

SOMPO JAPAN

2009

Corporate Social Responsibility Communication





Sompo Japan Group in brief

Sompo Japan was established on July 1, 2002, with the merger of Yasuda Fire & Marine Insurance and Nissan Fire & Marine Insurance. The Japanese word “Sompo” is an abbreviation of property and casualty insurance. Furthermore, Sompo Japan will establish a joint holding company with NIPPONKOA Insurance on April 1, 2010.

We currently conduct business through our 646 domestic and 93 overseas offices, and maintain a claim service network comprising 265 locations throughout Japan as of April 1, 2009.

Our workforce at the end of March 2009 totaled 17,060 employees, and the consolidated net premiums written in fiscal 2008 amounted to 1,308,100 million yen.

Sompo Japan commenced its corporate social responsibility (CSR) activities in the 1970s with initiatives to promote the arts and culture. Our focus came to include environmental issues in 1992 with the establishment of the Department of Global Environment.

Since this time we have maintained and steered these various initiatives under our motto of “participation, self-motivation, and perseverance.”

In 1995 we became a signatory to the UNEP Statement of Environmental Commitment by the Insurance Industry (known today as UNEP FI). In 1997, we became the first financial institution in Japan to achieve ISO 14001 certification. We have also served as a member of the World Business Council for Sustainable Development (WBCSD) since its establishment. In 2005, we became the first Japanese insurance company to sign the UN Global Compact and the UNEP Principle for Responsible Investment (PRI). In addition to those initiatives, in 2007 we became signatories to the statement “Caring for Climate” of the Global Business Leadership Platform on Climate Change under the UN Global Compact in order to further our commitment to taking a positive stance on the issue of climate change. Of course our commitments are reflected in our core business. We offer a wide variety of insurance and financial products designed to enable our customers to make their own contribution to protecting the environment, enjoy safer lifestyles, and mitigate the impact of losses on society.

Management Philosophy of Sompo Japan Group

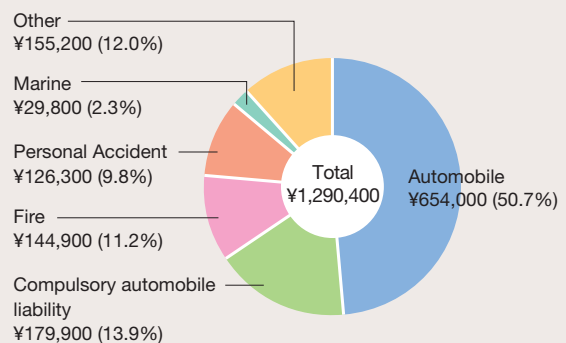
Sompo Japan Group will offer excellent risk solutions to individuals and corporations. With services that always exceed customer expectation, Sompo Japan Group will create shareholder value and grow together with our employees. Sompo Japan Group will be a high-profile Japanese corporation, with progressive strategy and dynamic business activity.

Main financial highlights for FY2008

Consolidated Financial Highlights for FY2008	Millions of yen	Thousands of U.S. Dollars
Ordinary income	1,767,900	17,992,062
Ordinary profit (loss)	-144,000	-1,465,500
Net income (loss)	-66,700	-678,811
Total assets	5,913,300	60,180,134
Net assets	594,900	6,054,346
Equity ratio	10.0%	
Net premiums written	1,308,100	13,312,640

Non-consolidated Financial Highlights for FY2008	Millions of yen	Thousands of U.S. Dollars
Net premiums written	1,290,400	13,132,510
Loss ratio	70.3%	
Expense ratio	34.5%	
Underwriting profit (loss)	-92,200	-938,327
Ordinary profit (loss)	-153,800	-1,565,235
Solvency margin ratio	624.7%	

Breakdown of Net Premiums Written in FY2008 and Totals for Past Five Years (Non-consolidated)



(Unit: millions of yen)

FY2004	FY2005	FY2006	FY2007	FY2008
1,351,900	1,370,900	1,362,700	1,345,000	1,290,400

Note: U.S. dollar amounts are translated from yen at the rate of 98.26=U.S.\$1.00, the approximate rate prevailing at March 31, 2009.

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For Readers

This is the eighth annual sustainability report from Sompo Japan Group, and twelfth counting from our predecessor, Yasuda Fire & Marine Insurance Co., Ltd. This report serves as an important tool for us in making two-way communications with our stakeholders.

This is part of Sompo Japan Group's annual reporting in the fiscal year 2008 (April 2008 – March 2009), though some plans and activities conducted after that period are also included.

Issued after the Annual Report 2009 (published August 2009), this report takes account of Sompo Japan's CSR initiatives with a focus on communication with diverse stakeholders. For details of financial performances and activities, please refer to our Annual Report 2009, which is available on our website along with our CSR communication reports:

<http://www.sompo-japan.co.jp/english/>

■ Reference to prepare this report

Sustainability Reporting Guidelines 2006 (G3), Global Reporting Initiative
ISO 26000 (Guidance on Social Responsibility) CD.1 draft

■ Report boundary

This report covers Sompo Japan and its group companies in and outside Japan and the Foundations as follows;

Main group companies

[Life Insurance]	Sompo Japan Himawari Life Insurance, Sompo Japan DIY Life Insurance
[Financial Services]	Sompo Japan DC Securities, Sompo Japan Asset Management, Yasuda Enterprise Development
[Risk Management]	Sompo Japan Risk Management
[Healthcare]	Sompo Japan Healthcare Services, Healthcare Frontier Japan

Foundations

The Sompo Japan Foundation, the Sompo Japan Fine Arts Foundation, and the Sompo Japan Environment Foundation.

It also includes some of the initiatives of nationwide organizations of Sompo Japan's insurance agencies (J-SA and AIR JAPAN).

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SOMPO JAPAN INSURANCE INC. supports "the KIZUKAI-UNDOH" (Wood Products Utilization Campaign)" promoted by the Forestry Agency because we think it is important to positively use domestic timber and grow the forest in Japan.



This report was printed using vegetable based ink.