

Corporate Social Responsibility

“Contributing to Society” is a central feature of the NIPPONKOA Insurance Group’s new medium-term business plan, which began in fiscal 2009. The Group’s social action initiatives are intended not only to fulfill its corporate social responsibility (CSR), but also to enhance corporate value by promoting a sustainable balance between business and the environment. NIPPONKOA recognizes that environmental protection, particularly the prevention of global warming, is the most serious challenge facing humanity today, and the Company is aggressively implementing strategies to meet this challenge, including its announcement in July 2008 that it intended to become carbon neutral.

Environmental Initiatives

Prevention of Global Warming

▶ Reducing CO₂ Emissions by 15% through Compliance with ISO 14001

NIPPONKOA is developing an environmental management system (EMS) based on the ISO 14001 standard. Our head office site obtained ISO 14001 certification in 2002, followed by the rest of the Group’s domestic offices in 2007. Since fiscal 2008, all Company employees have been participating in a program designed to reduce our in-house carbon emissions by 15%, with the eventual aim of achieving zero CO₂ emissions and becoming completely carbon neutral. Our initial goal is to realize at least a 15% reduction in emissions by fiscal 2012, compared with the level in fiscal 2006.



▶ “Eco-First” Recognition by the Minister of the Environment

NIPPONKOA became the first company in the insurance industry to receive “Eco-First Company” certification as part of the “Eco-First Program” established by the Ministry of the Environment.

The Eco-First Commitments*:

- As a company committed to becoming carbon neutral, we pledge to reduce CO₂ emissions.
- We will use our insurance products and services to promote a wider awareness of the importance of environmental protection.
- We will support realization of a low-carbon society through our corporate activities.

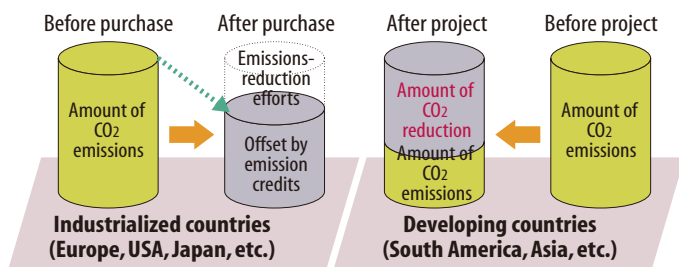


* Under the Ministry of the Environment’s “Eco-First Program,” NIPPONKOA has made the “Eco-First Commitments” to implement strategies to protect the environment.

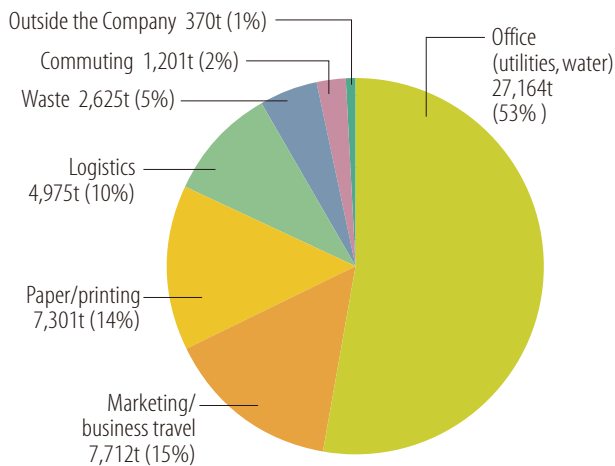
Reducing In-House CO₂ Emissions

► Becoming a Carbon Neutral Company (Zero CO₂ Emissions)

In July 2008, NIPPONKOA announced its goal of becoming a carbon neutral (zero emission) company by fiscal 2012. The Company pledged to achieve a reduction of at least 15% in its CO₂ emissions by fiscal 2012 (using fiscal 2006 as the baseline), and it will purchase CO₂ emission credits to offset any emissions that it is unable to eliminate completely. NIPPONKOA's effort to become carbon neutral covers all of its business activities, and its carbon footprint boundary encompasses not only easily measured and controlled parameters such as CO₂ emissions from electricity and gasoline consumption, but also those from other corporate activities, including marketing, business travel, paper use, printing, logistics and commuting.



■ Proportion of CO₂ Emitted through NIPPONKOA's Business Activities (Fiscal 2006)



Helping our Customers Reduce CO₂ Emissions

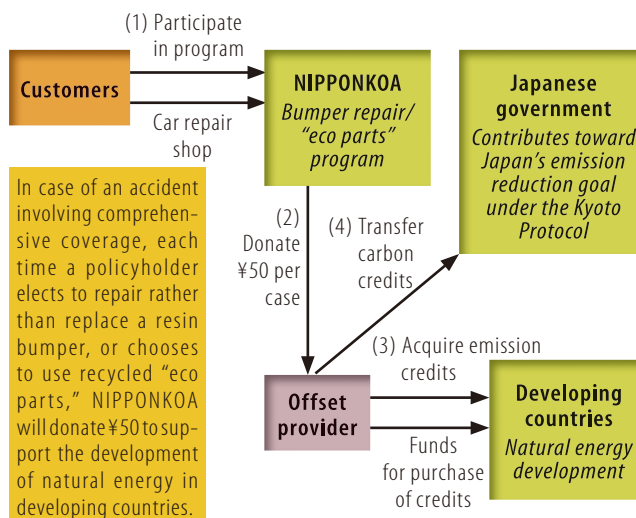
NIPPONKOA is both working to reduce its in-house emissions and taking steps to help its customers and other stakeholders reduce their emissions. For example, in the case of voluntary automobile insurance, we have introduced eco-friendly systems and services that allow our customers to contribute to environmental protection at the time a policy is purchased, during the period the policy is in force, and even in case of an accident.

“Carbon Offset Auto Insurance with Web Confirmation Provision”

Whenever a customer chooses to receive their insurance policy and terms and conditions in digital format over the Internet instead of on paper, NIPPONKOA will purchase a ¥50 carbon offset (for investment in a UN-approved program for the Clean Development Mechanism (CDM) and will donate the credit to the Japanese government.

“Carbon Offset in Claim Handling”

Whenever a customer who owns vehicle damage claims is involved in an accident and chooses to have a resin bumper repaired rather than replaced, or selects eco-parts (recycled parts) instead of new parts for replacement, a similar ¥50 carbon offset will be purchased.



Environmental Protection Activities

▶ The NIPPONKOA Forest Program

As global warming becomes increasingly serious, more and more people are beginning to appreciate the importance of woodlands. Forests are essential to our lives because they generate oxygen, help store valuable water resources, and provide habitat for wildlife. Since 1998, as part of an effort to promote reforestation, NIPPONKOA has been managing the 5.1-hectare (12.7-acre) NIPPONKOA Forest in the foothills of Mt. Yatsugatake in the town of Fujimi in Suwa-gun, Nagano Prefecture. This program is expanding; other NIPPONKOA Forest projects have been undertaken in cooperation with local prefectures in 2007 (Kochi), 2008 (Miyazaki) and 2009 (Chiba).



Collaborative restoration activity in the NIPPONKOA Miyazaki Nishimera Forest

Promotion of Eco-Safe Driving

NIPPONKOA is working to promote the concept of Eco-Safe Driving as a means of contributing to environmental protection, reducing fuel consumption, and lowering accident rates.

“Eco-Safe Driving Contest”

NIPPONKOA sponsors a contest for corporate automobile users (fleets) to promote “Eco-Safe Driving.”

“Eco-Drive Instructor Qualification System”

As another means of promoting the concept of “Eco-Safe Driving,” NIPPONKOA has developed its own Eco-Drive Instructor Qualification System under which its agencies or employees offer concrete eco-driving advice to customers.



“ECORaTTa” is a character symbolizing NIPPONKOA’s eco activities.

Social Action Programs

In order to help create a sustainable society, the NIPPONKOA Insurance Group, as a responsible corporate citizen, actively supports a variety of social action programs, including social welfare, cultural and artistic activities.

▶ NIPPONKOA Omoiyari Club

The NIPPONKOA Omoiyari Club is a voluntary organization founded in 1996 by directors and employees of NIPPONKOA. Members of the club contribute a portion of their monthly salary to the club's funds, and whenever a charitable donation is made, the Company makes a matching donation of the same amount. In this way, both parties are able to work hand-in-hand for the benefit of the community. The club makes donations on a regular basis based on recommendations from its members to various social welfare, environmental protection, and international aid organizations. In addition, the Company donates money to support relief efforts after large-scale natural disasters. Major examples in recent years have been the big earthquake in southeast Iran in 2004, the large earthquake off Sumatra in 2005, the central Java earthquake that struck Indonesia in 2006, and the Great Sichuan Earthquake in China in 2008.



The Omoiyari Club made a donation to Kiyose Wakaba-kai, a citizens' group supporting disabled people.

▶ Support for Education and Research

The Company sponsors lectures at universities at which NIPPONKOA staff help students understand how an insurance company operates. In addition, to help prepare today's children to meet the needs of the 21st century, for the last six years we have been supporting a project that has donated books on environmental education to all 45,000 elementary, middle, and high schools, as well as schools for the handicapped throughout Japan.

NIPPONKOA Welfare Foundation

The NIPPONKOA Welfare Foundation was established in 1991 to offer support for a variety of activities related to caring for the elderly. More specifically, the foundation provides assistance to families caring for elderly members with senile dementia, provides scholarships to students who plan to become nursing care workers, and aids gerontology research.



Gerontology Research Report

Support for Cultural Activities

NIPPONKOA also supports art exhibitions, concerts and other cultural events in accordance with its corporate philosophy of contributing to the development of a prosperous and wholesome society. NIPPONKOA was an active sponsor of the International Music Festival to Support Musicians from Eastern Europe, which was held in Hokkaido and Tokyo from October through November 2008 as part of "Disabled Persons Week" activities, and of the "Louvre Museum Exhibition" held in Tokyo from February through June 2009.

For further information about the NIPPONKOA Group's CSR activities and achievements, please refer to our NIPPONKOA Insurance Group CSR Report 2008 (URL: <http://www.nipponkoa.co.jp/>; Japanese only).