

sustainable japan

ESG promotional content produced by The Japan Times Cube

Sompo looks beyond insurance to focus on well-being

Unraveling Japanese companies

HIROKO NAKATA
CONTRIBUTING WRITER

The Sompo group values its roots as a fire brigade established more than a century ago in Tokyo, and its ethic of rushing first to where people need help still affects all aspects of its business operations today.

The insurance group traces its origins to a company founded in 1888, two decades after Japan ended the isolation policy of the Edo Period (1603-1868), opening itself to the rest of the world and modernizing. But in those days the capital city of Tokyo was still vulnerable to fires — once a blaze broke out, it quickly swept through neighborhoods of densely clustered wooden houses.

"Our original identity lies in acting for society and for people. That is why we have such a strong instinct to see things through and be the first to go to our customers," said Kayoko Sakai, the group chief sustainability officer and senior executive vice president at Sompo Holdings, in a recent interview, part of a monthly series by Naonori Kimura, a partner for the consulting firm Industrial Growth Platform Inc.

The insurance group's values were particularly apparent when the Great East Japan Earthquake and tsunami devastated

the northeastern regions of the country. Thousands of staff members headed to the disaster areas to help process victims' earthquake insurance payments. Also, Sompo workers launched an internal campaign to collect contributions, raising more than ¥100 million (\$600,000) in just two weeks.

Environmental leadership

As for environmental issues, which have brought increasing threats to people across the world, the Sompo group had already begun treating them as a management priority well before climate change became a mainstream global concern. In 1992, it was among a small number of Japanese companies to take part in the United Nations Conference on Environment and Development in Rio de Janeiro, better known as the Rio Earth Summit, where political leaders, diplomats, scientists and delegates of nongovernmental organizations from 179 countries gathered to discuss the impacts of social and economic activities on the environment.

Recognizing the urgency of responding to these challenges, Yasuda Fire & Marine Insurance Co., one of the group's predecessor companies, set up a department of global environment the same year, becoming the first financial institution in Japan to do so.

In 2024, the Sompo group rephrased a corporate purpose: "For a future of health, wellbeing and financial protection." Sakai



Kayoko Sakai, Sompo group chief sustainability officer and senior executive vice president COSUFI

said, "We have redefined our purpose and the goals we aim to achieve, reflecting expanding social issues."

Property and casualty insurance has remained the primary segment of the group, including policies covering auto, fire and liability risks. On a global scale, the company has "insurance revenue" exceeding ¥5.1 trillion, operates in 29 countries and regions, and employs a workforce of over 70,000 people as a group.

Beyond insurance services

Yet a defining feature of the group's corporate philosophy is that it has not limited itself to expanding its traditional core business. It has also positioned well-being businesses, including life insurance and elder-care services, as another central pillar. As life expectancies rise and populations age, the group aims to address not

only health concerns but also the financial and long-term life risks that can arise from unexpected events.

Based on that thinking, the Sompo group has developed its nursing-care business in both residential and home-based services. As of April 2025, the number of rooms in care facilities for seniors reached 29,000, making it the largest operator in the sector in Japan.

That growth was driven largely by an aggressive acquisition strategy as well as capital investment and alliance. After buying Watami no Kaigo, a nursing-care unit of the Watami Co. *izakaya* pub chain, in December 2015 and another care company, Message, in March 2016, the company became Japan's second-largest nursing-care operator.

The nursing-care business, however, has not been without difficulties. The nursing care business was required to improve its

labor productivity and shortage of care workers. There was a broader push for stronger corporate governance across Japan's insurance industry due to a series of scandals in the early 2020s, including improper premiums and claims.

Even so, the group positions well-being as one of its main business pillars alongside non-life insurance, framing it as part of a broader response to Japan's social and demographic pressures.

Addressing aging concerns

According to the group, three anxieties tied to aging are becoming more acute: worries about one's own health, the burden of caring for elderly parents and the question of whether retirement finances will hold up. "We receive more and more inquiries each year from customers asking what they should do when a parent suddenly falls ill and needs care," Sakai said.

To help ease those concerns, the group has launched a one-stop consultation platform, called Wellbio. The service offers advice both online and in person for specific cases.

For example, life concierges with expertise provide support on issues such as how to keep watch over an elderly parent living alone, how to prepare property management for when people age and how to handle the transfer of assets, including real estate, after death. The service also helps users identify suitable care facilities from a network of roughly tens of thousands sites nationwide.

"It has been increasingly important to take some steps before something happens. This is especially true for natural disasters, and also true in the field of nursing care," Sakai said.

She said the insurance group has built a system that can first offer advice on healthcare-related services to help people avoid serious situations and, when care does become necessary, connect them with an appropriate facility.

"If we can establish a workable business model for well-being care services in Japan, a country at the forefront of social issues, we believe there is room to develop it in other countries as well," she said.

NAONORI KIMURA
INDUSTRIAL GROWTH PLATFORM
INC. (IGPI) PARTNER



The origin of the Sompo group, with Sompo Japan Insurance at its core, traces back to its founding as a firefighting crew that rushed to the scene of fires. The company's DNA — responding swiftly to risks and dedicating itself "for the good of society and people" — is the foundation of today's purpose-driven management. Sompo's forward-looking approach is also evident in the fact that, as early as the 1990s, it was among the first financial institutions to integrate sustainability into its business.

Today, in addition to its traditional property and casualty insurance, the group is rebuilding its business portfolio by positioning "well-being" — including life insurance as well as nursing care and healthcare — as a second pillar. In the nursing-care domain in particular, it aims to provide end-to-end services, from prevention and consultation to introductions to care facilities, pursuing both the resolution of social issues associated with a declining birth rate and an aging population and sustained business growth. This is also an attempt to expand the role insurance has traditionally played — from "post-incident compensation" to "support to prevent and improve quality of life." Another distinctive feature is the company's integrated view of sustainability and business strategy: It places responses to complex, interrelated issues — such as climate change, human rights and diversity — at the core of management. Its efforts signal an evolution toward a business model of solving social issues that goes beyond the boundaries of the insurance industry, and may well point to a new direction for realizing a sustainable society.



Sakai discusses Sompo's approach to well-being, sustainability and social resilience with interviewer Naonori Kimura. COSUFI

Uchiko mayor discusses preservation and development

Destination Region: In partnership with JP post

MAIKO MURAOKA
CONTRIBUTING WRITER



Mayor Masahisa Onoue

Uchiko is a town of 14,000 people encompassing what once were three towns that merged 21 years ago, making it rather large, at nearly 300 square kilometers, and diverse in regional characteristics.

Agriculture is the town's primary industry, especially the cultivation of fruits such as persimmons and grapes. The merger included the former towns of Oda, traditionally a forestry town, and Ikazaki, which had a history of commerce.

Mayor Masahisa Onoue said a town began to take shape in the area about 700 years ago and once prospered from the production of *washi* paper and plant-based *mokuro* wax. However, it has been experiencing a decline in birth rates and an aging population, similar to many other rural municipalities in Japan. The key to maintaining the town, he said, lies in attracting people from outside the area.

One of the town's greatest attractions is its well-preserved traditional townscape. While efforts to repurpose historic buildings

instead of demolishing them are becoming common throughout Japan, Uchiko began such initiatives more than 50 years ago. This is why in Uchiko the entire historic townscape remains intact — not just individual buildings here and there.

At that time, Japan was still enjoying its period of high economic growth, when scrap-and-build construction was the norm. "But there was an artist who stressed that this townscape was worth preserving," Onoue said: a painter by the name of Keiji Ido. He was deeply impressed by the old buildings and streets of Uchiko when he moved there and encouraged the townspeople to preserve them. Around the same time, the Agency for Cultural Affairs began a nationwide survey of rural townscapes that included Uchiko's Yokaichi and Gokoku district, whose streets are lined with traditional houses made of wood and plaster. Uchiko was later designated by the agency as an Important Preservation District for Groups of Historic Buildings.

One of the buildings that local people are particularly proud of is the Uchiko-za playhouse, established in 1916. "Throughout its long history, Uchiko-za has hosted not only plays and performances, but also various events related to the townspeople, such as school graduation ceremonies. It is a place that holds everyone's memories," Onoue said. He added that this is why people supported the restoration project 40 years ago, as well as ongoing repair work that began in 2024.

Uchiko-za is also a place that many



Uchiko has a well-preserved historic townscape and long cultural heritage. UCHIKO TOWN

outsiders yearn to visit. "You can watch *rakugo* (comic storytelling) performances in various venues in big cities like Tokyo and Osaka throughout the year. But there are people who want to experience watching it at Uchiko-za, which can only accommodate about 450 people," Onoue said.

Efforts to preserve and continue existing industries are also underway. Onoue pointed out that aging farmers will eventually retire. If no one takes over their businesses, their farms will just turn into wasteland, generating no income. "Once the farms are abandoned, the quality of the soil cannot be restored easily," he said.

"Someone new to farming needs to learn the basics before taking over. So we created a list containing the names of farmers and their retirement plans to match them with people who want to start farming, such as new residents or former townspeople who came back from big cities. This allows new farmers to gain enough knowledge and experience before fully taking over the farms, ensuring a smooth transition," Onoue explained.

Since Uchiko is about 40 kilometers from the Ehime capital of Matsuyama, only half an hour away by train, commuting to Matsuyama is also an option for its residents. However, this very accessibility has

also become a drawback, as tourists tend to visit Uchiko only for day trips and then head to other nearby tourist destinations, such as the Matsuyama hot spring Dogo Onsen, for overnight stays.

"We will continue our efforts to increase long-term stays in Uchiko," Onoue said. He is seeing an increase in tourists who enjoy visiting various places in more diverse ways than before. "I met some foreigners who stopped in Uchiko by bicycle on their way to somewhere else. I was amazed to learn how far they travel by bicycle!" Onoue said. He believes Uchiko can be a wonderful destination for people who want to experience traditional Japanese culture and the way of life in a traditional townscape surrounded by abundant nature.

Uchiko's future vision, its website says, is "a town that develops sustainably, with beautiful streets, villages and mountains." Onoue emphasized that people's passion is essential to maintaining the town's beauty and expressed hope that it will be passed down from generation to generation, inspiring those who visit Uchiko.

Destination Region is a series produced in partnership with Japan Post. The series will continue with monthly profiles of people working in Uchiko.

KOSUKE MOTANI
JAPAN RESEARCH INSTITUTE SENIOR
RESEARCHER, DESTINATION REGION
ADVISER



wants to promote.

Uchiko will host the seventh Satoyama Practitioners Networking Event on Oct. 14 and 15. This annual event highlights projects and businesses contributing to regional sustainability and encourages like-minded organizations and individuals to exchange ideas and build connections nationwide.

Kosuke Motani, the chief senior economist at the Japan Research Institute Ltd. and an adviser to The Japan Times' Sustainable Japan Network and Destination Region initiative, said the Shikoku town is a place where one can encounter authentic Japan.

He explained that the town is not home to renowned temples, shrines or a gorgeous castle built by a feudal lord, unlike many well-known sightseeing spots with historic monuments developed by political and economic powers. "This town has not relied on such powers or financial resources. It is

the common people who created and preserved the culture, not by building a museum but by maintaining the townscape and their lifestyle. That is what we should call a real cultural asset," he said.

"Walking through the Yokaichi district is enjoyable because the streets are not straight — there are gentle curves and slopes," he said, adding that there are also *masugata* squares with outer and inner gates designed to slow down the entry of enemies. Despite the efficiency of straight roads for today's motorized world, the town has preserved these features.

The town's Uchiko-za playhouse was originally built in 1916 and restored in the 1980s, an icon that the local people are proud of. It is now undergoing a long-term repair project. "The town would not have been able to start the costly work of repairing the traditional wooden structure if it had not been for the support and enthusiasm of the local people to pass it on to the next generation," Motani said.

In addition to the traditional townscape, there is a marketplace called Karari that sells fresh produce. There is also the Ikazaki district, known for gigantic kite battles with a long history, as well as the Miyama district, which has a long-standing tradition of forestry.

"I hope that more people come to Uchiko to experience the culture and industries born from the richness of Japan's traditional rural villages," Motani said.



Visitors can enjoy cycling as part of Uchiko's tourism and leisure offerings. UCHIKO TOWN

thejapanimes Partner JAPAN POST

Destination Region 2026

Uchiko town