

August 2, 2013

Carbon-neutral achieved for FY 2012 after offsetting CO₂ emissions produced from business activities

Nipponkoa Insurance Co., Ltd. (President: Masaya Futamiya) announced today that it achieved carbon-neutral for FY 2012 after offsetting the entire amount of its CO₂ emissions produced through all of its business activities.

This initiative was implemented in accordance with Nipponkoa Insurance's Carbon-Neutral Declaration made in July 2008. This also represents the first time that an insurance company in Japan has offset the entire amount of CO₂ emissions produced through all of its business activities, including employee commuting and logistics, to achieve complete carbon-neutrality.

*What is carbon-neutral?

Carbon-neutral means being a state in which CO₂ emissions are reduced to zero. This necessitates taking action to reduce emissions as much as possible as well as buying carbon offsets for emissions that are difficult to eliminate through such action alone.

Scope(Organization)	Nipponkoa Insurance Co., Ltd.
Period	April 1, 2012 to March 31, 2013
Scope of activities	Scope 1: Emissions deriving from use of city gas, LP gas, kerosene, fuel oil, and company cars Scope 2: Emissions deriving from the use of electricity and heat Scope 3: Emissions deriving from use of transportation means, lodging, paper/printed matter, physical distribution, and energy (outside the company or by consolidated firms, including those overseas)
CO ₂ emissions from FY 2012	46,964 tons
Offset amount	50,000 tons

Nipponkoa Insurance plans to obtain Carbon Neutral Certification under the Third-party Certification Scheme for Carbon Offsetting created by Japan's Ministry of the Environment based on the JIS Q 14064 group of standards in order to increase the credibility of this initiative.

◆ **Purpose and background for achieving carbon-neutral**

The progression of global warming will have a serious impact on our lives, such as increasing natural disasters, water and food issues or health consequences. Furthermore, an increasing number of natural disasters will result in an increase in insurance payments for insurance companies and higher insurance premiums for consumers.

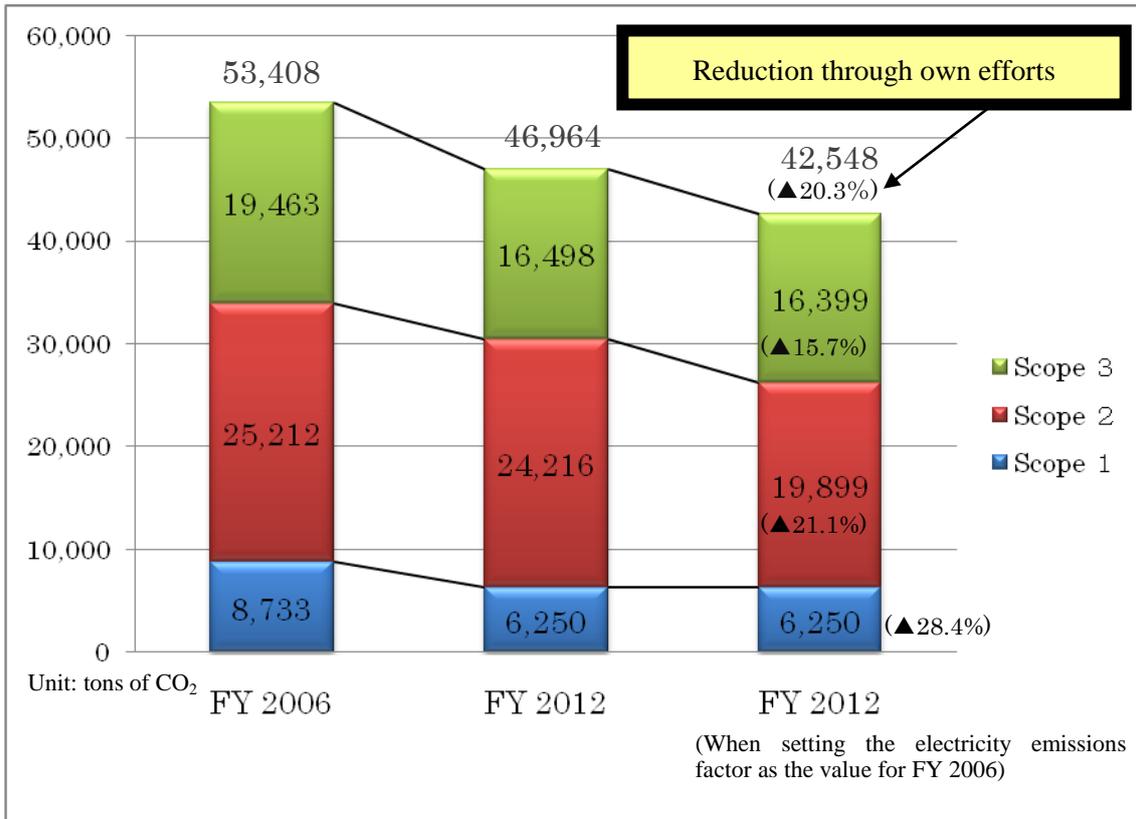
To avoid these outcomes and fulfill its social mission of providing a stable supply of insurance products, Nipponkoa Insurance has taken the lead in preventing future global warming and announced the Carbon Neutral Declaration in July 2008, which set the goal for the company to achieve carbon-neutral by FY 2012

The new company that will be formed in September 2014 after the planned merger of Sompo Japan Insurance Inc. and Nipponkoa Insurance Co., Ltd. will continue to maintain the goal of carbon-neutral and will take the lead in helping to achieve the vision of a low-carbon society.

[CO₂ Emissions and Reduction Results by Scope (Compared to FY 2006)]

Total CO₂ emissions for FY 2012 stood at 46,964 tons. This figure was calculated using the electricity emissions factor that has been heavily affected by the recent shutdown of Japan's nuclear power plants.

Excluding this effect, however, total CO₂ emissions for FY 2012 were 42,548 tons (calculated using the emissions factor for FY 2006), which marked a real reduction of 20.3% achieved through the Company's own in-house efforts. This also meant that the Company achieved the target (20% reduction) set out in the Carbon Neutral Declaration.



[Reference] Credits Used for the Offsetting

Type of credit	Project summary	Offset amount (tons of CO ₂)
CER	Wind power project in Northwest India and 5 other projects	39,000
Domestic credits	Wood biomass boiler installation project in Hokkaido and 6 other projects	10,000
J-VER	Reconstruction project involving recycling of debris and rubber from the Great East Japan Earthquake in the coastal area of Iwate Prefecture and 2 other projects	1,000
	Total	50,000