

Sustainability Report 2022

Sumitomo Life Sustainability Report 2022

CORPORATE PURPOSE

Our purpose as a life insurance company:

Contribute to the advancement of social and public welfare

Editorial policy

This is an English translation of the Japanese version of the Sustainability Report. This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

We have created this report to convey our sustainability initiatives in fiscal 2021 in a format that is easy to understand for our various stakeholders. We position this report as the "Sustainability Report," provide a comprehensive report of our initiatives for sustainability, and focus on priority initiatives based on materiality.

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高田幸徳

Yukinori Takada

Director, President & Chief Executive Officer,
Representative Executive Officer

Message from the President

By contributing to the realization of a society that supports “well-being for all,” we are working with customers and society toward the goal of a sustainable future.

Sumitomo Life’s Sustainability Management

Article 1 of our corporate philosophy, “Management Policy,” states that our Purpose (reason for existence) is to “Contribute to the advancement of social and public welfare” through our insurance business. Through the business of life insurance, we support our customers’ lives and contribute to them and society. This is the approach that we have maintained, without change, since the founding of the Company.

The social environment in which we operate is undergoing rapid changes, such as the declining birthrate and aging population, arrival of the era of the “100-year lifespan,” and increasingly diverse lifestyles. As we gaze into the future, the eyes of the world have shifted their focus to how much progress we can make in building a sustainable society and other medium- to long-term issues, such as addressing the SDGs by 2030, and achieving carbon neutrality by 2050.

It was against this backdrop that we formulated the “Sustainability Management Policy” in May 2022. In addition to being a company with social responsibility toward stakeholders as expressed in the “CSR Management Policy,” we are now

addressing the important question of what responsibility the Company has towards society, and towards the future. Based on our purpose, which is to contribute to the advancement of social and public welfare, we have positioned the Sustainability Management Policy as our mission that we must strive to fulfill.

By contributing to the “well-being for all,” we aim to assist in the realization of a society of affluence, vitality, health and longevity, as well as to help realize a sustainable society while continuing our own growth, working together with customers and society toward the goal of a sustainable future.

Sustainability Initiatives

Ever since its founding, the Company has played a role in supporting the lives of innumerable customers and their families through the life insurance business. We have worked to resolve the issues faced by Japanese society in the areas of financial security for death, illness, nursing care, retirement, and children’s education, as well as health and welfare.

In 2018, we launched SUMITOMO LIFE Vitality Shared-Value Insurance as a core product to support well-being for all, which adopts an approach of evaluating daily health-enhancing activities undertaken by customers. This was the first such product in Japan, and I am pleased to report that in the fiscal year just ended, cumulative sales reached one million policies. Questionnaire surveys to the customers of the product indicate that nearly 90% of policyholders have actually changed their behavior and report that they genuinely feel in a better condition both physically and mentally. In order to provide services that offer multifaceted support of well-being for all, Sumitomo Life is currently working not on its own but in cooperation with a variety of companies, local governments, and academic institutions to establish a WaaS (Well-being as a Service) ecosystem, with a focus on providing further support for achieving well-being going forward.

The Company has thus far engaged in various sustainable activities for the conservation of the global environment based on the “Sumisei Environmental Policy.” In 2021, in addition to declaring its intention to achieve carbon neutrality by 2050, it set targets for reductions in greenhouse gases (GHG) by 2030,

and is working with investees and other companies, including those in the supply chain, to cut GHG emissions. I believe that the Company’s efforts, as an institutional investor that manages the insurance premiums it receives from customers, to not only reduce its own emissions but also to support decarbonization among its investees, will lead to stable investment returns over the medium to long term. By engaging in dialogue with investees and proactively implementing transitional finance, we are promoting initiatives that help achieve a sustainable society.

Towards a Sustainable Future

After all, people are what matter the most when envisioning the Company one decade, three decades into the future, and even beyond. No matter how much technology progresses and external environmental change occurs, life insurance products must be offered based on the trust of people. As such, it is of utmost importance that we refine and enhance the value of our “human capital.” Moreover, only human capital is capable of promoting sustainability initiatives and making them a reality.

By seeking to leverage our diverse human capital to provide new value to our customers and society, we will take further steps toward our goal of becoming an “indispensable life insurance company” not only for our customers but also for our employees and future society.



高尾延浩

Nobuji Takao

GSO (Group Sustainability Officer)



In order to achieve a sustainable future for the Sumitomo Life Group and the society at large, as the Group Sustainability Officer I will promote initiatives for sustainability throughout the Group, both in Japan and overseas, and enhance the value we provide to society as the Sumitomo Life Group.

Sustainability Highlights

Sumitomo Life has established five items that are important in promoting sustainability management (key items of sustainability, details on page 5).

We have achieved the following results in various initiatives based on our key items of sustainability.

Extending healthy life expectancy through the insurance business

SUMITOMO LIFE Vitality Shared-Value Insurance

Cumulative number of sales since launch

1 million

▶ Page 6

Increase in exercise opportunities after enrollment

83%

* Avg. number of steps of members enrolled between September 2018 and January 2020, through the end of January 2022

▶ Page 14

Comparison of Vitality members to non-members

Mortality rate:

Approx. 38% lower

Hospitalization rate:

Approx. 11% lower

* Payments from April 2020 through March 2021 for policies prior to March 2020

* Mortality rate excludes accidental deaths, and hospitalization rate excludes hospitalizations due to accident.

▶ Page 14

Provision of Vitality Health Report

▶ Page 14

Provision of sense of security through the insurance business

Healthy, safe and secure lifestyles

Customer satisfaction in fiscal 2021 (overall satisfaction)

89.8%

▶ Page 16

Insurance claims and benefits

Mortality insurance claims

¥11,549 million

Hospitalization benefits

¥11,381 million

* Payment amount as of the end of March 2022 (figures for Sumitomo Life parent only)

▶ Page 16

Realizing a carbon neutral society

Realizing Carbon neutrality (decarbonized society) by 2050

▶ Page 8

Thematic investment results (Fiscal 2020 to fiscal 2021 cumulative)

Approx. **¥382 billion**

Progress rate: **Approx. 76%**

* Amounts by fiscal year in which the respective investment decisions were made.

▶ Page 11

Realization of sustainable and stable growth

Developing human resources

Launching the Human Capital Development Headquarters

* The notion of "human capital development" conveys the idea of working together to enhance human value while seeking mutual development.

▶ Page 12

Diversity, equity & inclusion

Female employees in managerial positions

47.3%

▶ Page 18

Employees taking paternity leave

100%

▶ Page 18

Joint development with startups and IT companies

Developed CellSource PFC-FD insurance and Heatstroke insurance

* Developed jointly with another company by Sumitomo Life and its Group subsidiary AIARU Small Amount & Short Term Insurance Co., Ltd.

▶ Page 18

Building mutual trust with stakeholders

Contribution to local communities and society

Percentage of departments that participated in Sumisei "Humany" activities (staff volunteers)

100%

▶ Page 19

Sumisei Vitality Action, social contribution program with the theme of health enhancement

123 locations nationwide

Participating families

Approx. 6,300 or more

▶ Page 20

Promotion of collaboration with local governments

Cooperation with prefectural governments

43 instances

* We have carried out collaborative projects across various fields with local governments with which we have entered into comprehensive partnership agreements such as Tokyo and Osaka.

▶ Page 19

Promotion of financial literacy education

Life planning seminars and second life seminars held at customer companies

190 companies (Attendees: approx. 9,796)

▶ Page 19

Management structure that supports sustainability

Enhancing management structure

Formulated Sustainability Management Policy

▶ Page 4

Appointment of GSO (Group Sustainability Officer)

▶ Page 2

Human rights

Established Sumitomo Life Group Human Rights Policy

▶ Page 21

Initiated Human rights due diligence practices

▶ Page 22

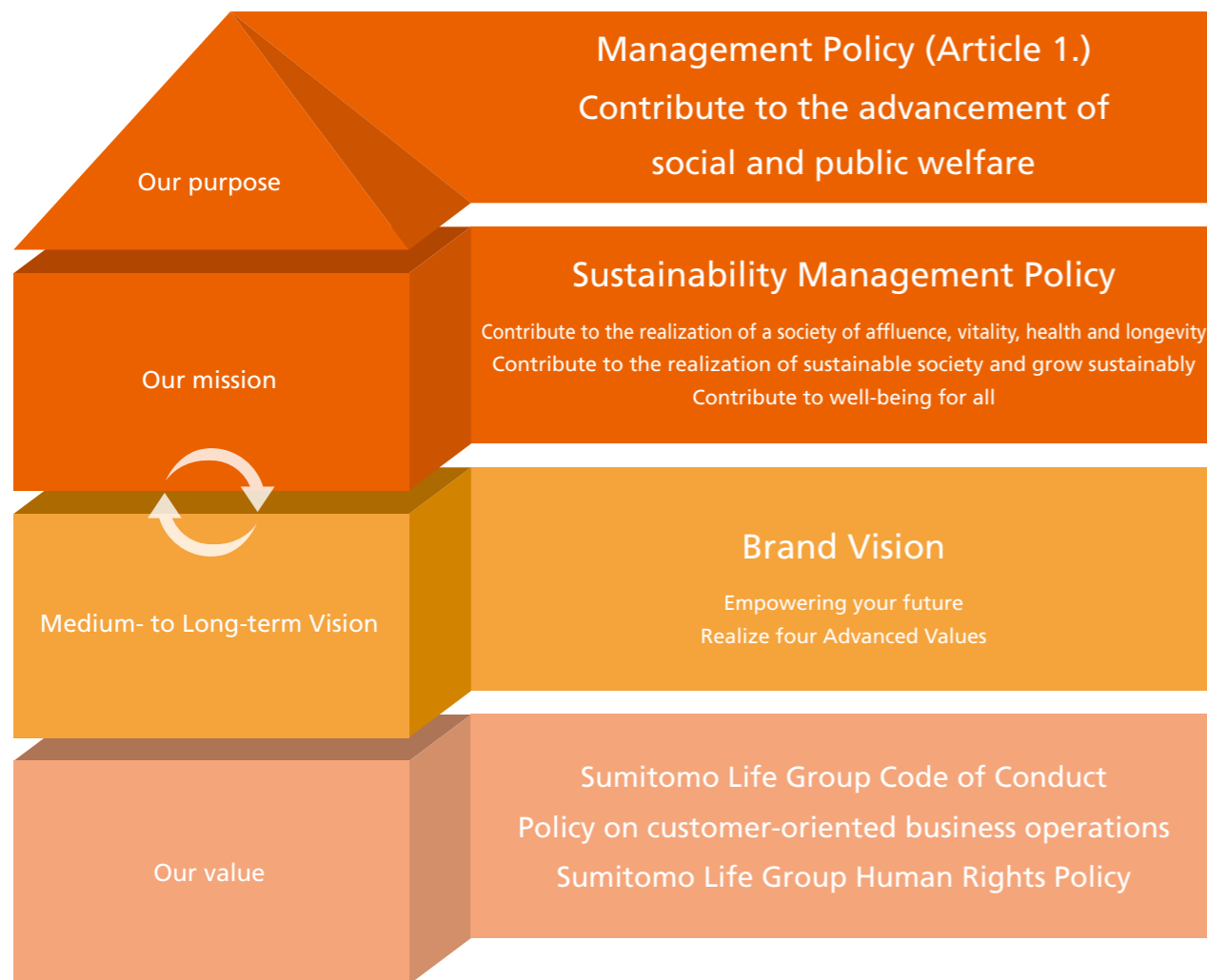


Philosophical Framework

Sumitomo Life Operating Policy

The operating policy of the Company sets the “Management Policy,” which is our corporate philosophy, as the apex. The “Sustainability Management Policy” stipulates the Company’s universal mission stated in the “Management Policy” reorganized from the sustainability perspective, and the “Sumitomo Life Brand Vision” states the image of the Company from customer’s perspective that we aim to become in the medium- to long-term.

In addition, the Company has formulated the “Sumitomo Life Group Code of Conduct,” “Policy on customer-oriented business operations,” and “Sumitomo Life Group Human Rights Policy” to ensure that the actions of each executive and employee reflect the operating policy.



Sustainability Management Policy

Sustainability Management Policy

Through the sound operation and development of the insurance business, Sumitomo Life will contribute to the realization of a society of affluence, vitality, health and longevity.

Guided by our purpose of contributing to the advancement of social and public welfare, we contribute to the realization of a sustainable society through the honest business operations and efforts to solve social and environmental issues, and aim to be a company that is trusted and supported by our customers and other stakeholders, and that grows sustainably and stably.

Sound Operation of the Insurance Business

Keeping in step with the lives of our customers and their families, we will provide optimal insurance and services to each and every person to enable well-being for all and enhance customer value.

Paying insurance claims are fundamental to the insurance industry, and to pay them correctly, promptly, and reliably we will strive to manage assets stably over the medium to long term and ensure a sound financial base.

As well as complying with laws, regulations, and rules applying in all the countries and regions where we do business, we respect human rights and diversity in our business activities.

Creating a Company that Continues to Grow

As well as respecting the human rights and diversity of our employees, we will create a company where each and every employee can enjoy health and well-being, fulfill their potential in a fair environment, and continuously work with pride, confidence, and enthusiasm.

Efforts to Resolve Social and Environmental Issues

Recognizing our responsibility as a member of society, we will work to solve social and environmental issues in both our core business of insurance underwriting and asset management. At the same time, in all our business activities we will contribute to the realization of a sustainable society that embraces diversity and inclusion.

We will reduce environmental burdens arising in the course of our business activities and consider the importance of biodiversity, based on awareness that the global environment, which faces challenges including climate change, forms the foundation of a sustainable society. By encouraging the shift to a decarbonization, we will also contribute to the realization of a carbon-neutral society.

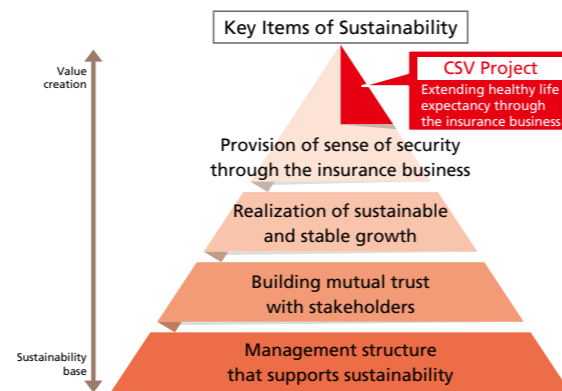
Collaboration with Stakeholders

Through the efforts outlined above, we will earn the trust and support of our stakeholders—customers, business partners, employees, society, and the global environment—and contribute together to realizing a sustainable future.

Materiality

We have defined materialities (key items) based on our operating policy as shown in the diagram presented on the right. We have identified SDGs we will work to achieve and material issues for each of the five key items to clarify the issues we focus on.

Led by the "Sumitomo Life Medium-Term Business Plan 2022," we are going to contribute to the achievement of SDGs via initiatives presented below primarily by contributing to the creation of healthy and long-living society through "SUMITOMO LIFE Vitality."



Materiality	Risks and Opportunities	Material Issues	Our Visions	Relevant SDGs
Extending healthy life expectancy through the insurance business	Risks <ul style="list-style-type: none"> Longer lives could result in decreasing demand for death protection, and increases in benefits paid in relation to hospitalization and surgery, etc. Opportunities <ul style="list-style-type: none"> Rising demand for pure endowments driven by longer lives and the increase in one-person households Market growth driven by development of proprietary products that contribute to the promotion of health 	<ul style="list-style-type: none"> Promotion of businesses related to "SUMITOMO LIFE Vitality" Implement initiatives to publicize "SUMITOMO LIFE Vitality" throughout society, as well as initiatives to drive the evolution of products, programs, and rewards Reference Pages 13-14	Contribute to extending healthy life expectancy in Japan through the insurance business, with a view to realizing a society where people can continue to live with peace of mind in good health	
Provision of sense of security through the insurance business	Risks <ul style="list-style-type: none"> Mismatches between products and services provided and customer needs; obsolescence caused by similar products and services from other companies or neighboring industries Possibility of damage to asset values as a result of investment and financing behavior that ignores the ESG perspective Opportunities <ul style="list-style-type: none"> Enhancement of corporate value through the provision of products and services that capture customer needs Increase in investment and financing opportunities generated by the expansion of funding needs for ESG projects 	<ul style="list-style-type: none"> Services and information for the era of the 100-year lifespan Contribution to the realization of a carbon neutral society (Responsible investment, etc.) Reference Pages 15-16	Provide all people with suitable life insurance products and services, as well as security that they will lead to, by pursuing customer-oriented management	
Realization of sustainable and stable growth	Risks <ul style="list-style-type: none"> Loss of customers, reduced motivation to work, and obstacles to hiring employees resulting from an approach to operating the business that is incompatible with environmental changes Opportunities <ul style="list-style-type: none"> Enhancement of corporate value and gaining of social trust resulting from an approach to operating the business that captures the changing needs of society 	<ul style="list-style-type: none"> Work style reform Recruit & nurture flexible and diverse human resources Coexistence with business partners through alliances, etc. New value creation through open innovation Strengthen of business development infrastructure (IT, etc.) Reference Pages 17-18	Under a management policy to be passed down through the ages, continue to grow steadily while responding to changes and reforms in society	
Building mutual trust with stakeholders	Risks <ul style="list-style-type: none"> Possibility of loss of social reason for existence caused by damage to mutual trust Opportunities <ul style="list-style-type: none"> Gaining the trust of society by fulfilling social responsibilities 	<ul style="list-style-type: none"> Promote financial literacy education Global environmental protection Promote activities to contribute to society, and collaborate with regional governments Reference Pages 19-20	Meet the expectations of stakeholders and aim to be a company that is trusted and supported by them	
Management structure that supports sustainability	Risks <ul style="list-style-type: none"> Possibility of reduced trust and of damage to corporate value caused by infringements of laws and regulations or corporate behavior that deviates from social norms Opportunities <ul style="list-style-type: none"> Enhancing corporate value by achieving highly effective corporate governance and making continuous improvements to it thereafter 	<ul style="list-style-type: none"> Strengthening corporate governance Compliance initiatives Human rights initiatives Initiatives for the protection of personal data Increased sophistication of ERM Restructure and enhance risk management systems Reference Pages 21-22	Contribute to the creation of a sustainable society by conducting honest business operations and building a sound financial base	

Promotion System

We have set up the "Sustainability Promotion Council" to implement initiatives to share and solve social and environmental issues, such as the SDGs. The council convenes twice a year in principle, and we have developed a system in which discussions of the council are deliberated at the Executive Management Committee, an advisory body to the President, and reported to the Board of Directors.



We seek to promote sustainability initiatives and contribute to achieving the SDGs in our business activities, and have accordingly declared our intention to focus on contributing to society and on creating a company that is trusted by society in the "Sumitomo Life Medium-Term Business Plan 2022."

The status of our sustainability initiatives is disclosed on the Sustainability page of our official website. We will continue to strive to disclose information in a timely and appropriate manner.

Overview of Sustainability Promotion Council

The Sustainability Promotion Council's membership includes the President and other Executive Officers who are in charge of relevant departments.

We have built a framework for implementing the PDCA cycle laterally across departments, which will largely involve considering matters such as the need to overhaul and strengthen our own sustainability initiatives in light of society's demands amid a scenario of ever-changing circumstances surrounding society and the environment.

Reporting from fiscal 2021 onward

During its meetings held in fiscal 2021, the Sustainability Promotion Council reviewed the status of initiatives taken to address key issues toward achieving the SDGs, and otherwise engaged in discussion and reporting with respect to matters such as directions in regard to stepping up initiatives to address issues of climate change and initiatives for causing SDGs to take hold within the Company.

Information regarding our "Initiatives for SDGs" (refer to page 23 for details) is disclosed on our official website as well and published annually.

Overview of the Sustainability Promotion Council from fiscal 2021 onward

Schedule	Main items
May 2021	<ul style="list-style-type: none"> Reported the status of fiscal 2020 initiatives Discussed targets for fiscal 2021 initiatives Reported fiscal 2020 initiatives for causing SDGs to take hold within the Company and on such initiatives for fiscal 2021
June 2021	<ul style="list-style-type: none"> Discussed to establish 2030 GHG emissions reduction targets for the asset portfolio
August 2021	<ul style="list-style-type: none"> Reported the status and directions of our response to issues of climate change
November 2021	<ul style="list-style-type: none"> Reported status of initiatives in the first half of fiscal 2021
March 2022	<ul style="list-style-type: none"> Reviewed fiscal 2021 sustainability initiatives and reported fiscal 2022 initiatives Discussed to raise fiscal 2030 GHG emissions reduction targets
May 2022	<ul style="list-style-type: none"> Discussed to formulate the Sustainability Management Policy (revision to CSR Management Policy)

Progress toward Addressing Social Issues Originating from Sumitomo's Business Philosophy

Sumitomo's Business Philosophy

Masatomo Sumitomo, the founder of the Sumitomo family born in 1585, wrote the Monjuin Shiigaki (Founder's Precepts) to offer guidance on how a merchant should conduct business. His teachings were passed down to "Business Principles" codified by Saihei Hirose in 1891, and have been a cornerstone of the Sumitomo Group's management. "Sumitomo's Business Philosophy" expresses the strong sense of Sumitomo's mission in society, as it states "Sumitomo's business must benefit the nation and society as well as Sumitomo itself." This philosophy also forms the basis of the corporate philosophy of Sumitomo Life Insurance Company.



Statue of Masatomo Sumitomo



Founder's Precepts

For 115 years, Sumitomo Life has been providing society with life insurance essential for people's safe and secure lives. While focusing on realizing a society of affluence, vitality, health and longevity through our insurance business, we will also continue to work on resolving social and environmental issues to fulfill our responsibilities as an institutional investor.

History of Sumitomo Life

1907

Established Hinode Life Insurance Co., Ltd.
Hinode Life Insurance Co., Ltd. was established based on ideals cited as, "we will contribute to society through sound company management that entails putting the security of company management and the interests of our policyholders first."



Toshiyuki Okamoto

1926

Renamed to "Sumitomo Life Insurance Co., Ltd."
(1947-1952: "Kokumin Life Insurance Co.")

1952

Renamed to "Sumitomo Life Insurance Company"
Codified basic approach to social contribution in the "Management Policy"
Started funding reserve for promoting the welfare of society and policyholders

Realization of a society of affluence, vitality, health and longevity

1960

Established Sumitomo Life Social Welfare Services Foundation (currently, Sumitomo Life Welfare and Culture Foundation)
The foundation engages in various social and public welfare projects that include mobile medical examination vehicle activities and comprehensive medical checkups.



Mobile medical examinations

1985

Established Sumitomo Life Health Foundation
The foundation was established to promote social and public activities for both customers and the general public, thereby contributing to better physical and mental health of Japan's citizens.



TV Program "Ikiru (A Day In A Life)" (1986-1996)

1991

Started offering the Sumisei Long-term Care Seminar (currently, Sumisei Wellness Seminar)

2001

Started providing support for service dog training



Started providing support for organizations that engage in dementia care

2007

Started providing support for pink ribbon campaigns



Business approval P800

Started awards program entailing encouragement prizes for contributions to community healthcare (Initiative of Sumitomo Life Welfare and Culture Foundation)

2008

Started partnerships with local governments involving agreements for cooperation in areas such as actions to address cancer

2009

Started training dementia supporters

2012

Entered into agreement with the National Cancer Center Japan involving comprehensive partnership for raising awareness and disseminating information on cancer

2016

Started the Japan Vitality Project



2017

Launched "Sumisei Vitality Action"

Entered into comprehensive partnership agreements with regional governments such as the Tokyo Metropolitan Government and Osaka Prefecture

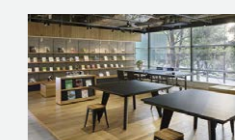
2018

Started sales of SUMITOMO LIFE Vitality Shared-Value Insurance



2019

Started development of Vitality Plaza outlets



Vitality Plaza

2022

Cumulative total of Vitality policies topped one million

Selected as a "White 500" company of the 2022 Certified Health & Productivity Management Outstanding Organizations Recognition Program



Initiatives to address social issues

1977

Started children's drawing contests
This effort has enlisted support of the Louvre Museum since 2000.



Drawing contest

1978

Established a committee for facilitating employment of persons with disabilities

1986

Started hosting of Charity Concerts throughout Japan

1990

Opened Izumi Hall, a classical music concert hall (currently, Sumitomolife Izumi Hall)

1992

Started Sumisei "Humany" activities



Greenkeeping support group (turf care for elementary school grounds)

2001

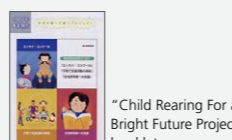
Started the Sumisei Storytelling Caravan (Initiative of Sumitomo Life Health Foundation)

2006

Established policy on measures for employee work-life balance

2007

Started "Child Rearing For a Bright Future Project" (currently, "Child Raising Project to Empower the Future")



"Child Rearing For a Bright Future Project" booklet

2008

Participated in the United Nations Global Compact

2009

Began participating in the non-profit organization TABLE FOR TWO International

Obtained certification as preferred employer of persons with disabilities

2010

Started Sumisei Community Sports Promotion and Grant Program (Initiative of Sumitomo Life Health Foundation)

2014

Released targets set for appointment of women to managerial positions

Started the Sumisei After School Project

2015

Obtained "Platinum Kurumin" certification



2017

Launched a project for elementary school construction in Vietnam



Restroom and water supply facilities upon completion © Plan International Japan

2018

Opened "Poppins Nursery School Sumisei-Kids," company-sponsored childcare facility

2020

Joined "The Valuable 500" international initiative to promote empowerment of persons with disabilities

2021

Launched the "Program for Protecting You from Lifestyle Diseases" for achieving better health outcomes in cooperation with communities

2022

Announced "Dementia Barrier-Free Declaration"

Initiatives to address environmental issues

1992

Started Sumisei "Humany" activities



Greenery preservation activities

1996

Established Office Infrastructure Reform Committee

Reduced volume of printed matter by eliminating business paperwork and computerizing accounting work

2001

Cost Revolution 21 initiatives
Reduction of paper, consumables, utility costs, etc.

2006

Established the CSR Management Vision and Sumisei Environmental Policy

2007

Launched the "Sumisei Beautiful Earth Campaign"



Beach cleanup activity for 2019

2008

Implemented Coral Reef Conservation Project



© WWF Japan

2008

Started Sumisei ecologically oriented activities

2019

Became a signatory to the UN Principles for Responsible Investment (PRI)



Supported "Plastics Smart Campaign" of the Ministry of the Environment, Government of Japan
Engaged in efforts to reduce volume of disposable plastics

2019

Supported recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)



2020

Became a signatory to the Climate Action 100+ and the CDP



2020

Donated carbon credits (excess amount of CO₂ emission reductions) to the Tokyo Metropolitan Government and Saitama Prefecture

2021

Set reduction targets toward net zero greenhouse gas emissions by 2050

Joined Partnership for Carbon Accounting Financials (PCAF)

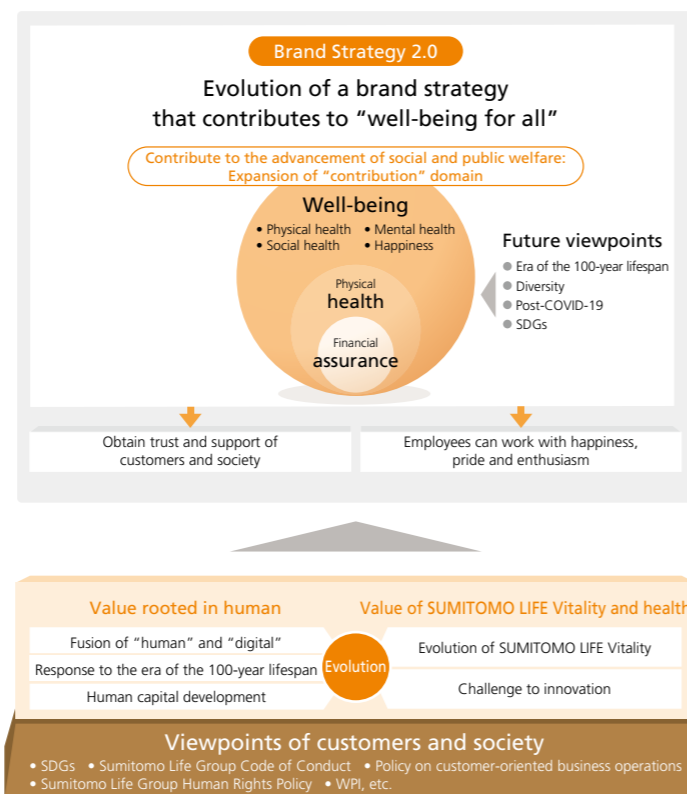
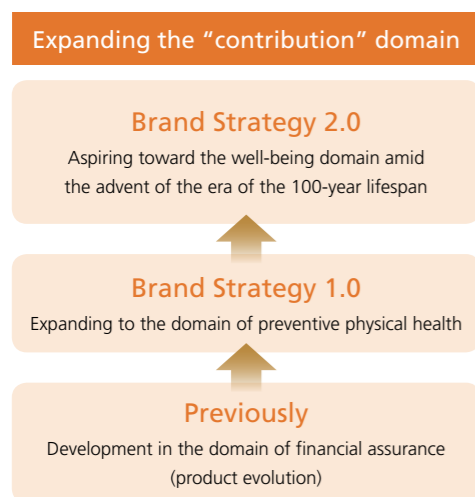
Joined Net-Zero Asset Owner Alliance

Feature 1

Well-being

Contribute to well-being for all

The notion of “contribute to the advancement of social and public welfare” has served as the unwavering purpose of Sumitomo Life since its founding. However, the domain of contribution to “social and public welfare” has changed in step with the social environment and has accordingly been expanded to preventive physical health over the last decade from traditional financial assurance. Over the next decade, we aim to further evolve into the well-being domain given the advent of the era of the 100-year lifespan.



Vision in terms of well-being

Sumitomo Life aims to become an “indispensable life insurance company” that contributes to “well-being for all.”

Achieving that vision will involve further honing our value rooted in human while drawing on digital technologies, and also seeking to establish an ecosystem of services that support well-being through achieving further evolution of SUMITOMO LIFE Vitality and taking on challenges in new business.

Providing new value with SUMITOMO LIFE Vitality

SUMITOMO LIFE Vitality is an innovative product capable of providing value in the form of reducing risk itself by encouraging customers’ health-enhancing activities, in addition to the traditional value of life insurance of risk coverage. It incorporates a program for encouraging customers’ continuous health-enhancing activities with its two major distinctive features of insurance premiums that are adjusted annually and rewards from our partner companies (reward partners).

Expansion of the WaaS ecosystem

Sumitomo Life develops services as an ecosystem supported by the notion of “well-being for all.” In so doing, we seek to achieve value unique to Sumitomo Life that will persist into the future, while further promoting such aims going forward and expanding the WaaS (well-being as a service) domain.

Specifically, in addition to SUMITOMO LIFE Vitality further promoting the notion of getting healthier with WaaS at its core, we will also keep addressing issues of illness and old age experienced by all in the era of the 100-year lifespan, which will serve as our trajectory in developing new businesses and services through open innovation. We will develop services, including “Disease Management” services for well-being even in case of illness, “Well-Aging” services for well-being as people grow older, and “Wellness Life” services for well-being and a positive outlook when encountering various challenges associated with aging.

Sumitomo Life will contribute to achieving mental, social and economic “well-being for all.”



Providing a stand-alone Vitality Wellness Program

Since April 2021, we have been offering part of the Vitality Wellness Program (Active Challenge, etc.), for free and for a limited time. The aim is to create opportunities to develop exercise habits during the COVID-19 pandemic, and to enable all customers to experience for themselves the attraction of Vitality, without being required to enroll in a life insurance policy.

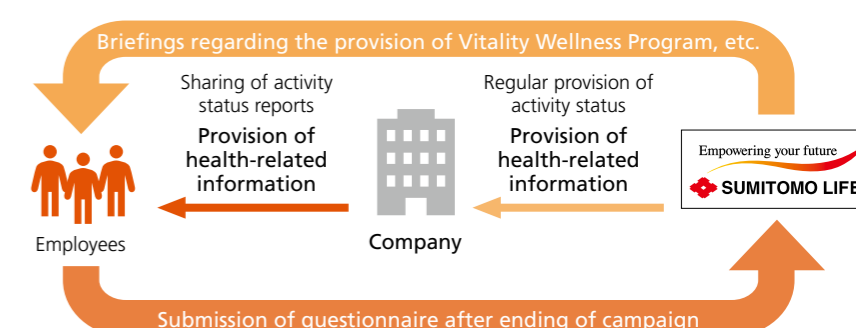
Currently there are mainly two versions provided. The trial version is provided to individuals via sales representatives, while the corporate version is provided to employees as part of our support for companies promoting health-focused management.

Going forward, we will continue with research and investigations aimed at encouraging customers to make further use of the Vitality Wellness Program as a way of contributing to their enhanced health.

[The Active Challenge system]



[Supporting health-focused management by proposing the “SUMITOMO LIFE Vitality” for corporate]



We support more effective management through the implementation of briefings and regular provision of information.

Partnerships with local governments to utilize the stand-alone Vitality Wellness Program

Thus far, we have been addressing various issues together with local governments in various fields such as health enhancement, cancer awareness, disaster and crime prevention, elderly and childcare support, SDGs, and community revitalization. Furthermore, by newly offering elements of the Vitality Wellness Program (“Vitality”), we have embarked on initiatives for improving the health of community members and addressing challenges of local governments (such as enhancing existing health points projects and bridging the digital divide encountered by senior citizens). Going forward, we will continue engaging in initiatives that meet the needs of community members and local governments.

• **Yamagata City, Yamagata Prefecture (Yamagata City Vitality Walk)**
Vitality is provided to “SUKSK” participants with the aim of revitalizing Yamagata City’s “SUKSK” health points project. Participants earn points through both “SUKSK” and Vitality.

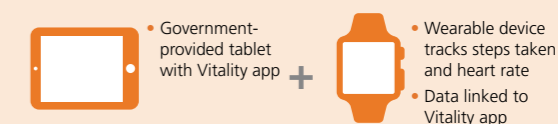
• **Osaka Prefecture (Osaka Smart Senior Life Demonstration Project)**
We are involved with the Osaka Smart Senior Life Demonstration Project Promotion Council through Osaka Prefecture and private companies. Vitality serves as one element of content provided to senior citizens. Its purpose is to help bridge the digital divide encountered by senior citizens. [Upper-right figure]

• **Chigasaki City, Kanagawa Prefecture (Chigasaki Vitality Walk)**
This new health points project is being implemented for a limited time using Vitality. Participants who achieve eligibility will be able to take part in a drawing to win local products.

* There are other examples of providing services to citizens in addition to those mentioned above. Vitality is also offered to city hall employees.

[Initiatives for the Osaka Smart Senior Life Demonstration Project]

Offering elements of the Vitality Wellness Program through tablet devices to senior citizens who are unfamiliar with ICT



Eliminate the digital divide + Promote health enhancement activities

Contribution to the improvement of the QOL of residents

<Partnership agreements with local governments>

We cooperate with many local governments nationwide, including partnerships based on agreements with Japan’s 43 prefectural and metropolitan governments. Particularly in the healthcare sector, we aim to help address local issues through initiatives that enlist the Company’s network of sales employees in efforts to raise awareness of cancer screenings, encourage people to have medical examinations, and inform people about health enhancement initiatives of local governments.

Feature 2

Climate change

Aim to realize carbon neutrality (decarbonized society) by 2050

Sumitomo Life has established the "Sumisei Environmental Policy" as a specific policy for activities concerning the global environment, premised on its belief that protecting the global environment constitutes an important management issue based on the awareness that the global environment forms the foundation of a sustainable society. Through our efforts to achieve net-zero greenhouse gas (GHG) emissions, we aim to serve as an "indispensable life insurance company" for society by addressing the social issue of climate change, which affects the whole world including Japan, in both our core businesses of providing life insurance and handling institutional investment.

Sumisei Environmental Policy

Sumitomo Life believes that maintaining and preserving the global environment is indispensable for our goal of realizing "a society of affluence, vitality, health and longevity." In keeping with the public nature of our business and our responsibilities to society, the Sustainability Management Policy stipulates that "We contribute to the realization of a sustainable society through efforts to solve social and environmental issues." We will observe the following principles in our daily activities and carry out actions to steadily and sustainably protect the global environment.

- 1 We shall fully recognize the importance of protecting the global environment and the environmental impact of our business activities, and promote global environmental protection and conservation of biodiversity through our business activities.
- 2 Aiming to "the realization of a sustainable society", we contribute to realization of a carbon-neutral society by facilitating the transition to a decarbonized society through initiatives as life insurance company and institutional investor.
- 3 We shall pursue energy and resource conservation, introduction of electricity derived from renewable energy sources, waste recycling, and green purchasing for consumables, fixtures and equipment in offices.
- 4 We shall raise the environmental awareness of each officer and employee of the Company, support their activities to protect the global environment, and actively contribute to society on the environmental front.

GHG emissions reduction targets^{*1}

Sumitomo Life aims to achieve net zero GHG emissions by 2050, and has accordingly set the following reduction targets to be achieved by 2030.

Category	Reduction Indicator (Unit)	2030 Target	2050 Target
Scope 1 + 2 + 3	Total emissions (t-CO ₂ e)	-40% (compared with fiscal 2019)	Net zero
Asset portfolio ^{*2}	GHG emissions proportional to the amount of balance held in the portfolio (t-CO ₂ e/million yen)	-42% (compared with fiscal 2019)	

^{*1} Scope 1, 2, and 3 are concepts in the GHG emissions accounting and reporting standards for businesses stipulated by the GHG Protocol and refer to the following.
 • Scope 1: Direct emissions from fuel use at Sumitomo Life
 • Scope 2: Indirect emissions from use of electricity and heat purchased by Sumitomo Life
 • Scope 3: Indirect emissions from business activities other than those in Scope 1 and 2
 Scope 3 covers the items in which emissions are to be reduced through the proactive efforts of Sumitomo Life and its employees. Category 15 (Investments) is managed separately as emissions from the asset portfolio.
^{*2} For the 2050 target, this encompasses all assets excluding government bonds, etc. For the 2030 target, this encompasses domestic and overseas listed stocks, corporate bonds, and loans. The reduction indicator expresses "GHG emissions proportional to the amount of balance held in the portfolio," in order to assess emissions excluding effects of asset size. It is measured by dividing the GHG emissions from the asset portfolio by the amount of balance held.

Initiatives to reduce emissions with respect to Scope 1, 2 and 3

We will further promote energy and resource conservation efforts in our equipment and facilities, which we have been working on for some time, as well as employee-participatory efforts, such as reducing waste by promoting reusable bags and personal use thermos bottles. Moreover, in addition to formulating a plan to switch to LED lighting to reduce emissions, we are also considering the use of electricity derived from renewable energy sources and in April 2022 started introducing such measures in certain buildings.

Initiatives through business activities

We engage in company-wide efforts to address climate change while raising environmental awareness among our employees with a focus on initiatives to save energy and conserve resources.

- We reduce paper consumption, which imposes a heavy burden on the environment, and reduce electricity consumption.
- We have shifted to use of CD-ROMs for storage of insurance policies rather than printed matter.
- We use recycled paper and vegetable oil inks for all printed matter including calendars and product pamphlets for customers, and in-house training materials.
- We have come up with our own environmental logo, which is featured in our environmentally friendly printed matter.



Environmentally friendly property management

About 100 tenanted buildings owned by Sumitomo Life across the country promote energy conservation, etc.

- Install energy-saving equipment
- Introduce electricity derived from renewable energy sources
- Carefully set the temperature of air conditioners
- Acquire Green Certification



Agency for Natural Resources and Energy business classification and evaluation system
 Awarded S Class ranking 7 years in a row (Shinjuku Green Tower Building)

Initiatives to reduce emissions resulting from the asset portfolio

We recognize that addressing climate change is likely to have an enormous impact on our asset portfolio over the medium to long term. As such, we believe that it is important to reduce the GHG emissions of society as a whole by reducing the GHG emissions of each of our investees.

Deeming that divestment serves as a last resort, we actively implement the following three measures accordingly.

Promote dialogue for decarbonization

We will promote dialogue with the aim of encouraging corporate efforts toward decarbonization for our investees, especially those in industries and companies with high emissions.

- Conduct constructive dialogue based on the characteristics of the industries, including from a finance perspective

Expand green financing and transition financing

We will proactively consider and provide green financing and transition financing for the sake of achieving decarbonization, given that high-emitting industries and companies generally play a role in supporting the economic infrastructure.

- Transition of high-emitting industries and companies to decarbonization is key to realizing a decarbonized society
- Such financing is premised on securing a certain amount of investment returns

Expand project financing

We will proactively consider and expand project financing, including for renewable energy, as it is essential for the realization of a decarbonized society.

^{*} Green financing consists of investment and loans that contribute to solving environmental issues. Green bonds are a typical form of green financing, the issuance amounts of which have been increasing in both Japan and abroad. Such issuance amounts are likely to progressively increase going forward toward the transition to a decarbonized society.

^{*} Transition financing consists of investment and loans provided for the sake of shifting business activities subject to substantial environmental burdens (coal-fired power business, etc.) to low-carbon operations (LNG, etc.).

^{*} Project financing consists of loans to specific projects.

Adoption of TCFD recommendations

In March 2019, Sumitomo Life has announced its endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) established by Financial Stability Board (FSB). We will redouble our initiatives thus far related to climate change while also enhancing our disclosure taking into account the TCFD recommendations.



Governance

We have formulated the "Sumisei Environmental Policy" stipulating the corporate policy on environmental protection, and have also formulated the "Basic Principles on Responsible Investment" with the aim of helping to realize a sustainable society encompassing measures to address climate change through asset management.

In addition, the "Sustainability Promotion Council," which is tasked with reviewing matters involving sustainability of Sumitomo Life, has accordingly been engaging in discussions on addressing issues involving climate change and has been reporting its status to both the Executive Management Committee and the Board of Directors.



Strategy

We recognize that Sumitomo Life's business activities gain opportunities and incur risks due to climate change as described below. As such, we have been working to reduce such risks while taking advantage of such opportunities by appropriately engaging in initiatives to manage risk.

<p>Opportunities</p> <p>In asset management, we are encountering more opportunities for investment and financing particularly with respect to companies that develop technologies contributing to a carbon neutral society as well as projects related to renewable energy.</p>	<p>Risks</p> <p>The following risks from among those related to climate serve as the primary risks that may significantly affect Sumitomo Life's business.</p> <ol style="list-style-type: none"> 1 Risk of incurring losses amid changes in the incidence of death, etc. over the medium to long term due to factors that include higher average temperatures (under the "(ii) rocky road" scenario) 2 Risk of future impairment on the value of Sumitomo Life's investment and loan assets under a situation where Sumitomo Life becomes subject to substantial effects involving its investees due to factors that include policy changes and regulatory reforms regarding the transition to a carbon neutral society (under the "(i) green road" scenario)
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We have performed scenario analysis enlisting the following steps in order to evaluate effects of climate-related risk on the life insurance business and the asset management business based on our awareness of the aforementioned risks.

STEP 1	STEP 2	STEP 3	STEP 4
<p>Assess materiality of risks</p> <p>Risk exemplified in the TCFD recommendations</p> <ul style="list-style-type: none"> ○ Physical risks: acute risk and chronic risk ○ Transition risks: policy and legal risks, technology risk, market risk, and reputation risk 	<p>Identify scenarios</p> <p>Select a scenario under which the average temperature rises by 2°C or 4°C prior to the year 2100 relative to average temperatures prior to the Industrial Revolution</p> <p>"(i) Green road" scenario (increase of 2°C) "(ii) Rocky road" scenario (increase of 4°C)</p>	<p>Evaluate business impacts</p> <p>Evaluate effects on the life insurance business and the asset management business</p>	<p>Identify potential responses</p> <ul style="list-style-type: none"> • Keep considering options in terms of approaches to analyzing effects of rising mortality on payments of insurance claims and benefits • Calculate and analyze volumes of GHG emissions resulting from the asset management portfolio

Please refer to the following pages for details regarding analysis results and measures based on such results.

Risk management

Under our integrated risk management framework, we seek shared awareness of climate-related risk. This involves reporting such matters to the ERM Committee and the Executive Management Committee on a regular basis, upon having monitored climate-related risk as one of the emerging risks, in the form of potential events that could substantially affect Sumitomo Life in the future amid a scenario where such risk newly emerges or undergoes transformation due to environmental change or other such developments.

When it comes to asset management, we take climate change and other ESG factors into consideration when making investment and loan decisions and furthermore carry out engagement activities involving dialogue on climate change with investees.



Metrics and targets

We initially aim to achieve the GHG emissions reduction targets shown on the previous page, on our path to realizing carbon neutrality in 2050. Our actual emissions results are as shown in the table below. A third-party organization has assured the latest emissions data. (Figures subject to such assurance are indicated with a check mark ✓)

Category	Unit	Fiscal 2019	Fiscal 2020	Fiscal 2021
Scope 1 + 2 + 3	t-CO ₂ e	181,588	154,183	152,831
Scope 1	t-CO ₂ e	2,716	2,340	2,268 ✓
Scope 2	t-CO ₂ e	36,097	28,137	28,308 ✓
Scope 3 ^{*1}	t-CO ₂ e	142,775	123,706	122,255 ✓
Asset portfolio ^{*2}	Million t-CO ₂ e	8.7	8.0 ✓	-
	t-CO ₂ /million yen	1.34	0.96	-

^{*1} It includes Category 1, 3, 4, 5, 6, 7, 12, and 13.

^{*2} For emissions from the asset portfolio, the latest data is for fiscal 2020 (calculated using the Company's balance held at the end of March 2021 and the GHG emissions data for investees in fiscal 2020).



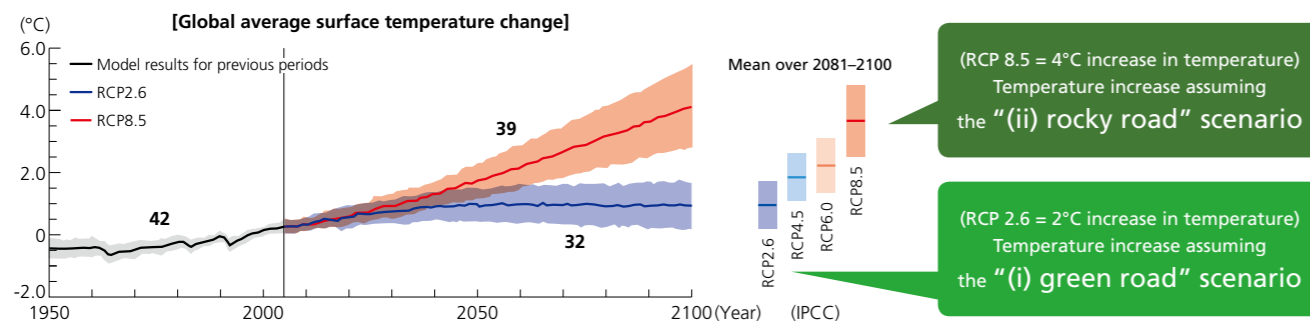
Please refer to the Sumitomo Life website for details.
<https://www.sumitomolife.co.jp/english/sustainability/csr.html#sec03>

Sumitomo Life has conducted scenario analysis* seeking to identify the effects of climate-related risk on the Company's business, so far with respect to effects on payments of insurance claims, etc. and asset management, pursuant to the TCFD recommendations.

* The scenario analysis was performed with the use of reports released by entities such as the "Intergovernmental Panel on Climate Change, Fifth Assessment Report" (IPCC AR5) and the Ministry of the Environment, academic papers, and other existing materials.

Identifying and defining scenarios

We identified two socio-economic scenarios for use in this analysis: "(i) Society takes the green road," and "(ii) Society takes the rocky road," which serve as assumptions for considering how selected risks might develop in the future.



Scenario (i) (Society takes the green road)

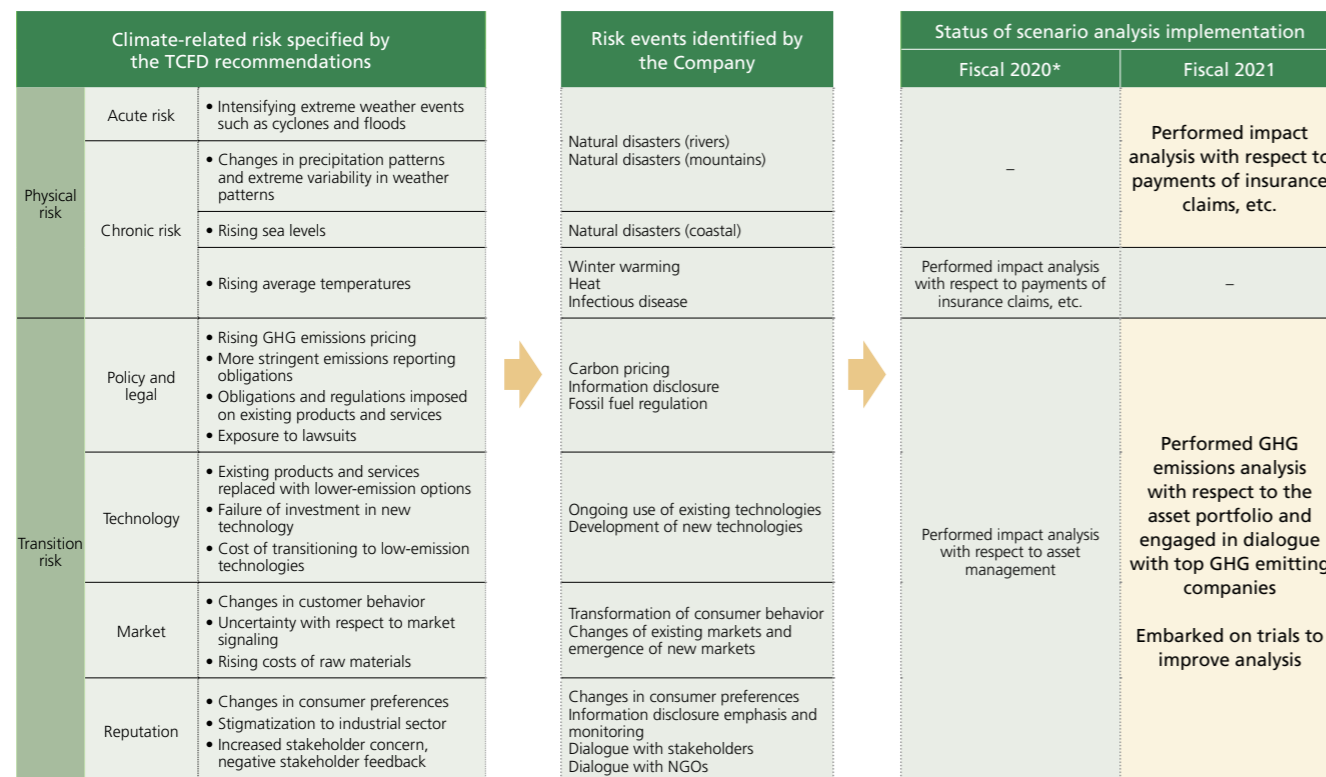
- Average temperature increases by 2°C by 2100
- Society transitions to a more sustainable trajectory amid progress achieved in advances emphasizing environmental constraints; Population decline is relatively alleviated
- Regional disparities are reduced, and forest and agricultural land is properly managed
- High levels of resource efficiency achieved due to factors that include abolition of subsidies for fossil fuels
- Renewable energy becomes a more attractive investment option
- Ease of mitigating climate change and adapting to its effects

Scenario (ii) (Society takes the rocky road)

- Average temperature increases by 4°C by 2100
- Emergence of nationalism, divisiveness and widening economic disparity; Many geographic regions encounter sharp population decline and financial difficulties
- Difficulty in providing infrastructure and services; Progression of environmental destruction amid a scenario of less priority assigned to environmental issues
- No improvement in energy efficiency, drastic structural change lacking
- Ongoing use of low-cost coal-fired power generation and nuclear power as a primary power source
- Difficulties encountered in mitigating climate change and adapting to its effects

Scope of scenario analysis from fiscal 2020 to fiscal 2021

For each of the climate-related risks specified by the TCFD recommendations, we have performed scenario analysis upon having identified risk events particularly deemed as being profoundly relevant to the Company's business.



* Please refer to the Sumitomo Life website for details of analysis results for fiscal 2020.

Fiscal 2021 initiatives concerning payments of insurance claims, etc.

In fiscal 2021, we performed impact analysis regarding natural disasters that had not been included in the fiscal 2020 scenario analysis.

The evaluation results of the "rocky road" scenario, with a greater impact due to an average temperature increase of 4°C, are as follows.

The findings indicate that natural disasters could have a particularly substantial effect on rivers, culminating in increased damage in the long term, mainly affecting the elderly. However, mortality from natural disasters has not been substantial enough to affect payments of insurance claims, etc. In addition, even if climate change intensifies, we do not expect it to significantly affect profit from insurance products due to various disaster countermeasures, the likelihood of prior evacuation, growing public awareness and other factors.

Results of analysis

Situations related to payments of insurance claims, etc.			Relevance to payments of insurance claims, etc.	Effects on mortality		
Situation	Trend			Short term 2025	Medium term 2030	Long term 2050
Rivers	Floods (River flooding)	Increasing	Mortality may increase relative to the current situation. Mortality may increase particularly among the elderly.	Minor	Minor to moderate	Minor to moderate
	Overland flooding	Increasing		Minor	Minor to moderate	Minor to moderate
Mountains	Debris flow, landslides, etc.	Increasing	Mortality may increase relative to the current situation.	Minor	Minor	Minor to moderate
Coasts	Rising sea levels	Increasing		Minor	Minor	Minor
	Storm surges and tidal waves	Increasing	Mortality may increase relative to the current situation.	Minor	Minor	Minor
	Coastal erosion	Increasing		Minor	Minor	Minor
Others	Strong winds, etc.	Increasing	Mortality may increase relative to the current situation.	Minor	Minor	Minor
Impact of compound disasters	-	Increasing	Mortality may increase relative to the current situation.	Minor	Minor	Minor to moderate

* Severity of respective situations has been ranked under one of three categories, either minor, moderate or major, based on the relative magnitude of impact on business activities.

Rivers

- Populations in flood zones are poised to decrease given a lower population overall in the future. However, due to an increasing population ratio of elderly people who may have trouble evacuating if a disaster strikes, we anticipate possible increase in damage in the long term, mainly affecting the elderly.
- However, we do not anticipate a substantial increase in payments of insurance claims, etc. due to flooding in the future, given that mortality from wind and water damage has not been substantial enough to affect payments of insurance claims, etc.

Mountains

- Although mortality may increase among the elderly, particularly in the long term, the effect on payments of insurance claims, etc. is likely to not be significant as death tolls from sediment-related disasters have been low.

Coasts and others

- Mortality from rising sea levels, storm surges and tidal waves, coastal erosion, strong winds, etc. is likely to not have a significant effect on payments of insurance claims, etc. as death tolls from such factors have been low.

Impact of compound disasters

- Natural disasters are likely to have a minimal effect on payments of insurance claims, etc. based on past data as mortality from natural disasters have not been significant to affect those payments.
- However, with much of the research on effects of compound disasters still in the early stages, further research is necessary.

Fiscal 2021 initiatives concerning asset management

Based on our fiscal 2020 scenario analysis, our asset invested is substantially affected by carbon pricing and technology opportunities in high-emission industries. As such, we performed GHG emissions analysis of our asset portfolio and identified investees with the highest GHG emission levels. Based on this analysis, we have been intensively engaging in dialogue with such companies toward achieving decarbonization. In addition, we have performed trials to improve our scenario analysis.

Toward further progress going forward

The COP 26 United Nations Climate Change Conference in 2021 led to a commitment to pursue efforts for limiting the average temperature increase to 1.5°C worldwide, making it the global standard. Accordingly, we will consider options for applying the 1.5°C scenario to our scenario analysis.

Moreover, we will promote initiatives that include considering expansion of the scope of our analysis on the effects of natural disasters on our business locations, effects on sales activities, etc.

[Reference] Trial initiatives to improve analysis concerning asset management

Asset portfolio integrity analysis

The TCFD guidance calls for disclosure as to whether asset portfolios align with the 2°C global warming scenario or a scenario of global warming of less than 2°C, and recommends the Implied Temperature Rise (ITR) methodology as one analysis method.

For the ITR indicator, results of trial calculations using MSCI data indicate that our asset portfolio of listed equities, corporate bonds, and loans is above the 2°C threshold.

Trial analysis using Climate Value-at-Risk

The TCFD guidance introduces MSCI's Climate Value-at-Risk (CVaR) methodology, which is a forward-looking indicator of percentage loss of corporate stocks and bonds based on climate change under different temperature increase scenarios. Trial implementation of the CVaR methodology suggests greater transition risk under the 1.5°C global warming scenario than under the 2°C scenario, even considering technology opportunities for a decarbonized society.

ITR (Implied Temperature Rise)



ITR is an easily understood measure that indicates the extent to which GHG emission volumes associated with current and future business activities of investees align with different average temperature increase scenarios. The ITR indicator makes it possible to visually portray the extent to which a portfolio aligns or misaligns with the Paris Agreement 2°C and 1.5°C global warming scenarios.

* Some information provided above has been reprinted with permission of MSCI ESG Research LLC ©2022.

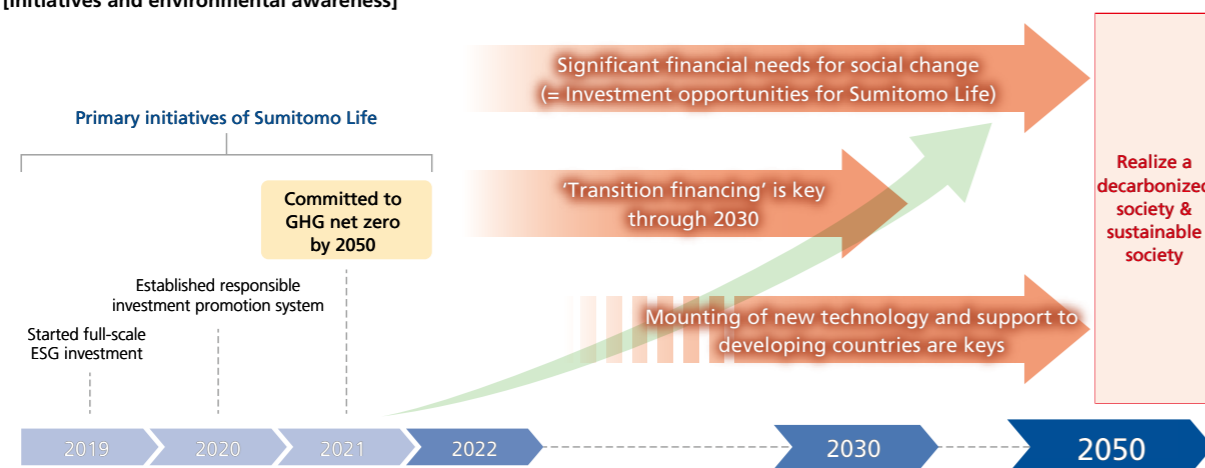
Feature 3

Responsible investment

Sumitomo Life's initiatives and environmental awareness

Sumitomo Life promotes responsible investment that considers sustainability, aiming to contribute to the realization of a sustainable society and ensuring stable investment returns over the medium to long term. Given the urgent issue of climate change and other mounting social challenges, we are further promoting initiatives to effectively address such priorities. In addition, since demand for substantial funding for social transformation leads to investment opportunities for the Company, we are particularly aware of the importance of efforts that facilitate transition to decarbonization heading toward 2030.

[Initiatives and environmental awareness]



Sumitomo Life's asset management constitutes responsible investment

We believe that non-financial information that includes ESG factors is very important for all assets under management given its potential to affect the corporate value of investees over the medium to long term. In fiscal 2021, we began ESG integration that considers ESG factors when making investment and loan decisions for all assets under management based on asset characteristics. We have positioned this approach distinctly in terms of "responsible investment shall apply to all Sumitomo Life asset management."

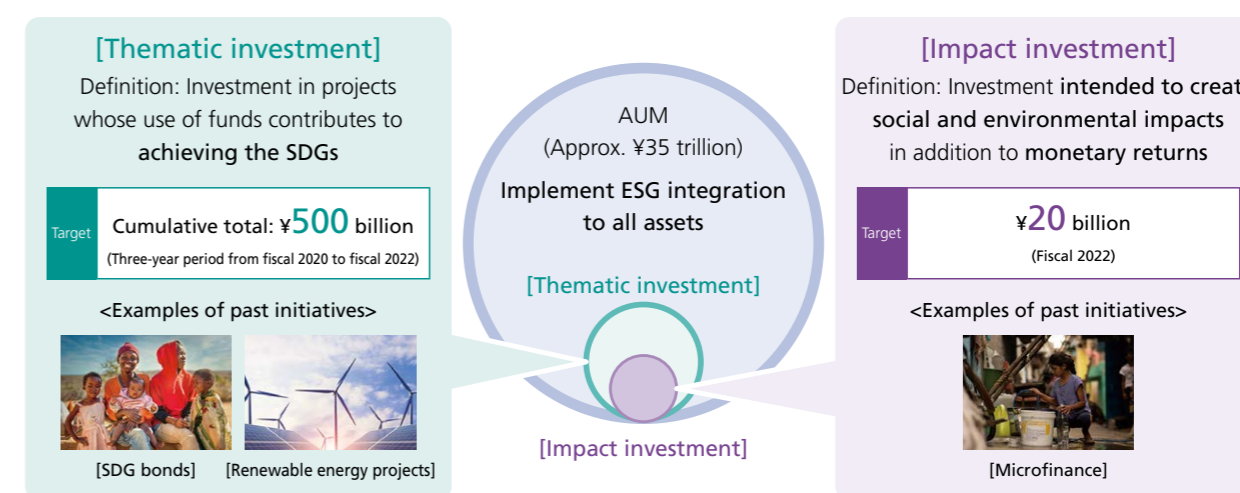
[ESG integration]

	Methods of financial analysis, etc.	+	Consideration of ESG factors
Listed stocks Corporate bonds and loans	Financial analysis (Ex.) profitability, growth potential, etc.	+	Incorporate ESG factors into ratings Consider qualitative ESG factors using in-house ratings Identify material ESG issues by industry • Environment: GHG emission reduction targets • Social: Employee safety • Governance: Composition of Directors, etc.
Real estate	Future cash flow analysis, validation of legal and physical risk of properties, etc.	+	Confirm important ESG factors in stages, particularly including due diligence, monitoring, holding, and sale
Project financing	Future cash flow analysis, validation of project completion risk and legal risk, etc.	+	Confirm important ESG factors in stages, particularly including due diligence and monitoring
Sovereign	Macro-analysis, etc. for each country	+	Enlist ESG evaluations of external evaluators
Outsourcing	Investment methods, asset management platforms, etc.	+	Perform in-house evaluation upon sending out questionnaires on responsible investment



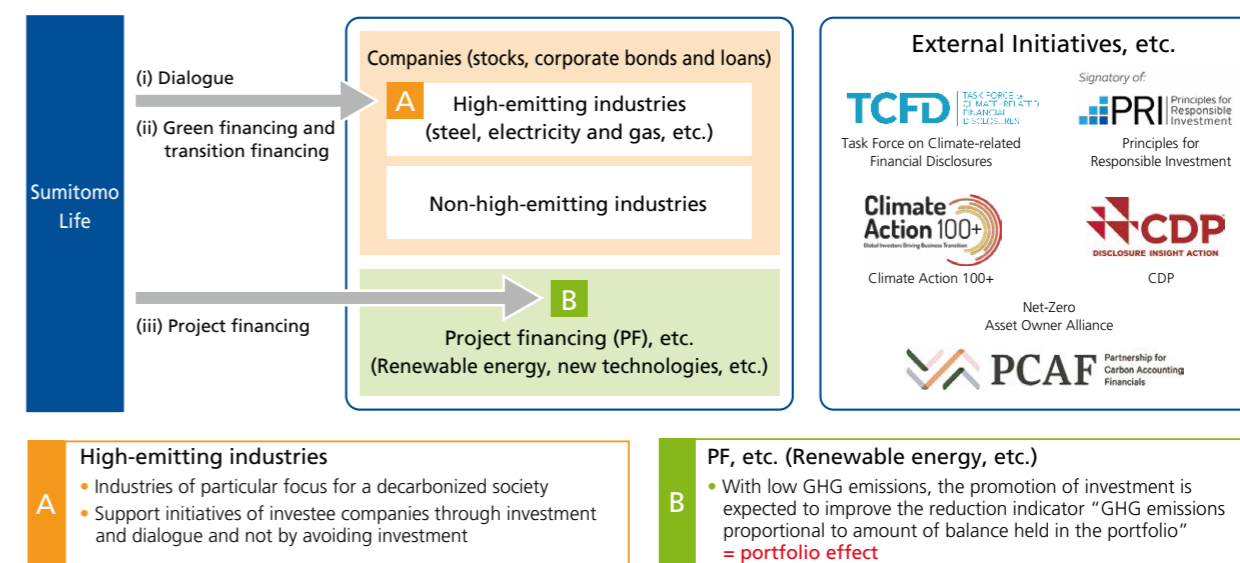
Creating impacts through asset management

We have been taking steps to reach a target of ¥500 billion in thematic investment, and furthermore believe it is important that we measure and identify impacts created by our investments going forward. To such ends, we will measure impacts created through our investments particularly in green bonds beginning in fiscal 2022. In addition, we will also promote impact investment as a pillar of responsible investment.



Toward achieving net zero greenhouse gas emissions from the asset portfolio by 2050

We facilitate investee initiatives to achieve decarbonization through dialogue with investees on the topic of addressing climate change, transition financing, etc. Given the importance of working with institutional investors, etc. in Japan and abroad, we have also joined organizations such as the Net-Zero Asset Owner Alliance (AOA), an international initiative of institutional investors that aims to achieve net-zero greenhouse gas emissions. We will take advantage of such mechanisms and expertise to help achieve our net-zero aims.



Please refer to the Sumitomo Life website for details. <https://www.sumitomolife.co.jp/english/assetmanagement.html>

Initiatives for thematic investment

Sumitomo Life studies and invests in bonds and other assets aimed at solving ESG issues not only to gain investment returns but also to contribute to achieving the SDGs.

Sumitomo Life began a full-fledged introduction of ESG investment and financing in fiscal 2019, and is promoting thematic investment by setting up a numerical target in the three-year medium-term business plan, which was rolled out in fiscal 2020.

Thematic Investment Target

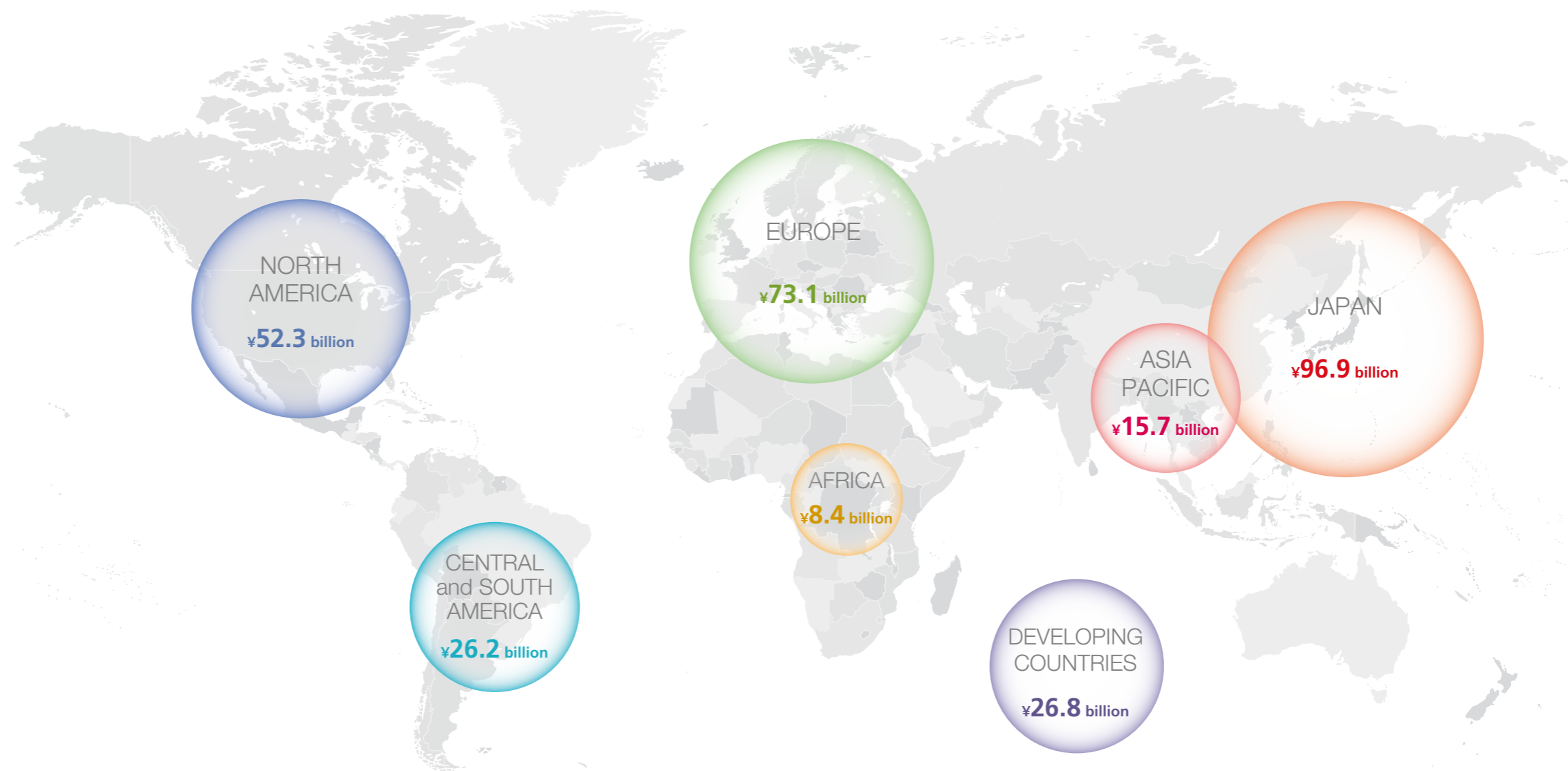
Cumulative total: **¥500 billion**
(3-year period from fiscal 2020 to fiscal 2022)

Thematic Investment Results (Fiscal 2020 to fiscal 2021 cumulative)

Approx. **¥382 billion**

Progress rate: approx. **76%**

* The above results refer to amounts by the year in which the respective investment decisions were made. Conversely, the regional distribution to the right is the amount actually invested in fiscal 2020 and fiscal 2021.



Main investment and financing projects (overseas, fiscal 2021)

Project	Amount invested/financed	Investment theme	Description	SDGs likely to benefit
Investment in renewable energy fund	¥24.0 billion	Climate change	We invested in funds that engage in global investment and lending in infrastructure businesses (electricity, gas, water, transportation, etc.), such as the Climate Finance Partnership Fund (infrastructure equity fund) and the Cosmic Blue PF Magnolia Feeder IFCP-RAIF (infrastructure debt fund). (April 2021, etc.)	6, 8, 9, 11
European Investment Bank Climate Awareness Bond	¥17.0 billion	Climate change	We invested in a Climate Awareness Bond to finance projects that mitigate climate change. (March 2022)	13
The World Bank (the International Bank for Reconstruction and Development) Green Bond	¥11.0 billion	Climate change	We invested in a green bond issued by the International Bank for Reconstruction and Development aimed at addressing climate change, including projects for introducing renewable energy, improving energy efficiency, and enhancing preparedness for disasters that may occur with greater frequency due to global warming. (September 2021)	7, 13
Asian Development Bank Health Bond	¥10.0 billion	Healthcare services	We invested in a health bond arranged to help people in the Asia-Pacific region gain access to reliable healthcare services. (February 2022)	3
African Development Bank Feed Africa Bond	¥3.4 billion	Food production increase & poverty reduction	The Feed Africa Bond aims to achieve increased food production and poverty reduction, with funds raised to finance projects such as those involving irrigation infrastructure in African member nations. (October 2021)	1, 2, 5, 13

Main investment and financing projects (Japan, fiscal 2021)

Project	Amount invested/financed	Investment theme	Description	SDGs likely to benefit
Renewable energy project financing	¥31.1 billion	Climate change	We are involved in renewable energy project financing with respect to projects in domains such as solar power generation in Japan.	7, 13
Japan International Cooperation Agency (JICA) Gender Bonds, Social Bonds	¥1.7 billion	Gender, etc.	We invested in Gender Bonds to finance projects that promote gender equality and women's empowerment in developing countries. We also invested in Social Bonds that target projects involving basic infrastructure development, housing support, job creation, etc. (September 2021, etc.)	5, 8, 11
Transition bond Transition loan	¥1.2 billion	Climate change	We invested for the sake of supporting initiatives undertaken for a company aiming to steadily reduce their GHG emissions in accordance with their long-term strategy for realizing a decarbonized society.	7, 9, 13
SDG bonds (Green bonds, social bonds, etc.)	¥24.4 billion	Smart city	We invested in green bonds issued by the Tokyo Metropolitan Government aiming for the creation of a "smart city."	7, 11, 13
		Sustainable urban development	We invested in social bonds issued by Urban Renaissance Agency for the purpose of facilitating urban revitalization projects and implementing initiatives for disaster prevention and mitigation.	9, 11
		Education	We invested in social bonds issued by the University of Tokyo for the twin purposes of developing advanced research facilities and improving the environment for achieving a campus that is both diverse and inclusive.	4, 11
Infrastructure		We invested in a sustainability bond issued by Japan Railway Construction, Transport and Technology Agency (JRTT) to finance railway construction projects and joint ownership shipbuilding projects.	9, 11, 13	

Feature 4

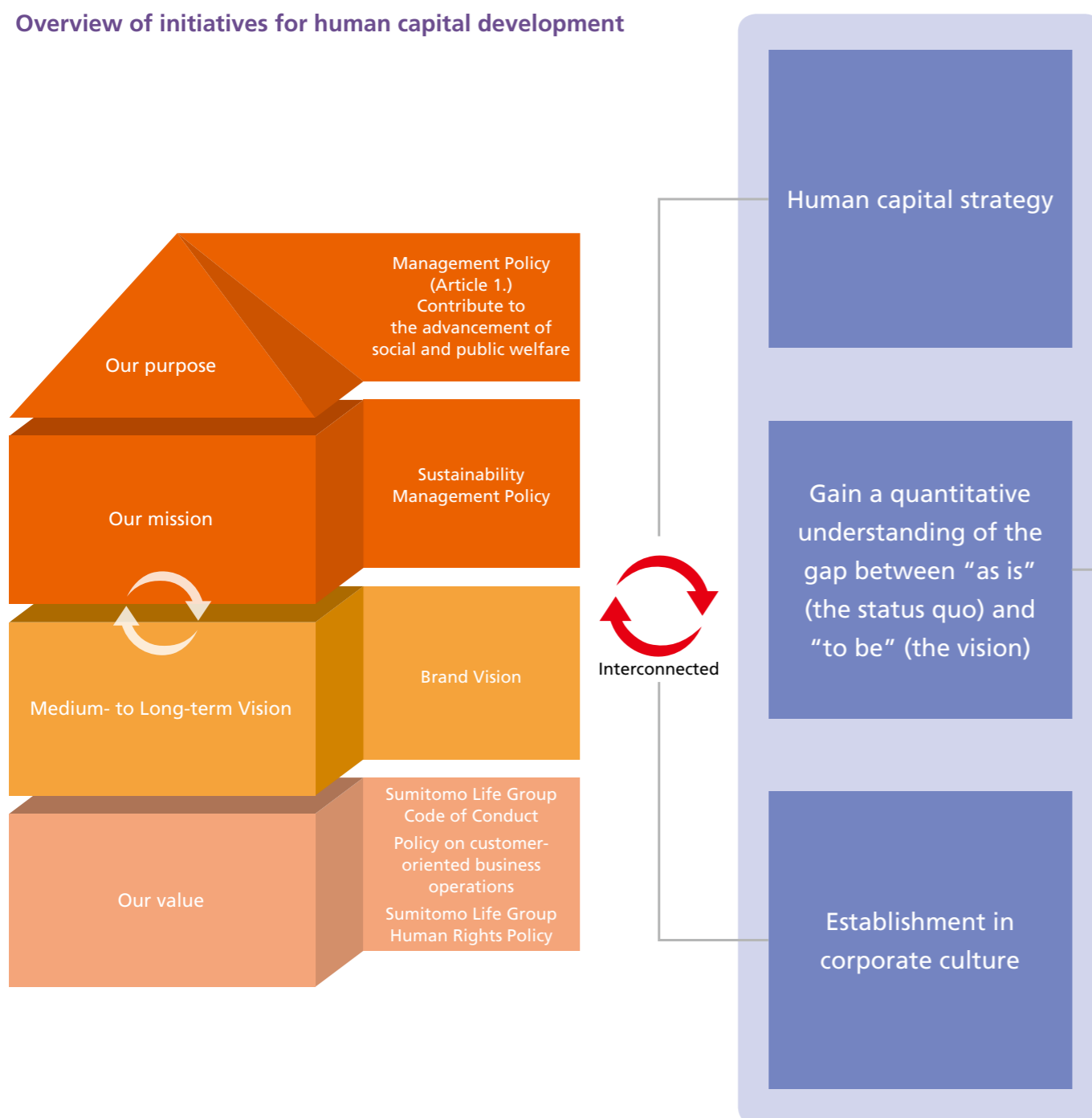
Human capital

Seek to serve as a company where each and every employee can continuously work with pride, confidence and enthusiasm

The notion of human value is fundamental in achieving our corporate philosophy, purpose and vision (well-being of society and our customers).

Having launched the Human Capital Development Headquarters in fiscal 2021 with the aim of enhancing such human value, we have been striving to create human resources and an organization capable of autonomously persisting to take on challenges looking toward the future, thereby flexibly responding to the new era enlisting the following perspectives.

Overview of initiatives for human capital development



A Dynamic human capital portfolio [▶ Refer to page 64 of Annual Report 2022](#)
 We have clarified "TO BE (what we aim to be)" and necessary skills and behavior (competencies) of the human capital that is going to implement our management and brand strategies and are working to identify the gap between "TO BE" and "AS IS (current status)." We will then sequentially implement the necessary measures to fill the gaps identified.

B Diversity, Equity & Inclusion with respect to knowledge and experience [▶ Refer to page 65 of Annual Report 2022](#)
 Effective from fiscal 2022, we adopted a new philosophy of "Diversity, Equity & Inclusion," which is in addition to our initiatives to create an organization and environment in which diverse human resources can freely exercise their strengths while ensuring mutual respect for different sensibilities.
 We will continue to further promote diversity initiatives to empower our diverse human resources.

[Diversity indicators]	
Percentage of female employees in managerial positions	47.3%
Percentage of employees taking paternity leave	100%

C Reskilling and relearning [▶ Refer to page 66 of Annual Report 2022](#)
 It is important that each employee persistently engages in self-directed learning to ensure that our workforce is capable of consistently providing new value in a rapidly changing society and environment.
 As such, we engage in various initiatives focused on promoting career development and creating an environment that supports learning and growth to enable our employees to work enthusiastically with a sense of purpose while ensuring their well-being.

D Work style reform [▶ Refer to page 67 of Annual Report 2022](#)
 We are implementing our Work Performance Innovation (WPI) Project to promote work style reforms. We aim to create a healthy and enthusiastic workplace to further increase productivity (performance) throughout the Company.
 We will establish a cycle whereby each employee consistently takes the initiative to review their work, rather than merely reducing their workloads and having them leave early. In so doing, we will create environments and mechanisms that enable employees to use the extra time to take on challenges with respect to tasks they have wanted to address and with respect to the notion of creating new value.

[Total working hours and percentage of employees taking at least one day of paid leave per month]	
Reduction in total working hours (compared with 2016*)	Percentage of employees taking at least one day of paid leave per month
11.2% reduction	76.7%

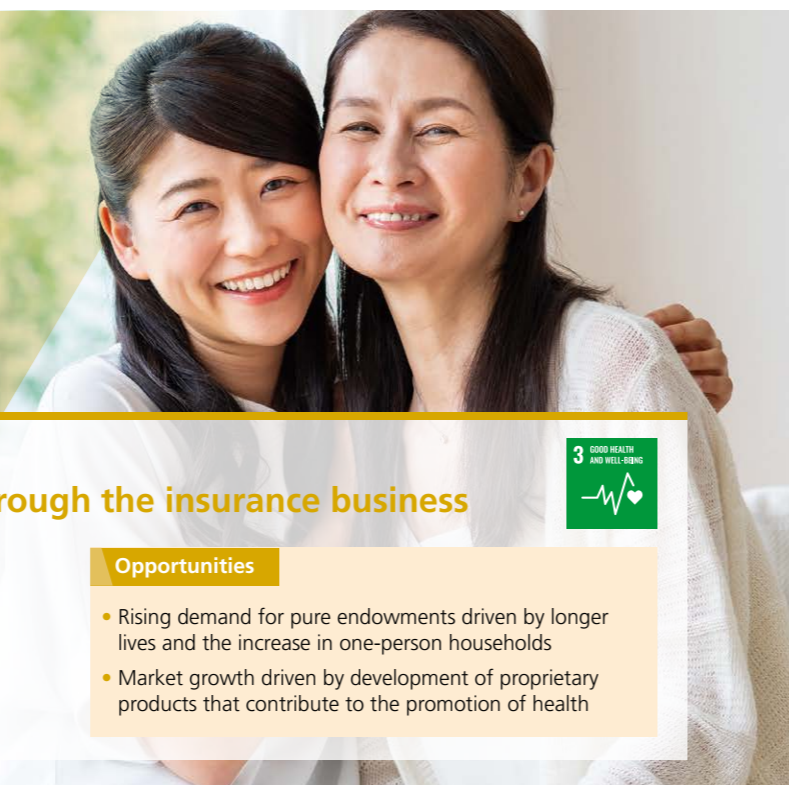
* Since fiscal 2016, we have engaged in reducing total working hours by 10%.

E Engagement [▶ Refer to page 68 of Annual Report 2022](#)
 To increase corporate value, it is essential that each and every employee is able to consistently work with a sense of purpose. We will redouble our efforts to improve employee engagement to such ends.
* The notion of "engagement" with respect to human capital initiatives refers to the attachment employees feel toward the Company and their job satisfaction. The "engagement score" is a measure of engagement from several perspectives.

Employee engagement score	63% (Favorable response rate)
Environment that empowers employees	72% (Favorable response rate)

Materiality

Extending healthy life expectancy through the insurance business



Materiality:
Extending healthy life expectancy through the insurance business



Risks

- Longer lives could result in decreasing demand for death protection, and increases in benefits paid in relation to hospitalization and surgery, etc.

Opportunities

- Rising demand for pure endowments driven by longer lives and the increase in one-person households
- Market growth driven by development of proprietary products that contribute to the promotion of health

Awareness on issues

Japanese society has one of the longest life expectancies in the world, but the gap between life expectancy and healthy life expectancy (the period during which an individual can maintain an autonomous daily life without needing nursing care, etc.) is not insignificant, and closing this gap is a pressing social issue.

Sumitomo Life is working to resolve the social issue of extending healthy life expectancy through its main business. Its initiatives are centered on SUMITOMO LIFE Vitality Shared-Value Insurance, which supports the customer in their efforts to continuously work on activities that enhance their own health.

Our vision

Contribute to extending healthy life expectancy in Japan through the insurance business to realize a society that offers continual health and peace of mind

Details of policies and initiatives

1 Promotion of businesses related to SUMITOMO LIFE Vitality

Sumitomo Life is endeavoring to solve the social challenge of “extending healthy life expectancy” through its efforts to promote health enhancement across society and health-focused management, centering around SUMITOMO LIFE Vitality Shared-Value Insurance.

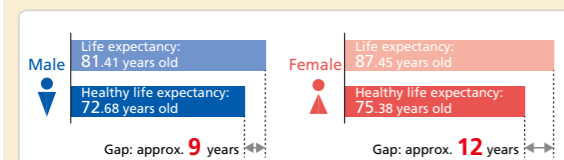
We regard these initiatives as our “CSV Project,” and aim to extend healthy life expectancy in Japan by creating a new shared value of health enhancement among customers, society, and the Company and our employees.



Gap between life expectancy and healthy life expectancy

The gap between life expectancy and healthy life expectancy* in Japan is not insignificant, and filling that gap has become a pressing social issue.

* The period during which an individual can maintain an autonomous daily life without needing nursing care, etc.



(Source) The 16th expert committee meeting for the “People’s Health Promotion Campaign for the 21st Century (Health Japan 21)” (second stage) (Ministry of Health, Labour and Welfare)

What is SUMITOMO LIFE Vitality?

“Vitality” was developed by a South African financial services company, Discovery Ltd., and has been offered in South Africa for more than 20 years, since 1997. Besides South Africa, Vitality is currently available in 36 countries and regions worldwide, including the UK, the US, China, Singapore, Australia, Germany and Japan, with approx. 27.1 million members as of the end of February 2022.

Sumitomo Life has entered into an exclusive agreement to provide the program in Japan.



100 million members globally
Increase activity **20%** by 2025

Approach in fiscal 2021

Implementation of the CSV Project centered around health enhancement

We gave priority to implementing digital promotions using social media and web video, at the same time as running new TV commercials, with the aim of raising awareness of SUMITOMO LIFE Vitality product characteristics. Moreover, given the mounting awareness regarding family health due to the COVID-19 pandemic, we launched the “Family Plan,” a plan that makes it easier for families to engage in the Vitality Wellness Program together, and the “Light Plan,” a plan that seeks to cultivate health awareness among younger people.

By promoting health-focused management internally, the Company won certification as 2022 Certified Health & Productivity Management Outstanding Organizations Recognition Program.



Philosophy of the CSV Project

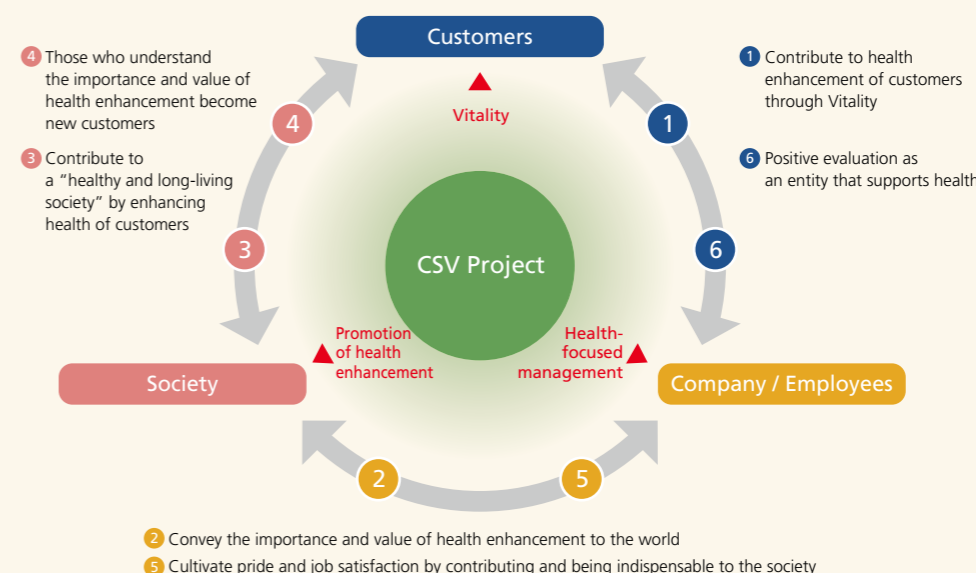
- Health-centric implementation of CSV -

- 1 Provision of Vitality to customers
- 2 Promotion of health enhancement across society
- 3 Promotion of health-focused management to help employees and their families become healthier

We aim to **extend healthy life expectancy in Japan** through these three actions.

* CSV is an acronym for “Creating Shared Value,” meaning that we address social issues in our core business to resolve those issues while at the same time enhancing corporate value.

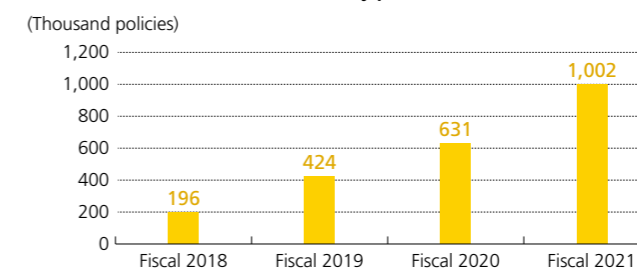
Overview of the CSV Project



Outcomes of fiscal 2021 initiatives

With sales of around 371,000 new SUMITOMO LIFE Vitality policies in fiscal 2021, the cumulative total exceeded one million policies.

[Number of SUMITOMO LIFE Vitality policies sold (cumulative)]



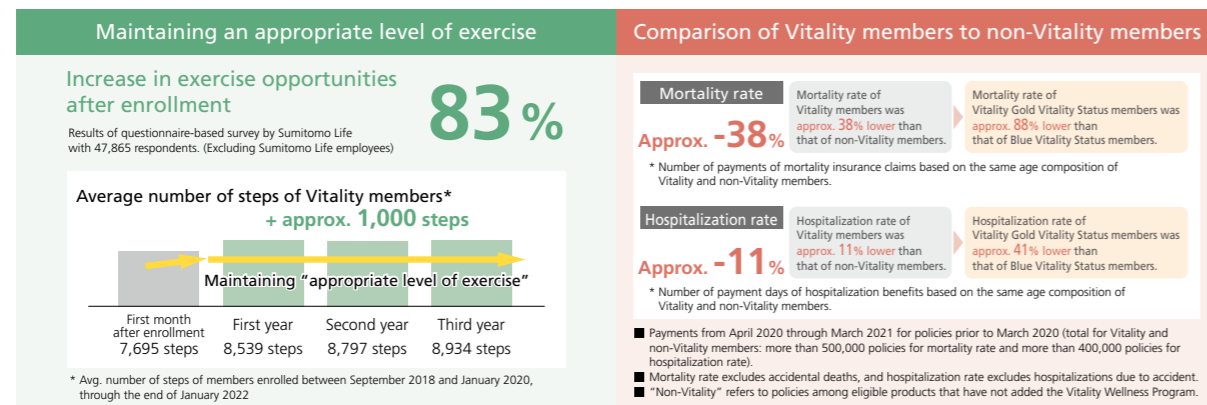
TOPICS » Extending healthy life expectancy through the insurance business

TOPIC 1 Daily-step/health-check results, and questionnaire results from surveys conducted among SUMITOMO LIFE Vitality members

Sumitomo Life conducted surveys among Vitality members, including one to find the number of steps taken each day and health-check results, and one in the form of a questionnaire.

The results showed that about 83% of people experienced more opportunities for exercise and recorded an increase in the number of steps taken day-to-day after enrolling in Vitality, with the number of steps increasing by around 11%. This level was still being maintained three years later.

Meanwhile, mortality of Vitality members was approx. 38% lower than that of non-Vitality members, and their rate of hospitalizations was approx. 11% lower.



TOPIC 4 Provision of Vitality Health Report

On March 24, 2022, we launched our "Vitality Health Report" providing Vitality members with a "health score," which is a quantified measure of a member's hospitalization risk based on their health-check results submitted to the Vitality Wellness Program, together with a ranking relative to others in the same gender and age group.

We will consider options for similarly assessing risk for specific disease, in addition to hospitalization risk, to provide information and advice tailored to each customer through our services utilizing health-check results and associated data received by Vitality.

1 Health score and ranking

Evaluation of hospitalization risk based on health-check results and ranking relative to others in the same gender and age group



2 Health-check results

Evaluation and trends of five health-check parameters* submitted to the Vitality Wellness Program

* BMI, blood pressure, blood sugar, LDL cholesterol and urinary protein



3 One-point summary, etc.

One-point summary and individual advice for each health-check parameter



TOPIC 2 Provision of exercise opportunities during the COVID-19 pandemic

Vitality Run & Walk Challenge

We provided special sponsorship for the "Vitality Run & Walk Challenge" online activity event. By applying through a dedicated site, anybody can easily participate for free, at a place of their choosing, without gathering at a specific location.

Moreover, Vitality members can obtain Vitality Exercise Points by submitting proof of completion of runs or walks.



RENAISSANCE Online benefits

RENAISSANCE Online is a fitness program offered exclusively online by RENAISSANCE INCORPORATED. The online fitness program has been accessed more than one million times during the approx. two years since its launch. As a Vitality membership benefit, it enables Vitality members to engage in health-enhancing activities with their family at home during the COVID-19 pandemic.

TOPIC 3 Full support for parkrun in Japan

CSV Project Initiative

1 parkrun

parkrun is an athletic community event held with no entry charge every Saturday morning, in which participants walk, jog or run 5 kilometers, or serve as volunteers. Currently, parkrun is held every week in over 2,200 locations and 22 countries around the world, and more than 300,000 people take part every week as participants or volunteer staff.

Sumitomo Life signed a partnership agreement in 2019 with parkrun Global (founder: Paul Sinton-Hewitt CBE), a non-profit organization in the UK. As the only official sponsor in Japan, we offer full support for expanding parkrun in Japan.



2 Significance of engaging in parkrun in the CSV Project

We regard parkrun as an important initiative within the CSV Project that allows us to reach out to customers, society, and the Company and our employees at the same time. In terms of customers, Vitality members can earn Vitality points when they participate in parkrun events and complete the run (walk). This serves as an opportunity for us to support health-enhancing activities, which is the role Vitality plays. In terms of society, parkrun is intended to create opportunities for fostering exercise habits, targeting a wide range of people in local communities, and to support the development of local communities.

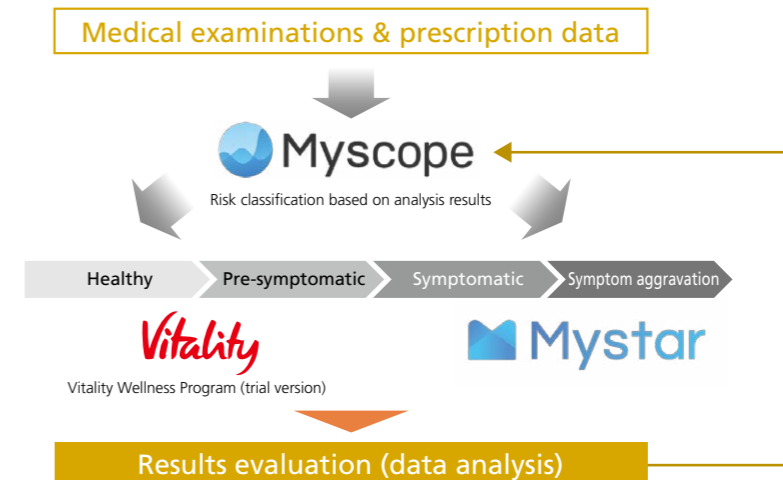
In terms of the Company and our employees, we encourage employees to participate as walkers, runners, and volunteers, as an activity in which they can demonstrate their initiatives in health enhancement together with the Company.

We will promote the parkrun initiative targeted at customers, society, and the Company and our employees in an all-encompassing way, and strive to extend healthy life expectancy in Japan, which is the CSV Project's philosophy.

TOPIC 5 Development of program for supporting well-being for all

Sumitomo Life has started development of a program for supporting well-being for all with PREVENT inc.

This involves analyzing a participant's risk of onset or further worsening of a lifestyle disease, etc. using "Myscope" medical data analysis based on their health-check results. Depending on the analysis results, the option of either the Vitality Wellness Program (trial version) or the "Mystar" program for lifestyle improvement (conducted entirely online) is provided.



We initiated a pilot project of this program as the first phase of initiatives based on a comprehensive partnership agreement for the well-being of Kashima citizens*, concluded among Sumitomo Life, PREVENT inc., and Kashima City in Ibaraki Prefecture. We plan to extend this service to local governments and other organizations nationwide.

* Under this agreement, "well-being" is defined as a situation where "each citizen is motivated to lead a better life while remaining satisfied with their own physical, mental, and social circumstances."

Materiality

Provision of sense of security through the insurance business

Materiality:

Provision of sense of security through the insurance business



Risks

- Mismatches between products and services provided and customer needs; obsolescence caused by similar products and services from other companies or neighboring industries
- Possibility of damage to asset values as a result of investment and financing behavior that ignores the ESG perspective

Opportunities

- Enhancement of corporate value through the provision of products and services that capture customer needs
- Increase in investment and financing opportunities generated by the expansion of funding needs for ESG projects

Awareness on issues

In the domestic market, the progressively declining birthrate and aging of the population, the increase in one-person households, the full-fledged arrival of the 100-year lifespan and other factors have resulted in rising demand for pure endowments related to work disability and nursing care, dementia, medical, and old age. Moreover, the social environment is undergoing relentless change, exemplified by the announcement of the Japanese government that it will aim to achieve a decarbonized society by 2050.

As well as being a provider of insurance products, Sumitomo Life is an institutional investor that manages the insurance premiums that it receives from customers, and thus it works through this business to resolve social issues such as the super-aging society and carbon neutrality.

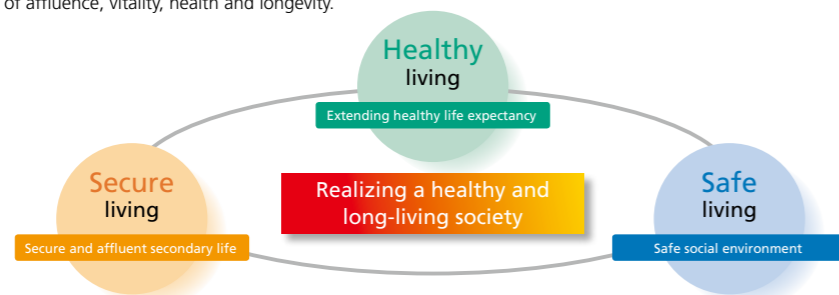
Our vision

Provide all people with suitable life insurance products and services, and the accompanying sense of security, by pursuing customer-oriented management

Details of policies and initiatives

1 Services and information for the arrival of the era of the 100-year lifespan

In an increasingly volatile environment characterized by the arrival of the 100-year lifespan, increasingly diverse lifestyles, and changes in medical services, Sumitomo Life is seeking to resolve the issues of a super-aging society to facilitate the healthy lifestyles and safe and secure living that are required for a society of affluence, vitality, health and longevity.



2 Contribution to the realization of a decarbonized society (responsible investment, etc.)

Given the public nature, scale, and social impact of its business, Sumitomo Life considers efforts to protect the global environment to be one of its most important management issues and is engaged in addressing the social issue of climate change, which is a problem that affects the whole world, not only Japan, in both its core businesses of life insurance and institutional investment with the aim of achieving net-zero greenhouse gas (GHG) emissions.

Approach in fiscal 2021

Provision of products and services that contribute to solving social issues

In September 2021, we launched Five-year Savings-type Whole Life Insurance, which serves as level-premium whole life insurance plan with death protection and asset formation features tailored to meet the savings needs of customers across a wide range of age demographics with a focus on young adults who are unfamiliar with life insurance. This whole life insurance product is distinctive in part given that the amount of premium refunds for policy surrender exceeds the amount corresponding to paid-in insurance premiums to date after five years have elapsed, and given that the plan allows for simple and unconditional enrollment.



In March 2022, we launched Sumisei Dementia Insurance for elderly customers providing for a limited scope of coverage, which results in low insurance premiums and enrollment subject to only four qualifying conditions. By contributing to “well-being for all” through ensuring our product offering takes into account the diverse needs of customers, we aim to serve as an “indispensable life insurance company.”

Promotion of initiatives that contribute to fulfilling our role in a super-aging society

Launched to help resolve issues in the super-aging society, the 100-year Lifespan Support Council has been working to confirm cross-departmental initiatives while also promoting partnerships and relationships with external organizations particularly in the area of gerontology education.

In addition, Sumitomo Life has been implementing the “Dementia Barrier-Free Declaration” promoted by the Japan Dementia Public-Private Council, in order to deepen our understanding of dementia and to enable a response closely aligned with our customer needs. We will also work steadily to train “dementia supporters.”

Provision of products and services optimized for each customer's circumstances and situation by fusing unique human value and digital technology

In addition to providing and enhancing appropriate consulting and meticulous aftersales service based on face-to-face contact, we have responded to new lifestyles by promoting the provision of non-face-to-face contact in the form of email, Zoom, and other technologies.

Digitalizing benefits claims Completing benefits claim procedures online using devices that include Lief tablets for sales representatives and customer smartphones	Expanding the number of operations to be performed electronically Gradually expanding the number of procedures that can be performed electronically on the Lief, a tablet for sales representatives, and promoting their use	Advancing non-face-to-face, web-based procedures Introducing web-based applications for new policies, and enhancing the functionality of internet services (Sumisei Direct Service)
Promoting non-contact sales and communication Communicating using LINE WORKS, and implementing web-based interviews, etc. utilizing Zoom	Allowing inquiries by email, enhancing FAQs, and using AI chatbots Putting in place systems that enable questions and inquiries at any time	Expanding EX Support Center services Expanding services for providing information to customers and engaging in consultation via email, etc.

Stepping up efforts based on the “Policy on customer-oriented business operations”

Reports on the status of initiatives based on this policy are made on a half-yearly basis to the Customer First Promotion Committee, and we work to further improve its effectiveness. Various measures related to the promotion of a more customer-oriented approach are reported to and deliberated by the CS Enhancement Advisors Meeting, which includes members from outside the Company who are experts in consumer issues, so that external opinions play a useful role in improving the Company's services.

In addition to confirming the degree to which customer-oriented business operations have penetrated the awareness of the workforce by conducting surveys of Sumitomo Life's employees, we provide training and educational materials on customer orientation as appropriate.

Contribution to the realization of a decarbonized society (responsible investment, etc.)

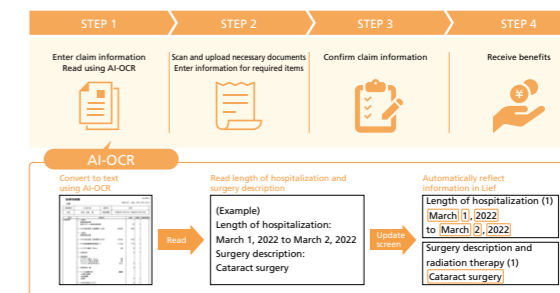
- GHG emission reduction targets and initiatives aimed at reduction [* See pages 8-9](#) (Feature: Climate change)
- Initiatives for responsible investment [* See pages 10-11](#) (Feature: Responsible investment)

Outcomes of fiscal 2021 initiatives

In January 2022, we started a digital system for benefits claims with the aim of further contributing to well-being for all customers. This has enabled us to make payment of benefits more promptly than before.

This service enables our customers to complete procedures for benefits claims online by scanning and uploading itemized statements of medical services issued by healthcare institutions using a Sumisei Lief tablet device for sales representatives, a customer smartphone or other such device.

The service also helps ease customer burden because it enlists AI-OCR technology (optical character recognition equipped with artificial intelligence) to read data on lengths of hospitalization, surgery descriptions and other such information from scanned itemized statements of medical services, with such details necessary for billing automatically fed to a Sumisei Lief tablet, smartphone or other such device. Going forward, we will keep working to provide highly convenient services that we call “fusion of human and digital” in alignment with changing customer values and the new normal era.



TOPICS » Provision of sense of security through the insurance business

TOPIC 1 Solving social issues by providing products and services

Sumitomo Life has supported its clientele through the provision of products and services that take into account the needs of customers and the historical context in which they live. Below we provide an overview of the shift over time in the main products of Sumitomo Life in their historical context.

	Main products	Living benefits, etc.	Hospitalization/accident riders, etc.	Life expectancy	Average hospital stay in days	Historical context, etc.
Pre-/post-war	Jiyu Hoken					
1963	Shiawase no Hoken					
1974			Illness hospitalization coverage rider with surgical benefit (benefit base type) For cases where hospitalization lasts for at least 20 consecutive days (days 1-120)			Oil shock
1976	Implemented conversion system		Illness hospitalization coverage rider with surgical benefit (daily amount type) For cases where hospitalization lasts for at least 20 consecutive days (days 1-180)			
1983	The Best			Male 74.20 years Female 79.78 years		
1987	New Best		New illness medical care rider (87) For cases where hospitalization lasts for at least 5 consecutive days (days 5-124)	Male 75.61 years Female 81.39 years	44 days	
1989						3% consumption tax Nikkei 225 hits record high
1993		ReGuard				
1994		"Living needs" rider				
1995	Ai & Ai					Great Hanshin-Awaji Earthquake
1996		V Guard				
1997						Individual becomes responsible for 20% of public medical insurance 5% consumption tax
1999		Love Series		Male 77.10 years Female 83.99 years	39 days	
2000		Genki Love				Launch of public long-term care insurance
2001	LIVE ONE		Kyu-Q-Tai 21 For cases where hospitalization lasts for at least 2 consecutive days (days 2-184)			
2002		Q-Kyoku Plan	Smart Insurance for Providing against Cancer			
2003		Love 30	Kyu-Q-Tai OK (Four days' worth even for outpatients)	Male 78.36 years Female 85.33 years		Individual becomes responsible for 30% of public medical insurance
2004			Doctor OK			
2005			Sumisei Senyakubanrai			
2007		Kaigo Care Long-term cancer support rider	Advanced medical rider			Revised from "Highly advanced medical" to "Advanced medical" in 2006 Cancer Control Act enacted
2008					35 days	
2009			Doctor KING Kyu-Q-Tai KING (Lump sum + days 1-180)			
2010	LIVE ONE Full Care			Male 79.64 years Female 86.39 years		
2011	W Stage		New advanced medical rider	Male 79.44 years Female 85.90 years		Great East Japan Earthquake
2013		Value Care	Doctor GO Kyu-Q-Tai GO Cancer PLUS			
2014						8% consumption tax
2015	Future Design 1-UP	Lifestyle disability income coverage rider LIV Guard Paid-up policy exemption rider (15)	Doctor GO / Kyu-Q-Tai GO GO (addition of 60-day medical)			
2017	Prime Fit 1 PACK					
2018	SUMITOMO LIFE Vitality			Male 81.41 years Female 87.45 years		
2019						10% consumption tax
2020			Dementia coverage rider / Family Assist Plus			
2021			Cancer PLUS ALIVE			Spread of COVID-19
2022			Sumisei Dementia Insurance			

* Life expectancy: "Abridged Life Tables" (Ministry of Health, Labour and Welfare)

TOPIC 2 100-year lifespan support initiatives

In order to facilitate the healthy lifestyles and safe and secure living that are required for a society of affluence, vitality, health and longevity in the era of the 100-year lifespan, Sumitomo Life is seeking to resolve the issues of a super-aging society by partnering with external organizations and specialists knowledgeable in the area of gerontology*.

<Guidelines for Fulfilling Roles in a Super-aging Society>

Contribution to the solution of the issues of a super-aging society to realize a society of affluence, vitality, health and longevity
- Realization of a healthy, secure and safe living in the era of the 100-year lifespan -

Making an effort to enhance health and prevent and improve long-term care and dementia

Providing products and services that are aligned to the characteristics of the elderly

Cooperating with local communities to create a safe and secure society

Enhancing literacy (Promotion of gerontology* education)

100-year Lifespan Support Council

The council makes sure that our efforts are aligned with the characteristics of the elderly and social environment and unites the Company to make company-wide efforts.

* A discipline involving research in a wide range of fields on how old age is spent, and the various problems of aging societies

Using the "Future Guide," "Senior Life Guide," and "Things to Know about Dementia" information booklets we have developed to enable consideration with customers regarding such matters as health, preparations for old age, nursing care and dementia, and inheritance in the era of the 100-year lifespan, we clarify customers' income and expenditure over their future timeline. At the same time, we promote consulting to support the customer in the era of the 100-year lifespan by using the "Customer Future Diagnosis" and "Second Life Consulting" tools to simulate what funds might be required in certain eventualities, and what funds the customer wishes to set aside to provide for a prosperous old age.

TOPIC 3 Enhancing services for the elderly

Long-term care service "Well Aging Support - ASUNOEGAO" provided through partnership with AXA Life Insurance

In April 2021, we rolled out our "Well Aging Support - ASUNOEGAO" ancillary long-term care services for our customers nationwide. These services involve support to customers in taking on challenges related to nursing care, old age, dementia and other such needs by presenting them with telephone-based consulting and services tailored to their concerns.

Main services contained within "ASUNOEGAO"

Dedicated "ASUNOEGAO" call center

- ◇ Provides range of advice related to nursing care
- ◇ Provides nursing-care facility explanations and guidance
- ◇ Provides advice related to public long-term care insurance system

Explanation varies in accordance with content of telephone consultation

Face-to-face consulting on nursing care facilities

Long-term care prevention/QOL enhancement support service

Long-term care/living support service

Asset management support service

Empowering your future
SUMITOMO LIFE

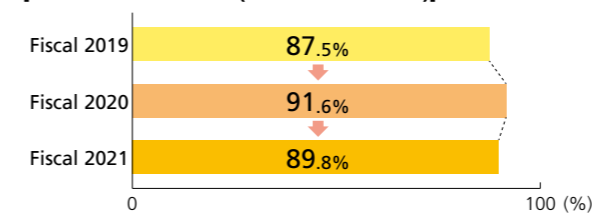


TOPIC 4 Customer-oriented business operations

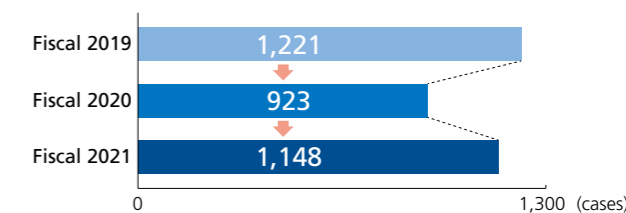
Sumitomo Life has formulated a "Policy on customer-oriented business operations," and in addition to actively promoting specific measures based on this policy, it conducts regular reviews to further improve the effectiveness of the various initiatives implemented.

We have established performance indicators (of which the key items are listed below) to promote acceptance of customer-oriented business operations within the Company. By also incorporating the results of these indicators, we will work continuously on advances and improvements to responses that have been closely aligned to customer needs, and further promote customer-oriented business operations.

(Customer satisfaction (overall satisfaction))



(Complaints for variable and/or foreign currency based policies*)



* Foreign currency-denominated insurance, variable annuities and other investment-type products exposed to market risk

TOPIC 5 Response to spread of COVID-19

Payment of insurance/benefits

- In cases where the customer is hospitalized or dies as a result of COVID-19, payment of illness hospitalization benefits or mortality (disaster) insurance claims.
- Payment of hospitalization benefits upon presentation of a certificate or other documentation from a Public Health Center, etc. containing information regarding periods of treatment and therapy, in instances of deemed hospitalization where the customer is unable to be hospitalized due to circumstances at the medical institution and receives treatment at a location other than a medical institution, and also in instances of deemed positive cases where a doctor makes a positive diagnosis without having conducted a PCR test or other such screening, with such diagnosis based on antigen test results, infection of cohabiting family members, fever, or other such clinical symptoms.
- Through the Company website, activities of sales representatives, and other dissemination channels, information was extensively provided

that hospitalization attributable to COVID-19 infection is eligible for payment of illness hospitalization benefits, including instances of deemed hospitalization and deemed positive cases.

* The above handling for deemed hospitalization, etc. was as of August 2022 and is different from the current handling.

Special treatment of insurance policies, etc.

- Extension of grace periods in relation to payment of insurance premiums, allowable omission of some documents required for insurance claims, etc.

Provision/explanation of supplementary services

- Provision of "Sumisei Health Consultation Dial*" service available to Sumitomo Life designated product policyholders and insured parties, and their family members, and the "24-hour Telephone Health and Medical Consultation Service*" as part of the "Employee Assistance Program Service" for customers for group insurance.

* Services provided by T-Pec Corporation, to which operations are outsourced, and not insurance products or services provided by Sumitomo Life.

(Number of cases of payment and payment amount as of the end of March 2022 (figures for Sumitomo Life parent only))

Mortality insurance claims		Hospitalization benefits		Extension of grace periods for payment of insurance premiums	Reduction/exemption of interest rate on policy loans	
Number of payments	Payment amounts	Number of payments	Payment amounts	Total number of payments	Total number of payments	Loan amounts
1,645	¥11,549 million	90,294	¥11,381 million	12,503	64,865	¥21,435 million

Materiality

Realization of sustainable and stable growth

Materiality:

Realization of sustainable and stable growth



Risks

- Loss of customers, reduced motivation to work, and obstacles to hiring employees resulting from an approach to operating the business that is incompatible with environmental changes

Opportunities

- Enhancement of corporate value and gaining of social trust resulting from an approach to operating the business that captures the changing needs of society

Awareness on issues

Looking at the socio-economic environment in recent years and the impact of the recent COVID-19 pandemic, we see an acceleration of trends that have a significant impact on society as a whole, including those taking place under the post-coronavirus "new normal," such as changes in demographics, the advance of digitalization, and the promotion of work style reforms.

Sumitomo Life believes that, in order to continuously be of value to our customers in the future, it is crucial that it continues to be perceived by society as an indispensable company by accurately capturing and responding to social changes. In pursuit of this goal, we promote a variety of initiatives to achieve stable and sustainable growth.

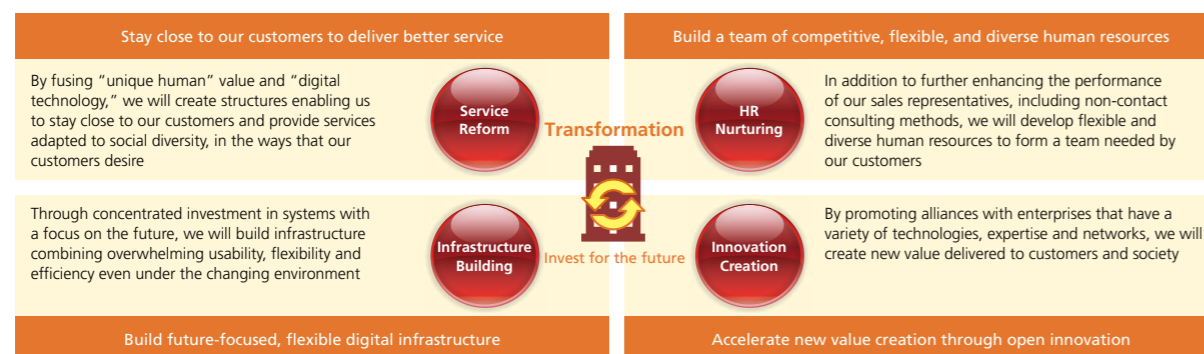
Our vision

Under a management policy to be passed down through the ages, continue to grow steadily while responding to changes and reforms in society

Details of policies and initiatives

- 1 Work style reform
- 2 Recruitment & nurturing of flexible and diverse human resources
- 3 Coexistence with business partners through alliances, etc.
- 4 New value creation through open innovation
- 5 Strengthening of business development infrastructure (IT, etc.)

In the new normal environment, amid the ever increasing pace of change, the effects of which may be felt throughout society, we will carry out a radical review of existing operations, and promote initiatives (service reform, HR nurturing, infrastructure building and innovation creation) to reform our business structure from a long term perspective, and ensure we will be a sustainable company that can adapt to any change in our environment.



Approach in fiscal 2021

Promotion of work-life balance

Our goal is to implement a variety of work styles tailored to all the different life stages of our officers and employees, such as child rearing, middle age or old age, and to leverage work-life balance to create a bright and enthusiastic workplace in which all officers and employees respect each other and work together harmoniously. In addition, from the perspective of achieving a high level of productivity at work, we have begun the "Workplace Brain Change" initiative, which intentionally creates a separate location and time for work, and allows operations to be conducted without being restricted by the place or hour of day. All employees are involved in implementation of this new approach to work.



Promotion of women's participation, promotion of employment of persons with disabilities

Since fiscal 2016, when we created the "Action Plan for Promoting Participation by Women," we have encouraged participation by women and promoted females into management positions. The percentage of employees with disabilities was 2.42% as of April 2022, and we are continuing our initiatives based on the statutory employment ratio of 2.3%.



Maintaining sound relationships with all business partners Provision of products and services through business tie-ups and strengthening of partnerships with financial institutions, etc.

In addition to Sumitomo Life's sales channels to provide products from other companies to meet the increasingly diverse needs of customers, we have provided the Company's savings-type products via the channels of agents such as financial institutions, in response to the rising need for asset formation resulting from progressively longer lifespans. We take great care in transactions with other companies, such as those involving outsourcing, to ensure that our dealings are appropriate in terms of compliance, insider trading, and prevention of conflicts of interest.

Creation of value for customers and society through open innovation

Sumitomo Life strives to create new businesses and services that contribute to "well-being for all" of customers while also seeking to resolve social issues through open innovation. In fiscal 2021, we embarked on development of a new public-private partnership program where we work with local governments in combining the health program of SUMITOMO LIFE Vitality Shared-Value Insurance with the programs for supporting lifestyle improvement of our business co-creation partners. Moreover, we have also been implementing pilot programs within Sumitomo Life in the realm of preconception care with our sights set on developing corporate solutions through business co-creation.

With the intention of further accelerating new value creation through open innovation with start-up companies, we have invested in eight start-ups thus far (as of the end of June 2022) through corporate venture capital (CVC), and have carried out an IPO (initial listing) with respect to one such company.

Strengthening of business development infrastructure (IT, etc.)

We have been seeking to maintain and improve service quality while reducing costs by developing a concept for next-generation system architecture that fuses digital technology and "unique human value," accordingly providing mobile apps for customers to improve customer experience (CX) and employee experience (EX) using digital technology, and proceeding with initiatives and development geared to centralizing customer data and information.

Moreover, in July 2021, we obtained accreditation as a DX-certified operator under the Digital Transformation Certification program established by the Ministry of Economy, Trade and Industry (METI).

Outcomes of fiscal 2021 initiatives

When promoting work-life balance, we manage progress by setting quantitative targets. In fiscal 2021 our achievements were as follows.



*1: Target for the end of fiscal 2025 is 50% *2: Target for the end of fiscal 2022

TOPICS » Realization of sustainable and stable growth

TOPIC 1 Product development through business alliances

By forming business alliances, Sumitomo Life relevantly and flexibly addresses an extensive range of customer needs.

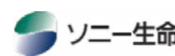
Enhancement of products for corporations

In April 2017, we began handling NN Life corporate term insurance enlisting the sales representative channel of Sumitomo Life under a business alliance subject to a basic agreement concluded in October 2016.



Sales of US dollar-denominated insurance

Having entered into a business alliance with Sony Life for the purpose of better addressing increasingly diverse customer needs amid Japan's prolonged low interest rate environment, Sumitomo Life's sales representative channel began handling US dollar-denominated insurance of Sony Life in January 2019.

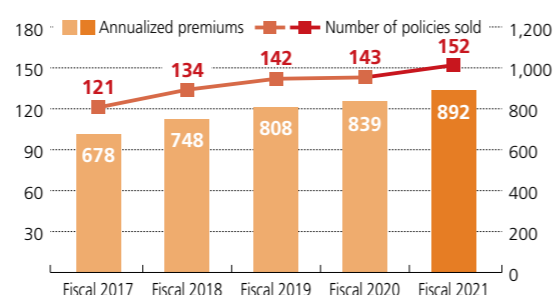


Initiatives in the non-life insurance business

In September 2008, we entered into a basic agreement with Mitsui Sumitomo Insurance Company, Limited to strengthen our business alliance, and began selling its non-life insurance products through Sumitomo Life's sales representative channel the following year.

Going forward, we will continue to deliver comprehensive life security services integrating life and non-life insurance while addressing increasingly diverse customer needs by providing the GK series of automobile, property, and casualty insurance covering various risks encountered by retail customers and also providing non-life insurance products and services that support the business activities of corporate customers.

[Non-life insurance annualized premiums and number of policies sold]



TOPIC 2 Initiatives for Diversity, Equity & Inclusion

The Company is taking steps to create a fulfilling workplace where diverse human capital is able to distinctively play active roles, while showing respect for one another working in fair environments. Meanwhile, we will provide "well-being for all" for our customers and society, which will entail creating new value by prompting diverse human resources to persistently maximize their potential, achieve mutual growth, and evolve.

Creating environments where diverse human resources work enthusiastically and productively

Every year we hold seminars on diversity for those in managerial positions, and work continuously to foster awareness of diversity and a supportive corporate culture. We are also promoting new work styles that include use of teleworking and flextime arrangements in addition to enhancing options for striking a balance between work and personal responsibilities such as childcare and nursing care. In fiscal 2021, we revised the personnel system, established new courses aligned with transfer preferences, and extended the retirement age to 65 years old. Moreover, we encourage a proactive approach to career development among diverse employees through initiatives that include the longstanding use of our system for supporting job change after joining the Company and career progression.

Changes to the occupation system	System for supporting career progression
It is possible to change occupation from the general business track to the managerial track, and vice versa. Approximately 350 people have changed from the general business track to the managerial track, and many are also active in managerial roles.	This is a system that enables the operations of a different organization to be experienced for a limited time. It supports career development through the broadening of employee knowledge and intellectual horizons. (Eligible roles are those in which transfers do not involve relocation)

Initiatives to promote female participation

We have set the following targets pursuant to Japan's Act on Promotion of Female Participation and Career Advancement in the Workplace and are accordingly promoting initiatives that include systematic development and rank-specific training.

Percentage of female employees in managerial positions (As of April 2022)	Percentage of employees taking paternity leave (Fiscal 2021)
47.3%	100%

[Target]

- Target for female employees in managerial positions by the end of fiscal 2025: 50%
- Creating a comfortable workplace environment for all employees by targeting 100% take-up of paternity leave by employees

Initiatives to support LGBT

As well as implementing training for all employees to promote understanding of LGBT issues, we distribute "ally stickers" to those who want them, and have also set up advice hotlines. In 2019, the Company issued a "Management Declaration" internally and externally to the effect that it respects and will work towards employee diversity and participation. It is also involved in social contribution activities such as donations to LGBT support organizations.



TOPIC 3 Promotion of innovation

In order for Sumitomo Life to become an "indispensable life insurance company" for both customers and society, it is important that it wins their trust by continuing to accurately capture and respond to social needs. To such ends, we are working to accelerate the creation of new value for our customers and society by enlisting open innovation.

SUMISEI INNOVATION FUND

The corporate venture capital (CVC) is a structure to promote business co-creation efficiently and effectively through investments in promising start-ups. Benefiting from the operational assistance of SBI Investment Co., Ltd., which has extensive experience in investing in and supporting start-ups, the SUMISEI INNOVATION FUND is a CVC fund for business co-creation with investees.

We will engage in business co-creation through the SUMISEI INNOVATION FUND, thereby prompting the evolution of SUMITOMO LIFE Vitality, providing services that contribute to "well-being for all" with our sights set on "physical, mental, and social health" beyond mere "physical health," and creating new points of contact between customers and insurance companies using new technologies and services.

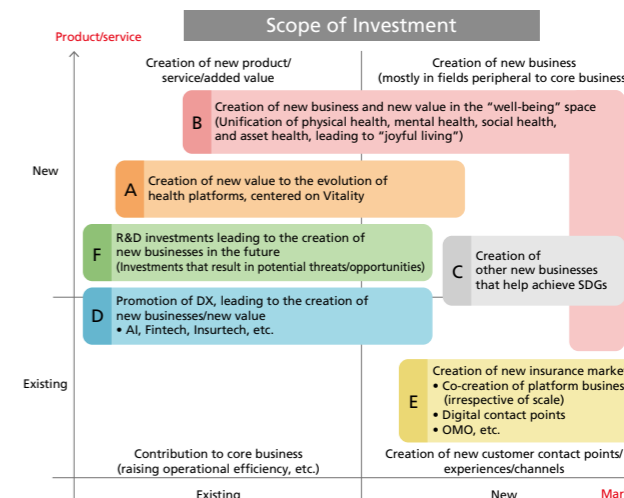


Main areas of investment

- Well-being-related companies in order to build an ecosystem centered on health-enhancing activities through SUMITOMO LIFE Vitality
- Well-being area for "physical, mental, and social health" beyond mere "physical health"
- New technologies and services that can be utilized for the creation of "customer experiences that familiarize customers with life insurance" as well as "a new contact point between customers and the insurance company"
- DX promotion

Fund size

- ¥8.0 billion



Sumisei Innovation Challenge

In fiscal 2020, we embarked on the Sumisei Innovation Challenge project with the aims of creating businesses that will lead to future profits, developing innovative human resources equipped with flexible and diverse perspectives, and fostering a corporate culture that persistently grasps and addresses changes in social needs.

Sumisei Innovation Challenge involves soliciting business ideas to serve as seeds for new businesses widely in-house, then fine-tuning the ideas for final judging and ultimately considering options for commercialization of the business ideas selected through the process. The project enlists Company-wide efforts to take on challenges of creating new value through commercialization.

We have received more than 300 entries over the two years since the start of fiscal 2020, seven of which are currently pending consideration for possible commercial development.

TOPIC 4 Joint development of insurance products

CellSource PFC-FD insurance

We have developed CellSource PFC-FD insurance enlisting the efforts of three companies, Sumitomo Life, CellSource Co., Ltd., which engages in regenerative medicine-related business, and Sumitomo Life Group subsidiary AIARU Small Amount & Short Term Insurance Co., LTD.

The insurance covers PFC-FD therapy mainly used for treating osteoarthritis, which is a disease that causes difficulties with respect to engaging in daily activities due to deformity and inflammation of the joints. PFC-FD therapy is poised to be effective in the treatment of sports injuries. As such, we have been introducing this insurance product to professional soccer clubs and other athletic organizations given that the therapy helps athletes in terms of maintaining physical condition and extending athletic careers.

Heatstroke insurance

We have started offering heatstroke insurance in conjunction with Sumitomo Life Group subsidiary AIARU Small Amount & Short Term Insurance Co., LTD., Z Holdings Corporation, Z Financial Corporation, PayPay Corporation and PayPay Insurance Service Corporation. It provides for payment of sympathy money when a policyholder receives prescribed treatment for heatstroke and is specific to PayPay Insurance which is part of the PayPay application cashless payment service. This revolutionary insurance product not only allows for enrollment through the PayPay app, but it also enables policyholders to complete insurance claims by uploading receipts and itemized statements of medical services issued by medical institutions in order to receive payment at a designated bank account at the earliest billing date.

Materiality

Building mutual trust with stakeholders

Materiality:

Building mutual trust with stakeholders



Risks

- Possibility of losing reason for existence in the society by damage to mutual trust

Opportunities

- Gaining the trust of society by fulfilling social responsibilities

Awareness on issues

Companies are being called on to address a progressively expanding range of social responsibilities along with significant changes in actions to be taken. Meanwhile, gaining the trust of our stakeholders and society as a whole is becoming increasingly important in order to serve as an "indispensable life insurance company."

Our vision

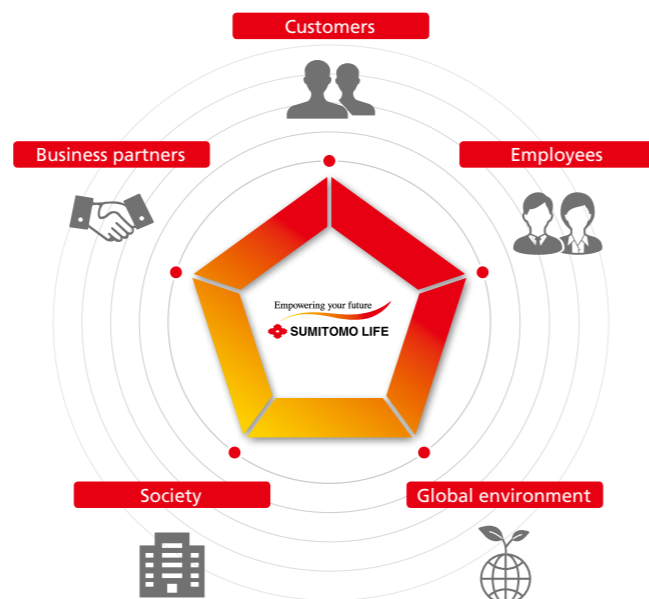
Meet the expectations of stakeholders and aim to be a company that is trusted and supported by them

Details of policies and initiatives

Sumitomo Life stakeholders

The notion of what it means to serve as an ideal company has been shifting significantly in the eyes of our stakeholders amid dramatic changes in the environment surrounding the life insurance industry.

The Company has built relationships with many of its stakeholders based on its purpose of "contributing to the advancement of social and public welfare" cited in the first clause of the Company's "Management Policy," which serves as its corporate philosophy. As stated in our Sustainability Management Policy established in May 2022, we will earn the trust and support of our stakeholders—customers, business partners, employees, society, and the global environment—and contribute together to realizing a sustainable future.



Approach in fiscal 2021

External delivery of endowed lectures and promotion of understanding of life insurance and life planning for all generations

We have been engaging in initiatives that include an instructor dispatch to endeavor to facilitate greater understanding and trust with respect to life insurance, and a hands-on program for bringing about more extensive understanding of life insurance work. In addition to providing endowed lectures at Kyushu University and Ritsumeikan University, which are an ongoing practice (performed online in fiscal 2021), we conducted numerous life planning seminars and second life seminars for client companies.



Lecture held prior to the COVID-19 pandemic

Promotion of energy and resource conservation in business activities, initiatives for climate change issues, and environmental protection activities

Environmental conservation project

- Volunteer activities involving employees
- Supported marine conservation activities of the environmental conservation organization WWF Japan
- Birdie Donation provided by professional golfer Yuna Nishimura

Business approval N4

Addressing the marine plastic issue

- Abolished the use of plastic bags and plastic straws at our head office and Tokyo head office
- Promoted use of personal-use thermos bottles and personal-use bags
- Supported the Ministry of the Environment's Plastic Smart Campaign
- Recommended clear file folders made from paper for use as promotional merchandise

Promotion of contribution to local communities and society

Sumitomo Life has been rolling out Sumisei "Humany" activities on a Company-wide basis.

In fiscal 2021, one such activity was our "Picture Book Donation Initiative," which involved affixing local language translations to Japanese picture books and delivering them to children in Asia who lack children's books. Another such activity was our "Humany at Home" initiative, which involved making disposable cleaning cloths and dusters at home and donating them to residential facilities for sick children and their families.

Sumisei "Humany" activities (staff volunteers)

Sumisei "Humany" activities are employee-based volunteer activities. They were started in 1992 expressing the notion of our desire to serve as a company full of humanity (human) that is able to harmonize with local communities (harmony).



We have been contributing to achievement of the SDGs by engaging in a wide range of activities across various locations, with initiatives including clean-up activities and food drives that entailed providing surplus food from people's homes to single-parent households and those encountering food insecurity.

Promotion of collaboration with local governments (status of collaboration with local governments)

We have carried out collaborative projects across various fields with local governments with which we have entered into comprehensive partnership agreements* such as Tokyo and Osaka. In February 2022, we also newly entered into a comprehensive partnership agreement with Aichi Prefecture. Going forward, we will keep cooperating with prefectures and cities nationwide.

* We have entered into comprehensive partnership agreements with Yamagata Prefecture, the Tokyo Metropolitan Government, Aichi Prefecture, Kyoto Prefecture, Mie Prefecture, Osaka Prefecture, Okayama Prefecture, and Ehime Prefecture.

Initiatives in the fields of health enhancement and sports

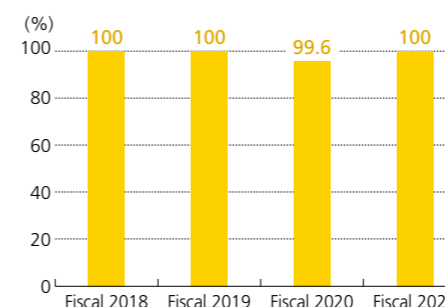
We have gained recognition for our initiatives to promote employee sports and for our activities that contribute to society in the field of sports. For instance, since fiscal 2019, we have consistently gained "Tokyo Sports Promotion Company" certification from the Tokyo Metropolitan Government and "Sports Yell Company" certification from the Japan Sports Agency.



Outcomes of fiscal 2021 initiatives

"New activities that are not bound by time and place" were introduced for the Sumisei "Humany" activities promoted on a Company-wide basis, and the participation rate was 100% in fiscal 2021, despite the COVID-19 pandemic. There were also 43 instances of cooperation with municipal and prefectural governments.

Participation rate in Sumisei "Humany" activities



Cooperation with municipal and prefectural governments

43 instances
(Instances of cooperation with city governments: approx. 80)

Life planning seminars and second life seminars held at customer companies

190 companies
(No. of participants: 9,796)

TOPICS » Building mutual trust with stakeholders

TOPIC 1 Sumitomo Life's approach to social contribution activities

Sumitomo Life aims to serve as an "indispensable life insurance company" for society. To such ends, it takes action in the priority fields of "health enhancement," "support for child rearing," and "global environmental protection" with the aim of contributing to society by promoting initiatives to achieve the SDGs through business activities.

Moreover, we will further promote social contribution activities as the basis for these initiatives, which will involve implementing our Sumisei "Humany" activities enlisting employee volunteers, fostering awareness of social contribution among our employees.

Priority fields of activities

<p>Health enhancement</p> <ul style="list-style-type: none"> Sumisei Vitality Action Support for cancer patient associations, dementia associations, etc. Grant provided to Sawayaka Welfare Foundation Operational support for parkrun, etc. 	<p>Support for child rearing</p> <ul style="list-style-type: none"> Child Raising Project to Empower the Future Sumisei After School Project Grants provided to associations focused on child rearing Support related to child-rearing education 	<p>Global environmental protection</p> <ul style="list-style-type: none"> Marine conservation activities of WWF Japan Abolish plastic bags at in-house kiosks (encourage people to bring their own shopping bags) Reduce number of plastic straws at in-house cafeterias, etc.
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Volunteer activities involving employees (activities centered on the priority fields)

Sumisei "Humany" activities

- In fiscal 2020, we embarked on new activities that are not bound by time and place

TOPIC 2 Sumisei Vitality Action

Since 2017, we have been carrying out the Sumisei Vitality Action social contribution program with the theme of health enhancement, and have been addressing social issues involving health enhancement with the cooperation of local governments, foundations, athletes and other such entities and individuals.

In fiscal 2021, we held events enabling parents and children to engage in physical exercise together, to which we invited top athletes to serve as instructors. The events have been held at 123 locations (as of March 31, 2022) involving more than 6,300 families thus far.

TOPIC 3 Healthcare initiatives

Supporting Pink Ribbon Campaigns

We have been supporting the Pink Ribbon Campaigns and contributing to the Hohoemi Fund run by the Japan Cancer Society since fiscal 2007, based on the notion that we assume vital social responsibilities as a life insurance company with respect to facilitating early detection of breast cancer and communicating the importance of appropriately undergoing treatment.

We also distribute booklets on breast cancer screening to heighten understanding and awareness regarding breast cancer.



Encouragement prize for contribution to community healthcare

Sumitomo Life Welfare and Culture Foundation

We award "encouragement prizes for contributions to community healthcare" to doctors working with longstanding dedication and tireless effort to contribute to securing and improving regional healthcare and promoting the health and welfare of people in rural locations lacking sufficient medical services and also lacking in terms of preventive medicine due to an uneven geographic distribution of doctors.

Distribution of cancer-awareness booklet

We have published the "Things to Know about Cancer" educational booklet under the supervision of the National Cancer Center Japan, with the aim of making correct information about cancer available. The booklet contains a wide range of information that includes basic cancer-related knowledge, treatment specifics and costs, points of contact for consultations, and patient feedback. It was distributed to people across Japan through Sumisei Life Designers, drawing on our network of branches and offices.



"Cancer Treatment without a Fight" - Cancer Treatment in the 21st Century: Information on Particle Beam Therapy -

Sumitomo Life conducted lectures and other events enlisting Dr. Yoshio Hishikawa, an MD and authority on particle beam therapy (honorary director of Hyogo Ion Beam Medical Center, and honorary director of Medipolis Proton Therapy and Research Center), created a DVD titled "Cancer Treatment without a Fight" and distributed it to customers, along with other information.



TOPIC 4 Sumisei After School Project

The Sumisei After School Project provides children with opportunities to learn and grow by gaining physical or online access to all of the project's 17 types of programs offered under the themes of life, health, and the future. It was started in 2014 as a project for support of after-school childcare and other such arrangements nationwide that provide elementary school children with a place to spend their time after school.



Examples of programs

Future

Approaches to shopping that are future-oriented with respect to the marine environment

Learn about looming environmental concerns affecting the oceans and fish as well as approaches to shopping in a manner that safeguards our planet's future by participating in educational time travel tours delving into the future of our oceans and fish.

Life

Science for radiant lives

This is a science program that draws out children's enthusiasm and curiosity. Children will be thrilled by the program's exciting and fun scientific experiments.

TOPIC 5 Addressing challenges through collaboration with regional governments

[Collaboration with Yokohama City]

Yokohama Gate Tower Project toward establishing Yokohama as an SDGs city of the future

Having entered into a partnership agreement with Yokohama City regarding the Yokohama Gate Tower Project underway in the Minato Mirai 21 Central District Block 58 development, in conjunction with KAJIMA CORPORATION and Mitsui Sumitomo Insurance Company, Limited, Sumitomo Life has been engaging in initiatives looking toward achieving the SDGs upon having opened within the Yokohama Gate Tower building the Yokohama SDGs Design Center, which disseminates information on initiatives of the SDGs Future City, Yokohama.

Meanwhile, the Minato Mirai 21 District has been selected as a site under the "Decarbonization Leading Area" initiative carried out by Japan's Ministry of the Environment, with Yokohama Gate Tower serving as a facility involved in that initiative. As such, Yokohama Gate Tower will accordingly engage in various initiatives in aiming to achieve a target of virtually zero CO₂ emissions associated with electricity consumption by fiscal 2030.



Yokohama Gate Tower

[Project involving collaboration with local governments with which we have entered into comprehensive partnership agreements]

Having entered into comprehensive partnership agreements with multiple local governments such as the Tokyo Metropolitan Government and Osaka Prefecture, Sumitomo Life will continue to draw on partnership agreements with respective municipalities going forward.

Examples of collaborative projects

Tokyo "Nagara Mimamori" collaborative project subsequent to conclusion of extensive collaboration agreements

We have been taking part in "Nagara Mimamori" activities that involve watching out for vulnerable people such as children and senior citizens while performing daily business operations, pursuant to agreements. In addition, we have been engaging in partnerships enlisting the Company's network of sales representatives in other fields including health enhancement, culture and sports promotion, disaster prevention and mitigation, and childcare and support for the elderly.



Osaka Participation in Osaka Smart City Partners Forum and Smart Senior Life Project

We are taking part in the Osaka Smart City Partners Forum (OSPF), which aims to give rise to a smart city by leveraging a public-private collaborative ecosystem. Looking toward Expo 2025 Osaka, Kansai, we have been taking part in the Smart Senior Life Project, which was launched as a project specifically for engaging in "elderly-friendly town development," which is the primary theme of the OSPF project. Meanwhile, we accordingly initiated a demonstration project targeting senior citizens in February 2022.



Examples of measures to combat infectious disease

Tokyo/Osaka Cooperation on infectious disease control enlisting branch offices in Tokyo and Osaka

We have been involved with education on infectious disease prevention. We also assisted the Tokyo Metropolitan Government and Osaka Prefectural Government, in distributing stickers and flyers regarding the campaign for prevention of COVID-19 and information on Support Fund.



Materiality

Management structure that supports sustainability

Materiality:

Management structure that supports sustainability



Risks

- Possibility of reduced trust and of damage to corporate value caused by infringements of laws and regulations or corporate behavior that deviates from social norms

Opportunities

- Enhancing corporate value by achieving highly effective corporate governance and making continuous improvements to it thereafter

Awareness on issues

Life insurance entails business of a highly public nature built on mechanisms of “mutual aid” and “mutual support” in that large numbers of people mutually assume payment of insurance premiums, and then are eligible for insurance claims and benefits using such funds as a financial resource when death or illness occurs. Sumitomo Life maintains a mutual company organizational structure whereby, unlike a joint-stock company there are no shareholders, and its policyholders are constituents of the company, or in other words its “members.”

We aim to grow sustainably and stably as we become the most trusted and supported company by our stakeholders, including our “members” (policyholders) and customers as we conduct honest business operations and build a sound financial base by creating a highly transparent mutual company organization.

Our vision

Contribute to the creation of a sustainable society by conducting honest business operations and building a sound financial base

Details of policies and initiatives

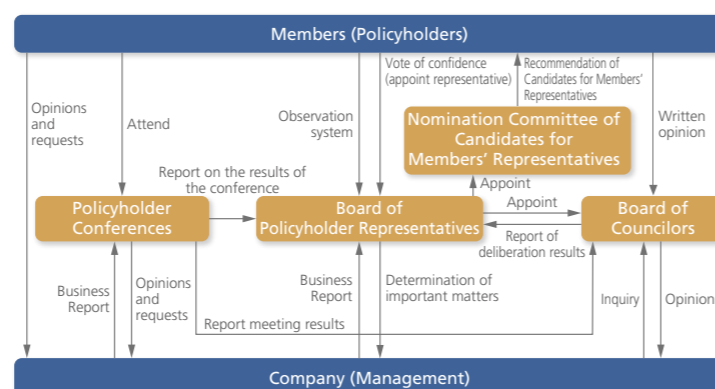
- 1 Strengthening of corporate governance
- 2 Compliance initiatives
- 3 Human rights initiatives
- 4 Initiatives for the protection of personal data
- 5 Increased sophistication of ERM
- 6 Restructuring and enhancement of risk management system

We are striving to further promote customer-oriented business operations through initiatives that include communicating details of our Sumitomo Life Group Code of Conduct, letting it take hold, and putting it into practice in order to advance all of our businesses together with our customers.

We seek to further strengthen our business fundamentals in terms of consistently living up to the trust of our customers. We accordingly regard compliance as an important management issue, and have developed a compliance promotion system.

We will ensure business sustainability through more sophisticated approaches to enterprise risk management (ERM) and risk control.

[Mutual company structure]



Approach in fiscal 2021

Realization of a company that values customer feedback by creating a highly transparent mutual company organization

We connect policyholders with Board of Policyholder Representatives by reporting the main opinions and questions from Policyholder Conferences held at each branch office. In addition, in the interest of enhancing information disclosure, we prepare and disclose reports on a voluntary basis, in accordance with the “Corporate Governance Report” requirements prescribed by the Tokyo Stock Exchange.



Board of Policyholder Representatives

Development of compliance framework and cultivation of compliance mindset

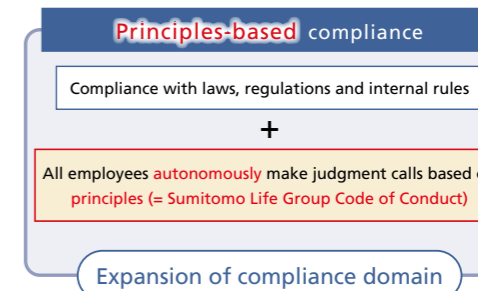
Elimination of relationships with antisocial forces

Strict management of personal information through systems, training, and networks, and further enhancement of security

In line with our new annual Compliance Program, which reflects a wider remit of compliance under the changing social environment, we promote such management themes as fortifying our insurance solicitation management structure, promoting workplace environment compliance, and bolstering risk management related to personal information. We also focus on effective penetration of knowledge of the Sumitomo Life Group Code of Conduct through various compliance training and guidance.

We also judge the propriety of business transactions while ensuring the effectiveness of our efforts to eliminate antisocial forces, and we ensure business operations comply with security policies.

[Sumitomo Life's approach to compliance]



Raising human rights awareness among employees and building a workplace culture that respects human rights

We have been promoting initiatives to respect human rights, clearly stating “respect for human rights and ensuring a good workplace environment” in the Sumitomo Life Group Code of Conduct which stipulates action guidelines for every officer and employee of Sumitomo Life and each Group company to put into practice through their actions.

We also formulated the Sumitomo Life Group Human Rights Policy in November 2021 and promoted initiatives for respecting human rights based on the standpoint of “Business and Human Rights,” which is socially mandated both in Japan and abroad, from the perspective of contributing to SDGs through our enhanced engagement in sustainability management.

Use of risk-return indicators and steady execution of operations based on capital allocation Improvement taking effectiveness into account

Appropriate control over the balance between risk and capital

On a semi-annual basis, we monitor risk-return indicators in respective business areas and report findings to the ERM Committee and the Executive Management Committee. When engaging in additional risk-taking, we confirm such effects on additional investment allocations, past use of investment, and financial solvency. Formulation of our business plans also involves confirming risk-return indicators of respective business areas and optimizing capital allocations.

Outcomes of fiscal 2021 initiatives

In June 2021, we have released Sumitomo Life's “My Declaration of Human Rights” upon having endorsed the objectives of the “My Declaration of Human Rights” project of Japan's Ministry of Justice. In addition, we formulated the “Sumitomo Life Group Human Rights Policy” in November 2021.

[My Declaration of Human Rights]

Our declaration

“We will work to create a company where diverse human resources can play an active role in their own way while respecting each other and continue to work with enthusiasm.

We will promote the fostering of a corporate culture that respects human rights, which is linked to actions with a rich sense of human rights, in order to realize a society in which human rights are truly respected without discrimination or prejudice.”

Please refer to the Sumitomo Life website for the full version.

<https://www.sumitomolife.co.jp/english/about/mission.html#sec05>

[Principles of the Sumitomo Life Group Human Rights Policy]

- 1 Respect for International Norms
- 2 Scope of the Policy
- 3 Respect for Human Rights in Business Activities
- 4 Human Rights Due Diligence
- 5 Remediation and Correction
- 6 Education and Enlightenment
- 7 Dialogue with Stakeholders
- 8 Information Disclosure

TOPICS » Management structure that supports sustainability

TOPIC 1 Strengthening the effectiveness of compliance

The Sumitomo Life Group Code of Conduct provides the basis for all our awareness and behavior, and it is with this Code that we promote compliance.

Basic Principles of the fiscal 2022 Compliance Program

Basic Principles that take into account all environments

Basic Principles for fiscal 2022

- We will continue to enlist and further instill a principles-based* and risk-based approach to compliance and risk management.
* This refers to compliance education based on the Sumitomo Life Group Code of Conduct and operations geared to having every employee put that into practice.
- We will assess prevailing compliance risks and predictors to prevent accidents and improve preparedness based on monitoring status.
- We will strengthen coordination among head office divisions and improve the effectiveness of compliance guidance to our sales personnel and management thereof.
- We will establish a compliance framework and take appropriate action in line with developments and specifics of revisions to various laws and regulations.

Compliance Program overview

Insurance solicitation management

Compliance education	Instill and apply the Sumitomo Life Group Code of Conduct
Identify concerns and take appropriate action	Appropriate predictive assessment and monitoring

Personal information management

Raise awareness of information risk management	Provide guidance, support, and education for accident prevention
Strengthen the framework for safeguarding customer information	Awareness raising, practical response, and monitoring with respect to amended laws and regulations
Take action when risks materialize	Prompt initial response and recurrence prevention in the event of an accident

Others

Appropriate action based on various laws and regulations such as enabling the internal whistleblowing system to function, preventing harassment, engaging in Group-wide compliance, and response to money laundering

Achieving a high level of compliance by ensuring that every employee adopts a customer-oriented perspective and bases their judgments and actions on the Sumitomo Life Group Code of Conduct

TOPIC 2 Anti-corruption initiatives

In recent years, there has been a trend in overseas countries towards more stringent action to prevent corruption, and it has become the norm for Japanese companies operating globally to commit to anti-corruption measures. The Sumitomo Life Group also engages in group-wide anti-corruption measures.

Sumitomo Life has formulated Anti-Corruption Regulations, and set out the following rules.

Rules with which officers and employees must comply

Rules	Aims, etc.
(1) Prohibition on giving or receiving bribes	Patterns with a high probability of being punished for bribery or breach of trust, etc.
(2) Prohibition on entertaining or giving gifts to interested parties who are national public employees, etc.	Under the National Public Service Ethics Act, the provision of entertainment or giving of gifts by Sumitomo Life to national public employees who are interested parties is prohibited. (Example: the provision of entertainment or giving of gifts to employees of the Financial Services Agency, which is involved in approval and authorization of Sumitomo Life's business, is prohibited)
(3) Prohibition on excessive entertainment or giving of gifts	Even if it does not correspond to giving or receiving bribes, the provision or acceptance of entertainment or gifts that exceeds the bounds of normal social courtesy is prohibited under the Code of Conduct.
(4) Appropriate control of third parties (companies to which business is outsourced, etc.)	Third parties (such as companies to which business is outsourced) shall be kept under appropriate control to prevent them from committing bribery in relation to contracts with Sumitomo Life.
(5) Appropriate response to requests for bribes	In the event that a public employee requests a bribe, an immediate report shall be made to the Compliance Control Department, and an appropriate response shall be considered. (With the cooperation of an attorney, if required)

TOPIC 3 Approach to protection of personal information, and related initiatives

We recognize that the personal information of the customer is a valuable asset entrusted to us for use only to the extent necessary for operational purposes. We handle this information appropriately in accordance with the Act on the Protection of Personal Information, etc.

Basic principles

First, in the Sumitomo Life Group Code of Conduct, the Company prescribes guidelines for the strict control of customer information by all officers and employees. The Company has also drawn up "Customer Information Management Principles" as basic principles aimed at preventing leakage of customer information and ensuring that it is managed appropriately, and works in other ways to protect the personal information of the customer.

The Company also complies faithfully with the Act on the Protection of Personal Information, etc. by collecting only appropriate personal information, identifying the purpose for which it is used within the Company, and rigorously ensuring that it is used only to the extent necessary to achieve this purpose.

These principles and initiatives related to the protection of personal data have been summarized in "Basic Principles of Protection of Personal Information," which has been made publicly available on the Company website.

Rigorous security

The Company clarifies the duty of confidentiality borne by officers and employees by entering into non-disclosure agreements with them in relation to personal information at the time it concludes their contracts of employment, and additionally by restricting access to personal information to the minimum extent required for operational purposes.

For example, use of a user ID and password, etc. is required to identify and authenticate the user in the case of mobile devices for sales personnel and online systems used for the management of personal information. In addition, rigorous controls on levels of access to personal information have been implemented, such as by applying restrictions appropriate to the operation.

We have also devised various safety measures to prevent unauthorized access from outside the Company.

In this way, we have put in place necessary and appropriate security countermeasures to safely control personal information.

Prompt and appropriate response to customers

The Company responds promptly and appropriately to inquiries, opinions, and requests from customers in relation to the handling of personal information as well as procedures such as those for legal disclosure request.

TOPIC 4 Respect for human rights initiatives

Promotion system

Having established Human Rights Enlightenment Committees at the head office and all of its other organizational units (departments and branch offices), Sumitomo Life verifies the statuses of its human rights initiatives based on the Sumitomo Life Group Human Rights Policy (see page 21 for details) and its other initiatives based on its Company-wide education and awareness operational plans, and promotes human rights awareness at each organizational unit.

Human rights due diligence

From fiscal 2022, Sumitomo Life has initiated human rights due diligence practices in line with the Sumitomo Life Group Human Rights Policy. The Company and its subsidiaries have accordingly formulated the Guidelines for Business Activities and regularly check on the various initiatives of their outsourcing service providers, including matters of respect for human rights.



Guidelines for Business Activities
Please refer to the Sumitomo Life website for details.

Human rights education and enlightenment

We conduct human rights enlightenment training specifically adjusted for training targets such as new employees, human rights enlightenment leaders, and management. We also promote initiatives to raise awareness of human rights among every employee, such as holding routine training on human rights for all employees, implementing monthly Human Rights Awareness Day operations, and encouraging submission of entries on the topic of human rights awareness.

We also take steps to address increasingly diverse human rights issues through training themes that include assimilation issues, human rights of people with disabilities, human rights of foreign nationals, preventing harassment, promoting understanding of the LGBT community, and mental health.



Training of human rights enlightenment leaders (2019)
* Over the years 2020 to 2022, we continued to implement an equivalent level of training, etc. via the internet.

Initiatives for SDGs -Status of Fiscal 2021-

Material Issue 1: Extending healthy life expectancy through the insurance business

<Our Vision> Contribute to extending healthy life expectancy in Japan through the insurance business to realize a society that offers continual health and peace of mind

Main initiatives	Initiative indicators for SDGs	Status of fiscal 2021 initiatives
Promotion of businesses related to SUMITOMO LIFE Vitality	<ul style="list-style-type: none"> ○ Implementation of the CSV Project centered around health enhancement 	<ul style="list-style-type: none"> • Gained 364,000 new SUMITOMO LIFE Vitality policies, bringing cumulative sales to above 1 million policies. In June 2021 we introduced a new "Family Plan" to make the Vitality Wellness Program easier for families, and in March 2022 we launched a new "Light Plan" to foster health awareness among younger people. • In the Active Challenge system, we introduced a program that enables donations through daily health-enhancing activities. The amount donated was approx. ¥66,220,000. • In April 2021 we began providing the stand-alone Vitality Wellness Program on a nationwide basis. Two versions, individual and corporate are available. Provision for individuals is via sales representatives, while the corporate version is provided to employees as part of our support for companies promoting health-focused management. We also seek cooperation with local governments for this program's provision to enhance local-resident health through encouraging changes in behavior. • In Kashima City, Ibaraki Prefecture, we also began providing a program that combines the Vitality Wellness Program (trial version) with the Myscope and Myster services of PREVENT inc., a company in which our CVC fund has invested.

Material Issue 2: Provision of sense of security through the insurance business

<Our Vision> Provide all people with suitable life insurance products and services, and the accompanying sense of security, by pursuing customer-oriented management

Main initiatives	Initiative indicators for SDGs	Status of fiscal 2021 initiatives
Services and information for the era of the 100-year lifespan	<ul style="list-style-type: none"> ○ Provision of products and services that contribute to solving social issues 	<ul style="list-style-type: none"> • Sales of Cancer PLUS ALIVE came to 406,000 policies. • A "Five-year Savings-type Whole Life Insurance" product was launched to respond to the savings needs of customers over a wide age range. • Provision of "Well Aging Support - ASUNOEGAO" long-term care service.
	<ul style="list-style-type: none"> ○ Promotion of initiatives that contribute to fulfilling our role in a super-aging society 	<ul style="list-style-type: none"> • In June, October, and February we held meetings of the 100-year Lifespan Support Council. The Council has confirmed cross-departmental initiatives, and promoted partnerships and relationships with external organizations. • In fiscal 2021, 5,448 people received training aimed at fostering dementia supporters (cumulative total: 52,564). In fiscal 2021, 3,907 people received Gerontology Certification (cumulative total: 4,077). • We endorsed the "Dementia Barrier-Free Declaration" promoted by the Japan Dementia Public-Private Council.
	<ul style="list-style-type: none"> ○ Provision of products and services optimized for each customer's circumstances and situation by fusing unique human value and digital technology 	<ul style="list-style-type: none"> • We expanded the number of customers covered by the EX Support Center (an information and consultation service provided by email). • Meetings with external specialists were held to enhance our services for the elderly with a focus on new operational approaches and form creation. • We implemented trials of support using screen-sharing software in response to telephone calls from customers. • We began digitalization of procedures for benefits claims.
	<ul style="list-style-type: none"> ○ Stepping up efforts based on the "Policy on customer-oriented business operations" 	<ul style="list-style-type: none"> • To improve the PDCA function, we began receiving opinions from CS Enhancement Advisors before implementing status reviews of initiatives based on this policy. • In June we announced the status of the "Policy on customer-oriented business operations" initiated in fiscal 2020, and in September we released the Consumer-oriented Communication Book 2021. • The Code of Conduct Task Force was established in July to broaden acceptance and practice of the Code of Conduct.
Contribution to the realization of a decarbonized society (responsible investment, etc.)	<ul style="list-style-type: none"> ○ Investment and financing decisions using ESG information in addition to quantitative information ○ Promotion of stewardship activities, taking ESG issues of investees into account ○ Investments in bonds, etc. aimed at resolving ESG issues (SDG bonds) (three-year total) ⇒ Target of investments in SDG bonds, etc.: ¥500 billion ○ Promotion of initiatives towards net-zero greenhouse gas emissions ⇒ Scope 1+2+3: 40% reduction from the fiscal 2019 level (fiscal 2030) ⇒ Asset portfolio: 42% reduction from the fiscal 2019 level (fiscal 2030) 	<ul style="list-style-type: none"> • We completed the process of organizing methods to start ESG integration for all assets. • We revised the "Basic Approach to Stewardship Activities." • Investments in SDG bonds, etc.: approx. ¥236 billion (cumulative total since fiscal 2020: approx. ¥382 billion) • We joined two international initiatives: the Partnership for Carbon Accounting Financials, and the Net-Zero Asset Owner Alliance. • We set and announced targets for reductions in greenhouse gas (GHG) emissions by 2030. • We calculated and announced the latest GHG emissions data. • We drew up plans for converting lighting to LED to reduce GHG emissions. We also investigated electric power derived from renewable energy, and began introducing it in some buildings in April 2022. • We published the "2021 Responsible Investment Activities Report" (former Stewardship Activities Report).

Material Issue 3: Realization of sustainable and stable growth

<Our Vision> Under a management policy to be passed down through the ages, continue to grow steadily while responding to changes and reforms in society

Main initiatives	Initiative indicators for SDGs	Status of fiscal 2021 initiatives
Work style reform	<ul style="list-style-type: none"> ○ Promotion of work-life balance ⇒ Percentage of employees taking paternity leave: 100% ⇒ Percentage of employees who actually feel the effects of work style reform: 90% or more* ⇒ Percentage of employees who are able to work from the customer/market perspective: 80% or more* ⇒ Percentage of employees who have taken at least 17 days of paid annual leave: 80%* * By the end of fiscal 2022 	<ul style="list-style-type: none"> • Percentage of employees taking paternity leave in fiscal 2021: 100% • Percentage of employees who understand and are able to practice work style reform initiatives: 81.9% • Percentage of employees who are able to implement a customer-oriented approach to work: 92.0% • Percentage of employees who have taken at least 17 days of paid annual leave: 76.7%
	<ul style="list-style-type: none"> ○ Promotion of women's participation ⇒ Percentage of female employees in managerial positions: 50% (end of fiscal 2025) ○ Promotion of employment of persons with disabilities (initiative to meet the statutory employment ratio) 	<ul style="list-style-type: none"> • Percentage of female employees in managerial positions as of April 2022: 47.3% • Achieved a percentage of employees with disabilities of 2.42% as of April 2022, in conformance with the statutory employment ratio of 2.3%.

Main initiatives	Initiative indicators for SDGs	Status of fiscal 2021 initiatives
Coexistence with business partners through alliances, etc.	<ul style="list-style-type: none"> ○ Maintaining sound relationships with all business partners ○ Provision of products and services through business tie-ups and strengthening of partnerships with financial institutions, etc. 	<ul style="list-style-type: none"> • To meet increasingly diverse customer needs, we continued to provide products from our business tie-up partners through our own sales channels. • We continued to provide our savings-type products via the channels of agents such as financial institutions, in response to the rising need for asset formation. • By strengthening our partnerships with financial institutions, we continued work on initiatives to resolve social issues.
New value creation through open innovation	<ul style="list-style-type: none"> ○ Creation of new value for customers and society through open innovation and digital innovation 	<ul style="list-style-type: none"> • We implemented pilot programs for eight projects with the goal of creating new value through open innovation. Two other projects are now being prepared. • The CVC SUMISEI INNOVATION FUND executed investments in seven projects. • As new models for supporting employment of persons with disabilities, we cooperated with Singaporean companies, higher education institutions, governmental agencies, the social sector, etc. to implement up-skilling programs for students with disabilities.
Strengthening of business development infrastructure (IT, etc.)	<ul style="list-style-type: none"> ○ Infrastructure investment that contributes to continuous maintenance and improvement of service quality and cost control 	<ul style="list-style-type: none"> • To enhance CX and EX through digital technology, we began providing a mobile app to customers with an outstanding user interface (UI) that offers a superior user experience (UX), and have also begun developing systems to centralize customer data and information on points of contact. • To maintain and enhance service quality and to control costs, we developed a next-generation system architecture concept that fuses "digital technology" with "unique human value." • In July 2021, the Company was designated a DX-certified operator by the Ministry of Economy, Trade and Industry.

Material Issue 4: Building mutual trust with stakeholders

<Our Vision> Meet the expectations of stakeholders and aim to be a company that is trusted and supported by them

Main initiatives	Initiative indicators for SDGs	Status of fiscal 2021 initiatives
Promotion of financial literacy education	<ul style="list-style-type: none"> ○ External delivery of endowed lectures and promotion of understanding of life insurance and life planning for all generations 	<ul style="list-style-type: none"> • Delivered endowed lectures at universities with the aim of enhancing financial literacy. • Delivered life-planning seminars and second-life seminars to 190 client companies.
Global environmental protection	<ul style="list-style-type: none"> ○ Promotion of initiatives towards net-zero greenhouse gas emissions ⇒ Scope 1+2+3: 40% reduction from the fiscal 2019 level (fiscal 2030) ⇒ Asset portfolio: 42% reduction from the fiscal 2019 level (fiscal 2030) 	<ul style="list-style-type: none"> • Implemented environmental lectures as a new program under the Sumisei After School Project. • Took the decision to subsidize WWF Japan's marine conservation activities. (Beginning April 2022) • Began disclosing data on greenhouse gases emitted by our asset portfolio (our website, Responsible Investment Activities Report, and Sustainability Report).
Promotion of activities to contribute to society, and collaboration with regional governments	<ul style="list-style-type: none"> ○ Promotion of contribution to local communities and society ⇒ Participation rate in Sumisei "Humany" activities (staff volunteers): 100% 	<ul style="list-style-type: none"> • 100% of departments participated in "Humany" activities. • Held online seminars open to staff from all departments to increase understanding and acceptance of the SDGs by employees and raise the level of each activity.
	<ul style="list-style-type: none"> ○ Promotion of collaboration with local governments (status of collaboration with local governments) 	<ul style="list-style-type: none"> • We have signed partnership agreements with 43 prefectural and metropolitan governments, including Tokyo and Osaka, and approx. 80 municipal governments. • Sumisei Vitality Action events were held 12 times, with collaborations with local governments (support) accounting for 11 of those.

Material Issue 5: Management structure that supports sustainability

<Our Vision> Contribute to the creation of a sustainable society by conducting honest business operations and building a sound financial base

Main initiatives	Initiative indicators for SDGs	Status of fiscal 2021 initiatives
Strengthening of corporate governance	<ul style="list-style-type: none"> ○ Realization of a company that values customer feedback by creating a highly transparent mutual company organization 	<ul style="list-style-type: none"> • Revised Basic Policy for Internal Control and enacted Group Management Basic Policy and others. • Based on the revisions to Japan's Corporate Governance Code, in November we amended and published the Company's Corporate Governance Report. • We reported opinions and problems raised in Policyholder Conferences at the Board of Members' Representatives. • We conducted assessments to confirm the effectiveness of the Board of Directors, taking into account the viewpoint of stakeholders, etc.
Compliance initiatives and initiatives for the protection of personal data	<ul style="list-style-type: none"> ○ Development of compliance framework and cultivation of compliance mindset 	<ul style="list-style-type: none"> • In accordance with the compliance program, we strengthened our framework for managing insurance solicitation, and promoted compliance in the workplace environment. • Utilizing e-learning tools, we built an educational system for compliance to match new work styles.
	<ul style="list-style-type: none"> ○ Elimination of relationships with antisocial forces 	<ul style="list-style-type: none"> • Based on the Policy on Handling of Antisocial Forces and other regulations, we maintained an appropriate management approach of rejecting any relationship to antisocial forces.
	<ul style="list-style-type: none"> ○ Strict management of personal information through systems, training, and networks, and further enhancement of security 	<ul style="list-style-type: none"> • Promoted measures to address the enactment of the amended Act on the Protection of Personal Information in April 2022. • Continued to manage operations appropriately in accordance with Security Policy and System Risk Management Policy. • Provided information security education for employees aimed at strengthening the effectiveness of cyber security.
Human rights initiatives	<ul style="list-style-type: none"> ○ Raising human rights awareness among employees and building a workplace culture that respects human rights 	<ul style="list-style-type: none"> • The "Sumitomo Life Group Human Rights Policy" was established in November, and applies to the Company and to its subsidiaries. In order to publicize the policy both internally and externally, it has been made available on the website. • In line with the plan for the fiscal year, we held educational training and presentations, published educational materials, and solicited human rights slogans, while taking into account operations during the COVID-19 pandemic.
Increased sophistication of ERM (including risk management systems)	<ul style="list-style-type: none"> ○ Use of risk-return indicators and steady execution of operations based on capital allocation. Improvement taking effectiveness into account ○ Appropriate control over the balance between risk and capital 	<ul style="list-style-type: none"> • We monitored risk-return indicators by field of business based on actual results for fiscal 2020 and the first half of fiscal 2021, and reported the results to the ERM Committee and the Executive Management Committee.

Stakeholder Communication

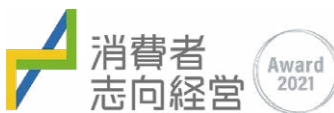









Through the sound operation and development of the insurance business, Sumitomo Life aims to be a company that is trusted and supported by its stakeholders, including its customers, business partners, employees, society, and the global environment.













	Approaches	Specific Initiatives	Future Activity Policies
Customers 	<ul style="list-style-type: none"> Mechanism for tracking customer feedback Framework for utilizing customer feedback in management Optimal consulting & framework 	<ul style="list-style-type: none"> Consumer-oriented Declaration / participation in follow-up activities Customer satisfaction survey Opinions and requests raised in Policyholder Conferences Internal proposal system Holding of CS Enhancement Advisors Meeting Sumisei Future Support Activities Future support services 	Expanding the SUMITOMO LIFE Vitality circle nationwide
Business partners 	<ul style="list-style-type: none"> Initiatives for agencies (financial institutions, etc.) and insurance outlets Sales of other cooperating companies' products Initiatives for overseas businesses 	<ul style="list-style-type: none"> Actual number of policies made through financial institution channels since 2002: 2,392,088 (as of the end of March 2022) Bidirectional communication Entered the Chinese, Vietnamese, Indonesian, US, and Singaporean markets 	Strengthening cooperative structures through communication, in order to fulfill social responsibilities
Employees 	<ul style="list-style-type: none"> Promoting Diversity, Equity & Inclusion Health-focused management / work style reforms Comfortable workplace environment Support for career development 	<ul style="list-style-type: none"> Initiatives to promote female participation Employment of persons with disabilities Promoting participation by global human resources Promoting participation by senior generation Health-focused Management Declaration Health enhancement initiatives Promoting Work Performance Innovation (WPI) project Work-life balance Human rights initiatives Initiatives for preventing harassment Extensive education and training system 	Creating a more fulfilling work environment
Society 	<ul style="list-style-type: none"> Health enhancement Support for child rearing Staff volunteers Supporting activities at the foundations Financial education 	<ul style="list-style-type: none"> Sumisei Vitality Action Medical and nursing care initiatives Mental health care through the power of music Children's drawing concours "Empowering your future" child-rearing project Sumisei After School Project Sumisei "Humany" activities Granting of encouragement prize for contribution to community healthcare (Initiative of Sumitomo Life Welfare and Culture Foundation) Dispatching instructors to university lectures Actuarial internships 	Promotion of social contribution activities aimed at the realization of a society of affluence, vitality, health and longevity
Global environment 	<ul style="list-style-type: none"> Initiatives to save energy and resources Social contribution initiatives Compliance with TCFD 	<ul style="list-style-type: none"> Initiatives implemented through business activities Real estate management that takes the environment into consideration Support for marine conservation activities Environmental preservation activities Measures to deal with marine plastic issue Climate-related scenario analysis 	Promotion of initiatives for achieving net-zero greenhouse gas emissions by 2050

Evaluation by Society / Participation in Initiatives

External Evaluation / Prizes

 <p>Won Commissioner of the Consumer Affairs Agency Commendation in 2021 Selection of Consumer-Oriented Management Best Practices</p>	 <p>SUMITOMO LIFE Vitality was certified a ME-BYO BRAND by Kanagawa Prefecture (Awarded in March 2019)</p>	 <p>SUMITOMO LIFE Vitality won Judges' Special Prize at the Social Products Award 2021</p>
 <p>Obtained certification in 2021 as a Health & Productivity Management Outstanding Organization (White 500)</p>	 <p>Won Gold Prize for PRIDE Index 2021 (2021)</p>	 <p>Won Award for Leading Companies Where Women Shine from the special appointed Cabinet Minister of State for Gender Equality (fiscal 2018)</p>
 <p>Won Nikkei Veritas Award for Excellence at the Nikkei Superior Products and Services Awards (2018; this was the 5th time we had received this award)</p>	 <p>Won Minister of Health Prize for Excellence at the 7th Smart Life Project Award (Let's extend healthy life expectancy!)</p>	 <p>Obtained Platinum Kurumin certification (2015)</p>
 <p>Chosen as one of the Diversity Management Selection 100 (fiscal 2013)</p>		

Participation in Initiatives

<p>Japan Impact-driven Financing Initiative</p> <ul style="list-style-type: none"> A domestic initiative launched in November 2021 for the purpose of financial institutions jointly practicing and promoting impact investment that aims to resolve environmental and social issues through financing. Sumitomo Life became a member in April 2022. 	<p>Net-Zero Asset Owner Alliance (AOA)</p> <ul style="list-style-type: none"> An international initiative that aims to achieve the Paris Agreement's goal of limiting temperature rise to 1.5°C through the cooperation of asset owners. Under the leadership of the United Nations Environment Programme Finance Initiative (UNEP FI) and the Principles for Responsible Investment (PRI), the AOA has been active since 2019. Joined in October 2021.
 <p>PCAF</p> <ul style="list-style-type: none"> An initiative launched in 2015 that aims to standardize assessment and disclosure related to asset portfolio greenhouse gas emissions. Sumitomo Life signed the initiative in September 2021. 	 <p>CDP</p> <ul style="list-style-type: none"> An initiative to encourage major companies around the world to disclose information on climate change, water, forests, etc., and to engage in collaborative engagement. Launched in 2000. Sumitomo Life signed the initiative in December 2020.
 <p>Climate Action 100+</p> <ul style="list-style-type: none"> An initiative to seek the reduction of greenhouse gas emissions through engagement with companies. (Five-year project that started in December 2017) Sumitomo Life signed the initiative in December 2020. 	 <p>Principles for Financial Action for the 21st Century</p> <ul style="list-style-type: none"> A code of conduct established in October 2011 for financial institutions seeking to fulfill the responsibilities and duties required to shape a sustainable society. Its official name is "Principles for Financial Action Towards a Sustainable Society." Sumitomo Life signed the principles in November 2020.
<p>In support of</p>  <p>WOMEN'S EMPOWERMENT PRINCIPLES Established by UN Women and the UN Global Compact Office</p> <ul style="list-style-type: none"> A set of international principles for female economic empowerment drawn up for companies jointly by the UN, UNGC, an autonomous compact framework established between the UN and companies in March 2010, and UNIFEM (now UN Women). These aim to energize corporate activity and promote growth by encouraging autonomous initiatives in companies to put gender equality and female empowerment at the heart of management. Sumitomo Life signed the principles in September 2020. 	 <p>"The Valuable 500"</p> <ul style="list-style-type: none"> A global movement launched at the Davos World Economic Forum in January 2019, the aim of which is for business leaders to effect a transformation in business, society, and the economy, in order to enable people with disabilities to fulfill their potential. Sumitomo Life became a member in September 2020.
 <p>JSI Japan Stewardship Initiative</p> <ul style="list-style-type: none"> An initiative launched in November 2019 to enable a free exchange of views between industry participants such as asset owners and asset managers. JSI provides opportunities to share information and explore solutions for practical issues relating to stewardship. Sumitomo Life has been a participant since it was launched. 	<p>Signatory of:</p>  <p>Principles for Responsible Investment</p> <ul style="list-style-type: none"> A set of investment principles launched by the United Nations in 2006 that calls for institutional investors to incorporate ESG perspectives into their investment and financing decision-making processes. Sumitomo Life signed the PRI in April 2019.
 <p>TCFD Task Force on Climate-related Financial Disclosures</p> <ul style="list-style-type: none"> A private sector-led task force established by the Financial Stability Board (FSB) in December 2015. In June 2017, TCFD released its final report (TCFD recommendations) providing a framework for companies' voluntary disclosure of information regarding climate-related risks and opportunities. Sumitomo Life announced the endorsement of the TCFD recommendations in March 2019. 	 <p>WE SUPPORT United Nations Global Compact (UNGC)</p> <ul style="list-style-type: none"> An initiative that encourages organizations to comply with and put into practice 10 principles in the four areas of human rights, labor, environment, and anti-corruption. Sumitomo Life has been a participant since July 2008.



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