

# Sustainability Report 2023

Sumitomo Life Sustainability Report 2023

CORPORATE PURPOSE

Purpose of Sumitomo Life  
(Purpose: Reason for Existence)

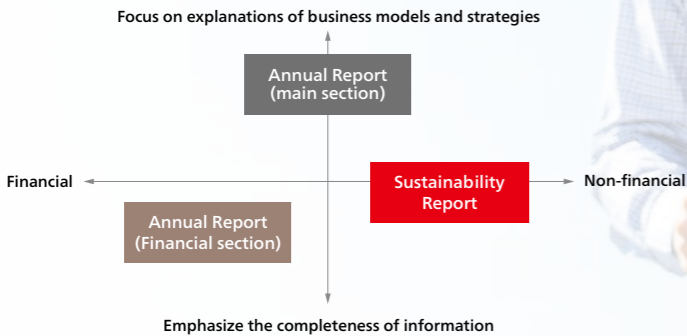
Contribute to the advancement of  
social and public welfare

Editorial policy

This is an English translation of the Japanese version of the Sustainability Report. This document has been translated from 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 2022 in a format that is easy to understand for a wide range of stakeholders, including customers and employees.

We position this document as the “Sustainability Report,” and provide an update of our policies and framework for sustainability, focusing on priority initiatives based on materiality.



Period covered by report

Fiscal 2022 (April 1, 2022 - March 31, 2023)

Contains details of recent activities with the objective of providing information on the latest situation.

Please refer to the following website for the Annual Report “ANNUAL REPORT 2023.”

<https://www.sumitomolife.co.jp/english/annual/>



Contents

Since it was founded, Sumitomo Life has followed its purpose of “contribute to the advancement of social and public welfare” by implementing initiatives to realize a healthy and long-living society and to resolve environmental issues. Against the background of a changing society such as the arrival of the era of the 100-year lifespan, in recent years we have taken a unique approach centered on Vitality.

Purpose of Sumitomo Life ..... 1

Message from the President ..... 2

Sustainability Highlights for Fiscal 2022 ..... 3

Philosophical Framework/Sustainability Management Policy ..... 4

Message from Group Sustainability Officer/Promotion System/Key Items of Sustainability (Materialities) ..... 5

Progress toward Addressing Social Issues Originating from Sumitomo’s Business Philosophy ..... 6

Sumitomo Life aims to contribute to the realization of a sustainable society and environment in both our businesses of life insurance provider and institutional investor, and to become an “indispensable insurance group” by enhancing the value of human capital that is the foundation supporting our business.

Feature 1 Well-being ..... 7

Well-being roundtable discussion ..... 8

Feature 2 Human capital ..... 10

Feature 3 Climate change / Global environmental protection ..... 11

Feature 4 Responsible investment ..... 13

To continue to be an insurance company considered indispensable by customers, business partners, employees, and society as a whole, we have investigated risks and opportunities and identified materialities. By executing initiatives that target the five materialities we have identified, we are promoting sustainability management.

Materiality Extending healthy life expectancy through the insurance business ..... 15

Materiality Provision of sense of security through the insurance business ..... 17

Materiality Realization of sustainable and stable growth ..... 19

Materiality Building mutual trust with stakeholders ..... 21

Materiality Management structure that supports sustainability ..... 23

We have listed the domains that contribute to the well-being of stakeholders, our vision and data related to Sumitomo Life’s non-financial information. Because we believe that cooperation with international organizations, governments, local governments, companies, industry bodies, and other entities is important, we participate actively in a variety of initiatives.

For the Well-being of Stakeholders ..... 25

ESG-Related Data ..... 25

Evaluation by Society / Participation in Initiatives ..... 27





高田 幸徳  
Yukinori Takada

Director, President & Chief Executive Officer,  
Representative Executive Officer

## Message from the President

# An indispensable insurance group that contributes to “well-being for all” toward the realization of a sustainable future

## Sumitomo Life's Sustainability Management

Sumitomo Life has established “Contribute to the advancement of social and public welfare” as its purpose, and since its founding, it has continued to support our customers' lives and contribute to society through the business of life insurance. In addition, we formulated the Sustainability Management Policy in May 2022 to state that universal mission in writing from the perspective of sustainability and positioned it as our mission that we must strive to fulfill.

Recently, in addition to climate change, human rights problems and other global social and environmental issues, people's daily lives have been severely impacted by the COVID-19 pandemic and various other risks that have materialized. In other words, it is a time when the importance of realizing “a society of affluence, vitality, health and longevity” and “a sustainable society,” which are aims of Sumitomo Life under the Sustainability Management Policy, is growing even more important.

As 2023 represents the middle year for achieving the SDGs<sup>\*1</sup>, it is necessary to accelerate our initiatives toward the 2030 goal line. While considering social sustainability,

what kind of positive value can we provide to the world through our core business and how can we contribute to solving social and environmental issues? To ensure that our customers and society, as well as Sumitomo Life, are sustainable, the entire Sumitomo Life Group is working together on these initiatives.

## Initiatives for Realizing the Sustainability Management Policy

To realize our long-term vision as set forth in the Sustainability Management Policy, we have held a series of discussions to determine our medium- to long-term direction with respect to what kind of company we want to become and what we should aim for without basing our considerations on responses to recent issues.

In March 2023, we formulated the “Sumitomo Life Group Vision 2030,” with 2030 as one checkpoint, as our strategy for realizing the Sustainability Management Policy. We drew up our vision for the state of happiness not only in physical health but also in social and mental health, or in other words, our vision for providing the value of “well-being” and contributing to society, and set “indispensable insurance group” that contributes to well-being as our vision for 2030.

For our five stakeholders of customers, society, business partners, the global environment and employees, we aim to contribute to the well-being of each stakeholder and to be a trusted and supported company with sustainable and stable growth.

As the goal we must strive to achieve by 2030, we have set 20 million customers receiving the value of well-being from the Group and 5 million SUMITOMO LIFE Vitality members. While expanding the value of insurance that we have provided since our founding, we would also like to deliver positive value to even more customers

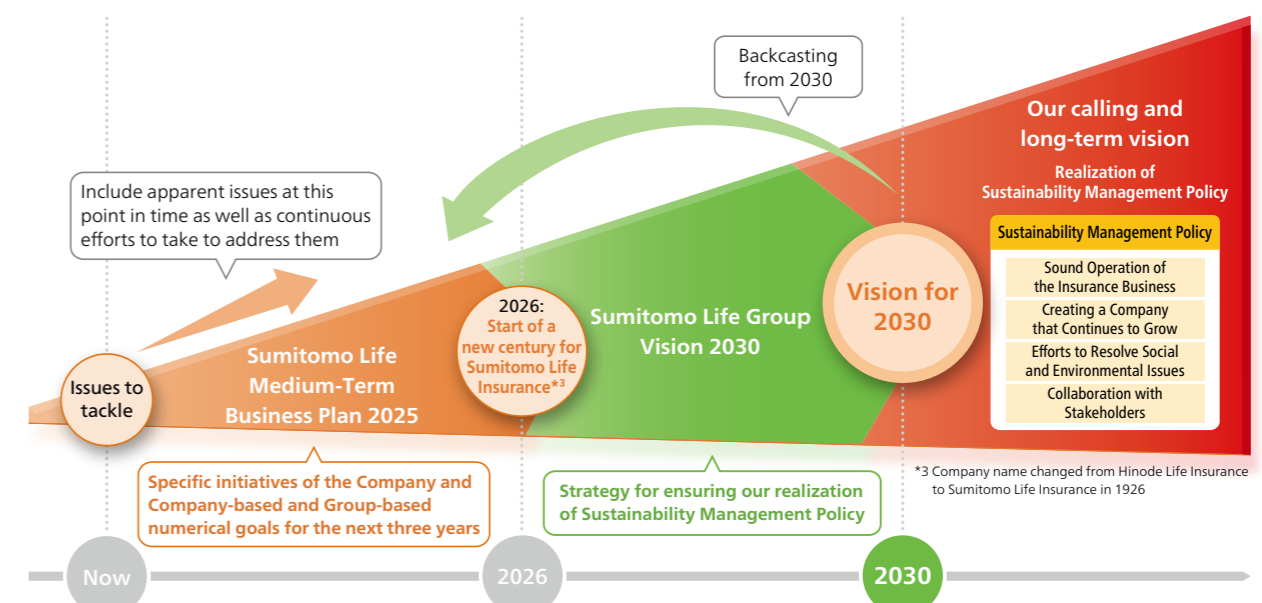
through SUMITOMO LIFE Vitality Shared-Value Insurance. In addition, we will promote expansion of well-being services, including outside of the insurance domain, as the WaaS (Well-being as a Service) ecosystem<sup>\*2</sup> by collaborating with local governments, private companies and other organizations who share our philosophy.

In addition to solving social issues through our core business, it is also essential for us to address the well-being of the global environment and work to solve environmental issues for realizing the Sustainability Management Policy. Accordingly, we are promoting initiatives that help achieve a sustainable society, such as by establishing a goal of net-zero greenhouse gas (GHG) emissions for the entire Group regarding carbon neutrality by 2050 and by raising our reduction targets for 2030.

In February 2023, we relocated the Tokyo Head Office to Tokyo Midtown Yaesu based on the concept of “Connect, Expand, Move on- Challenge ∞ Change -.” The various initiatives undertaken in connection with this relocation have led to better work styles for each and every employee and created a virtuous cycle in which the well-being of employees enables the value of well-being to spread further to our stakeholders. We will promote “Moving on” sustainability management toward the future so that our employees work enthusiastically and, as an insurance group that contributes the most to the well-being of local communities, Japan and the world, we become a trusted and supported company worldwide.

<sup>\*1</sup> The SDGs (Sustainable Development Goals) are international development goals adopted at the United Nations Summit in 2015 for the period up to 2030, and comprise 17 goals and 169 targets.

<sup>\*2</sup> WaaS (Well-being as a Service) is an ecosystem of services that support “well-being for all,” centered on SUMITOMO LIFE Vitality.



<sup>\*3</sup> Company name changed from Hinode Life Insurance to Sumitomo Life Insurance in 1926

# Sustainability Highlights for Fiscal 2022

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

1,332 thousand

\* As of the end of fiscal 2022  
\* Topped 1,500 thousand by August 2023

▶ Page 15

Increase in exercise opportunities after enrollment

84%

\* Avg. number of steps of members enrolled between September 2018 and January 2021, through the end of January 2023

▶ Page 16

Comparison of Vitality members to non-members

Mortality rate:

Approx. 43% lower

Hospitalization rate:

Approx. 18% lower

\* Calculated based on payments from April 2022 through March 2023 for policies issued from September 2018 (launch of Vitality) to March 2022.  
\* Mortality rate excludes accidental deaths, and hospitalization rate excludes hospitalizations due to accident and due to infectious diseases such as COVID-19.

▶ Page 16

Launch of Vitality Smart

▶ Page 7

Provision of sense of security through the insurance business

Healthy, safe and secure lifestyles

Customer satisfaction (overall satisfaction) in fiscal 2022

90.1%

▶ Page 18

Insurance claims and benefits

Death benefits

¥12,199 million

Hospitalization benefits

¥75,125 million

\* Payment amount for fiscal 2022 (figures for Sumitomo Life parent only)

▶ Page 17

Responsible investment

ESG thematic investments (Fiscal 2020 to fiscal 2022)

Approx. ¥680 billion

▶ Page 14

Launch of new products

Launch of Income Passport

▶ Page 18

Realization of sustainable and stable growth

Developing human resources

New competency management

▶ Page 10

Diversity, equity & inclusion

Ratio of female managers

48.3%

▶ Page 19

Percentage of male employees taking paternity leave

100%

▶ Page 19

Employee engagement score

61%

▶ Page 19

Joint development of products and services with IT companies

Developed Influenza sympathy payment insurance

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

▶ Page 20

Building mutual trust with stakeholders

Realizing a carbon neutral society

Set Reduction targets\* for greenhouse gas emissions by the Group

\* Net zero GHG emissions by 2050

▶ Page 11

Contribution to local communities and society

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

100%

▶ Page 21

Promotion of collaboration with local governments

Cooperation with municipal and prefectural governments

44 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 21

Promoting financial literacy education

Providing Educational support services for children

▶ Page 22

Management structure that supports sustainability

Enhancing management structure

Formulated Sumitomo Life Group Vision 2030 and Sumitomo Life Medium-Term Business Plan 2025

▶ Page 7

Established Council for Promotion of Social and Environmental Sustainability

▶ Page 5

Human rights

Conducted Human rights risk assessment

Identification of Important issues

▶ Page 23

Governance

Established Sumitomo Life Group Tax Policy

▶ Page 23

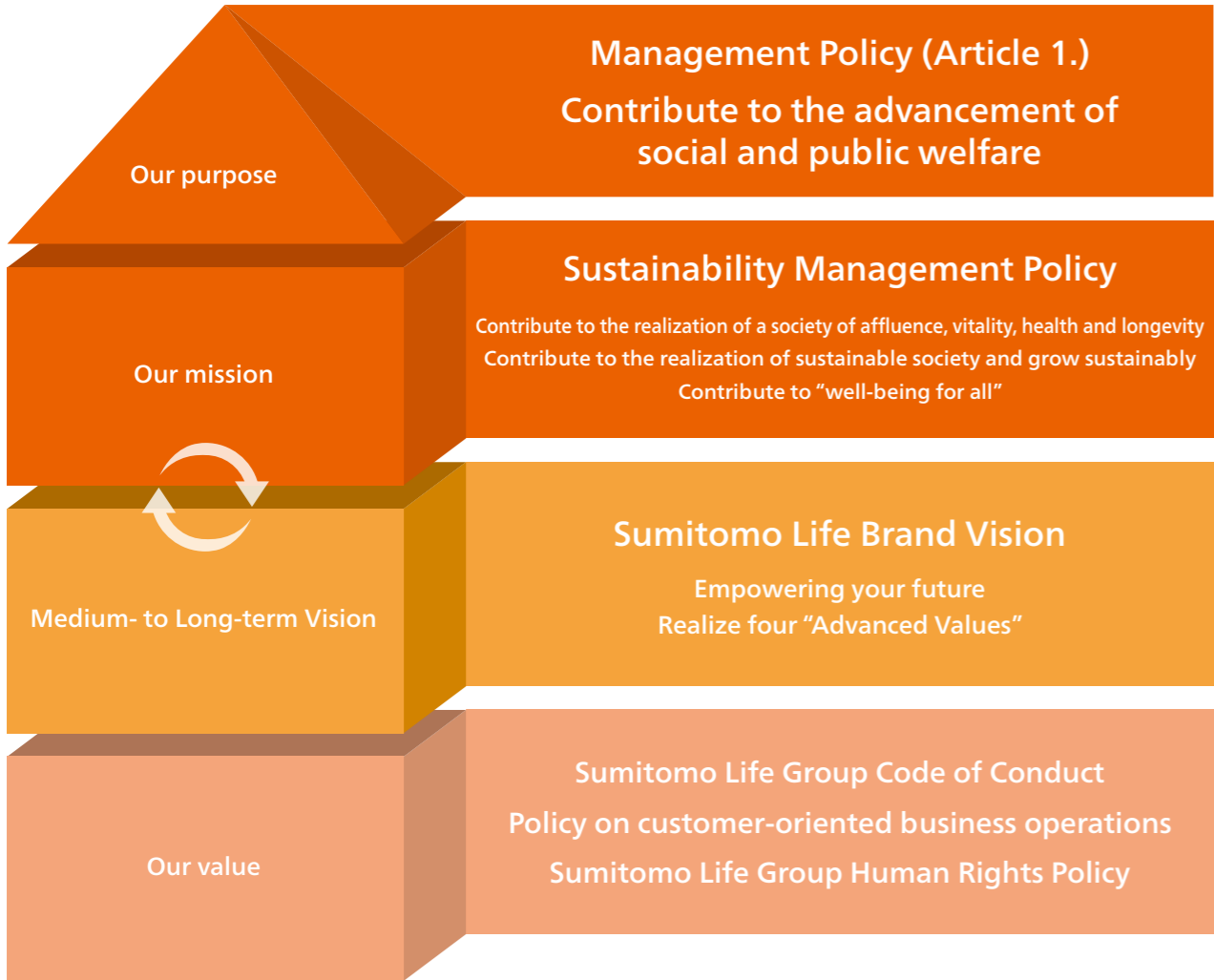


# Philosophical Framework

## — Sumitomo Life Operating Policy

The Company sets the “Management Policy,” which is our corporate philosophy that represents the fundamental spirit of our operations, as the apex, and holds “Sustainability Management Policy,” which expresses the universal mission stated in the Management Policy from a sustainability perspective, and the “Sumitomo Life Brand Vision,” which characterizes the image of the Company that we aim to become in the medium- to long-term from a customers’ perspective, as our operating policy.

The Company has also formulated the “Sumitomo Life Group Code of Conduct,” the “Policy on customer-oriented business operations” and the “Sumitomo Life Group Human Rights Policy” as a set of standards, in order to ensure that executives and employees will put the operating policy into practice through their actions.



# 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.

# Message from Group Sustainability Officer

## Aim for a sustainable future together with society

Although we have been pursuing various initiatives around the world, aiming to achieve SDGs, which are sustainable development goals that have a deadline of 2030, we are now facing many other issues, including respect for human rights, achieving health and longevity and realizing a safe and secure society, in addition to addressing climate change. I believe that what is required of a corporate group with responsibilities to society is to sustainably improve its corporate value while also playing an active role in solving social and environmental issues.

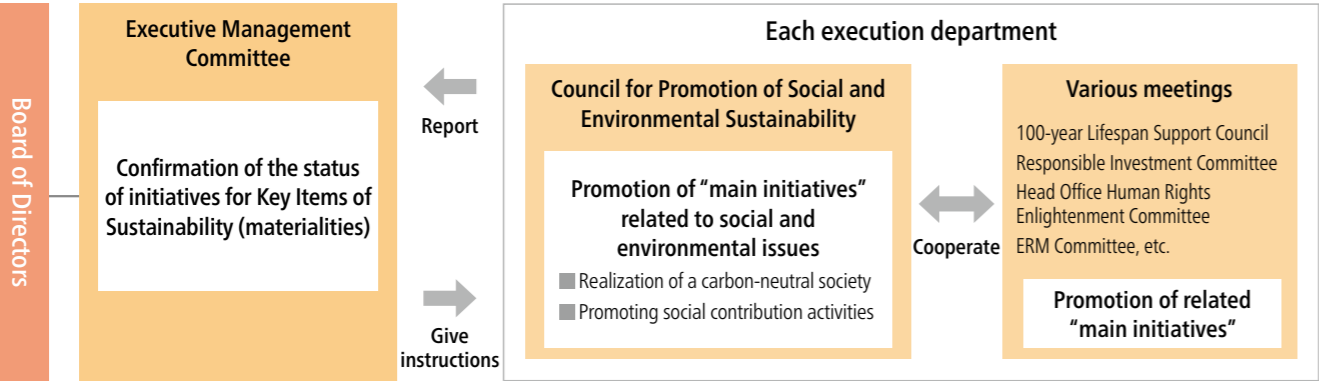
Sumitomo Life has established the “Social and Environmental Sustainability Promotion Council” and is examining initiatives for contributing to social and global environmental well-being. We have established a goal of net zero greenhouse gas (GHG) emissions for the entire Group in order to realize carbon neutrality by 2050, and have raised our interim targets for 2030 and created a new medium- to long-term road map for reducing emissions. In addition, to promote our biodiversity and natural capital initiatives, Sumitomo Life joined the TNFD Forum in September 2022 and, going forward, we will redouble our efforts for protecting the global environment, conserving biodiversity and enhancing our disclosure.

The Sumitomo Life Group aims to create a sustainable society and engages in sustainability management while collaborating with various stakeholders.



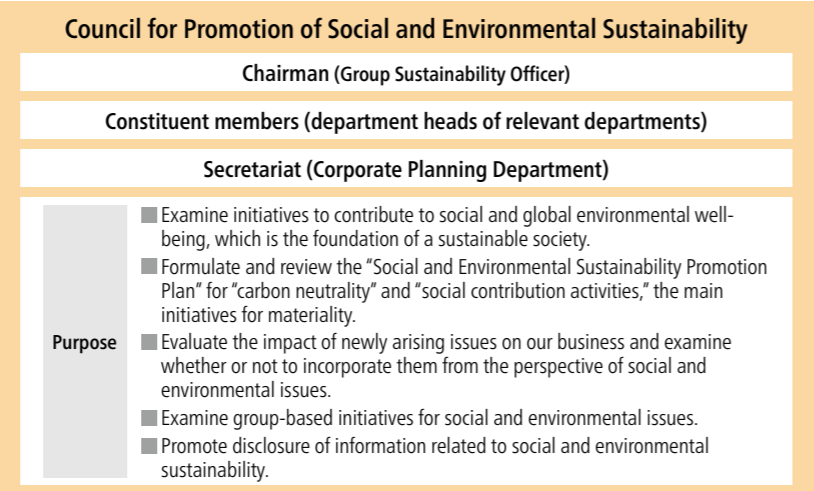
# Promotion System

In order to realize our “Sustainability Management Policy,” we have clarified the main initiatives for each Key Item of Sustainability (materiality) as shown on the right page, and have a system in place to confirm the status of these initiatives by the Executive Management Committee and report them to the Board of Directors, as well as to implement the PDCA cycle.



## Council for Promotion of Social and Environmental Sustainability

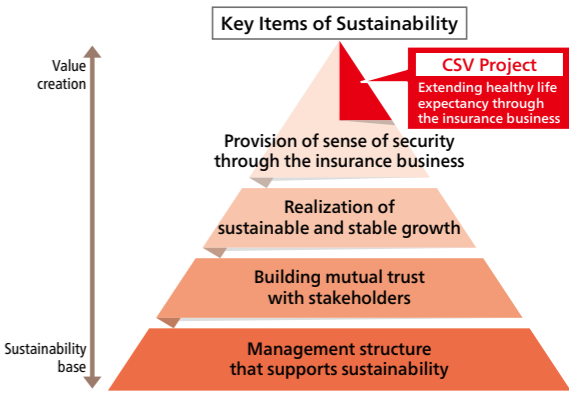
The Company has established the “Council for Promotion of Social and Environmental Sustainability,” chaired by the Group Sustainability Officer, to examine initiatives to contribute to social and global environmental well-being, which is the foundation of a sustainable society. In addition to promoting initiatives toward carbon neutrality and social contribution activities, the Council also evaluates the impact of newly arising issues on business from the perspective of social and environmental challenges.



# Key Items of Sustainability (Materialities)

We have defined materialities based on our operating policy as shown in the diagram presented on the right. For each of these five materialities, we have identified risks and opportunities, as well as key initiatives to achieve them to clarify the issues we focus on.

Led by the “Sumitomo Life Medium-Term Business Plan 2025,” we have set forth specific initiatives for materiality mainly focusing on contribution 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	<b>Risks</b> <ul style="list-style-type: none"><li>Longer lives could result in decreasing demand for death protection, and increases in benefits paid in relation to hospitalization and surgery, etc.</li></ul> <b>Opportunities</b> <ul style="list-style-type: none"><li>Rising demand for pure endowments driven by longer lives and the increase in one-person households</li><li>Market growth driven by development of proprietary products that contribute to the promotion of health</li></ul>	<ul style="list-style-type: none"><li>Promote business related to “SUMITOMO LIFE Vitality”</li></ul> Implement initiatives to publicize “SUMITOMO LIFE” Vitality throughout society, as well as initiatives to drive the evolution of products, programs, and rewards <b>Reference</b> Pages 15-16	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	3
Provision of sense of security through the insurance business	<b>Risks</b> <ul style="list-style-type: none"><li>Mismatches between products and services provided and customer needs; obsolescence caused by similar products and services from other companies or neighboring industries</li><li>Possibility of damage to asset values as a result of investment and financing behavior that ignores the ESG perspective</li></ul> <b>Opportunities</b> <ul style="list-style-type: none"><li>Enhancement of corporate value through the provision of products and services that capture customer needs</li><li>Increase in investment and financing opportunities generated by the expansion of funding needs for ESG projects</li></ul>	<ul style="list-style-type: none"><li>Provide services and information for the era of the 100-year lifespan</li><li>Sustainability-based responsible investment*</li></ul> <b>Reference</b> Pages 17-18	Provide all people with suitable life insurance products and services, as well as security that they will lead to, by pursuing customer-oriented management	1
Realization of sustainable and stable growth	<b>Risks</b> <ul style="list-style-type: none"><li>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</li></ul> <b>Opportunities</b> <ul style="list-style-type: none"><li>Gaining of social trust, securing stable earnings and enhancement of corporate value resulting from an approach to operating the business that captures the changing needs of society</li></ul>	<ul style="list-style-type: none"><li>Improving productivity through work style reform and resource optimization</li><li>Hiring and developing flexible, diverse human capital</li><li>Coexisting with business partners through cooperation and other efforts</li><li>Creating new value through open innovation</li><li>Diversifying our earnings base through overseas business</li><li>Strengthening IT and other business development infrastructure</li></ul> <b>Reference</b> Pages 19-20	Under a management policy to be passed down through the ages, continue to grow steadily while responding to changes and reforms in society	5, 8, 9
Building mutual trust with stakeholders	<b>Risks</b> <ul style="list-style-type: none"><li>Possibility of loss of social reason for existence caused by damage to mutual trust</li></ul> <b>Opportunities</b> <ul style="list-style-type: none"><li>Gaining the trust of stakeholders by fulfilling social responsibilities</li></ul>	<ul style="list-style-type: none"><li>Promoting financial literacy education</li><li>Contributing to the achievement of carbon neutrality</li><li>Providing well-being services rooted in communities</li><li>Promoting social contribution activities</li></ul> <b>Reference</b> Pages 21-22	Meet the expectations of stakeholders and aim to be a company that is trusted and supported by them	4, 13, 14, 15, 17
Management structure that supports sustainability	<b>Risks</b> <ul style="list-style-type: none"><li>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</li></ul> <b>Opportunities</b> <ul style="list-style-type: none"><li>Enhancing corporate value by achieving highly effective corporate governance and making continuous improvements to it thereafter</li></ul>	<ul style="list-style-type: none"><li>Strengthening the management system on a Group-wide basis</li><li>Compliance initiatives</li><li>Human rights initiatives</li><li>Personal information initiative</li><li>Promoting ERM, enhancing the risk management system</li></ul> <b>Reference</b> Pages 23-24	Continue to be a corporate group that contributes to the creation of a sustainable society by conducting honest business operations and building a sound financial base	10, 16

\*Responsible investment contributes to the achievement of all SDGs

# 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

## — 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

Changed company name to "Sumitomo Life Insurance Co., Ltd." (1947–1952: "Kokumin Life Insurance Co.")

1952

Changed company name 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.

1991

Started offering the Sumisei Long-term Care Seminar (later, renamed to 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 P853

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

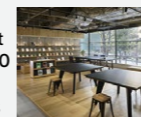
2018

Started sales of SUMITOMO LIFE Vitality Shared-Value Insurance

**SUMITOMO LIFE**

2019

Started development of SUMITOMO LIFE Vitality Plaza outlets



Vitality Plaza

2022

Cumulative total of SUMITOMO LIFE Vitality policies topped one million

2023

Launched Vitality Smart

2023

Selected as a "White 500" company of the 2023 Certified Health & Productivity Management Outstanding Organizations Recognition Program



Extending healthy life expectancy through the insurance business

Provision of sense of security through the insurance business

## 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



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"

Became signatory to an international initiative, "Advance"

2023

Obtained Platinum Kurumin Plus certification



Realization of sustainable and stable growth

## 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

2006

Established the CSR Management Vision and Sumisei Environmental Policy

2007

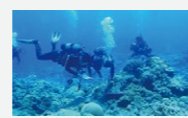
Launched the "Sumisei Beautiful Earth Campaign"



Beach cleanup activity for 2019

2008

Implemented Coral Reef Conservation Project



© WWF Japan

2008

Started Sumisei ecologically oriented activities

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



Donated carbon credits (excess amount of CO<sub>2</sub> 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

2022

Participated in the TNFD\* Forum  
\* Taskforce on Nature-related Financial Disclosures



2023

Set reduction targets for greenhouse gas emissions by the Sumitomo Life Group

Building mutual trust with stakeholders

Management structure that supports sustainability

Execution of the Sustainability Management Policy

Feature 1

# Well-being

## Contribute to “well-being for all”

The long-term vision of the “Sumitomo Life Group Vision 2030” is an “insurance group that continuously contributes to the future well-being of Japan, the world, and the planet.” We have also defined our vision for 2030—an “indispensable insurance group” that contributes to well-being, and to this end, we will strive to satisfy the needs of our customers in areas such as insurance and health promotion by providing advanced value centered on SUMITOMO LIFE Vitality, and solve social issues such as regional development and global environmental sustainability.

[Domains that contribute to well-being in the Sumitomo Life Group Vision 2030]



We aim to develop strategies and programs that promote the well-being of all business partners, employees, and other stakeholders and ensure a sustainable future is realized for all. Toward that end, we have set a goal to achieve “20 million customers receiving the value of well-being and 5 million SUMITOMO LIFE Vitality members among them.”

### 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 enhancement activities, in addition to the traditional value of life insurance of risk coverage. It incorporates a program for encouraging customers’ continuous health enhancement activities with its two major distinctive features of insurance premiums that are adjusted annually and rewards from our partner companies (reward partners).

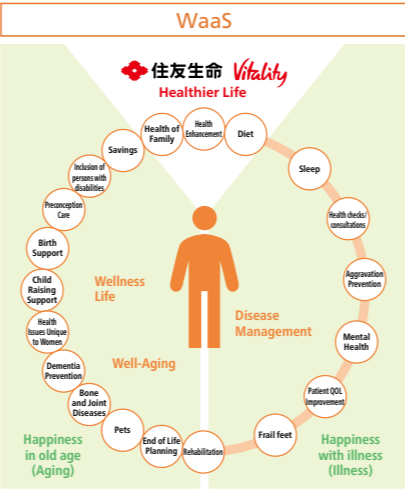
### WaaS (Well-being as a Service) initiatives

Sumitomo Life aims to realize Sumitomo Life’s unique value that will continue into the future by developing Well-being as a Service (WaaS) as an ecosystem that supports “well-being for all” with physical, spiritual, social, and financial satisfaction.

In addition to further promoting “health enhancement” through “Sumitomo Life Vitality,” which is the core of WaaS, we are also promoting open innovation initiatives in three areas.

In the area of “Disease Management” to help people live better despite illness, we conducted a demonstration experiment last year for a service to prevent the aggravation of lifestyle-related diseases, and started a social implementation project this fiscal year. In the area of “Wellness Life” to help people live better at various life stages, preconception care services are scheduled to be launched in fiscal year 2023 after conducting a demonstration experiment last fiscal year.

By expanding the scope of WaaS value provision, including the “Well-Aging” domain, we will increase the number of customers to whom we deliver well-being value. In this way, we will contribute to the realization of “well-being for all.”



### Launch of Vitality Smart

To support customers’ efforts to improve their health, we offer SUMITOMO LIFE Vitality Shared-Value Insurance (hereafter, “insurance-type”), with the Vitality Wellness Program added to life insurance, and “Vitality trial version” (hereafter, “trial version”), which allows customers to experience part of the program for up to four weeks for free. In response, we have received many comments from customers who have used the trial version that they would like to continue using the Vitality Wellness Program after the trial. In order to contribute to the health enhancement activities of a wider range of customers, we launched “Vitality Smart,” which allows customers to use a portion of the Vitality Wellness Program independently, in April 2023.

“Vitality Smart” is available for a monthly fee of JPY 330 (tax included) for up to two years, and like the insurance-type program, it provides a system that allows users to engage in activities for getting healthier with the goal of earning points and improving their status, as well as rewards that encourage getting healthier, such as discounts on fitness gym membership fees and wearable device purchases.

Through the expansion of such product lineups, we aim to become an “indispensable insurance group” that contributes to well-being.

[Comparison of Vitality Wellness Program]

	Insurance type	Vitality Smart	Trial version
Provision period	Same as insurance term	2 years	4 weeks
Point menu	Exercise Online assessment Submission of health-check results, other preventive healthcare	Same as on left	Exercise Online assessment
Eligible benefits	All rewards	Part of the rewards, including Active Challenge	Active Challenge

### Initiatives to prevent progression of diseases

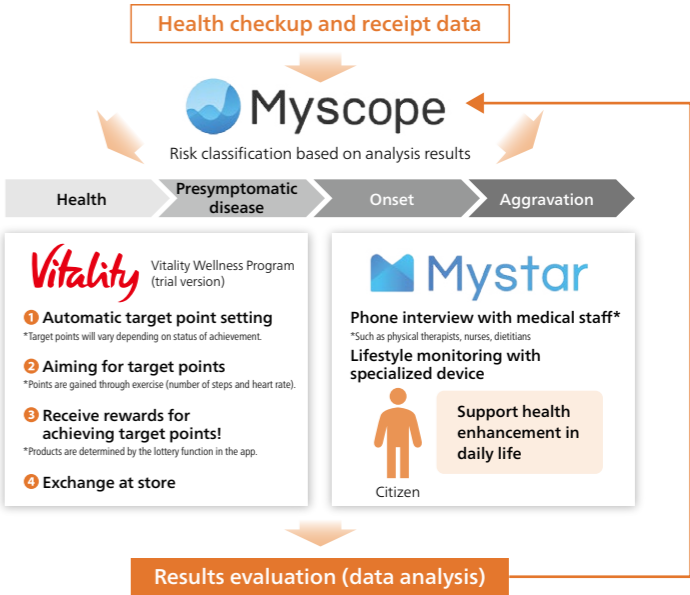
Sumitomo Life, together with PREVENT Inc., (hereafter PREVENT), is developing services to prevent the onset and aggravation of lifestyle-related diseases.

Based on the individual checkup results and receipt data, etc., risks are analyzed using medical data analysis “Myscope” of PREVENT, and depending on the results, either Sumitomo Life’s Vitality Wellness Program “Vitality trial version” or PREVENT’s a lifestyle-modification support program “Mystar” is provided.

This project has been conducted as a series of demonstration projects by local governments, and under the tripartite comprehensive collaboration agreement signed by Kashima City in Ibaraki Prefecture, PREVENT, and Sumitomo Life, the project has been offered to Kashima citizens as the “Kashima City MVM Healthcare Project” since fiscal year 2023, aiming to “supplement the lack of medical care and realize health that citizens can control themselves” as stated by the city of Kashima.

We will continue to develop services tailored to the issues faced by local governments and companies in order to “support the ‘well-being’ for all.”

[MVM Healthcare Project Image]





Feature 1

Well-being roundtable discussion

# Becoming an indispensable insurance group providing the value of well-being that goes beyond the insurance domain

The Company, which describes its vision for 2030 as an “indispensable insurance group” that contributes to well-being in the Sumitomo Life Group Vision 2030, has advanced initiatives to provide new value that transcends the conventional framework of existing insurance services, through such measures as contributing to health enhancement, supporting fulfilling lifestyles, and creating social connections. We conducted a roundtable discussion with three individuals, Executive Officer Hori who was in charge of formulating the Sumitomo Life Group Vision 2030 and Mr. Sugawara and Ms. Matsukawa who, on a daily basis, are engaged in work related to domains central to such vision.

Going beyond the insurance domain, supporting the era of the 100-year lifespan

**Hori:** Sumitomo Life formulated the Sustainability Management Policy last year. We established the management policy as our long-term vision, and with 2030 as one point in time for confirming our progress, we held a series of discussions on what type of company and what type of group we wanted to become. Moreover, we formulated the “Sumitomo Life Group Vision 2030” and will contribute to society by providing the value of “well-being,” which is the state of happiness not only in physical health but also in social and mental health. For Sumitomo Life to contribute to the realization of well-being for all of our stakeholders, we must provide substantial coverage through insurance, which is our core business, as well as establish a service (WaaS = Well-being as a Service) that goes beyond the insurance

domain and provide value. With SUMITOMO LIFE Vitality Shared-Value Insurance playing a central role in such efforts, we have started to provide a health enhancement program on a stand-alone basis separated from insurance. That we are able to contribute to health enhancement through Vitality is testimony to our Company’s unique capabilities. Ms. Matsukawa, at Vitality Plaza where you work, how are you contributing to customers’ well-being?

**Matsukawa:** The Vitality Plaza outlets are designed with the visiting customer in mind. They provide customers with insight into the world that Vitality offers. Customers visiting the outlets will be met with prominent displays of health measurement tools that let you know about your physical condition and explanations on Vitality rewards and so forth, and staff members will actively reach out and talk with them. To a customer who said, “I want to exercise, but I do not know how to start,” I proposed, “Why not try

to begin by taking walks?” and offered the free Vitality trial version. Responding to our recommendation, the customer tried the wearable device for four weeks, which is lent to customers at the Vitality Plaza outlets during the trial period, participating in the weekly Active Challenge (the program where customers gain exercise points if they achieve weekly targets, such as number of steps or heart rate, and after achieving the targets, they can receive tickets that can be exchanged for drinks and other goods). This allowed him to walk with the targets in mind, and he achieved the targets every week. After the trial period ended, the customer told us that he became aware of the number of steps he takes when walking, so we felt that we were able to raise his health awareness through his visit to our Vitality Plaza outlet.

**Hori:** So, to begin with, “finding out your physical condition” is the first step toward improving one’s health, and by making a visit to a Vitality Plaza outlet, an opportunity to give customers a better idea of their physical condition seems to be a very meaningful thing. When these customers visit the Vitality Plaza, you don’t propose insurance to them?

**Matsukawa:** Our job at the Vitality Plaza outlet is to convey information on Vitality. If a customer consults with us about insurance, we can answer their inquiries, but as a basic principle, we do not raise the topic of insurance unless asked.

**Hori:** I see. So the focus is on offering the support for customers to learn about their physical condition so that they make improvements. This really is a service that has transcended insurance. While we are contributing to health enhancement at the Vitality Plaza outlets, when someone has an illness, it is important that they are able to adjusting to that illness and continue to live happily. Mr. Sugawara, please tell us about WaaS, an initiative to support fulfilling lifestyles at the Next Business Planning Dept. where you work.

**Sugawara:** I think that Vitality, which we have just discussed, is truly the first step in WaaS. WaaS is a service for supporting “well-being for all” that is developed as an ecosystem centered on SUMITOMO LIFE Vitality and is an initiative for broadly contributing to the well-being of customers not only in the insurance domain. Under WaaS, we have set the three target domains of “health enhancement centered on Vitality,” “well-being even when living with illness” and “well-being while responding effectively to issues encountered during various life stages,” and are engaged in activities together with various business partners to deliver services, which make a contribution to the targets, to customers. Vitality is a service that offers the unique value of sustaining and enhancing health mainly for healthy people. However, in the era of the 100-year lifespan, people may become ill and they will encounter various life stages as they age. I believe that there are many things that we can do for happiness and well-being in aspects outside of coverage through insurance and enhancing health, such as support for living happily even when living with illness and support for well-being according to the life stage.

**Hori:** What types of services is Mr. Sugawara working on in the wide-ranging WaaS domain?

**Sugawara:** Currently, I am working together with PREVENT, a startup company, to provide a service that supports improvements in lifestyle habits in order to prevent the progression of high blood pressure and diabetes and prevent the onset of a stroke or heart attack, based on an approach to lifestyle diseases and so on. Because the incidence rate and rate of recurrence are expected to decline significantly for those who have used this six-month service of PREVENT, we would really like to provide this service to not only our customers with insurance policies but also our customers who have not taken out insurance with us.

**Hori:** By having customers engage in Vitality, we are reducing their risk from illness, and then if they become ill despite this, we support their lifestyle by paying insurance claims, and provide services to help prevent the illness from worsening. In this way we are truly providing a lifetime service.

**Sugawara:** Sumitomo Life launched “Senkyakubanrai,” the first product in Japan with enrollment with just a simple health declaration by even individuals with concerns for their future health, and has expanded the range of customers eligible for this insurance. In the same way, providing a service that supports people with an illness enables us to deliver value to a greater number of individuals. Therefore, from the perspective of our company, this represents means of contributing to society and can also be viewed as a business opportunity.

**Hori:** I agree. I think what you are saying encapsulates our idea of providing comprehensive support for the era of the



**Profile**

Apr. 1992 Joined the Company

July 2017 General Manager of Marketing Planning Dept.

Apr. 2022 General Manager of Corporate Planning Dept.

Apr. 2023 Executive Officer and General Manager of Corporate Planning Dept.

100-year lifespan. We cannot support the era of the 100-year lifespan if we cannot offer services to people living with illness and the elderly.

How Sumitomo Life supports “enjoying a fulfilling life”

**Hori:** The value of insurance has transformed dramatically with the changing times. In the period following World War II, the focus was to provide economic protection to one’s family in the case of death. However, in today’s super aging society, more importance is being placed on not only physical health but also social and mental health, and we see a transition to a society that is asking: “how can we live healthily to a ripe old age while enjoying a fulfilling life?” Amid such changes, the approach that we are focusing on is “well-being for all,” and the Company is aiming to provide value of well-being as a core part of its management. Well-being for all our employees is also very important. Let me ask you both, what is your feeling about your own well-being?

**Sugawara:** When I first joined the Company, I had experience working at customer services and in the benefit payment operations. At that time, I had many opportunities to speak with bereaved family members, and I had a profound sense that insurance was useful as a way of supporting the family left behind. However, such cases were for people who had insurance, and some people cannot enroll in insurance due to their health. From there, I gradually became more interested in underwriting operations, and I transferred to the Underwriting Dept. where I was mainly responsible for the underwriting of insurance policies. Working in that capacity, there were cases where concerns regarding the applicant’s health led to their applications being denied, which I found frustrating. However, following revisions to the underwriting criteria, I was able to provide coverage for individuals to whom coverage was denied in the past due to their health, and I received words of gratitude from the employees in charge of those customers. In those times, I felt that my job was very rewarding, and this led to my own feeling of well-being.

**Matsukawa:** Working at the Vitality Plaza outlet, I am introducing customers to a health enhancement program on a daily basis. This has made me wish more to maintain my own mental and physical health. If I was in poor health,

I would not be very convincing, so I go to the gym three times a week to improve my strength and fitness. Also, I think it is important to be healthy not only physically but also mentally, so I take special care to establish a healthy separation between work and my private life. Ideally, I would like to think that by being aware in my daily work that we are contributing to our customers’ well-being, it in turn improves our own well-being, which empowers us to provide even better value.

**Hori:** From the perspective of mental health, “connecting with society” is used as a keyword for well-being. Even while living a healthy and wealthy life, people can still not be happy due to isolation from society. It is therefore necessary to provide services that support ways for our customers to connect with society and support them in living fulfilling lives.

**Sugawara:** Actually, I can cite some concrete examples where our activities in expanding the Vitality sphere have resulted in connecting people with their local community and local government. The Company formed a partnership agreement with Kashima City in Ibaraki Prefecture and provides MVM Healthcare Project to Kashima citizens that includes Vitality and services offered by PREVENT (Myscope and Myster). In addition, Kashima City promotes urban development centered on sports, and holds the “Everyone’s Sports Festival in Kashima” every month to provide a place where anyone can easily exercise. Our Kashima Sales Promotion Office has participated from the planning stage, and through events, such as VRWC (Vitality Run & Walk Challenge) events where Vitality members can earn Vitality points, the operations have been quite lively. Every month, many people come to participate in this event and it is growing into a hub in the local community that is steadily expanding people-to-people connections, such as by serving as a place where young families with kids can gather and exchange information on child rearing and also through the market held on the side of the event site, where women entrepreneurs sell handmade accessories and other items.

**Hori:** The initiative with Kashima City is truly ideal. By offering Vitality to local governments and companies, people discover various ways in which Vitality can be used to enhance health. In this way, Vitality grows, and the new connections arising from this contribute to well-being.

Expanding social circles and contributing to the well-being of society as a whole through the enhancement of health

**Hori:** In the Sumitomo Life Group Vision 2030, we have set a goal to achieve “20 million customers receiving the value of well-being and 5 million SUMITOMO LIFE Vitality members

among them.” May I ask both of you, what initiatives are you carrying out to achieve this goal?

**Matsukawa:** Firstly, at the Vitality Plaza outlets, we are working to raise awareness of Vitality. Vitality Plaza holds online Pilates and yoga courses, and we aim to raise awareness in Vitality by getting customers to casually participate in events. With such a broad range in the age of customers who visit the Vitality Plaza outlets, which is from twenties to seventies, we will plan campaigns and events to suit each age group and distribute information to promote customers visiting our outlets using both real and digital channels. We also have many people from companies who are curious as to what kind of place is a Vitality Plaza outlet of an insurance company where no insurance is sold, and come visit the outlets to find out. Our outlets represent a revolutionary approach for an insurance company, so we aim to thoroughly communicate the concept of Vitality.

**Sugawara:** Firstly, we need to steadily expand a number of services that are starting to grow, such as the services we are currently offering to prevent the progression of disease, while demonstrating synergy with our partner companies. Ultimately, we believe that building the WaaS ecosystem can contribute to our efforts to achieve 20 million customers. For WaaS, while we are developing services using open innovation, we are particularly focused on collaboration with startup companies. As Japan serves as the birthplace of many great startup companies, we also provide financial support to startup companies that share our philosophy. Meanwhile, by working together as a business partner on business co-creation, we would like to create a virtuous cycle where services that are beneficial to society appear and the WaaS sphere just keeps expanding. As WaaS is still not a well-known field, although there are numerous issues, we will do our best to give shape to services one after the other.


**Matsukawa:** In terms of the challenges that we are facing, some customers visiting the Vitality Plaza outlets have remarked that they find the explanation of Vitality a little difficult. I think our role at the Vitality Plaza outlets is to get customers to discover the fun in what we offer by actually trying it out. We therefore try to communicate the value of trying it. We also strive to provide thorough support through reaching out and talking with customers actually starting Vitality to see if they are having trouble with anything and if we could give them any tips on how to better use the service.

**Sugawara:** Necessary support is different by each customer, as you know. I think one enormous attribute possessed by the Company is that our over 30,000-strong nationwide sales staff representatives, while recognizing such diversity among our customers, are able to offer in real-world form the “value of people supporting people.” While making every effort to reach out and talk with customers, we launched the Digital & Data Headquarter, aiming to provide new value

through the fusion of humans and digital technology where we supplement people’s abilities with digital technology and data for tasks that cannot be completed using a person’s abilities alone. This new value through the fusion of humans and digital technology, instead of having to choose between either humans or digital technology, is pretty exciting. I believe that promoting widespread use of Sumitomo Life’s resources will help us achieve our vision for 2030.

**Hori:** I was in charge of the development of Vitality from two years prior to its launch. It was difficult at first to get people in the Company to understand the service. The most effective solution to this issue was to “first, have employees experience it themselves.” By having the employees try it out for themselves and feel the value, it increases their passion and makes their way of explaining it more persuasive when they suggest it to customers, while also inspiring a desire to offer it to many people. Now we witness around the office many instances of employees who are participating in Vitality talking about their own health with each other.


In order to achieve the challenging goal that we set in the Sumitomo Life Group Vision 2030 of “20 million customers receiving the value of well-being and 5 million SUMITOMO LIFE Vitality members among them,” I believe that the most important measures we can take are to provide the value of well-being to customers and society and to work out how to increase the number of opportunities to communicate the experiences and feelings that are commonly held. By living better lives and increasing the number of people who talk with each other, this sphere can widen. We still have a long way to go before well-being is something that has penetrated all of society. To help make that a reality, let’s work together to increase our own well-being.



**Profile**

Apr. 2019 Joined the Company

Assistant Manager of Marketing Planning Sect. and Central-Tokyo-Area Marketing Promotion Sect.



**Profile**

Apr. 2002 Joined the Company

Assistant General Manager of Next Business Planning Dept.

Feature 2

# Human capital

We aim to become a group where all employees can demonstrate their own value as they grow independently and autonomously

We aim to achieve the well-being of our customers, society, and employees by fostering a culture in which employees demonstrate their own value while growing independently and autonomously, establishing a “relationship in which both the company and its employees grow with one another and choose and are chosen by one another,” and creating an environment in which employees are able to work with enthusiasm.



Building a dynamic human capital portfolio

Previously, we worked together with each department to formulate images of the human capital necessary to implement our management and brand strategies. For this fiscal year, while referring to these images, we have established “new competencies” as our “ideal human capital images” and started promoting independent and autonomous career planning for employees.

Refer to page 66 of Annual Report 2023

Reskilling and relearning

The Company offers various training courses as relearning opportunities for each and every employee to think about their future career paths. In addition, we have established many types of support for self-improvement from the perspectives of improving the abilities of each staff member, shifting to customer-oriented operations, enhancing support for sales staff, and supporting their autonomous career development.

Refer to page 66 of Annual Report 2023

Diversity, equity & inclusion (DE&I)

Sumitomo Life is committed to creating a rewarding workplace where each member of a diverse workforce can flourish in their own way, in a fair environment and with mutual respect. We will create new value and provide “well-being for customers and society” by having our diverse human capital maximize their capabilities, grow together, and continue to evolve.

Refer to page 67 of Annual Report 2023

[Diversity indicators]

Ratio of female managers	48.3%
Ratio of male employees who took childcare leave	100%

Work style reform

Sumitomo Life is working to implement Work Performance Innovation (WPI). While each and every employee concentrates on customer-oriented work, we aim to realize healthy and enthusiastic workplaces that further increase productivity throughout the Company by introducing work systems that curb long work hours, promote the use of leave, and enable flexible working hours. We will establish a cycle whereby all employees carry out their work smoothly and promptly while sharing information and engaging in close communication at all times in all locations, maintain an awareness of the issues in their daily work, and continually review their work. In addition, in conjunction with the relocation of the Tokyo Head Office, we have implemented work styles that will lead to further value creation and we will roll them out Company-wide.

Refer to page 68 of Annual Report 2023

[Total working hours and ratio of employees who took paid leave of at least one day per month]

Reduction in total working hours (compared with 2016*)	Ratio of employees who took paid leave of at least one day per month
-10.3%	81.8%

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

Health-focused management

It is very important for employees and their families to value their mental and physical health and maintain their well-being so that each and every employee can demonstrate their individual abilities to the fullest. We aim to fully support our employees and their families in actively engaging in health maintenance and enhancement activities, contribute to the well-being of as many people as possible and ensure that a sustainable future is realized for all.

Refer to page 68 of Annual Report 2023

Engagement

In order to realize well-being of customers and increase corporate value, each and every employee must work with a sense of fulfillment and vigor, and make maximum use of their individual abilities. We therefore prioritize employee “engagement\*” and are fortifying our efforts to further improve it.

\* 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.

Refer to page 69 of Annual Report 2023

Employee engagement score	61% (Ratio of favorable responses*)
Environment for active employee participation	72% (Ratio of favorable responses*)

\* Proportion of respondents who chose a “favorable answer (‘strongly agree’ or ‘agree’)” out of 5 levels.

Feature 3

# Climate change / Global environmental protection

## Aim to realize carbon neutrality (decarbonized society) by 2050

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 forms the foundation of a sustainable society. By encouraging the shift to a decarbonized society, we will also contribute to the realization of a carbon-neutral society.

### Contributing to the achievement of carbon neutrality

#### Greenhouse Gas Emissions Reduction Targets

We aim for net-zero greenhouse gas (“GHG”) emissions by 2050. We have also established reduction targets for 2030 as interim targets.

■ Sumitomo Life Group*1		
2050 Target	Net zero GHG emissions	
Category	Reduction Indicator (Unit)	2030 Target
Scope 1 + 2 + 3*2	Total emissions (t-CO <sub>2</sub> e)	-50% (compared with FY2019)
■ Sumitomo Life (Non-Consolidated)		
Category	Reduction Indicator (Unit)	2030 Target
Asset portfolio*3	GHG emissions proportional to the amount of balance held in the portfolio (t-CO <sub>2</sub> e / million yen)	-50% (compared with FY2019)*4
<div><div><div>*1 Scope of coverage is Sumitomo Life and its consolidated subsidiaries</div><div>*2 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.<ul style="list-style-type: none"><li>• Scope 1: Direct emissions from fuel use at Sumitomo Life Group</li><li>• Scope 2: Indirect emissions from use of electricity and heat purchased by Sumitomo Life Group</li><li>• Scope 3: Indirect emissions from business activities other than those in Scope 1 and 2</li></ul>Scope 3 covers the items in which emissions are to be reduced through the proactive efforts of Sumitomo Life Group and its employees. It includes Category 1 (Purchased Goods and Services), Category 3 (Fuel and Energy-Related Activities Not Included in Scope 1 or Scope 2), Category 4 (Upstream Transportation and Distribution at the expense of Sumitomo Life Group), Category 5 (Waste Generated in Operations), Category 6 (Business</div></div><div><div>Travel), Category 7 (Employee Commuting), and Category 12 (End-of-Life Treatment of Sold Products). Category 13 (Downstream Leased Assets) and Category 15 (Investments) are managed separately as emissions from the asset portfolio.</div><div>*3 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, loans, real estate for investment, and infrastructure investments. Target Scopes are investees' Scope 1 and 2. The reduction indicator is expressed with intensity (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.</div><div>*4 This level also meets the reduction level recommended by the Net-Zero Asset Owner Alliance, which Sumitomo Life has joined.</div></div></div>		

### Adoption of TCFD recommendations

In March 2019, we announced our endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) established by the 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

Our “Sustainability Management Policy” stipulates “contribution to the realization of a sustainable society through efforts to solve social and environmental issues,” including climate change, and “Sumisei Environmental Policy” has been established as a specific action policy for the global environment. We 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 “Council for Promotion of Social and Environmental Sustainability,” which examines responses to Key Items of Sustainability (materialities) related to social and environmental issues, discusses how to deal with climate change issues (reports on the status of responses in the first half and fiscal year to 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 exploiting such opportunities by appropriately engaging in initiatives to manage risk.

Opportunities

In asset management, we are encountering more opportunities for investment particularly with respect to companies that develop technologies contributing to a carbon neutral society as well as projects related to renewable energy.

Risks

The following risks from among those related to climate serve as the primary risks that may significantly affect Sumitomo Life’s business.

- 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
- 2 Risk of future impairment on the value of our investment assets under a situation where we become subject to substantial effects involving our investees due to factors that include policy changes and regulatory reforms regarding the transition to a carbon-neutral society

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.

<b>STEP 1</b> <b>Assess materiality of risks</b> Risk exemplified in the TCFD recommendations ○ Physical risks Acute risk and chronic risk ○ Transition risks Policy and legal risks, technology risk, market risk, and reputation risk	<b>STEP 2</b> <b>Identify scenarios</b> Select a scenario under which the average temperature rises by 2°C or 4°C by 2100 relative to average temperatures prior to the Industrial Revolution	<b>STEP 3</b> <b>Evaluate business impacts</b> Evaluate effects on the life insurance business and the asset management business	<b>STEP 4</b> <b>Identify potential responses</b> <ul style="list-style-type: none"><li>• Keep considering options in terms of approaches to analyzing effects of rising mortality on payments of insurance claims and benefits</li><li>• Engaged in dialogue with top GHG emitting companies in the asset portfolio</li></ul>
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#### [Scenario analysis]

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

We used two socio-economic scenarios in this analysis: “scenario involving an increase in average temperature limited to 2°C,” and “scenario involving an increase in average temperature of 4°C,” which serve as assumptions for considering how selected risks might develop in the future.

#### [Life insurance business]

For each of the climate risks specified by the TCFD recommendations, we have identified risk events particularly deemed as being profoundly relevant to the Company’s business, and performed an analysis of the effects on payments of insurance claims, etc. due to “winter warming,” “heat,” “infectious disease,” and “natural disasters.” Evaluation findings indicate that “heat,” particularly in the 4°C increase scenario, would have a substantial effect on the life insurance business, culminating in rising mortality over the medium to long term among vulnerable populations such as the elderly and those with underlying medical conditions. Moreover, the findings indicate that “natural disasters” could have a particularly substantial effect on rivers in the 4°C increase scenario, culminating in increased damage in the long term, mainly affecting the elderly. However, we anticipate that the effects on insurance proceeds and expenses would be limited in all analysis scenarios. For our future responses, we will consider enhancing the analysis, such as by expanding the scope of our analysis and introducing scenario analysis in line with the “Intergovernmental Panel on Climate Change: Sixth Assessment Report” (IPCC AR6), and strive to disclose a quantitative analysis.

#### ■ Scope of scenario analysis implementation

Climate-related risk specified by the TCFD recommendations		Risk events identified by the Company	Status of scenario analysis implementation
Physical risk	Acute risk	• Intensifying extreme weather events such as cyclones and floods	Natural disasters (rivers) Natural disasters (mountains)  [Fiscal 2021] Impact analysis with respect to payments of insurance claims, etc. (Disclose on page 9 of Sustainability Report 2022)
	Chronic risk	• Changes in precipitation patterns and extreme variability in weather patterns	
		• Rising sea levels	Natural disasters (coastal)
Transition risk	Policy and legal	• Rising average temperatures	Winter warming Heat Infectious disease  [Fiscal 2020] Impact analysis with respect to payments of insurance claims, etc. (Disclose on page 21 of Sustainability Report 2021)
		• Rising GHG emissions pricing • More stringent emissions reporting obligations • Obligations and regulations imposed on existing products and services • Exposure to lawsuits	Carbon pricing Information disclosure Fossil fuel regulation
	Technology	• Existing products and services replaced with lower-emission options • Failure of investment in new technology • Cost of transitioning to low-emission technologies	Ongoing use of existing technologies Development of new technologies
	Market	• Changes in customer behavior • Uncertainty with respect to market signaling • Rising costs of raw materials	Transformation of consumer behavior Changes of existing markets and emergence of new markets
	Reputation	• Changes in consumer preferences • Stigmatization to industrial sector • Increased stakeholder concern, negative stakeholder feedback	Changes in consumer preferences Information disclosure emphasis and monitoring Dialogue with stakeholders Dialogue with NGOs
			Calculate and analyze GHG emissions resulting from the asset management portfolio  Initiatives to improve analysis

### [Asset management business]

Our assets invested are 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 initiatives to improve our scenario analysis. These include use of the “Climate Value-at-Risk” (CVaR) and “Implied Temperature Rise” (ITR) methodologies, which are provided by MSCI.

### [Reference] 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.

#### 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.

## 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.

Please refer to the Sumitomo Life website for details on assurance.

<https://www.sumitomolife.co.jp/english/sustainability/csr.html#sec03>

### Sumitomo Life Group

(Figures subject to such assurance are indicated with a check mark ☑)

Category	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
Scope 1+2+3 (Unit: t-CO <sub>2</sub> e)	165,249	140,313	145,966	150,891
Scope 1: Direct emissions (use of gas and gasoline)	15,476	11,219	13,112	13,306 ☑
Scope 2: Indirect emissions (use of electricity and heat)	38,795	30,514	30,432	28,687 ☑
Scope 3: Indirect emissions excluding the Company (supply chains)	110,977	98,580	102,422	108,897 ☑
Category 1: Purchased Goods and Services	38,046	35,918	41,630	38,646 ☑
Category 3: Fuel and Energy-Related Activities Not Included in Scope 1 or Scope 2	6,337	5,278	5,132	4,838 ☑
Category 4: (Upstream Transportation and Distribution)	1,367	1,317	1,650	1,519 ☑
Category 5: Waste Generated in Operations	2,022	1,690	1,981	2,275 ☑
Category 6: (Business Travel)	5,906	4,264	3,050	6,771 ☑
Category 7: (Employee Commuting)	56,933	49,843	48,611	54,600 ☑
Category 12: (End-of-Life Treatment of Sold Products)	365	270	369	249 ☑

### Sumitomo Life parent only

(Figures subject to such assurance are indicated with a check mark ☑)

Category	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
Total emissions (Million t-CO <sub>2</sub> e)	8.7	8.0	7.9 ☑	–
GHG emissions proportional to the amount of balance held in the portfolio (intensity) (t-CO <sub>2</sub> e/million yen)	1.22	0.92	0.82	–

\* The latest actual results available for the asset portfolio are those for fiscal 2021. The actual figures have been adjusted in accordance with the revision of the target assets for the 2030 reduction target in March 2023.

## Approach to global environmental protection and biodiversity conservation

As stated in the Sumisei Environmental Policy, Sumitomo Life has thus far recognized the importance of global environmental protection and biodiversity conservation and is engaged in various initiatives. For example, as part of the Sumisei “Humany” activities that were started in 1992, many employees have been actively involved in cleaning coastal areas, preserving woodlands and other activities.

We have also contributed to activities that protect the future of the bountiful sea through support of WWF Japan’s project to save coral reefs since 2008 and support of WWF Japan’s marine conservation activities since 2022. In June 2023, Sumitomo Life was awarded the Medal with Dark Blue Ribbon in recognition of this support. (the photo)

In terms of information disclosure, the enhancement of disclosure will be an issue to deliberate in the Council for Promotion of Social and Environmental Sustainability and appropriate measures will be implemented based on the TNFD\* Recommendations published in September 2023.

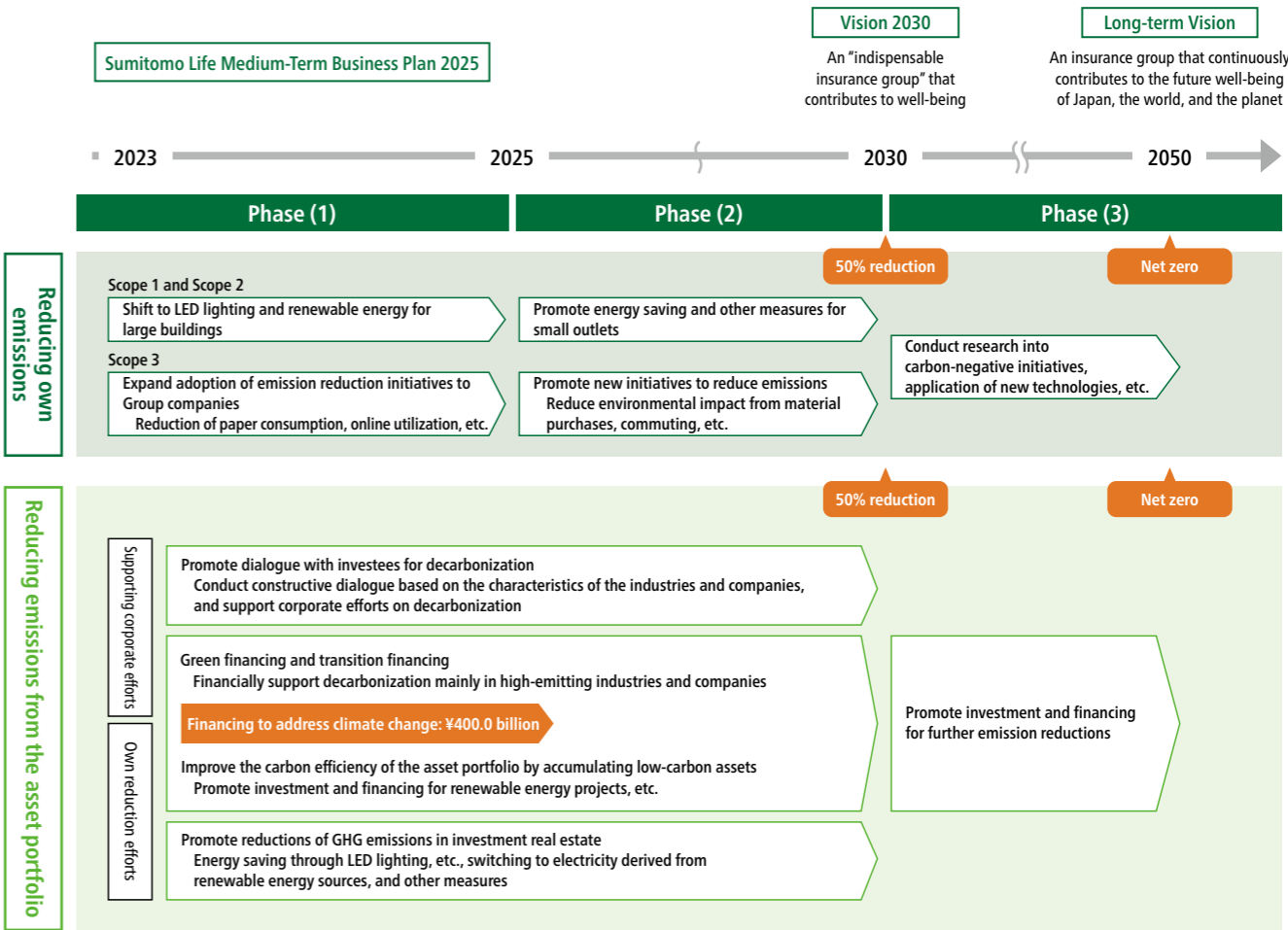
\* Taskforce on Nature-related Financial Disclosures



#### Award ceremony for Medal with Dark Blue Ribbon

Mr. Naohisa Okuda, Director General, Nature Conservation Bureau of the Ministry of the Environment (right) (position at the time of the award ceremony)  
Mr. Sadayoshi Tobai, Chief Executive Officer of WWF Japan (left)  
Mr. Hideyuki Sumi, Director, Senior Managing Executive Officer, Representative Executive Officer of Sumitomo Life (middle)

### Initiatives for realizing carbon neutrality by 2050 –Road map for addressing climate change–

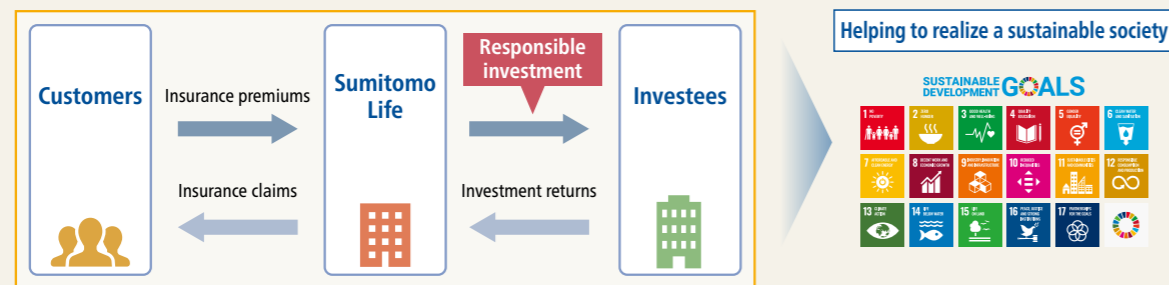


Feature 4

# Responsible investment

Sumitomo Life promotes asset management that takes sustainability into consideration (responsible investment) for all assets under management, with the aim of ensuring stable investment returns over the medium to long term and contributing to the realization of a sustainable society. We believe that contributing to the realization of a sustainable society is an initiative that is in line with our company's Purpose, and also contributes to securing medium to long term investment opportunities and reducing investment risks in our asset management. Sumitomo Life will continue to promote investment and financing focused on the domains of contribution to well-being that it has designated, working even more diligently to help resolve social issues.

## Conceptual diagram of responsible investment



## Goals of responsible investment

Responsible investment: asset management that takes sustainability into account

Securing stable investment returns over the medium to long term

+

Contributing to the realization of a sustainable society

## Investment in domains that contribute to well-being

Improving global environment  
(climate change domain)

Contributing to health enhancements  
(healthcare domain)

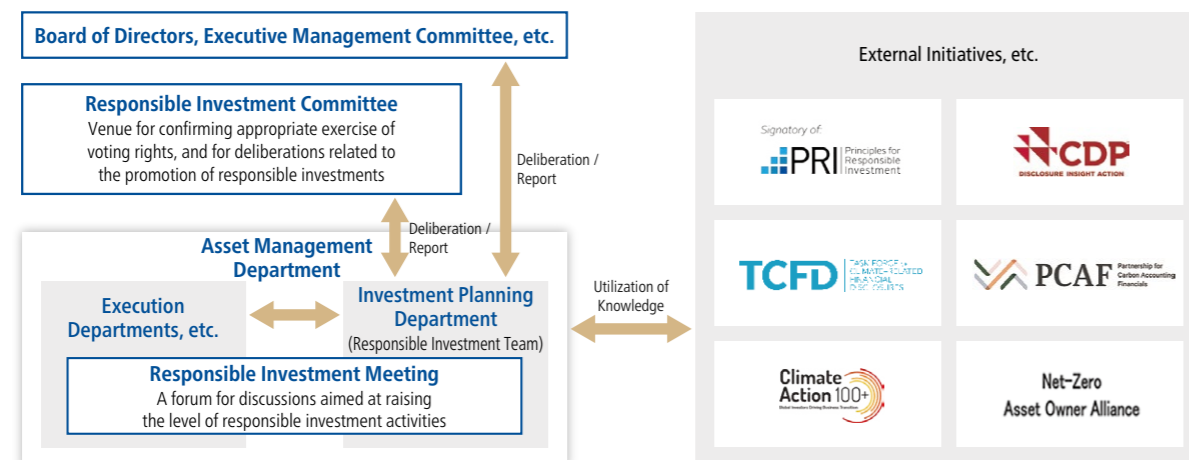
Stimulating human resources, improving engagement  
(human capital domain)

Supporting fulfilling lifestyles  
(infrastructure investment domain)

## Governance system

Sumitomo Life has established a responsible investment structure under the supervision of the Responsible Investment Team of the Investment Planning Department, and appropriately implements the PDCA cycle within the framework of the Responsible Investment Committee and Responsible Investment Meeting. We are also working to improve our responsible investment by making use of annual assessment results based on the PRI\*1 and the frameworks and expertise of external initiatives.

\*1 Principles for Responsible Investment



## ESG investment

Responsible investment specifically refers to ESG investment (investment behavior that takes into account ESG factors) and stewardship activities.

### ESG integration

It is a method in which you consider non-financial information, including responses to ESG issues, in addition to quantitative financial information in your investment decision-making process. We are committed to implementing and improving ESG integration for all assets under our management.

### Impact investment

Refers to investment projects that are intended to create social and environmental impacts as well as gain financial returns. Sumitomo Life believes that visualizing and amplifying the impacts of responsible investment is important, and is actively engaged in impact investment.

### ESG thematic investments

Refers to investment projects in which the use of funds contributes to the achievement of the SDGs.

### Negative screening

We do not make investment and financing for manufacturers of inhumane weapons and investments to finance coal-fired power generation projects.

## Stewardship activities

Sumitomo Life actively engages in stewardship activities (dialogue activities and exercise of voting rights) based on the underlying objective of the Principles for Responsible Institutional Investors (Japan's Stewardship Code) of promoting sustainable growth as well as enhancement of corporate value of investees through dialogues.

### Dialogue activities

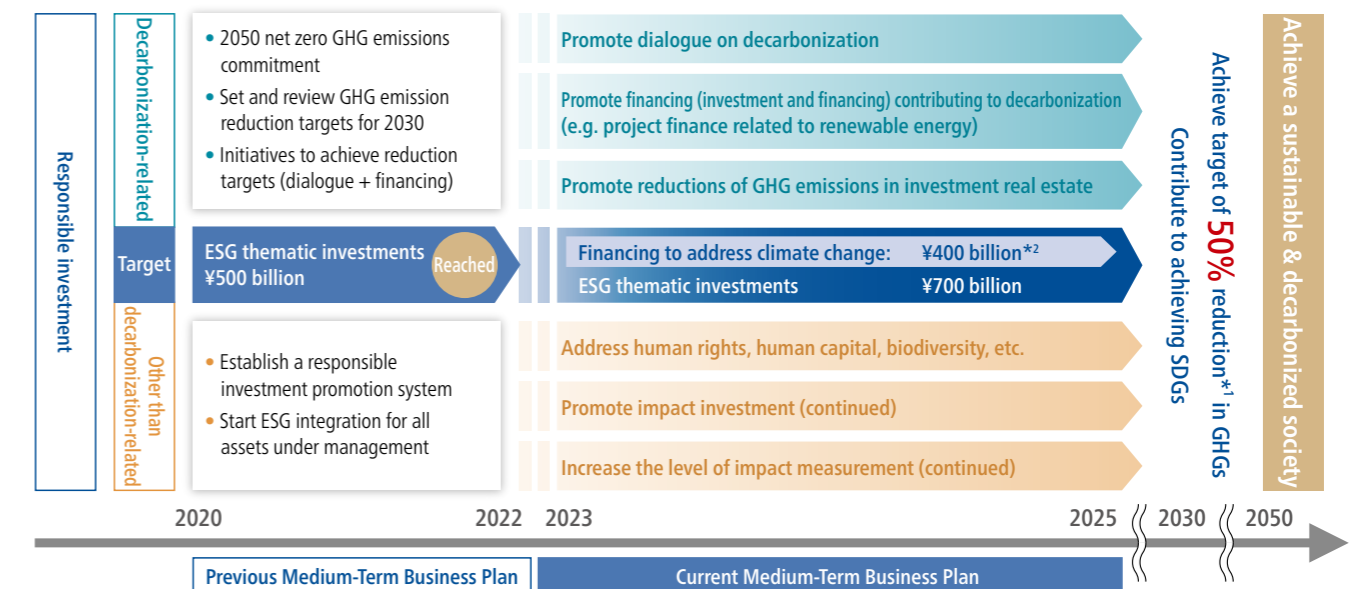
Through dialogue to encourage investees to improve their corporate value over the medium to long term, we share recognition with them and urge them to work to solve issues. Our basic stance is to communicate our concerns and requests as an investor based on our analysis of individual companies and work to deepen the understanding of themes.

### Exercise of voting rights

We have established Guidelines for Exercising Voting Rights, and determine whether to vote for or against a proposal based on the content of the dialogue and the status of the efforts to address issues. We revise the guidelines as necessary from the viewpoint of corporate value improvement.

## Roadmap for responsible investment initiatives

We will promote responsible investment in accordance with the roadmap below.



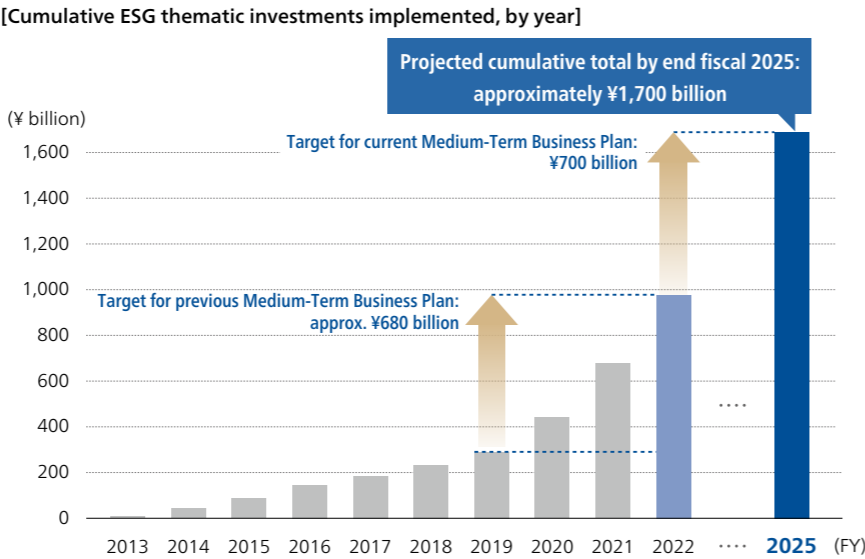
\*1 In March 2023 we raised the target for reductions from 42% to 50% \*2 Included in ESG thematic investment target

### Promotion of ESG thematic investments

Sumitomo Life is promoting investment and financing for projects that contribute to resolving social issues (ESG thematic investments), and achieved the target of ¥500 billion during the period of the previous Medium-Term Business Plan. During the period of the current Medium-Term Business Plan, we are working to achieve the target of ¥700 billion.

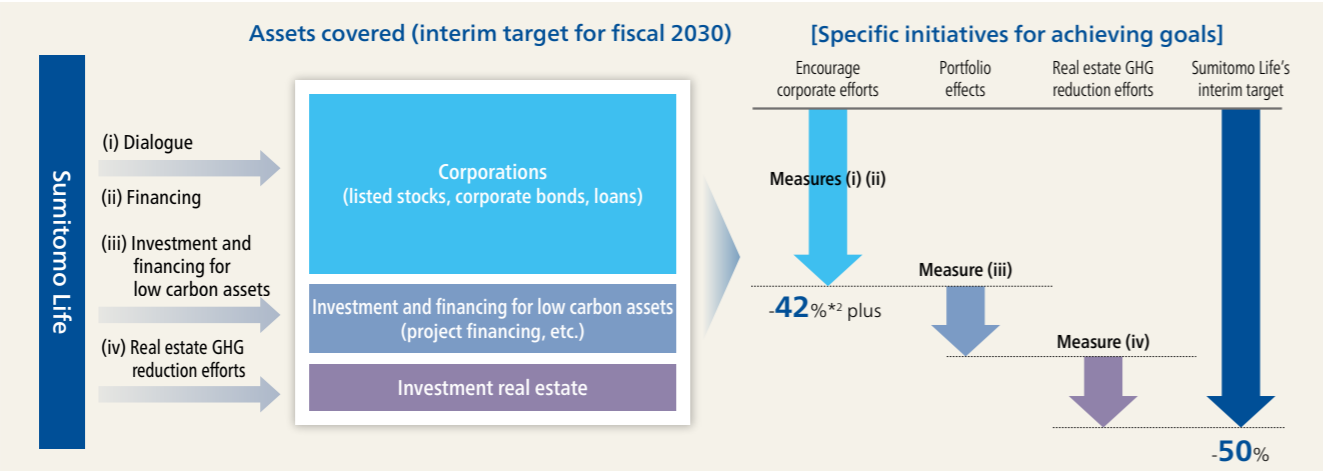
Of this, we have set a target of ¥400 billion in climate solution investment, and are actively working on transition financing\*1 and other initiatives.

\*1 Financing to support the transition of investees to decarbonization



### Initiatives aimed at realizing a decarbonized society

We will strive to achieve the target level of greenhouse gas (GHG) emissions reduction in our asset portfolio through various measures\*1.



Measure	Overview of initiative
(i) Dialogue	The dialogue will be based on a level aligned to the Japanese government’s effort target*2 to encourage companies to decarbonize their operations.
(ii) Finance	Support the decarbonization of investee companies through finance (transition financing*3, etc.).
(iii) Investment and financing for low-carbon assets	Focus on investment and financing for low-carbon assets, including infrastructure equity funds and project finance for renewable energy.
(iv) Real estate GHG reduction efforts	Promote energy conservation and switch to renewable energy in investment real estate properties.

\*1 Intensity (GHG emissions proportional to the amount of balance held = GHG emissions from the asset portfolio ÷ Balance held in the portfolio) compared with fiscal 2019  
 \*2 Japanese government’s stretch target (-50% compared with fiscal 2013) restated based on fiscal 2019 level  
 \*3 Financing to support the transition of investees to decarbonization

Comment from person in charge



Saeri Kanakuri, assistant general manager, ALM Securities Investment Dept.

Transition financing refers to the provision of funds to support a steady transition towards decarbonization, through such measures as fuel conversion, and is mainly aimed at industries that produce large quantities of greenhouse gases. With the recognition that transition financing contributes to the realization of a decarbonized society, Sumitomo Life actively engages in this type of financing while placing importance on achieving investment returns. On the other hand, we understand that the road to transition differs for each company and that there may be changes to approaches going forward. For that reason, by continuing to work to deepen mutual understanding through dialogue with companies and other means, we hope to contribute as responsible investors, even in a small way, to the realization of a decarbonized society.

### Biodiversity and natural capital initiatives

In addition to initiatives for the realization of a decarbonized society, we recognize the importance within measures to address climate change of nature-positive initiatives aimed at checking the downward trend in biodiversity and directing it towards recovery.

We seek to contribute to such initiatives through dialogue with and financing for companies. In addition, we joined the TNFD Forum\*1 in September 2022 to develop our knowledge related to biodiversity and natural capital and will implement appropriate measures based on the TNFD Recommendations\*2 that were finalized in September 2023.

\*1 An organization for providing expert knowledge to the below-mentioned TNFD from a stakeholder perspective and supporting discussions  
 \*2 A framework recommended by the TNFD (Taskforce on Nature-related Financial Disclosures) for assessing and disclosing information related to the impact on corporate business activities of biodiversity



Case study

### Central American Bank for Economic Integration (Blue Bond)

- Investment amount: ¥3.0 billion
- Timing of investment: January 2023
- Bond used to finance projects related to aquatic environments, such as marine conservation and sustainable fisheries

### Respect for human rights/human capital initiatives

Respect for human rights at investees is a particularly important ESG theme because it affects the value of the company and its business. Accordingly, as a responsible investor we are promoting the following initiatives. In addition, we joined the TNFD Forum in September 2022 to develop our knowledge related to biodiversity and natural capital and will implement appropriate measures based on the TNFD Recommendations that were finalized in September 2023.

#### [Initiatives aimed at respect for human rights]

Measure	Overview of initiative
ESG integration	<ul style="list-style-type: none"> <li>We take human rights into account during the investment process through such initiatives as maintaining internal ratings for investees, and reflecting human rights and other ESG factors in our materiality map</li> </ul>
Dialogue	<ul style="list-style-type: none"> <li>We choose candidates for dialogue after referring to external information and taking human rights risks into account</li> <li>We engage in dialogue on such subjects as compliance with the Guiding Principles on Business and Human Rights, and problems related to human rights and working environments in the supply chain</li> </ul>
Negative screening	<ul style="list-style-type: none"> <li>We prohibit investment and financing for companies that manufacture inhumane weapons, due in part to the perspective of respect for human rights</li> </ul>

### Initiatives for the creation of social impact

Sumitomo Life is working to create social impact through its investment and financing in order to resolve social issues, and as part of these efforts it is promoting impact investment. We are also seeking to measure and disclose the social impact generated through our investment and financing\*3. Going forward we will strive to further enhance these initiatives.

Case study

### Investment in a fund formed by Energy & Environment Investment, Inc.

- Investment amount: ¥1.5 billion
- Timing of investment: March 2023
- In addition to financial returns, we aim to create social impacts such as wider use of renewable energy and development of energy-saving measures.

\*3 For details of how we measure impact, please refer to the 2022 Responsible Investment Activities Report below.  
<https://www.sumitomolife.co.jp/about/csr/group/pdf/rir2022.pdf> (in Japanese)

Extending healthy life expectancy through the insurance business

Provision of sense of security through the insurance business

Realization of sustainable and stable growth

Building mutual trust with stakeholders

Management structure that supports sustainability

## Materiality

Provision of sense of security  
through the insurance business

## Our vision

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

## 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

Japan is one of the world's leading countries in terms of life expectancy. However, there is a significant gap between its life expectancy and its healthy life expectancy (the period during which an individual can maintain an autonomous daily life without needing nursing care, etc.), and closing the gap has become a social challenge.

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 health enhancement activities.

## Details of policies

## Promote business related to "SUMITOMO LIFE Vitality"

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

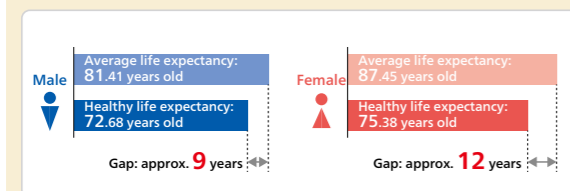
We regard these initiatives as our "CSV Project" and aim to "extend healthy life expectancy in Japan" by creating a new shared value of health enhancement among "customers," "society," and "the Company and its employees."



## Gap between life expectancy and healthy life expectancy

There is a significant gap between life expectancy and healthy life expectancy\* in Japan, and closing the gap has become a social challenge.

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



(Source) "The 16th Health Japan 21 (the Second Term) Promotion Expert Committee" (Ministry of Health, Labour and Welfare)

## About "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. In addition to South Africa, the program is offered in 40 countries and regions, including the UK, the US, China, Singapore, Australia, Germany and Japan, and has more than 30 million members\* (as of December 31, 2022).

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

\* The type of Vitality provided in different countries may vary according to the country in which Vitality has been introduced (non-life insurance, health insurance, etc.)

Conventional insurance products  
Prepare for risks  
such as nursing care,  
medical care,  
and death

Vitality Wellness Program  
Contribute to reducing  
risks of illness, etc., itself  
through initiatives to  
support continuous health  
enhancement activities

## Initiatives

## Implementation of the CSV Project centered around health enhancement

To obtain recognition of SUMITOMO LIFE Vitality, we broadcast a new commercial on TV and the Internet for the "Vitality trial version," offering a free experience of part of the Vitality Wellness Program for up to four weeks. In addition to developing plans to convince a wider range of customers of the necessity of health enhancement, in April 2023 we launched Vitality Smart, providing part of the Vitality Wellness Program on a stand-alone basis.

By promoting health-focused management internally, the Company won certification as 2023 Certified Health & Productivity Management Outstanding Organizations Recognition Program.



## Philosophy of the CSV Project

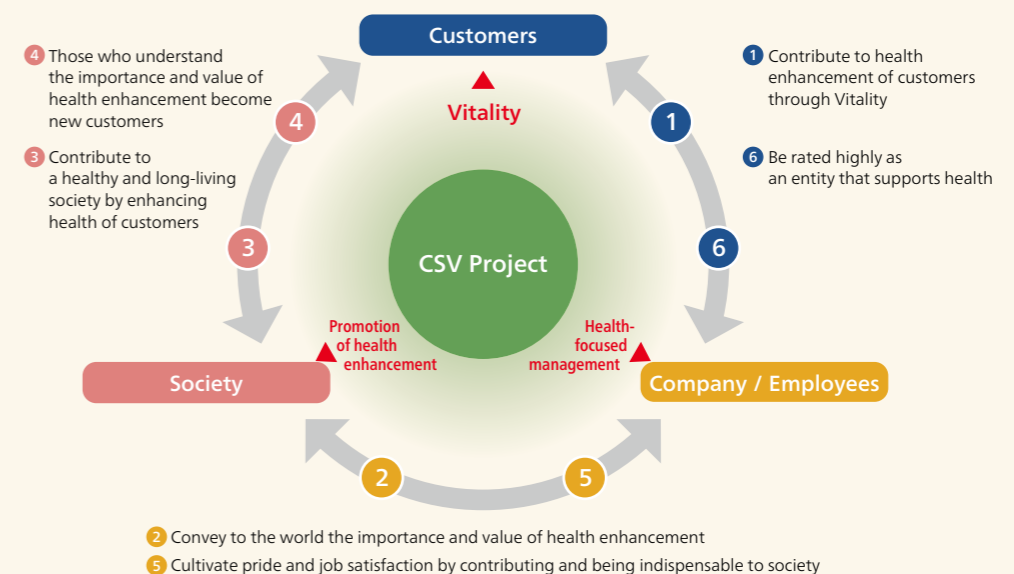
## - Health-centric implementation of CSV -

- 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

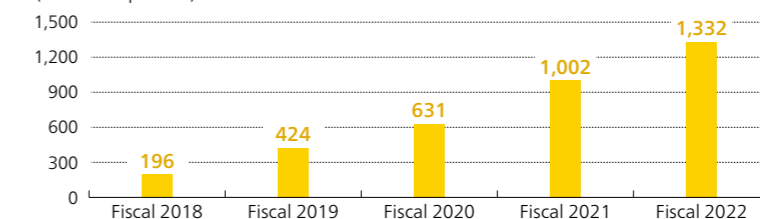


## Outcomes of fiscal 2022 initiatives

With sales of around 330 thousand new SUMITOMO LIFE Vitality policies in fiscal 2022, the cumulative total reached 1,332 thousand policies as of March 31, 2023. The total topped 1,500 thousand by August 2023.

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

(Thousand policies)



TOPIC

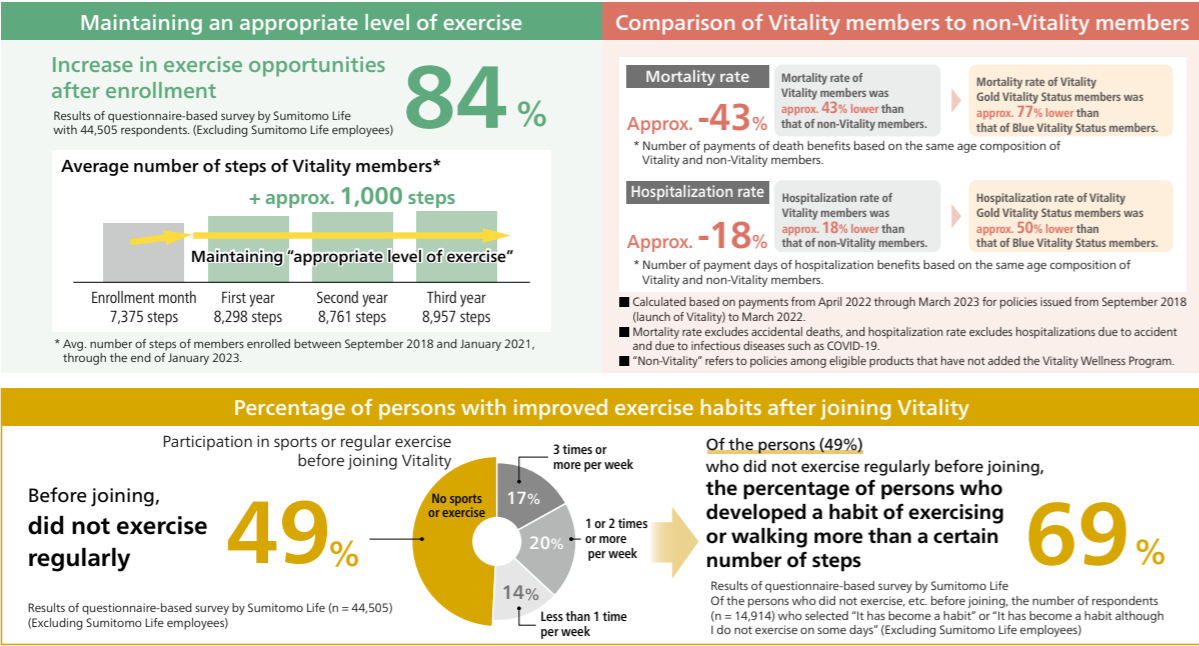
1

Daily-step/checkup 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 checkup results, and one in the form of a questionnaire.

The results showed that about 84% 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 13%. This level was still being maintained three years later.

Meanwhile, mortality of Vitality members was approx. 43% lower than that of non-Vitality members, and their hospitalization rate was approx. 18% lower.



Materiality

Provision of sense of security  
through the insurance business



Our vision

Provide all people with suitable life insurance products and services, as well as security that they will lead to, by pursuing customer-oriented management

- | Risks  | Opportunities  |
|--|--|
| <ul style="list-style-type: none"> <li>Mismatches between products and services provided and customer needs; obsolescence caused by similar products and services from other companies or neighboring industries</li> <li>Possibility of damage to asset values as a result of investment and financing behavior that ignores the ESG perspective</li> </ul> | <ul style="list-style-type: none"> <li>Enhancement of corporate value through the provision of products and services that capture customer needs</li> <li>Increase in investment and financing opportunities generated by the expansion of funding needs for ESG projects</li> </ul> |

Awareness on issues

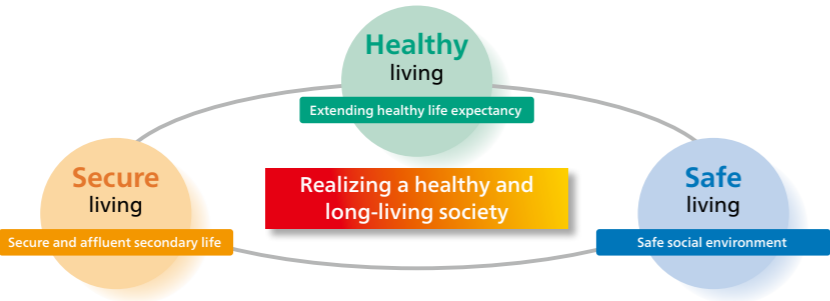
In the domestic market, the progressively declining birthrate and aging of the population, the increase in one-person households, the full-fledged arrival of the 100-year lifespan and other factors have resulted in rising demand for pure endowments related to inability to work and nursing care, dementia, healthcare, 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 carbon neutrality 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.

Details of policies

**① Provide 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 healthcare services, Sumitomo Life is seeking to resolve the issues of a super-aging society to facilitate the healthy living and safe and secure living that are required for a society of affluence, vitality, health and longevity.



**② Contributing to the achievement of carbon neutrality (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.

Initiatives

**Evolution to well-being designer**

In FY2022, the final year of the three-year “Sumitomo Life Medium-Term Business Plan 2022,” we have been making efforts to become an “indispensable” life insurance company by supporting our customers with “human beings” and “digital technology” and contributing to “well-being for all” under the three basic policies of “contributing to society,” “being trusted by society” and “adapting to social change,” which are stated in the Plan.

From FY2023 onward, we will steadily evolve into a well-being designer by improving the level of our sales representatives and the quality of our customer service, as stated in the “Sumitomo Life Medium-Term Business Plan 2025,” in order to realize the vision of “Sumitomo Life Group Vision 2030.” Specifically, in addition to the existing insurance area, we will provide services in the “non-insurance” area to support our customers’ fulfilling lives, and expand the scope of our activities, including contributions to local communities, more than ever.

**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, to contribute to creating safe and secure social environment that considers the characteristics of the elderly, we will promote initiatives for solving the issues of a super-aging society through stronger coordination with local communities. These will include activities to mind elderly people in the community and inheritance seminars.

**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 promoted the provision of such services based on non-face-to-face contact in the form of email, Zoom, and other technologies.

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

Various measures related to the promotion of a more customer-oriented approach are reported to and deliberated by the Customer Satisfaction 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.

Contributing to the achievement of carbon neutrality (responsible investment, etc.)

- Initiatives for responsible investment
 

\* See pages 13-14
 (Feature: Responsible investment)

Outcomes of fiscal 2022 initiatives

[Fiscal 2022 claims, annuities, and benefits]

5.94 million cases  
¥1,360.7 billion

[Insurance claims paid out related to COVID-19 in fiscal 2022]

Sumitomo Life		
Amount of death benefits	Amount of hospitalization benefits	Of which, deemed hospitalization
¥12,199 million	¥75,125 million	¥74,083 million

TOPIC

1

Launch of “Income Passport”

In March 2023, we launched the “Income Passport” to cover a potential risk close to the customer’s heart: a decrease in income in the event that the customer becomes unable to work for a short period of time.

Sumitomo Life conducted a questionnaire survey of those who have experienced hospitalization, and found that 67% (about 2 out of 3) of those who were hospitalized for more than two weeks (less than one month) experienced a decrease in income. Furthermore, 31% of those who experienced this decrease in income took about two months to recover their income, and 20% took about three months after being discharged from the hospital.

Company employees may receive an injury and illness allowance, but the amount paid is approximately 2/3 of their income and may not be sufficient to compensate for the decrease in income. To prepare for such risks, the “Income Passport” pays a lump-sum payment equivalent to about three months of income protection after 14 days of continuous hospitalization.

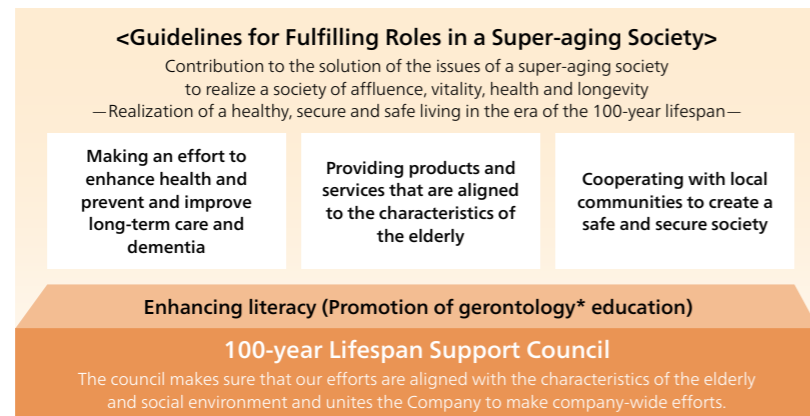


TOPIC

2

100-year lifespan support initiatives

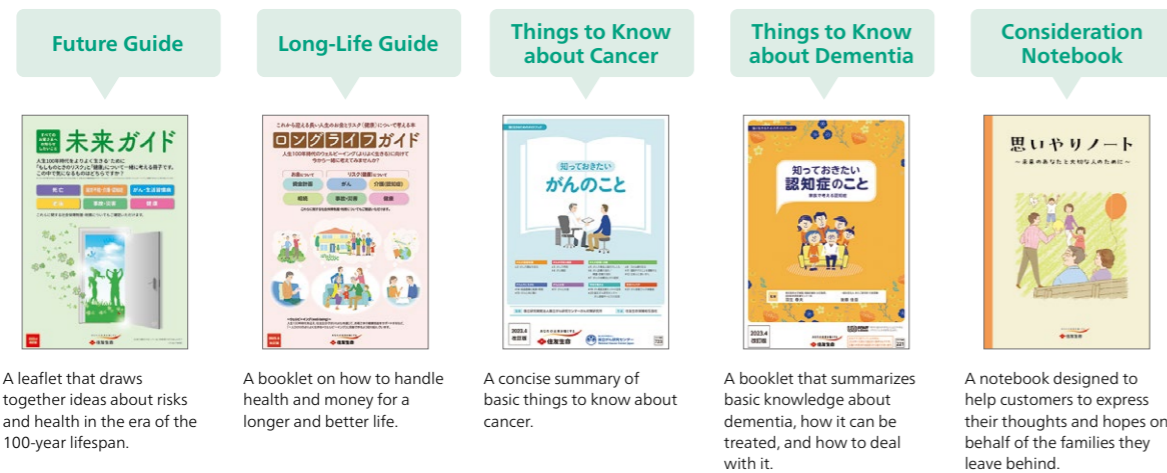
In order to facilitate the healthy lifestyles and safe and secure living that are required for a society of affluence, vitality, health and longevity in the era of the 100-year lifespan, Sumitomo Life is seeking to resolve the issues of a super-aging society by partnering with external organizations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



\* 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,” “Long 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 “Future of customer 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.

■ A consulting service personalized for customers



TOPIC

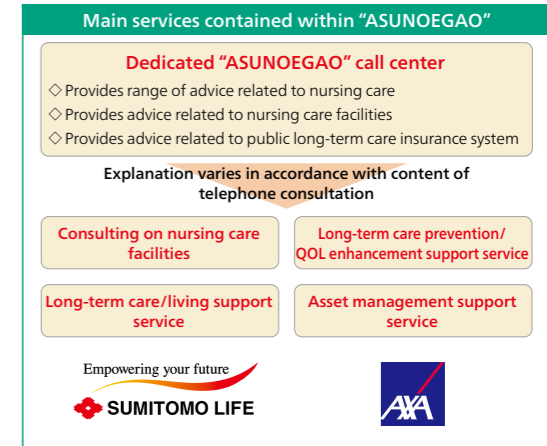
3

Enhancing services for the elderly

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

We provide a service where staff with specialist qualifications, such as care managers, answer various consultation requests regarding nursing care, old age, and dementia. Moreover, if customers request it, we introduce them to consultation services for finding nursing care facilities.

\* Provided by outsource service provider Dream Catcher Inc. and our business tie-up partners.  
\* Available to Sumitomo Life’s individual life insurance (excluding asset building savings plan) policyholders, insured persons, and their families.



TOPIC

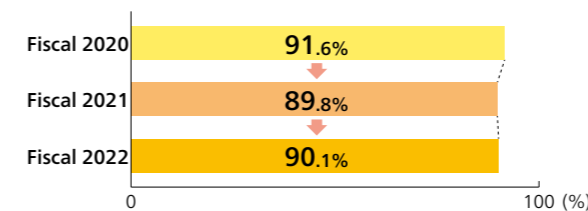
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Customer-oriented business operations

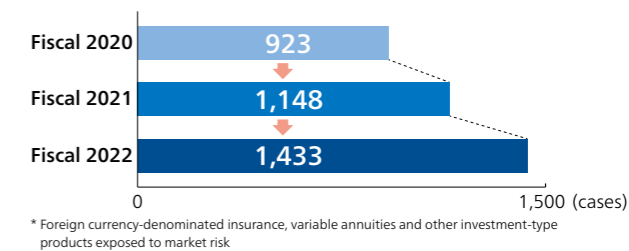
Sumitomo Life has formulated a “Policy on customer-oriented business operations,” and in addition to actively promoting specific measures based on this policy, it conducts regular reviews to further improve the effectiveness of the various initiatives implemented.

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\*]



TOPIC

5

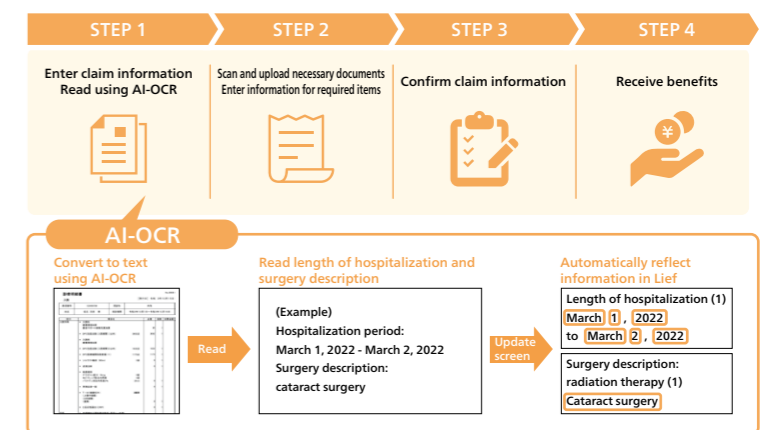
Web-based application service for payment claims

Aiming to further contribute to the well-being of all customers, we started in January 2022 to allow customers to make a payment claim in a digital format. It has made it possible for us to pay a claim faster than before.

This service allows a customer to take an image of his/her medical bill issued by a medical institution with the “Sumisei Lief,” a tablet for our sales representatives, or his/her own device, such as a smartphone, and upload it to our system to complete claim making process online.

In addition, by using AI-OCR (optical character recognition system equipped with artificial intelligence) to scan the image of the medical bill for information, including the period of hospitalization and the name of the surgery, the customer can have the information required for claim making entered automatically in the “Sumisei Lief” or his/her device to make the process less stressful.

We will continue to work to provide highly convenient services that are made possible by the “fusion of human and digital” to be aligned to the changes in the values of customers and the era of the new normal.



Materiality

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

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

- Gaining of social trust, securing stable earnings and enhancement of corporate value 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, 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 realize sustainable and stable growth.

Details of policies

- 1 Improving productivity through work style reform and resource optimization

2 Hiring and developing flexible, diverse human capital

3 Coexisting with business partners through cooperation and other efforts

4 Creating new value through open innovation

5 Diversifying our earnings base through overseas business

6 Strengthening IT and other business development infrastructure

Because it will be important to strengthen and build out past initiatives, we will continue to engage in the Key Items of Sustainability and will also expand the well-being domain through four initiatives: “advancing to well-being design,” “realizing innovation in new domains,” “earnings structure reform,” and “Group strategies.” As the engine for ensuring our realization of these initiatives, we will increase productivity by enhancing “human value,” digitize insurance administration procedures, create and supply content that maximizes the value of data, and more to enhance our provision of services that “fuse human value and digital technology.”



Initiatives

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 June 2023, we obtained “Platinum Kurumin Plus,” a designation standard for companies that support employees undertaking fertility treatment while working in accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children.

Furthermore, increased operational efficiency through the introduction of the new system and the revision of existing operations will free up time that individual employees will use to concentrate on customer-oriented work. In addition, we will also curb long work hours, promote the use of leave, and introduce work systems that recognize flexible working hours. Through these and other measures, we will realize healthy and enthusiastic workplaces that increase productivity (performance) throughout the Company.



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 2.43% as of April 2023. Based on the statutory employment rate of 2.3% and the gradual increases expected going forward, we are continuing to implement related initiatives.



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 products such as whole life insurance and individual annuities via the channels of bancassurance-banks, financial institutions, etc., in response to the rising need for asset formation and inheritance solutions 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 is working to create new business and services that will contribute to the “well-being for all” customers and the solution of social issues through open innovation. After a pilot project in fiscal 2022, in fiscal 2023, we started a joint venture with a local government to develop a new public-private partnership program that combined the Wellness Program of the SUMITOMO LIFE Vitality Shared-Value Insurance with a lifestyle-modification support program of a company with which we create business. In addition, we plan to launch services in fiscal 2023 in the field of preconception care based on demonstration experiments conducted within Sumitomo Life and on demonstration experiments conducted with external companies in fiscal 2022.

In order to accelerate the creation of new value through open innovation with startup companies, we have invested in nine startups (as of July 31, 2023) through CVC (Corporate Venture Capital), one of which went public through an IPO (initial public offering).

Diversifying our earnings base through overseas business

Japan’s life insurance market is undergoing change due to the declining birthrate, aging and declining population, and increasing volatility in the financial markets. Amidst such change, we must achieve long-term business stability to fulfill our mission as a life insurance company. Therefore, in addition to our efforts in Japan, we believe it is important to expand our earnings base and strengthen the sustainability of our domestic life insurance business by incorporating the profitability and growth potential of overseas life insurance markets into our Group and to contribute to well-being rooted in each country and region—providing a “sense of security through insurance”—through collaboration with overseas investees and other partners.

Strengthening IT and other business development infrastructure

To realize an “indispensable insurance group” that contributes to well-being and achieve the numerical targets in Sumitomo Life Medium-Term Business Plan 2025, we constantly incorporate advanced information and communications technology (ICT) and work to provide new products through the utilization of a data analysis environment and analysis for WaaS provision, as well as to increase the level of our services, such as releasing a mobile app that contributes to greater customer convenience.

We will continue promoting the provision of services that closely meet customers’ needs through the fusion of “digital technology” and “value rooted in human.”

Outcomes of fiscal 2022 initiatives

When promoting work-life balance, we manage progress by setting quantitative targets. In fiscal 2022 our achievements were as follows.

Ratio of female managers	Reduction in total working hours (compared with 2016**)	Percentage of male employees taking paternity leave	Ratio of employees who took paid leave of at least one day per month	Employee engagement	Environment for active employee participation
48.3% (Target: 50%*)	-10.3%	100% (Target: 100%)	81.8%	61.0%	72.0%

\*1 Target for the end of fiscal 2025 is 50%. \*2 We are working to reduce total working hours by 10% from 2016.

## TOPIC 1 Product development through business alliances

Sumitomo Life responds to a broad range of customer needs by forming business alliances as a means of responding flexibly to changing times.

## Enhancing corporate-oriented products

After having reached an agreement in principle on a business alliance with NN Life Insurance in October 2016, we began handling its corporate term-life insurance in Sumitomo Life's sales representative channel in April 2017.



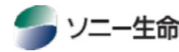
## Non-life insurance business initiatives

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.

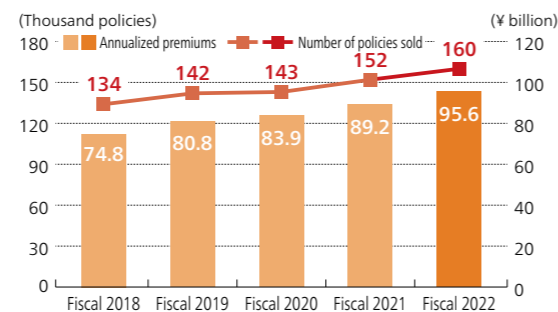
Going forward, we will continue to provide "comprehensive coverage" that integrates life and non-life insurance while addressing increasingly diverse customer needs by providing the GK series (automobile, fire, and personal accident insurance) covering various risks encountered by retail customers and also providing non-life insurance products and services that support the business activities of corporate customers.

## Sales of U.S. dollar-denominated insurance

In order to better meet diversifying customer needs amid the prolonged low interest rate environment in Japan, we have entered into a business alliance with Sony Life Insurance and began offering Sony Life's U.S. dollar-denominated insurance policies through Sumitomo Life's sales representative channel in January 2019.



[Annualized non-life insurance premiums/Number of policies sold]



## TOPIC 2 Initiatives for Diversity, Equity &amp; Inclusion

The Company is committed to creating a rewarding workplace where each member of a diverse workforce can flourish in their own way, in a fair environment and with mutual respect. 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 an environment where diverse human resources can work actively and productively

Every year, we hold a seminar on diversity for managers and are continuously undertaking other efforts to raise awareness and foster a culture of diversity. In addition to enhancing systems for balancing work with childcare, nursing care, and other family responsibilities, we are also promoting new ways of working, such as teleworking and flextime systems. In fiscal 2022, we changed the conditions for taking childcare leave, such as by enabling it to be taken in installments up to the child's first birthday. Furthermore, we encourage the proactive career development of our diverse staff through such measures as the use of our existing post-employment systems: the job transfer system and the system for supporting career progression.

Job transfer 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 360 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 the active involvement of women

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

Ratio of female managers (As of April 2023)	Ratio of male employees who took childcare leave (Fiscal 2022)
48.3%	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 open innovation (CVC)

As part of corporate transformation efforts (investment in future) from a long-term perspective, we are working to create new business and services that will contribute to the "well-being for all" customers and the solution of social issues through open innovation. In fiscal year 2023, we started a joint venture with a local government to develop a new public-private partnership program that combined the Wellness Program of the SUMITOMO LIFE Vitality Shared-Value Insurance with a lifestyle-modification support program of a company with which we create business. In the field of preconception care, we plan to launch the service in fiscal year 2023 after conducting demonstration experiments within the Company in order to develop solutions for companies through business co-creation.

In order to accelerate the creation of new value through open innovation with startup companies, we have invested in nine startups (as of July 31, 2023) through CVC (Corporate Venture Capital), one of which went public through an IPO (initial public offering).

## SUMISEI INNOVATION FUND

CVC (Corporate Venture Capital) 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.



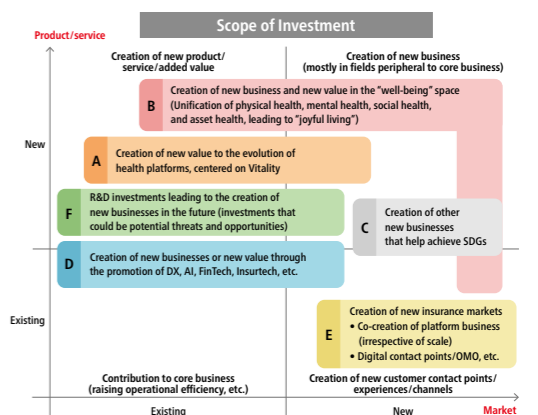
Through business co-creation through the SUMISEI INNOVATION FUND, we will achieve such things as evolution of "SUMITOMO LIFE Vitality," provision of services that will contribute to "well-being for all," which aims not only for physical health but also for total health encompassing physical, mental and social health, and creation of "new contact points 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 enhancement activities through SUMITOMO LIFE Vitality
- Well-being area for "total health encompassing 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

We started the Sumisei Innovation Challenge in fiscal 2020 with the goals of creating businesses that will earn profit in future, developing innovative human capital with flexible and diverse perspectives and fostering a corporate culture that continues to understand and respond to changes in social needs.

We encourage all our employees to submit business ideas that will serve as seeds for new businesses. After being brushed up for the final screening, business ideas that have passed the final screening will be considered for commercialization. This is a project in which the entire Company endeavors to create new value (commercialize).

Since the start of the project in fiscal 2020, more than 400 business ideas have been submitted in three years, and eight are currently being considered for commercialization



Final screening held in November 2022

## TOPIC 4 Developed the industry's first "influenza sympathy payment insurance"

On January 11, 2023, we began providing "influenza sympathy payment insurance" as an exclusive product for the PayPay Insurance (one-day Insurance) mini-app\*1 that is part of the PayPay cashless payment service.

This insurance consists of a sympathy payment for those who contract influenza A or B and are treated with anti-influenza medication (such as Tamiflu) at a hospital or other institution, or when they are hospitalized for at least one night and two days. This is the first specialized influenza insurance product in the industry\*2 that involves an insurance payment at the stage at which anti-influenza medication is prescribed.

In order to become an "indispensable" life insurance group, going forward, we will continue to work with a variety of partners to provide services even more carefully tailored to each and every customer, and to deliver to them the optimal insurance.

## [PayPay app screen]



\*1 A function in the PayPay app that provides smooth process from reservation of a service or ordering of a product provided by PayPay's partner corporations, and payment through the app.  
\*2 Research by Sumitomo Life.

Materiality

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

Risks

- Possibility of loss of social reason for existence caused by damage to mutual trust

Opportunities

- Gaining the trust of stakeholders 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.”

Details of policies

- 1 Promoting financial literacy education
- 2 Contributing to the achievement of carbon neutrality
- 3 Providing well-being services rooted in communities
- 4 Promoting social contribution activities

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 “contribute 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.



Initiatives

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 effort, we have positioned financial literacy at the center of educational services aimed mainly at junior and senior high school students. We have begun investigating the commercialization of these services using the system for creating new in-house businesses, and have actually conducted demonstration experiments including the provision of on-site lectures, to approximately 40 schools.



On-site lectures

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 (In June 2023, Sumitomo Life was awarded the Medal with Dark Blue Ribbon in recognition of this support.)
- Participated in the “Move for the Planet” project of the adidas group
- Birdie Donation provided by professional golfer Yuna Nishimura

Business approval N11

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
- Promoted recycling activities for used clear files

Promotion of contribution to local communities and society (staff volunteers)

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

These 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 designated fiscal 2022 as a year for “Sumisei Zero Carbon Action,” and promoted a wide range of Humany activities throughout Japan with a focus on reducing greenhouse gas (GHG) emissions, such as clean-up activities and forest thinning aimed at preserving the growing environment for forests.



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

Sumitomo Life has promoted strong relationships with local governments for many years. In fiscal 2022, we entered comprehensive partnership agreements with Kagawa and Okinawa Prefectures. As of April 2023, we have partnership agreements, business collaborations and others with 44 prefectures and numerous municipalities throughout Japan. (These include comprehensive partnership agreements with ten prefectures.)

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

Initiatives in the fields of health enhancement and sports

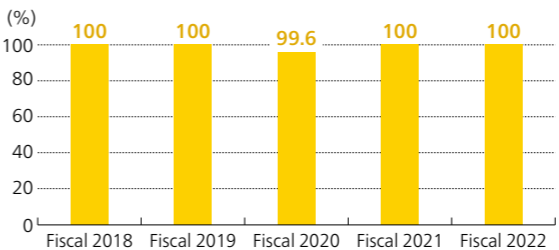
We have gained recognition for our initiatives to promote employee sports and for our activities that contribute to society in the field of sports. For instance, since fiscal 2019, we have consistently gained “Tokyo Sports Promotion Company” certification from the Tokyo Metropolitan Government and “Sports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



Outcomes of fiscal 2022 initiatives

Sumisei “Humany” activities promoted on a Company-wide basis saw a 100% participation rate in fiscal 2022, with people engaging in initiatives not subject to restrictions of time or place during the COVID-19 pandemic. There were also 44 instances of cooperation with municipal and prefectural governments.

Participation rate in Sumisei “Humany” activities



Cooperation with municipal and prefectural governments

44 instances

(Instances of cooperation with city governments: approx. 90)

## TOPIC 1 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



## Health Level Up! Jump rope for whole-body health

A world champion and Guinness World Record-holding jump rope professional teaches fun ways for anyone to improve at jump rope.



## 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 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 2022, 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 132 locations (as of March 31, 2023) involving more than 6,800 families thus far.

## TOPIC 3 Donations made through the Active Challenge system top ¥230 million

Active Challenge is a program whereby participants win rewards for hitting exercise points set on a weekly cycle, receiving tickets that can be exchanged for goods in proportion to their achievements, but donations to Ashinaga Foundation, Japan Cancer Society, the Japanese Red Cross Society, or WWF Japan can be selected instead of the tickets.

Donations made through the Active Challenge system have now topped ¥230 million, and in May 2023 we were awarded the Golden Order of Merit by the Japanese Red Cross Society. The Golden Order of Merit is an award that was created by the Japanese Red Cross Society to acknowledge the distinguished service of those who have made a certain amount of contributions.

Contributions to the Japanese Red Cross Society are used to support those in need, such as by providing medical aid or emergency supplies in times of disaster.



## TOPIC 4 Educational services centered on financial literacy and career education

With the goal of using educational services to help young people achieve well-being, we operate an on-site lecture program to provide the children of today, who are living in the era of the 100-year lifespan, with the capabilities to navigate society and to equip them with financial literacy.

Sumitomo Life financial education comprises lectures from a professional life-planner that go beyond knowledge of financial products such as investments and asset management to incorporate a well-being perspective.

## Overview of on-site lecture program

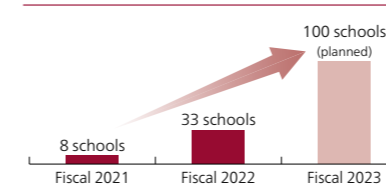
**Content: The "Money and Life" lecture you should hear at least once**  
Helps attendees not only learn financial literacy but also think about how to live to achieve contentment (well-being)

**Lecturers: Sumitomo Life employees (qualified financial planners)**

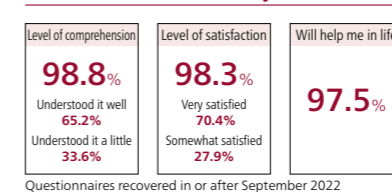
The fact that classes are taught by working professionals is also expected to boost the efficacy of such career education.



## Achievements (total number of schools)



## Questionnaire analysis (financial education only, n=876)



## Feedback from students

- More feedback on learning about life planning and well-being than on learning about money
- Declarations about living a contented life (changes in behavior) vary by individual
- Many comments on changes in participants' impression of Sumitomo Life, rather than on the content of lectures  
"I think I'd like to work at Sumitomo Life"  
(From a student at Hachioji Junior High School whose impression of the Company before the lecture in March 2023 was "somewhat negative")

## TOPIC 5 Initiatives at the new Tokyo Head Office (Yaesu Central Tower)

In February 2023, we relocated the Tokyo Head Office to the Yaesu Central Tower of Tokyo Midtown Yaesu.

The new Tokyo Head Office has adopted the grand concept of "Connect, Expand, Move on- Challenge ∞ Change -," introducing an advanced office style and promoting efforts to achieve the Sustainable Development Goals (SDGs) through environmental and social consideration. These initiatives have been recognized with the acquisition of the highest rank (S rank) in the "CASBEE Smart Wellness Office Certification," for comprehensively evaluating and certifying office health and comfort, as well as building environmental performance. Furthermore, the office received the "New Office Promotion Award" at the "36th Nikkei New Office Awards" co-sponsored by Nikkei Inc. and New Office Promotion Association (NOPA).

Moreover, as an environmental and socially considerate building, the Yaesu Central Tower has obtained 5-star ranking under DBJ Green Building Certification and has also obtained "ZEB Ready" Certification. Through these initiatives aimed at resolving environmental and social issues, we will contribute to the realization of a sustainable society.

## The new Tokyo Head Office



Entrance lobby



Meeting space



## TOPIC 6 Implementing tenant satisfaction surveys in buildings in which we have invested, and donating to social activity organizations

With the objective of assessing tenant satisfaction from the perspective of real-estate sustainability, we conducted a survey to establish what tenants want in terms of building management, services, safety, comfort, initiatives to reduce environmental impact, and so on (expectations and requests), and to what extent those wants are being met (evaluation, satisfaction). To incentivize respondents, we established a mechanism whereby Sumitomo Life would make donations to environmental conservation and other organizations in proportion to the number of responses received.

As a result, we made donations totaling ¥321,900 to the Japanese Red Cross Society and WWF Japan. Based on survey results, we will share issues that need to be improved for each building with the building management companies and strive to maintain and improve the quality of building management to provide safe, secure, and comfortable office environments.

## [Responses to questions related to the environmental performance of the buildings]

## Officers for general affairs of tenant companies

- Around **80% of all respondents say that they "Consider" or "May consider in the future"** in relation to questions on the building environmental features when selecting an office.
- About **70% of all respondents selected "Approve" or "Somewhat approve"** in relation to the switch to renewable energy-derived electricity.

## Office workers

- About **80% of all respondents selected "Interested" or "Somewhat interested"** in relation to the buildings' initiatives for conservation of the global environment.

Materiality

Management structure that supports sustainability



Our vision

Continue to be a corporate group that contributes to the creation of a sustainable society by conducting honest business operations and building a sound financial base

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 is a business of a highly public nature based on a system of “cooperation” and “mutual aid.” Many people make contributions through premiums and receive insurance claims and benefits in the event of death or illness. 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.

Details of policies

- 1

Strengthening the management system on a Groupwide basis

2

Compliance initiatives

3

Human rights initiatives

4

Personal information initiative

5

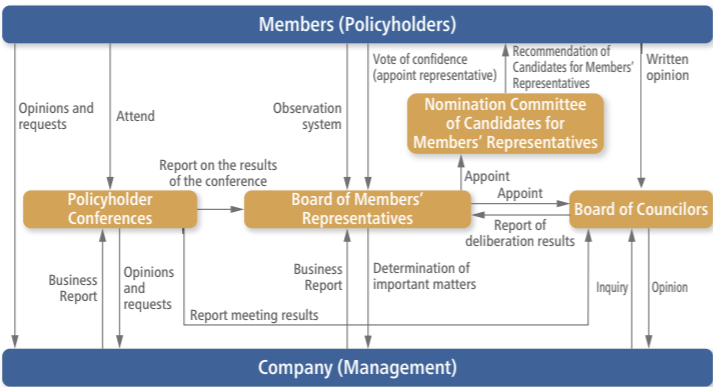
Promoting ERM, enhancing the risk management system

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 promoting ERM and enhancing the risk management system.

[Mutual company structure]



Initiatives

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

To appropriately link customer feedback to Board of Members’ Representatives, the main opinions and questions from Policyholder Conferences are reported to the Board of Members’ Representatives.

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 Members’ Representatives

Development of compliance framework and cultivation of compliance mindset

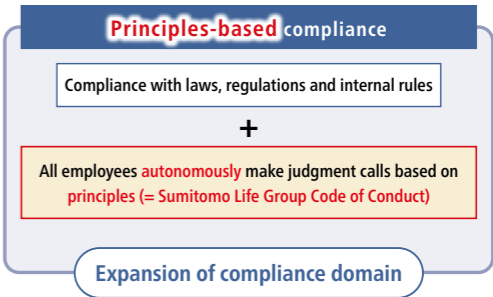
Elimination of relationships with antisocial forces

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

In line with our 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 achieving the 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

When formulating our business plans or undertaking large-scale risk-taking projects, we allocate capital after verifying the profitability, including risk-return indicators, and the impact on enhancing capital. In addition, we monitor the risk-return indicators for the Company as a whole and by business area, report the results to the ERM Committee and the Executive Management Committee on a regular basis and carry out improvements taking effectiveness into account.

Outcomes of fiscal 2022 initiatives

As initiatives for human rights due diligence, we conducted a human rights risk assessment within the Company, uncovered the human rights risks in our business activities, evaluated the seriousness and the probability of the occurrence of those risks, and identified the material issues that must be given priority. Moreover, with regard to supply chains, the Company and its subsidiaries have accordingly formulated the Guidelines for Business Activities and regularly check the status of various initiatives, including matters of respect for human rights.

In addition, we have established the “Sumitomo Life Group Tax Policy” in February 2023 as our basic policy and code of conduct regarding taxation, and are working to improve corporate governance regarding taxation based on this policy.

[Human rights risk assessment]

For important issues identified in the human rights risk assessment, we carry out prevention and improvement measures.

The details are provided in page 24.

Please refer to the Company’s website for details on initiatives.

[https://www.sumitomolife.co.jp/about/csr/initiatives/management\\_system/human\\_rights/index.html](https://www.sumitomolife.co.jp/about/csr/initiatives/management_system/human_rights/index.html) (in Japanese)

[Sumitomo Life Group Tax Policy]

This policy is published on the Company’s website.

[https://www.sumitomolife.co.jp/about/csr/initiatives/management\\_system/governance/index.html#sec07](https://www.sumitomolife.co.jp/about/csr/initiatives/management_system/governance/index.html#sec07) (in Japanese)

Purpose / Contents	Message from the President	Sustainability Highlights for Fiscal 2022	Philosophical Framework / Sustainability Management Policy	Message from Group Sustainability Officer / Promotion System / Key Items of Sustainability (Materialities)	Progress toward Addressing Social Issues	Features	Materiality Initiatives	Others
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Extending healthy life expectancy through the insurance business	Provision of sense of security through the insurance business	Realization of sustainable and stable growth	Building mutual trust with stakeholders	Management structure that supports sustainability
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TOPIC 1 Basic Principles of the fiscal 2023 Compliance Program

To ensure compliance, Sumitomo Life created the following “Basic Principles” aiming to promote further penetration and adoption of a principles-based approach while conducting risk-based management that focuses on reputational risks due to serious incidents.

■ Basic Principles of the fiscal 2023 Compliance Program

Basic Principles that take into account all environments
<p><b>Basic Principles for fiscal 2023</b></p> <p><b>I Define and instill a trusted and supported corporate culture in which “scandals and misconduct do not occur”</b></p> <ul style="list-style-type: none"><li>• Training and guidance (improvement of management skills of leaders) to further install and adopt a principles-based approach (“Sumitomo Life Group Code of Conduct,” etc.), appropriate operation and enabling the internal whistleblowing system to function, and other measures</li></ul> <p><b>II Risk-focused compliance, understanding of signs of conduct risk, and prevention</b></p> <ul style="list-style-type: none"><li>• Risk assessment of each organization, and monitoring and guidance (prevention of scandals and leakage of personal information that occurred in the previous and current fiscal years)</li><li>• Prevention and recurrence prevention of incidents through further demonstration of autonomous functions according to each branch’s characteristics and risks</li></ul> <p><b>III Further enhancement of the compliance and risk management structure in the sales representative channel</b></p> <ul style="list-style-type: none"><li>• Establishment of systems to prevent funds embezzlement and other major incidents (further demonstration of compliance functions of the Sales Departments at the Head Office, building of other insurance solicitation management systems based on the Company’s best efforts)</li></ul> <p><b>IV Appropriate response in accordance with various environmental changes and trends in revisions to laws and regulations, etc.</b></p> <ul style="list-style-type: none"><li>• Appropriate establishment of Group-wide compliance operation and systems, response to measures for preventing money laundering and other issues</li><li>• Expansion of legal support and legal check systems in digitalization (WaaS), new domains and next-generation businesses</li><li>• Development of legal staff at the Head Office and activities to promote awareness of such staff, and recruitment and development of specialists in legal matters</li></ul>

TOPIC 2 Partnership Building Declaration

Taking into account the purposes of the “Sustainability Management Policy” and the “Sumitomo Life Group Human Rights Policy,” Sumitomo Life announced the “Partnership Building Declaration” in May 2023 from the perspective of further promoting the well-being of business partners. Based on our intent for coexistence and co-prosperity in the entire supply chain, we declared our guidelines regarding “respect for human rights,” “compliance with laws and regulations and social norms,” “fair and equitable transactions and Anti-corruption,” “considerations for the global environment,” “information management,” etc. when conducting business. Full text of Partnership Building Declaration is published on the Company’s website.

TOPIC 3 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 4 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
<p>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.</p> <p>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.</p> <p>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.</p>

TOPIC 5 Respect for human rights initiatives

Fiscal 2023 human rights management themes

(1) Further penetration of understanding and putting into practice the Sumitomo Life Group Human Rights Policy
(2) Promotion of initiatives in accordance with the National Action Plan on Business and Human Rights

In light of the social conditions following the issuance of the National Action Plan on Business and Human Rights, we have been working on our new response to human rights due diligence and other new initiatives since fiscal 2022 based on the Sumitomo Life Group Human Rights Policy that was formulated in 2021. By continuing to follow the National Action Plan and by evolving and enhancing the initiatives on the respect for human rights demanded of companies, we will strive to realize our vision expressed in the Sumitomo Life Group Vision 2030 and promote improvements in sustainability throughout the Group.

In addition, we will promote further penetration of understanding of the Group Human Rights Policy through human rights education and enlightenment training, etc. and continue working to raise human rights awareness that leads to actions and build a workplace culture that respects human rights.

Initiatives of human rights due diligence

1. Process for initiatives based on the human rights risk assessment

As an internal initiative for human rights due diligence, we uncovered the human rights risks, analyzed the risks, and identified the material issues that we need to focus on.

(1) Uncovering human rights risks	With the support of a consulting firm, conduct interviews, etc. with eleven departments at the Head Office to uncover specific human rights risks in the business operations of those departments.
(2) Selection of material issues to prioritize regarding human rights risks (hereinafter, “material issues”)	Analyze the specific human rights risks that were uncovered, exchange views with the consulting firm, carefully consider, and create a human rights risk map. Select the material issues based on the results of that assessment.
(3) Consideration and formulation of prevention and improvement measures for material issues	For the departments in charge, consider and formulate prevention and improvement measures for human rights risks related to the material issues.

2. Prevention and improvement measures for material issues

For the human rights risks of the material issues, we have disclosed on the Company’s website that we have implemented the following prevention and improvement measures.

Risks	Prevention and improvement measures
Leakage of personal information of customers in sales activities, etc.	<ul style="list-style-type: none"><li>• In accordance with laws and regulations, etc., we have devised the following security control measures and implemented them company-wide to prevent leakage of customer information.<ul style="list-style-type: none"><li>– Systematic security control measures</li><li>– Physical security control measures</li><li>– Human security control measures</li><li>– Technical security control measures</li></ul></li></ul>
Inappropriate handling of minorities in insurance solicitation materials, etc.	<ul style="list-style-type: none"><li>• In the Company’s Guidance for Solicitation Materials, we have established regulations to eliminate inconsiderate and discriminatory expressions with respect to human rights.</li><li>• Through cross-departmental reviews by the Company’s Solicitation Material Review Committee and reviews by external lawyers, etc., we check for inappropriate displays, expressions, etc. with respect to human rights of sexual and other minorities.</li></ul>
Management of improper working hours, etc. at outsourcing contractors, agencies and business partners	<ul style="list-style-type: none"><li>• We disclosed the Guidelines for Business Activities in August 2022, and while declaring our respect for human rights and compliance with laws and regulations and social norms, we seek the understanding and cooperation of stakeholders regarding these guidelines.</li><li>• We request that outsourcing contractors submit the Guidelines for Business Activities Check Sheet, and we confirm that respect for human rights, including labor management, is appropriate.</li></ul>

3. Supply chain initiative

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.  
<https://www.sumitomolife.co.jp/file.jsp?id=34615> (in Japanese)

# For the Well-being of Stakeholders

In the Sumitomo Life Group Vision 2030, we have specified the domains that contribute to the well-being of each stakeholder, and we will pursue initiatives for achieving the well-being we envisage.

	Domains that contribute to well-being	Well-being envisioned in the Sumitomo Life Group Vision 2030
<div>Customers</div> <div></div>	<p><b>Contributing to health promotion</b> —Physical prosperities— Health support centered on SUMITOMO LIFE Vitality</p> <p><b>Providing a sense of security through insurance</b> —Economic preparedness— Continuing to be on the same page as customers to provide them with optimal assurances and services tailored to their individual needs</p>	<div><p>Customers have access to the assurances and services they need and can live enthusiastically and free of anxiety over risks.</p></div>
<div>Society</div> <div></div>	<p><b>Supporting fulfilling lifestyles</b> —Social connections— Providing comprehensive services that address generational needs</p>	<div><p>Many people can live in good health and prosperity even as the birthrate declines and the population ages. Also, even as they age, and even if they fall ill, people can live happy lives with their loved ones.</p></div>
<div>Business partners</div> <div></div>	<p>Working together to create future-oriented innovation that leads to <b>growth for our business partners</b></p>	<div><p>Our business partners have a shared understanding of the Group philosophy and work with us to create and deliver value, increasing sustainability for themselves and their stakeholders.</p></div>
<div>Employees</div> <div></div>	<p>Working to <b>stimulate and improve the engagement</b> of the Group's <b>human capital</b></p>	<div><p>All employees can demonstrate their value as they grow independently and autonomously. They also earn the trust of those around them and continue working with pride and confidence.</p></div>
<div>Global environment</div> <div></div>	<p>Striving to <b>improve the global environment</b> through unceasing efforts to achieve carbon neutrality</p>	<div><p>Efforts to achieve carbon neutrality substantially reduce the risks of climate change. We can create a sustainable environment that is habitable to everyone and everything.</p></div>

# ESG-Related Data

Environment  
Sumitomo Life (Non-consolidated)

	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
GHG emissions (Scope 1 + 2 + 3) <small>(t-CO<sub>2</sub>e)</small>	148,664	126,159	131,557	134,162
GHG emissions (Scope 1)	15,044	10,937	12,978	12,852
GHG emissions (Scope 2)	36,097	28,137	28,308	26,094
GHG emissions (Scope 3 total)	97,523	87,086	90,271	95,216
Category 1: Purchased Goods and Services	32,845	30,938	34,980	33,197
Category 3: Fuel and Energy-Related Activities Not Included in Scope 1 or Scope 2	6,096	5,040	4,888	4,555
Category 4: Transportation and Distribution (Upstream)	1,011	852	922	749
Category 5: Waste Generated in Operations	1,737	1,471	1,791	2,111
Category 6: Business Travel	3,196	2,830	2,544	3,033
Category 7: Employee Commuting	52,347	45,755	44,920	51,419
Category 12: End-of-Life Treatment of Sold Products	292	200	226	151
GHG emissions (Asset portfolio)* <small>(t-CO<sub>2</sub>e/million yen)</small>	1.22	0.92	0.82	— (Undetermined)

\* The latest actual results available for the asset portfolio are those for fiscal 2021. The actual figures have been adjusted in accordance with the revision of the target assets for the 2030 reduction target in March 2023.

Domestic and overseas group companies

	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
GHG emissions (Scope 1 + 2 + 3) <small>(t-CO<sub>2</sub>e)</small>	165,249	140,313	145,966	150,891
GHG emissions (Scope 1)	15,476	11,219	13,112	13,306
GHG emissions (Scope 2)	38,795	30,514	30,432	28,687
GHG emissions (Scope 3 total)	110,977	98,580	102,422	108,897
Category 1: Purchased Goods and Services	38,046	35,918	41,630	38,646
Category 3: Fuel and Energy-Related Activities Not Included in Scope 1 or Scope 2	6,337	5,278	5,132	4,838
Category 4: Transportation and Distribution (Upstream)	1,367	1,317	1,650	1,519
Category 5: Waste Generated in Operations	2,022	1,690	1,981	2,275
Category 6: Business Travel	5,906	4,264	3,050	6,771
Category 7: Employee Commuting	56,933	49,843	48,611	54,600
Category 12: End-of-Life Treatment of Sold Products	365	270	369	249

Head Office and Tokyo Head Office

	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
Electricity consumption <small>(Thousand kWh)</small>	8,511	8,007	7,308	7,274
Gas consumption <small>(Thousand m<sup>3</sup>)</small>	268	272	245	231
Water consumption <small>(Thousand m<sup>3</sup>)</small>	109	92	82	76
Industrial waste generated <small>(Tons)</small>	429.5	363.7	336.3	788
Industrial waste disposed of <small>(Tons)</small>	70.2	43.4	41.2	33.8
Industrial waste recycling rate <small>(%)</small>	84	88	88	96

Overview of employees

Category	Enrollments as of March 31, 2022	Enrollments as of March 31, 2023	New recruits in fiscal 2021	New recruits in fiscal 2022	As of March 31, 2023	
					Average age	Average years of service
Administrative staff	10,672	10,511	328	345	46 years and 11 months	16 years and 9 months
(Male)	4,205	4,120	96	66	47 years and 3 months	21 years and 7 months
(Female)	6,467	6,391	232	279	46 years and 9 months	13 years and 7 months
(Managerial track)*1	3,986	3,968	89	55	45 years and 3 months	21 years and 8 months
(General business track)*2	4,325	4,299	133	115	44 years and 10 months	14 years and 4 months

Sales representatives	34,664	33,538	6,118	5,410	46 years and 7 months	12 years and 7 months
(Male)	386	367	28	29	49 years and 5 months	16 years and 11 months
(Female)	34,278	33,171	6,090	5,381	46 years and 6 months	12 years and 7 months
District managers in fixed locations, general sales representatives, and sales management staff	2,975	3,081	381	269	38 years and 3 months	12 years and 0 months
Other sales representatives	31,689	30,457	5,737	5,141	47 years and 5 months	12 years and 8 months

\*1 Renamed from the management track according to the change in the track system in April 2021.

\*2 Renamed from the non-management track according to the change in the track system in April 2021.

	March 2022	March 2023		Fiscal 2021	Fiscal 2022
Average salary*1 (Administrative staff)	(Thousands of yen)353	356	Average salary*2 (Sales representatives)	(Thousands of yen)260	259

\*1 The average monthly salaries are regular salaries for March of each year, including taxes and excluding bonuses and overtime wages.

\*2 The average monthly salaries are regular salaries for each year including taxes and excluding bonuses.

Training and career

	Fiscal 2020	Fiscal 2021	Fiscal 2022
Number of persons receiving support for self-development expenses*1	467	673	2,105
Number of participants in Yu-katsu Lecture*2	927	4,077	4,221
Number of participants in a dementia supporter training course*3	30,379	5,311	4,510
Number of persons who have passed the health master examination	1,373	640	299
Number of persons who have passed the gerontology examination	170	3,907	1,047
Number of participants in NGLT*4	–	18	20
Number of persons using the changes to the occupation system	39	21	11
Number of persons using the system for supporting career progression	2	4	4
Number of applicants of In-house Recruitment System	20	37	38

\*1 With a view to promoting and supporting employees’ self-improvement toward further self-growth and increased productivity, the Company subsidizes a portion of the cost of correspondence and commuter courses, business schools, and outside seminars that employees take. Starting in fiscal 2022, the maximum annual amount was raised from ¥100,000 to ¥200,000.

\*2 We invite leading experts in their fields as lecturers to conduct open seminars on leading topics selected from a wide range of themes, including deepening work methodologies and expertise and fostering social perspectives.

\*3 From fiscal 2020, we have operated the dementia supporter training course.

\*4 Next Global Leaders Training is training in Japan for global human capital development.

Leveraging diverse human capital

	Fiscal 2020	Fiscal 2021	Fiscal 2022
Ratio of female managers	44.6%	47.3%	48.3%
Differences between men and women*	–	–	40.3%
Percentage of employment of persons with disabilities	2.42%	2.40%	2.41%
Number of employees from senior generation	5,427	5,636	6,003

\* The ratio of women’s wages relative to men’s wages. Please refer to page 109 of “ANNUAL REPORT 2023” (Financial Section) for details.

Supplementary explanation: • There are no differences between men and women in employment regulations or other company rules, and differences in wages between men and women are mainly due to differences in the gender composition in different job categories.  
• We have formulated an action plan to promote the active involvement of women and are implementing measures that contribute to higher wages for women, such as targeting a 50% ratio of female managers by the end of FY2025.

Work style reform

	Fiscal 2020	Fiscal 2021	Fiscal 2022
Percentage of employees taking paternity/maternity leave	Male: 96.0% Female: 96.3%	Male: 102.1% Female: 94.7%	Male: 104.4% Female: 100.4%
Number of employees taking family care leave or absence, or work-life balance support leave	269	757	629
Number of employees taking nursing care leave (extended period)	35	59	66
Number of employees taking nursing care leave, or work-life balance support leave	13	25	19
Number of persons using the “family support job relocation system”*1	23	40	43
Number of persons using the “job come back” reemployment system*2	1	2	4
Reduction in total working hours (compared with 2016)	-11.1%	-11.2%	-10.3%
Percentage of employees taking at least one day of paid leave per month	73.9%	76.7%	81.8%
Employee engagement score*3	–	63%	61%

\*1 This system enables employees who need to move due to family reasons, such as marriage, job transfer of their spouse and nursing care for a family member, to relocate according to their wishes to the work location where they are moving.

\*2 This system enables employees who resigned due to marriage, childbirth, childcare or other reason to be rehired as an employee so that they can utilize their experience at Sumitomo Life.

\*3 The “Engagement Survey” was introduced in fiscal 2021.

Health-focused management

	Fiscal 2020	Fiscal 2021	Fiscal 2022
Primary health checkup uptake rate	95.3%	100%	100%
Proportion of persons eligible for secondary health checkups	29.0%	28.2%	27.2%
Secondary health checkup uptake rate	56.7%	60.6%	64.8%
Special health checkup uptake rate	76.7%	78.6%	– (Undetermined)
Specified health guidance completion rate*1	33.4%	44.6%	– (Undetermined)
Total number of walking campaign participants*2	12,413	21,197	22,075
Smoking rate	24.3%	23.7%	23.5%

\*1 Although this health guidance is for persons aged 35 and older, the indicators are for persons aged 40 and older as stipulated by law.

\*2 Due to the impact of the COVID-19 pandemic, the campaign was conducted only in the fall for fiscal 2020.

Contribution to society

	Fiscal 2020	Fiscal 2021	Fiscal 2022
Employees participating in volunteer activities (total number of persons)	51,983	49,598	49,601
Social contribution activity expenditures (total amount)	(Millions of yen)1,086.30	1,030.83	1,146.00
Of which, donations	988.44	917.78	1,028.86
Matching gift funds support	0.59	0.80	1.18
Of which, others	97.27	112.25	116.82

# Evaluation by Society / Participation in Initiatives


## External Evaluation / Prizes




Obtained **Platinum Kurumin Plus** certification (2023)



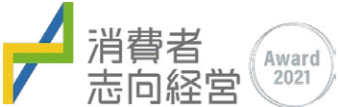
SUMITOMO LIFE Vitality received the **WELLBEING AWARDS 2023 GRAND PRIX** "Grand Prize in the Goods and Services category" (2023)




The **4th JAPAN SERVICE AWARD** Received both "Excellence Award" and "Judges' Special Award" (2022)




Won Gold Prize for **PRIDE Index 2021** (2021)




Won Commissioner of the Consumer Affairs Agency Commendation in **2021 Selection of Consumer-Oriented Management Best Practices**



SUMITOMO LIFE Vitality was certified a **ME-BYO BRAND** by Kanagawa Prefecture (Awarded in March 2019)



Won Minister of Health Prize for Excellence at the **7th Smart Life Project Award (Let's extend healthy life expectancy!)**



Won **2018 Nikkei Veritas Award for Excellence at the Nikkei Superior Products and Services Awards** (2018; this was the 5th time we had received this award)




Selected as a **"White 500" company of the 2023 Certified Health & Productivity Management Outstanding Organizations** Recognition Program for six consecutive years (2023)



SUMITOMO LIFE Vitality won Judges' Special Prize at the **Social Products Award 2021**




Won Award for **Leading Companies Where Women Shine** from the special appointed Cabinet Minister of State for Gender Equality (fiscal 2018)




Chosen as one of the **Diversity Management Selection 100** (fiscal 2013)

## Participation in Initiatives



**Advance**

- A five-year project launched in May 2022 under the leadership of the PRI (Principles for Responsible Investment) in which institutional investors encourage companies to resolve social issues, mainly related to human rights, through collaborative engagement.
- Signed on to the Advance project as an "Endorser" to support the activities of the initiative in December 2022.



**The TNFD Forum**


- The TNFD Forum is an organization supporting the activities of TNFD (Taskforce on Nature-related Financial Disclosures), which formulates a framework for biodiversity disclosure standards.
- Joined the TNFD Forum in September 2022.

**Japan Impact-driven Financing Initiative**

- 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.


**Net-Zero Asset Owner Alliance (AOA)**

- 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.



**PCAF**

- 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.



**CDP**

- 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.



**Climate Action 100+**

- An initiative to seek the reduction of greenhouse gas emissions through engagement with companies.
- Sumitomo Life signed the initiative in December 2020.



**Principles for Financial Action for the 21st Century**

- 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.

In support of



**WOMEN'S EMPOWERMENT PRINCIPLES**  
Established by UN Women and the UN Global Compact Office

- 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.



**"The Valuable 500"**

- 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.



**JSI**  
Japan Stewardship Initiative

- 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.

Signatory of:



**Principles for Responsible Investment**

- 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.



**Task Force on Climate-related Financial Disclosures**

- 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.



**United Nations Global Compact (UNGC)**

- 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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