanding various systems. We promote the use of the caregiving leave system (up to a total of 365 days), the caregiving holiday system, the caregiving shift work system, and the caregiving shorter work hours system. We create a better work environment for all our employees by holding workshops to support a healthier work-life balance. We provide a manual to help employees strike a balance between work and caregiving and promote understanding among supervisors and colleagues.

Related KPIs and Achievement

Please refer to the KPIs for the Group Human Resource Strategy (Integrated Report Main Section / p.62).

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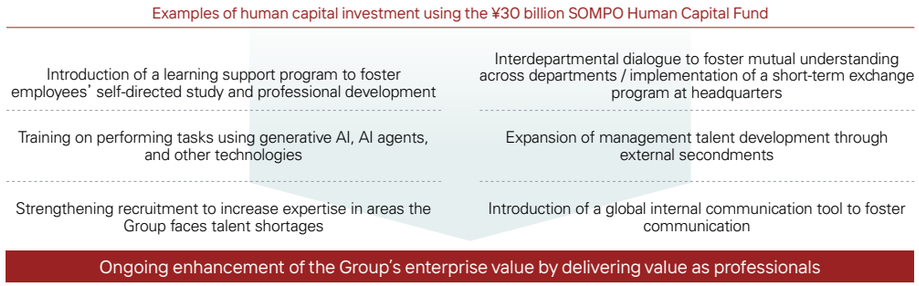
Human Capital Strategy – Talent Development

Concept and Policy Human Capital Investment across the Group

Expanding Human Capital Investment across the Group

As a form of growth investment in human capital, one of the most vital components of capital that drives the growth of the Group, we have established a ¥30 billion SOMPO Human Capital Fund, seeking to expand human capital investment (including talent development and recruitment) across the Group. Examples of our initiatives include management training to hone skills in the use of generative AI and AI agents, introduction of a learning support program to foster the self-directed learning and enhanced expertise of employees, and the rollout of SOMPO Learning Hub, a Group-wide learning platform. By actively moving forward with investment in human capital with the aim of enabling individual employees in each field and business to take initiative in raising the level of their skills and expertise, we will build the talent portfolio necessary to execute the Group's businesses and strategies and achieve the sustainable enhancement of the Group's corporate value.

Overview of Group-wide human capital investment



Concept and Policy Activities and Achievements Succession Planning

1. Purpose of Formulating Succession Plans

We formulate succession plans for key posts to realize SOMPO's Purpose and achieve further transformation and growth for the Group. The succession plans are prepared for key posts that are vital in leading these efforts, with a view to building a system that can steadily and effectively develop high-quality human capital with diverse expertise and backgrounds.

2. Applicable Positions

A total of 92 key positions within the Group (as of August 2026), including the Group CEO, Group CxOs, and other key positions in each line of business in Japan and overseas, have succession plans in place.

3. Selection and Development of Executive Candidates

To increase diversity, candidates for each position must meet certain criteria. Candidates may be selected from talent systematically nurtured within the Company, or recruited from outside of the Group. In developing management personnel, we are implementing the following development programs.

NLP (Next Leaders Program)

In the succession plans for key posts for each Group, we select successors, so-called "N" talent ("N" for "next"), from Japan and overseas who we think are capable of assuming these positions within the next five years. Designed to develop such "N" talent, the NLP program encourages the acquisition of knowledge required of global leaders through dialogue with Group Executive Officers and external instructors. The percentage of NLP graduates appointed to executive positions is high, at 52.3%, demonstrating the program's effectiveness in contributing to the development of successors. We will continue to invest strategically in this program as a means of producing human resources who can lead the Group into the future.

FLP (Future Leaders Program)

We select so-called "F" talent ("F" for "future") in Japan and overseas who we believe have the potential to assume key Group posts in 5–10 years' time. To develop such "F" talent, we are running the program in partnership with world-class business schools. One element of the FLP curriculum involves the Action Learning Project (ALP), in which members from Japan and overseas work together on team projects to develop innovative solutions to management issues faced by the Sompo Group. Centered on the ALP, the FLP program aims to produce leaders who possess an in-depth understanding of diversity, have a global perspective, and are adept in strategic thinking.

For further details on succession plans, please refer to the Succession Plan (Integrated Report Main Section / p.72)..

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Human Capital Strategy — Talent Development

Concept and Policy | Activities and Achievements

Developing Global Management Personnel

We aim to build a system that reliably and effectively develops high-quality management personnel with diverse backgrounds. We are currently developing global management personnel in conjunction with our succession planning program.

SOMPO Global University

As a university within the company, we offer lectures at overseas business schools, cross-cultural understanding workshops, team projects (ALP) that seek to tackle issues facing the Sompo Group's management, and on-the-job training at companies outside the Group, based on the concepts of exchanging outstanding global human resources, learning at high-level educational institutions, and taking on challenging assignments. Through this program, participants cultivate knowledge of business and trends, hone their practical problem-solving capabilities, and gain a global perspective and the ability to act in a global context.

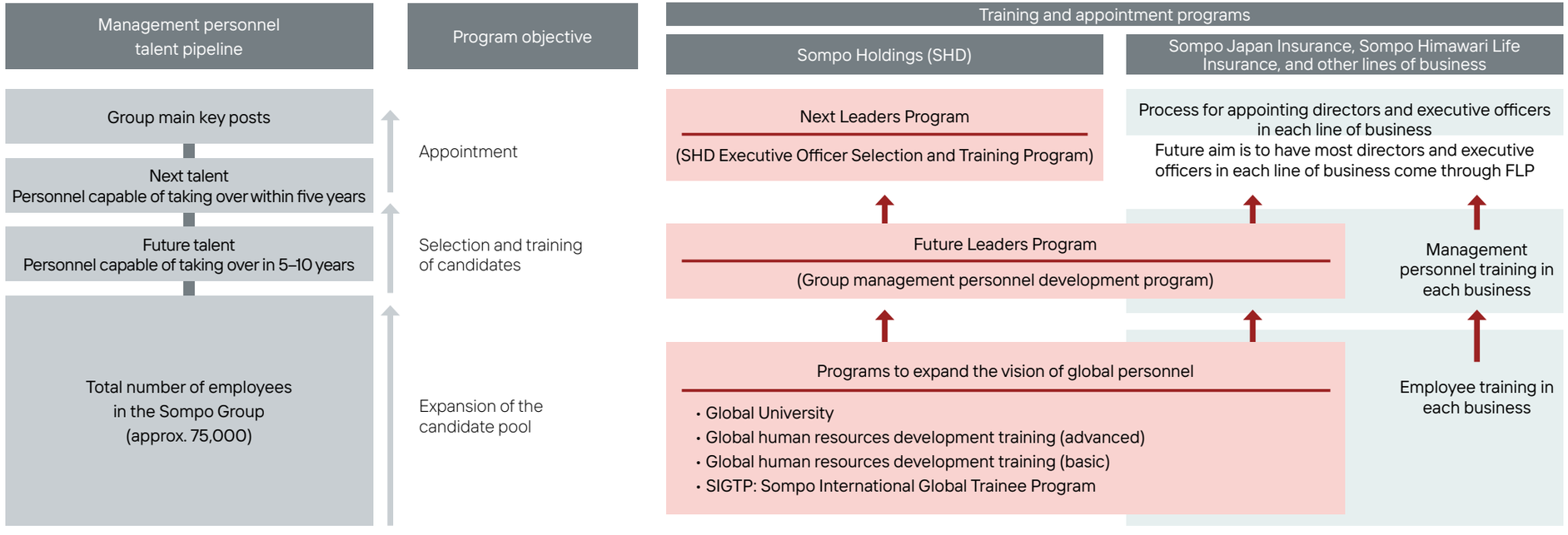
Global human resources development training (basic and advanced)

In the basic course, participants are provided output opportunities through discussions in both Japanese and English with the aim of developing a global mindset and a foundation in communication skills. In the advanced course, we invite instructors from within the Group to teach the participants practical English language skills and deepen their cross-cultural understanding by informing them about the Group's overseas business operations and through lecture-based discussions.

Sompo International (SI) Global Trainee Program

In this program, trainees are dispatched to Sompo International – a Group company boasting professionals from different fields centered around underwriting – to acquire knowledge and expertise, typically over a period of three years. By having employees embrace the challenge of working in a culturally different business environment overseas, we are developing global human resources armed with considerable expertise to drive further growth of the Group.

Group-wide framework for training and appointing management personnel



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Offering Opportunities for Self-driven Learning

SOMPO Cross-Training Challenge

We conduct a program through which employees are dispatched to startups, NPOs, or other entities outside of the Group to work on solving issues in society that contribute to the achievement of their My Purpose. We cultivate talent capable of embodying "strong leadership that drives culture change" and "self-driven career development based on their My Purpose."

Group Common Skills (English and AI)

We have set English and AI as Group Common Skills, and have made them requirements for management positions and implemented support measures to strengthen these skills in employees. In FY2025, generative AI leadership training was conducted for approximately 5,000 participants, with the aim of fostering leaders capable of leveraging generative AI to solve organizational challenges and boost productivity. The use of AI has been integrated into their daily work on a regular basis.

"SOMPO Learning Hub," a Group-wide Learning Platform

To coordinate across the Sompo Group in strengthening talent development, we launched SOMPO Learning Hub (SLH), a learning platform that serves as a common training foundation for the Group. As of August 2026, 31 Group companies have implemented this system, covering all employees including contract workers. We offer diverse content accessible across the Group within SLH, enabling self-driven learning and connection. Going forward, we will implement a learning recommendation function utilizing AI agents to build a system that encourages voluntary learning among employees.

Developing Female Leadership (Eliminating the Gender Gap)

We dispatch participants to an internal and external mentorship program that supports women in advancing and achieving their careers by strengthening the necessary mindset, knowledge, and skills, and by promoting interaction with women both inside and outside the Group who share similar ambition, with the aim of eliminating the gender gap. In this program, through 1-on-1 coaching and other activities, participants reflect deeply on their own experiences and receive fresh encouragement, gaining a broader perspective and a grasp of the bigger picture while clarifying their vision for the future.

Concept and Policy Activities and Achievements

Expansion of Choose Your Own Career system

Job-based HR System

In FY2020 we introduced a job-based HR system at Sompo Holdings to support self-driven career development in areas where My Purpose overlaps with SOMPO's Purpose. The main feature of the system is that it abolishes company-initiated personnel transfers in principle. We will seek to have employees deliver results as professionals by letting them choose their own career path rather than being driven (or led) by the company. Moreover, unlike typical job-based HR systems, we not only allow employees to forge a career in the same organization or function, but also respect their decision to seek a position beyond their traditional area of expertise by utilizing open recruitment systems and other means that are open to any Group employee. Accordingly, we provide a wide range of options to employees in terms of their career path in the Group. For example, (1) continuing to work in the same department or position to enhance their expertise in a specific area, (2) regularly volunteering to switch between compatible job roles to broaden the scope of their career, and (3) opting to change jobs by moving to various departments so as not to remain in a specific area for an extended period. The job-based HR system has been progressively introduced across our group companies, tailored to each company's unique characteristics. In fiscal year 2025, Sompo Holdings and Sompo Japan Insurance standardized their job-based HR systems. Moving forward, we will further evolve and expand this system across the Group-wide workforce to strengthen our workforce and drive sustainable growth through advanced expertise.

Group Job Challenge System

As one opportunity for employees to choose their own career paths, we are currently promoting an internal job posting system called "Group Job Challenge System," under which employees can voluntarily apply for job postings and seek to transfer to a department of their choosing. This system allows employees to apply for open positions not only at their own company, but at any company in the Sompo Group. In FY2025, a total of 958 available positions across 25 Group companies, along with the descriptions of those job postings, were disclosed to Group employees. Also, in FY2021 we added a remote job challenge component to the system for the purpose of posting fully remote-based job openings. For employees who are unable to apply for a desired position that requires a relocation because of their nursing care or childcare obligations, we offer a scheme that allows them to take up the challenge of a post of their own choosing without having to change their place of residence.

For the main results of our system for employees to choose their own career paths, please refer to the KPIs for the Group Human Resource Strategy (Integrated Report Main Section / p.62).

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Human Capital Strategy — Talent Development

Concept and Policy **Activities and Achievements**

Value Creation Based on "My Purpose"

Based on "My Purpose", each employee sets "goals" through dialogue with their supervisor as to what kind of value they will create through their work, and then performs their own daily work. In addition to daily 1-on-1 dialogues (ongoing), each employee receives a performance evaluation (once a year) and feedback from their supervisor at the end of the fiscal year, which leads to further growth and the realization of their own Purpose.

The evaluation of Sompo Holdings is based on two axes: the mission evaluation, which assesses the degree of contribution to the organization through achievement of individual goals, and the competency evaluation, which assesses the degree to which employees demonstrate common competencies such as compliance/codes of conduct and customer perspectives.

Also, 360 degree performance observation (evaluation) is conducted once a year for some employees. By gaining insight into their own behavior, each leader is able to develop an organization that can deliver value to the society based on each individual's "My Purpose".

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Human Capital Strategy — Health and Productivity Management

Concept and Policy

What our Health and Productivity Management®*1 Aims to Achieve

To achieve SOMPO's Purpose of creating a future of health, wellbeing, and financial protection, we will continue to pursue initiatives to build a foundation for health and productivity management and take good care of the mental and physical health of our employees and their families.

The Group Policy for Human Rights stipulates that we must take steps to maintain and improve the health of employees and ensure that they are afforded a vibrant workplace environment, while the Sompo Group Health Management Declaration*2 says that we must prioritize the mental and physical wellbeing of employees and their families. In addition to this, we are currently informing and educating various stakeholders about health and productivity management and supporting initiatives to that end.

*1 The Japanese term for Health and Productivity Management® is a registered trademark of the NPO Kenkokeiei.
*2 Group companies are also proactively announcing their own declarations on wellbeing to give shape to, and put into practice, the concept of prioritizing the health of employees and their families.
- Sompo Japan Insurance: Health Management Declaration (October 2016)
- Sompo Himawari Life Insurance: Employee Health Support Project (April 2016); Health and Productivity Management Declaration (October 2020)

To accelerate specific measures on health and productivity management, we have formulated a Health and Productivity Management strategy map and are systematically executing various investments in wellbeing with the aim of ensuring that all employees are healthy, both mentally and physically. In all of this, we are stepping up efforts on compliance with laws and regulations related to occupational health and safety, as well as mental health measures, which form the basis of our health and productivity management, as well as initiatives aimed at reducing overtime outside of the statutory hours of work.

Key indicators and targets for priority occupational health and safety measures

Sompo Japan Insurance regularly implements priority measures based on its annual plan and verifies their effectiveness, with the aim of continuously improving occupational health and safety. In FY2025, we are promoting activities based on the following indicators and targets.

1. Periodic health checkup implementation rate: 100%
2. Rate of stress check examination: 100%
3. Comprehensive performance evaluation (WLQ-J score): 95.0 or higher

Declaration of the Occupational Health and Safety Policy

Sompo Japan Insurance, Inc. "Occupational Health and Safety Policy"*3

1. Introduction

Sompo Japan Insurance provides services that contribute to "security, health, and wellbeing," thereby helping to realize a resilient and sustainable society. To achieve this, we believe it is important to create an environment where our employees can work with peace of mind in good physical and mental health. Based on international standards related to occupational health and safety, domestic and international laws and regulations, and our internal regulations, we have established a framework to prevent workplace accidents, ensure the health and safety of our employees, streamline operations, and improve their wellbeing. To achieve these goals, we have formulated the "Occupational Health and Safety Policy," which applies to all of our business activities and all employees involved in these activities.

2. Sompo Japan's Policy for Health and Safety Initiatives

(1) We comply with occupational health and safety laws and regulations and promote the creation of a safe and comfortable workplace.
The Health Committee, which meets on a monthly basis (chaired by a representative from each workplace and composed of industrial physicians, health supervisors, and employee representatives), implements and evaluates activities based on the action plans formulated by each workplace, and takes corrective measures as necessary.

(2) We strive to prevent work-related illness caused by excessive work and mental health issues.
We ensure employee health and safety by appropriately managing working hours, conducting stress checks, and measuring performance metrics.

(3) We continuously support the maintenance and promotion of health.
We implement health promotion measures to address issues identified through health checkups and employee surveys, and aim to improve employees' proactive self-care. We evaluate the degree of achievement of set targets and provide ongoing support.

(4) We systematically educate employees to raise their health and safety awareness.

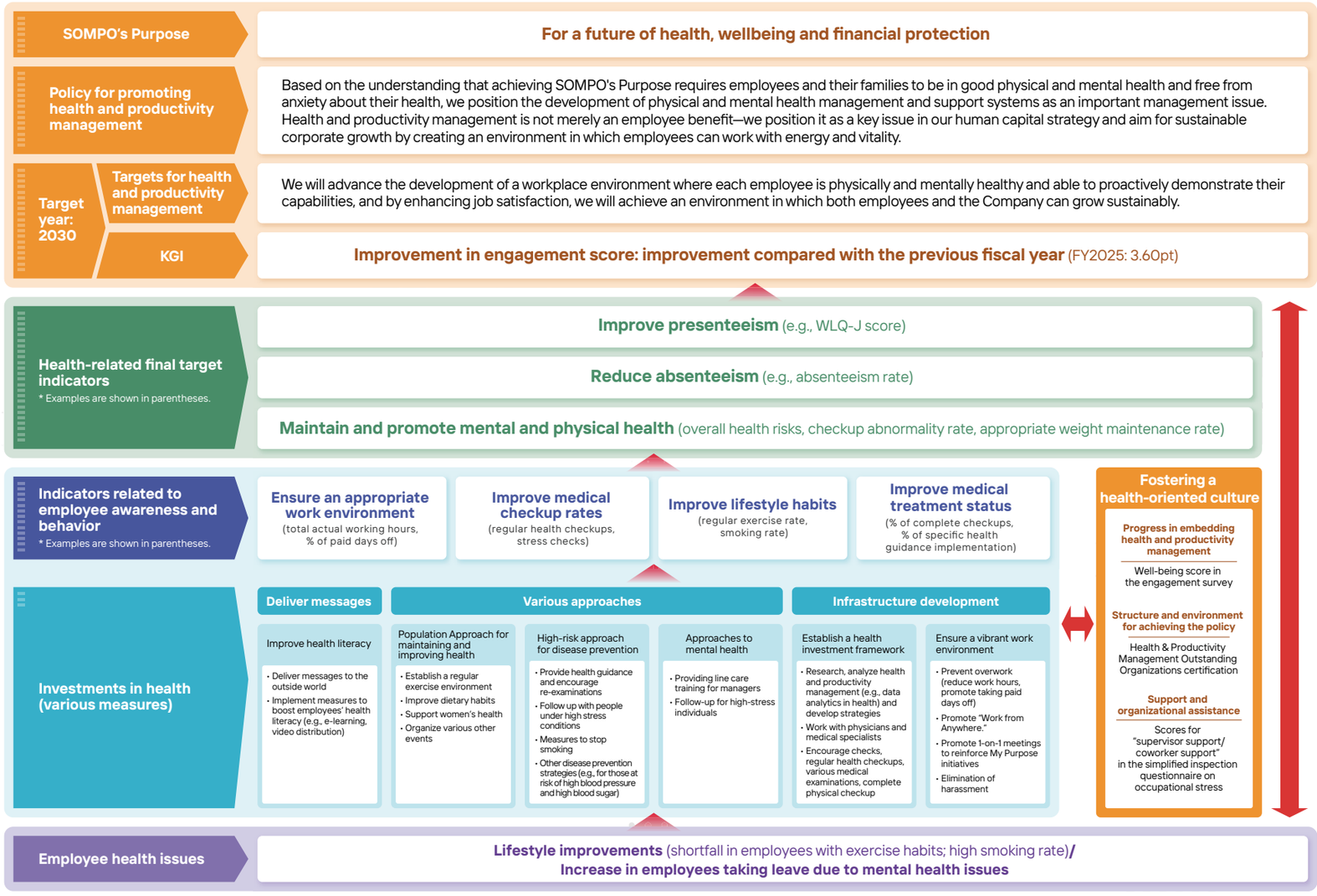
President and Chief Executive Officer
Sompo Japan Insurance, Inc.
Koji Ishikawa

*3 In formulating this policy, we have conducted management discussions, including reporting to the Board of Directors.

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Promotion Structure within the Group



"What Our Health and Productivity Management Aims to Achieve" will be reviewed and updated regularly in line with the Group's management strategies and practical results of health management measures.

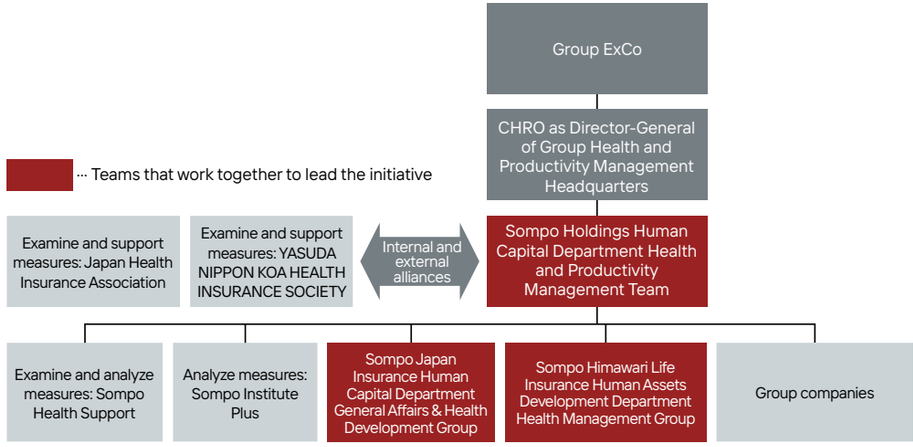
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Human Capital Strategy — Health and Productivity Management

Structure Health Management Initiatives in the Group

As head of the Group Health and Productivity Management Headquarters, the Group Chief Human Resource Officer (CHRO) reinforces and spearheads efforts to maintain and improve wellbeing and provide support on health and productivity management to employees, their families, customers, business partners in the supply chain, and other business entities involved in the creation of value.

Also, to maintain and improve the mental and physical health of Group employees, we team up with Group companies such as Sompo Japan Insurance and Sompo Himawari Life, as well as health insurance associations, to implement different kinds of initiatives.



Activities and Achievements Main Initiatives

In FY2026, we are promoting initiatives to enhance the effectiveness of health and productivity management across the Group, focusing on the following three key issues.

(1) Understanding and promoting the importance of health and productivity management
(2) Promoting employee health
(3) Thorough attention to safety and other requirements

(1) Understanding and promoting the importance of health and productivity management

・Health and Productivity Management Headquarters meeting

The purpose of this meeting is to understand and emphasize the importance of health and productivity management by communicating the current year's health and productivity management plan and to foster Group synergy through the Health and Productivity Management Community.

At the meeting, the Group CHRO communicated the health and productivity management plan and priority issues to the top management of each company. The Group shared a policy of having each Group company address its own health issues in a sincere manner and enhance the effectiveness of health and productivity management, thereby aiming to obtain "Health & Productivity Management Outstanding Organizations" certification and achieve a ranking higher than the previous year.

We also shared revisions to the "Health and Productivity Management Strategy Map." By clarifying the Group-wide policy, targets, and KGI for promoting health and productivity management and presenting the future we aspire to achieve for the Sompo Group, we will further promote health and productivity management.

・Hosting a Health and Productivity Management Community

The Health and Productivity Management Community was established to strengthen collaboration between Group companies and to mutually share initiatives and issues related to health and productivity management at each company, thereby deepening knowledge and insights.

In FY2025, the Community met twice, in July and January 2026, bringing together personnel responsible for promoting health and productivity management at each company to engage in active information exchange, including discussions toward resolving issues and sharing best practices. In January 2026, we held an in-person Community meeting for the first time since the COVID-19 pandemic.

As understanding of common Group issues and philosophies deepened, a strong foundation for collaboration was built to promote future measures.

Results for FY2025
July questionnaire: **19** participants from **16** companies - Satisfaction: **74.7**%
January questionnaire: **22** participants from **18** companies - Satisfaction: **87.3**%

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Human Capital Strategy — Health and Productivity Management

・Initiatives to increase employee motivation and team vitality

Based on the understanding that achieving SOMPO's Purpose requires employees and their families to be in good physical and mental health and free from anxiety about their health, we position the development of physical and mental health management and support systems as an important management issue. Health and productivity management is not merely an employee benefit—we position it as a key issue in our human capital strategy and aim for sustainable corporate growth by creating an environment in which employees can work with energy and vitality.

Specifically, to quantify employee engagement, we conduct regular engagement surveys at all Group companies to check for any issues with the work environment. By visualizing the survey results as well as the status of working hours and stress check results at various workplaces, we are promoting initiatives such as setting up opportunities for dialogue and improving the workplace environment at each organization, thereby increasing employee engagement and motivation and revitalizing the organization.

Sompo Japan Insurance and Sompo Holdings have also begun conducting periodic culture change surveys with the aim of ascertaining changes in corporate culture and further accelerating change.

(2) Promoting employee health

・Improving lifestyle habits (eating habits, exercise habits)

We are implementing various measures to improve lifestyle habits to promote health awareness and behavioral change for each employee. For example, we hold walking events every spring and fall, and are working to increase participation and repeat rates by utilizing apps and offering incentives to increase participant satisfaction. We are also providing Sompo Group employees and their families with opportunities to exercise using popular chocoZAP gyms, through a capital and business collaboration with the RIZAP Group.

・Data analytics in health

The Group analyzes health data offered by Sompo Health Support while working with health insurance associations.

Sompo Japan Insurance and Sompo Himawari Life are working to improve lifestyle habits, which have been found to correlate with the results of health checkups, stress check results, WLQ-J scores (Japanese version of the Work Limitations Questionnaire), and other analyses.

・Initiatives to reduce smoking rates

To advance the health of our employees, we are strengthening initiatives aimed at reducing the smoking rate. As of April 2026, the average smoking rate among all employees at Sompo Holdings, Sompo Japan Insurance, and Sompo Himawari Life is 12.3%, exceeding the national target of 12%. In light of this situation, we have been rolling out "health promotion and smoking cessation initiatives" since September 2024. In particular, we have designated the 11th (Good Health Day) and 22nd (Suwan-Suwan Day—"suwan" is Japanese for "I won't smoke") of every month as SOMPO No Smoking Days, and are calling on all employees to refrain from smoking in any facility or smoking area on those days.

The smoking area in the Shinjuku Head Office Building was fully closed as of March 2026 through a phased process. We have also established a multifaceted support system so that employees can proactively engage in smoking cessation treatment with reduced out-of-pocket costs, by providing smoking cessation outpatient services at the Sompo Japan Insurance clinic and creating an environment in which employees can receive care with financial support from the health insurance association.

・Spaces for boosting productivity and improving health

Our group has established workspaces to enhance employee productivity and promote health as part of our corporate culture change and health and productivity management initiatives. By providing an environment accommodating diversity of work styles, including spaces for efficient work and meetings, dedicated focus stations with monitors, and circular tables facilitating flat, face-to-face conversations, we have built a system that simultaneously improves productivity and satisfaction. By 2025, we will provide a definition of the "SOMPO Work Style Guidelines," clearly stating our commitment to maximizing organizational value creation while simultaneously achieving high employee performance, growth, and job satisfaction—all by leveraging the advantages of both on-site and remote work. To support this, we will strive to further enhance working spaces across a Group-wide.

In addition, as an "open head office" and a symbol of cultural change, a special cafeteria on the 43rd floor of the Sompo Japan Insurance head office building, the top floor of the building, which had been used mainly by executives of Sompo Japan Insurance and Sompo Holdings, was opened to general employees including employees of Group companies. The floor, which has a stunning view, offers a work area that can be used for small group meetings as well as individual workspaces, providing a new venue for Group connections.

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Human Capital Strategy — Health and Productivity Management

(3) Thorough attention to safety and other requirements

・Implementation of line care training

We are conducting line care training to enhance the effectiveness of mental health measures implemented by managers. The purpose of this training is to gain a knowledge of approaches to preventing mental health issues among subordinates before they arise, and to connect this to early detection and appropriate support.

In FY2025, we invited an instructor from Peacemind Inc., which has expertise in mental health and organizational management, to conduct training. This initiative received applications far exceeding the 500-person capacity, indicating a high level of employee awareness of issues related to building better organizations.

In the post-training survey, more than 90% of participants responded positively, not only regarding their level of understanding but also regarding "application to future practice," and the training has received high evaluations that lead to behavioral change. In particular, the modern theme of "responding to employees with specific characteristics" drew a strong response, making this a meaningful opportunity to share key issues in contemporary management. In addition, as many voices called for expanding the target audience (to include general employees and younger employees), we view this as a theme that should be understood more deeply across the Company regardless of position, and we will leverage this in future initiatives.

・Feedback on group analysis results for stress checks

We are utilizing the results of group stress checks to improve the workplace environment and enhance employee mental health.

Through feedback on analysis results, we identify stress levels across the workplace and clarify issues, which leads to the formulation and implementation of effective improvement measures. Moreover, feedback provides opportunities for individual employees to become aware of their own stress levels, which contributes to raising awareness of mental health and promoting preventive actions throughout the organization.

・Complying with occupational health and safety rules

We strive to maintain and improve the health of our employees through discussions by the Health Committees at various workplaces in the Group on occupational health and safety.

The Health Committee formulates an annual plan and holds regular monthly meetings to discuss three main topics: public health, mental and physical health, and safety. Meeting topics include working hours, health checkup participation rates, and reports on occupational accidents. Information on working conditions, including working hours and paid leave utilization rates, as well as measures to prevent excessive work, is shared with labor unions and employee representatives. The results of these discussions are reported to the general manager of each workplace, such as the general manager of the Human Resources Department or the branch manager, who then makes suggestions for improvements. We also strive to maintain and improve the health of our employees through discussions at the Health Committees at various workplaces on occupational health and safety. Furthermore, by conducting "workplace patrols (including illuminance measurements)" and "building management inspections (including CO_2 concentration measurements)" within offices, we confirm whether environments that consider safety, health, and ease of working are in place. If hazards or health issues are identified during workplace patrols, the occupational physician reports the causes and recommended corrective measures to the health committee, and corrective action is taken to improve the workplace environment.

We also circulate information in accordance with the season or social conditions regarding measures that can be taken in the workplace to prevent infectious diseases.

To ensure that the Health Committee does not become a mere formality, we are promoting awareness so that a PDCA cycle can be applied to issues through the Health Committee, with the participation of supervisors from each location. If there is an occupational accident, we identify the cause through interviews and investigations with the employees concerned, and take measures to prevent recurrence.

・Measures to prevent overwork and support mental health

Excessive working hours increase the risk of depression, anxiety disorders, and deaths from overwork, making it important for both the Company and employees to take measures. The Group complies with all relevant laws and regulations regarding working hours and overtime, and has established clear policies aimed at reducing overtime hours. In terms of working hours within Japan, following consultations with labor unions, we sign agreements with employees regarding working overtime and on holidays based on Article 36 of Japan's Labor Standards Act, and actively work to correct excessive working hours by properly gauging and managing employee working hours, including overtime, paying appropriate overtime wages, and providing interviews and guidance from company physicians to employees who work beyond the standard overtime hours. To promote the use of annual paid leave, we also make company-wide announcements recommending that employees take paid leave on weekdays that fall between consecutive holidays, and we also send individual emails to those who have not taken mandatory leave designated by the Company, encouraging employees to achieve a better work-life balance. We also promote flexible work styles by enabling employees to work remotely, making improvements to the office environment, and rolling out flextime systems. Employees are encouraged in mental health training programs to review their lifestyle habits, including getting adequate sleep, proper nutrition, and regular exercise, and to consult with colleagues when feeling stressed.

To protect physical and mental health, it is necessary to maintain an appropriate work environment and create a psychologically safe workplace. We will continue to consider measures while sharing information with the health and productivity management representatives of each company.

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・Financial wellbeing initiatives

We believe that supporting financial stability and a secure future for our employees is essential to improving employee engagement and, ultimately, to enhancing sustainable corporate value. Based on this understanding, the Group is actively implementing measures to improve financial wellbeing.

Specifically, we hold regular welfare seminars that aim to improve the financial literacy of our employees. They cover a wide range of topics, including financial planning based on asset formation and asset protection, life insurance and property and casualty insurance plans available through the Group, employee savings plans, various benefit plans offered by health insurance associations, defined-contribution pension plans, and investing in the stock market.

We will continue to expand measures to support financial independence and a secure future for each employee.

・Confirmation of occupational health and safety initiatives at subcontractors

We aim to maintain and improve the physical and mental health of not only our employees but also those of our business partners, and we check their occupational health and safety initiatives when entering into a contract.

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Human Capital Strategy — Health and Productivity Management

Activities and Achievements Health Issues and Major Verification Indicators

To realize the Sompo Group's Aim for Health and Productivity Management, we have established indicators for changing employee awareness and are continuously measuring progress to improve our initiatives.

Sompo Holdings

Health issues	Target KPI		Unit	Target	FY2022	FY2023	FY2024	FY2025
Lifestyle disease preventive measures	1*1	Rate of regular medical checkup	%	100.0	99.4	100.0	98.8	100.0
	2*2	Appropriate weight maintenance (BMI 18.5–24.9)	%	80.0	68.9	66.5	61.1	53.2
	3*2	Rate of regular exercise	%	30.0	37.0	38.5	33.2	28.3
Measures to encourage employees to stop smoking	4*1	Rate of smoking	%	12.0	10.9	11.5	9.9	9.9
Mental health measures (stress check examination)	5*1	Rate of stress check examination	%	100.0	95.8	95.3	93.1	92.9
		General health risk	—	below 100	87	85	89	86
Improved presenteeism	6*1	Total Performance Evaluation*3 WLQ-J score (most productive = 100%)	%	Improvement from the previous fiscal year	95.3	95.5	95.3	95.5

Sompo Japan Insurance

Health issues	Target KPI		Unit	Target	FY2022	FY2023	FY2024	FY2025
Lifestyle disease preventive measures	1*1	Rate of regular medical checkup	%	100.0	99.9	99.9	100.0	100.0
	2*2	Appropriate weight maintenance (BMI 18.5–24.9)	%	80.0	66.4	65.8	66.4	66.2
	3*2	Rate of regular exercise	%	30.0	21.7	22.5	20.7	22.3
Measures to encourage employees to stop smoking	4*1	Rate of smoking	%	12.0	14.0	14.3	13.8	13.2
Mental health measures (stress check examination)	5*1	Rate of stress check examination	%	100.0	97.8	97.9	98.2	98.8
		General health risk	—	below 100	104	100	101	98
Improved presenteeism	6*1	Total Performance Evaluation*3 WLQ-J score (most productive = 100%)	%	95.0	93.6	93.8	93.7	94.0

Sompo Himawari Life Insurance

Health issues	Target KPI		Unit	Target	FY2022	FY2023	FY2024	FY2025
Lifestyle disease preventive measures	1*1	Rate of regular medical checkup	%	100.0	100.0	100.0	100.0	100.0
	2*2	Appropriate weight maintenance (BMI 18.5–24.9)	%	80.0	66.7	65.8*4	65.3	63.8
	3*2	Rate of regular exercise	%	40.0	26.6	27.0*4	25.9	26.7
Measures to encourage employees to stop smoking	4*1	Rate of smoking	%	below 5%	7.5	6.9	6.2	6.1
Mental health measures (stress check examination)	5*1	Rate of stress check examination	%	above 95%	92.5	98.1	97.7	98.2
		General health risk	—	90	94	91	89	85
Improved presenteeism	6*1	Total Performance Evaluation*3 WLQ-J score (most productive = 100%)	%	100.0	93.9	94.0	94.0	94.3

*1 All employees
*2 Employees over age 40
*3 Same examination rate as for stress checks

Medical expenses/insurance business expenses (Average for Yasuda Health Insurance Policyholders)

Item	Unit	FY2022	FY2023	FY2024	FY2025
Medical expense/person	JPY	262,745	178,234	289,564	159,719
Insurance business expense/person	JPY	30,367	36,777	35,702	36,141

Information on health initiatives (Average for Group)

Item	FY2022	FY2023	FY2024	FY2025
Employee satisfaction with health initiatives (5-point scale)	3.06	3.08	3.04	3.48

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Financial Inclusion

As social issues such as inequality and aging become increasingly serious, it is becoming more important to promote financial inclusion so that everyone has access to financial services, ensuring all people can lead lives of security, health, and wellbeing.

Concept and Policy Basic Concept

To realize an inclusive society where everyone can participate and live with peace of mind, the Sompo Group provides accessible insurance and support services to underserved groups, proactively identifying their specific circumstances and needs.

In collaboration with external experts and partners, we develop and provide various services, including financial products, based on market research and customer feedback. In developing products and services, we ensure appropriate pricing and establish delivery mechanisms that meet customer preferences, such as customized guidance methods and dedicated channels.

To prevent proposing unreasonable insurance contracts that could lead to customer over-indebtedness, we establish highly accessible complaint mechanisms where customers can easily share their opinions and grievances. Furthermore, we conduct training for employees on respectful treatment of customers and responsible sales techniques to prevent inappropriate solicitations.

In addition to providing products and services, we offer non-financial support, such as educational and awareness-raising activities regarding insurance and finance, thereby contributing to raising living standards and enriching the lives of underserved groups.

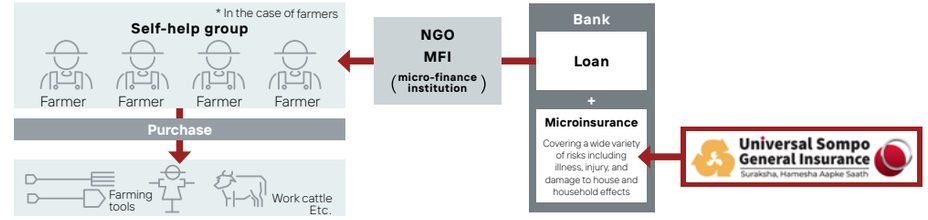
The financial inclusion initiatives of the Group are part of our sustainability strategy. They are endorsed by the Group Chief Sustainability Officer, discussed by the Group Sustainable Management Committee, and progress is reported to the Board of Directors.

Activities and Achievements Promoting Universal Access to Insurance

Providing Microinsurance in India

Since 2008, Universal Sompo General Insurance (USGI) has been providing microinsurance 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 others covering illnesses. These insurance product's premiums are set low.

Mechanism of microinsurance



Microinsurance results in India

	2022-23	2023-24	2024-25	2025-26
Insurance for low-income individuals				
Premiums written (million rupees)	14,476	15,227	13,012	4,950
Number of policies	4,427,158	3,566,118	9,144,808	11,361,259
Number of clients	4,427,158	3,566,118	9,144,808	11,361,259
Insurance for the rural sector				
Premiums written (million rupees)	20,555	5,830	3,237	3,901
Number of policies	25,389,794	746,248	489,355	501,016
Number of clients	25,389,794	746,248	629,648	432,853

Initiatives to Expand Insurance Coverage to Rural Areas of India Working with the Government

In line with the vision of "Insurance for All by 2047" set forth by the Insurance Regulatory and Development Authority of India, USGI has established a dedicated team to promote insurance in rural areas, particularly in the under-served state of Andhra Pradesh since 2024.

Under the state government's RUSO (Rural and Social Sector Obligations) framework, the initiative aims to provide comprehensive insurance coverage targeting 1,117 Gram Panchayats (village councils). By combining insurance products with non-financial support—such as community awareness campaigns, last-mile service delivery in collaboration with women's Self-Help Groups (SHGs), and simplified digital claims processes—USGI is actively contributing to strengthening the resilience of local communities. This initiative offers affordable general insurance, livestock insurance, and livelihood protection. In FY2025–26, it recorded 11,862,275 policies and generated 8,851 million rupees in insurance premium income.

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Insurance Program Supporting Women and Their Families Just before and after Childbirth

In February 2013, Sompo Japan Insurance started to offer liability insurance for doulas (trained non-medical professionals who assist women before and just after childbirth) in collaboration with the Japan Doula Association. The insurance program covers the cost of damages in cases where the insured doula is legally liable for damages as a result of an accident occurring in the course of their work.

In recent years, there have been changes occurring with the environment relating to childcare, with a declining birthrate and the advancing age of women giving birth. The number of child abuse cases is also on the rise, partly due to the impact of postpartum depression in isolated childcare settings. In this context, doulas play the role of watching over and supporting mothers and their families by providing comprehensive assistance, including listening to and counseling on childcare and housework anxieties and concerns, providing childcare advice, and advising husbands. Demand for doulas as supporters is further increasing in the home visit support program for child-rearing households (living support through home visits) newly established under the revised Child Welfare Act.

Doulas, however, bear the risk of legal liability for any damages incurred while working.

Sompo Japan Insurance aims to support doulas in their activities through this insurance, in turn supporting mothers before and after childbirth and their postpartum families. As of April 2026, 642 doulas had enrolled in this insurance.

Initiatives to Expand Microinsurance via Blue Marble

Since 2015, Blue Marble has pioneered commercially viable microinsurance solutions to help underserved communities build resilience to climate risks and economic shocks. As a key consortium partner, Aspen supports Blue Marble's efforts to expand access to financial protection for vulnerable populations worldwide. This initiative addresses critical protection gaps by helping smallholder farmers manage extreme weather risks, providing income protection for workers and microbusinesses affected by climate-related disruptions, and scaling innovative parametric insurance solutions for climate-vulnerable sectors.

Working across Latin America, Africa, and Asia, Blue Marble collaborates with global brands, insurers, governments, and local partners to design and scale climate resilience solutions. These programs strengthen food security and supply chains, support the financial stability of vulnerable workers and small businesses, and enhance risk preparedness and response capabilities.

Reflecting the rapid expansion of these efforts, Blue Marble reached 4.5 million beneficiaries across 18 countries in 2025, representing a significant increase from the 420,000 beneficiaries across 15 countries in 2024.

Activities and Achievements

Non-financial Support for an Inclusive Society

In rural communities, lack of awareness about the importance of insurance has resulted in cases of financial distress due to lack of insurance coverage in the event of natural disasters or illness. Sompo Group believes that increasing financial literacy is an important step in building stronger and more resilient communities, and is working with NGOs and NPOs to offer insurance literacy training programs and other initiatives in underserved areas.

Insurance Literacy Training Programs in India

Universal Sompo General Insurance (USGI) continuously implements financial and insurance literacy education programs in regions with limited access to financial services.

For instance, in April 2025, USGI conducted an insurance awareness program targeting women-led Self-Help Groups (SHGs) in Gorakhpur, Uttar Pradesh. In addition to explaining the vital role of insurance in securing household stability, protecting assets, and mitigating risks, the session introduced opportunities for income generation by working in the insurance sector.

Approximately 25 women participated in this program, contributing to the improvement of financial literacy and fostering economic independence within the local community.



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Financial Education and Independence Support Initiatives for Youth and the Elderly in Malaysia

Berjaya Sompo has established a three-year partnership (2025–2027) with Ti-Ratana Welfare Society, one of the largest NGOs based in Kuala Lumpur. This collaboration aims to empower disadvantaged families, orphans, and senior citizens through technical assistance, practical education, and emotional and social support.

Through this initiative, Berjaya Sompo employees volunteer to teach essential life skills and basic financial and business knowledge to underserved youths, such as through the Junior Young Insurer Programme, to help them prepare for future jobs. Additionally, the partnership organizes regular social events, mentoring, and emotional care for senior residents. By sharing practical knowledge alongside holistic care, the program aims to promote the long-term independence and well-being of these community members.

In 2025, this initiative successfully reached 96 children and youths, as well as 81 senior residents, supported by the active participation of 22 Berjaya Sompo employee volunteers.



Promoting Women's Financial Independence: Dress for Success Partnership

In 2025, Aspen Insurance Group contributed $2.2M to more than 100 charities across the communities where it operates, supporting initiatives that promote economic opportunity, resilience, and social inclusion.

A key focus of this work was Aspen's continued partnership with Dress for Success, a global nonprofit that helps women including prison leavers, care leavers, survivors of domestic abuse, NEET youth and single parents, facing barriers to employment to achieve economic mobility and financial independence. Aspen's support spans both the U.S. and the U.K. and includes financial contributions, donations of professional attire and laptops, and employee volunteer engagement.

In 2025, Aspen's London office hosted a Dress for Success Career Development Day to support 8 women seeking to advance their careers. The event provided practical tools, professional guidance, and networking opportunities designed to boost confidence and strengthen career readiness.

U.K. CEO Sarah Stanford opened the program by sharing insights from her own personal career journey, while Aspen employees led panel discussions, CV and LinkedIn workshops, and mock interviews. Several participants subsequently secured job interviews and employment opportunities, demonstrating the value of combining foundational support with hands-on skills development and mentorship.

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Exciting Futures! Children's Job Experience Festa

To expand the future options of children and spark their ambition, Sompo Japan Insurance has been organizing free career experience events for elementary school students, in collaboration with local governments and regional companies, as a form of career education and technical support. At these events, we set up booths for Risk and Insurance Education leveraging the businesses of the Group, as well as a caregiving experience booth. Risk and Insurance Education provides opportunities to learn the basics of mutual assistance in society and financial literacy through the mechanism of P&C Insurance, and we also conduct financial education in collaboration with regional banks. At the caregiving experience booth, nursing care staff from Sompo Care provide children with hands-on experience of caregiving tasks in settings modeled on real-world nursing care. Activities include practicing wheelchair assistance and trying out nursing care equipment.

Through these events, we provide children with opportunities to learn about different occupations. The initiative contributes to regional revitalization, and enables children to interact with local communities while deepening their interest in caregiving as a career.

Beginning with Okinawa in 2022, these events have now been held in Hiroshima, Saitama, Kumamoto, Gifu, Nara, and Fukui, extending the scope of initiatives throughout the country. To date, approximately 9,900 children have taken part.





Donation of "Yellow Badges" with Traffic Personal Accident Insurance

Four companies—Sompo Japan Insurance Inc, Mizuho Financial Group, Inc, Meiji Yasuda Life Insurance Company, and The Dai-ichi Life Insurance Company, Limited—jointly conduct a road traffic safety program to donate Yellow Badges to first-grade students just entering elementary school across Japan. Following the 60th and 61st events, commemorative Yellow Pikachu Badges were distributed in FY2026 in collaboration with The Pokémon Company. Having been linked to traffic personal accident insurance coverage since 1968, the Yellow Badges will pay the insurance benefit if a new first-grader who has been provided with a Yellow Badge should be killed or permanently disabled in a road traffic accident on their way to or from school. The aim of the Yellow Badges is to raise schoolchildren's awareness of road traffic safety and enlist the cooperation of guardians and car drivers to reduce road traffic accidents. Launched in 1965, the initiative has presented a cumulative total of approximately 73.83 million badges to date.





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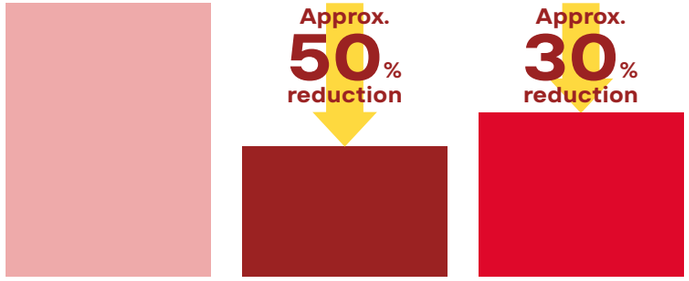
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Activities and Achievements Insurance Products Initiative

As a "Wellbeing Support Partner," Sompo Himawari Life Insurance aims to support customers to lead prosperous lives and realize their dreams, and to bring about a society in which people can live their own way. Toward this goal, we are working to deliver innovative health-focused insurance products and app-based wellbeing services to more customers, while encouraging behavioral changes that lead to better health. Through these initiatives to date, the number of users of insurance and healthcare services has reached 5.71 million (as of the end of FY2025). The Get☆ Healthy Challenge! Program, one of the initiatives to support customers' behavioral change, has been showing results in health support. These include a lower hospitalization rate for people who succeeded in the challenge compared to those who did not—as verified through a joint study with a think tank. Building on this solid evidence that our initiatives help extend healthy life expectancy, we will accelerate Sompo Himawari Life's efforts and contribute to addressing the three concerns identified by SOMPO Wellbeing.

* Health: gap between average life expectancy and healthy life expectancy; nursing care: decline in number of caregivers and worsening gap between care supply and demand; retirement finances: challenges arising from factors such as the low percentage of people who are able to save for retirement on their own

Get☆ Healthy Challenge! Hospitalization rate of successful applicants



* Payout results for Hospitalization are based on the aggregation of payouts for injuries and illnesses that fall under the seven major lifestyle-related diseases defined by Sompo Himawari Life, in medical insurance policies held by the same insured persons as those in the policies covered by the "Get☆ Healthy Challenge! Program."

Insurhealth® Products

We provide our proprietary Insurhealth® products that offer unique value from combining a traditional insurance role with a healthcare function. Insurhealth® products have been well received by many customers, with cumulative sales exceeding 2.3 million since we launched them in 2018 (end of FY2025). In addition to expanding the number of Himawari customers through Insurhealth® products, we will continue developing products and services that draw on the customer behavior data and feedback accumulated through our initiatives to date. Through these efforts, we aim to help as many customers as possible avoid unforeseen adverse events.

"Health support variable insurance Shorai no Omamori"

"Health support variable insurance Shorai no Omamori" is a variable life insurance product that, in addition to providing protection, also enables asset building, and aims to resolve the uncertainty surrounding retirement funds. Additionally, the product also includes industry firsts*, such as a "health reserve" scheme that enables customers to leverage their good health to enhance their asset formation, and a secondary insurance period in which customers can continue to have their assets managed in a special account after the insurance pay-in period is complete.

* According to research by Sompo Himawari Insurance in February 2023

"Health support cancer insurance Yuuki no Omamori"

"Yuuki no Omamori" is a new form of cancer insurance that provides total support from pre-onset to post-treatment care for cancer. In terms of prevention, members have a lower premium by quitting smoking, and cancer risk testing services are provided for early detection. In terms of protection, the insurance adopts a rational approach that is compatible with Japan's social security system and the latest cancer treatments.

Income compensation insurance to support health "Protection for You and Your Family"

This product features a Get☆ Healthy Challenge! Program, which allows policyholders to lower their insurance premiums by measuring improvements in their health (smoking, BMI, blood pressure) over a certain period from enrollment, and to receive the amount equivalent to the difference from the date of contract in the premiums paid in the form of a monetary reward for completing health challenges.

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Initiatives toward Achieving a "100-year life" Society

To date, as a "Health Support Enterprise," Sompo Himawari Life has supported the daily health of customers in addition to preparation for "just-in-case" events, and has addressed social issues such as extending healthy life expectancy and rising medical costs.

We have developed and provided a variety of healthcare services to raise customers' awareness of health and support behavioral change toward better health. In the "100-year life" era, the issues customers face are becoming more diverse and long term, extending beyond health to include nursing care, retirement funds, life-ending arrangements, and more. To respond to these changes, Sompo Himawari Life will expand the value provided by its services across the entire course of life and, as a "Wellbeing Support Partner," support each customer in leading a prosperous life and achieving their dreams.

Initiatives to support healthy life expectancy and wellbeing

To help customers achieve health and wellbeing, we have built a value chain that provides value across five phases—"Prediction," "Prevention," "Insurance," "Prognosis and Nursing Care," and "Life Ending"—and are working to strengthen it by leveraging the diverse resources of the Group and collaborating with companies with expertise in each field.

For example, our value chain includes exercise programs offered in collaboration with RIZAP Corporation (prevention); Helicobacter pylori testing that supports the early detection of gastric cancer; a simple saliva-based test that assesses the risk of six types of cancer; and end-of-life planning and post-death administrative support provided in collaboration with Kamakura Shinsho, Ltd. By combining capabilities from within and outside the Group, we can provide timely services that transform customers' anxiety into hope.

Going forward, we will continue to leverage the knowledge and data cultivated through Insurhealth® to respond swiftly to the needs of customers and deliver value that contributes to extending healthy life expectancy.

An app that connects life insurance and health to support wellbeing

"MY Himawari," an app that provides close-at-hand support for wellbeing in the "100-year life" era

The core of our wellbeing support is the smartphone app "MY Himawari" that we provide. Total downloads have surpassed 350,000 since the app was launched in September 2024. With this app, various procedures—such as checking the details of your insurance coverage and filing claims for benefits—can be completed smoothly using only a smartphone.

In addition, the app manages health checkup results, and AI analyzes customers' health status to predict future disease risks and medical expenses. Through "visualizing" risks, it encourages changes in customers' awareness and behavior regarding their health. We also offer a program* where users are able to earn points by achieving step-count goals and health-related missions, enabling them to continue working on their health while having fun.

We will continue enhancing functionality, remain close to customers' daily lives, and support richer and healthier living.



* There are conditions for using the point program. Please refer to the point details page in the app and the Terms of Use.

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Concept and Policy

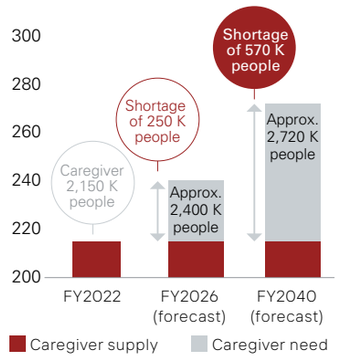
Goal of SOMPO's Nursing Care Business

In Japan, which is experiencing a declining birthrate and aging population, the sustainability of the social security system has become a critical issue for society as a whole.

To fulfill its social responsibility of providing a stable supply of nursing care services, Sompo Care contributes to solving this issue through three approaches: (1) Improving productivity while maintaining quality at nursing care sites; (2) Fostering the sound development of the nursing care industry; and (3) Building relationships with society for the future.

* Source: Ministry of Health, Labour and Welfare, "The Number of Long-Term Care Workers Needed Based on the Ninth Long-Term Care Insurance Business Plan" (July 12, 2024)

Estimated shortage of caregivers



Activities and Achievements

Improvements in Productivity Along with Quality: The Future Nursing Care

With an eye on the future, Sompo Care is making a company-wide effort to realize our strategic vision of 'Future Nursing Care,' which aims to transform the nursing care sector. The key to this is the utilization of technology, digital, data, and AI. Through these efforts, we are promoting thorough efficiency improvements while maintaining the quality of daily operations. The time saved enables us to create an environment where our care professionals can focus on higher value-added care that only humans can provide. These efforts have created the future nursing care in Japan, which faces an overwhelming workforce shortage, and has led to the easing of the staffing standards set by the national government (long-term care insurance). In FY2024, introduction of the future nursing care was completed at all nursing homes providing full-time care. From FY2025 onward, anticipating an increasingly severe decline in the working-age population, we are continuing to promote improvements in productivity along with quality, while also launching new initiatives aimed at alleviating "anxiety about nursing care," which is one of the social issues.

Activities and Achievements

Providing Solutions for the Development of the Entire Nursing Care Industry

The structural challenges facing Japan's nursing care sector—including acute labor shortages—cannot be resolved by the efforts of any single company. Sompo Care provides the nursing care operational know-how, business support systems, meal services, and other assets it has cultivated over the years to other nursing care providers. In July 2026, we will accelerate these efforts by establishing Sompo Care Solutions Co., Ltd., a specialized company responsible for these know-how provision businesses. By doing so, we aim to contribute to improving productivity while maintaining quality throughout the entire nursing care industry, thereby changing the future of nursing care.

Activities and Achievements

Fostering Interaction with Children and Cultivating Their Understanding of and Aspiration for the Nursing Care Profession

Sompo Care is working on a variety of approaches targeting the next generation that will be shaping the future, with the goal of making the nursing care profession one that children aspire to.

At the core of these initiatives are 'SOMPO-style children's cafeterias,' operated mainly at our nursing care facilities nationwide as intergenerational exchange hubs to connect local communities. This initiative provides children with meals and a safe place to belong, while also giving residents opportunities to enjoy daily life with a sense of fulfillment and purpose. It creates multi-generational exchanges where witnessing the residents' enjoyment of life also provides staff a greater sense of fulfillment in their work. (Since the initiative was launched in 2022, the cumulative number of children who have participated is 69,158 as of the end of March 2026.)

We also create opportunities for children to experience the world of nursing care through "hands-on experiences" and "learning." At a pavilion exhibited at "Kidzania Tokyo," children can enjoy learning about specialized nursing care knowledge and the latest nursing care techniques. Furthermore, we published an educational manga about nursing care, entitled 'Insider's Guide Bringing Smiles Together! The Work of Nursing Care,' and donated copies to approximately 20,000 elementary schools and 3,000 public libraries nationwide to foster understanding and pride in the care profession. Through these efforts, our goal is to have children develop the ability to think and act from the perspective of the elderly, to learn about new possibilities in nursing care, and to boost their interest in the nursing care profession.









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Activities and Achievements ## Sompo Japan Insurance's Initiatives

We are seeking to reinvent ourselves as "New Sompo Japan" where customers say, "We're glad we chose Sompo Japan. We're glad we chose SOMPO." by building a structure to improve the business from customer perspectives.

Policy on Customer-centric Business Operations

Grounded in SOMPO's Purpose, we have established a customer-centric business management policy to realize operations based on a thorough customer perspective gained from all contact points in our P&C insurance business, while fulfilling our corporate social responsibility to all stakeholders.

For details on this policy and initiatives based on it in FY2025, see the following website.

Sompo Japan Insurance official website (in Japanese): Policy on Customer-Centric Business Operations

Implementation Indicators

We have established the following KPIs to evaluate how well the policy on customer-centric business operations is taking root.

1. Customer survey NPS®
(1) Contract procedures (automobile insurance)
(2) Claims service (auto insurance, fire and specialty insurance)

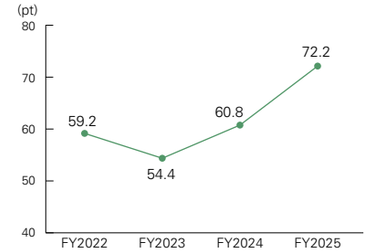
2. Customer survey (contract procedures)
Evaluation of insurance proposal content and insurance explanation content

3. Number of complaints

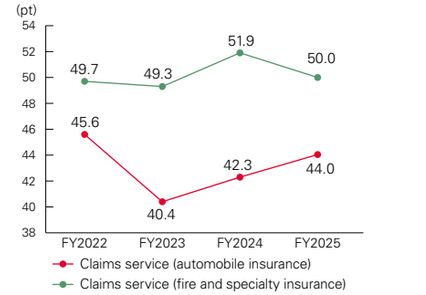
4. Percentage of positive feedback

1. Customer survey NPS®*1

(1) Contract procedures (automobile insurance)



(2) Claims service (automobile insurance, fire and specialty insurance)



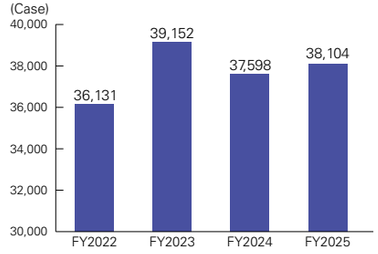
*1 NPS®: Net Promotor Score, an indicator of customer loyalty, calculated by subtracting the ratio of "detractors" (respondents who awarded 0–6 points) from the ratio of "promoters" (respondents who awarded 9–10 points) on a 10-point scale in 11 categories. NPS® is a registered trademark of Bain & Company, Fred Reichheld, and NICE Systems, Inc.

2. Customer survey (contract procedures)*2

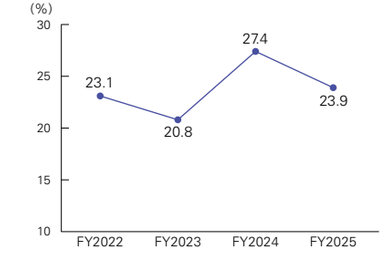
- FY2025 evaluation of insurance proposals considering customer's intentions: 4.8 points
- FY2025 evaluation of explanations of scope of indemnity, incidental services, premiums, and so on: 4.8 points

*2 Averages of responses to the survey on a 5-point scale (understood very well, understood fairly well, did not understood well, did not understand at all, there was no explanation, where 5 represents the best score)

3. Number of complaints



4. Percentage of positive feedback*3



*3 Percentage of open-ended comments in customer surveys that included words of appreciation ("thank you," "gratitude," and so on.)

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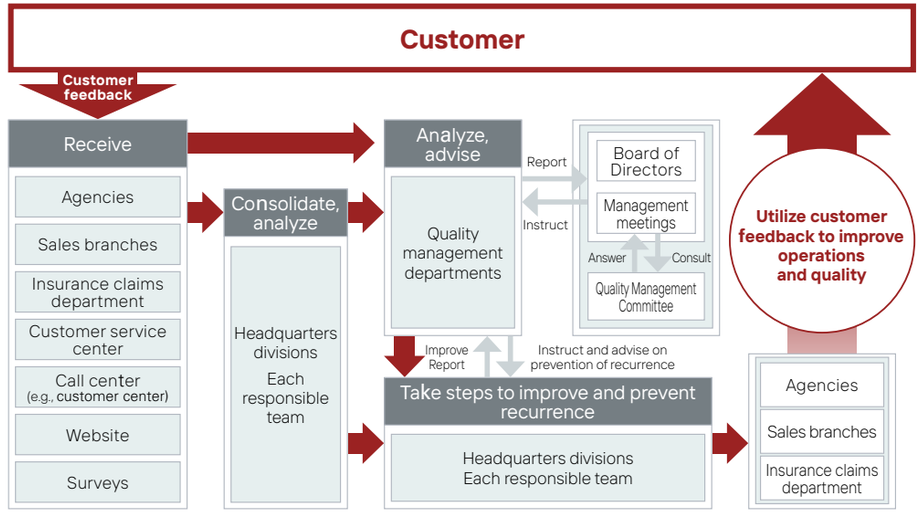
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Initiatives to Utilize Voice of Customer (VOC)

To incorporate customer feedback into management, we analyze trends and content related to customer feedback and share the results with headquarters divisions in an effort to improve operations and enhance service quality.

Customer feedback response management framework



Receiving feedback	We take customer feedback received through our insurance agencies, sales branches, insurance claims departments, customer service centers, and call centers very seriously, and strive to respond promptly and thoroughly.
Consolidating feedback Analyzing causes Steps to improve operations	To address the problems and issues underlying feedback from customers, the various headquarters divisions consolidate and analyze the feedback. The Quality Management Department, established to build and strengthen the structure for drawing on customer feedback in management, analyzes the background and causes of customer feedback and shares the issues it identifies with the relevant headquarters divisions in charge to explore and implement measures to improve operations and enhance quality.
Internal sharing of feedback	These initiatives and business improvements based on the customer feedback are reported regularly to the Board of Directors, management meetings, the Quality Management Committee, and other bodies.
Improving operations and quality	Through these initiatives, we are working to improve business operations and quality by capitalizing on customer feedback.

Receiving and Responding to Customer Feedback

When customers contact us through our official website, we promptly notify them by email that we have received their inquiry, with due consideration to provide reassurance.

In the case of a complaint or an expression of dissatisfaction, we inform the customer that, in principle, they will receive a response from the person in charge on or after the next business day. In addition, when the representative contacts the customer, we provide guidance on the procedures going forward, including the estimated time required to reach a resolution.

We also work to ensure that feedback received through agencies, sales branches, and insurance claims department—our direct customer touchpoints—leads to improvements in our products and services.

Conforms with the "Complaint Handling Management System (ISO 10002) Standard"

As of March 28, 2017, Sompo Japan Insurance declared that it conforms with "ISO 10002," the international standard for complaint handling (Quality management—Customer satisfaction—Guidelines for complaint handling in organizations).

We will continue to strengthen our framework for managing responses to customers' feedback and strive to improve our business operations based on customers' feedback.

Consideration for Older Adults and People with Disabilities

For older adult customers, in order to make it easier for them to understand our products and services, we take into account the characteristics of the older adults and have specifically set forth in our internal rules of insurance sales methods that reflect product details and other factors.

For customers with disabilities, we have specifically stipulated in our internal rules insurance sales methods that enable necessary and reasonable accommodation according to the nature of the disability, based on the Act for Eliminating Discrimination against Persons with Disabilities, and we also strive to provide internal education.

As one example of a concrete initiative, we implement a "Simulated Experience Program" for employees.

Simulated Experience Program

This program aims to enhance understanding of the older adults and people with disabilities by using tools such as visual-impairment goggles to simulate and experience their inconveniences and difficulties.

In addition, for claim payments, we provide attentive support based on the "Manual for Assisting the Older Adults and People with Disabilities," and strive to provide reasonable accommodation tailored to each individual.

Manual for Assisting the Older Adults and People with Disabilities

This manual was developed to ensure an accurate understanding of the environment surrounding older adult

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customers and customers with disabilities, and to enable each employee in the insurance claims department to fully understand their role and put appropriate actions into practice.

Improvement and Development of Products and Services Based on Feedback Received from Customers

Launch of the accident contact system: "SOMPO Anshin Accident Contact" and "SOMPO Anshin Progress Navigator"

Sompo Japan Insurance has started providing two new services that allow the entire series of procedures—from reporting an accident under automobile insurance to checking the progress of claim procedures—to be completed on a mobile device.

By using these two services together, the entire process from when an accident occurs to its resolution is visualized in a digital manner, enabling customers to file claims more smoothly.

(1) "SOMPO Anshin Accident Contact" (service launched in January 2026)

In addition to conventional text-based information, the functions below enable customers to report accidents easily and accurately anytime and anywhere.

<Communicating the accident location via GPS functionality>

By linking with GPS functionality, location information for the accident site can be shared accurately on a map.

<Photo upload functionality>

Customers can use a smartphone camera to take photos of vehicle damage, conditions at the accident site, and other details, and upload them as-is. This allows the extent of damage and other information that is difficult to convey by phone to be communicated visually, leading to a more appropriate response.



(2) "SOMPO Anshin Progress Navigator" (service launched October 2025)

After reporting an accident, customers can check, at any time and at their own convenience, the process up to claims payments on the communication app "LINE."



Initiatives to Incorporate Outside Perspectives

We are working to incorporate outside perspectives to improve our products and services.

■ Establishment of the Quality Management Committee

The Quality Management Committee with external experts was established as an advisory committee to the management meetings. It engages in active discussions with the senior management team with regard to business improvements and quality enhancement based on customer feedback.

In addition, with the aim of becoming a company that considers everything from the customer's perspective, the senior management team also listens directly to customer feedback and engages in exchanges of opinions.

< Main topics discussed in FY2025 (met 4 times) >

- Action Plan for Implementing and Embedding Customer-centric Business Operations
- Action plan for capitalizing on customer feedback
- Action plan for strengthening customer touchpoints

■ External monitoring system

We solicit a variety of opinions from consumer lifestyle consultants and other external experts to gain a customer perspective on our services and documents.

Disclosure

Voice of Customer (VOC) White Paper

Sompo Japan Insurance has published a Voice of Customer (VOC) White Paper annually since FY2007. The aim is to keep all of our stakeholders informed of our initiatives to incorporate customer feedback in management and efforts to make improvements, as well as our initiatives based on the policy on customer-centric business operations.



For details, see the Sompo Japan Insurance official website (in Japanese): Voice of Customer (VOC) White Paper

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Activities and Achievements Sompo Himawari Life Insurance's Initiatives

Sompo Himawari Life has established the "Customer-centric Business Management Policy" to achieve its purpose, "For a future of health, wellbeing and financial protection." By working to address the three concerns—health care, nursing care, and retirement finances—we support customers in leading fulfilling lives and realizing their dreams, and aim to become a "Wellbeing Support Partner" that helps create a society in which people can live life on their own terms.

Framework for Promoting Customer-centric Business Operations

We appoint a Chief FD* Officer from among our directors or executive officers and have established a FD Promotion Department to take responsibility for promoting, instilling, and further evolving this policy. We have also established the FD External Monitor Committee, which meets monthly in principle to receive opinions from external experts such as consumer lifestyle counselors and advisors.

*FD (Fiduciary Duty): Customer-centric business management

Initiatives to Utilize Voice of Customer (VOC) in Management

We actively engage in collecting a broad spectrum of customers' feedback—including expressions of gratitude, complaints, opinions, and requests—through various channels such as the customer center, consultation desks, surveys, sales branches, and agents/agencies, as well as suggestions from employees based on customer perspectives.

1) Unable to check the investment performance of variable insurance on the app

While these are investment-type products, customers could not easily check investment performance on "MY Himawari," which was a cause of concern and inconvenience.

Examples of Improvements

Released a display feature for investment performance (estimated values)

Customers can now check investment performance (estimated values) at any time on "MY Himawari," enabling them to build assets with peace of mind.

2) Unable to change from account transfer to credit card payment online

As procedures were available only by phone through the customer center, this caused inconvenience and concern, such as "I can't call during the daytime on weekdays" and "I'm worried about procedures that need to be completed verbally."

Examples of Improvements

Procedures available on "MY Himawari"*

Customers can now complete procedures at any time, without waiting.

*Conditions apply.

3) Children unable to enroll in variable insurance

Given that the eligible age for variable insurance (V1) (income disability and nursing care coverage type) is 20 or older, we were not able to meet the needs of customers preparing coverage for their children.

Examples of Improvements

Launched sales of variable insurance (V2) (death benefit type), which is also available for enrollment by those aged 19 and under

Children can now enroll in variable insurance, as preparation for the future.

We centrally manage the customer feedback we have collected and utilize it to develop products and services, improve operations, enhance quality, and improve customer convenience. We continue to use customer feedback to make improvements and disclose the improvements on our website.

This fiscal year, we also published a "Customers Feedback Report," outlining our initiatives related to customer feedback and interviews on initiatives by solicitors. We visualize the process for leveraging customer feedback and openly share how it leads to actual service improvements and operational improvements.

For details, see the Sompo Himawari Life official website (in Japanese): Examples of Improvement Initiatives

Enhancing the Operational Quality of Insurance Agencies and Sales Representatives

To maintain and strengthen our framework for offering customers appropriate products and services, we endeavor to improve the quality of work provided by agencies and sales representatives by running training sessions and educational programs with a focus on the following.

(1) Topics related to insurance solicitation, including understanding customer intent, explaining important details, and handling notices
(2) Topics related to the continuous provision of optimal coverage and services to customers (follow-up services)
(3) Topics related to establishing and strengthening the agency's own business improvement cycle (agency internal control system)

Cultivating HL Advisors®

We designate our top-quality sales representatives as HL Advisors® in recognition of their customer-centric business operations, high-level consulting and proposal capabilities, their ability to assist wellbeing. We are working to foster the development of sales representatives who inspire and move our customers.

The HL Advisor® certification criteria include not only sales criteria, such as the number of Insurhealth® products sold, but also quality standards such as the percentage of paperless applications and financial planner qualifications. We screened and certified 275 sales representatives as HL Advisors® in the first half of FY2025 and 230 sales representatives in the second half.

* Insurhealth®: The provision of unprecedented new value combining the traditional functions of insurance with features that support health (healthcare).

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Sompo Care's initiatives

Sompo Care University: A Training Facility That Reproduces a Nursing Care Site

Improving service quality and retaining staff are both key missions in supporting the future of caregiving. Sompo Care University, our corporate university, aims to facilitate company-wide and continuous skill development and job satisfaction through a training program based on medium- to long-term career planning. In addition to the Shibaura Campus and Osaka Campus, both of which provide practical and theoretical learning environments that are modeled on real-world nursing care facility settings, we have opened an online campus, further augmenting our learning venues.

Practical and theoretical training

Sompo Care University serves as a comprehensive training platform where employees can acquire practical skills and attend classroom lectures. Since its opening, new hires and experienced employees alike have made an effort to improve their skills by attending training sessions tailored to their years of service and skill level.

Replicating facility-based and home-based nursing care environments



We provide realistic training environments by replicating both facility-based and home-based care settings, including a traditional Japanese-style home furnished with rooms and a bathroom modeled on those found in typical Japanese homes, allowing employees to experience common caregiving challenges such as navigating numerous stair steps and confined toilet spaces. In particular, the facility has an adequate number of beds, bathrooms, and toilets, which are essential for hands-on training. Also, by creating spaces that allow for a multi-faceted approach to hands-on learning, we can efficiently manage large training groups.

Online Campus: A site where students can take online training anytime, anywhere

We opened an online campus in July 2023 so that staff can engage in learning anytime and anywhere. With a significant increase in the number of courses, we have added three pillars: "Mandatory training," "Open-enrollment training," and "Elective-type seminars." We also hold specialized seminars and seminars featuring prominent figures from various fields. By taking advantage of a range of training programs and utilizing the company intranet, employees can now participate in live training sessions remotely. Archived videos can also be viewed from a personal device, which means employees nationwide have equal learning opportunities regardless of their location or working arrangement. Since FY2023, a cumulative total of over 50,000 employees have taken part in training.

Talent Development Curriculum to Support Quality of Care

As Japan's severe shortage of care workers becomes increasingly acute, securing enough workers has become a challenge for nursing care providers. Sompo Care has established an education and training system tailored to each stage of workers' careers, along with career paths that employees can pursue according to their individual aspirations. We aim to equip employees with highly specialized knowledge and skills that foster a sense of pride in their work. We are also endeavoring to create environments where employees will want to work for as long as possible.

Well-developed curriculum for every employee at every stage

We hold regular follow-up training sessions for employees, in addition to the training provided when they join the company. Furthermore, we aim to facilitate medium- to long-term skill development and maintain motivation among employees by offering training suited to the career path each employee aspires to.

Care Pride Meister System

By nominating and appointing exemplary caregivers who embody pride in nursing care, we aim to make pride in nursing care more visible, boost each employee's expertise and motivation to grow, and create an environment in which caregiving staff can continue to take pride in their work. The system was launched in 2021 within the Care Staff Division. As of 2026, a total of 235 staff have been accredited as Care Pride Meisters across the Care Staff, Care Manager and Food Services.

Role

- Demonstrate high professional expertise and work to resolve challenges faced by customers through improved service quality
- Contribute to the growth of the team to meet future challenges and take pride in nursing care in the workplace

Selection Criteria

- Individuals who take pride in the nursing care profession and are motivated to grow
- Individuals with outstanding interpersonal skills, and specialized medical and nursing care knowledge and skills.



Selection Process

Care Pride Meisters are selected from among employees in the relevant divisions across Japan through multiple selection processes, including the screening of reports on care practices, interviews with executives, and group discussions.

For details, see the Sompo Care official website (in Japanese): Care Pride Meister System

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Concept and Policy

Basic Concept

Our Group is actively engaged in social contribution activities as a corporation, while also fostering an environment and providing institutional support to enable employees to participate voluntarily. In promoting these initiatives, we emphasize collaboration and cooperation with highly specialized NPOs.

Structure

Corporate Citizenship Policy

The Sompo Group's social contribution policy is defined from two perspectives: that of the corporation and that of each individual employee.

As a corporation, we carry out activities primarily through our foundations in three focus areas aimed at nurturing the next generation: fine arts, welfare, and the environment. On an individual level, our executives and employees actively volunteer through the "SOMPO Chikyu (Earth) Club."

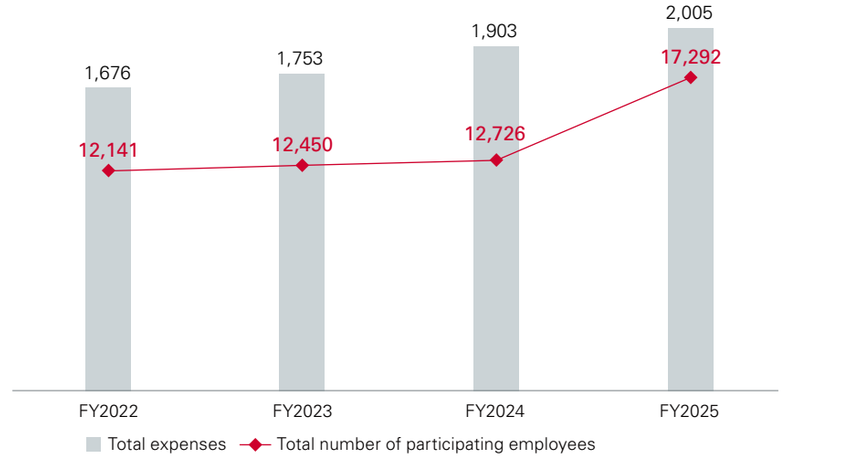
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Social Contribution Expenses and Participants

Beyond our foundation efforts, the Group carries out a wide range of social contribution activities, including support for various organizations and community initiatives. In FY2025, we spent over 2 billion yen on social contributions and related activities. A total of 17,292 Group employees also participated in social contribution activities.

Social contribution expenses and total number of participating employees

(million yen)



Programs to Support and Encourage Employee Efforts

Volunteer leave

At Sompo Japan Insurance, employees are entitled to take short-term volunteer leave (up to 10 days per year) and long-term volunteer leave (from 6 to 18 months) in addition to annual paid leave.

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Structure | Activities and Achievements

Volunteer Organization: Sompo Chikyu (Earth) Club

Sompo Chikyu (Earth) Club

The SOMPO Chikyu (Earth) Club is a volunteer organization where Sompo Group executives and employees actively participate in social contribution activities. The objective is to cultivate a keen awareness of social issues and contribute to the creation of a resilient and sustainable society.

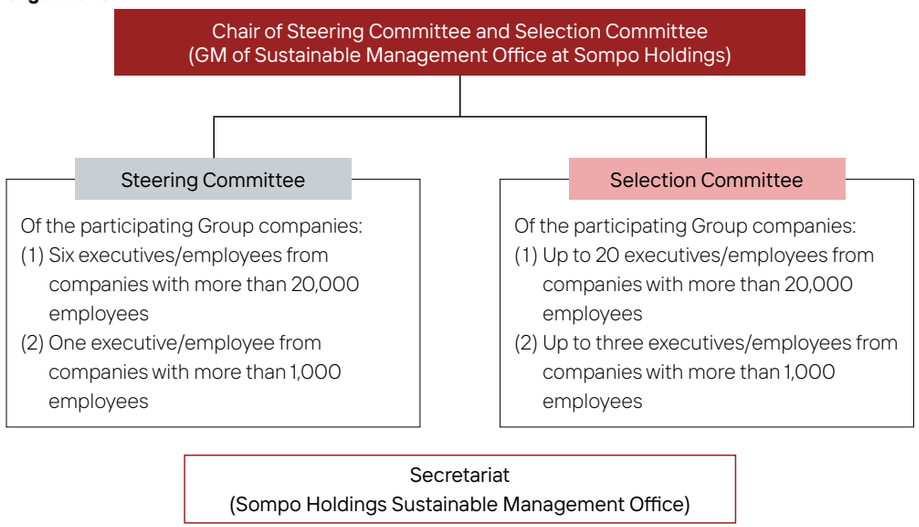
The initiative began in 1993 at Sompo Japan Insurance and has since expanded to all Group companies, implementing locally rooted activities across the country to address community challenges.

Operation structure

The Sompo Chikyu (Earth) Club has a Steering Committee and a Selection Committee, each comprising representatives of the Club's members.

The chair of both these committees is the general manager of the Sustainable Management Office at Sompo Holdings. The secretariat is also located within the Sustainable Management Office.

Organization



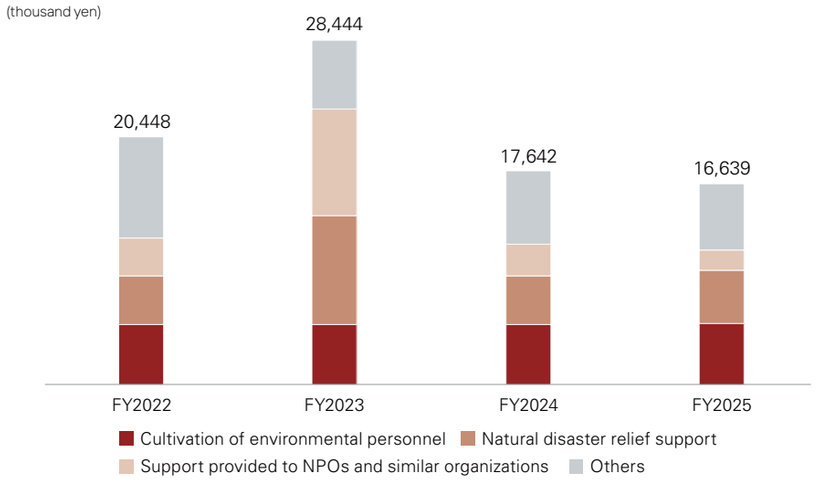
Sompo Chikyu (Earth) Club Social Contribution Fund

Funded by voluntary donations from Group officers and employees, this fund supports the nationwide volunteer efforts of the SOMPO Chikyu Club. Key initiatives include covering operational costs for local volunteer activities, delivering immediate disaster relief, and donating to member-supported NPOs.

Utilization of the Social Contribution Fund

In FY2025, a total of 16.6 million yen from the Social Contribution Fund was used to support social contribution activities.

Sompo Chikyu (Earth) Club Social Contribution Fund spending



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Activities and Achievements Sompo Welfare Foundation

The Sompo Welfare Foundation, established in 1977, conducts a variety of programs such as providing financial assistance to NPOs in the social welfare field in Japan, holding academic conferences and funding research on social welfare, social security, insurance and gerontology, and awarding outstanding academic papers. Its objective is to contribute to the advancement and improvement of social welfare.

Recognizing the rapid aging of society in Japan, the foundation also promotes activities that help to resolve increasingly complex social issues, including supporting families that provide home care to senior citizens with dementia or other conditions and providing scholarships for students studying to become certified care workers. Its programs are designed to meet contemporary needs through both research and practice in the field of social welfare.

Support for Purchase of Vehicle

Since 1999, the foundation has financially supported organizations that need to purchase vehicles for their welfare activities serving people with disabilities.

In FY2025, the foundation solicited applications from Eastern Japan and selected ten organizations. These vehicles allow organizations to expand the range and scale of their activities and support higher incomes for people with disabilities and a greater number of users of their welfare services.



Smoother transportation of wheelchair users with vehicles funded by grants

Support to Reinforce the Organizations and Operations of NPOs

In 2004, the foundation began providing financial support to reinforce the operational foundations of NPOs that render welfare services to local communities.

In FY2025, it provided financial support to a total of 47 organizations through programs to reinforce their organizations and operations, to help them acquire official status as certified NPOs, and to support activities through which local residents participate in providing comprehensive support to address life tasks. The foundation supports the creation of high-quality NPOs that can work sustainably by playing core roles in their respective communities as well as the realization of more inclusive local communities.



Using disaster prevention kits funded by grants in response to a subsequent tsunami warning

Sompo Welfare Foundation Award

The foundation has awarded outstanding academic literature in the field of social welfare since FY1999. In FY2025, it gave the award to Takeshi Oishi, Associate Professor, Faculty of Comprehensive Welfare, Tohoku Fukushi University, for "The Caring Community Theory: A Meta-Theory of Community Welfare to Open New Horizons in Social Welfare," and gave the Encouragement Award to Asako Masubuchi, Associate Professor, College of Social Sciences, Ritsumeikan University, for "Militarized Welfare: A Genealogy of 'Relief' in U.S.-ruled Okinawa."



Foundation Award recipient Mr. Oishi and President Nishizawa

A commemorative award ceremony, keynote speech, and symposium are held every year in July.

Support for Networking and Learning of Family Caregivers for the Elderly

Since 1991, the foundation has provided support for networking events and learning programs intended to help reduce the stress of families caring at home for elderly dementia patients, and to improve their care-giving skills. It is aiming for local communities actively engaged in understanding and supporting people with dementia and their families to interact with them, thereby sharing opinions and thoughts related to dementia.



Training to improve care-giving skills

Scholarships for Students Studying to Become Certified Care Workers

To boost the pool of caregivers, which is facing a shortage of workers in Japan, the foundation offers scholarships for students in two-year vocational school programs and for high school students in the welfare field.

In 2025, the foundation gave scholarships to nine first-year vocational school students and two second-year high school students. After graduating, many of them are playing an active role as care professionals.



Practicum for students to become certified care workers

Financial Support for Gerontology Research

The foundation provides financial support for creative and innovative research in the field of social sciences relating to gerontology. In addition, it organizes study groups on Japan's Insurance Business Act, health insurance and nursing care insurance systems, gerontology, and other topics. The foundation also publishes a report series and distributes it widely to libraries and elsewhere to spread information about research findings.

The Sompo Group contributes to society with an awareness of nurturing the next generation through foundations in each of three areas, fine arts, welfare, and the environment. See p.42 for more on the Sompo Welfare Foundation's activities, and p.103 for more on the Sompo Fine Art Foundation.

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Sompo Fine Art Foundation (Sompo Museum of Art)



Exterior view of Sompo Museum of Art

Sompo Museum of Art opened its doors in Shinjuku in 1976, based on the desire to provide the general public with a venue for art appreciation as part of our corporate citizenship activities. As the only museum in Asia to display Van Gogh's masterpiece "Sunflowers," it also hosts unique and captivating exhibitions covering a wide range of themes, from Western paintings to contemporary art. In addition, the museum aims to promote the cultural enrichment of society, expanding the horizons for art appreciation through lending out its collections.

It also seeks to leverage knowledge from art and culture to address issues in society, by supporting new and emerging artists via open-call exhibitions and through educational initiatives focusing on interactive art appreciation. The museum is working to create a space that attracts visitors of all ages from within Japan and overseas, and will continue to contribute to society by further promoting culture and art.



Van Gogh, "Sunflowers"
1888, Oil on canvas

50th Anniversary Commemorative Project

To mark the 50th anniversary of its opening in July 2026, a special commemorative logo and main theme, "Rediscovering Art, Shinjuku, and your Heart" have been introduced. Starting with the "Shinjuku: The City of Modern Art" exhibition (January 10 to February 15, 2026), the 50th anniversary commemorative project will be rolled out over a period of approximately 14 months.

A ceremony commemorating the 50th anniversary of the museum's inauguration was held on Friday, January 9, 2026, to mark the opening of the exhibition. At the ceremony, we expressed our gratitude to stakeholders, including businesses and shops in the Shinjuku area, for their support over the many years. We also announced the implementation of commemorative projects running through February 2027. With a congratulatory address from the Mayor of Shinjuku, a tape-cutting ceremony was performed to mark the beginning of the 50th anniversary year.

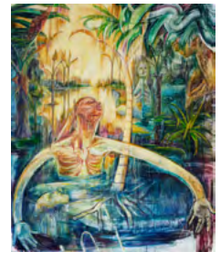


Commemorative logo



Scene from the commemorative ceremony

Support for New and Emerging Artists — Nationwide Open-call for "FACE" and Holding of the "FACE Exhibition"



Mariko Yoshida, "Heaven's Tears" 2025
Oil and wax on canvas

The Grand Prize for FACE 2026, the 14th event of its kind, was awarded to Mariko Yoshida for her work "Heaven's Tears", which has been added to the museum's collection. Yoshida creates works based on the theme of "fundamental forms and phenomena arising from nature." The judges praised the work for its world view, reminiscent of a myth woven from primeval forest and life, as well as its bold brushwork and large-scale, impressive feel.

There were 57 works selected for FACE 2026, out of a total of 1,271 submitted entries—demonstrating the highly competitive nature of the exhibition, with only one out of approximately 22 entries selected. The ages of the selected artists at the time of application ranged from 18 to 73. In the initial selection process, a panel of four judges selected the works to be exhibited. In the subsequent prize selection process, a panel of five judges decided on the nine prize-winning works from among the selected entries through a voting and deliberation process. The results were announced on the museum's website. The recipients were awarded plaques during the presentation ceremony, followed by private viewing. The award winners and all other selected artists were provided with the opportunity to network with the judges, people from the art community, and the media.

In addition to the display of the 57 selected works in "FACE Exhibition 2026," as a first-time attempt, a concurrent group exhibition titled "The Way of Paintings 2026" was held, featuring works by the award winners of the previous FACE 2025. A total of 32 new and recent works by Dai Saito, Kaho Kasuga, Huang Yuqi, and Miki Takeuchi were presented.

We hope that this open-call exhibition serves as a gateway for new and emerging artists, regardless of age or affiliation, and will be a source of support for emerging talent for many years to come.

Art Appreciation and Education Activities



The "Art Appreciation and Education through Dialogue" support program, targeting elementary and junior high schools in Shinjuku Ward, entered its 18th year. Children encountered genuine works of art at the museum on its closed days, and enjoyed the activities of "seeing, feeling, thinking, talking, and listening." In the 2025 school year, a total of 2,195 students from 29 elementary schools and 7 junior high schools, or 36 schools in total, visited Sompo Museum of Art.

This year, 11 new members joined the 17th class volunteer guide staff, bringing the total number of active volunteers supporting the project to 88. To foster dialogue as guide staff, we invited lecturer Chiaki Kamakura from NHK Broadcasting Culture Research Institute, who presented guidance on effective speaking styles and facilitation techniques. We would like to enhance the quality of the volunteer staff through such training sessions to make the dialogue with children more engaging and captivating.

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Activities and Achievements Social Issues through Sports

The Sompo Group harnesses the power of sports to address social issues and help create a future where people and society can realize their full potential.

At the core of these efforts is 'OUR STORIES,' a co-creation initiative that starts by giving voice to and listening to the aspirations of individuals. By engaging directly with people affected by issues such as gender disparities and inadequate sports facilities, we work with a diverse range of stakeholders to develop practical solutions. In FY2025, we focused on an issue specific to female athletes: the high rate of girls giving up sports during their teenage years. Through dialogue with teenage female soccer players, we heard firsthand about some of the barriers they face. One concern was that wearing white uniforms made it difficult for players to focus on the game during their periods. By bringing their voices to public attention, we helped build momentum for changing the color of shorts used in secondary uniforms from white to navy blue for official matches. We have also worked with local stakeholders to address the shortage of women's changing facilities, including developing the idea of repurposing disaster relief tents as temporary changing rooms.

Moving forward, the Sompo Group will continue to work with a diverse range of stakeholders through initiatives such as 'OUR STORIES,' using the power of sports to address social issues and help create a society where everyone is empowered to pursue their aspirations.

For more details, refer to the 'OUR STORIES' page on the Sompo Group's sports website (in Japanese).



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Board Independence

In 2019, our company transitioned to a Company with a Nominating Committee, etc., and implemented changes to our governance structure, including a review of the composition of the Board of Directors. As a result, the Board now consists primarily of outside directors, and since 2024, an outside director has served as Chair of the Board, thereby further strengthening the independence of the Board. Regarding the criteria for Board members, our company maintains a majority (more than 50%) of independent outside directors on the Board as a matter of policy. Furthermore, we have established a policy that directors must also serve on the three committees established within the Board—the Nomination Committee, the Compensation Committee, and the Audit Committee—and that a majority (more than 50%) of each committee shall be outside directors.

Board Accountability

When making changes to our bylaws (Articles of Incorporation), the fundamental principles of the company, we make it mandatory that shareholder approval is required through a special resolution at the General Meeting of Shareholders. This rigorous process prevents major rule modifications by the Board of Directors alone, ensures the accountability of management, and systematically guarantees our governance remains constantly aligned with the long-term interests of our shareholders.

Oversight of Sustainability Matters

For highly specialized material issues (including events that have a significant impact on Group management) such as ESG, climate change, risk management (ERM), and cybersecurity, we have established a framework to ensure effective oversight by implementing an appropriate reporting system from the executive officers in charge of each topic to the Board of Directors.

Furthermore, members of the Audit Committee, which is a board-level committee, attend key executive meetings in their capacity as directors and audit committee members. Through regular meetings with the relevant executive officers to collect and grasp information regarding these sustainability issues, the Audit Committee fulfills comprehensive and effective auditing and oversight functions across a wide range of management themes.

Cybersecurity Experience of Directors and Auditors

Mr. Shinobu Imamura, a Director and member of the Audit Committee, served as the General Manager of the Risk Management Department from 2021 to 2025. As the head of our Risk Management Department, he has experience overseeing the process of assessing significant risks across the Group, including information security and cybersecurity, and reporting to the Board of Directors on the implementation status of measures to address such risks.

External Audit of the Solvency Margin Ratio (External Audit of the Economic Value-Based Balance Sheet)

In accordance with regulatory requirements, the Sompo Group has established a system to conduct an annual independent external audit by an audit firm (starting from the fiscal year ending March 2026).

This audit is designed to validate the economic value-based balance sheet (which forms the basis for calculating the solvency margin ratio), its preparation policies, and other notes, to ensure the reliability of the calculated solvency margin ratio information.

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Information on Data Reporting

FY2025 reporting scope

- Subsidiaries included in Sompo Holdings' consolidated financial statements

Measurement period for FY2025 greenhouse gas emissions data

- Greenhouse gas emissions are measured for the consolidated fiscal year (from April 1, 2025 to March 31, 2026) as the calculation period. However, for Scope 3, Category 15 (investments and loans), greenhouse gas emissions are measured based on the investment assets held by the Group as of the end of FY2024 (end of March 2025 for Japan and end of December 2024 for overseas) and on emissions information for FY2024 of investee and borrower companies.
- The activity data used to calculate Scope 1, 2, and 3 (excluding Category 15 investments and loans) are also based on measured values for April to December of the relevant fiscal year, while for January to March of the relevant fiscal year, estimated values calculated based on the measured values for April to December are used.

Changes in the scope of greenhouse gas emissions data collection

- FY2022: Expansion of the data collection scope due to the establishment of SOMPO Light Vortex (2021) and the acquisition of ND Software (2022); Sompo Care added to the data collection scope for items such as "paper consumption"
- FY2023: Expanded the GHG calculation scope to the entire scope of Sompo Holdings' consolidated financial statements (Japanese GAAP basis); expanded the data collection scope for "transportation and distribution (upstream)" and "employee commuting" to a Group-wide scope
- FY2024: Added "fluorocarbon leakage volume"
- FY2025: Expanded the GHG calculation scope along with the scope of subsidiaries included in Sompo Holdings' consolidated financial statements (IFRS basis)

Greenhouse gas emissions measurement method

- Third-party verification by a certification body has been conducted annually since FY2012.
- While maximum consideration is given to accuracy and validity, reasonable and generally applicable calculation methods are selected for activities that are difficult to calculate.
- For each data item, the scope covered is indicated in the "Scope" column of the table on the next page.
- "Scope 1" refers to direct emissions from emission sources owned or controlled by the Group, such as the use of gas and gasoline. "Scope 2" refers to indirect emissions generated at power plants, etc., when producing purchased electricity and heat. "Scope 3" refers to indirect emissions other than Scope 2 that occur within the Group's value chain.
- The activities covered for calculation are as follows.

Classification	Category		Activities Covered for Calculation
Scope 1	Direct emissions		City gas, LPG, gasoline, diesel fuel, heavy oil A, kerosene, fluorocarbon leakage, LNG, lubricating oil
Scope 2	Energy indirect emissions		Electricity, heat
Scope 3	Category 1	Purchased goods and services	Water supply and waste water, office paper and printed materials
	Category 3	Fuel- and energy-related activities not included in Scope 1 or 2	City gas, LPG, gasoline, diesel fuel, heavy oil A, kerosene, LNG, electricity, heat
	Category 4	Transportation and distribution (upstream)	Shipping such as postal mail and deliveries other than mail (e.g., courier services and motorcycle courier services)
	Category 5	Waste generated from operations	Industrial waste, general waste
	Category 6	Business travel	Domestic sales activities and business travel, overseas business travel
	Category 7	Employee commuting	Bus, train, private car
	Category 15	Investments (equities)	Listed equities
		Investments (corporate bonds)	Publicly offered corporate bonds

*Some estimated values are included in the measurement of greenhouse gas emissions for Scope 1, Scope 2, and Scope 3 Categories 1, 3, 6, and 7.

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Category			Unit	FY2022	FY2023	FY2024	FY2025	Scope: Consolidated companies in Japan: Sompo Japan Insurance Inc.	Scope: Consolidated companies in Japan: Other Group companies	Scope: Overseas consolidated companies	Third-party assurance
Total GHG emissions (Scopes 1–3) (Scope 2: market-based; Scope 3: excluding Category 15)*2			t-CO_2e	290,085	289,625	284,593	222,249	●	●	●	✓
GHG emissions reduction rate (vs. 2017)			%	27.3	27.4	28.7	44.3	●	●	●	
GHG emissions (Scope 1)*2			t-CO_2e	38,287	43,738	35,515	26,626	●	●	●	✓
GHG emissions (Scope 2: market-based)*2			t-CO_2e	126,618	120,641	121,183	100,656	●	●	●	✓
GHG emissions (Scope 2: location-based)*2			t-CO_2e	135,377	133,468	132,187	121,595	●	●	●	✓
GHG emissions (Scope 3)*2	Total (excluding Category 15)		t-CO_2e	125,180	125,246	127,895	94,967	●	●	●	✓
	Category 1		t-CO_2e	21,452	22,857	22,387	7,404	●	●	●	✓
	Category 3		t-CO_2e	32,501	33,489	31,869	28,014	●	●	●	✓
	Category 4		t-CO_2e	15,851	14,700	14,428	19,992	●	●	●	✓
	Category 5		t-CO_2e	4,216	3,531	3,351	2,358	●	●	●	✓
	Category 6		t-CO_2e	27,212	27,436	31,060	17,824	●	●	●	✓
	Category 7		t-CO_2e	23,948	23,233	24,800	19,375	●	●	●	✓
	Category 15	Total	t-CO_2e	1,643,161	1,729,817	1,469,598	—	●	●	●	✓
		Reduction rate (vs. 2019)	%	20.7	16.5	29.1	—	●	●	●	
		Equities	t-CO_2e	867,087	925,692	816,192	—	●	●	●	✓
		Corporate bonds	t-CO_2e	776,074	804,126	653,406	—	●	●	●	✓
Electricity consumption			kWh	303,569,599	297,260,528	303,074,454	272,521,153	●	●	●	✓
Renewable electricity usage (purchased for self-consumption)			kWh	13,954,540	20,992,172	31,512,076	20,728,503	●	●	●	✓
Renewable electricity usage (self-generated and self-consumed)			kWh	54,608	72,054	84,364	92,600	●	●	●	✓
Electricity consumption covered by certificate purchases			kWh	20,600	19,694	452,921	31,224,960	●	●	●	
Renewable energy introduction rate			%	4.6	7.1	10.6	19.1	●	●	●	
Heat usage			MJ	93,741,176	94,739,693	96,927,108	98,930,863	●	●	●	✓
City gas usage			Sm^3	3,626,042	3,841,924	4,093,820	4,967,325	●	●	●	✓
Heavy oil A usage			kℓ	24	21	43	23	●	●	●	✓
Kerosene usage			kℓ	223	221	215	15	●	●	●	✓
Diesel fuel usage			kℓ	25	15	41	57	●	●	●	✓
LPG usage			t	605	597	485	465	●	●	●	✓
Gasoline usage			kℓ	10,967	13,353	9,523	5,675	●	●	●	
Water usage (clean water supply)			kℓ	3,264,482	3,617,335	3,369,338	3,425,926	●	●	●	✓
Water usage (wastewater discharge)			kℓ	3,236,988	3,595,075	3,349,951	3,391,644	●	●	●	✓
Total amount of waste generated			t	5,925	4,888	4,551	1,833	●	●	●	
Amount of waste recycled			t	4,145	3,146	2,871	598	●	●	●	
Non-recycled waste (total amount disposed)			t	1,780	1,742	1,680	1,235	●	●	●	
Breakdown by disposal method	Landfill		t	20	10	9	79	●	●	●	
	Incineration (with thermal recovery)		t	1,377	1,315	1,255	859	●	●	●	
	Incineration (without thermal recovery)		t	10	2	2	16	●	●	●	
	Other forms of disposal		t	373	415	414	281	●	●	●	
Transition Insurance			¥100 million	—	—	297	348	●	●	●	

*1 When calculating FY2024 results, the scope was expanded from "all domestic and overseas consolidated subsidiaries (Japanese GAAP basis)" to "all domestic and overseas consolidated subsidiaries (IFRS basis)," and figures for FY2024 and earlier were recalculated accordingly. (Includes some estimated calculations.) Totals may not match, because figures are rounded to the nearest decimal place.

*2 GHG emissions (Scopes 1–3) undergo annual third-party verification by a certification body (obtained in June 2026). The calculation scope is the entire scope of Sompo Holdings' consolidated financial statements (IFRS basis).

*3 The unit for city gas is Nm^3 up to FY2023 and Sm^3 from FY2024 onward.

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GHG emissions in investments, loans and insurance underwriting

GHG emissions*1 associated with investments, loans, and insurance underwriting are calculated using the Partnership for Carbon Accounting Financials (PCAF) methodology.

Beyond assessing current emission levels, engagement is conducted with investees and underwriting clients to encourage initiatives aimed at addressing social issues such as climate change.

For more details on the Group's various initiatives, including sustainability-themed investments and financing related to climate change, the establishment of Transition Insurance Targets, and the development of insurance products that contribute to decarbonization, refer to "Sustainability through Underwriting, Investments, and Loans" (p.30).

*1 Numerical data may be retroactively revised due to corrections to published values or reviews of calculation methods.

● GHG emissions in investments and loans*2

By asset class		Unit	FY2021	FY2022	FY2023	FY2024	Third-party assurance
Equities	GHG emissions*3	t-CO_2e	931,821	867,087	925,692	816,192	✓
	Intensity*4	t-CO_2e/¥100 million	76.41	75.36	60.27	65.72	✓
	Weighted average carbon intensity (WACI)*5	t-CO_2e/Million USD	125.05	115.25	137.51	115.49	✓
Corporate bonds	GHG emissions*3	t-CO_2e	909,893	776,074	804,126	653,406	✓
	Intensity*4	t-CO_2e/¥100 million	76.24	66.38	67.70	61.38	✓
	Weighted average carbon intensity (WACI)*5	t-CO_2e/Million USD	167.04	128.13	142.77	156.46	✓

*2 Calculated for Scope 1 and 2 of listed equities and corporate bonds in Japan and overseas using data provided by MSCI ESG Research.
(Coverage: FY2024: 86% of listed equities and 72% of corporate bonds, both market value basis)

*3 GHG emissions are calculated based on our share of the investee's EVIC (Enterprise Value Including Cash) base.

*4 Intensity is the amount of GHG emissions per unit of investment. Investment and loan amounts for overseas operations are converted into yen using the 2019 exchange rate (the base-year rate).

*5 WACI is the weighted average of GHG emissions per unit of sales for each investee's portfolio holdings.

By industry (GICS code)		Unit	FY2024
Materials	GHG emissions from equities	t-CO_2e	392,502
	GHG emissions from corporate bonds	t-CO_2e	217,573
Energy and Utilities	GHG emissions from equities	t-CO_2e	124,951
	GHG emissions from corporate bonds	t-CO_2e	311,892
Industrials	GHG emissions from equities	t-CO_2e	198,677
	GHG emissions from corporate bonds	t-CO_2e	60,381
Consumer Discretionary, Consumer Staples and Other	GHG emissions from equities	t-CO_2e	81,501
	GHG emissions from corporate bonds	t-CO_2e	45,820
Information Technology and Communication Services	GHG emissions from equities	t-CO_2e	16,397
	GHG emissions from corporate bonds	t-CO_2e	7,076
Financials and Real Estate	GHG emissions from equities	t-CO_2e	1,100
	GHG emissions from corporate bonds	t-CO_2e	6,134
Health Care	GHG emissions from equities	t-CO_2e	1,064
	GHG emissions from corporate bonds	t-CO_2e	4,532

By region		Unit	FY2024
Japan	GHG emissions from equities	t-CO_2e	816,172
	GHG emissions from corporate bonds	t-CO_2e	366,755
Americas	GHG emissions from equities	t-CO_2e	19
	GHG emissions from corporate bonds	t-CO_2e	146,097
APAC (excluding Japan)	GHG emissions from equities	t-CO_2e	0
	GHG emissions from corporate bonds	t-CO_2e	97,065
Europe and others	GHG emissions from equities	t-CO_2e	0
	GHG emissions from corporate bonds	t-CO_2e	43,489

● GHG emissions in insurance underwriting*6

Portfolio	Unit	FY2022	FY2023	FY2024	Third-party assurance
Commercial	t-CO_2e	390,391	431,959	495,454	✓

*6 Calculated using data provided by MSCI ESG Research, covering Scope 1 and 2 emissions of companies whose shares are held among Sompo Japan Insurance's policyholders.
(Coverage ratio) FY2022: 68.8% FY2023: 82.2% FY2024: 81.3%
(Data quality score) FY2022: 1.00 FY2023: 1.00 FY2024: 1.00, on a net premiums written (NWP) basis

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