



Modern Slavery Statement for the year ended 31 December 2020

Introduction

Sompo Japan Insurance Inc (SJI) is an entity with reporting requirements under the Modern Slavery Act 2018 (Cth) (the "Act"). In accordance with the Act, SJI has set out below its annual Modern Slavery Statement for the year ended 31 December 2020, including actions by SJI to address modern slavery risks across our business operations and supply chains.

SJI conducts its business in Australia through its Australian Branch (the "Branch"). SJI is a registered foreign company in Australia (ABN: 31 000 837 801).

Structure, operations and supply chains

Sompo Japan Insurance Inc. is a core company of the Sompo Group. The group's ultimate parent is Sompo Holdings, Inc. which is listed on the Tokyo Stock Exchange.

SJI operates mainly in domestic property and casualty insurance within Japan. In addition to the Japanese insurance business, SJI has branches in five countries outside of Japan, including Australia, and representative offices in an additional nine countries.

The Australian Branch operates predominantly in wholesale insurance in Australia, supplying insurance to corporate and commercial customers. Retail business currently comprises only a small part of the business. The Branch has no directly employed staff and is supported by Sompo staff employed in SJI and other entities as well as by independent outsourced service providers in Australia.

As a regulated entity we aim to work to the highest professional standards and comply with all laws and regulations applicable to the entity. We expect the same standards from other parties that we engage with and are committed to ensuring that there is no modern slavery in our business supply chain.

SJI's supply chains include business partners such as underwriting agencies and third party claims administrators, together with services suppliers for outsourced service functions such as financial reporting, IT services, independent actuarial advice and audit. In addition, external parties provide leased premises and other support services such as document storage and office cleaning.

Risks of modern slavery practices in operations and supply chains

When considering our supply chains we focus on those entities that we pay for the provision of goods and services, including insurance intermediary firms acting as our agent. Where we provide insurance/ reinsurance to a customer who has come to us through a broker, who derives income from the customer, we do not consider those brokers to be part of our supply chain. We also do not consider our insureds to be part of our supply chain.

The Branch's supply chain, other than the support and services provided by other Sompo entities, is mainly located in Australia. As part of the change in service arrangements during 2020, the most significant outsourced providers utilised by the Branch suppliers were subject to a full review and refresh, including confirmation of their compliance with all relevant laws and regulations.

It is our assessment that, particularly because the core business in which we are engaged is the provision of insurance products and services and due to the nature of the related supply chains, the risk of becoming involved modern slavery is relatively low. We will continue to remain alert to all areas of the supply chain to monitor for new risk areas.

Actions taken to assess and address risks of modern slavery practices

Sompo Group is working on environmental and corporate social responsibility efforts with the entire value chain, in collaboration with all of our business partners. This takes the form of communication and requests for cooperation with our stances toward action through sharing the Group Corporate Social Responsibility Vision, Environmental Policy, and Sustainable Procurement Policy with business partners.

The Group has a number of policies which support the commitment to SJI managing the risks of modern slavery taking place in our supply chains or in any part of our business.

The Group Policy for Human Rights outlines the Group's pledge to respect human rights of our all stakeholders in global markets including our group and all value chains. We will respect the international norms of behaviour, and simultaneously act with the highest ethical standards towards an inclusive, resilient, equitable and sustainable society.

The Group Sustainable Procurement Policy addresses how we work with suppliers using procurement processes aligned with the following sustainability principles: fair and equal transactions, compliance with laws and regulations, and consideration of global issues.

The Group Compliance Code of Conduct has been established to support the aim of being a corporate group trusted by society by remaining constantly aware of the important public mission and social responsibility of its businesses and providing customers with the highest-quality services and sense of security through appropriate corporate activities that comply with laws and regulations, societal norms, and corporate ethics.

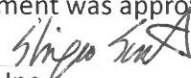
Where we engage third parties to supply goods and services to our businesses or where they act on our behalf we are clear that we expect them to comply with all applicable laws and regulations. We take a risk-based approach to managing the risks of Modern Slavery and we will apply this approach to supplier due diligence.

The policy framework, procurement processes and approach will continue to be assessed for effectiveness on an ongoing basis.

Consultation with other entities in the Group

Since this statement is only made on behalf of SJI, consultation for a joint statement was not required. As noted, the Branch utilises group expertise and policies as part of its processes to manage the risks of modern slavery.

Approval

This statement was approved by the board of directors of Sompo Japan Insurance Inc and has been signed by  , Director, Senior Managing Executive Officer, Sompo Japan Insurance Inc.

23 June 2021