

November 21, 2022

Marubeni Corporation

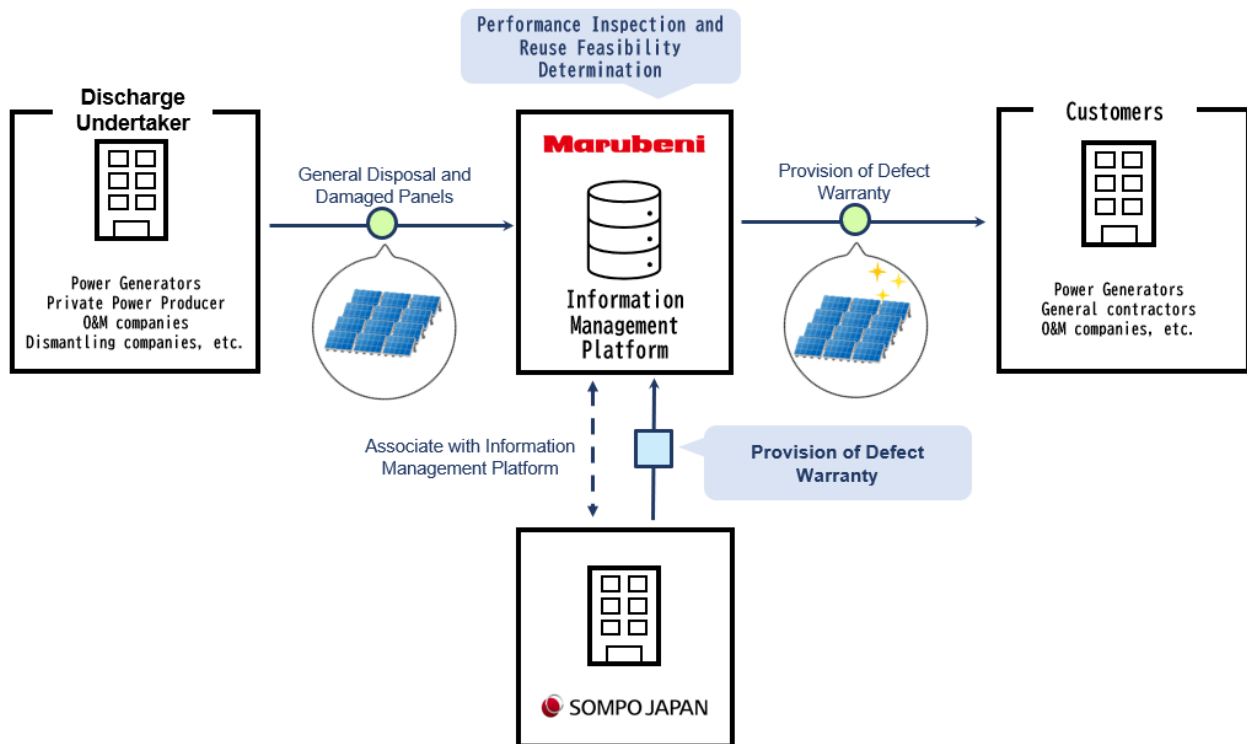
Sompo Japan Insurance Inc.

Sompo Risk Management, Inc.

## Memorandum of Understanding for Appropriate Reuse and Recycling of Used Solar Panels

Marubeni Corporation (“Marubeni”), Sompo Japan Insurance Inc. (“Sompo Japan”), and Sompo Risk Management, Inc. (“SOMPO RISK MANAGEMENT”) have signed a Memorandum of Understanding (“MoU”) for the appropriate reuse and recycling of used solar panels.

This MoU establishes a system under which Sompo Japan will provide a defect warranty for used solar panels that Marubeni plans to start selling in FY 2023 via an information management platform (“PF”) that is being entrusted a demonstration project\*1 to the Ministry of the Environment.



Defect Warranty Scheme

Solar power plants in Japan have continued to expand since the introduction of the Feed-in Tariff\*2 in July 2012, with a cumulative total of approximately 64 GW installed as of the end of September 2021. Furthermore, the Sixth Basic Energy Plan\*3 aims for a cumulative installed base of approximately 104-118 GW by 2030. However, since the lifespan of a solar panel is approximately 25 to 30 years, the expected mass disposal of used solar panels in the mid-2030s is becoming recognized as a social issue.

Quality assurance is a significant issue when it comes to the reuse trade of used solar panels. This marks the first time in Japan\*<sup>4</sup> that a defect warranty for used solar panels has been provided through a platform. In addition, the used solar panels acquired by Sompo Japan, for which Sompo Japan will pay insurance claims, will be properly reused and recycled in collaboration with PF through SOMPO RISK MANAGEMENT. Reuse and recycling through the scheme above are expected to lead to the recycling of raw materials and a reduction in the amount of industrial waste sent to landfills.

As part of its efforts to promote sustainability management, Marubeni will continue to actively engage in renewable energy power generation projects, including solar power generation projects, and will take the initiative in addressing social issues related to the disposal of solar panels from a 3R (Reduce, Reuse, Recycle) perspective, aiming to contribute to a circular economy.

Sompo Japan and SOMPO RISK MANAGEMENT are committed to making social contributions toward the realization of “SOMPO’s Purpose,” which focuses on “building a society where all people can enjoy their own lives in good health and abundance and enjoy the feeling of living in a kind of ‘theme park’ of safety, security and health.”

Starting with this MoU, Marubeni, Sompo Japan, and SOMPO RISK MANAGEMENT will jointly address social issues and contribute to the formation of a circular economy.

\*<sup>1</sup> Demonstration Project of Information Management Platform for Resource Recycling in FY2021

\*<sup>2</sup> A system under which the government promises that electric power companies will purchase electricity generated from renewable energy sources for a certain period of time at a certain price.

\*<sup>3</sup> Plan formulated by the government in October 2021 based on the Basic Act on Energy Policy to provide a basic direction for energy policy

\*<sup>4</sup> Researched by Sompo Japan

Related Press Release:

June 25, 2021, “Demonstration Project on Reuse and Recycling of Used Solar Panels”

<https://www.marubeni.com/jp/news/2021/info/00015.html>

Marubeni

Company Name: Marubeni Corporation

Head Office: 4-2, Ohtemachi 1-chome, Chiyoda-ku, Tokyo

Incorporated: December 1, 1949

President: Masumi Kakinoki

Business: A diverse range of business activities across wide-ranging fields including lifestyle, ICT business & logistics, food, agri business, forest products, chemicals, metals & mineral resources, energy, power, infrastructure project, aerospace & ship, finance, leasing & real estate business, construction, industrial machinery & mobility, next generation business

development and next generation corporate development. Additionally, a variety of services, making internal and external investments, and involved in resource development throughout all of the above industries.

Website: <https://www.marubeni.com/jp/>

#### Sompo Japan

Company Name: Sompo Japan Insurance Inc.

Head Office: 26-1, Nishi-Shinjuku 1-chome, Shinjuku-ku, Tokyo

Established: October 1, 1888

President: Giichi Shirakawa

Business: General Insurance

Website: <https://www.sompo-japan.co.jp/>

#### Sompo Risk Management

Company Name: Sompo Risk Management Inc.

Head Office: 24-1, Nishishinjuku 1-chome, Shinjuku-ku, Tokyo

Founded: November 19, 1997

President: Junichi Sakurai

Business: Risk Management Business, Digital Business, Cyber Security Business

Website: <https://www.sompo-rc.co.jp/>