

October 22, 2019

Dear Valued Customers

First of all we would like to express my heartfelt condolences to those affected by Typhoon No. 19.

Following the typhoon No. 15 that caused major damage mainly in Chiba Prefecture, due to the record heavy rain caused by Super Typhoon No. 19 (Hagibis) that traversed the Japanese archipelago on October 12 (Saturday), there were 47 rivers as of 15 Collapsed in one place more than 12,000 houses were submerged in water, 140 landslides such as debris flow and landslides occurred in 19 metropolitan areas, over 133,000 houses in 13 metropolitan areas, and 33,000 blackouts going up to the door.

The impact on corporate business activities is gradually becoming apparent. In addition to inundation damage, damage to utilities such as water outages and power outages, sludge treatment after water collected on the road, etc., including suppliers and clients, even if the company's site does not encounter direct damage, there are also concerns about wide supply chain disruption and prolonged recovery.

In the stock market on the 15th October, about 40 listed companies disclosed about the damage caused by Typhoon No.19, and the effect on business results and supply chain was mostly under investigation. In addition, a major manufacturer has announced that the operation of the domestic factory has been suspended due to a stagnant parts supply, and it has been reported that production of the final product has been suspended, and the production facility of the supplier cannot be operated using water. We suspect that there is a problem in understanding the risks of subcontractors, including many parts manufacturers, as the situation becomes clear later.

Some companies have formulated and implemented BCPs (Business Continuity Plans) in response to earthquake damage, etc., from disaster prevention activities to mitigation, but there are also companies that are shutting down and considering alternative production bases.

In response to disasters in companies, insurance companies have established an emergency desks, etc., and are ready to support their clients/customers in the affected areas, it will lead from the initial response, grasp damage status, obtain repair estimates, damage due to dispatch of adjusters, grasping the situation and amount, verifying insurance conditions, preparing insurance claims processing, and the subsequent negotiation process with insurance companies. We assume that preparations and negotiations, such as profits and additional expenditures, are complex, and as the case of a large-scale disaster, this period can be long.

Willis Towers Watson is a leading insurance broker, has an in-house claims team and a Forensic Accounting & Complex Claims (FACC Team), and will be on your behalf for business interruption insurance claims for large natural disasters.

So far, the FACC team has been promptly handling claims related to claims from the early days of the disaster in the Tianjin explosion accident in 2015 and the 2011 flood in Thailand, and has helped clients make appropriate claims. Regardless of whether you have a contract with us, please do not hesitate to contact us for advice and support regarding insurance claims for this disaster.

Contact information regarding this matter;
Phone +81(0)3-6833-4688

Hiroyuki Nonomura
Division Director, Corporate Planning Division
hiroyuki.nonomura@willistowerswatson.com

Kenichiro Miki
Regional Director, Head of Japan Desk Asia
kenichiro.miki@WillisTowersWatson.com

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