



July14, 2020

Collaboration with a venture company that generates energy from organic waste

Sompo Japan Insurance Inc. (Representative Director and President: Keiji Nishizawa, Head Office: Shinjuku-ku, Tokyo, hereinafter "Sompo Japan Insurance ") agreed on a business collaboration with Sustainable Energy Development Inc. (Representative Director, President and CEO: Masahiro Mitsuyama, Head Office: Sendai City, Miyagi Prefecture, hereinafter referred to as "Sustainable Energy Development"), a venture company that delivers safe and secure independent distributed energy by generating energy from organic waste using subcritical water treatment technology.

Sompo Holdings Inc. (Group CEO, Director, President and Representative Executive Officer: Kengo Sakurada, Headquarters: Shinjuku-ku, Tokyo, Hereafter "Sompo Holdings") invested in sustainable energy development.

1. Background and Purpose

Sompo Japan aims to create businesses that will lead to solutions to social issues and become a "Theme Park for Security, Health, and Wellbeing" through alliances, investments, and personnel exchanges with venture companies. Toward a realization of a sustainable society, further recycling of organic waste, such as waste plastics, expired foods, agricultural waste, etc., is required.

In addition, social problems such as deterioration of waste treatment facilities, frequent natural disasters, and maintenance of lifelines associated with long-term power outages have become tangible. In such a situation, the needs are increasing for companies and local governments to establish an independent and decentralized energy system which can be converted from the organic waste at low cost, is resistant to disasters, and is friendly to people and the environment.

2. Outline of Business Collaboration

Sustainable Energy Development is working on the development of energy generating equipment based on subcritical water treatment technology *1 and uses organic waste as a raw material.

The company's products are available in stationary and installed on a vehicle, and characterized by "No need to separate organic waste containing plastic", "Low installation and maintenance costs", "compact size", "Reduction of CO2 emissions", and "sterilization". In addition, the product (black pellets * 2 or methane gas) can be regenerated and used as energy.

The company is considering installing the system inside commercial facilities and in smart cities as a municipal waste treatment facility and an independent distributed power source. They also aim to use a renewable energy involving a wide range of industries for the recycling of marine waste and infectious medical waste.

Utilizing its expertise accumulated in public-private partnerships with local governments and in

responding to major typhoons and other natural disasters, Sompo Japan is aiming to utilize the equipment as a measure of disaster waste disposal and emergency power source in case of natural disasters, and realize a resilient society.

*1. Subcritical water treatment technology utilizes the strong hydrolytic power of water at high temperatures and pressures below the critical point.

This technology reduces the molecular weight of organic substances, including plastics, and at the same time sterilizes and detoxifies pathogenic organic substances.

*2 Black pellets are fuel with high energy density, low deterioration, and excellent storage and pulverizability, with calories as much as coal.

3. Future outlook

Sompo Japan and Sustainable Energy Development will utilize the resources of Sompo Holdings and cooperate with its group companies to develop and provide services that realize "Theme Park for Security, Health, and Wellbeing", and contribute to solving social issues.

<References>

Overview of Sustainable Energy Development

(1) Company Name	Sustainable Energy Development Inc.
(2) Main Businesses	<ul style="list-style-type: none"> - Clean energy supply business - Organic waste utilization project - Production of livestock feed and biomass fuel crops - Production of high value-added agricultural products - Sales of emergency light sources - Consulting for local resource recycling etc.
(3) Date of Establishment	June, 2014
(4) Head Office	3 -10 -11 Chuo, Aoba-ku, Sendai, Miyagi
(5) Representative	President and CEO Masahiro Mitsuyama
(6) Capital stock	¥ 425.15 million (As of February 26, 2020)