

Initiatives for SDGs -Status of Fiscal 2021-

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

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

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

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

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

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

Material Issue 3: Realization of sustainable and stable growth

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

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

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

Material Issue 4: Building mutual trust with stakeholders

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

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

Material Issue 5: Management structure that supports sustainability

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

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