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Securities code: 8630
June 3, 2024

Notice to Shareholders

Sompo Holdings, Inc.
1-26-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
Mikio Okumura, Group CEO,
Director, President and
Representative Executive Officer

Notice of Convocation of the 14th General Shareholders Meeting

Thank you all for your continued patronage.

The 14th General Shareholders Meeting of Sompo Holdings, Inc. (the "Company" or "we") will be held as shown below.

Shareholders are sincerely requested to exercise your voting rights either via the Internet or in writing (the Voting Rights Exercise Form).

Details of the Meeting

1. Date and Time: **Monday, June 24, 2024 at 10:00 a.m.**
(Reception opens at 9:00 a.m.)

2. Location: **Head Office, 2nd floor conference room**
Sompo Japan Insurance Inc.,
1-26-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo

3. Purpose:

[Matters to be Reported]

(1) The business report, the consolidated financial statements and the audit reports on the consolidated financial statements by the independent accounting auditors and the Audit Committee for Fiscal Year 2023 (April 1, 2023 to March 31, 2024)
(2) The financial statements for Fiscal Year 2023 (April 1, 2023 to March 31, 2024)

[Resolution Matters]

Proposal No. 1 Disposal of Retained Earnings
Proposal No. 2 Appointment of Thirteen Directors

* Any major changes in the hosting of the General Shareholders Meeting will be posted on our website (https://www.sompo-hd.com/en/).

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To Our Shareholders

I would like to take this opportunity to thank shareholders for your continued patronage.

First of all, we extend our deepest sympathies to those affected by The 2024 Noto Peninsula Earthquake and hope for rapid reconstruction and recovery of the affected areas.

The Company and Sompo Japan Insurance Inc. (hereinafter "Sompo Japan"), a subsidiary of the Company received business improvement orders respectively from the Financial Services Agency in January 2024, with regard to our responses to fraudulent automobile insurance claims made by Big Motor*. Moreover, Sompo Japan received a business improvement order from the Financial Services Agency in December 2023 for the incident concerning inappropriate insurance premium adjustments, which were seen as infringing on the Antimonopoly Act.
We sincerely apologize to our shareholders, customers, and many other stakeholders for the great inconvenient and concern caused.
Taking this situation very seriously, and to ensure that such incidents never happen again, I will stand at the forefront of the Group's efforts to execute business improvement plans diligently and with a sense of speed, and restore the trust of all stakeholders as soon as possible.

We aim to remain a corporate group needed in society into the future through offering "Security, Health and Wellbeing" to customers.

Lastly, we hereby deliver to you notice of the convocation of the 14th General Shareholders Meeting of the Company.
I sincerely look forward to the continued support of shareholders.

Mikio Okumura,
Group CEO, Director, President and Representative Executive Officer

Measures for prevention of recurrence and restoration of trust
Recurrence prevention measures being taken by the Company and Sompo Japan in relation to the incident concerning our responses to fraudulent automobile insurance claims made by Big Motor and the incident concerning inappropriate insurance premium adjustments that was seen as infringing on the Antimonopoly Act and other conducts, are as provided in "Priority Issues to be Addressed" in "1. Matters Concerning the Current Status of the Insurance Holding Company" in the Business Report.

* Collectively refers to three companies: Big Motor Co., Ltd., BM Holdings Co., Ltd., and BM Hanaten Co., Ltd.

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Matters Regarding Measures for Electronic Provision

In convening this General Shareholders Meeting, we have changed the method for providing a notice of convocation, in light of the purpose of the electronic provision system of documents for general shareholders meeting pursuant to the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) enforced on September 1, 2022.

Whereas documents for a general shareholders meeting were delivered in paper copy to shareholders with voting rights until the 13th General Shareholders Meeting held in June 2023, from this General Shareholders Meeting onward, the documents are posted on the Company’s website with only a simple notice of convocation physically delivered to shareholders.

[The Company website “Shareholder’s Meeting” page]
https://www.sompo-hd.com/en/ir/stock/meeting/

The aforementioned information is also presented on the website of the Tokyo Stock Exchange (Listed Company Search). Please access the following Tokyo Stock Exchange website (Listed Company Search) and enter the issue name (Sompo Holdings) or securities code (8630), and then opt for “Basic information” and “Documents for public inspection/PR information” for verification.

[Tokyo Stock Exchange website (Listed Company Search)]
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

Based on laws and regulations and Article 16 of the Articles of Incorporation of the Company, the following information is not presented in the paper copy delivered to shareholders who requested it, but only on the website of the Company and the Tokyo Stock Exchange (Listed Company Search). The Audit Committee and the independent accounting auditors have audited documents subject to audits, including the following information.

1. “Status of Major Offices of the Corporate Groups” under “Matters Concerning the Current Status of the Insurance Holding Company,” “Matters Relating to Stock Acquisition Rights,” and “Basic Policy on Internal Controls” and “Matters Concerning Specified Wholly-Owned Subsidiary” under “Systems to Ensure the Appropriate Performance of the Business Operations and the Status of Implementation of the System” in the Business Report;
2. “Consolidated Statement of Changes in Net Assets” and “Notes to Consolidated Financial Statements”;
3. “Non-consolidated Statement of Changes in Net Assets” and “Notes to Non-consolidated Financial Statements.”

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- Any amendments to the matters presented through electronic provision shall be presented on the website of the Company and the Tokyo Stock Exchange (Listed Company Search).

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Instructions concerning the Exercising of Voting Rights

1) Exercise your voting rights via the Internet

Please go to the website for exercising voting rights shown below, and indicate your approval or disapproval with respect to each proposal by the deadline for exercising voting rights.

Deadline for Exercising Voting Rights: June 21, 2024 (Friday) at 5:00 p.m. (Japan time)

Points to Note When Exercising Voting Rights via the Internet

- Shareholders will be responsible for the costs such as internet connection charges and communication charges they incur in accessing the website for exercising voting rights.
- It might not be possible to use the website for exercising voting rights depending on the user environment of the shareholders.

For Inquiries with Respect to the Exercise of Voting Rights via Internet:

For inquiries, please contact the following:

Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.

Telephone: 0120-768-524 (Toll Free (from within Japan only))

Hours of Operation: 9:00 a.m. - 9:00 p.m. (excluding Year-end and New Year's holidays)

To Institutional Investors

Institutional investors may use the "Electronic Voting Platform" operated by ICJ, Inc. as a means to exercise their voting rights.

2) Exercise your voting rights by mail

Please mark your approval or disapproval with respect to each proposal on the enclosed Voting Rights Exercise Form, and return it promptly **so that it is received by us by the deadline for exercising voting rights**.

Deadline for Exercising Voting Rights: June 21, 2024 (Friday) at 5:00 p.m. (Japan time)

Please note that the Voting Rights Exercise Form needs to be duly delivered to the Company by the deadline.

3) Exercise your voting rights by attending the General Shareholders Meeting

Please bring and submit the enclosed Voting Rights Exercise Form to the reception desk of the meeting.

Date and Time of the Meeting: June 24, 2024 (Monday) at 10:00 a.m. (Japan time)

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Matters related to Exercise of Voting Rights:

(1) In the event that a shareholder exercises their voting rights using the Voting Rights Exercise Form and does not indicate approval or disapproval of each proposal, the absence of such indication shall be treated as a vote for approval.

(2) If duplicate votes are exercised by using both the enclosed Voting Rights Exercise Form and the Internet, the vote cast using the Internet shall be treated as the effective vote.

(3) If any shareholder casts duplicate or multiple votes via the Internet, the last vote cast shall be treated as the effective vote.

(4) In the event that a shareholder exercises their voting rights through proxy, in accordance with Article 18 of the Articles of Incorporation of the Company, proxy eligibility shall be limited to one (1) of the shareholders having voting rights of the Company and the proxy shall submit documentation proving the power of proxy (such as a letter of proxy) to the reception counter at the meeting.
As a further means to prove the power of proxy, one of the following documents shall be submitted in addition to the letter of proxy which is signed and sealed by the proxy grantor:
1) the Voting Rights Exercise Form sent by the Company to the proxy grantor;
2) an original copy of the certificate of registered seal of the proxy grantor (the proxy grantor is required to affix the same registered seal to the relevant documentation such as letter of proxy); or
3) a copy of an official identification document issued by governmental agencies such as a driving license or a health insurance card by which the name and address of the proxy grantor can be confirmed.

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Overview of Resolution Matters

Proposal 1: Disposal of Retained Earnings

While maintaining financial soundness and improving capital efficiency by means such as investing in growth fields, the Company has a basic policy for this period of paying stable dividends, with the option of share buybacks according to capital condition.
With respect to the year-end dividend of this period, the Company proposes, taking into consideration matters, such as financial conditions and the future operating environment, as follows.

Matters concerning year-end dividend:

1. Matters concerning allocation of assets to be distributed to shareholders, and the total amount thereof:
   Amount per share of common stock of the Company: 150 yen
   Total amount: 49,491,744,300 yen
   As a result of this, the amount of annual dividend of the current period will be 300 yen per share, inclusive of the amount of interim dividend of 150 yen per share.

2. Effective Date of dividend of retained earnings:
   June 25, 2024

Note: The Company implemented a stock split whereby each share of common stock was split into three shares on April 1, 2024.
As the dividend record date for the year-end dividend for the fiscal year ended March 31, 2024 is March 31, 2024, we will distribute the year-end dividend based on the number of shares before said stock split.

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Proposal 2: Appointment of Thirteen Directors

The term of office of all eleven directors will expire at the conclusion of this General Shareholders Meeting. Accordingly, for further strengthening the management structure, we propose to increase the number of directors by two, and appoint thirteen directors (including nine outside directors), in accordance with the decision made by the Nomination Committee.
The candidates for the positions of directors are listed below:

No.	Name	Current Position and Responsibilities at the Company	Others
1	Mikio OKUMURA	Group CEO, Director, President and Representative Executive Officer Overall management of the Group's operations (CEO)	Reappointment
2	Masahiro HAMADA	Group CFO, Senior Executive Vice President and Executive Officer The Group's finance (Chief executive)	New appointment
3	Shinichi HARA	Group CHRO, Senior Executive Vice President and Executive Officer The Group's human resources (Chief executive) In charge of Legal Affairs and Internal Audit	New appointment
4	Scott Trevor DAVIS	Director (Outside Director) Nomination Committee Member (Chair) Compensation Committee Member	Reappointment Outside Independent Outside Director
5	Isao ENDO	Director (Outside Director) Nomination Committee Member Compensation Committee Member	Reappointment Outside Independent Outside Director
6	Kazuhiro HIGASHI	Director (Outside Director) Chairman of the Board of Directors Compensation Committee Member (Chair) Nomination Committee Member	Reappointment Outside Independent Outside Director
7	Misuzu SHIBATA	Director (Outside Director) Audit Committee Member (Chair)	Reappointment Outside Independent Outside Director
8	Takashi NAWA	Director (Outside Director) Nomination Committee Member Compensation Committee Member	Reappointment Outside Independent Outside Director
9	Meyumi YAMADA	Director (Outside Director) Nomination Committee Member Compensation Committee Member	Reappointment Outside Independent Outside Director
10	Kumi ITO	Director (Outside Director) Audit Committee Member	Reappointment Outside Independent Outside Director

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No.	Name	Current Position and Responsibilities at the Company	Others
11	Masayuki WAGA	Director (Outside Director) Audit Committee Member	Reappointment Outside Independent Outside Director
12	Toru KAJIKAWA	Director (Outside Director) Audit Committee Member	Reappointment Outside Independent Outside Director
13	Satoshi KASAI	Director Audit Committee Member	Reappointment

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<Reference: Expected roles, skills and areas of expertise for directors>

- Toward the realization of the "SOMPO's Purpose," the Company aims to "increase resilience" and implement "strategies to connect with customers and deliver connected services" to fulfill customer needs beyond insurance and deliver value to society.
- This will help us achieve capital efficiency comparable with global peers and double digit level EPS (Earnings Per Share) growth.
- In order to achieve these, the Board of Directors is composed mainly of outside directors, with the aim of making objective judgments on management issues and other matters from diverse and independent perspectives, by appointing directors in consideration of diversity, including gender and internationality.

*The committee members scheduled to assume office in the table below are those candidates who will assume office if Proposal 2 "Appointment of Thirteen Directors" is approved and adopted.

						
Name	Mikio OKUMURA	Masahiro HAMADA	Shinichi HARA	Scott Trevor DAVIS	Isao ENDO	Kazuhiro HIGASHI
Reappointment/ New appointment	Reappointment	New appointment	New appointment	Reappointment	Reappointment	Reappointment
Positions, and committees to be appointed	Director	Director	Director	Independent Outside Director Nomination Committee Compensation Committee	Independent Outside Director Nomination Committee Compensation Committee	Independent Outside Director Nomination Committee Compensation Committee
Expected roles, skills and areas of expertise for director candidates						
1) Business strategy	●	●	●	●	●	●
2) Global management	●	●	●	●	●	●
3) ESG, SDGs	●	●		●		●
4) Transformation strategies	●	●	●	●	●	●
5) Digital	●	●			●	
6) Talent strategy	●		●	●	●	●
7) Finance, accounting	●	●	●		●	●
8) Corporate governance	●	●	●	●		●
9) Legal, risk management	●		●			●

*Details of each skill and area of expertise are as follows. The above table shows skills and areas of expertise particularly expected for each candidate and does not indicate all of the skills and areas of expertise possessed by each candidate.
Items 1) and 2): Skills and areas of expertise where in principle all directors are expected to provide useful advice and supervision to the executive sector.

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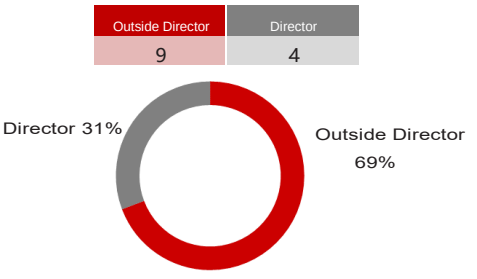
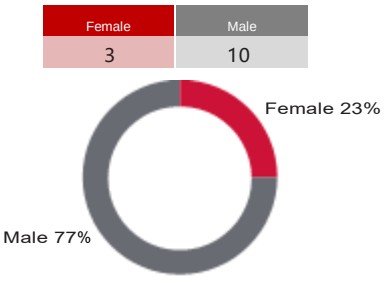
Items 3) through 9): Skills and areas of expertise where each director is expected to provide useful advice and supervision to the executive sector based on his or her insight and professional knowledge gained through experience.

							
Name	Misuzu SHIBATA	Takashi NAWA	Meyumi YAMADA	Kumi ITO	Masayuki WAGA	Toru KAJIKAWA	Satoshi KASAI
Reappointment/ New appointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment
Positions, and committees to be appointed	Independent Outside Director Audit Committee	Independent Outside Director Nomination Committee Compensation Committee	Independent Outside Director Nomination Committee Compensation Committee	Independent Outside Director Audit Committee	Independent Outside Director Audit Committee	Independent Outside Director Audit Committee	Director Audit Committee
Expected roles, skills and areas of expertise for director candidates							
1) Business strategy	●	●	●	●	●	●	●
2) Global management	●	●	●	●	●	●	●
3) ESG, SDGs	●	●	●		●		
4) Transformation strategies		●	●	●	●		●
5) Digital		●	●	●			
6) Talent strategy		●		●	●	●	●
7) Finance, accounting			●	●	●	●	
8) Corporate governance	●	●	●		●	●	●
9) Legal, risk management	●				●	●	

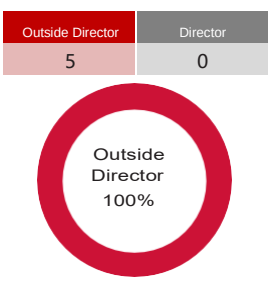
(Diversity of the Board of Directors)

1. Directors Overall

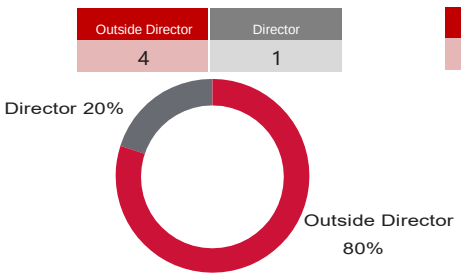




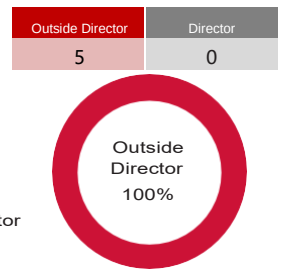
2. Nomination Committee



3. Audit Committee



4. Compensation Committee



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Reference Materials

■Policies for Appointment of Directors

Directors are appointed according to appointment criteria that are based on the comprehensive guidelines for supervision of insurance companies. Moreover, the Company will appoint outside directors based on (1) Competency Criteria, (2) Standards regarding Independence of Outside Directors, and (3) Criteria for Years of Service as described below.

(1) Competency Criteria

The Company shall appoint as outside directors those with a wide range of knowledge and experience having backgrounds in corporate management, academia or legal profession, or those with professional knowledge regarding finance and accounting. In addition, when appointed, they are required to be in a condition to devote the time and effort necessary to properly fulfill their roles and responsibilities as directors.

(2) Standards regarding Independence of Outside Directors

The Company will determine the independence from the Company of outside directors based on the matters set forth below:

1) Personal Relationships: A kinship between the candidate and any officer or employee of the Group, status of mutual appointments of officers between the Company and the company which the candidate is originally from.
2) Capital Relationships: The holding of shares in the Company by the candidate and the status of shareholding by the Group.
3) Business Relationships: Business transactions or donations between the Group and the candidate.
4) Significant interests other than the above.

(3) Criteria for Years of Service

The Company will carefully consider whether or not there is a positive reason for reappointing the candidate whose total terms of office as outside director or outside audit & supervisory board member of the Company exceeds eight years, and if there is a positive reason, reappointment will not be precluded.

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Candidate for directors (thirteen individuals)

Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
1	Mikio OKUMURA (Nov. 23, 1965) Reappointment	<Summarized Resume, Position> Apr. 1989 Joined The Yasuda Fire & Marine Insurance Co., Ltd. Apr. 2006 Joined FinTech Global Incorporated Dec. 2007 Member of the Board, Head of Investment Banking Division of FinTech Global Incorporated Apr. 2015 Executive Officer, General Manager, Corporate Planning Department of the Company Apr. 2016 Executive Officer of the Company Jun. 2016 Director, Executive Officer of the Company Jul. 2016 Representative Director and President of Sompo Care Inc. Apr. 2017 CEO of Nursing Care & Healthcare Business, Director, Managing Executive Officer of the Company Jul. 2017 Representative Director, Chairman and Executive Officer of Sompo Care Message Inc. Representative Director, Chairman and Executive Officer of Sompo Care Next Inc. Mar. 2019 Director of Sompo International Holdings Ltd. Apr. 2019 Group CSO, Director, Managing Executive Officer of the Company Jun. 2019 Group CSO, Executive Vice President and Executive Officer of the Company Jan. 2020 Group Co-CSO, Executive Vice President and Executive Officer of the Company Chief Executive Officer of Sompo International Holdings Ltd. Apr. 2021 Group Co-CSO, Senior Executive Vice President and Executive Officer of the Company Sep. 2021 Director of Sompo International Holdings Ltd. (current position) Apr. 2022 Group COO, President and Representative Executive Officer of the Company Jun. 2022 Group COO, Director, President and Representative Executive Officer of the Company Apr. 2024 Group CEO, Director, President and Representative Executive Officer of the Company (current position) Director of Sompo Japan Insurance Inc. (current position) <Responsibilities in the Company> Overall management of the Group's operations (CEO) <Significant positions concurrently held> Director of Sompo International Holdings Ltd. Director of Sompo Japan Insurance Inc. <Number of years in office as director (at the end of this General Shareholders Meeting)> 2 years <Record of attendance at meetings of the Board of Directors in Fiscal 2023> 13 out of 13 (100%) <Reasons for selection as a candidate for director> Mr. Mikio OKUMURA, following experience of participating in the management of various divisions namely Domestic P&C Insurance Business, Overseas Insurance and Reinsurance Business, and Nursing Care Business, has high level knowledge and experience regarding various business fields of the SOMPO Group. He took office as Group CSO (Chief Strategy Officer) in 2019, as Group COO (Chief Operating Officer), President and Representative Executive Officer in 2022, and as Group CEO (Chief Executive Officer), President and Representative Executive Officer of the Company since April 2024. In addressing the incident concerning our response to fraudulent	4,000 Shares

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		automobile insurance claims made by Big Motor* and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, he stands at the forefront of building a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. With his abundant experience and achievements, he is expected to reinforce the supervisory and decision-making functions of the Board of Directors. Accordingly, he was re-selected as a candidate for director. * Collectively refers to three companies: Big Motor Co., Ltd., BM Holdings Co., Ltd., and BM Hanaten Co., Ltd. (the same shall apply hereinafter)	

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Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
2	Masahiro HAMADA (Dec. 18, 1964) New appointment	<Summarized Resume, Position> Apr. 1988 Joined The Yasuda Fire & Marine Insurance Co., Ltd. Apr. 2016 Executive Officer, General Manager, Corporate Planning Department of the Company Apr. 2018 Group CSO, Group CIO, Managing Executive Officer of the Company Jun. 2018 Group CSO, Group CIO, Director, Managing Executive Officer of the Company Apr. 2019 Group CFO, Group CIO, Director, Managing Executive Officer of the Company Director of Sompo Care Inc. Jun. 2019 Group CFO, Group CIO, Executive Vice President and Executive Officer of the Company Jan. 2020 Group CFO, Group Co-CSO, Group CIO, Executive Vice President and Executive Officer of the Company Apr. 2020 Group CFO, Group Co-CSO, Executive Vice President and Executive Officer of the Company Apr. 2021 Group CFO, Group Co-CSO, Senior Executive Vice President and Executive Officer of the Company Jul. 2021 Director of SOMPO Light Vortex, Inc. (current position) Apr. 2022 Group CFO, Group CSO, Senior Executive Vice President and Executive Officer of the Company Director of Sompo Himawari Life Insurance Inc. (current position) Apr. 2024 Group CFO, Senior Executive Vice President and Executive Officer of the Company (current position) Director of Sompo Japan Insurance Inc. (current position) <Responsibilities in the Company> The Group's finance (Chief executive) <Significant positions concurrently held> Director of SOMPO Light Vortex, Inc. Director of Sompo Himawari Life Insurance Inc. Director of Sompo Japan Insurance Inc. <Number of years in office as director (at the end of this General Shareholders Meeting)> - <Reasons for selection as a candidate for director> Mr. Masahiro HAMADA, with working experience in corporate planning and products sections at the Domestic P&C Insurance Business, took office as Group CSO (Chief Strategy Officer) and Group CIO (Chief Information Officer) in 2018, and as Group CFO (Chief Finance Officer) at the Company since 2019. He has knowledge of management strategies and financial strategies of the entire SOMPO Group. In addressing the incident concerning our response to fraudulent automobile insurance claims made by Big Motor and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, he is engaged in building a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. With his abundant experience and achievements, he is expected to reinforce the supervisory and decision-making functions of the Board of Directors. Accordingly, he was selected as a candidate for new director.	5,300 Shares

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Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
3	Shinichi HARA (Apr. 14, 1965) New appointment	<Summarized Resume, Position> Apr. 1988 Joined The Yasuda Fire & Marine Insurance Co., Ltd. Aug. 2017 Executive Officer, General Manager, Global Business Planning Department of the Company Executive Officer, General Manager, Global Business Planning Department of Sompo Japan Nipponkoa Insurance Inc. Apr. 2019 Group CHRO, Managing Executive Officer of the Company Jun. 2019 Group CHRO, Executive Vice President and Executive Officer of the Company Apr. 2022 Group CHRO, Senior Executive Vice President and Executive Officer of the Company Jun. 2022 Director of Sompo International Holdings Ltd. (current position) Sep. 2023 Group CHRO, Group CERO, Senior Executive Vice President and Executive Officer of the Company Apr. 2024 Group CHRO, Senior Executive Vice President and Executive Officer of the Company (current position) <Responsibilities in the Company> The Group's human resources (Chief executive) In charge of Legal Affairs and Internal Audit <Significant positions concurrently held> Director of Sompo International Holdings Ltd. <Number of years in office as director (at the end of this General Shareholders Meeting)> - <Reasons for selection as a candidate for director> Mr. Shinichi HARA, with working experience in a financial section at the Domestic P&C Insurance Business and in the Overseas Insurance and Reinsurance Business, took office as Group CHRO (Chief Human Resource Officer) in 2019 at the Company. He has high level knowledge and experience regarding the entire business of the SOMPO Group, its human resources strategies and financial strategies. In addressing the incident concerning our response to fraudulent automobile insurance claims made by Big Motor and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, he is engaged in building of a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. With his abundant experience and achievements, he is expected to reinforce the supervisory and decision-making functions of the Board of Directors. Accordingly, he was selected as a candidate for new director.	3,550 Shares

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Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
4	Scott Trevor DAVIS (Dec. 26, 1960) Reappointment Outside Director Candidate Independent Outside Director	<Summarized Resume, Position> Apr. 2001 Professor of the International Business Administration Department, the International School of Economics and Business Administration of Reitaku University May 2004 Director of Ito-Yokado Co., Ltd. Sep. 2005 Director of Seven & i Holdings Co., Ltd. Mar. 2006 Audit & Supervisory Board Member of Nissen Co., Ltd. Apr. 2006 Professor of the Department of Global Business, College of Business, Rikkyo University (current position) Mar. 2011 Member of the Board of Bridgestone Corporation (current position) Jun. 2014 Director of the Company (current position) Jun. 2023 Member of the Board of Ajinomoto Co., Inc. (current position) <Significant positions concurrently held> Professor of the Department of Global Business, College of Business, Rikkyo University Member of the Board of Bridgestone Corporation (Outside Director) Member of the Board of Ajinomoto Co., Inc. (Outside Director) <Number of years in office as outside director (at the end of this General Shareholders Meeting)> 10 years <Record of attendance at meetings in Fiscal 2023> Meetings of the Board of Directors: 13 out of 13 (100%) Meetings of the Nomination Committee: 16 out of 16 (100%) Meetings of the Compensation Committee: 11 out of 11 (100%) <Reasons for selection as a candidate for outside director and expected roles> Mr. Scott Trevor DAVIS has broad knowledge as an erudite scholar and provided appropriate advice to the Company from global perspectives, through his research on strategic management, ESG and CSR at the university, in terms of reinforcing the supervisory and decision-making functions of the Board of Directors, and is expected to play an active role in these areas. Especially in addressing the incident concerning our response to fraudulent automobile insurance claims made by Big Motor and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, he, as a chair of the Nomination Committee, provides strict supervision and guidance on building of a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. Despite a lack of experience in participation in corporate management other than by serving as outside director or outside audit & supervisory board member, he was re-selected as a candidate for outside director due to the reasons mentioned above.	0 Shares

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Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
5	Isao ENDO (May 8, 1956) Reappointment Outside Director Candidate Independent Outside Director	<Summarized Resume, Position> Apr. 1979 Joined Mitsubishi Electric Corporation Oct. 1988 Joined The Boston Consulting Group Inc. Oct. 1992 Joined Andersen Consulting Oct. 1996 Partner of Andersen Consulting Sep. 1997 Partner and Director of Booz Allen Hamilton May 2000 Managing Partner of Roland Berger Ltd. Apr. 2006 Chairman of Roland Berger Ltd. Professor of the Graduate School of Commerce, Waseda University May 2011 Director of Ryohin Keikaku Co., Ltd. Mar. 2013 Audit & Supervisory Board Member of Yamaha Motor Co., Ltd. Jun. 2014 Director of the Company (current position) Director of Nisshin Steel Co., Ltd. Mar. 2015 Director of DreamArts Corporation (current position) Feb. 2021 Director of NEXTAGE Co., Ltd. (current position) Jun. 2023 Director of TANAKA Holdings Co., Ltd. (current position) <Significant positions concurrently held> Director of DreamArts Corporation (Outside Director) Director of NEXTAGE Co., Ltd. (Outside Director) Director of TANAKA Holdings Co., Ltd. (Outside Director) <Number of years in office as outside director (at the end of this General Shareholders Meeting)> 10 years <Record of attendance at meetings in Fiscal 2023> Meetings of the Board of Directors: 10 out of 13 (77%) Meetings of the Nomination Committee: 12 out of 13 (92%) Meetings of the Audit Committee: 2 out of 3 (67%) Meetings of the Compensation Committee: 8 out of 9 (89%) <Reasons for selection as a candidate for outside director and expected roles > Mr. Isao ENDO has practical experience at a global consulting firm, in addition to broad insight based on academic knowledge as a graduate school professor, as well as abundant experience as a company manager. Especially in addressing the incident concerning our response to fraudulent automobile insurance claims made by Big Motor and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, he provides strict supervision and guidance on building of a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. He has provided appropriate advice on the management of the Company, through his deep and diversified perspective gained through his practical research on “hands-on capabilities,” and can be expected to reinforce the supervising and decision-making functions of the Board of Directors. Accordingly, he was re-selected as a candidate for outside director.	1,300 Shares

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Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
6	Kazuhiro HIGASHI (April 25, 1957) Reappointment Outside Director Candidate Independent Outside Director	<Summarized Resume, Position> Apr. 1982 Joined Saitama Bank, Ltd. (now Resona Group) Jun. 2005 Outside Director of Resona Trust & Banking Co., Ltd. Jun. 2009 Director, Deputy President and Executive Officer of Resona Holdings, Inc. Apr. 2011 Director, Deputy President and Representative Executive Officer of Resona Holdings, Inc. Apr. 2012 Representative Director, Deputy President and Executive Officer of Resona Bank, Limited Apr. 2013 Director, President and Representative Executive Officer of Resona Holdings, Inc. Representative Director, President and Executive Officer of Resona Bank, Limited Apr. 2017 Chairman of the Board, President and Representative Director of Resona Bank, Limited Jun. 2017 Chairman of Osaka Bankers Association Nov. 2017 Vice Chairman of The Osaka Chamber of Commerce and Industry (current position) Apr. 2018 Chairman of the Board, President and Representative Director, Executive Officer of Resona Bank, Limited Apr. 2020 Chairman and Director of Resona Holdings, Inc. Chairman and Director of Resona Bank, Limited Jun. 2020 Director of the Company (current position) Jun. 2021 Director of Honda Motor Co., Ltd. (current position) <Significant positions concurrently held> Vice Chairman of The Osaka Chamber of Commerce and Industry Director of Honda Motor Co., Ltd. (Outside Director) <Number of years in office as outside director (at the end of this General Shareholders Meeting)> 4 years <Record of attendance at meetings in Fiscal 2023> Meetings of the Board of Directors: 13 out of 13 (100%) Meetings of the Nomination Committee: 16 out of 16 (100%) Meetings of the Compensation Committee: 11 out of 11 (100%) <Reasons for selection as a candidate for outside director and expected roles> Having experience in finance and corporate management, among others, in the banking business, Mr. Kazuhiro HIGASHI took office as Director, President and Representative Executive Officer of Resona Holdings, Inc. and Representative Director, President and Executive Officer of Resona Bank, Limited in 2013. He has served numerous key positions in the business community including Chairman of Osaka Bankers Association and Vice Chairman of The Osaka Chamber of Commerce and Industry. Especially in addressing the incident concerning our response to fraudulent automobile insurance claims made by Big Motor and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, he, as Chairman of the Board of Directors and chair of the Compensation Committee, provides strict supervision and guidance on building of a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. With his abundant knowledge and experience as a top-level executive of large-scale corporations, he is expected to reinforce the supervisory and decision-making functions of the Board of Directors. Accordingly, he was re-selected as a candidate for outside director.	0 Shares

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Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
7	Misuzu SHIBATA (July 25, 1974) *Ms. Misuzu SHIBATA's registered name is Misuzu KOYAMA. Reappointment Outside Director Candidate Independent Outside Director	<Summarized Resume, Position> Oct. 2000 Registered as attorney-at-law Nov. 2001 NS Law Office, Lawyer (current position) Oct. 2007 Fixed-term civil servant at the Financial Services Agency, Supervision Bureau, Planning and Management Division, Deposit Insurance and Resolution Framework Office Apr. 2017 Practicing-attorney-professor for civil advocacy of the Legal Training and Research Institute of Japan Jun. 2017 Director of DELICA FOODS HOLDINGS CO., LTD. (current position) Jun. 2020 Director of the Company (current position) Director of SPACE VALUE HOLDINGS CO., LTD. Mar. 2023 Director of PILOT CORPORATION (current position) <Significant positions concurrently held> Attorney at law Director of DELICA FOODS HOLDINGS CO., LTD. (Outside Director) Director of PILOT CORPORATION (Outside Director) <Number of years in office as outside director (at the end of this General Shareholders Meeting)> 4 years <Record of attendance at meetings in Fiscal 2023> Meetings of the Board of Directors: 12 out of 13 (92%) Meetings of the Audit Committee: 14 out of 14 (100%) <Reasons for selection as a candidate for outside director and expected roles> Ms. Misuzu SHIBATA has abundant knowledge and experience as a legal expert and has provided appropriate advice to the Company on governance, diversity & inclusion, in terms of reinforcing the supervisory and decision-making functions of the Board of Directors, and is expected to play an active role in these areas. Especially in addressing the incident concerning our response to fraudulent automobile insurance claims made by Big Motor and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, she, as a chair of the Audit Committee, provides strict supervision and guidance on building of a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. Despite a lack of experience in corporate management other than serving as an outside director in the past, she was re-selected as a candidate for outside director due to the reasons mentioned above.	0 Shares

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Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
8	Takashi NAWA (June 8, 1957) Reappointment Outside Director Candidate Independent Outside Director	<Summarized Resume, Position> Apr. 1980 Joined Mitsubishi Corporation Apr. 1991 Joined McKinsey & Company Jun. 2010 Professor of Graduate School of International Corporate Strategy, Hitotsubashi University (now School of International Corporate Strategy, Hitotsubashi University Business School) President of Genesys Partners, Inc. (current position) Sep. 2010 Senior Advisor of Boston Consulting Group Jun. 2011 Member of the Board of NEC Capital Solutions Limited (current position) Nov. 2012 Director of FAST RETAILING CO., LTD. Jun. 2014 Member of the Board of DENSO CORPORATION Jun. 2015 Member of the Board of Ajinomoto Co., Inc. Apr. 2018 Guest Professor of School of International Corporate Strategy, Hitotsubashi University Business School (current position) Jun. 2020 Director of the Company (current position) Apr. 2022 Advisor of Sumitomo Mitsui Trust Bank, Limited (current position) Professor, Division of Business Administration, Graduate School of Business Administration, Kyoto University of Advanced Science (current position) Jun. 2022 Audit & Supervisory Board Member of The Asahi Shimbun Company (current position) <Significant positions concurrently held> President of Genesys Partners, Inc. Member of the Board of NEC Capital Solutions Limited (Outside Director) Guest Professor of School of International Corporate Strategy, Hitotsubashi University Business School Advisor of Sumitomo Mitsui Trust Bank, Limited Professor, Division of Business Administration, Graduate School of Business Administration, Kyoto University of Advanced Science Audit & Supervisory Board Member of The Asahi Shimbun Company (Outside Audit & Supervisory Board Member) <Number of years in office as outside director (at the end of this General Shareholders Meeting)> 4 years <Record of attendance at meetings in Fiscal 2023> Meetings of the Board of Directors: 12 out of 13 (92%) Meetings of the Nomination Committee: 16 out of 16 (100%) Meetings of the Compensation Committee: 11 out of 11 (100%) <Reasons for selection as a candidate for outside director and expected roles> Having practical experience in a major Japanese trading company and global consulting firms, Mr. Takashi NAWA was appointed professor of Graduate School of International Corporate Strategy at Hitotsubashi University in 2010, and currently is a guest professor of International Corporate Strategy, Hitotsubashi University Business School. Especially in addressing the incident concerning our response to fraudulent automobile insurance claims made by Big Motor and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, he provides strict supervision and guidance on building of a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. With his abundant business experience as a management consultant, combined with his profound academic knowledge from a global perspective, he has provided appropriate advice to the Company in terms of reinforcing the supervisory and	400 Shares

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		decision-making functions of the Board of Directors, and is expected to play an active role in these areas. Accordingly, he was re-selected as a candidate for outside director.	

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Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
9	Meyumi YAMADA (Aug. 30, 1972) Reappointment Outside Director Candidate Independent Outside Director	<Summarized Resume, Position> Apr. 1995 Joined KOEI KOGYO Co., Ltd May 1997 Joined Kiss Me Cosmetics Co., Ltd. Jul. 1999 Representative Director of istyle LLC Apr. 2000 Representative Director of istyle Inc. Dec. 2009 Director of istyle Inc. (current position) May 2012 Representative Director and President of Cyberstar Co., Ltd. Sep. 2015 Director of MEDIA GLOBE CO., LTD. (current position) Mar. 2016 Representative Director and President of IS Partners Inc. Sep. 2016 Director of Eat Smart, Inc. Jun. 2017 Director of JAPAN POST INSURANCE Co., Ltd. Director of SEINO HOLDINGS CO., LTD. (current position) Nov. 2019 Director of IS Partners Inc. (current position) Jun. 2021 Director of the Company (current position) May 2022 Director of Seven & i Holdings Co., Ltd. (current position) <Significant positions concurrently held> Director of istyle Inc. Director of SEINO HOLDINGS CO., LTD. (Outside Director) Director of Seven & i Holdings Co., Ltd. (Outside Director) <Number of years in office as outside director (at the end of this General Shareholders Meeting)> 3 years <Record of attendance at meetings in Fiscal 2023> Meetings of the Board of Directors: 13 out of 13 (100%) Meetings of the Nomination Committee: 16 out of 16 (100%) Meetings of the Compensation Committee: 11 out of 11 (100%) <Reasons for selection as a candidate for outside director and expected roles> In addition to her entrepreneurial and business management experience, Ms. Meyumi YAMADA has a wealth of practical business experience in marketing, including digital marketing. She possesses a high level of knowledge, having served on government-related committees including councils related to industrial structure and information and communications of the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry, and by participating in policy formulation. Drawing on such knowledge, she has provided appropriate advice to the Company in terms of reinforcing the supervisory and decision-making functions of the Board of Directors. Especially in addressing the incident concerning our response to fraudulent automobile insurance claims made by Big Motor and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, she provides strict supervision and guidance on building of a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. She is also actively involved in initiatives on women's empowerment in the workplace, and provides valuable advice on diversity & inclusion, an important strategy of the Company, and is expected to play an active role in these areas. Accordingly, she was re-selected as a candidate for outside director.	0 Shares

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Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
10	Kumi ITO (Dec. 20, 1964) Reappointment Outside Director Candidate Independent Outside Director	<Summarized Resume, Position> Apr. 1987 Joined Sony Corporation Apr. 1998 Joined IBM Japan, Ltd. Jan. 2014 CMO of GE Healthcare Japan Corporation Oct. 2016 Director and COO of 4U Lifecare Inc. Jul. 2017 CMO of Yext Co., Ltd. Apr. 2018 Representative Director, President and CEO of 4U Lifecare Inc. Jun. 2018 Director of True Data Inc. (current position) Jun. 2020 Director of FUJI FURUKAWA ENGINEERING & CONSTRUCTION CO. LTD. (current position) Jun. 2021 Director of the Company (current position) Nov. 2022 Director of Ryohin Keikaku Co., Ltd. (current position) Apr. 2023 Managing Partner of Office KITO (current position) <Significant positions concurrently held> Managing Partner of Office KITO Director of True Data Inc. (Outside Director) Director of FUJI FURUKAWA ENGINEERING & CONSTRUCTION CO. LTD. (Outside Director) Director of Ryohin Keikaku Co., Ltd. (Outside Director) <Number of years in office as outside director (at the end of this General Shareholders Meeting)> 3 years <Record of attendance at meetings in Fiscal 2023> Meetings of the Board of Directors: 13 out of 13 (100%) Meetings of the Audit Committee: 14 out of 14 (100%) <Reasons for selection as a candidate for outside director and expected roles> Ms. Kumi ITO is highly knowledgeable in IT, digital and marketing, with experience such as in business strategy planning and strategy consulting at an electronics manufacturer and other business companies, as well as serving as Chief Marketing Officer (CMO) at a healthcare business company. Drawing on such knowledge, she has provided appropriate advice to the Company in terms of reinforcing the supervisory and decision-making functions of the Board of Directors. Especially in addressing the incident concerning our response to fraudulent automobile insurance claims made by Big Motor and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, she provides strict supervision and guidance on building of a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. She also provides valuable advice on diversity & inclusion, an important strategy of the Company, as she participates in the establishment of a non-profit organization that promotes women's empowerment in the workplace, and is expected to play an active role in these areas. Accordingly, she was re-selected as a candidate for outside director.	200 Shares

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Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
11	Masayuki WAGA (Apr. 10, 1958) Reappointment Outside Director Candidate Independent Outside Director	<Summarized Resume, Position> Apr. 1981 Joined Mitsubishi Kasei Corporation Jun. 2009 Managing Director of MCC PTA Asia Pacific Private Company Limited Managing Director of Mitsubishi Chemical Singapore Pte Ltd Managing Director of Mitsubishi Chemical (Thailand) Co., Ltd. Apr. 2011 Associate Director and General Manager, Corporate Strategy Office of Mitsubishi Chemical Holdings Corporation Jun. 2012 Executive Officer, General Manager, Corporate Strategy Office of Mitsubishi Chemical Holdings Corporation Apr. 2013 Executive Officer, Chief Operation Officer, Performance Products Division of Mitsubishi Chemical Corporation Apr. 2015 Managing Executive Officer, Chief Operation Officer, Performance Products Division of Mitsubishi Chemical Corporation Apr. 2017 Managing Executive Officer, Chief Operating Officer, Information, Electronics & Display Business Domain of Mitsubishi Chemical Corporation Apr. 2018 Representative Director, Director of the Board, President and Chief Executive Officer of Mitsubishi Chemical Corporation Apr. 2022 Director of the Board of Mitsubishi Chemical Corporation Jun. 2022 Director of the Company (current position) <Number of years in office as outside director (at the end of this General Shareholders Meeting)> 2 years <Record of attendance at meetings in Fiscal 2023> Meetings of the Board of Directors: 13 out of 13 (100%) Meetings of the Nomination Committee: 3 out of 3 (100%) Meetings of the Audit Committee: 11 out of 11 (100%) Meetings of the Compensation Committee: 2 out of 2 (100%) <Reasons for selection as a candidate for outside director and expected roles> Mr. Masayuki WAGA served in executive posts in various business domains both in Japan and abroad, as well as head office divisions at Mitsubishi Chemical Corporation, assuming the office of Representative Director, Director of the Board, President and Chief Executive Officer in 2018. Especially in addressing the incident concerning our response to fraudulent automobile insurance claims made by Big Motor and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, he provides strict supervision and guidance on building of a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. He has experience in managing global organization, and driving transformation in human resources system and corporate culture. Based on his own experience and achievements as the top management of a large business, he is expected to provide precious advice on the business strategies, global management, and transformation strategies of the Company. Accordingly, he was re-selected as a candidate for outside director.	100 Shares

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Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
12	Toru KAJIKAWA (Sep. 24, 1951) Reappointment Outside Director Candidate Independent Outside Director	<Summarized Resume, Position> Oct. 1976 Joined Chuo Audit Corporation *(Chuo Kaikei Jimusho*) Sep. 1979 Registered as Certified Public Accountant May 1990 Audit & Supervisory Board Member of Kakiyasu Honten Co., Ltd. Sep. 1990 Representative Partner of Taiyo Audit Corporation Jun. 1997 Audit & Supervisory Board Member of Kakiyasu Honten Co., Ltd. (current position) Jul. 2000 Managing Partner of Taiyo Audit Corporation Apr. 2005 Professor of Aoyama Gakuin University Graduate School Apr. 2010 Visiting Professor of Aoyama Gakuin University Graduate School Jun. 2014 Audit & Supervisory Board Member of Kikkoman Corporation (current position) Jul. 2014 Chairman and Representative Employee of Taiyo ASG LLC Mar. 2017 Audit & Supervisory Board Member of MITSUBISHI PENCIL CO., LTD. (current position) Jun. 2023 Director of the Company (current position) Jul. 2023 Chairman of Grant Thornton Taiyo LLC (current position) <Number of years in office as outside director (at the end of this General Shareholders Meeting)> 1 year <Record of attendance at meetings in Fiscal 2023> Meetings of the Board of Directors: 10 out of 11 (91%) Meetings of the Audit Committee: 11 out of 11 (100%) <Significant positions concurrently held> Certified Public Accountant Chairman of Grant Thornton Taiyo LLC Audit & Supervisory Board Member of Kakiyasu Honten Co., Ltd. (Outside Audit & Supervisory Board Member) Audit & Supervisory Board Member of Kikkoman Corporation (Outside Audit & Supervisory Board Member) Audit & Supervisory Board Member of MITSUBISHI PENCIL CO., LTD. (Outside Audit & Supervisory Board Member) <Reasons for selection as a candidate for outside director and expected roles> Mr. Toru KAJIKAWA has abundant experience as a manager serving as Chairman of Grant Thornton Taiyo LLC, on top of his professional insight and experience as a certified public accountant. Especially in addressing the incident concerning our response to fraudulent automobile insurance claims made by Big Motor and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, he provides strict supervision and guidance on building of a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. He has experience as an accountant of providing advice on audit and management of companies of all sizes in various industries, as well as abundant knowledge and experience as a manager of an audit firm, and is expected to provide valuable advice in areas such as corporate governance of the Company. Accordingly, he was re-selected as a candidate for outside director.	0 Shares

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Candidate No.	Name (Date of Birth)	Summarized Resume, Position, Responsibilities, Significant Positions Concurrently Held and Others	Number of Shares of the Company Owned by Candidate (As of March 31, 2024)
13	Satoshi KASAI (Dec. 22, 1962) Reappointment	<Summarized Resume, Position> Apr. 1985 Joined The Yasuda Fire & Marine Insurance Co., Ltd. Apr. 2015 Executive Officer, General Manager, Human Resources Department of the Company Executive Officer, General Manager, Human Resources Department of Sompo Japan Nipponkoa Insurance Inc. (“Sompo Japan Nipponkoa”) Apr. 2017 Group CHRO, Managing Executive Officer of the Company Managing Executive Officer of Sompo Japan Nipponkoa Apr. 2019 CEO of Nursing Care & Healthcare Business, Executive Officer of the Company Representative Director, Chief Executive Officer of Sompo Care Inc. Jun. 2019 CEO of Nursing Care & Healthcare Business, Executive Officer of the Company Apr. 2021 CEO of Nursing Care & Seniors Business, Executive Officer of the Company Mar. 2022 CEO of Nursing Care & Seniors Business, Executive Officer, General Manager, Innovation for Aging and Wellness Department of the Company Apr. 2022 Advisor of the Company Jun. 2022 Director of the Company (current position) <Number of years in office as director (at the end of this General Shareholders Meeting)> 2 years <Record of attendance at meetings in Fiscal 2023> Meetings of the Board of Directors: 13 out of 13 (100%) Meetings of the Audit Committee: 14 out of 14 (100%) <Reasons for selection as a candidate for director> Mr. Satoshi KASAI, with working experience in planning, human resources, and system sections at the Domestic P&C Insurance Business, took office as CHRO (Chief Human Resource Officer) of the Group in 2017, and later as CEO of Nursing Care & Healthcare Business in 2019. Mr. Kasai has knowledge of the SOMPO Group as a whole, not least in human resources strategies and Nursing Care & Seniors Business. In addressing the incident concerning our response to fraudulent automobile insurance claims made by Big Motor and the case of inappropriate insurance premium adjustments committed by a subsidiary of the Company, he provides strict supervision and guidance on building of a highly effective internal control system and reforming the organizational culture, aimed at recurrence prevention. With his abundant experience and achievements, he is expected to reinforce the supervisory and decision-making functions of the Board of Directors. Accordingly, he was re-selected as a candidate for director.	15,587 Shares

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Notes:

1. There are no special interests between each candidate and the Company.
2. Mr. Scott Trevor DAVIS, Mr. Isao ENDO, Mr. Kazuhiro HIGASHI, Ms. Misuzu SHIBATA, Mr. Takashi NAWA, Ms. Meyumi YAMADA, Ms. Kumi ITO, Mr. Masayuki WAGA and Mr. Toru KAJIKAWA are candidates for outside directors.
   The Company has prescribed the "outside director independence criteria for the appointment of outside directors" (<Reference: Policies for Appointment of Directors and Executive Officers> 1. (2) on the next page). None of the above candidates fall within any of the categories for examination listed in the above-referred standards and each candidate is considered to be independent. The Company has registered Mr. Scott Trevor DAVIS, Mr. Isao ENDO, Mr. Kazuhiro HIGASHI, Ms. Misuzu SHIBATA, Mr. Takashi NAWA, Ms. Meyumi YAMADA, Ms. Kumi ITO, Mr. Masayuki WAGA and Mr. Toru KAJIKAWA as independent directors stipulated by the regulations of the Tokyo Stock Exchange, Inc. If the election of the directors is approved, they will continue to be independent directors.
3. The Company has entered into a contract (contract for limitation of liability), in accordance with Article 427, Paragraph 1 of the Companies Act, with Mr. Scott Trevor DAVIS, Mr. Isao ENDO, Mr. Kazuhiro HIGASHI, Ms. Misuzu SHIBATA, Mr. Takashi NAWA, Ms. Meyumi YAMADA, Ms. Kumi ITO, Mr. Masayuki WAGA and Mr. Toru KAJIKAWA respectively, that limits his or her compensation liability for damages under Article 423, Paragraph 1 of the Companies Act to the Minimum Liability Amount stipulated in Article 425, Paragraph 1 of the Companies Act. If they are appointed (reappointed) as outside directors, the Company intends to continue said contract with each of them.
4. The Company has entered into a Directors and Officers liability insurance policy with an insurance company. The insurance covers directors, executive officers and senior vice presidents (shikkouyakuin) of the Company and directors, audit & supervisory board members, executive officers, senior vice presidents (shikkouyakuin) and employees and others in positions of management and supervision of the Company's subsidiaries (excluding some overseas subsidiaries). If the election of each candidate as a director is approved and each candidate is appointed as a director, each candidate will become insured under such policy. The insurance covers any loss which may arise from the insured directors, etc. being held liable for the performance of their duties or being subject to a claim in respect of such liability. However, in order to ensure the adequacy of insureds' performance of duties, there are certain exemptions, such as no coverage for liability arising from actions taken with the knowledge that the insureds were in violation of laws and regulations. The relevant insurance will be renewed during the term of office of each candidate, and the Company will bear all insurance premiums.
5. During the terms of office of Mr. Scott Trevor DAVIS, Mr. Isao ENDO, Mr. Kazuhiro HIGASHI, Ms. Misuzu SHIBATA, Mr. Takashi NAWA, Ms. Meyumi YAMADA, Ms. Kumi ITO, Mr. Masayuki WAGA and Mr. Toru KAJIKAWA as outside directors of the Company, Sompo Japan Insurance Inc., a subsidiary of the Company, received an administrative disposition under the Insurance Business Act from the Financial Services Agency on December 26, 2023 with regard to the incident concerning inappropriate insurance premium adjustments and other conducts.
   In addition, the Company and Sompo Japan Insurance Inc. received administrative disposition respectively under the Insurance Business Act on January 25, 2024, with regard to the incident concerning their responses to fraudulent automobile insurance claims made by Big Motor.
   Each of the above directors had constantly made proposals from the perspective of legal compliance and customer protections. Since the incidents were uncovered, they have fulfilled their responsibilities by making proposals for improving the effectiveness of Group governance.

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<Reference: Policies for Appointment of Directors and Executive Officers>

The appointment of Directors and Executive Officers is conducted in accordance with the following policies for appointment of Directors and Executive Officers. The candidates for Directors selected by the Nomination Committee are approved at the General Shareholders Meeting, and the candidates for Executive Officers are selected by the Nomination Committee and approved by the Board of Directors.

1. Policies for Appointment of Directors

The Company supervises and guides its subsidiaries, formulates management strategy for the Group that encompasses management strategies for subsidiaries that are engaged in the P&C insurance business and other various businesses, and is responsible for ensuring the execution and realization of these strategies.
From this perspective, the Board of Directors selects Outside Directors to facilitate objective decision-making with respect to management issues from a diverse and independent viewpoint and perspective with consideration of diversity such as gender and nationalities, and the majority of the Board of Directors consists of Outside Directors.
Additionally, the Directors are selected based on the selection criteria that incorporate the Comprehensive Guidelines for Supervision of Insurance Companies. Outside Directors are selected based on I. “Ability Requirements”, II. “Standards regarding Independence of Outside Directors”, and III. “Requirements for Terms of Office”.
For the purpose of carrying out substantive discussions, the number of Directors shall be limited to 15 (fifteen) in accordance with the Articles of Incorporation.
Note: In this policy, gender refers to all gender-related events, knowledge, and values, including the existence of the gender division of labor and LGBTQ.

(1) Ability Requirements

The Company selects Outside Directors from corporate executives, academic experts, and legal professionals who have a wide range of knowledge and experiences in various fields or individuals who have expert knowledge of finance and accounting.
In addition, the appointment shall require him/her to be in a position where he/she is able to devote the time and effort necessary to fulfill the role and responsibilities of Director appropriately.

(2) Standards regarding Independence of Outside Directors

The Company will determine the independence from the Company of outside directors based on the matters set forth below:

1) Personal Relationships: A kinship between the candidate and any officer or employee of the Group, status of mutual appointments of officers between the Company and the company which the candidate is originally from.
2) Capital Relationships: The holding of shares in the Company by the candidate and the status of shareholding by the Group.
3) Business Relationships: Business transactions or donations between the

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Group and the candidate.
4) Significant interests other than the above.

In the event that a candidate for outside director falls within any of the categories listed below, the Nomination Committee, a committee primarily constituted of outside directors, will examine his/her independence. Following the final determination by the Board of Directors, the proposal for appointment will be submitted to the General Shareholders Meeting of the Company and the Company will submit notification of such outside director as an independent director as prescribed by each financial instruments exchange.

1) Personal Relationships

a. The candidate is or was Executive Director (Note 1), Executive Officer, Senior Vice President or an employee of the Company or its subsidiary at present or in the past 10 years (in 10 years prior to his/her appointment if the candidate was a Non-Executive Director or Audit & Supervisory Board Member).
b. The candidate is a relative (Note 3) of a person who is or was Executive Director, Executive Officer, Senior Vice President or an important employee (Note 2) of the Company or its subsidiary at present or in the past 5 years.
c. The candidate is Director, Audit & Supervisory Board Member, Accounting Advisor, Executive Officer or Senior Vice President of (i) a company that accepts Director(s) (full-time or independent) from the Company or its subsidiary, (ii) its parent company or (iii) its subsidiary.

2) Capital Relationships

a. The candidate is Director, Audit & Supervisory Board Member, Accounting Advisor, Executive Officer, Senior Vice President or an employee of a company in which the Company owns 10% or more of the voting rights.
b. The candidate is a relative of a person who is Director, Audit & Supervisory Board Member, Accounting Advisor, Executive Officer or Senior Vice President of a company in which the Company owns 10% or more of the voting rights.
c. The candidate owns or owned 10% or more of the voting rights of the Company at present or in the past five years (if the shareholder is a corporation, the candidate is or was Director, Audit & Supervisory Board Member, Accounting Advisor, Executive Officer, Board Member, Senior Vice President or an employee of the subject company, its parent company or a significant subsidiary (Note 4) of the subject company).
d. The candidate is a relative of a person who owns or owned 10% or more of the voting rights of the Company at present or in the past five years (if the shareholder is a corporation, the candidate is a relative of the person who is or was Director, Audit & Supervisory Board Member, Accounting Advisor, Executive Officer, Board Member, Senior Vice President of the subject company).

3) Business Relationships

a. The candidate is a person who makes or made payments of 2% or more of the Company's consolidated gross annual sales (based on the current fiscal year or the average of the past three fiscal years) to the Company or its subsidiary (if the payer is a corporation, the candidate is or was Executive Director, Executive Officer, Senior Vice President or an employee of the

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subject company, its parent company or a significant subsidiary) or a relative of the person.

b. The candidate is a person who receives or received payments of 2% or more of the candidate's consolidated gross annual sales (based on the current fiscal year or the average of the past three fiscal years) from the Company or its subsidiary (if the recipient is a corporation, the candidate is or was Executive Director, Executive Officer, Senior Vice President or an employee of the subject company, its parent company or a significant subsidiary) or a relative of the person.

c. The candidate is a Board Member (should be limited to a person who executes business) or other member or his/her relative, who executes business of a public interest incorporated foundation, a public interest incorporated association, or a non-profit corporation, etc. who receives donations or grants exceeding 10 million yen per year based on the average of the past three fiscal years from the Company or its subsidiary.

d. The candidate is Director, Audit & Supervisory Board Member, Accounting Advisor, Executive Officer, Senior Vice President or an employee or his/her relative of (i) a financial institution, (ii) other large creditor, (iii) its parent company or (iv) a significant subsidiary, from which the Company obtains or has obtained financing (the financing is indispensable, which the Company depends on to the extent that such financing has little or no substitute) at present or in the past three years.

e. The candidate is an employee, a partner or a staff member of a certified public accountant (or a tax accountant) or an audit corporation (or a tax accounting corporation), who serves as an accounting auditor of the Company or its subsidiary, or a person who was any of the above in the past three years, and who actually is or was engaged in auditing (excluding supplementary involvement) for the Company or its subsidiary (including those who are currently retired).

f. The candidate is a relative of (i) a certified public accountant (or a tax accountant) or (ii) an employee or a partner of an audit corporation (or a tax accounting corporation), who serves as an accounting auditor of the Company or its subsidiary.

g. The candidate is a relative of a staff member of a certified public accountant (or a tax accountant) or an audit corporation (or a tax accounting corporation), who serves as an accounting auditor of the Company or its subsidiary, and who actually is engaged in auditing (excluding supplementary involvement) for the Company or its subsidiary, or a person who was an employee, a partner or a staff member of a certified public accountant (or a tax accountant) or an audit corporation (or a tax accounting corporation), who served as an accounting auditor of the Company or its subsidiary, in the past three years, and who actually was engaged in auditing (excluding supplementary involvement) for the Company or its subsidiary during the subject period of time.

h. The candidate is a consultant such as an attorney or a certified public accountant other than the above (e) who receives financial or other property benefits of 10 million yen or more per year (based on the average of the past three years) exclusive of officer's compensation, and a person who is and was an employee, a partner, an associate or a staff member or his/her relative of a consulting firm or other specialized advisory firm such as a legal office or an audit corporation other than the above 5), who received

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payments of 2% or more of the firm's consolidated gross annual sales (based on the average of the past three fiscal years) from the Company or its subsidiary.

4) Significant interests
A person who can be recognized to have significant interests other than the above 1) through 3).

Notes:
1. "Executive Director" means the Director as set forth in each item of Article 363, Paragraph 1 of the Companies Act and other Directors who executed business of the subject company (the same applies to the following).
2. "Important employee" means a person who falls under the "important employee" as set forth in Article 362, Paragraph 4, Item 3 of the Companies Act (the same applies to the following).
3. "Relative" refers to a spouse, a relative within the second degree of kinship or a relative who lives together (the same applies to the following).
4. "Significant subsidiary" refers to a subsidiary that is described as a significant subsidiary in (i) the items of e.g., "Status of Significant Parent Company and Subsidiaries" in the business report associated with the subject company's most recent fiscal year (Article 120, Paragraph 1, Item 7 of the Ordinance for Enforcement of the Companies Act), or other materials that are generally published by the subject company (the same applies to the following).
5. The past tense as described in the above 2) (c) and (d), and 3) (a), (b) and (h) (e.g., a person who "was") refers to within the past five years.

(3) Requirements for Terms of Office
If the total terms of office as Outside Director or Outside Audit & Supervisory Board Member of the Company exceeds eight years, the Company will carefully consider whether there are any positive reasons for reappointment, and if there are any reasons, the Company shall not preclude reappointment.

2. Policies for the Composition and Criteria for Appointment of Executive Officers and Senior Vice Presidents

(1) Policies for the Composition of Executive Officers and Senior Vice Presidents
The Company implements systematic development of managerial talent based on the succession plan. As for the composition of Executive Officers and Senior Vice Presidents as a whole, the Company places emphasis on diversity including gender, age, experience, and nationalities as well as the balance in the management team.

(2) Criteria for Appointment of Executive Officers and Senior Vice Presidents
The Company selects Executive Officers and Senior Vice Presidents in accordance with the following criteria:
- Able to realize transformation based on SOMPO's Purpose
- Able to develop the next generation of leaders who will drive transformation
- Able to foster a culture in which employees have confidence and pride, and boldly take on challenges with high aspirations
- Is driven by one's own mission and able to take actions
- Has a high level of expertise and insight regarding the mission and roles to

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be assumed

- Has experience and a track record related to the mission and roles to be assumed
- Understands the value of diversity and is able to leverage it for value creation
- Has the ability to make fair and impartial judgments and to achieve goals
- Has proven fair and honest

-- End

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Fiscal 2023 Business Report
For the Period from April 1, 2023 through March 31, 2024

I. Matters Concerning the Current Status of the Insurance Holding Company

(1) Progress and Results of Business of the Corporate Group

Main Substance of Business of the Corporate Group

At the end of the fiscal year ended March 31, 2024, the Group consisted of Sompo Holdings, Inc. (the “Company” or “Sompo Holdings, Inc.” or “we”), 68 companies that are consolidated subsidiaries, and 12 companies that are affiliates accounted for under the equity-method and others. The Group’s main businesses are the domestic property and casualty (“P&C”) insurance business, overseas insurance and reinsurance business, domestic life insurance business, and nursing care & seniors business.

Financial and Economic Environment, and Progress and Results of the Corporate Group for the Fiscal Year under Review

During the period under review, growth in the global economy slowed down compared to the previous fiscal year due to such factors as monetary tightening undertaken across the globe for taming inflation and the rise in geopolitical risks. Nonetheless, the global economy remained firm driven by the U.S. economy where personal consumption was steady backed by favorable employment condition.

Despite a downward pressure caused by the slow recovery in the global economy, the Japanese economy moderately recovered thanks to improvement in corporate earnings and employment and income conditions and the emergence of pent-up demand as the restrictions on activity for the prevention of COVID-19 infections had been eased. However, it is still necessary to pay close attention to how price increases and fluctuations in financial and capital markets will impact the economy.

Response, etc. to administrative dispositions issued against the Company and its consolidated subsidiary

The Company and its consolidated subsidiary Sompo Japan Insurance Inc. (hereinafter "Sompo Japan") received business improvement orders, under Article 271-29 Paragraph 1 and Article 132 Paragraph 1 of the Insurance Business Act, respectively, from the Financial Services Agency in relation to the incident concerning their responses to fraudulent automobile insurance claims made by Big Motor (consisting of Big Motor Co., Ltd., BM Holdings Co., Ltd., and BM Hanaten Co., Ltd.) on January 25, 2024. It was pointed out in the order that our initiatives for fostering an appropriate corporate culture had been insufficient. In response to

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this, with the aim of preventing these situations from being repeated in the future, we submitted business improvement plans that incorporated recurrence prevention measures, such as fostering of a healthy corporate culture that prioritizes compliance and customer protections, to the Financial Services Agency on March 15, 2024. In addition, concerning inappropriate insurance premium adjustments that was seen as infringing on the Antimonopoly Act and other issues, Sompo Japan received an on-site inspection by the Fair Trade Commission on December 19, 2023. The examination by the Commission is still underway. In addition to this, on December 26, 2023, Sompo Japan received a business improvement order under Article 132 Paragraph 1 of the Insurance Business Act from the Financial Services Agency. The improvement order pointed out that Sompo Japan was operating in an environment prone to risks, such as practices infringing on the Antimonopoly Act or inappropriate conduct in light of the intent of relevant laws and regulations. In response to this, Sompo Japan submitted to the Financial Services Agency a business improvement plan that upheld recurrence prevention measures, such as the development of an environment for fair competition, on February 29, 2024.

As announced on February 29, 2024, with regard to the incidents concerning our response to fraudulent automobile insurance claims made by Big Motor as well as inappropriate insurance premium adjustments, the Company and Sompo Japan took seriously the responsibility of the officers involved in the incidents, implemented disciplinary actions against them, and clarified their management responsibilities.

Taking this situation very seriously, and strongly determined to build a “new SOMPO” for the future, we will undertake company-wide efforts to diligently implement the business improvement plans and prevent a recurrence, and to restore the trust of our customers and society at large. Along with this, the Company and Sompo Japan will strengthen areas such as corporate culture reforms, brand recovery, compliance promotion, and quality control on a Group-wide basis. By doing so, the two companies will ensure that business management is transparent, fair, and appropriate in terms of legal compliance, customer-oriented business operations, and societal viewpoints.

Based on the items pointed out in the business improvement orders and matters proposed by the external investigation committee on our response to the fraudulent automobile insurance claims, etc., the Company and Sompo Japan will diligently implement the recurrence prevention measures (drastically strengthen governance; establish a system to thoroughly ensure compliance and customer protections; foster a healthy organizational culture prioritizing compliance and customer protections; and establish an appropriate claims payment and management system, among other items) laid out in the business improvement plans, so as to remain companies needed by customers for the next ten years and thereafter. Overview of the recurrence prevention measures are provided in “Priority Issues to be

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Addressed."

(Progress and Results of Business of the Corporate Group)

During the period under review, the Group saw deteriorated margins on automobile insurance in the Domestic P&C Insurance Business, due to factors such as inflation and increased car accident rates beyond our expectations. Meanwhile, in the Overseas Insurance and Reinsurance Business, we worked to stabilize and expand profit centered around the commercial business.

In addition, we enhanced the lineup of Insurhealth® products in the Domestic Life Insurance Business to strengthen our foundation for growth as a "health support enterprise." In the Nursing Care & Seniors Business, we developed "egaku," a proprietary service of the Group for nursing care providers, and launched initiatives for expanding its adoption.

As a holding company for the entire Group, we allocated the management resources necessary for executing our business plans and sustainably increasing our corporate value, and promoted transformation of the Group and the business portfolio.

As a result, adjusted consolidated profit for the Group came to 291.0 billion yen, reaching a record high, of which 56.0% was accounted for by the Overseas Insurance and Reinsurance Business. Adjusted consolidated ROE was 9.2%, missing the target of 10%, and risk diversification ratio was 38.2%, due to increased net assets caused by higher prices of our shareholdings and a rise in operational risk.

The Group will continue its tireless efforts to further instill its purpose-driven management, and to that end, reform its corporate culture, which serves as its cornerstone, develop human resources, and strengthen its internal structure for more effective governance.

(Performance over the Period under Review)

The Company's consolidated financial results were as follows.

Ordinary income increased by 407.7 billion yen to 4,933.6 billion yen. Meanwhile, ordinary expenses decreased by 30.7 billion yen to 4,445.6 billion yen.

As a result, ordinary profit for the period under review increased by 438.5 billion yen to 488.0 billion yen. Net income attributable to shareholders of the parent amounted to 416.0 billion yen, representing an increase of 389.6 billion yen when compared to the previous period.

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(Progress and Results of Each Business Segment)

The progress and results of each business segment are as follows.

Domestic P&C Insurance Business

Sompo Japan

Sompo Japan Insurance Inc. aims to realize a better life for all customers and a sustainable society by providing services of the highest quality that contribute to the security, health, and wellbeing of our customers.

Meanwhile, in FY2023, Sompo Japan received administrative dispositions from the Financial Services Agency in connection with the incidents concerning inappropriate insurance premium adjustments and fraudulent automobile insurance claims made by Big Motor. Taking this situation very seriously, and as a property and casualty insurance company with a social mission of supporting customers' lives and businesses, we will undertake company-wide efforts to diligently implement the business improvement plans and prevent a recurrence, and restore the trust of our customers and society at large.

In the Mid-term Management Plan for the period from FY2021 to FY2023, we operated business with the core strategies of "Accelerate growth strategy," "Enhance resilience" and "Strengthen business foundation."

In FY2023, Sompo Japan worked on the sophistication and speeding up of underwriting with the use of AI. In addition, in January 2024, we revamped the core system for our mainstay automobile insurance and launched a new insurance solicitation process that improves both customer service quality and productivity.

In response to The Noto Peninsula Earthquake that struck in January 2024, we are working to speed-up claims payments further by drastically streamlining such tasks as initial checks after receiving accident reports and arranging on-site investigations with the use of digital tools.

In the new Mid-Term Management Plan started in FY2024, in light of a series of incidents that occurred in FY2023, we will place SJ-R, a companywide rebuilding project, at the core of our operation and diligently "Rebuild business foundation" to strengthen governance and improve quality and "Rebuild profit base" to sophisticate financial management by segment, thereby striving to restore the trust of all stakeholders.

SAISON AUTOMOBILE AND FIRE INSURANCE

SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED* further expands and grows its direct marketing business model in response to the diverse needs of customers.

* SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED is scheduled to change its name to "Sompo Direct Insurance Inc." on October 1, 2024, subject to approval of the relevant authorities, etc.

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Overseas Insurance and Reinsurance Business

Sompo International Holdings Ltd., comprising our overseas insurance and reinsurance businesses, operates across the United States, United Kingdom, Continental Europe, Latin America, Middle East, Asia and other regions, and has helped deliver value -- security, health and wellbeing -- to customers and society through high-quality insurance and reinsurance solutions and services. As a driver for growth in the group, it continues to steadily expand in terms of the business scale as well as profitability, solidifying its position as a leading provider in the global property, casualty and specialty (re)insurance market. In FY2023, adjusted profits of $1,150.1 million for overall overseas insurance and reinsurance businesses grew 63.5% year-on-year. Overall profitability improvement in FY2023 was supported by an improved accident year loss ratio, improved catastrophic loss experience and higher net investment income which increased significantly due to higher yields and a growing investment portfolio.

For the overseas commercial business, excluding AgriSompo, gross written premiums (GWP) grew 4.1% as we achieved growth across the North America, Global Markets and Reinsurance business units. For the full year GWP was $14.4 billion and declined 0.8% year-on-year in FY2023 driven by a decline in AgriSompo due to lower commodity prices and re-underwriting portions of the portfolio to reduce geographic risk. Overall underwriting profitability within the commercial business declined year-on-year as lower catastrophe losses were more than offset by reserve strengthening driven by the impact of social inflation on accident years 2019 and prior for long tail lines of business.

The overseas consumer business GWP of $1.1 billion was level with a year ago as growth achieved within Turkey was largely offset by the health business in Brazil being sold in 2022 and the remaining consumer business in Brazil being sold in 2023. Overall profitability in the consumer business improved year-on-year as the impact of inflation was less in FY2023, and FY2022 included an adverse one-time item.

We remain committed to profitably expanding our overseas operations through disciplined underwriting and improving scale. Future expansion will include leveraging our global commercial franchise into new geographies with a focus on Canada, Continental Europe and Southeast Asia, thereby creating an even more diversified business portfolio and achieving further profit growth.

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Domestic Life Insurance Business

Sompo Himawari Life

Sompo Himawari Life Insurance Inc. (hereinafter, “Sompo Himawari Life”) aims to establish itself as a “health support enterprise,” that supports the health of customers, by providing new value Insurhealth® that integrates the functions of insurance, which provide coverage for emergencies, with day-to-day healthcare support functions.

In FY2023, we launched a variable insurance as the tenth product in the Insurhealth® line in May, with an industry-first scheme to add customers’ reserves based on improvement in their health conditions. In October 2023, annualized new premiums of all Insurhealth® products that had been sold since FY2018 exceeded 100.0 billion yen, with the number of new policies topping 1.5 million in December. As a result, compared to March 31, 2023, the annualized premium for policies in force increased by 4.9 billion yen to 390.3 billion yen as of March 31, 2024. The number of policies in force stood at 4.93 million, an increase of 0.21 million.

With regard to the health support function, the “health challenge” system offers a discount on premiums and a monetary reward for successfully quitting smoking or improving one’s health. The number of those who succeeded in the challenge expanded to a total of approximately 13,000 people, with joyful comments received from those customers. We also found that among those who succeeded in the challenge, the percentage of customers who became hospitalized was approximately 50% lower than those who had not completed the challenge, indicating that the system is catalyzing changes in customers’ behaviors towards improving their health.

Under the new Mid-Term Management Plan started in FY2024, in order to firmly establish ourselves as a “health support enterprise,” we will expand the values and healthcare experiences offered by Insurhealth® with a customer-centric approach. At the same time, the entire company will work together to strengthen schemes to support our customers' health initiatives, and thereby contribute further to the achievement of the security, health, and wellbeing of society.

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Nursing Care & Seniors Business

Sompo Care and ND Software

Based on the brand slogan of “Changing the future of nursing care,” the Nursing Care & Seniors Business offers a full lineup of wide-ranging services from home to facility, while taking on a challenge of eliminating a social issue of “the widening gap between the supply of caregivers and the demand for them.”

Under the Mid-term Management Plan for the period from FY2021 to FY2023, we focused on business scale expansion as a nursing care operator, productivity improvement utilizing digital data, building of an ecosystem to improve sustainability of nursing care services through supporting other nursing care providers, and the challenge of new businesses for supporting active seniors.

In FY2023, as a nursing care operator, we worked to increase the occupancy rate of our existing facilities and locations, while striving to expand the business scale through building two new nursing facilities and acquiring two nursing care providers. We also steadily worked on introducing the future nursing care model, aimed at maximizing the use of technology to create high-value-added nursing care services that only people can do. As a result of these efforts, the occupancy rate of our nursing facilities achieved 92.9% (as of March 31, 2024), the highest ever since our entrance into the nursing care business.

As an initiative for building an ecosystem, our efforts were focused on the development of “egaku” data utilization service for nursing care providers, and sales expansion of nursing care software developed by ND Software Co., Ltd. As an initiative to support active seniors, we developed “Care-ale PRO,” a tool to assist carers and realize active communication among related parties.

In order to contribute to resolving social issues surrounding children, we started operation of “SOMPO style children's cafeteria” in FY2022. The cafeteria has received more than 20,000 children to date. In FY2023, we opened a Care Support Center pavilion at KidZania Tokyo to foster children’s aspirations and hopes to become caregivers through work experiences, etc.

Under the new Mid-Term Management Plan started in FY2024, with the aim, “SOMPO’s nursing care will change nursing care in Japan, and create the future of Japan,” we will continue taking on the challenge of revolutionizing the nursing care business.

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Others

(Digital Business)

Pivoting on SOMPO Light Vortex, Inc., we have worked on creating, developing, and managing new businesses with a digital starting point, while pushing forward with initiatives that contribute to improving service quality and productivity through DX. In addition, the Company has partnered with Palantir Technologies Inc., a U.S. technology company, for the improvement of operations in our insurance business, and development and sale of the “egaku” service for nursing care providers, and we also aim to grow the Group’s business by utilizing the company’s Foundry software and other technologies.

(Other Businesses)

In the Group, Sompo Warranty Inc. specializes in providing extended warranty services for products such as home appliances and housing equipment, Sompo Asset Management Co., Ltd. is engaged in the business of providing services related to asset formation for customers, Sompo Japan DC Securities Inc. handles defined contribution pension plans, Sompo Risk Management Inc. offers services including risk management, business continuity management and planning, and cyber security, and Sompo Health Support Inc. provides health guidance support to health insurance associations nationwide and supports mental health measures that are an issue for companies. These companies aim to improve their profit models based on business collaboration with other Group companies including those in the domestic P&C insurance business.

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Priority Issues to be Addressed

Issues concerning our response to fraudulent automobile insurance claims at the Company and Sompo Japan, and issues concerning insurance premium adjustments, etc. at Sompo Japan

Based on the items pointed out in the business improvement orders and matters proposed by the external investigation committee on our response to the fraudulent automobile insurance claims, etc., the Company and Sompo Japan will diligently implement the following recurrence prevention measures (summary) set out in the business improvement plans.

<Sompo Holdings>

1. Drastically strengthen governance

Sompo Holdings will work on the following measures to diligently implement the business improvement plan and ensure measures are firmly established.

Strengthen and improve the effectiveness of Group governance

As common policies for the major domestic operating subsidiaries, the boards of directors of the operating companies shall revise, in principle, although their structure has the top executive which also serve as the chair so far. By sending more Sompo Holdings officers to serve as directors, Sompo Holdings will work to separate supervision and business execution, and bolster the supervisory structure. In addition, through investing in human resources, including the appointment of the officer in charge of Compliance and the officer in charge of Internal Audit and strengthening of specialized personnel, as well as through revising the institutional design of the major domestic operating subsidiaries, we will strengthen monitoring of the supervisory status of the Board of Directors and the functioning of internal controls at each subsidiary.

2. Establish a system to ensure sound and appropriate management of the operations of subsidiary insurance companies

We will implement the following measures to establish a system to ensure sound and appropriate management of the operations of subsidiaries.

(1) Monitoring system over subsidiaries' key measures

We will thoroughly conduct advance risk assessment and follow-up monitoring of subsidiaries' key measures and other activities. In addition, the Group CRO and he officer in charge of Compliance will conduct supervision and monitoring of the adequacy and effectiveness of Sompo Japan's internal controls and will report to the Audit Committee every quarter. In particular, recurrence prevention measures will be intensively supervised and monitored.

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(2) Develop information sharing and reporting system

We will reestablish rules for subsidiaries' key information to be reported to the Company without omission. We will also establish a system to actively obtain subsidiaries' key information as a holding company, by means of mutual concurrent appointments of officers and employees between the Company and Sompo Japan, and enhancement of informal communication and other measures.

3. Foster in subsidiary insurance companies a healthy organizational culture prioritizing compliance and customer protections

We revise a Group Corporate Philosophy framework and thoroughly instill and implement it across the Group, aiming to build a corporate culture that encourages employees to speak up and embraces diverse perspectives.

<Sompo Japan>

1. Drastically strengthen governance

Sompo Japan will implement the following measures to diligently implement the business improvement plan and ensure measures are firmly established.

(1) Appointment of outside directors and enhancement of governance system by the holding company

Sompo Japan transitioned to a company with an Audit & Supervisory Committee, etc. on April 1, 2024 and appointed outside directors, which will enhance fairness in the Board of Directors and concurrently, strengthen the Board of Directors' supervisory function over the execution department. In addition, regarding the composition of the Board of Directors, the holding company's supervision will be strengthened by having approximately the same number of concurrent directors at the holding company and executive directors at Sompo Japan. Through such measures, we seek to separate the roles of supervision and execution and strengthen the supervisory functions of the Board of Directors.

(2) Enhance the roles of officers in charge of second and third lines

Sompo Japan established the new posts of Chief Compliance Officer (CCoO) with the mission of minimizing compliance risks by establishing an appropriate legal and regulatory compliance system, and Chief Quality Officer (CQO) with the mission of achieving improved customer evaluations by building a system to promote operational improvements from the customer's viewpoint. In addition, the internal audit section was turned into an organization that reports directly to the president. With these measures, Sompo Japan will strengthen the control functions of the second line (Compliance Section, Risk Management Section, etc.) and third line (Internal Audit Section).

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2. Establish a system to thoroughly ensure compliance and customer protections

The roles and responsibilities of the first line (sales section, claims section, etc.) and the second line will be clarified. Also, by strengthening the risk management system and internal controls through the allocation of more personnel to the second line and enhancing their expertise, we will strengthen their control functions, and thereby thoroughly ensure compliance and customer protections.

In addition, while strengthening collaboration between the internal audit section and the Audit & Supervisory Committee, etc., we will strengthen the structure of the internal audit section by carrying out the digital transformation of audits.

3. Foster a healthy organizational culture prioritizing compliance and customer protections

We will implement the following measures to foster a healthy organizational culture prioritizing compliance and customer protections.

(1) Establish the new post of Chief Culture Officer (CCuO) and the Culture Change Department

By establishing the new post of Chief Culture Officer (CCuO), along with the Culture Change Department, a specialized department that will serve as the CCuO's execution team, Sompo Japan will always keep the customers' perspectives in mind and achieve the transformation to an open, transparent, and flat corporate culture.

(2) Foster a culture that prioritizes customer protection and compliance, and measures to instill such a culture in officers and employees

The management leaders will announce their commitment to compliance, i.e. adherence to laws and regulations, and will communicate it repeatedly and directly to employees through town hall meetings and other means. In addition, we will set up an opportunity for the annual review of customer comments and the content of the business improvement orders to ensure that the problem is not forgotten. In the sales section as well, we will revise the establishment of the sales promotion system and sales targets to place emphasis on quality and customers' perspectives, thereby fostering a culture that prioritizes customer protection and compliance.

■ Items peculiar to the response to fraudulent automobile insurance claims at Sompo Japan

1. Establish a system for management of appropriate payment of claims, etc.

We will work on the following measures to prevent fraudulent claims and conduct appropriate claims payments.

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(1) Establish a system for preventing fraudulent claims

We will abolish simple investigations on damages caused by accidents and reinforce technical adjusters to strengthen their involvement in loss investigation work. We will also strengthen the monitoring function, including the follow-up verification after the completion of claims payments to establish a structure for promoting appropriate loss investigations. We develop a system where warning signs of fraudulent claims can be detected early through strengthening systems for training and seminars of technical adjusters and other personnel, and establishing a department specialized in investigation of suspected cases of fraudulent claims.

(2) Establish a fair and precise screening system and process

We will increase the number of officers in charge and personnel in claims service departments. We will also establish a new organization specializing in human resource development within the claims service departments to strengthen their structures and ensure their independence from the sales departments. In addition, to establish a screening system for fair and precise payments, we will develop claims payment rules and also strengthen monitoring and follow-up verification.

2. Establish an effective agency management (insurance sales management) system

To ensure an appropriate insurance sales system, we will emphasize quality from the customers' perspective in our agency commission structure. We will also strengthen the monitoring system, such as complaint analysis and the response to cases requiring quality improvement, working to establish effective agency management and insurance sales management systems.

■ Items peculiar to insurance premium adjustments at Sompo Japan

Develop an environment for fair competition

We will establish "no contact" rules with other non-life insurance companies and other entities and insurance underwriting rules for collective insurance, etc., while accelerating the pace of reducing strategic shareholdings, with an aim to reduce the balance of strategic shareholdings to zero by the end of FY2030. Through these efforts, we will develop an environment for fair competition and create a system in which customers select us based on the quality of products that we offer. We will also review how support for core business has been provided so far to capture insurance policies and transaction share.

◆Group Governance System

The Group will continue initiatives for building a more effective Group governance system and putting it into practice, and diligently implement the business

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improvement plans.

As a Company with a nomination committee, etc., we have a supervisory system in which the Board of Directors composed mainly of outside directors supervises the Group's business execution. Each of the three statutory committees, namely, the Nomination Committee, Audit Committee, and Compensation Committee, is chaired by an outside director. From April 2024, the Board of Directors selects a chairperson from among outside directors, thereby further enhancing objectivity and fairness of operation. Some of executive officers and senior vice presidents (shikkouyakuin) of the Company are concurrently serving as directors of major subsidiaries. Such appointments allow them to directly grasp the issues of operating subsidiaries through the board of directors of each company and increase the effectiveness of governance. In order for the board of directors of each Group company to fulfill their supervisory function, we will develop a scheme so that important executive information is reported in a timely and proactive manner.

For its business operation system, under the general oversight of the Group CEO, the Company is working to ensure clarity of authority and responsibility. Business CEOs (name changed from Business Owners on April 1, 2024) selected by business segment are given partial delegation of authority to drive the growth of their respective businesses, while Group Chief Officers or executive officers in charge of each segment, who will be selected according to specialties, will be in charge of promoting Group-wide initiatives. Starting in April 2024, the Company will appoint an officer in charge of Compliance tasked with increasing the effectiveness of the Group's internal controls, and an officer in charge of Internal Audit who supervises internal audits of the Group, including the progress of the business improvement plan.

The executive officers and senior vice presidents (shikkouyakuin) appointed by the Board of Directors will pursue their own missions, while important managerial issues will be addressed by making flexible and effective use of the Group Executive Committee, which is an advisory organ to the Group CEO, and other committees, thereby we aim to achieve appropriate governance of the Group and an increase in corporate value.

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＜Reference：Directors and Executive Officers＞

The Company's Directors and Executive Officers will be as shown below subject to the approval of Proposal 2 "Appointment of Thirteen Directors"

Directors (appointed at Shareholders Meeting)

Directors



Mikio OKUMURA
(Concurrently serves as Executive Officer)



Masahiro HAMADA
(Concurrently serves as Executive Officer)



Shinichi HARA
(Concurrently serves as Executive Officer)



Satoshi KASAI

Outside Directors



Scott Trevor DAVIS



Isao ENDO



Meyumi YAMADA



Kazuhiro HIGASHI



Takashi NAWA



Misuzu SHIBATA



Kumi ITO



Masayuki WAGA



Toru KAJIKAWA

Nomination Committee
Composed solely of outside directors

Compensation Committee
Composed solely of outside directors

Audit Committee
Majority composed of outside directors

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＜Reference：Directors and Executive Officers＞

Executive Officers (appointed by the Board of Directors)

Group CEO



Group CEO
Director, President and
Representative Executive Officer

Mikio OKUMURA
(Concurrently serves as Director)

CEOs of Business

Domestic P&C Insurance



CEO, Domestic P&C Insurance Business,
Senior Vice President and Executive Officer

Koji ISHIKAWA
(President and Chief Executive Officer of Sompo Japan Insurance Inc.)

Overseas Insurance & Reinsurance



CEO, Overseas Insurance and Reinsurance Business, Senior Vice President

James SHEA
(Executive Chairman of the Board of Directors and Chief Executive Officer of Sompo International Holdings Ltd.)

Domestic Life Insurance



CEO, Domestic Life Insurance Business,
Senior Vice President and Executive Officer

Yasuhiro OBA
(President and Chief Executive Officer of Sompo Himawari Life Insurance Inc.)

Nursing Care



CEO, Nursing Care Business,
Senior Vice President and Executive Officer

Takamitsu WASHIMI
(Chief Executive Officer of Sompo Care Inc.)

Group Chief Officers



Group CFO
Director, Senior Executive Vice President and Representative Executive Officer
(Concurrently serves as Director)
Masahiro HAMADA

Finance



Group CHRO
Director, Senior Executive Vice President and Representative Executive Officer
(Concurrently serves as Director)
Shinichi HARA

Human Resources, Corporate Legal, Internal Audit



Group CDO
Senior Executive Vice President and Executive Officer
Koichi NARASAKI

Digital



Group CXO
Executive Vice President and Executive Officer
Kazufumi WATANABE

Business Transformation



Group CRO
Executive Vice President and Executive Officer
Yoshihiro UOTANI

Risk Management



Group Co-CDO
Senior Vice President
Albert CHU

Digital



Group CIO
Senior Vice President and Executive Officer
Yoshiyasu SUZUKI

IT



Group CSuO
Senior Vice President and Executive Officer
Ryoko SHIMOKAWA

Sustainability



Group CPRO
Senior Vice President and Executive Officer
Hirofumi SHINJIN

Public Relations

- Senior Executive Vice President in charge of Corporate Strategy and Overseas M&A)
  Katsuyuki TAJIRI
- Executive Vice President in charge of Compliance
  Hiroshi HORIE
- Executive Vice President, Deputy Head of Wellbeing
  Yasuki KUME
- Senior Vice President in charge of Wellbeing, General Manager, Wellbeing Business Department
  Yohei NAMIKI
- Executive Vice President (General Manager, Global Business Department)
  Kenneth REILLY
- Executive Vice President in charge of Overseas Business, Wellbeing
  Yuji KAWAUCHI
- Senior Vice President, Group Deputy CFO
  Tsutomu YAMAGUCHI
- Senior Vice President in charge of Wellbeing
  Yuko NAKAGAWA

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◆Operating Environment and Management Strategy

There are increasing uncertainties over trends in monetary policies in Japan and abroad, exchange rates and a global insurance market. In Japan, inflation may continue affecting corporate management. Over the medium- to-long term, factors such as a shrinking insurance market due to changing demographics caused by a declining birthrate and aging population, an increase in natural disasters across the globe due to climate change, geopolitical risks and the development of mobility technologies may cause a major paradigm shift. In addition, generative AI and changes in people's consumption patterns may call for shifts in business models.

In this environment, backed by its business foundation and expertise fostered in more than 130 years of history, the Group will execute strategies with the maximum use of its strengths as a corporate group that can deliver services that contribute to security, health, and wellbeing to customers.

<SOMPO Group's objectives>

1) The P&C Insurance Business places the most importance on increasing resilience so as to continue delivering security and safety to customers whether in Japan or overseas. The Domestic P&C Insurance Business and the Overseas Insurance and Reinsurance Business will achieve an optimal integration and aim for flexible operations that can respond to changes in the market size, customers and risks.

2) By linking the insurance, nursing care and other Group businesses together, we will launch the Wellbeing Business. Our aim is to provide customers with a seamless service by connecting various solutions to social issues relating to health, nursing care and money for retirement.

Toward realizing SOMPO's Purpose, the Group seeks to resolve social issues through its business operations and pursues sustainable increase in corporate value.

SOMPO's Purpose: "Into a future full of security, health, and wellbeing"

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◆Principles of the Next Mid-Term Management Plan (FY2024 to FY2026)

Under the new Mid-Term Management Plan covering the period from FY2024 to FY2026, we position “increasing resilience” and “connecting” as a goal toward realizing the SOMPO Group’s objectives.

We will focus on three business domains as the Group, namely, the Domestic P&C Insurance Business that works to regain trust and increase resilience; the Overseas Insurance and Reinsurance Business as a driving force for scale expansion and growth of the Group; and the Wellbeing Business as a mid- to long-term growth driver. As the outcomes of these efforts, we aim to achieve adjusted consolidated ROE of 13-15% and adjusted EPS growth of over 12% in three years.

As strategies common to the Group, we will promote “human resources strategies (including a reform of corporate culture),” “financial strategies (including capital circulation),” and “data and digital strategies.”

Looking by business, in the Domestic P&C Insurance Business, we will diligently implement business improvement plans with a focus on rebuilding the profit base and business foundation. Upgrading the quality of our core insurance business, we will develop internal systems centering on portfolio reforms and “SJ-R” project for reforming claims service departments and sales departments.

In the Overseas Insurance and Reinsurance Business, we pursue expansion in terms of geography and business domains. While increasing net investment income, we strive for stable profit growth. We also continue seeking M&A prospects with discipline.

Under the Wellbeing Business, in the Domestic Life Insurance Business, we aim to increase “Himawari fans” centering on our insurance and health services, while in the Nursing Care Business, we will further improve quality and efficiency in the operators business and expand provision of platforms, including “egaku,” on a continual basis.

Taking into consideration the execution of M&A and through offering various solutions that help extend health life expectancy, we will increase LTV (Life Time Value) per customer and lead to PER growth of the Group.

The Group will work to improve its corporate value by evolving the role it should play, and aim to solve various issues and realize a sustainable society, while facing diverse stakeholders with sincerity.

We very much look forward to the further support of all our shareholders in the future.

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Notes:

1. The calculation methods for adjusted profit for each business segment, adjusted consolidated profit, adjusted consolidated net assets, adjusted consolidated ROE and risk diversification ratio from FY2024 (inclusive) onward are as follows.

		Calculation method
Adjusted profit by business segment *1	Domestic P&C Insurance Business	Net income for the period ＋Provisions for catastrophic loss reserve, etc. (after tax) ＋Provisions for reserve for price fluctuation (after tax) －Gains/losses on sales of securities and impairment losses on securities (after tax)
	Overseas Insurance and Reinsurance Business	Operating income*2 Net income for the period for affiliates accounted for under the equity-method in principle
	Domestic Life Insurance Business	Net income for the period ＋Provisions of contingency reserve, etc. (after tax) ＋Provisions for reserve for price fluctuation (after tax) ＋Adjustment of underwriting reserve (after tax) ＋Deferral of acquisition cost (after tax) －Depreciation of acquisition cost (after tax) －Gains/losses on sales of securities and impairment losses on securities (after tax)
	Nursing Care Business	Net income for the period
	Digital Business and Others	Net income for the period －Gains/losses on sales and impairment losses related to investment (after tax)
Adjusted consolidated profit		Total of above adjusted profits
Adjusted consolidated net assets		Consolidated net assets (excluding domestic life insurance subsidiary's net assets) ＋Catastrophic loss reserve in domestic P&C insurance, etc. (after tax) ＋Reserve for price fluctuation in domestic P&C insurance (after tax) ＋Domestic life insurance adjusted net assets*3
Adjusted consolidated ROE		Adjusted consolidated profit ÷ Adjusted consolidated net assets (All values in the denominator are the average of the fiscal-year opening and closing balances.)
Risk diversification ratio		Risk diversification effect ÷ Total amount of Group risk (Before consideration of diversification effect)

*1 Adjusted profit by business segment excludes one-time gains and losses or special factors such as dividends from Group companies' subsidiaries.

*2 Defined at the operating income, which excludes one-time factors (= Net income – Net foreign exchange gains and losses –Net realized and unrealized gains and losses – Net impairment losses recognized in earnings, etc.)

*3 Adjusted net assets of domestic life insurance business = Net assets of domestic life insurance business (J-GAAP)＋Contingency reserve (after tax)＋Reserve for price fluctuation (after tax)＋Adjustment of underwriting reserve (after tax)＋Non-depreciated acquisition cost (after tax)

2. The monetary amounts, number of shares owned and the like in the Business Report (including the tables set forth below) have been rounded off to the nearest unit displayed. Ratios such as percentages of ownership of shares have been rounded to the nearest unit displayed.

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(2) State of Progress in Assets and Income (Loss) of the Corporate Group and the Insurance Holding Company

A. Trends in Assets and Income (Loss) of the Corporate Group

Category	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Current Period)
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Ordinary income	3,846,323	4,167,496	4,525,869	4,933,646
Ordinary profit	215,097	315,512	49,504	488,034
Net income attributable to shareholders of the parent	142,482	224,842	26,413	416,054
Comprehensive income	512,417	143,823	29,346	1,061,846
Net assets	2,031,168	2,040,789	1,919,140	2,868,258
Gross assets	13,118,656	13,787,835	13,351,277	14,832,778

Note: Overseas consolidated subsidiaries that have adopted International Financial Reporting Standards (IFRS) started applying IFRS 17 “Insurance Contracts” and IFRS 9 “Financial Instruments” from the beginning of the current fiscal year. Due to the application, figures for Fiscal 2022 are presented in figures after the retrospective application of the new accounting policies. Cumulative effect of the application in and before fiscal 2021 are reflected on the beginning balance of net assets for fiscal 2022.

B. Trends in Assets and Income (Loss) of the Insurance Holding Company

Category	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023 (Current Period)
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Operating income	224,945	170,164	147,733	155,074
Dividends received	214,376	157,556	133,861	141,147
Subsidiaries, etc., engaged in the insurance business	213,660	153,600	128,960	136,440
Other subsidiaries, etc.	716	3,956	4,901	4,707
Net income (loss) for the period	203,154	183,589	116,786	186,482
Net income (loss) per share for the period	188.87 yen	175.34 yen	115.57 yen	188.17
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Gross assets	1,384,770	1,318,207	1,333,159	1,444,883
Stocks, etc., of subsidiaries, etc., engaged in the insurance business	786,315	786,315	786,315	786,315
Stocks, etc., in other subsidiaries, etc.	133,265	155,930	239,328	239,802

Note: The Company implemented a stock split whereby each share of common stock was split into three shares on April 1, 2024. As a result, figures for net income (loss) per share for the period were calculated assuming that the stock split was implemented at the beginning of fiscal 2020.

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(3) Status of Major Offices of the Corporate Groups

As stated in Attachment hereto.

(4) Status of Employees in the Corporate Group

Business Segment	End of Previous Period	End of Current Period	Increase (Decrease) in Current Period
	No. of employees	No. of employees	No. of employees
Domestic P&C insurance business	23,500	22,723	(777)
Overseas insurance and reinsurance business	7,467	7,296	(171)
Domestic life insurance business	2,636	2,650	14
Nursing care & seniors business	13,840	14,105	265
Others (Insurance holding company, etc.)	1,614	1,647	33
Total	49,057	48,421	(636)

Notes:

1. The number of employees includes those who are concurrently serving at the Group companies. Persons seconded from the Group to another company have been excluded, and persons seconded from another company to the Group have been included.
2. All the number of employees of the Company is included under “Others (Insurance holding company, etc.)”

(5) Status of Major Lenders to the Corporate Group

None.

(6) Status of Funding to the Corporate Group

On April 27, 2023, the Company issued its 1st series of unsecured straight bonds with inter-bond pari passu clause (social bond). The funds raised by the issuance of the bonds shall be appropriated as repayment of short-term borrowings (bridge loan) procured to acquire shares of ND Software Co., Ltd., etc.

Total issue amount	70.0 billion yen
Maturity date	April 27, 2028 (5-year bonds)

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(7) Status of Capital Investment

A. Gross Capital Investment

Business Segment	Amount
Domestic P&C insurance business	(Millions of yen) 19,607
Overseas insurance and reinsurance business	7,252
Domestic life insurance business	908
Nursing care & seniors business	8,093
Others (Insurance holding company, etc.)	307
Total	36,168

Note: The amount of the Company's capital investment is included in that of "Others (Insurance holding company, etc.)"

B. New Installation, etc. of Significant Equipment

None.

(8) Status of Significant Parent Company and Subsidiaries, etc.

A. Status of Parent Company

None.

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B. Status of Subsidiaries, etc.

(As of March 31, 2024)

Company Name	Location	Major Lines of Business	Date of Establishment	Common Stock	Percentage of Voting Rights of Subsidiaries, etc. Held By the Company	Others
(Consolidated subsidiaries)						
Sompo Japan Insurance Inc.	Shinjuku-ku Tokyo	Domestic P&C insurance	Feb. 12, 1944	70,000 million yen	100.0%	—
SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED	Toshima-ku Tokyo	Domestic P&C insurance	Sep. 22, 1982	32,260 million yen	100.0% (100.0%)	—
Sompo Japan Partners Inc.	Shinjuku-ku Tokyo	Domestic P&C insurance	Feb. 28, 1989	100 million yen	100.0% (100.0%)	—
Mysurance Inc.	Shinjuku-ku Tokyo	Domestic P&C insurance	Jul. 17, 2018	2,075 million yen	100.0% (100.0%)	—
Sompo International Holdings Ltd.	Pembroke (British Overseas Territory of Bermuda)	Overseas (re)insurance	Mar. 24, 2017	USD 0 thousand (0 million yen)	100.0% (100.0%)	—
Endurance Specialty Insurance Ltd.	Pembroke (British Overseas Territory of Bermuda)	Overseas (re)insurance	Nov. 30, 2001	USD 12,000 thousand (1,816 million yen)	100.0% (100.0%)	—
Endurance Assurance Corporation	Wilmington Delaware (USA)	Overseas (re)insurance	Sep. 5, 2002	USD 5,000 thousand (757 million yen)	100.0% (100.0%)	—
Endurance Worldwide Insurance Limited	London (UK)	Overseas (re)insurance	Apr. 10, 2002	GBP 215,967 thousand (41,297 million yen)	100.0% (100.0%)	—
SI Insurance (Europe), SA	Luxembourg (Luxembourg)	Overseas (re)insurance	Jan. 12, 2018	EUR 30 thousand (4 million yen)	100.0% (100.0%)	—
Sompo Holdings (Asia) Pte. Ltd	Singapore (Singapore)	Overseas (re)insurance	Aug. 1, 2008	790,761 thousand SGD (88,652 million yen)	100.0% (100.0%)	—
Sompo Sigorta Anonim Sirketi	Istanbul (Turkey)	Overseas (re)insurance	Mar. 30, 2001	TRY 195,498 thousand (914 million yen)	100.0% (100.0%)	—

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Company Name	Location	Major Lines of Business	Date of Establishment	Common Stock	Percentage of Voting Rights of Subsidiaries, etc. Held By the Company	Others
Berjaya Sompo Insurance Berhad	Kuala Lumpur (Malaysia)	Overseas (re)insurance	Sep. 22, 1980	MYR 118,000 thousand (3,773 million yen)	70.0% (70.0%)	—
Sompo Seguros S.A.	Sao Paulo (Brazil)	Overseas (re)insurance	Oct. 8, 1943	BRL 1,872,552 thousand (56,532 million yen)	99.9% (99.9%)	—
Sompo Himawari Life Insurance Inc.	Shinjuku-ku Tokyo	Domestic life insurance	Jul. 7 1981	17,250 million yen	100.0%	—
Sompo Care Inc.	Shinagawa-ku Tokyo	Nursing care & seniors	May 26, 1997	3,925 million yen	100.0%	—
ND Software Co., Ltd.	Nanyo-shi, Yamagata	Nursing care & seniors	Dec. 20, 2018	100 million yen	100.0%	—
Sompo Warranty Inc.	Chiyoda-ku Tokyo	Others (Extended warranty)	Aug. 20, 2009	95 million yen	100.0%	—
SOMPO Light Vortex, Inc.	Shinjuku-ku Tokyo	Other (Digital-related)	Jul. 1, 2021	12,198 million yen	100.0%	—
Sompo Asset Management Co., Ltd.	Chuo-ku Tokyo	Others (Asset management)	Feb. 25, 1986	1,550 million yen	100.0%	—
Sompo Japan DC Securities Inc.	Shinjuku-ku Tokyo	Others (Defined contribution pension plan)	May 10, 1999	3,000 million yen	100.0% (100.0%)	—
Sompo Risk Management Inc.	Shinjuku-ku Tokyo	Others (Risk management)	Nov. 19, 1997	30 million yen	100.0%	—
Sompo Health Support Inc.	Chiyoda-ku Tokyo	Others (Healthcare)	Oct. 1, 2018	10 million yen	100.0%	—
(Affiliates accounted for under the equity-method)						
Capital Insurance Corporation	Chiyoda-ku Tokyo	Domestic P&C insurance	Jun. 21, 1994	6,200 million yen	20.6% (20.6%)	—
Universal Sompo General Insurance Company Limited	Mumbai (India)	Overseas (re)insurance	Jan. 5, 2007	INR 3,681,818 thousand (6,737 million yen)	34.6% (34.6%)	—
Palantir Technologies Japan K.K.	Shibuya-ku Tokyo	Others (Software sales)	Oct. 15, 2019	5,432 million yen	50.0%	—

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Company Name	Location	Major Lines of Business	Date of Establishment	Common Stock	Percentage of Voting Rights of Subsidiaries, etc. Held By the Company	Others
Tier IV, Inc.	Nagoya Aichi	Others (Autonomous driving platform development)	Dec. 1, 2015	3,350 million yen	25.4%	—
DeNA SOMPO Mobility Co., Ltd.	Shibuya-ku Tokyo	Others (C2C car sharing)	Mar. 1, 2019	100 million yen	50.0%	—
ABEJA, Inc.	Minato-ku Tokyo	Others (AI-related)	Sep. 10, 2012	819 million yen	18.5% (18.5%)	—
DeNA SOMPO Carlife Co., Ltd.	Shibuya-ku Tokyo	Others (Private car leasing)	Mar. 25, 2019	100 million yen	39.0%	—
akippa Inc.	Osaka City Osaka	Others (Parking space sharing)	Feb. 2, 2009	100 million yen	33.5%	—

Notes:
1. This table shows the details of significant consolidated subsidiaries and affiliates accounted for under the equity method.
2. The yen value displayed in parentheses under the “Common Stock” column is the amount translated at the market exchange rate as of the end of the current period.
3. The figures stated in parentheses in the column of “Percentages of Voting Rights of Subsidiaries, etc. Held by the Company” represent the indirect ownership ratio that is included in the total.

Overview of Important Business Alliances

1. Comprehensive Business Alliance Between Sompo Japan Insurance Inc. and The Dai-ichi Life Insurance Company, Limited
   Pursuant to a comprehensive business alliance with The Dai-ichi Life Insurance Company, Limited, the Company’s consolidated subsidiary Sompo Japan Insurance Inc. has entered into agreements for agency in business and conduct of administrative work. The Dai-ichi Life Insurance Company, Limited handles P&C insurance products of Sompo Japan Insurance Inc. and the agencies of Sompo Japan Insurance Inc. handle life insurance products of The Dai-ichi Life Insurance Company, Limited.
2. Business Alliance between the Company and SOHGO SECURITY SERVICES CO., LTD.
   Under the business alliance formed between the Company and SOHGO SECURITY SERVICES CO., LTD., emergency aid services at the time of an accident are provided by SOHGO SECURITY SERVICES CO., LTD. to automobile insurance policyholders of SAISON AUTOMOBILE AND FIRE

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INSURANCE COMPANY, LIMITED, a consolidated subsidiary of the Company. In addition, the same services are provided to part of automobile insurance policyholders of Sompo Japan Insurance Inc.

3. Alliance Between Sompo Holdings (Asia) Pte. Ltd. and the CIMB Group Concerning Sales of P&C Insurance through Banks
   Pursuant to an alliance with the CIMB Group, a major banking group in Southeast Asia, the Company's consolidated subsidiary Sompo Holdings (Asia) Pte. Ltd. provides P&C insurance products through the CIMB Group's network of branches in four countries in Southeast Asia (Malaysia, Indonesia, Singapore and Thailand).
4. Alliance Between the Company, Palantir Technologies Inc. and Palantir Technologies Japan K.K.
   The Company is developing a new solution model that utilizes the software technologies of Palantir Technologies Inc. through an alliance with Palantir Technologies Inc. and Palantir Technologies Japan K.K., which was jointly established by the Company and Palantir Technologies Inc.

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(9) Status of Assignment and Acceptance of Assignment of Businesses, etc.

None.

(10) Other Important Matters Relating to the Present Condition of the Corporate Group

SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED, a consolidated subsidiary of the Company, is scheduled to change its name to “Sompo Direct Insurance Inc..” on October 1, 2024, subject to approval of the relevant authorities, etc.

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II. Matters Relating to Company Executives

(1) Overview of Company Executives

A. Directors

(As of March 31, 2024)

Name	Position and Responsibilities in the Company	Significant Positions Concurrently Held	Others
Kengo SAKURADA	Director	Director of Sompo Japan Insurance Inc.	Note 1
Mikio OKUMURA	Director	Director of Sompo International Holdings Ltd.	Note 2
Scott Trevor DAVIS	Director (outside) Member of the Nomination Committee (chair) Member of the Compensation Committee	Professor of the Department of Global Business, College of Business, Rikkyo University Member of the Board of Bridgestone Corporation (Outside Director) Member of the Board of Ajinomoto Co., Inc. (Outside Director)	Note 3
Isao ENDO	Director (outside) Member of the Nomination Committee Member of the Compensation Committee	Director of DreamArts Corporation (Outside Director) Director of NEXTAGE Co., Ltd. (Outside Director) Director of TANAKA Holdings Co., Ltd. (Outside Director)	Note 3
Kazuhiro HIGASHI	Director (outside) Member of the Compensation Committee (chair) Member of the Nomination Committee	Vice Chairman of The Osaka Chamber of Commerce and Industry Director of Honda Motor Co., Ltd. (Outside Director)	Note 3

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Name	Position and Responsibilities in the Company	Significant Positions Concurrently Held	Others
Takashi NAWA	Director (outside) Member of the Nomination Committee Member of the Compensation Committee	President of Genesys Partners, Inc. Member of the Board of NEC Capital Solutions Limited (Outside Director) Guest Professor of School of International Corporate Strategy, Hitotsubashi University Business School Advisor of Sumitomo Mitsui Trust Bank, Limited Professor, Division of Business Administration, Graduate School of Business Administration, Kyoto University of Advanced Science Audit & Supervisory Board Member of The Asahi Shimbun Company (Outside Audit & Supervisory Board Member)	Note 3
Misuzu SHIBATA	Director (outside) Member of the Audit Committee (Chair)	Attorney at law Director of DELICA FOODS HOLDINGS CO., LTD. (Outside Director) Director of PILOT CORPORATION (Outside Director)	Note 3, Note 4
Meyumi YAMADA	Director (outside) Member of the Nomination Committee Member of the Compensation Committee	Director of istyle Inc. Director of SEINO HOLDINGS CO., LTD. (Outside Director) Director of Seven & i Holdings Co., Ltd. (Outside Director)	Note 3, Note 5
Kumi ITO	Director (outside) Member of the Audit Committee	Managing Partner of Office KITO Director of True Data Inc. (Outside Director) Director of FUJI FURUKAWA ENGINEERING & CONSTRUCTION CO. LTD. (Outside Director) Director of Ryohin Keikaku Co., Ltd. (Outside Director)	Note 3
Masayuki WAGA	Director (outside) Member of the Audit Committee	—	Note 3

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Name	Position and Responsibilities in the Company	Significant Positions Concurrently Held	Others
Toru KAJIKAWA	Director (outside) Member of the Audit Committee	Certified Public Accountant Chairman of Grant Thornton Taiyo LLC Audit & Supervisory Board Member of Kakiyasu Honten Co., Ltd. (Outside Audit & Supervisory Board Member) Audit & Supervisory Board Member of Kikkoman Corporation (Outside Audit & Supervisory Board Member) Audit & Supervisory Board Member of MITSUBISHI PENCIL CO., LTD. (Outside Audit & Supervisory Board Member)	Note 3, Note 6
Satoshi KASAI	Director Member of the Audit Committee	—	Note 7

Notes:

1. Mr. Kengo SAKURADA resigned as Director of the Company and Director of Sompo Japan Insurance Inc. as of March 31, 2024.
2. Mr. Mikio OKUMURA took office as Director of Sompo Japan Insurance Inc. as of April 1, 2024.
3. Mr. Scott Trevor DAVIS, Mr. Isao ENDO, Mr. Kazuhiro HIGASHI, Mr. Takashi NAWA, Ms. Misuzu SHIBATA, Ms. Meyumi YAMADA, Ms. Kumi ITO, Mr. Masayuki WAGA and Mr. Toru KAJIKAWA are all “independent directors/auditors,” which are specified by the Tokyo Stock Exchange, Inc. as being unlikely to have a conflict of interest with general shareholders.
4. Ms. Misuzu SHIBATA’s registered name is Misuzu KOYAMA.
5. Ms. Meyumi YAMADA’s registered name is Meyumi YAMADA using different type of Japanese characters for her first name.
6. Mr. Toru KAJIKAWA has many years of working experience as a certified public accountant at audit firms, and has a considerable level of experience in connection with finance and accounting.
7. In order to ensure the effectiveness of audits, the Company needs an extensive range of accurate information collected by internal directors who are well versed in the Group’s internal organization and execution of business. For this reason, the Company has elected Mr. Satoshi KASAI as a full-time member of the Audit Committee.

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B. Executive Officers

(As of March 31, 2024)

Name	Position and Responsibilities in the Company	Significant Positions Concurrently Held	Others
Kengo SAKURADA	Group CEO, Chairman and Representative Executive Officer Responsibilities in the Company: Overall management of the Group's operations (Chief Executive Officer)	Director of Sompo Japan Insurance Inc.	Note 1
Mikio OKUMURA	Group COO, President and Representative Executive Officer Responsibilities in the Company: Overall management of the Group's operations (Chief Operating Officer)	Director of Sompo International Holdings Ltd.	Note 2
Koji ISHIKAWA	CEO of Domestic P&C Insurance Business, Senior Vice President and Executive Officer Responsibilities in the Company: Domestic P&C Insurance Business (Chief executive)	Representative Director, President and Chief Executive Officer of Sompo Japan Insurance Inc.	Note 3
Yasuhiro OBA	CEO of Domestic Life Insurance Business, Senior Vice President and Executive Officer Responsibilities in the Company: Domestic Life Insurance Business (Chief executive)	Representative Director, President and Chief Executive Officer of Sompo Himawari Life Insurance Inc.	Note 4
Ken ENDO	CEO of Nursing Care & Seniors Business, Senior Vice President and Executive Officer Responsibilities in the Company: Nursing Care & Seniors Business (Chief executive)	Representative Director, Chief Executive Officer of Sompo Care Inc. Director of Nissan Tokyo Sales Holdings Co., Ltd. (Outside Director)	Note 5
Koichi NARASAKI	CEO of Digital Business, Senior Executive Vice President and Executive Officer Responsibilities in the Company: Digital Business (Chief executive)	CEO of Palantir Technologies Japan K.K. Chairman and CEO of SOMPO Light Vortex, Inc.	Note 6
Masahiro HAMADA	Group CFO, Group CSO, Senior Executive Vice President and Executive Officer Responsibilities in the Company: The Group's finance (Chief executive), the Group's strategy (Chief executive)	Director of SOMPO Light Vortex, Inc. Director of Sompo Himawari Life Insurance Inc.	Note 7

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Name	Position and Responsibilities in the Company	Significant Positions Concurrently Held	Others
Shinichi HARA	Group CHRO, Group CERO, Senior Executive Vice President and Executive Officer, Responsibilities in the Company: The Group's human resources (Chief executive), The Group's public relations, information and external networking (Chief executive)	Director of Sompo International Holdings Ltd.	Note 8
Kazufumi WATANABE	Group CXO, Executive Vice President and Executive Officer Responsibilities in the Company: The Group's business transformation(Chief executive)	Director of Lotte Holdings Co., Ltd. (Outside Director)	Note 9
Yoshihiro UOTANI	Group CRO, Group CIO, Executive Vice President and Executive Officer Responsibilities in the Company: The Group's risk management and internal control (Chief executive), The Group's IT (Chief executive)	Director of SOMPO Light Vortex, Inc.	Note 10
Ryoko SHIMOKAWA	Group CSuO, Senior Vice President and Executive Officer Responsibilities in the Company: The Group's sustainability (Chief executive)	―	―
Hirofumi SHINJIN	Group CPRO, Senior Vice President and Executive Officer, General Manager of Corporate Communications Department Responsibilities in the Company: The Group's public relations (Chief executive)	―	Note 11

Notes:

1. Mr. Kengo SAKURADA resigned as Group CEO, Chairman and Representative Executive Officer of the Company, and as Director of Sompo Japan Insurance Inc. as of March 31, 2024.
2. Mr. Mikio OKUMURA took office as Group CEO, President and Representative Executive Officer of the Company and Director of Sompo Japan Insurance Inc. as of April 1, 2024.
3. Mr. Koji ISHIKAWA took office as CEO of Domestic P&C Insurance Business, Senior Vice President and Executive Officer of the Company as of April 1, 2024.
4. Mr. Yasuhiro OBA took office as CEO of Domestic Life Insurance Business, Senior Vice President and Executive Officer of the Company as of April 1, 2024.
5. Mr. Ken ENDO resigned as CEO of Nursing Care & Seniors Business, Senior Vice President and Executive Officer of the Company as of March 31, 2024. He resigned as Representative Director, Chief Executive Officer of Sompo Care Inc. as of the same date and took office as Chairman and Senior Corporate Advisor of Sompo Care Inc. as

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of April 1, 2024.

6. Mr. Koichi NARASAKI took office as Group CDO, Senior Executive Vice President and Executive Officer of the Company as of April 1, 2024.
7. Mr. Masahiro HAMADA resigned as Group CSO of the Company as of March 31, 2024. He took office as Director of Sompo Japan Insurance Inc. as of April 1, 2024.
8. Mr. Shinichi HARA resigned as Group CERO of the Company as of March 31, 2024.
9. Mr. Kazufumi WATANABE took office as Vice President, Director and Executive Officer of SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED as of April 1, 2024.
10. Mr. Yoshihiro UOTANI resigned as Group CIO of the Company as of March 31, 2024. He took office as Director of Sompo Japan Insurance Inc. as of April 1, 2024.
11. Mr. Hirofumi SHINJIN has been dismissed from his duties as General Manager of Corporate Communications Department of the Company as of March 31, 2024.
12. Mr. Takamitsu WASHIMI took office as CEO of Nursing Care Business, Senior Vice President and Executive Officer of the Company and Mr. Yoshiyasu SUZUKI took office as Group CIO, Senior Vice President and Executive Officer of the Company as of April 1, 2024.

An officer resigned during the current fiscal year is as follows.

Name	Position and Responsibilities in the Company	Significant Positions Concurrently Held	Others
Giichi SHIRAKAWA	CEO of Domestic P&C Insurance Business, Senior Vice President and Executive Officer Responsibilities in the Company: Domestic P&C Insurance Business (Chief executive)	Representative Director, President and Chief Executive Officer of Sompo Japan Insurance Inc.	Resigned on January 31, 2024

Note: Description in the “Position and Responsibilities in the Company” and “Significant Positions Concurrently Held” is the information as of the resignation.

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(2) Remuneration, etc., for Officers

Category	Number of Persons Receiving Payment	Total Remuneration, etc.	Total Amount Per Type of Remuneration				
			Fixed Remuneration (Monthly Remuneration)	Retirement Benefits, etc.	Performance-linked Remuneration, etc.		Non-monetary Remuneration included in the left
					Performance-linked Remuneration	Stock price-linked Remuneration	
Directors (excluding outside directors)	4	52 million yen	50 million yen	—	1 million yen	—	—
Outside directors	11	180 million yen	180 million yen	—	—	—	—
Executive officers	14	1,120 million yen	743 million yen	—	364 million yen	13 million yen	—
Total	27	1,353 million yen	974 million yen	—	365 million yen	13 million yen	—

Notes:

1. The number of persons receiving payment, total remuneration, etc. and total amount by type of remuneration, etc. for each respective officer category include the number of and amount for one executive officer who resigned as of March 31, 2021, two executive officers who resigned as of March 31, 2023 as well as three directors who retired at the conclusion of the 13th General Shareholders Meeting held on June 26, 2023.
2. The amount of remuneration, etc. for two directors who concurrently serve as executive officers is separated as the portion payable for their roles as directors and for their roles as executive officers, and then included into each category of the remuneration, etc. for directors and executive officers, resulting in an inconsistency between the total number of persons receiving payment and the sum of the number of persons receiving payment in each category.
3. Of the performance-linked remuneration, etc., performance-linked remuneration is the total amount of remuneration based on the performance of the previous fiscal year and the amount of reserve for remuneration based on the performance of the current fiscal year (excluding the amount of reserve for the previous fiscal year). Stock price-linked remuneration shows the amount of expenses recorded for the current fiscal year.
4. All remuneration of directors and executive officers is the remuneration, etc. paid by the insurance holding company, and no remuneration is paid by the parent company, etc. of the insurance holding company.

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Method of Determining Policies on Decisions Pertaining to the Amounts of Remuneration for Officers or its Calculation Method, and Outline of the Contents of the Policies

1. Positioning of Remuneration System for Officers

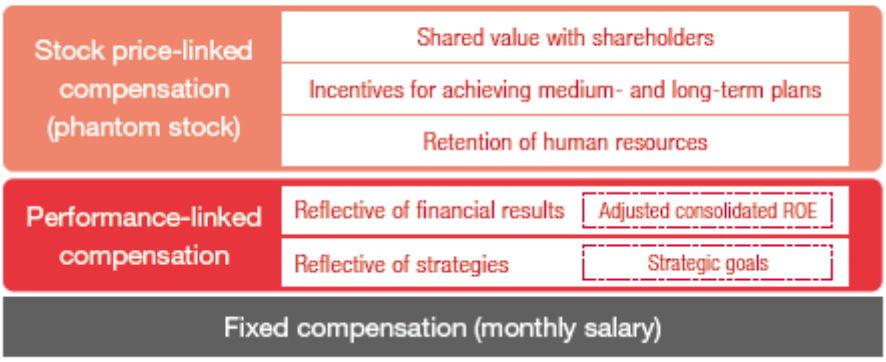
The Company regards its remuneration system for officers as an important aspect of corporate governance. The remuneration system for officers has been designed with the aim of increasing corporate value and sharing interests with shareholders. The aforementioned system is based on the basic policies outlined below, and has been designed from an objective perspective by the Compensation Committee, which is chaired by an outside director.

The Company's Policies for Determining Compensation for Officers describes the Basic Policies on Remuneration for Officers, the composition of remuneration and how it is determined for each position, and the details of each type of remuneration.

2. The Company's Remuneration System for Officers

The Company considers the current Mid-term Management Plan as an opportunity to realize transformation of each business and the entire Group. Remuneration for officers linked to the Company's performance, the magnitude of the mission toward the achievement of transformation, and initiatives related thereto are recognized as an important facet of corporate governance underpinning this transformation.

Scale of mission and approach to realizing a transformation and earnings-linked executive compensation structure



The Company, based on the principle of being mission-driven and results-oriented (a sense of mission and job satisfaction and working with a sense of personal involvement), is of the opinion that each officer should demonstrate and act in accordance with their own duties and mission. Remuneration for these officers is not a fixed amount based on their duties or position, but decided in accordance with the magnitude of the mission they are undertaking for the future and the outcome of their efforts. The system for remuneration for officers was designed with this philosophy in mind.

To realize this, the Company determines the standard amount for the total remuneration packages based on the post grading system (rating by post) while setting grades for each post of officer with the Group CEO as the top, commensurate with the responsibilities that come with each such post. The standard amount for the total remuneration packages for each officer is determined each fiscal year, reflecting the magnitude of the mission assigned to each post.

Meanwhile, the Compensation Committee deliberates and determines the amount and composition of the remuneration for each director and executive officer of the Company,

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in accordance with the determination process and calculation methods described below.

(1) Decision-making process for total remuneration packages

The Company sets remuneration levels on an individual basis with consideration made to the magnitude of the mission assigned to each officer and other factors. This is in contrast to an approach whereby remuneration is determined according to a traditional remuneration table for each officer rank.



(2) Composition of remuneration for officers

Remuneration for officers consists of a fixed remuneration (monthly remuneration) based on the duties and responsibilities of each officer and a variable component linked to performance. Variable remuneration comprises performance-linked remuneration, which is remuneration linked to short-term performance paid out on a fiscal-year basis in accordance with performance during each year, and stock price-linked compensation, which is remuneration linked to long-term performance in order to increase the association between remuneration and growth in corporate value over the medium-to-long term. This composition is designed to motivate officers to make decisions based on longer-term earnings with a greater awareness of the share price, instead of focusing solely on a single fiscal year.

<Overview of Executive Compensation System>

	Type of compensation	% of total		Comments
		Group CEO	Other officers	
Fixed compensation	Monthly salary	33.4%	50-70%	• Set for each officer in accordance with the roles and duties of their position • Cash compensation paid monthly
Variable compensation	Performance-linked cash compensation	33.3%	15-25%	• A base amount is set; actual payment is determined based on annual performance • Based on an assessment of each officer's level of achievement for financial and strategic goals • Paid in cash in June after the conclusion of the fiscal year
	Stock price-linked compensation	33.3%	15-25%	• Payment amount is determined in accordance with the share price in order to share value with shareholders and promote medium- and long-term growth of the Group • Payment in cash at any time after a certain period has elapsed since the granting of units up until retirement and also upon retirement
	Subtotal	66.6%	30%-50%	
Total		100%	100%	

(3) Concepts of the remuneration elements and calculation method

■Fixed Remuneration (Monthly Remuneration)

The Company sets fixed remuneration (monthly remuneration) in accordance with the responsibilities of the post assigned to each officer, and paid in equal amounts each month, in principle.

The amount of fixed remuneration (monthly remuneration) is set at a level deemed fair in light of prevailing remuneration levels on the market, referring to a survey of remuneration for officers conducted by a third-party remuneration consulting firm, with a standard amount for the total remuneration package based on the post grading system, as well as a base amount that depends on the nature of the duties and responsibilities of each officer while considering the mission of each post.

■Performance-linked Remuneration

The Company has put in place a performance-linked remuneration system that

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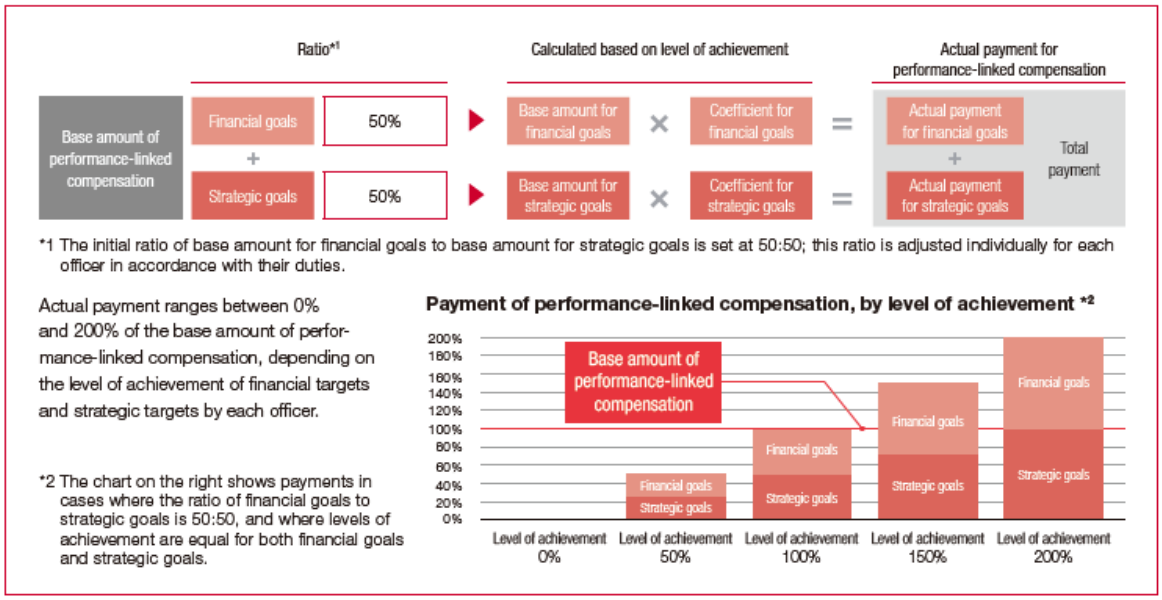
rewards officers based on the business contributions they made in a single fiscal year, as well as establishing a framework that incentives officers to improve performance for the sake of the Group's growth, while aligning the remuneration system for officers to business strategies.

- Performance-linked remuneration is determined by reflecting the degree of achievement toward financial goals and strategic goals in a single fiscal year in the base amount of performance-linked remuneration.
- The target amount of performance-linked remuneration is defined as the amount to be paid when financial goals and strategic goals are achieved. This base amount is determined for each officer individually.
- Performance-linked remuneration consists of financial performance-linked remuneration and strategic performance-linked remuneration. The ratio of the two components is determined by the Compensation Committee in accordance with the nature of the mission assigned to each officer.
- The performance metrics for financial goals include adjusted consolidated ROE in the fiscal year, and the coefficient is determined as a ratio of actual performance to target performance (numerical targets in the business plan).
- The performance metrics for strategic goals are those agreed upon by the Group CEO, or other senior executives (such as Business Owners*) in charge of evaluating performance, in accordance with the mission assigned to the officer in question, and the coefficient is set according to the degree of achievement.
-

  * Effective from April 1, 2024, Business Owners were renamed Business CEOs.
-
- Engagement metrics are assigned to all officers as a mandatory component related to unrealized financial value metrics, which serve as performance metrics applied to strategic goals, while some officers are assigned brand value metrics.



■ Stock price-linked compensation

The Company believes it is vital that the Group as a whole grows sustainably over the long term. For the purpose of maintaining the link between compensation for directors and executive officers and stock value, as well as further raising the awareness and talent retention that contributes to stronger earnings and greater corporate value over

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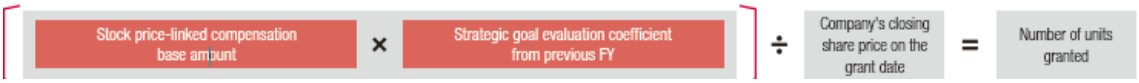
the medium-to-long term, we discontinued the previous performance-linked stock compensation plan and introduced a new stock price-linked compensation (phantom shares, or PS), effective from April 1, 2023. For this compensation, PS offering the same economic value as cash stock is issued to the directors and executive officers. An overview of this system is as follows.

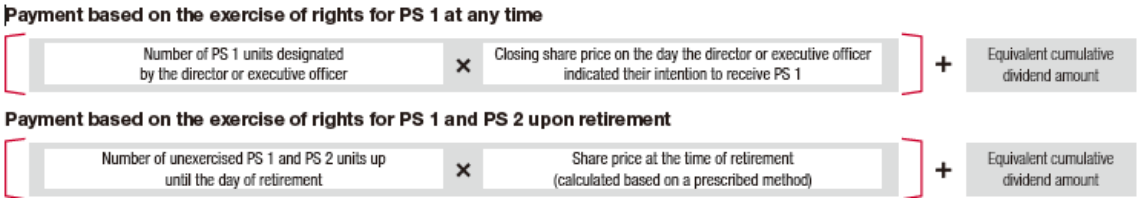
- The number of units granted is determined by multiplying the stock price-linked compensation base amount, which varies depending on the magnitude of the mission of each director and executive officer, by the previous year's strategic goal evaluation coefficient and dividing it by the Company's share price.



- The units granted will vest at the end of the fiscal year three years after the grant date. Once vested, they will be categorized into PS 1 and PS 2. If the director or executive officer resigns voluntarily before the vesting date, the units will not be eligible for vesting.
- PS 1 and PS 2 units will be divided evenly (50% each) and be subject to the following.

  PS 1: After vesting, an amount based on the current share price at any time up until retirement, along with an equivalent cumulative dividend amount, will be paid in cash.

  PS 2: Upon retirement, an amount based on the share price calculated with a prescribed method, along with an equivalent cumulative dividend amount, will be paid in cash.
- The payment amount will be determined as follows.



(4) Payment proportion (composition ratio by remuneration)

The Company determines the appropriate proportion between the fixed portion and performance-linked portion commensurate with the roles and responsibilities, to incentivize officers to accomplish management strategies/management plans and achieve performance targets, based on the Basic concept of Compensation for Directors and Executive Officers.

Remuneration, etc. for executive officers in charge of business execution is designed to provide motivation and morale enhancement for solidly practicing strategies under the Mid-term Management Plan and other strategies in pursuit of achieving performance targets and sustainable business value, while sharing values with shareholders over the medium to long term. The composition of remuneration is structured to give higher proportions to the performance-linked portion for posts with greater performance responsibilities. For example, 66.6% of the remuneration for the Group CEO is variable depending on performance, while fixed remuneration (monthly remuneration) accounts for 33.4%, thereby clarifying the responsibilities for performance to establish a largely performance-based compensation system.

On the other hand, remuneration for non-executive directors consists solely of fixed

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remuneration with no payment of performance-linked remuneration or stock price-linked compensation.

(5) Indicators used to determine performance-linked remuneration and reason for selecting these indicators as well as the method for determining the amounts thereof

The following is a summary of financial indicators used to determine performance-linked remuneration and are set according to the business domain of an officer. Performance-linked remuneration is calculated based on the method described in aforementioned (3), and the amount paid is determined by the Compensation Committee in view of corporate performance and the contribution thereto by individual officers, among other factors.

Strategic targets are assigned to each individual officer.

Business domain	Financial indicators (Fiscal 2023)	Reason for selection
Entire Group	Adjusted consolidated profit	・ Designed to encourage enhancement of profitability across the Group
	Adjusted consolidated ROE	・ Designed to encourage enhancement of capital efficiency across the Group
Domestic P&C Insurance Business	Adjusted profit	・ Designed to encourage enhancement of profitability of Domestic P&C Insurance Business
	Net income	・ Designed to encourage enhancement of profitability of Domestic P&C Insurance Business
Domestic Life Insurance Business	Adjusted profit	・ Designed to encourage enhancement of profitability of Domestic Life Insurance Business
	Amount of increase in adjusted EV	・ Designed to encourage further growth of Domestic Life Insurance Business
Nursing Care & Seniors Business	Adjusted profit	・ Designed to encourage enhancement of profitability of Nursing Care & Seniors Business
Digital Business	Adjusted profit	・ Designed to encourage enhancement of profitability of Digital Business
	Revenue	・ Designed to encourage further growth of Digital Business

Notes:

1. Net income in the Domestic P&C Insurance Business is the standalone figure for Sompo Japan.
2. Adjusted profit and revenue in the Digital Business are the standalone figures for Palantir Technologies Japan K.K.

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3. Policies for Determining Compensation for Directors and Executive Officers

The Company positions remuneration for officers as an important matter in terms of enhancing corporate performance as well as corporate value, and accordingly formulates the Policies for Determining Compensation for Directors and Executive Officers.

(1) Policies for determining compensation for individual officers

The Company formulates the policies on decisions of remuneration for individual officers, whereby the amount paid is determined based on personal performance evaluation including qualitative assessment of each officer. The policies for determining compensation for individual officers are determined by the resolution of the Compensation Committee. The policies for determining compensation for individual officers in this fiscal year are as follows:

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<Policies for Determining Compensation for Directors and Executive Officers>

The Company regards compensation for Directors and Executive Officers as important matter from the viewpoints of improving business performance and corporate value, and sets policies for determining compensation for Directors and Executive Officers as follows:

(1) Basic concept of Compensation for Directors and Executive Officers (Group-wide policy)

(i) The level and system of compensation ensures acquisition and retention of top talent as management of the Group.
(ii) The compensation system for Directors and Executive Officers shall be consistent with business strategy and heightens the Directors' and Executive Officers' awareness of performance improvement for the Group's growth.
(iii) Compensation shall reflect medium to long-term results and initiatives of Directors and Executive Officers, not just performance in a single fiscal year.
(iv) Compensation shall be determined in accordance with the magnitude of the mission with a forward-looking mindset and accomplishments. Additionally, fixed factors associated with specific job title or position may be taken into consideration.
(v) The compensation system of the Company and major subsidiaries shall have objectivity, transparency and fairness to fulfill accountability to stakeholders through the deliberation process at the Compensation Committee of the Company.

(2) Compensation system for Directors and Executive Officers

The following is applied to the Company's compensation system for Directors and Executive Officers. However, in case there is a justifiable reason for not applying the following, the amount and composition of compensation are determined individually by the Compensation Committee.

(i) Composition and determination method of Directors' compensation

Compensation for Directors shall consist of monthly compensation, performance-linked compensation and stock price-linked compensation.
With regard to monthly compensation, performance-linked compensation and stock price-linked compensation, fixed amount shall be determined for monthly compensation, while a base amount and the number of base unit (one unit = cash equivalent to one common share of the Company) shall be determined for performance-linked compensation and stock price-linked compensation, depending on whether the Director is an Outside Director or not, and whether the Director is a full-time or a part-time Director.
However, performance-linked compensation and stock price-linked compensation are not paid to non-executive Directors.
Any Director who also serves as an Executive Officer shall be paid with the sum of the compensation for Director and compensation for Executive Officer.
The overview of the performance-linked compensation and stock price-linked compensation is described below in (iii) and (iv).

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(ii) Composition and determination method of Executive Officers' and Senior Vice Presidents' compensation

Compensation of Executive Officers and Senior Vice Presidents shall consist of monthly compensation, performance-linked compensation and stock price-linked compensation.
The amount and composition of compensation of Executive Officers and Senior Vice Presidents are determined based on the business environment and market average executive compensation, reflecting the magnitude of the mission.
Additionally, fixed amount shall be determined for monthly compensation, while base amount and the number of base unit (one unit = cash equivalent to one common share of the Company) shall be determined for performance-linked compensation and stock price-linked compensation.
The overview of the performance-linked compensation and stock price-linked compensation is described below in (iii) and (iv).

(iii) Performance-linked compensation

The Company has introduced performance-linked compensation system to align compensation for Directors and Executive Officers and business strategy and heighten the Directors' and Executive Officers' awareness of performance improvement for the Group's growth. The overview of the system is described below.

- Performance-linked compensation shall be determined by reflecting the degree of achievement of financial target and strategic target for a single fiscal year in the base amount of performance-linked compensation.
- The base amount of performance-linked compensation is defined as the amount to be paid when the financial target and strategic target are achieved. This base amount is determined individually for each Director and Executive Officer.
- Performance-linked compensation consists of financial performance-linked compensation and strategic performance-linked compensation, and the allocation ratio of each base amount is determined by the Compensation Committee in accordance with the nature of the mission of each Director and Executive Officer.
- Performance indicators that are applied to financial target are adjusted consolidated ROE and others for the fiscal year and the coefficient is determined according to the actual figures vs. target figures (numerical target in business plan).
- Performance indicators that are applied to strategic target are the indicators agreed by the Group CEO, Business CEO or other Director or Executive Officer responsible for evaluation in accordance with the mission of each Director or Executive Officer, and the coefficient is determined according to the degree of the achievement.

(iv) Stock price-linked compensation

The Company has introduced a stock price-linked compensation system that provides the same economic value as actual shares in order to motivate Directors and Executive Officers to continuously improve the Company's corporate value and to promote value sharing between Directors and Executive Officers and shareholders. The outline of this system is as follows:

- Stock price-linked compensation reflects an amount equal to the Company's stock price and dividends in the number of units granted.
- The number of units will be determined by reflecting the level of achievement of strategic goals in the base amount of stock-linked compensation, which is

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determined based on the size of the mission, etc.
・The units granted will vest at the end of the fiscal year three years after the grant date. Once vested, they will be categorized into PS 1 and PS 2.
・ Directors and Executive Officers may exercise their rights at any time with respect to PS 1 and only upon retirement with respect to PS 2, and the amount to be paid will be calculated by multiplying the number of units exercised by the Company's share price at the time of exercise and adding an amount equivalent to the dividends accumulated up to the time of exercise.

The contents of the remuneration, etc. for individual officers in the current fiscal year are judged by the Compensation Committee to be in line with the policies for determining compensation for individual officers, as they have been determined appropriately according to the performance indicators by business and the level of achievement against individual strategic goals regarding performance-linked remuneration, and the level of achievement against individual strategic goals regarding stock price-linked compensation, in accordance with a system that conforms with the Basic concept of remuneration for officers.

(2) Policy for determining the amount of remuneration, etc. for each position and its calculation method

The Company largely classifies the roles of officers, etc. into supervisory responsibilities and operational responsibilities which are defined by the nature of responsibilities and by the scale of the scope of responsibilities, respectively, and set officer remuneration in accordance with each role.

a. Remuneration for directors

The role of directors in a company with a nomination committee, etc. is supervision of business execution, which is, by its nature, classified as supervisory responsibilities. Thus, the nature of remuneration for directors, which is basic remuneration, is deemed remuneration for supervisory responsibilities. In consideration of the roles of outside directors and non-executive directors, the Company sets the amounts of their remuneration in reference to the remuneration levels in the market based on a survey of executive remuneration conducted by a third-party remuneration consulting firm. Also, due to the role of fulfilling supervisory responsibilities, these officers are not eligible for the payment of performance-linked compensation.

b. Remuneration for executive officers

The role of executive officers is business execution, which is, by its nature, operational responsibilities. Accordingly, their remuneration corresponds to their operational responsibilities.

Remuneration for executive officers corresponding to their operational responsibility shall be set individually according to the magnitude of the mission assigned to respective officers. As executive officers shall, by the nature of operational responsibilities, be responsible for the results of their performance and the growth in corporate value, they shall be paid, apart from the payment of fixed remuneration (monthly remuneration), performance-linked remuneration for the performance in the current fiscal year along with stock price-linked compensation for the growth in corporate value over the medium-to-long term.

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4. Target Values and Actual Results of the Indicators Used to Determine Performance-linked Remuneration (Paid in the Current Fiscal Year)

Target values and actual levels of achievement of the indicators related to performance-linked remuneration paid during the current fiscal year are as follows:

Business domain	Corporate performance appraisal indicators (Fiscal 2022)	Target values (Fiscal 2022)	Actual results (Fiscal 2022)
Entire Group	Adjusted consolidated profit	269.7 billion yen	163.1 billion yen
	Adjusted consolidated ROE	9.4%	5.9%
Domestic P&C Insurance Business	Net premiums written	2,053.3 billion yen	2,079.3 billion yen
	Adjusted profit	128.7 billion yen	44.4 billion yen
	ROE	9.3%	3.1%
	Net income	145.0 billion yen	108.0 billion yen
	E/I combined ratio	93.7%	100.9%
Overseas Insurance and Reinsurance Business	Gross Written Premium	14,559 million USD 818 million USD	15,761 million USD 704 million USD
	Adjusted profit		
Domestic Life Insurance Business	Amount of increase in adjusted EV	67.8 billion yen	43.2 billion yen
	Adjusted profit	35.1 billion yen	17.9 billion yen
	ROE	4.8%	2.5%
	Number of policies in force	4,720,000	4,710,000
Nursing Care & Seniors Business	Revenue	151.1 billion yen	149.8 billion yen
	Adjusted profit	5.9 billion yen	5.8 billion yen
	ROE	10.2%	10.0%

Notes:

1. The target values and actual results are partially adjusted compared with KPIs and figures in the financial statements announced by the Company.
2. Net premiums written for the Domestic P&C Insurance Business excludes amounts relating to CALI and household earthquakes.
3. Net income in the Domestic P&C Insurance Business is the stand-alone figure for Sompo Japan.
4. The E/I combined ratio for the Domestic P&C Insurance Business is the stand-alone figure for Sompo Japan, excluding CALI and household earthquake insurance.

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(3) Contracts for Limitation of Liability, Indemnity Agreements

Name	Overview of the Contracts for Limitation of Liability, Indemnity Agreements, etc.
Scott Trevor DAVIS (Director (outside))	The Articles of Incorporation of the Company stipulate that according to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into a contract with outside directors to limit liability for damages caused by failure to perform duties (contract for limitation of liability) and that the limit of liability based on the contract for limitation of liability shall be the amount stipulated by laws and regulations. Based on the provisions of the Articles of Incorporation, the Company has entered into a contract for limitation of liability with outside directors.
Isao ENDO (Director (outside))	
Kazuhiro HIGASHI (Director (outside))	
Takashi NAWA (Director (outside))	
Misuzu SHIBATA (Director (outside))	
Meyumi YAMADA (Director (outside))	
Kumi ITO (Director (outside))	
Masayuki WAGA (Director (outside))	
Toru KAJIKAWA (Director (outside))	

(4) Directors and Officers Liability Insurance

Scope of the Insured	Overview of the Directors and Officers Liability Insurance
Directors, executive officers, and senior vice presidents (shikkouyakuin) of the Company and directors, audit & supervisory board members, executive officers, senior vice presidents (shikkouyakuin) and employees and others in positions of management and supervision of its subsidiaries (excluding some overseas subsidiaries)	The Company has entered into a directors and officers liability insurance with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. This insurance covers any damages which may arise from the directors, etc. being held liable for the performance of their duties or being subject to a claim in respect of such liability. However, in order to ensure the adequacy of insureds' performance of duties, there are certain exemptions, such as no coverage for damages arising from actions taken with the knowledge that the insureds were in violation of laws and regulations. The Company will bear all insurance premiums.

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III. Matters Relating to Outside Officers

(1) Concurrently Held Positions and Other Circumstances of Outside Officers

Concurrently held positions of outside officers are as stated in “II. Matters Relating to Company Executives, (1) Overview of Company Executives.” Furthermore, there are no significant capital relationships or business transactions between the Company and the companies in which outside officers hold concurrent positions.

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(2) Main Activities of Outside Officers

Name	Term of Office	Record of Attendance at Meetings of the Board of Directors, etc.	Remarks Made at Meetings of the Board of Directors, etc. and Other Activities
Scott Trevor DAVIS (Director (outside))	9 years and 9 months	Meetings of the Board of Directors: Attended 13 times out of 13 meetings Meetings of the Nomination Committee: Attended 16 times out of 16 meetings Meetings of the Compensation Committee: Attended 11 times out of 11 meetings	Based on his professional knowledge as a learned scholar, he makes valuable remarks and statements at meetings of the Board of Directors, mainly from supervisory and advisory viewpoints over business execution, on a broad range of matters such as the points requiring attention in the initiative to reduce strategic shareholdings, desirable disclosure from the perspective of diversity & inclusion, as well as the revision of the purpose for rebuilding unity of the Group. As a chair of the Nomination Committee, he is taking the initiative in organizing the implementation of appropriate succession plans with the aim of building a new management structure for the Company and Group companies, while making valuable remarks and statements on the assessment and compensation structure of officers of the Group as a member of the Compensation Committee through his research on strategic management, etc. at the university and also from global perspectives. Further, he expresses valuable opinions and statements from time to time to the representative executive officers and others through means other than meetings of the Board of Directors, Nomination Committee and Compensation Committee.
Isao ENDO (Director (outside))	9 years and 9 months	Meetings of the Board of Directors: Attended 10 times out of 13 meetings Meetings of the Nomination Committee: Attended 12 times out of 13 meetings Meetings of the Audit Committee: Attended 2 times out of 3 meetings Meetings of the Compensation Committee: Attended 8 times out of 9 meetings	Based on his professional knowledge and experience as a company manager, he makes valuable remarks and statements at meetings of the Board of Directors, mainly from supervisory and advisory viewpoints over business execution, on a broad range of matters such as the importance of continuous delivery of messages from the top management as an effort to improve the corporate culture, and viewpoints that need to be considered for the creation of synergy with acquired companies. As a member of each of the Nomination Committee and the Compensation Committee, he also makes valuable remarks and statements on the nomination policy, and the assessment and compensation structure of officers of the Group with his expertise and abundant experience gained from working many years at consulting firms and also from his deep and diversified perspective gained through his practical research on “hands-on capabilities.” Further, he expresses valuable opinions and statements from time to time to the representative executive officers and others through means other than meetings of the Board of Directors, Nomination Committee and Compensation Committee.

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Name	Term of Office	Record of Attendance at Meetings of the Board of Directors, etc.	Remarks Made at Meetings of the Board of Directors, etc. and Other Activities
Kazuhiro HIGASHI (Director (outside))	3 years and 9 months	Meetings of the Board of Directors: Attended 13 times out of 13 meetings Meetings of the Nomination Committee: Attended 16 times out of 16 meetings Meetings of the Compensation Committee: Attended 11 times out of 11 meetings	Based on his experience as a company manager, he makes valuable remarks and statements at meetings of the Board of Directors, mainly from supervisory and advisory viewpoints over business execution, on a broad range of matters such as the importance of the internal audit sections serving as a bridge between frontline and management in the practice of internal control, and unified operation of the internal audit section of the Company and those of subsidiary business corporations for strengthening Group governance. As a chair of the Compensation Committee, he is taking the initiative, capitalizing on his wealth of knowledge and experience, in the discussion for ensuring an officers' remuneration system that can incentivize officers of the Company and its main business subsidiaries more effectively, while offering valuable remarks and statements with regard to the reinforcement of supervisory and decision-making functions of the Board of Directors as member of the Nomination Committee. Further, he expresses valuable opinions and statements from time to time to the representative executive officers and others through means other than meetings of the Board of Directors, Nomination Committee and Compensation Committee.
Takashi NAWA (Director (outside))	3 years and 9 months	Meetings of the Board of Directors: Attended 12 times out of 13 meetings Meetings of the Nomination Committee: Attended 16 times out of 16 meetings Meetings of the Compensation Committee: Attended 11 times out of 11 meetings	Based on his professional knowledge and experience as a management consultant and an erudite scholar, he makes valuable remarks and statements at meetings of the Board of Directors, mainly from supervisory and advisory viewpoints over business execution, on a broad range of matters such as the necessity of decisively taking on a challenge of reviewing industry practices for developing an environment for fair competition, and viewpoints need to be considered for increasing the return on invested capital. As a member of each of the Nomination Committee and the Compensation Committee, he also makes valuable remarks and statements on the nomination policy, and the assessment and compensation structure of officers of the Group in terms of reinforcing the supervisory and decision-making functions of the Board of Directors with his abundant business experience, combined with his profound academic knowledge from a global perspective. Further, he expresses valuable opinions and statements from time to time to the representative executive officers and others through means other than meetings of the Board of Directors, Nomination Committee and Compensation Committee

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Name	Term of Office	Record of Attendance at Meetings of the Board of Directors, etc.	Remarks Made at Meetings of the Board of Directors, etc. and Other Activities
Misuzu SHIBATA (Director (outside))	3 years and 9 months	Meetings of the Board of Directors: Attended 12 times out of 13 meetings Meetings of the Audit Committee: Attended 14 times out of 14 meetings	Based on her professional knowledge as a legal expert, she makes valuable remarks and statements at meetings of the Board of Directors, mainly from supervisory and advisory viewpoints over business execution, on a broad range of matters such as the importance of smooth communication and transparent decision-making within the Group, and the essential points in ensuring neutrality of the external investigation committee. As a chair of the Audit Committee, she leads the way into strengthening the Group's audit system, while making valuable remarks and statements on a broad range of matters such as the Group's initiatives on governance and for the elimination of harassment with her expertise and abundant experience. Further, she expresses valuable opinions and statements from time to time to the representative executive officers and others through means other than meetings of the Board of Directors and Audit Committee.
Meyumi YAMADA (Director (outside))	2 years and 9 months	Meetings of the Board of Directors: Attended 13 times out of 13 meetings Meetings of the Nomination Committee: Attended 16 times out of 16 meetings Meetings of the Compensation Committee: Attended 11 times out of 11 meetings	Based on her experience as entrepreneur of venture businesses, she makes valuable remarks and statements at meetings of the Board of Directors, mainly from supervisory and advisory viewpoints over business execution, on a broad range of matters such as the necessity of diligent dialogue with employees for promoting and establishing the corporate cultural reform, and on how to address changes in the business environment caused by the advance of digital transformation in society. As a member of each of the Nomination Committee and the Compensation Committee, she also makes valuable remarks and statements, capitalizing on her abundant knowledge earned through corporate management and her business experience including digital, on a broad range of matters such as election and evaluation of the Group officers as well as determination of their remuneration, and diversity & inclusion, an important strategy of the Company. Further, she expresses valuable opinions and statements from time to time to the representative executive officers and others through means other than meetings of the Board of Directors, Nomination Committee and Compensation Committee.

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Name	Term of Office	Record of Attendance at Meetings of the Board of Directors, etc.	Remarks Made at Meetings of the Board of Directors, etc. and Other Activities
Kumi ITO (Director (outside))	2 years and 9 months	Meetings of the Board of Directors: Attended 13 times out of 13 meetings Meetings of the Audit Committee: Attended 14 times out of 14 meetings	Based on her professional knowledge and experience as a company manager, she makes valuable remarks and statements at meetings of the Board of Directors, mainly from supervisory and advisory viewpoints over business execution, on a broad range of matters such as the importance of prompt and faithful announcements in light of expectations from society upon occurrence of a serious misconduct, and desirable disciplines when making investments in new businesses. As a member of the Audit Committee, she also makes valuable remarks and statements on a broad range of matters such as the Group's IT strategy, and how business strategies and organizational operation of Group companies ought to be, based on her IT, digital, and marketing expertise she gained in business corporations, as well as her high-level insight as company manager. Further, she expresses valuable opinions and statements from time to time to the representative executive officers and others through means other than meetings of the Board of Directors and Audit Committee.
Masayuki WAGA (Director (outside))	1 year and 9 months	Meetings of the Board of Directors: Attended 13 times out of 13 meetings Meetings of the Nomination Committee: Attended 3 times out of 3 meetings Meetings of the Audit Committee: Attended 11 times out of 11 meetings Meetings of the Compensation Committee: Attended 2 times out of 2 meetings	Based on his professional knowledge and experience as a company manager, he makes valuable remarks and statements at meetings of the Board of Directors, mainly from supervisory and advisory viewpoints over business execution, on a broad range of matters such as the necessity of a mechanism as part of employee education to ensure that the serious misconduct is not forgotten, and the importance of rules that incorporate a perspective of protecting employees. As a member of the Audit Committee, he also makes valuable remarks and statements on global management, and business strategies and governance of Group companies, capitalizing on his abundant experience and knowledge earned through his career as the top management of a large business. Further, he expresses valuable opinions and statements from time to time to the representative executive officers and others through means other than meetings of the Board of Directors and Audit Committee.

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Name	Term of Office	Record of Attendance at Meetings of the Board of Directors, etc.	Remarks Made at Meetings of the Board of Directors, etc. and Other Activities
Toru KAJIKAWA (Director (outside))	9 months	Meetings of the Board of Directors: Attended 10 times out of 11 meetings Meetings of the Audit Committee: Attended 11 times out of 11 meetings	Based on his professional knowledge and experience as a certified public accountant and company manager, he makes valuable remarks and statements at meetings of the Board of Directors, mainly from supervisory and advisory viewpoints over business execution, on a broad range of matters such as the importance of setting appropriate KPIs for encouraging officers and employees to change their behaviors toward improving the corporate culture, as well as standards and a decision-making process for selling strategic shareholdings. As a member of the Audit Committee, he also makes valuable remarks and statements on a broad range of matters such as the perspective of audit required in accounting audits, how reporting to the Audit Committee should be, and how management decisions related to overseas subsidiaries' accounting treatments ought to be, by leveraging his expertise and abundant experience in accounting and management gained from working for many years at audit firms. Further, he expresses valuable opinions and statements from time to time to the representative executive officers and others through means other than meetings of the Board of Directors and Audit Committee.

Notes:

1. Since Mr. Isao ENDO served as a member of the Audit Committee until the conclusion of the 13th General Shareholders Meeting held on June 26, 2023, and served as a member of the Nomination Committee as well as the Compensation Committee thereafter, his attendance is included in the above table for the Audit Committee, the Nomination Committee, and the Compensation Committee.
2. Since Mr. Masayuki WAGA served as a member of the Nomination Committee as well as the Compensation Committee until the conclusion of the 13th General Shareholders Meeting held on June 26, 2023, and served as a member of the Audit Committee thereafter, his attendance is included in the above table for the Nomination Committee, the Compensation Committee, and the Audit Committee.
3. During the terms of office of Mr. Scott Trevor DAVIS, Mr. Isao ENDO, Mr. Kazuhiro HIGASHI, Mr. Takashi NAWA, Ms. Misuzu SHIBATA, Ms. Meyumi YAMADA, Ms. Kumi ITO, Mr. Masayuki WAGA and Mr. Toru KAJIKAWA as outside directors of the Company, Sompo Japan Insurance Inc., a subsidiary of the Company, received an administrative disposition under the Insurance Business Act from the Financial Services Agency on December 26, 2023 with regard to the incident concerning inappropriate insurance premium adjustments. In addition, the Company and Sompo Japan Insurance Inc. received administrative dispositions respectively under the Insurance Business Act from the Financial Services Agency on January 25, 2024, with regard to the incident concerning their responses to fraudulent automobile insurance claims made by Big Motor.
   Each of them had constantly made proposals from the perspective of legal

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compliance and customer protections. Since the incidents were uncovered, they have fulfilled their responsibilities by making proposals for improving the effectiveness of Group governance.

(3) Remuneration of Outside Officers

Matters concerning remuneration of outside officers are as described in “II. Matters Relating to Company Executives, (2) Remuneration, etc., for Officers.”

(4) Opinion of Outside Officers

None.

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IV. Equity Shares

(1) Number of Shares

(As of March 31, 2024)

Total number of authorized shares	1,200,000 thousand shares
Total number of shares outstanding	330,160 thousand shares

Note 1. Total number of shares outstanding decreased as a result of a cancellation of treasury stock (17,538,000 shares) implemented on November 30, 2023.

Note 2. The Group implemented a stock split whereby each share of common stock was split into three shares on April 1, 2024. As a result, the total number of shares outstanding became 990,482,067 shares. In line with this stock split, the total number of authorized shares was changed to 3,600,000,000 shares.

(2) Total Number of Shareholders at the End of the Current Fiscal Year:

68,896

(3) Major Shareholders

(As of March 31, 2024)

Name of Shareholder	Investment in the Company	
	Number of Shares Held	Portion of Shares Outstanding
	Thousands	%
The Master Trust Bank of Japan, Ltd. (Trust account)	50,999	15.46
Custody Bank of Japan, Ltd. (Trust account)	19,429	5.89
JP MORGAN CHASE BANK 380055	8,942	2.71
Sompo Holdings Employee Shareholders Association	8,012	2.43
STATE STREET BANK WEST CLIENT – TREATY 505234	6,386	1.94
GOVERNMENT OF NORWAY	6,249	1.89
JPMorgan Securities Japan Co., Ltd.	6,003	1.82
GOLDMAN SACHS JAPAN CO., LTD. BNYM	5,935	1.80
SMBC Nikko Securities Inc.	4,796	1.45
JP MORGAN CHASE BANK 385781	4,241	1.29
Total	120,997	36.67

Note:
The portion of shares outstanding is calculated after deducting treasury stock (215 thousand shares).

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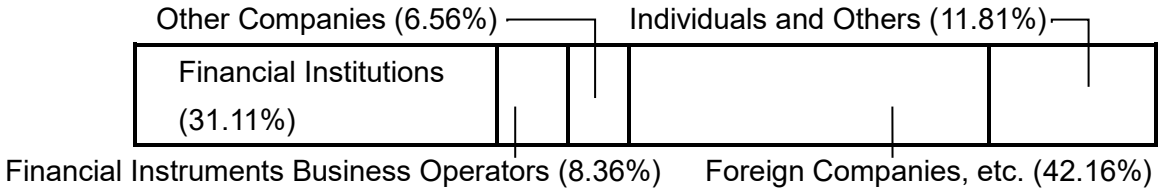
Types of Shareholders



(4) Shares of the Company Issued to Officers during the Fiscal Year

Category	Number of shares	Number of officers received shares
Directors and Executive Officers	247,600 shares of common stock	2
Outside Directors	—	—

The Company adopts a performance-linked stock compensation plan for directors, executive officers, and senior vice presidents (shikkouyakuin). During the current fiscal year, the Company granted 247,600 shares including the portion equivalent to the execution of duties of senior vice president (shikkouyakuin) to two persons who had been a director and executive officer in the past.

Note: Other than the above stock, the Company has paid cash equivalent to 247,721 shares converted into cash to such two persons.

(5) Matters Relating to the Company's Shareholdings

A. Policy on Strategic Shareholding

The Group holds shares for a strategic purpose (for other than pure investment purposes). Those shares are held mainly for either of the following purposes:

1) To maintain insurance transactions and insurance sales channels (shares held by Sompo Japan, a consolidated subsidiary of the Company),
2) To form strategic capital and business alliances

We plan to reduce the balance of strategic shareholdings which may hinder fair competition in insurance transactions to zero by the end of FY2030. To achieve this plan, Sompo Japan will reduce the balance at least by 600.0 billion yen in the three years of the new Mid-term Management Plan from FY2024 to FY2026.

In the three years of the Mid-term Management Plan from FY2021 to FY2023, Sompo Japan reduced strategic shareholdings by 195.6 billion yen, overachieving a total of 150.0 billion yen in the reduction plan.

Allocating a portion of the capital buffer realized from the continuous selling of strategic shareholdings to growth investment, such as M&A, we seek to maintain

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and enhance financial soundness and improve capital efficiency.

B. Confirmation and Verification by the Board of Directors

The Board of Directors of the Company conducts the following confirmation and verification:

- As for the listed shares held that may hinder fair competition in insurance transactions, we confirm the impact on Group's corporate value therefrom, including the comparison of indicators that quantitatively evaluate returns on risks against the Company's capital cost, apart from the progress of the reduction plan until the balance of such shareholdings is reduced to zero.
- As for the listed shares held by the Company and its domestic consolidated subsidiaries for the purpose of strategic capital or business alliances, we verify whether to hold such shares by comprehensively considering all aspects including the degree of contribution to the Group strategies, the status of collaboration (business alliance) with the investees which was projected upon investment and the verifiable fruits derived therefrom, apart from the long-term profitability expected from such shares.

C. Standards for Exercising Voting Rights of Sompo Japan

Sompo Japan will appropriately exercise its voting rights following a basic policy of supporting the sustainable growth of the invested company and based on the constructive dialogue with the invested company as necessary in consideration of the invested company's activities to address environmental issues, corporate governance status, compliance structure, and other areas.

When deciding to exercise voting rights, the points taken into consideration in particular include the following.

(1) Potential material negative impact on shareholder value (transfer of important assets, share transfers due to reasons such as merger or conversion to wholly-owned subsidiary, capital increase from a third-party allocation with an advantageous placement, introduction of anti-takeover measures, etc.)

(2) Financial performance (provision of retirement benefits to officers of companies with a capital deficiency or poor business performance, posting net losses for consecutive periods, ROE and shareholder return, etc.)

(3) Development and operation status of ESG (status of appointment of outside directors, tenure of outside officers and their attendance at meetings of the Board of Directors and the Audit & Supervisory Board, sustainability-related issues such as reduction of GHG emissions, etc.)

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V. Matters Relating to Stock Acquisition Rights

As stated in Attachment hereto.

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VI. Matters Relating to Independent Accounting Auditor

(1) Status of Independent Accounting Auditor

Name	Remuneration, etc., in Connection with the Relevant Fiscal Year	Others
Ernst & Young ShinNihon LLC Designated Member with limited liability: Noboru Miura Designated Member with limited liability: Norio Hashiba Designated Member with limited liability: Hiroyuki Kobayashi	88 million yen	1) Reasons for the Audit Committee's consent to the remuneration, etc. for independent accounting auditors Upon all required examination on the appropriateness of contents of the audit plan designed by the independent accounting auditor, status of the audit duty execution by the independent accounting auditor, the basis for calculating the estimated remuneration and other matters, the Audit Committee of the Company has made a decision to consent to the amount of remuneration, etc. for the independent accounting auditor. 2) Details of non-audit services provided by the independent accounting auditor for which the Company pays fees The Company entrusts to the independent accounting auditor the advisory services concerning an economic value-based solvency regulation as services other than the services stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit services).

Notes:
1. The auditing agreement between the Company and the independent accounting auditor does not classify between audits pursuant to the Companies Act and audits pursuant to the Financial Instruments and Exchange Act. Moreover, this distinction cannot substantively be made, so the total has been stated.
2. The total amount of cash and other property benefits that the Company and its subsidiary corporations, etc. are to pay to the independent accounting auditor

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is 798 million yen.

(2) Contract for Limitation of Liability, Indemnity Agreements

None.

(3) Other Matters Concerning the Independent Accounting Auditor

A. Policy on Decisions pertaining to Dismissal or Not Reappointing the Independent Accounting Auditor

If the Audit Committee of the Company determines that the independent accounting auditor falls under any case prescribed in each item of Article 340, Paragraph 1 of the Companies Act, the Audit Committee dismisses the independent accounting auditor pursuant to unanimous consent of all members of the Audit Committee.
The Audit Committee verifies, through its full-year audit activities, the compliance with the auditing standards and quality control standards for audit established by the Business Accounting Council, in which the expertise, professional ethics, independence, an audit implementation system, a quality control system, and the duty performance status of the independent accounting auditor are included. As a result of the audits, if the Audit Committee finds that the independent accounting auditor cannot properly perform its duties or it is deemed necessary for other reasons, the Audit Committee, in accordance with the provisions prescribed in Article 404, Paragraph 2 of the Companies Act, determines the content of a proposal for dismissal or not reappointing the independent accounting auditor, and submit the proposal to the General Shareholders Meeting.

B. Examination of Financial Statements of Significant Subsidiary Corporations, etc. of the Insurance Holding Company, by a Certified Public Accountant or an Accounting Corporation Other Than the Independent Accounting Auditor of the Insurance Holding Company

Among significant subsidiary corporations etc. of the Company, overseas subsidiary corporations etc. are audited by accounting corporations other than the independent accounting auditor of the Company.

VII. Basic Policy on what the Persons Controlling Financial and Business Policy Decisions ought to be

None.

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VIII. Systems to Ensure the Appropriate Performance of the Business Operations and the Status of Implementation of the System

(1) Overview of the Establishment of the System to Ensure the Appropriate Performance of the Business Operations

The Company has established the “Basic Policy on Internal Controls” for the Sompo Group (the “Group”) by a resolution of the Board of Directors, and has put in place a system to ensure that the Group’s business operations are appropriately performed.
The “Basic Policy on Internal Controls” is as stated in Attachment hereto.

(2) Overview of the Status of Implementation of the System to Ensure the Appropriate Performance of the Business Operations

On December 26, 2023, Sompo Japan received a business improvement order from the Financial Services Agency concerning inappropriate insurance premium adjustments. In addition, on January 25, 2024, the Company and Sompo Japan received business improvement orders respectively from the Financial Services Agency concerning their respective responses, etc. to fraudulent automobile insurance claims made by Big Motor.

The Company and Sompo Japan took this situation very seriously, and based on the administrative dispositions, along with the causal analysis and recommendations for recurrence prevention measures by the external investigation committee, submitted business improvement plans to the Financial Services Agency on March 15, 2024 and February 29, 2024, respectively.

Considering the series of these incidents, we will strengthen our systems for each of the functions of subsidiaries management, compliance, and strategic risk management, for the purpose of further strengthening the system to ensure the appropriate performance of business operations.

(1) Internal Control System as a Whole

- In order to ensure the effective functioning of the Group’s internal control, the Company has established various basic policies to control the Group, and checks the development and implementation status of these policies in a timely manner by the Board of Directors, while analyzing events occurring both inside and outside of the Group and seeking continually to improve, enhance and strengthen the internal control system.
- In the system, the heads of each business segment are delegated authority as business owners for business strategy proposals, investment decisions and talent deployment, to implement agile decision-making and operational strategy proposals. The Company also introduced a system supervised by Group CEO and Group COO (supervised by only Group CEO from April 2024) whereby Group Chief Officers are deployed as chief officers responsible for each functional area to exercise functions laterally across the Group including execution of strategies and important issues of the entire Group.

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- The Company established the Global Executive Committee ("Global ExCo") and the Managerial Administrative Committee ("MAC") to enhance the decision-making function and create a management structure capable of overseeing diverse businesses based on the business owner system while flexibly responding to the changing environment.
- Furthermore, a framework is being developed for promoting the initiatives for providing solutions to medium- to long-term social issues towards materializing SOMPO's Purpose primarily by the Group Sustainable Management Committee whose members comprise of CSuO (including the officer in charge of sustainability) of each of the Domestic P&C Insurance Business, Overseas Insurance and Reinsurance Business, Domestic Life Insurance Business and Nursing Care & Seniors Business as well as CSO, and is chaired by Group CSuO who serves as the chief executive of the sustainability domain.
- Effective from April 1, 2024, Business Owners were renamed Business CEOs, and the business owner system was renamed a business segment system. Global ExCo and the Managerial Administrative Committee ("MAC") were reorganized into a Group Executive Committee.

(2) System to Control the Group Companies

- The Company carries out management of Group companies in order to enhance the corporate value of the Group as a whole by way of approving important matters such as management plans for the Group companies, receiving reports from each company of the Group including the progress of the plan and occurrence of risk events, and taking effective measures as needed in accordance with the approval and reporting system based on the business owner system.
- The Company strives to ensure appropriate business operations of the Group by verifying the status on the development and implementation of the systems for each of the Group companies that are established based on various basic policies of the Group, and providing guidance to each company of the Group as needed.
- On April 1, 2024, the Company further clarified and concretized the standards for Group companies to decide which matters should be reported to the Company and which matters should require the approval of the Company, to develop a system where Group companies' key information is reported to the Company without omission.
- In addition, on April 1, 2024 we established a Business Analysis Office tasked with financial planning and analysis to allow the Company to understand and analyze the management status of Group companies not just in terms of quantitative perspective, and to strengthen confirmation and verification of the feasibility and appropriateness of each of their plans.
- Moreover, with the aim of enhancing the effectiveness of Group governance, we present the common policies to our major domestic operating subsidiaries. As for the Board of Directors of Sompo Japan, we also send more officers of the Company to serve as directors of Sompo Japan and separate supervision and business execution, in order to bolster the supervisory structure. In addition, Sompo Japan transitioned to a company with an Audit & Supervisory Committee, etc. on April 1, 2024 and appointed outside directors, which will enhance fairness in the Board of Directors and concurrently, strengthen the Board of Directors' supervisory function over the execution department.

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(3) Compliance System

- The Company sets out policies for promoting the Group's compliance annually, and makes each company of the Group to be thoroughly aware of such policies. Each company of the Group takes its own initiatives to enhance compliance in a systematic manner based on the established policies. At its Managerial Administrative Committee (MAC), the Company checks on the progress made in compliance promotion, and examines the adequacy of such initiatives. The Company and each company of the Group have set their sights on the promotion of more effective compliance and work to prevent the materialization of risks, including the formulation of a structure to cope with the risk of extra territorial applications of foreign laws.
- The Company makes the basic action pertaining to the compliance of the Group's officers and employees thoroughly aware as the Group Compliance Code of Conduct.
- The Company and Group companies endeavor to detect legal violations and other inappropriate events at an early stage by developing structures such as the internal reporting system and internal audit system. The Company and Group companies have internal reporting contact points both within and outside the Company. The Company strives to increase its effectiveness by making the entire Group to be thoroughly aware of the internal reporting system, including how to put it in use as well as the prohibition on treating whistleblowers unfavorably.
- The Company appointed a Chief Compliance Officer and established a Compliance Office on April 1, 2024, thereby developed a system necessary for ensuring legal compliance and customer-oriented business operations of the Group. We will also strengthen the monitoring function on serious issues in relation to compliance, grasp any signs and resolve issues within the Group and build a healthier internal control system.

(4) System Regarding Strategic Risk Management (ERM)

- The Company makes each company of the Group to be thoroughly aware of its management strategies and Group Basic Policy on ERM in order to facilitate progress of ERM and dissemination of its culture throughout the overall Group. Each company of the Group establishes strategic risk management systems suitable for the nature of its operation, corporate scale and characteristic, such as developing rules pursuant to the Group Basic Policy on ERM in order to facilitate progress of ERM and dissemination of its culture throughout the overall Group.
- The Company formulates business plans that are consistent with the Sompo Group Risk Appetite Statement through deliberations by the Global ExCo and allocates its capital to each business unit based on the growth potential and profitability. Each business unit takes risks within the range of allocated capital in an attempt to achieve profit objectives established in the business plan. The Company carries out ERM based on the principle of the PDCA cycle, in which changes in the operating environment and progress in plans are periodically reviewed and the plans and capital allocations are revised as needed.
- The Company comprehensively identifies significant risks surrounding the Group based upon the fundamental of risk assessment, builds and operates risk control processes which performs analysis, evaluation and control. As part of measures to

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actively obtain Group companies' key information, we revise the method of evaluating the risk of reputation damage, in order to appropriately identify and evaluate the risk from a perspective of customers and other stakeholders, using a standard common to the Group. For especially significant risks, the Group CRO gains insight into and examines such risks comprehensively. Business owners, etc. subsequently develop and implement response measures against risks that require a reinforced system to manage them through a discussion by the Managerial Administrative Committee (MAC), etc. in order to improve the effectiveness of risk control. The Company also appropriately controls "emerging risks" that may materialize or transform in the wake of environmental and other changes, and thus possibly have a significant impact on the Group going forward, by keeping an eye on signs of evolving into serious risks.

- The Company promotes the development of the function to ensure the appropriateness of the matters related to actuary of the entire Group (the Group's actuarial functions) by managing Group companies based on the Actuarial Basic Policy.
- The Company has established the Group ERM Committee as a subordinate organization of the Global ExCo. The Group ERM Committee discusses on a Group-wide basis the important issues concerning strategic risk management as well as material risks surrounding the Group.

(5) Structure for the Execution of Duties

- The Company sets out mid-term management plans and fiscal year plans for the Group, which are shared by each company of the Group. Each company of the Group sets out its own mid-term management plans and fiscal year plans that are consistent with plans made on a Group basis, so as to ensure the Group-wide cohesiveness. In addition, the Group promotes enhancement in its IT governance, which is at the base, to develop and promote various measures that contribute to business operation with high reliability, convenience and efficiency for Group companies.
- Matters that may significantly affect the Group management, such as mid-term management plan and decisions on policies for M&A, are duly deliberated at the Global ExCo and the Managerial Administrative Committee (MAC) in order to enhance the efficiency and effectiveness of resolutions by the Board of Directors.

(6) Audit System by the Audit Committee

- In order to ensure the effectiveness of audit by the Audit Committee, the Company establishes an Audit Committee Office that is independent from commands and orders given by executive officers, and appoints exclusive staff.
- The Company formulates rules concerning the reporting to the Audit Committee, who receive reports from officers and employees on primarily the status of their duty execution periodically. In addition, reports are made promptly on matters requested by the Audit Committee. From April 2024 onward, the Group CRO and a Chief Compliance Officer report to the Audit Committee quarterly (or at any time as necessary, if there are specific items) on such matters as an internal control system as a whole, the progress in addressing significant risks for the Group, as to whether there are any misconducts or serious problems taking place at subsidiaries, and the progress of implementation of recurrence prevention measures. In this

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manner, we seek to increase the effectiveness of audits from a perspective independent from business execution.

- The Company ensures opportunities for the members of the Audit Committee selected by the Audit Committee to express opinions by attending important meetings.
- The Company ensures opportunities for the members of the Audit Committee or the Audit Committee to exchange information with the independent accounting auditor and internal audit sections on the audit results, etc.
- The Company convenes periodic meetings where the members of the Audit Committee meet with representative executive officers to exchange opinions regarding the recognition of the Group's important issues. The members of the Audit Committee also perform onsite audits, etc. at the Group companies, and exchange information with the representative, etc. and the members of the Audit Committee of the respective companies.

IX. Matters Concerning Specified Wholly-Owned Subsidiary

As stated in Attachment hereto.

X. Matters Regarding Transactions with the Parent Company, etc.

None.

XI. Matters Relating to Accounting Advisors

None.

XII. Others

None.

Consolidated Balance Sheet

For the fiscal year 2023 (As of March 31, 2024)

(Millions of yen)

Assets:	
Cash and deposits	1,231,345
Receivables under resale agreements	14,999
Monetary receivables bought	21,686
Money trusts	4,843
Securities	11,424,810
Loans	451,662
Tangible fixed assets:	371,583
Land	112,814
Buildings	157,999
Leased assets	65,297
Construction in progress	5,486
Other tangible fixed assets	29,985
Intangible fixed assets:	518,922
Software	210,523
Goodwill	170,645
Other intangible fixed assets	137,752
Other assets	710,294
Net defined benefit asset	433
Deferred tax assets	85,110
Allowance for possible credit losses	(2,913)
Total assets	14,832,778
Liabilities:	
Underwriting funds:	9,810,421
Reserve for outstanding losses and claims	2,723,561
Underwriting reserves	7,086,859
Corporate bonds	682,349
Other liabilities	1,111,287
Net defined benefit liability	21,654
Reserve for retirement benefits to directors	16
Reserve for bonus payments	57,500
Reserve for bonus payments to directors	443
Reserve for stocks payments	2,535
Reserves under the special laws:	116,413
Reserve for price fluctuation	116,413
Deferred tax liabilities	161,895
Total liabilities	11,964,519

Net assets:	
Common stock	100,045
Capital surplus	32,096
Retained earnings	1,291,783
Treasury stock	(4,125)
Total shareholders' equity	1,419,799
Unrealized gains and losses on securities available for sale	1,247,127
Deferred gains and losses on hedges	1,696
Foreign currency translation adjustments	142,391
Remeasurements of defined benefit plans	40,885
Total accumulated other comprehensive income	1,432,100
Stock acquisition rights	235
Non-controlling interests	16,123
Total net assets	2,868,258
Total liabilities and net assets	14,832,778

Consolidated Statement of Income

For the fiscal year 2023 (April 1, 2023 to March 31, 2024)

(Millions of yen)

Ordinary income:	4,933,646
Underwriting income:	4,099,489
Net premiums written	3,690,419
Deposits of premiums by policyholders	62,530
Interest and dividend income on deposits of premiums, etc.	30,434
Life insurance premiums written	311,850
Other underwriting income	4,254
Investment income:	592,545
Interest and dividend income	183,660
Investment gains on money trusts	5,787
Investment gains on trading securities	224,358
Gains on sales of securities	174,815
Gains on redemption of securities	2,101
Investment gains on special account	6,984
Other investment income	25,272
Transfer of interest and dividend income on deposits of premiums, etc.	(30,434)
Other ordinary income	241,611
Investment gains on the equity method	1,109
Other ordinary income	240,502
Ordinary expenses:	4,445,611
Underwriting expenses:	3,495,132
Net claims paid	2,020,095
Loss adjustment expenses	140,454
Net commissions and brokerage fees	754,170
Maturity refunds to policyholders	167,755
Dividends to policyholders	9
Life insurance claims paid and other payments	105,732
Provision for reserve for outstanding losses and claims	246,044
Provision for underwriting reserves	58,264
Other underwriting expenses	2,605
Investment expenses:	108,014
Losses on sales of securities	57,357
Impairment losses on securities	3,787
Losses on redemption of securities	1
Losses on derivatives	20,844
Other investment expenses	26,023

Operating, general and administrative expenses	658,750
Other ordinary expenses:	183,714
Interest paid	13,750
Losses on bad debt	71
Other ordinary expenses	169,893
Ordinary profit	488,034
Extraordinary gains:	1,129
Gains on disposal of fixed assets	969
Gains on negative goodwill	159
Extraordinary losses:	9,583
Losses on disposal of fixed assets	1,102
Impairment losses	1,636
Provision for reserves under the special laws:	5,555
Provision for reserve for price fluctuation	5,555
Other extraordinary losses	1,288
Net income before income taxes	479,581
Income taxes	113,002
Deferred income taxes	(51,488)
Total income taxes	61,514
Net income	418,066
Net income attributable to non-controlling interests	2,012
Net income attributable to shareholders of the parent	416,054

Non-Consolidated Balance Sheet

For the fiscal year 2023 (As of March 31, 2024)

(Millions of yen)

Assets:	
Current assets:	258,511
Cash and bank deposits	167,578
Prepaid expenses	746
Accounts receivable	90,067
Others	118
Fixed assets:	1,186,372
Tangible fixed assets:	417
Buildings	289
Tools, furniture and equipment	128
Investments and other assets:	1,185,954
Investment securities	159,414
Investments in subsidiaries and affiliates	1,026,118
Others	421
Total assets	1,444,883
Liabilities:	
Current liabilities:	27,504
Accounts payable	1,337
Accrued expenses	142
Income taxes payable	24,633
Accrued consumption taxes	162
Reserve for bonus payments	957
Reserve for bonus payments to directors	256
Others	13
Fixed liabilities:	108,313
Corporate bonds	70,000
Reserve for retirement benefits	360
Reserve for stocks payments	2,535
Deferred tax liabilities	34,889
Others	529
Total liabilities	135,817
Net assets:	
Shareholders' equity:	1,222,099
Common stock	100,045
Capital surplus:	399,949
Capital reserves	25,045
Other capital surplus	374,903
Retained earnings:	726,230
Other retained earnings:	726,230
Retained earnings carried forward	726,230
Treasury stock	(4,125)
Valuation and translation adjustments:	86,730
Unrealized gains and losses on securities available for sale	86,730
Stock acquisition rights	235
Total net assets	1,309,065
Total liabilities and net assets	1,444,883

Non-Consolidated Statement of Income

For the fiscal year 2023 (April 1, 2023 to March 31, 2024)

(Millions of yen)

Operating income:	
Dividends received from subsidiaries and affiliates	141,147
Fees received from subsidiaries and affiliates	13,927
Total operating income	155,074
Operating expenses:	
Operating, general and administrative expenses	25,612
Total operating expenses	25,612
Operating profit	129,461
Non-operating income:	
Interest income	0
Dividend income	11
Foreign exchange gains	170
Gains on forfeiture of unclaimed dividends	63
Interest on tax refund	18
Others	70
Total non-operating income	333
Non-operating expenses:	
Interest paid	1
Interest expenses on bonds	310
Investment losses on investment partnerships	2,065
Bond issuance costs	159
Commission for acquisition of treasury stock	12
Others	9
Total non-operating expenses	2,558
Ordinary profit	127,237
Extraordinary gains:	
Gains on sales of investment securities	86,792
Total extraordinary gains	86,792
Extraordinary losses:	
Losses on disposal of fixed assets	1
Impairment losses on investment securities	55
Losses on valuation of stocks of subsidiaries and affiliates	5,068
Total extraordinary losses	5,125
Net income before income taxes	208,903
Income taxes	23,592
Deferred income taxes	(1,171)
Total income taxes	22,420
Net income	186,482

Independent Auditor's Report

May 16, 2024

The Board of Directors
Sompo Holdings, Inc.

Ernst & Young ShinNihon LLC
Tokyo, Japan

Noboru Miura
Designated Engagement Partner
Certified Public Accountant

Norio Hashiba
Designated Engagement Partner
Certified Public Accountant

Hiroyuki Kobayashi
Designated Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 444, paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets, and notes to the consolidated financial statements of Sompo Holdings, Inc. (the "Company") and its consolidated subsidiaries (the Group) applicable to the fiscal year from April 1,2023 to March 31,2024.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position and results of operations of the Group applicable to the fiscal year ended March 31, 2024, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note Changes in Accounting Policies to the consolidated financial statements, which describes overseas consolidated subsidiaries that have applied the International Financial Reporting Standards (IFRS) have applied IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" from the beginning of the fiscal year ended March 31, 2024. Our opinion is not modified in respect of this matter.

Other Information

The other information comprises the information included in the Group's business report and its supplementary schedules. Management is responsible for preparation and disclosure of the other information. The Audit Committee is responsible for overseeing the Group's reporting process of the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Audit Committee are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Independent Auditor's Report

May 16, 2024

The Board of Directors
Sompo Holdings, Inc.

Ernst & Young ShinNihon LLC
Tokyo, Japan

Noboru Miura
Designated Engagement Partner
Certified Public Accountant

Norio Hashiba
Designated Engagement Partner
Certified Public Accountant

Hiroyuki Kobayashi
Designated Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 436, Section 2, paragraph 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, notes to the financial statements and the related supplementary schedules of Sompo Holdings, Inc. (the "Company") applicable to the 14th fiscal year from April 1,2023 to March 31,2024.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position and results of operations of the Company, applicable to the fiscal year ended March 31, 2024, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the Company's business report and its supplementary schedules. Management is responsible for preparation and disclosure of the other information. The Audit Committee is responsible for overseeing the Company's reporting process of the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Audit Committee are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the financial statements is not expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

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Certified Copy of the Audit Report of the Audit Committee

Audit Report

The Audit Committee audited the duties as performed by the directors and executive officers for the 14th fiscal year from April 1, 2023 to March 31, 2024. The methods and results are reported as follows:

1. Audit Methods and Contents

The Audit Committee received reports periodically from directors, executive officers, and employees, etc. with respect to the status of establishment and operation concerning the contents of Board of Directors resolutions regarding the matters set forth in Article 416, Paragraph 1, Item 1 (b) and (e) of the Companies Act as well as the status of the system developed under the said Board of Directors resolutions (internal control systems). We requested explanations if and when needed, made remarks and statements with respect thereto, and conducted the audit in the following manner:

(i) In accordance with the audit policy and audit plans, etc. established by the Audit Committee and in cooperation with the internal audit sections of the Company, the Audit Committee attended important meetings, received reports from directors and executive officers, etc. concerning the status of the performance of their duties, requested explanations if and when needed, gained access to important approval documents, and examined the status of business operations and assets. As for subsidiaries, we requested communications and an exchange of information with directors and audit & supervisory board members of subsidiaries, and received business report from subsidiaries if and when needed. With respect to the internal control systems pertaining to the financial reporting under the Financial Instruments and Exchange Act, we received reporting concerning the evaluation of the relevant internal control systems and the status of audit from directors and executive officers, etc. and ERNST &YOUNG SHINNIHON LLC, and requested explanations if and when needed.

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(ii) We have monitored and inspected whether the accounting auditor has maintained its independent position and conducted proper auditing and received reports from the accounting auditor on the status of the performance of its duties and requested explanations if and when needed. We have also received the notification from the accounting auditor that it has developed the “internal system for ensuring the appropriate execution of duties (matters listed in each item of Article 131 of the Rules of Corporate Accounting) in accordance with “Quality Control Standards for audit” (Business Accounting Council) and others, and requested explanations if and when needed.

On the basis of the above-described audit methods, we have examined the consolidated financial statements (consolidated balance sheet, consolidated statement of income (loss), consolidated statement of changes in net assets and notes to consolidated financial statements) for the relevant fiscal year, the financial statements (balance sheet, statement of income (loss), statement of changes in net assets and notes to non-consolidated financial statements) for the relevant fiscal year, and supplementary schedules thereof.

2. Audit Results

(1) Audit Results for the Business Report, etc.

(i) The business report and supplementary schedules thereof properly represent conditions at the Company in accordance with relevant laws and regulations and the Company’s articles of incorporation.

(ii) There are no inappropriate behaviors or serious violations of the laws, regulations or the Company’s articles of incorporation relating to directors’ and executive officers’ performance of their duties.

(iii) The contents of the Board of Directors resolution concerning the internal control systems are appropriate. Further, there are no matters to be raised regarding the statements in the business report and performance of duties by directors and executive officers with respect to the internal control systems.

As stated in the Business Report, the Company and its consolidated subsidiary Sompo Japan Insurance Inc. (hereinafter "Sompo Japan") received business improvement orders, under Article 271-29 Paragraph 1 and Article 132 Paragraph 1 of the Insurance Business Act, respectively, from the Financial Services Agency in relation to the incident concerning their responses to fraudulent automobile insurance claims.

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In addition, concerning inappropriate insurance premium adjustments that were seen as infringing on the Antimonopoly Act and other conducts, Sompo Japan received a business improvement order under Article 132 Paragraph 1 of the Insurance Business Act from the Financial Services Agency. Taking these facts very seriously, the Audit Committee will closely monitor the progress of the business improvement plans that contain recurrence prevention measures to ensure their thorough implementation.

(2) Audit Results for the Consolidated Financial Statements
The audit methods used and results obtained by the accounting auditor, ERNST & YOUNG SHINNIHON LLC, are appropriate.

(3) Audit Results for the Financial Statements and Supplementary Schedules thereof
The audit methods used and results obtained by the accounting auditor, ERNST & YOUNG SHINNIHON LLC, are appropriate.

May 20, 2024

The Audit Committee, Sompo Holdings, Inc.

Misuzu SHIBATA, Chairperson of the Audit Committee (Outside Director)
Kumi ITO, Member of the Audit Committee (Outside Director)
Masayuki WAGA, Member of the Audit Committee (Outside Director)
Toru KAJIKAWA, Member of the Audit Committee (Outside Director)
Satoshi KASAI, Member of the Audit Committee (full-time)

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Attachment

Status of Major Offices of the Corporate Groups

A. Status of the Insurance Holding Company

(As of March 31, 2024)

Name of Office	Location	Date of Establishment
Head Office	1-26-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo	April 1, 2010

B. Status of Subsidiary Corporations, etc.

(As of March 31, 2024)

Business Segment	Name of Company	Name of Office	Location	Date of Establishment
Domestic P&C insurance business	Sompo Japan Insurance Inc.	Head Office	1-26-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo	Jul. 21, 1976
	SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED	Head Office	3-1-1, Higashi-Ikebukuro, Toshima-ku, Tokyo	Sep. 22, 1982
Overseas insurance and reinsurance business	Sompo International Holdings Ltd.	Head Office	Waterloo House, 100 Pitts Bay Road, Pembroke HM08 Bermuda	Mar. 24, 2017
	Endurance Specialty Insurance Ltd.	Head Office	Waterloo House, 100 Pitts Bay Road, Pembroke HM08 Bermuda	Nov. 30, 2001
Domestic life insurance business	Sompo Himawari Life Insurance Inc.	Head Office	6-13-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo	Oct. 1, 2011
Nursing care & seniors business	Sompo Care Inc.	Head Office	4-12-8, Higashi-Shinagawa, Shinagawa-ku, Tokyo	Jul. 1, 2017
	ND Software Co., Ltd.	Head Office	3369 Wada, Nanyo-shi, Yamagata	Dec. 20, 2018
Others	Sompo Warranty Inc.	Head Office	2-2-3, Soto-Kanda, Chiyoda-ku, Tokyo	Jun. 14, 2021
	SOMPO Light Vortex, Inc.	Head Office	1-26-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo	Jul. 1, 2021
	Sompo Asset Management Co., Ltd.	Head Office	2-2-16, Nihonbashi, Chuo-ku, Tokyo	Nov. 24, 2009
	Sompo Japan DC Securities Inc.	Head Office	1-25-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo	May 10, 1999
	Sompo Risk Management Inc.	Head Office	1-24-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo	Dec. 4, 2006
	Sompo Health Support Inc.	Head Office	1-2-3, Awaji-cho, Kanda, Chiyoda-ku, Tokyo	Oct. 1, 2018

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Matters Relating to Stock Acquisition Rights

(1) Number of Stock Acquisition Rights that Executives of the Insurance Holding Company Hold as of the Last Day of the Fiscal Year

	Overview of Content of Stock Acquisition Rights	Number of Holders of Stock Acquisition Rights
Directors (excluding outside officers) and executive officers	The 23rd issue of stock acquisition rights of NKSJ Holdings, Inc. ・Number of stock acquisition rights: 22 ・Type and number of shares underlying stock acquisition rights: 550 shares of common stock (25 shares per stock acquisition right) ・Amount to be paid-in at the time of exercise of each stock acquisition right: 1 yen per share ・Period during which the stock acquisition rights can be exercised: From August 17, 2010 to August 16, 2035 ・Major conditions of exercise of stock acquisition rights: As stated in Note 1	1
	The 24th issue of stock acquisition rights of NKSJ Holdings, Inc. ・Number of stock acquisition rights: 5 ・Type and number of shares underlying stock acquisition rights: 500 shares of common stock (100 shares per stock acquisition right) ・Amount to be paid-in at the time of exercise of each stock acquisition right: 1 yen per share ・Period during which the stock acquisition rights can be exercised: From November 1, 2011 to October 31, 2036 ・Major conditions of exercise of stock acquisition rights: As stated in Note 1	1
	The 25th issue of stock acquisition rights of NKSJ Holdings, Inc. ・Number of stock acquisition rights: 74 ・Type and number of shares underlying stock acquisition rights: 7,400 shares of common stock (100 shares per stock acquisition right) ・Amount to be paid-in at the time of exercise of each stock acquisition right: 1 yen per share ・Period during which the stock acquisition rights can be exercised: From August 14, 2012 to August 13, 2037 ・Major conditions of exercise of stock acquisition rights: As stated in Note 1	1

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	The 26th issue of stock acquisition rights of NKSJ Holdings, Inc. ・Number of stock acquisition rights: 39 ・Type and number of shares underlying stock acquisition rights: 3,900 shares of common stock (100 shares per stock acquisition right) ・Amount to be paid-in at the time of exercise of each stock acquisition right: 1 yen per share ・Period during which the stock acquisition rights can be exercised: From August 13, 2013 to August 12, 2038 ・Major conditions of exercise of stock acquisition rights: As stated in Note 1	1
	The 27th issue of stock acquisition rights of NKSJ Holdings, Inc. ・Number of stock acquisition rights: 39 ・Type and number of shares underlying stock acquisition rights: 3,900 shares of common stock (100 shares per stock acquisition right) ・Amount to be paid-in at the time of exercise of each stock acquisition right: 1 yen per share ・Period during which the stock acquisition rights can be exercised: From August 15, 2014 to August 14, 2039 ・Major conditions of exercise of stock acquisition rights: As stated in Note 1	1
	The 28th issue of stock acquisition rights of Sompo Japan Nipponkoa Holdings, Inc. ・Number of stock acquisition rights: 53 ・Type and number of shares underlying stock acquisition rights: 5,300 shares of common stock (100 shares per stock acquisition right) ・Amount to be paid-in at the time of exercise of each stock acquisition right: 1 yen per share ・Period during which the stock acquisition rights can be exercised: From August 17, 2015 to August 16, 2040 ・Major conditions of exercise of stock acquisition rights: As stated in Note 1	2
Outside directors	—	—

Notes:

1. Each of the holders of stock acquisition rights (the “Holder of Stock Acquisition Rights”) may exercise his or her stock acquisition rights during the stock acquisition rights exercise period, and only within a period of 10 days from the day following the date on which he or she has lost his or her position as either a director or an executive officer.
   Moreover, the Holder of Stock Acquisition Rights is to exercise in one transaction all of the stock acquisition rights that he or she holds, as to the stock acquisition rights (stock compensation-type stock options) that he or she received pursuant to his or her position as a director or an executive officer of the Company, and shall not be allowed to exercise only a part thereof.
2. This table shows the stock acquisition rights that the Company has granted to executives of the Company as consideration for execution of duties.

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3. As to an officer of the Company who was a director or an executive officer (shikkouyakuin) of former Sompo Japan Insurance Inc., former NIPPONKOA Insurance Company, Limited or Sompo Japan Nipponkoa Insurance Inc., at the time of grant of these stock acquisition rights, the allocation was made to such officer of the Company on the basis of his/her being a director or executive officer (shikkouyakuin) of former Sompo Japan Insurance Inc., former NIPPONKOA Insurance Company, Limited or Sompo Japan Nipponkoa Insurance Inc., as the case may be. The number of the stock acquisition rights, as well as the type and number of the underlying shares, held by officers of the Company as of the last day of this fiscal year are as set out below.
   The 23rd issue of stock acquisition rights of NKSJ Holdings, Inc.
   534 (13,350 shares of common stock)
   The 24th issue of stock acquisition rights of NKSJ Holdings, Inc.
   132 (13,200 shares of common stock)
   The 25th issue of stock acquisition rights of NKSJ Holdings, Inc.
   74 (7,400 shares of common stock)
   The 26th issue of stock acquisition rights of NKSJ Holdings, Inc.
   39 (3,900 shares of common stock)
   The 27th issue of stock acquisition rights of NKSJ Holdings, Inc.
   39 (3,900 shares of common stock)
   The 28th issue of stock acquisition rights of Sompo Japan Nipponkoa Holdings, Inc. 4 (400 shares of common stock)

4. At the time of establishment of the Company, the stock acquisition rights that former Sompo Japan Insurance Inc. and former NIPPONKOA Insurance Company, Limited had issued were extinguished as of April 1, 2010, and the stock acquisition rights of the Company (from the 1st issue of stock acquisition rights through the 22nd issue of stock acquisition rights) were issued on the same date to the holders of the extinguished stock acquisition rights as replacement therefor. The number of stock acquisition rights held by the executives of the Company as of the last day of this fiscal year, as well as the type and number of the underlying shares, are as set out below.
   ・The 15th issue of stock acquisition rights of NKSJ Holdings, Inc.
   136 (3,400 shares of common stock)
   ・The 16th issue of stock acquisition rights of NKSJ Holdings, Inc.
   237 (5,925 shares of common stock)

5. The Company implemented a stock split whereby each share of common stock was split into three shares with an effective date of April 1, 2024. The “number of shares underlying stock acquisition rights” shown above present the number of shares before the stock split.

(2) Stock Acquisition Rights, etc., in the Insurance Holding Company that have been Granted to Employees, etc., During the Fiscal Year

None.

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Systems to Ensure the Appropriate Performance of the Business Operations and the Status of Implementation of the System

The Company, by resolution of its Board of Directors, adopts the “Basic Policy on Internal Controls” and has put in place a system to ensure the proper operations of the Sompo Group. (Last update date: May 20, 2024)

The “Basic Policy on Internal Controls” is as follows.

<Basic Policy on Internal Controls>

The Company, by resolution of its Board of Directors, adopts the Basic Policy on Internal Controls to ensure the proper operations of the Sompo Group (hereinafter the “Company Group”) and contribute to enhancement and quality improvement of corporate governance based on relevant laws and regulations. The Company shall strive to appropriately capture and validate the Company Group’s control status based on the Basic Policy on Internal Controls at the Board of Directors and enhance its systems. In the event of an incident that may have a material impact on the management of the Company Group, the Company shall promptly determine a response policy at the Board of Directors and take necessary measures.

1. System for Ensuring Proper Conduct of Operations of the Group

   As set forth below, the Company shall establish the systems required to ensure that the operations of the Company Group are conducted properly.

(1) The Company shall present SOMPO's Purpose, Human Capital Core Values, and the Group Sustainability Vision to its Group companies.
(2) The Company shall set forth a basic policy for the business management of Group companies and clarify the scope and terms of the business management of the Company. The Company shall also set forth what requires Group companies to submit applications for approval and to report on important matters that have an impact on the Group's management strategy and business plan, while appropriately exercise shareholder rights to each Group company. Furthermore, the Company shall ensure the effectiveness of this action by, for example, concluding business management agreements with them.
(3) The Company shall formulate various Group Basic Policies that prescribe the Company Group’s control framework and disseminate them to Group companies, requesting compliance therewith. The Company shall also have its Group companies establish systems based on these basic policies, such as by causing them to formulate their own rules according to their actual business operations.
(4) The Company shall establish systems for information collection, inspections, and examinations required for management decisions. The Company shall also seek to activate management discussions through such means as reliably providing information to independent directors and ensure the adequacy of management decisions on important matters regarding business management of the Company Group.
(5) The Company shall set forth a basic policy for the management of intra-group transactions to ensure the soundness and adequacy of the Company Group operations without legal violations or the spread of risks resulting from conflicts of interest in intra-group transactions. In order to ensure its effectiveness, the Company shall establish an appropriate control system, including establishing the scope of transactions subject to review, review items, and the department responsible for the review, as well as the appropriate identification and review

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of important intra-group transactions.

2. System for Ensuring Execution of Duties of Directors, Executive Officers, and Employees in Compliance with Applicable Laws and the Company's Articles of Incorporation

As set forth below, the Company shall establish the systems required to ensure that the Company Group's directors, executive officers, and employees ("Officers and Employees") execute their duties in compliance with applicable laws and the firm's Articles of Incorporation.

(1) The Company shall verify that the Group Company's Officers and Employees are executing their duties in a legally compliant manner through such means as reporting on the state of Officers and Employees' execution of their duties at meetings of the Board of Directors.
(2) The Company shall set forth a basic policy on compliance, determine a code of conduct and the course of action for Group compliance as a fundamental principle for the business, and establish a compliance system in the Company Group for managing customer information, managing conflicts of interest transactions, and responding to anti-social forces. The Company shall also issue compliance rules with standards of conduct for Officers and Employees of the Company Group and conduct ongoing education and training based on the compliance rules to disseminate these basic policies, the code of conduct, and the compliance rules.
(3) The Company shall establish systems in the Company Group for internal reporting and internal whistleblowing for misconduct and other such incidents and properly rectify or otherwise respond to such matters.
(4) The Company shall set forth a basic policy for responding to customer feedback and establish effective systems in the Company Group for responding to customer feedback, such as proactively analyzing customer feedback to improve operational quality.
(5) The Company shall set forth a basic policy on the quality of products and services for customers and develop a system to maintain and improve the quality of customer services in the Company Group, such as preparing a manual for reporting procedures to the Company in the event that any Group company imposes an economic disadvantage on a customer, and the check procedures for similar cases among Group companies.
(6) The Company shall set forth a Security policy and establish appropriate management systems for information assets, such as clarifying basic measures to be taken to ensure the security of information assets in the Company Group.

3. Strategic Risk Management Frameworks

The Company shall set forth a basic policy on ERM and implement Strategic Risk Management, i.e. an ERM designed to minimize unforeseen losses while effectively utilizing its capital, increasing its profits under appropriate control of risks, and maximizing the Company Group's corporate value.

(1) In order to ensure the effectiveness of Strategic Risk Management, the Company shall establish systems for Strategic Risk Management, such as the Sompo Group Risk Appetite Statement to work as a guideline for risk taking in capital budgeting. The Company shall also appropriately manage risks that may confront the Company Group as a whole through the adequate assessment of the risks inherent to a group structure and of the outline of various risk characteristics that exist within the Company Group.
(2) The Company shall have its Group companies develop and implement the

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appropriate frameworks for strategic risk management, including assessment and evaluation of risks, according to their scope, scale, and characteristics of operations.

(3) The Company shall set forth a basic policy on actuarial science that forms the basis of ERM to ensure the appropriate valuation of insurance liabilities and the financial soundness.

4. System to Ensure Effective and Accurate Execution of Duties

As set forth below, the Company shall delegate authority for the execution of job duties, prescribe rules regarding decision-making and reporting, establish a command and control structure, and effectively utilize management resources to ensure that the Company Group's Officers and Employees execute their duties properly and efficiently.

(1) The Company shall formulate the Company Group's management plans and share these plans with its Group companies.
(2) The Company shall establish the Group Executive Committee to discuss strategic issues for the entire Group. The Company shall discuss important issues related to the execution of the Company Group's business operations on the committee, leading to high-quality, swift decision-making, and establish a system to conduct sufficient examinations in areas of high expertise and technical sophistication.
(3) The Company shall clearly identify the Company Group's matters in which their Board of Directors is to be involved by designating matters over which their Board of Directors have decision-making authority and matters to be reported to their Board of Directors. The Company shall also determine executive officers' authority consistent with the matters thus designated.
(4) The Company shall establish the Company Group's rules and clearly define their internal organizational units' objectives and scope of responsibilities and shall determine for each organizational unit the division of its duties, executives, and scope of operational authority.
(5) In order to achieve highly reliable, convenient, and effective business operations, the Company shall set forth a basic policy on IT and develop IT governance and system risk control in the Company Group, such as requiring each Group company to set up a department aiming to develop an IT control system and to make a system plan and system risk control plan.
(6) The Company shall set forth a basic policy on the management of outsourcing and ensure proper operations in association with outsourcing by the Company Group, such as by managing outsourced companies according to processes from the start to termination of outsourcing.
(7) The Company shall set forth a basic policy on asset management and manage assets with sufficient consideration of risk management based on safety, liquidity, and profitability in light of the characteristics of the Company Group's managed funds.
(8) The Company shall set forth a basic policy on the establishment of a business continuity system and ensure the stability and soundness of the Company Group's operational foundation in times of emergency, such as by establishing systems to ensure the continuity or early restoration of the Group's key operations during times of crisis, including major natural disasters.

5. System for Ensuring Appropriate Information Disclosure

(1) The Company shall set forth a basic policy on disclosure in order to disclose information regarding the Company Group's business situation properly in

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timely manner and to enhance its equitability and usability. In order to ensure its effectiveness, the Company shall set up a department that controls disclosure matters based on laws and regulations to establish systems for timely and appropriate disclosure of information concerning its business activities.

(2) The Company shall set forth a basic policy on internal control over financial reporting in the Company Group to ensure adequacy and reliability of financial reporting. In order to ensure the effectiveness of this internal control system, the Company shall clarify various processes and risks leading up to the preparation of appropriate financial statements, etc., and shall review those processes to ensure their appropriateness given the audit results by the Audit Committee, Accounting Auditor, and Internal Audit Division. The Company shall also designate the departments responsible for internal control and assessment respectively, and make an annual evaluation plan for internal control in accordance with the generally accepted internal control framework, while assessing the plan and preparing an internal control report.

6. System for Retention and Management of Information Related to Executive Officers' Performance of Their Duties

In order to appropriately retain and manage information related to the executive officers' performance of their duties, the Company shall prescribe rules dictating methods for retaining and managing information related to the executive officers' execution of their duties, including the minutes of the important meetings and documentation related thereto. The Company shall also establish the system required to retain and manage such information.

7. System to Ensure Internal Audits' Effectiveness

In order to ensure the effectiveness of the Company Group's internal audits, the Company shall set forth a basic policy on internal audits, which shall define matters, such as securing independence concerning internal audits, establishing rules and developing plans, and establishing internal audit systems that are efficient and effective for the Group as a whole.

8. System Related to Audit Committee's Audits

The Company shall establish the following systems to improve the effectiveness of the Audit Committee's audits:

8-1. Matters relating to employees who assist Audit Committee in the performance of their duties

The Company shall establish an Audit Committee Office as an organization that reports directly to the Audit Committee and appoint personnel with the requisite knowledge and experience to serve as Audit Committee staff (employees to assist with the Audit Committee's duties) assigned exclusively to audit duty. The Company shall also set forth rules regarding Audit Committee staff and ensure their independence from executive functions and the effectiveness of instructions issued by the Audit Committee to Audit Committee staff as follows.

(1) The Company shall ensure the Audit Committee's staff independence from executive officers and other business executives by making decisions regarding staff appointments, dismissal, compensation, and personnel appraisal subject to the approval of Audit Committee members selected by Audit Committee.

(2) In conducting their duties, Audit Committee staff shall follow the instructions and orders of the Audit Committee or Audit Committee members only and not accept

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instructions or orders from other personnel.

(3) Audit Committee staff shall have the authority to collect the information required in relation to their duties as ordered by the Audit Committee.

8-2. System for Reporting to Audit Committee

(1) The Company shall, under the Audit Committee's approval, prescribe matters that are to be reported to the Audit Committee by Officers and Employees (including gross violations of laws or Articles of Incorporation or other improprieties in connection with execution of duties that potentially may cause a material loss for the company) and the timing of such reports in the rules for reporting to the Audit Committee. Officers and Employees shall unfailingly submit reports in accord with such prescriptions and other reports requested by the Audit Committee.

(2) The Company shall not unfavorably treat such Officers and Employees who have submitted such reports to the Audit Committee because of such submission. The same shall apply to the Officers and Employees of Group companies.

(3) When the Audit Committee expresses opinions on directors or executive officers' execution of their duties or recommend improvements thereof, the directors or executive officers in question shall report back to the Audit Committee on the progress in addressing the matter cited by the Audit Committee.

8-3. Other Systems to Ensure that Audit Committee's Audits are Conducted Effectively

(1) Audit Committee Members appointed by the Audit Committee may attend important meetings and express their opinions.

(2) The Company shall fully cooperate with the Audit Committee or Audit Committee members when they discuss with directors, executive officers, accounting auditors, internal audit sections, and other persons required to appropriately perform the duties of the Audit Committee. The Company shall also cooperate with them when they collect information from or discuss with Officers and Employees of Group companies.

(3) The Company shall respond to the Audit Committee's requests concerning access to the minutes of important meetings and other important documents (including electromagnetic records).

(4) Appointment, dismissal or any other important change relating to the head of the Internal Audit department shall be approved by the Audit Committee.

(5) The Internal Audit department shall discuss and agree with the Audit Committee about the internal audit plan. The Internal Audit department shall report to the Audit Committee audit results and designated matters, and receive instructions from the Audit Committee as necessary.

(6) When the Audit Committee or Audit Committee members submit a request for the coverage of costs arising in connection with the execution of their duties, it shall be appropriately processed according to their request.

(7) Officers and Employees of the Company shall comply with any other rules set forth by the Audit Committee and items provided in the audit standards.

-- End

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Matters Concerning Specified Wholly-Owned Subsidiary

(1) Name and Address of the Specified Wholly-Owned Subsidiary

Name	Address
Sompo Japan Insurance Inc.	1-26-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo

(2) Total Carrying Value as of March 31, 2024 of Shares of the Specified Wholly-Owned Subsidiary Held by the Company and its Wholly-Owned Subsidiaries, etc.
698,500million yen

(3) Total Amount Recorded Under Assets on the Company's Balance Sheets as of March 31, 2024
1,444,883million yen

Notes to the Consolidated Financial Statements

Significant Accounting Policies for the Preparation of the Consolidated Financial Statements

Sompo Holdings, Inc. (“the Company”) prepares the consolidated financial statements in accordance with the “Ordinance on Accounting of Companies” (Ordinance of the Ministry of Justice No. 13, 2006) and the “Ordinance for Enforcement of the Insurance Business Act” (Ordinance of the Ministry of Finance No. 5, 1996) pursuant to the provision of Article 118 of the “Ordinance on Accounting of Companies.”

The definitions of subsidiaries and affiliates, etc. conform to Article 2 of the “Ordinance on Accounting of Companies.”

1. Scope of consolidation
   (1) Number of consolidated subsidiaries: 68 companies
   Names of major subsidiaries
   Sompo Japan Insurance Inc.
   SAISON AUTOMOBILE AND FIRE INSURANCE COMPANY, LIMITED
   Sompo Japan Partners Inc.
   Mysurance Inc.
   Sompo International Holdings Ltd.
   Endurance Specialty Insurance Ltd.
   Endurance Assurance Corporation
   Endurance Worldwide Insurance Limited
   SI Insurance (Europe), SA
   Sompo Holdings (Asia) Pte. Ltd.
   Sompo Sigorta Anonim Sirketi
   Berjaya Sompo Insurance Berhad
   Sompo Seguros S.A.
   Sompo Himawari Life Insurance, Inc.
   Sompo Care Inc.
   ND Software Co., Ltd.
   Sompo Warranty Inc.
   Sompo Light Vortex, Inc.
   Sompo Asset Management Co., Ltd.
   Sompo Japan DC Securities Inc.
   Sompo Risk Management Inc.
   Sompo Health Support Inc.

(2) Names of major non-consolidated subsidiaries
Names of major subsidiaries

Sompo Systems, Inc.

As the non-consolidated subsidiaries do not have a material impact on a reasonable judgment about the financial conditions and results of operations of Sompo Holdings Group ("SOMPO HOLDINGS") in terms of total assets, ordinary income, net income or loss and retained earnings, etc. to the extent of equity position of the Company, they are excluded from the scope of consolidation.

2. Application of the equity method

(1) Number of affiliates accounted for under the equity method: 12 companies
Names of major affiliates

Capital Insurance Corporation

Universal Sompo General Insurance Company Limited

Palantir Technologies Japan K.K.

Tier IV, Inc.

DeNA SOMPO Mobility Co., Ltd.

ABEJA, Inc.

DeNA SOMPO Carlife Co., Ltd.

akippa Inc.

(2) The non-consolidated subsidiaries and affiliates (Sompo Systems, Inc., etc.) do not have a material impact on the consolidated financial statements in terms of net income or loss and retained earnings, etc. to the extent of the equity position of the Company even if they are excluded from the scope of the equity method, and they do not have a material impact as a whole. Therefore, they are excluded from the scope of the equity method.

(3) The Company holds 26.6% of the voting rights of Japan Earthquake Reinsurance Co., Ltd. ("J.E.R.") through its domestic consolidated property and casualty insurance subsidiaries. As J.E.R. is engaged in public business and the Company is not considered to have a material impact on J.E.R.'s decisions of finance, promotion and business strategy, J.E.R. is excluded from the affiliates.

3. The fiscal year of consolidated subsidiaries

The balance sheet dates of the foreign consolidated subsidiaries are December 31. As the difference between the balance sheet dates and the consolidated balance sheet date does not exceed three months, the financial statements as of December 31 are used for the preparation of the consolidated financial statements.
Necessary adjustments are made for the significant transactions during the periods from the balance sheet dates of the subsidiaries to the consolidated balance sheet date.

4. Accounting policies

(1) Valuation policies and methods for securities

(a) Trading securities are carried at fair value.
Cost of sale is calculated based on the moving-average method.

(b) Bonds held to maturity are carried at amortized cost based on the moving-average method.

(c) Policy reserve matching bonds are carried at amortized cost based on the moving-average method in accordance with “Temporary Treatment of Accounting and Auditing Concerning Policy Reserve Matching Bonds in the Insurance Industry” (Japanese Institute of Certified Public Accountants Industry Audit Practice Committee Report No. 21).
The outline of risk management policy in relation to policy reserve matching bonds is as follows.
Domestic consolidated life insurance subsidiary sets up the sub-category for individual insurance depending on line of business and investment policy, etc., and follows the management policy to match the duration of the policy reserve in the sub-category with the duration of policy reserve matching bonds within a certain range.

(d) Stocks of non-consolidated subsidiaries and affiliates that are not accounted for under the equity method are carried at cost based on the moving-average method.

(e) Securities available for sale (excluding stocks and others without a quoted market price) are carried at fair value.
Unrealized gains and losses are directly included in net assets and cost of sale is calculated based on the moving-average method.

(f) Stocks and others without a quoted market price of securities available for sale are carried at cost based on the moving-average method.

(g) Securities managed as trust assets in individually operated money trusts for primarily trading purposes are carried at fair value.

(h) Securities managed as trust assets in individually operated money trusts classified as other than trading purposes or held to maturity are carried on the same basis as that of securities available for sale.

(2) Valuation policies and methods for derivative transactions
Derivative transactions are carried at fair value.

(3) Depreciation methods of significant depreciable assets

(a) Tangible fixed assets (excluding leased assets)

Depreciation of tangible fixed assets (excluding leased assets) is calculated using the straight-line method.

(b) Intangible fixed assets (excluding leased assets)

Amortization of intangible fixed assets (excluding leased assets) is calculated using the straight-line method.

As for intangible fixed assets acquired through the acquisition of subsidiaries, amortization is being carried out over the estimated period of its effect and as its effect emerges.

Amortization of software for internal use held by the consolidated subsidiaries is calculated using the straight-line method based on the estimated useful lives.

(c) Leased assets

Leased assets under finance lease transactions that are not deemed to transfer ownership of the leased assets to the lessee for the domestic consolidated subsidiaries have been depreciated using the straight-line method over the period of the lease.

(4) Accounting policies for significant reserves

(a) Allowance for possible credit losses

In order to provide for losses from defaults, the domestic consolidated insurance subsidiaries establish allowance for possible credit losses in accordance with the internal standards for self-assessment of assets and the policy of write-off and provision.

For claims against debtors that have legally, formally or substantially entered into bankruptcy, special liquidation or whose notes have been under suspension at clearing houses, allowances are provided based on the amount remaining after deduction of the estimated collectable amounts by the disposal of collateral and by guarantees.

For claims against debtors that are highly likely to go bankrupt in the future, allowances are provided based on the amount considered necessary according to overall solvency assessment of the debtor, after deduction of estimated collectable amounts by disposal of collateral and by guarantees.

For claims other than those described above, allowances are provided based on the amount of claims multiplied by the default rate, which is calculated based on historical credit loss experience for a certain period in the past.

The departments responsible for respective assets assess relevant claim in accordance with the internal standards for self-assessment of assets. The asset auditing department independently reviews the results and allowances are provided based on the reviewed results.

The other consolidated subsidiaries determine mainly the collectability of the receivables respectively to provide allowances to cover the estimated future losses.

(b) Reserve for retirement benefits to directors

In order to provide for retirement benefits to directors, the domestic consolidated subsidiaries record the amount deemed accrued at the end of the fiscal year based on internal regulations.

(c) Reserve for bonus payments

In order to provide for employees' bonus payments, reserve for bonus payments is recorded, with the estimated amount to be paid at the end of the fiscal year.

(d) Reserve for bonus payments to directors

In order to provide for directors' bonus payments, reserve for bonus payments to directors is recorded, with the estimated amount to be paid at the end of the fiscal year.

(e) Reserve for stocks payments

In order to provide for the grant of Company shares to directors (excluding non-executive directors and outside directors), senior vice presidents and senior vice presidents (shikkouyakuin) of SOMPO HOLDINGS, according to the "Rules of the Stock Benefit Trust for Directors," reserve for stocks payments is recorded, with the estimated amount of the stock payment obligation at the end of the fiscal year.

(f) Reserve for price fluctuation

In order to provide for possible losses arising from price fluctuation of stock, etc., the domestic consolidated insurance subsidiaries set aside reserves under Article 115 of the Insurance Business Act.

(5) Methods of accounting procedures for retirement benefits

(a) Allocation method of projected retirement

The benefit formula method is mainly used for calculating the retirement benefit obligation as the method for attributing projected retirement benefits to the end of the current consolidated fiscal year.

(b) Amortization method of actuarial difference

Actuarial differences are mainly amortized from the following fiscal year by using the straight-line attribution method over certain years (10 to 11 years) within the average remaining service years of employees in each fiscal year when the difference occurs.

(6) Significant hedge accounting

The consolidated subsidiaries apply the deferred hedge accounting method based on “The Accounting and Auditing Treatment on the Application of the Financial Products Accounting Standard to the Insurance Industry” (Japanese Institute of Certified Public Accountants Industry Committee Practical Guideline No. 26) to interest rate swaps to hedge interest rate fluctuation risks related to long-term insurance contracts. Since insurance liabilities as a hedged item and interest rate swaps as a hedging instrument are grouped by certain remaining periods, and then designated as a hedge, the hedge is highly effective and the assessment of hedge effectiveness is omitted.

The fair value hedge accounting method is applied to equity swaps for hedging the future stock price fluctuation risks.

Generally, the fair value hedge accounting method is applied to forward foreign exchanges, currency options and currency swaps in order to reduce foreign exchange rate fluctuation risks on foreign currency denominated assets, etc. A deferred hedge is applied to the part of foreign exchange forward contracts to fix yen-denominated cash flow from foreign currency denominated forecast transactions.

Hedge effectiveness is assessed by periodically comparing the accumulated fluctuations of the market value or cash flows of the hedged item to those of the related hedging instrument for the period from the commencement of the hedge to the date of assessment.

However, when the significant conditions are shared among the hedged item and the hedging instrument and its effectiveness is obviously considered high, the assessment of the hedge effectiveness is omitted.

(7) Accounting policies for significant revenue and expenses

In the Nursing Care & Seniors Business, performance obligations are satisfied when various nursing care services at nursing homes (fee-based nursing homes) or the assisting equipment sales services are provided to nursing facility residents, and revenue is recognized at the point in time when such performance obligations are satisfied.

The Company hereby recognizes the revenue from the service for the nursing facility residents as the net amount that remains after deducting the amount to pay to the suppliers from the amount received from customers regarding the transaction in which SOMPO HOLDINGS’s role is the agent.

(8) Accounting methods for insurance contracts

The domestic consolidated insurance subsidiaries account for insurance contracts, including insurance premiums, reserve for outstanding losses and claims and underwriting reserve, etc., pursuant to the provisions of laws and regulations, such as the Insurance Business Act, etc.

(9) Method and period of amortization of goodwill

Goodwill is amortized in equal installments over 10 to 20 years.
Immaterial amounts of goodwill are amortized at one time.

(10) Accounting methods for consumption taxes

The Company and its domestic consolidated subsidiaries account for consumption taxes by using the tax excluded method, except for the domestic consolidated insurance subsidiaries' expenses such as loss adjustment expenses and operating, general and administrative expenses mainly under the tax-included method.
Non-deductible consumption taxes relating to assets are included in other assets and amortized in equal installments over 5 years.

(Significant accounting estimates)

1. Impairment of goodwill

(1) Amount recorded on the consolidated financial statements for the fiscal year ended March 31, 2024

Goodwill: 170,645 million yen

(2) Other information that helps readers of the consolidated financial statements understand the details of the accounting estimates

(a) Calculation method

Goodwill is amortized in equal installments over its amortization period (within 20 years) by measuring the length of period it remains effective. However, immaterial goodwill is amortized at one time in the fiscal year in which it arises.
The Company assesses whether there are indications of impairment of goodwill at the end of fiscal years and also performs the assessment whenever necessary, pursuant to the "Accounting Standard for Impairment of Fixed Assets" and the "Guidance on Accounting Standard for Impairment of Fixed Assets" (Accounting Standards Board of Japan (ASBJ) Guidance No. 6). An asset group including goodwill whose operating environment including market environment has significantly deteriorated (e.g. significant deviation downward from the business plan at the time of its acquisition, or deterioration in its latest business results or future prospect) is deemed to have an indication of impairment.
For the asset group including goodwill with an indication of impairment, the total amount of undiscounted future cash flows deriving therefrom over the remaining amortization period is estimated. If such amount is below its book value, impairment losses shall be recognized.
For the asset group including goodwill for which it was determined that impairment losses should be recognized, the recoverable value shall be calculated in the form, for example, of the usage value, which is calculated by discounting the undiscounted future cash flows by a certain discount rate. If such recoverable value is below its book value, impairment losses shall be recorded, at the amount of difference between the two.

(b) Effects on the consolidated financial statements for the fiscal year ending March 31, 2025

Impairment losses can occur if there is a significant decrease in undiscounted future cash flows resulting from an event that requires a significant downward adjustment in preparing future business plans (such as a material event that affects assumptions about estimated net premiums written or loss ratio, etc. at overseas insurance businesses) accompanied by indications of impairment.

2. Reserve for outstanding losses and claims

(1) Amount recorded on the consolidated financial statements for the fiscal year ended March 31, 2024

Reserve for outstanding losses and claims: 2,723,561 million yen

(2) Other information that helps readers of the consolidated financial statements understand the details of the accounting estimates

The domestic consolidated insurance subsidiaries provide for reserve for outstanding losses and claims pursuant to the provisions of Article 117 of the Insurance Business Act and Articles 72 and 73 of the Ordinance for Enforcement of the Insurance Business Act, and Public Notice No. 234 of the Ministry of Finance (1998). Overseas consolidated insurance subsidiaries provide for reserve for outstanding losses and claims pursuant to laws and regulations in the country of domicile.

(a) Calculation method

With respect to ordinary outstanding claims reserve, for insurance contracts for which an event that triggers payment was reported, the expected amount of payment is estimated for each insurance contract, based on the reported details of the event, policy conditions of the insurance contract and the loss adjustment activities. With respect to the Incurred But Not Reported Losses Reserve (hereinafter the “IBNR Reserve”), when an event that triggers payment has not yet been reported but an event prescribed in the insurance contract is found to have already occurred, the amount of payment is estimated by calculation units such as line of business, by using primarily statistical methods. As for losses of a rather case-specific nature such as large-scale natural disasters, the IBNR Reserve is estimated on a case-by-case basis.

(b) Effects on the consolidated financial statements for the fiscal year ending March 31, 2025

The amount of insurance claims paid or the recorded amount of reserve for outstanding losses and claims can deviate from the initial estimation, due to revision of laws and regulations in Japan and overseas, changes in the trend of court precedents, inflation and fluctuations in exchange rates and other fluctuating factors.

While the IBNR Reserve is provided in consideration of past trends and other factors based on appropriate insurance actuarial principles, it involves uncertainty that results from the unreported occurrence of events that trigger payment.

(Changes in accounting policies)

(International Financial Reporting Standards (IFRS) 17 “Insurance Contracts”)

Overseas consolidated subsidiaries that have applied International Financial Reporting Standards (IFRS) have applied IFRS 17 “Insurance Contracts” from the beginning of the fiscal year ended March 31, 2024. As a result of this application, underwriting funds are measured to reflect the effects of the time value of money, the financial risks of cash flows from insurance contracts, and the uncertainty of cash flows from insurance contracts.

These changes in accounting policies have been applied retrospectively. The cumulative impact of these changes has been reflected in the balance of net assets at the beginning of the fiscal year ended March 31, 2024. As a result, the balance of retained earnings at the beginning of the fiscal year ended March 31, 2024 has increased by 47,786 million yen.

(International Financial Reporting Standards (IFRS) 9 “Financial Instruments”)

Overseas consolidated subsidiaries that have applied International Financial Reporting Standards (IFRS) have applied IFRS 9 “Financial Instruments” from the beginning of the fiscal year ended March 31, 2024. As a result of this application, the methods for classification and measurement of financial instruments have changed.

These changes in accounting policies have been applied retrospectively. The cumulative impact of these changes has been reflected in the balance of net assets at the beginning of the fiscal year ended March 31, 2024. As a result, the balance of retained earnings at the beginning of the fiscal year ended March 31, 2024 has decreased by 121,720 million yen, and the balance of unrealized gains and losses on securities available for sale at the beginning of the fiscal year ended March 31, 2024 has increased by 120,660 million yen.

(Additional information)

1. Performance-linked stock compensation plan

The Company introduced the “Board Benefit Trust (BBT)” (hereinafter the “Plan”), a performance-linked stock compensation plan for directors (excluding non-executive directors and outside directors), senior vice presidents and senior vice presidents (shikkouyakuin) of SOMPO HOLDINGS.

(1) Outline of the transactions involved

The Company established the “Rules of the Stock Benefit Trust for Directors” (hereinafter the “Rules”) as a prerequisite to the introduction of the Plan. Based on the Rules, the Company entrusted money to a trust bank for acquiring shares to be delivered later, and the trust bank has acquired shares in the Company using the money entrusted thereto (hereinafter the “Trust”). The Plan is a scheme for delivering shares, based on the Rules, to directors (excluding non-executive directors and outside directors), senior vice presidents and senior vice presidents (shikkouyakuin) of SOMPO HOLDINGS, in proportion to the points granted thereto upon their retirement.

(2) Accounting treatment

The gross method is adopted based on the “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees, etc. through Trusts” (ASBJ Practical Issue Task Force No. 30, March 26, 2015). Expenses and corresponding reserves are provided based on the number of points granted to officers according to the Rules.

Shares in the Company remaining in the Trust at the end of the fiscal year ended March 31, 2024 are recorded as treasury stock under shareholders' equity, and the carrying amount is 2,858 million yen and the number of shares is 744,000.

Note) The Company implemented a 3-for-1 common stock split on April 1, 2024, but the number of shares shown above is presented in the figure before the stock split.

2. Accounting treatment of corporate and local income taxes, or accounting treatment of tax effect accounting regarding these taxes

The Company and certain domestic consolidated subsidiaries apply the group tax sharing system, and has complied with "Practical Solution on the Accounting and Disclosure under the Group Tax Sharing System" (ASBJ Practical Issue Task Force No. 42, August 12, 2021) for the accounting treatment of corporate and local income taxes, or accounting treatment and disclosure of tax effect accounting regarding these taxes.

Notes to the Consolidated Balance Sheet

1. Accumulated depreciation of tangible fixed assets amounts to 443,915 million yen and advanced depreciation of tangible fixed assets amounts to 12,320 million yen.

2. Investments in non-consolidated subsidiaries and affiliates are as follows.

   Securities (stocks)
   53,033 million yen
   (investments in jointly controlled companies
   1,666 million yen)
   Securities (equity interests)
   15,645 million yen

3. The individual amounts and the total amount of bankrupt or de facto bankrupt loans, doubtful loans, loans overdue for three months or more, and restructured loans among loans under the Insurance Business Act are as follows.

   (1) Bankrupt or de facto bankrupt loans amount to 17 million yen.
   Bankrupt or de facto bankrupt loans represent loans to borrowers who are in bankruptcy due to reasons such as the filing of petition for commencement of bankruptcy proceedings, reorganization proceedings, or rehabilitation proceedings.

   (2) Doubtful loans amount to 15 million yen.
   Doubtful loans represent, among loans which are not included in bankrupt or de facto bankrupt loans, loans for which the borrower is not yet bankrupt, but it is highly probable that the principal cannot be collected and interest cannot be received in accordance with the contract due to the deterioration of the financial condition and business performance of the borrower.

   (3) Loans overdue for three months or more amount to 26 million yen.
   Loans overdue for three months or more represent, among loans that are not included in bankrupt or de facto bankrupt loans and doubtful loans, loans on which the payment of principal or interest has been delayed for three months or more from the date following the due date.

   (4) There are no restructured loans.
   Restructured loans represent, among loans which are not included in bankrupt or de facto bankrupt loans, doubtful loans, and loans overdue for three months or more, loans on which favorable terms for the benefit of borrowers such as interest exemption or reduction, grace on interest payments, grace on principal repayments or forgiveness of debts have been granted in order to assist or facilitate the restructuring of borrowers in financial difficulties.

   (5) The total of bankrupt or de facto bankrupt loans, doubtful loans, loans overdue for three months or more, and restructured loans amounts to 59 million yen.

4. Breakdown of pledged assets is securities of 894,020 million yen, deposits of 32,839 million yen and tangible fixed assets of 887 million yen. These are collateral for the borrowings and securities which are put into as deposited assets for overseas operation and others. Secured debts are composed of payables under securities lending transactions of 527,028 million yen and the borrowings of 84 million yen. Securities include 512,134 million yen in pledged securities as collateral under securities lending transactions secured by cash.

5. Securities include 684,556 million yen of lending securities under loan agreements.

6. Amounts are rounded down to the unit noted.

Notes to the Consolidated Statement of Income

1. Main components of operating expenses are as follows.

Agency commissions, etc.	640,380 million yen
Salaries	270,439 million yen

Operating expenses represent the sum of loss adjustment expenses, operating, general and administrative expenses and net commissions and brokerage fees included in the consolidated statement of income.

2. Other extraordinary losses consist of 1,288 million yen of expenses associated with the head office relocation of a domestic consolidated life insurance subsidiary.

3. Amounts are rounded down to the unit noted.

Notes to the Consolidated Statement of Changes in Net Assets

1. Type and number of shares outstanding and of treasury stock

(Thousand shares)

	Number of shares at the beginning of the period	Increase during the period	Decrease during the period	Number of shares at the end of the period
Shares outstanding				
Common stock	347,698	-	17,538	330,160
Total	347,698	-	17,538	330,160
Treasury stock				
Common stock	14,615	4,004	17,659	959
Total	14,615	4,004	17,659	959

Notes)

1. Treasury stock of common stock at the beginning and the end of the period includes 853 thousand shares and 744 thousand shares in the Company held by the Board Benefit Trust (BBT), respectively.

2. Breakdown of decrease in shares outstanding of common stock of 17,538 thousand shares is as follows.
   Decrease due to cancellation of treasury stock in accordance with resolution of the Board of Directors

3. Breakdown of increase in treasury stock of common stock of 4,004 thousand shares is as follows.
   Increase due to acquisition of treasury stock in accordance with approval of the Board of Directors: 3,997 thousand shares
   Increase due to purchase of shares less than a full trading unit: 6 thousand shares

4. Breakdown of decrease in treasury stock of common stock of 17,659 thousand shares is as follows.
   Decrease due to cancellation of treasury stock in accordance with resolution of the Board of Directors: 17,538 thousand shares
   Decrease due to disposal of treasury stock related to exercise of rights of the BBT: 109 thousand shares
   Decrease due to disposal of treasury stock related to exercise of stock acquisition rights: 11 thousand shares
   Decrease due to sales of shares less than a full trading unit: 0 thousand shares

5. The Company implemented a 3-for-1 common stock split on April 1, 2024, but the number of shares is presented in figures before the stock split.

2. Stock acquisition rights

Category	Breakdown of stock acquisition rights	Balance at the end of the period (millions of yen)
Sompo Holdings, Inc.	Stock acquisition rights for stock options	235
Total		235

3. Dividends

(1) Dividends paid

Resolution	Type of shares	Total amount of dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date
General Shareholders' Meeting held on June 26, 2023	Common stock	43,411	130	March 31, 2023	June 27, 2023
Board of Directors' Meeting held on November 17, 2023	Common stock	49,492	150	September 30, 2023	December 5, 2023

Notes)

1. The "total amount of dividends" based on the resolution of the General Shareholders' Meeting held on June 26, 2023 includes 110 million yen in dividends paid on the shares in the Company held by the BBT.

2. The "total amount of dividends" based on the resolution of the Board of Directors held on November 17, 2023 includes 114 million yen in dividends paid on the shares in the Company held by the BBT.

(2) Of dividends recorded in the current fiscal year, dividends effective in the following fiscal year

Resolution	Type of shares	Total amount of dividends (millions of yen)	Source of dividends	Dividend per share (yen)	Record date	Effective date
General Shareholders' Meeting held on June 24, 2024	Common stock	49,491	Retained earnings	150	March 31, 2024	June 25, 2024

Note)

1. The "total amount of dividends" based on the resolution of the General Shareholders' Meeting to be held on June 24, 2024 includes 111 million yen in dividends to be paid on the shares in the Company held by the BBT.
2. The Company implemented a 3-for-1 common stock split on April 1, 2024. Amounts based on the number of shares before the stock split are presented for the dividends with a record date of March 31, 2024.

4. Amounts are rounded down to the unit noted.

Notes on Financial Instruments

1. Overview of financial instruments

(1) Our policy to manage financial instruments

As SOMPO HOLDINGS is mainly engaged in insurance businesses and recognizes the characteristic of investment fund for the insurance company, SOMPO HOLDINGS manages the investment assets based on the perspectives of safety, liquidity and profitability. Further, in order to appropriately manage investment assets related to long-term insurance liabilities related to life insurance and savings-type insurance, SOMPO HOLDINGS intends to stabilize returns for the future maturity refunds to policyholders by the methodology based on ALM (integrated management of assets and liabilities).

In addition, with a view to strengthen the financial structure, the consolidated subsidiary increased its capital substantively by the issuance of subordinated bond (i.e. hybrid finance) which is deemed as capital to some extent by major credit rating agencies.

(2) The nature and risk of financial instruments

As financial instruments which SOMPO HOLDINGS holds are mainly securities such as bonds and stocks, SOMPO HOLDINGS is exposed to risks (market risks) associated with price fluctuations of investments, which are influenced by stock prices, interest rates and foreign exchange rates, as well as risks (liquidity risks) that securities either may not be traded or may be forced to be traded at far more unfavorable prices than under normal conditions due to a market crisis, etc.

In addition, the securities and the loans which SOMPO HOLDINGS holds are exposed to credit risk which would cause a significant decrease in their value or uncollectible interest and principal due to the reasons such as deterioration of creditworthiness and bankruptcy of the issuer and the borrower.

Regarding derivative transactions, SOMPO HOLDINGS utilizes derivatives to hedge risks on assets held. These also involve market risks and credit risks.

Please refer to the note on “(6) Significant hedge accounting” in “4. Accounting policies” in “Significant Accounting Policies for the Preparation of the Consolidated Financial Statements” for derivative transactions which hedge accounting is applied to.

(3) The risk management systems regarding financial instruments

The Company has established risk management systems to appropriately identify, evaluate and control risks and accurately respond when risks emerge through strategic risk management (ERM) designed to maximize the corporate value of SOMPO HOLDINGS, as described below.

With the aim of maintaining strategic risk management, the Company’s Board of Directors has established the “SOMPO Group Basic Policy on ERM,” which sets forth principles for accurately assessing the group-wide status of risk exposure and managing the various types of risk in a comprehensive manner. With the aim of enabling appropriate management decision making based upon assessment of group-wide risk, the Company established Group ERM committee. Moreover, the Risk Management Department was established to promote the Company’s efforts to develop and enhance its risk management systems.

Through the model of investment risks, the Company manages market risks, credit risks and real estate investment risk. In addition, the Company comprehensively manages risks, including the risk of invested assets failing to yield assumed interest rates with regard to insurance liabilities related to savings-type insurance held by its insurance subsidiaries. The Company obtains investment assets information on a daily basis and quantifies investment risks. Further, the Company utilizes risk management by setting stress scenarios to cover events that could cause a material impact on the operations of SOMPO HOLDINGS, and performing stress tests to assess and measure risks comprehensively.

As to credit risks, in order to avoid concentrating the risks on specific borrowers, the Company has set credit limits and manages the risks appropriately for the whole group. As to liquidity risks, the Company has developed systems for its insurance subsidiaries to forecast payments for claims, etc. upon occurrence of liquidity risk scenarios, such as catastrophic events, to adequately manage and ensure the liquid assets to cope with these payments.
Each group company has rules formulated in reference to the SOMPO Group Basic Policy on ERM, thereby developing risk management systems appropriate to the content, scale, and characteristics of their particular business activities and implementing autonomous risk management. In addition, insurance subsidiaries place considerable emphasis on managing various types of risk in ways tailored to their particular risk profile. By doing so, these subsidiaries are appropriately addressing risks that could significantly affect their operations.

(4) Supplemental explanation about the fair value of financial instruments
In view of certain assumptions that are employed to measure the fair value of financial instruments, the resulting value might differ depending on the assumptions applied.

2. Financial instruments' fair value, etc. and breakdown by level of fair value

Carrying amount, fair value, unrealized gains and losses and fair value by level as of March 31, 2024 are as follows.
Stocks and others without a quoted market price and Investments in Partnerships, etc., are not included in the following table (Please refer to Note 3).
The fair value of financial instruments is classified into the following three levels according to the observability and materiality of inputs used to measure the fair value.
Level 1 fair value: Fair value measured using observable inputs, which are quoted market prices in active markets for the assets or liabilities that are the subject of measurement.
Level 2 fair value: Fair value measured using observable inputs other than Level 1 inputs.
Level 3 fair value: Fair value measured using unobservable inputs.
If multiple inputs are used that are significant to the fair value measurement, the fair value measurement is categorized in the lowest level input among the levels to which each of the inputs belongs.

As presented in "Changes in accounting policies," overseas consolidated subsidiaries that have applied the International Financial Reporting Standards (IFRS) have applied IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments."

(1) Financial instruments measured at fair value on the consolidated balance sheet

(Millions of yen)

	Carrying amount			
	Level 1	Level 2	Level 3	Total
Monetary receivables bought	-	21,686	-	21,686
Money trusts	-	4,843	-	4,843
Securities:				
Trading securities				
Domestic bonds	4,475	1,693	-	6,169
Domestic stocks	12,609	-	-	12,609
Foreign securities	149,069	2,316,401	112,674	2,578,145
Others	-	70	2,427	2,498
Securities available for sale				
Domestic bonds	1,306,620	858,691	-	2,165,312
Domestic stocks	1,654,547	-	-	1,654,547
Foreign securities	930,325	471,091	708,983	2,110,401
Others	60,245	1,832	227,917	289,995
Total assets	4,117,892	3,676,311	1,052,003	8,846,207
Derivative transactions(*1) (*2):				
Currency-related	-	(12,759)	-	(12,759)
Interest-related	-	2,352	-	2,352
Stock-related	-	(440)	-	(440)
Others	-	(28)	(584)	(613)
Total derivative transactions	-	(10,875)	(584)	(11,460)

(*1) This table collectively shows derivative transactions which are included in other assets and other liabilities.

Net assets and liabilities from derivative transactions are shown on a net basis. The items which are net liabilities in total are shown in the brackets [ ].

(*2) Among the derivative transactions, the carrying amount of transactions to which hedge accounting is applied is (8,831) million yen.

(2) Financial instruments other than those measured at fair value on the consolidated balance sheet

"Cash and deposits," "receivables under resale agreements," and "payables under securities lending transactions" are omitted, as the majority of these are short term (within 1 year) and the fair value approximates the book value.

(Millions of yen)

	Fair value				Carrying amount	Unrealized gains and losses
	Level 1	Level 2	Level 3	Total		
Securities:						
Bonds held to maturity						
Domestic bonds	254,250	68,936	-	323,187	328,082	(4,895)
Policy reserve matching bonds						
Domestic bonds	1,661,267	12,174	-	1,673,441	1,947,810	(274,368)
Loans(*)	-	-	457,822	457,822	451,644	6,177
Total assets	1,915,518	81,110	457,822	2,454,451	2,727,537	(273,085)
Corporate bonds	-	682,798	-	682,798	682,349	449
Total liabilities	-	682,798	-	682,798	682,349	449

(*)This figure represents deductions to loans of 17 million yen as general and individual allowance for possible credit losses.

Notes)

1. A description of the valuation technique(s) and inputs used in the fair value measurements

Assets

Monetary receivables bought

The fair value is measured at prices obtained from third parties and is classified as Level 2 fair value based on the inputs used for the prices obtained.

Money trusts

In principle, the fair value is measured at the value of securities managed as a trust asset calculated by the same method used for "securities" and is classified as Level 2 fair value based on the level of such securities.

Securities

The fair value of securities for which unadjusted quoted market prices in active markets are available is classified as Level 1 fair value. This mainly includes stocks, government bonds and listed investment trusts. If a publicly available quoted market price is used but the market is not active, the fair value of such securities is classified as Level 2 fair value. This mainly includes municipal bonds and corporate bonds.

For unlisted investment trusts, the fair value is measured at published quoted market prices, etc. provided by the investment trust management company, and is classified as Level 2 or Level 3 fair value based primarily on the level of the components of the trust assets.

The fair value of private placement bonds is measured at the value calculated using prices obtained from third parties. The fair value that uses observable inputs or where the effect of unobservable inputs is not material is classified as Level 2 fair value, while those that use significant unobservable inputs are classified as Level 3 fair value.

Loans

The fair value of loans is measured at the amount obtained by discounting expected future cash flows to be collected for each loan by a discount rate equal to the risk-free rate for the corresponding period plus a credit risk premium and a liquidity premium based on internal ratings, and is classified as Level 3 fair value.

Liabilities

Corporate bonds

The fair value of corporate bonds is measured at the value calculated using prices on exchanges and the price published by industry associations, etc. and is classified as Level 2 fair value.

Derivative transactions

The fair value of exchange traded transactions is based on the closing price of exchanges, etc. The fair value of OTC transactions is measured at the value calculated based on the discounted present value of future cash flows and option pricing models using inputs such as interest rates and foreign exchange rates.

The fair value of exchange traded transactions is mainly classified as Level 1 fair value. The fair value of OTC transactions that use observable inputs or where the effect of unobservable inputs is not material is classified as Level 2 fair value, while those that use significant unobservable inputs are classified as Level 3 fair value.

2. Level 3 fair value of financial instruments measured at fair value on the consolidated balance sheet

(1) Reconciliation from the balance at the beginning of the period to the balance at the end of the period and unrealized gains (losses) included in profit or loss

(Millions of yen)

	Securities		Derivative transactions
	Trading securities	Securities available for sale	Others
Balance at the beginning of the period	82,792	775,326	(265)
Profit or loss or other comprehensive income for the period			
Recorded in profit or loss(*)	2,577	12,759	1,072
Recorded in other comprehensive income	5,696	70,457	25
Purchases, sales, issuances and settlements	24,035	78,357	(1,417)
Balance at the end of the period	115,101	936,901	(584)
Net realized and unrealized gains and losses of financial instruments held at the end of the reporting period included in profit or loss for the period(*)	1,836	13,267	439

(*) Included in “investment income” and “investment expenses” in the consolidated statement of income.

(2) A description of valuation processes used in fair value measurements

The fair values of financial instruments held by departments that trade financial instruments are measured and verified in accordance with basic policies stipulated by each group company. The measurement results are verified by departments independent from the departments that trade financial instruments.

In measuring fair value, the Company uses a valuation model that most appropriately reflects the nature, characteristics and risks of each asset. In addition, when using quoted market prices obtained from third parties, the Company verifies whether the prices are valid using appropriate methods, such as by confirming the valuation techniques and inputs used.

3. The carrying amounts of stocks and others without a quoted market price and Investments in Partnerships, etc. on the consolidated balance sheet are as follows. They are not included in “securities” in the table disclosed in fair value and breakdown by level of fair value of financial instruments.

(Millions of yen)

	Carrying amount
Stocks and others without a quoted market price (*1)	98,003
Investments in Partnerships, etc.(*2)	230,561

(*1) Stocks and others without a quoted market price include unlisted stocks, and they are not subject to fair value disclosure in accordance with Paragraph 5 of the “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19).

(*2) Investments in Partnerships, etc. are mainly investment partnerships, and they are not subject to fair value disclosure in accordance with Paragraph 24-16 of the “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31).

Note on Per Share Information

Net assets per share	2,887.69 yen
Net income per share	419.83 yen

Note) The Company implemented a 3-for-1 common stock split on April 1, 2024. Net assets per share and net income per share are calculated on the assumption that the stock split was implemented at the beginning of the fiscal year ended March 31, 2024.

Note on Significant Subsequent Events

Stock Split and Corresponding Partial Amendment to the Articles of Incorporation

The Company implemented a stock split and made a corresponding partial amendment to the Articles of Incorporation on April 1, 2024 in accordance with the resolution of its Board of Directors on February 14, 2024.

1. Purpose of the Stock Split

The purpose is to reduce the minimum investment price through the stock split, thereby creating an environment where it is easier to invest in the Company's shares and expanding its investor base.

2. Overview of the Stock Split

(1) Method of the Stock Split

Each share of common stock held by shareholders as of the record date of Sunday, March 31, 2024 was split into three shares. Since this day falls on a non-business day of the shareholder registry administrator, the substantial record date is Friday, March 29, 2024.

(2) Number of Shares to be increased by the Stock Split

Total number of issued shares before the stock split	330,160,689 shares
Number of shares to be increased by the stock split	660,321,378 shares
Total number of issued shares following the stock split	990,482,067 shares
Total number of authorized shares following the stock split	3,600,000,000 shares

(3) Schedule of the Stock Split

Public notice of record date	Thursday, March 14, 2024
Record date	Sunday, March 31, 2024
Effective date	Monday, April 1, 2024

3. Effect on Per Share Information

The effect of the stock split on per share information is stated in "Note on Per Share Information."

4. Partial Amendment to the Articles of Incorporation

(1) Reason for the Amendment

In connection with the stock split, the total number of authorized shares described in Article 6 of the Company's articles of incorporation was amended effective April 1, 2024 in accordance with Article 184, Paragraph 2 of the Companies Act.

(2) Details of the Amendment

The details of the amendment are as follows.

Before the amendment	After the amendment
(Total Number of Authorized Shares) Article 6 The total number of authorized shares of the Company shall be 1,200,000,000 shares.	(Total Number of Authorized Shares) Article 6 The total number of authorized shares of the Company shall be 3,600,000,000 shares.

(Underlined parts indicates the amendments.)

(3) Schedule of the Amendment

Date of Resolution of the Board of Directors	Wednesday, February 14, 2024
Effective date	Monday, April 1, 2024

Notes to the Financial Statements

Notes on Significant Accounting Policies

1. Valuation policies and methods for securities

(1) Stocks of subsidiaries and affiliates are carried at cost based on the moving-average method.

(2) Securities available for sale (excluding stocks and others without a quoted market price) are carried at fair value.
Unrealized gains and losses are directly included in net assets and cost of sale is calculated based on the moving-average method.

(3) Stocks and others without a quoted market price of securities available for sale are carried at cost based on the moving-average method.

2. Depreciation methods of fixed assets
Depreciation of tangible fixed assets is calculated by using the straight-line method.

Useful lives of major tangible fixed assets are as follows.

Buildings	8 to 39 years
Furniture and equipment	2 to 15 years

3. Accounting policies for reserves

(1) Reserve for bonus payments
In order to provide for employees' bonus payments, reserve for bonus payments is recorded, with the estimated amount to be paid at the end of the fiscal year.

(2) Reserve for bonus payments to directors
In order to provide for directors' bonus payments, reserve for bonus payments to directors is recorded, with the estimated amount to be paid at the end of the fiscal year.

(3) Reserve for retirement benefits
In order to provide for the payment of retirement benefits to employees, reserve for retirement benefits is recorded with the estimated amount of retirement benefit obligation at the end of the fiscal year.
Retirement benefit obligation is calculated by adopting a simplified accounting method that deems retirement benefit obligation to be equal to the amount of retirement benefit payable assuming the voluntary retirement of the employees at the end of the fiscal year.

(4) Reserve for stocks payments
In order to provide for the grant of Company shares to directors (excluding non-executive directors and outside directors), senior vice presidents and senior vice presidents (shikkouyakuin) of SOMPO HOLDINGS, according to the "Rules of the Stock Benefit Trust for Directors," reserve for stocks payments is recorded, with the estimated amount of the stock payment obligation at the end of the fiscal year.

(Additional information)

Performance-linked stock compensation plan

The Company introduced the “Board Benefit Trust (BBT)” (hereinafter the “Plan”), a performance-linked stock compensation plan for directors (excluding non-executive directors and outside directors), senior vice presidents and senior vice presidents (shikkouyakuin) of SOMPO HOLDINGS.

(1) Outline of the transactions involved

The Company established the “Rules of the Stock Benefit Trust for Directors” (hereinafter the “Rules”) as a prerequisite to the introduction of the Plan. Based on the Rules, the Company entrusted money to a trust bank for acquiring shares to be delivered later, and the trust bank has acquired shares in the Company using the money entrusted thereto (hereinafter the “Trust”).

The Plan is a scheme for delivering shares, based on the Rules, to directors (excluding non-executive directors and outside directors), senior vice presidents and senior vice presidents (shikkouyakuin) of SOMPO HOLDINGS, in proportion to the points granted thereto upon their retirement.

(2) Accounting treatment

The gross method is adopted based on the “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees, etc. through Trusts” (ASBJ Practical Issue Task Force No. 30, March 26, 2015). Expenses and corresponding reserves are provided based on the number of points granted to officers according to the Rules.

Shares in the Company remaining in the Trust at the end of the period are recorded as treasury stock under shareholders’ equity, and its carrying amount is 2,858 million yen and its number of shares is 744,000.

Note) The Company implemented a 3-for-1 common stock split on April 1, 2024, but the number of shares shown above is presented in the figure before the stock split.

Notes to the Balance Sheet

1. Accumulated depreciation of tangible fixed assets amounts to 416 million yen.

2. Guaranteed obligations

The Company jointly and severally guarantees 9,770 million yen for acceptances and guarantees of the main bank related to liability of refunds of residency deposits to residents of the nursing home managed by Sompo Care Inc., which is a subsidiary of the Company, and jointly and severally guarantees 21,523 million yen for rent payments based on building lease contracts.

3. Monetary claims and monetary debts owed by or to subsidiaries and affiliates (excluding the amount presented separately in the balance sheet)

Short-term monetary claims	89,613 million yen
Long-term monetary claims	120 million yen
Short-term monetary debts	497 million yen

Note to the Statement of Income

Transactions with subsidiaries and affiliates

Results of operating transactions:	
Operating income	155,074 million yen
Operating expenses	7,156 million yen
Results of non-operating transactions	3 million yen

Note to the Statement of Changes in Net Assets

Type and number of treasury stock at the end of the period

Common stock 959,727 shares

Note 1) The treasury stock of common stock at the end of the period includes 744,000 shares in the Company held by the “Board Benefit Trust (BBT).”

Note 2) The Company implemented a 3-for-1 common stock split on April 1, 2024, but the number of shares shown above is presented in the figure before the stock split.

Note on Tax Effect Accounting

Major components of deferred tax assets and deferred tax liabilities are as follows.

Deferred tax assets:	
Losses on valuation of stocks of subsidiaries and affiliates	7,127 million yen
Impairment losses on investment securities	3,494 million yen
Intangible fixed assets of tax accounting, etc.	2,314 million yen
Deemed dividends	1,618 million yen
Others	2,327 million yen
Subtotal	16,882 million yen
Valuation allowance	(13,549) million yen
Total deferred tax assets	3,332 million yen
Deferred tax liabilities:	
Unrealized gains and losses on securities available for sale	(38,215) million yen
Others	(6) million yen
Total deferred tax liabilities	(38,221) million yen
Net deferred tax liabilities	(34,889) million yen

The Company applies the group tax sharing system, and has complied with “Practical Solution on the Accounting and Disclosure under the Group Tax Sharing System” (ASBJ Practical Issue Task Force No. 42, August 12, 2021) for the accounting treatment of corporate and local income taxes, or accounting treatment and disclosure of tax effect accounting regarding these taxes.

Note on Related-party Transaction

Subsidiaries and affiliates

(Millions of yen)

Type	Name of company	Holding/held ratio of voting rights	Relationship with related party	Description of transactions	Transaction amount	Item	Balance at the end of the period
Subsidiary company	Sompo Care Inc.	Ownership Direct 100.0%	Guaranteed obligations	Guarantee for acceptances and guarantees (Note 1)	9,770	—	—
				Guarantee for the amount corresponding to rent payments based on building lease contracts (Note 2)	21,523	—	—

Notes)

1. The Company jointly and severally guarantees acceptances and guarantees of the main bank related to liability of refunds of residency deposits to residents of the nursing home managed by Sompo Care Inc. The Company does not receive a guarantee commission.
2. The Company jointly and severally guarantees rent payments. The Company does not receive a guarantee commission.

Note on Per Share Information

Net assets per share 1,325.25 yen
Net income per share 188.17 yen

Note) The Company implemented a 3-for-1 common stock split on April 1, 2024. Net assets per share and net income per share are calculated on the assumption that the stock split was implemented at the beginning of the fiscal year ended March 31, 2024.

Note on Significant Subsequent Events

Stock split and corresponding partial amendment to the Articles of Incorporation

The Company implemented a stock split and made a corresponding partial amendment to the Articles of Incorporation on April 1, 2024 in accordance with the resolution of its Board of Directors on February 14, 2024.

1. Purpose of the stock split

The purpose is to reduce the minimum investment price through the stock split, thereby creating an environment where it is easier to invest in the Company's shares and expanding its investor base.

2. Overview of the stock split

(1) Method of the stock split

Each share of common stock held by shareholders as of the record date of Sunday, March 31, 2024 was split into three shares. Since this day falls on a non-business day of the shareholder registry administrator, the substantial record date is Friday, March 29, 2024.

(2) Number of shares to be increased by the stock split

Total number of issued shares before the stock split	330,160,689 shares
Number of shares to be increased by the stock split	660,321,378 shares
Total number of issued shares following the stock split	990,482,067 shares
Total number of authorized shares following the stock split	3,600,000,000 shares

(3) Schedule of the stock split

Public notice of record date	Thursday, March 14, 2024
Record date	Sunday, March 31, 2024
Effective date	Monday, April 1, 2024

3. Effect on per share information

The effect of the stock split on per share information is stated in "Note on Per Share Information."

4. Partial Amendment to the Articles of Incorporation

(1) Reason for the amendment

In connection with the stock split, the total number of authorized shares described in Article 6 of the Company's articles of incorporation was amended effective April 1, 2024 in accordance with Article 184, Paragraph 2 of the Companies Act.

(2) Details of the amendment

The details of the amendment are as follows.

Before the amendment	After the amendment
(Total Number of Authorized Shares) Article 6 The total number of authorized shares of the Company shall be <u>1,200,000,000</u> shares.	(Total Number of Authorized Shares) Article 6 The total number of authorized shares of the Company shall be <u>3,600,000,000</u> shares.

(Underlined parts indicates the amendments.)

(3) Schedule of the amendment

Date of Resolution of the Board of Directors	Wednesday, February 14, 2024
Effective date	Monday, April 1, 2024

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Reference

Q & A

Q1. What is your policy for shareholder returns, going forward?

A. As shareholder returns corresponding to the results for FY2023, we will increase the dividend to 300 yen per share (interim 150 yen, year-end 150 yen), an increase of 40 yen from the FY2022 dividend, and will also implement a share buyback of 77.0 billion yen (maximum) in total. As a result, the total return for the FY2023 results will amount to a record high of 175.9 billion. The total shareholder return ratio (Note 1) will be 60% of adjusted consolidated profit (Note 2), which is due to additional returns to be made based on risks and capital conditions of the Group.

The Company's shareholder returns policy under the Mid-term Management Plan announced on May 28, 2024 is to set the basic return at 50% (Note 3) of adjusted consolidated profit. In addition, 50% of gains on sale of strategic shareholdings, etc. (after-tax) shall be provided as additional returns to shareholders, in principle. Moreover, we will consider adjusting our capital levels depending on risks and capital conditions, trends in business results, financial market environment and other factors. We also aim to raise dividends as a general rule, in line with profit growth over the medium- to long-term, and increase the ratio of dividend to the basic return.

For FY2024, we expect to increase the dividend for the 11th consecutive year, to 112 yen per share (interim 56 yen, year-end 56 yen) (Note 4), an increase of 12 yen from the FY2023 dividend.

We aim to continue to provide attractive returns to shareholders based on our shareholder returns policy.

Notes:

1. Total shareholder return ratio is an indicator that shows the weight of shareholder return on profit for each fiscal year, and is calculated as follows:
   Total shareholder return ratio = (Total dividends paid + Total share buybacks (for shareholder return purposes)) / Adjusted consolidated profit
2. Adjusted consolidated profit is the total amount of the Group's profit on an adjusted basis, and is calculated for each business segment as stipulated in the table set forth below.
   Adjusted consolidated profit for the fiscal year ended March 31, 2024 is 290.9 billion yen.
3. After the application of International Financial Reporting Standards (IFRS), 50% of an average of adjusted consolidated profit for the most recent three years shall

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be the basic return.

4. The Company implemented a stock split whereby each share of common stock was split into three shares on April 1, 2024. For the purpose of comparing dividend per share before and after the stock split, the number of shares before the split is adjusted to the same level (rounded off to the decimal point; the same shall apply hereafter)

* The calculation methods for adjusted profit for each business segment and adjusted consolidated profit for fiscal year ended March 31, 2024 are as follows.

		Calculation method
Adjusted profit by business segment[*1]	Domestic P&C Insurance Business	Net income for the period ＋Provisions for catastrophic loss reserve, etc. (after tax) ＋Provisions for reserve for price fluctuation (after tax) －Gains/losses on sales of securities and impairment losses on securities (after tax)
	Overseas Insurance and Reinsurance Business	Operating income[*2] Net income for the period for affiliates accounted for under the equity-method in principle
	Domestic Life Insurance Business	Net income for the period ＋Provisions of contingency reserve, etc. (after tax) ＋Provisions for reserve for price fluctuation (after tax) ＋Adjustment of underwriting reserve (after tax) ＋Deferral of acquisition cost (after tax) －Depreciation of acquisition cost (after tax) －Gains/losses on sales of securities and impairment losses on securities (after tax)
	Nursing Care & Seniors Business	Net income for the period
	Digital Business	Net income for the period －Gains/losses on sales and impairment losses related to investment (after tax)
	Other	Net income for the period
Adjusted consolidated profit		Total of above adjusted profits

*1 Adjusted profit by business segment excludes one-time gains and losses or special factors such as dividend from subsidiaries.

*2 Defined at the operating income, which excludes one-time factors (= Net income – Net foreign exchange gains and losses –Net realized and unrealized gains and losses – Net impairment losses recognized in earnings, etc.)

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Q2. Please tell us about initiatives on SOMPO's human capital management.

A. **SOMPO's human capital management, starting with the pursuit of My Purpose**

Toward realizing SOMPO's Purpose, we encouraged each and every employee to take on challenges and to create innovation based on My Purpose under the previous Mid-term Management Plan from FY2021 to FY2023. Efforts to instill My Purpose were promoted based on three measures, namely, "communication by top management (Town Hall Meetings)," "a front-line initiative (My Purpose 1-on-1)" and "measuring instillation (Engagement Survey)." These efforts have resulted in improvement in employee engagement and fostering of a DEI (Diversity, Equity & Inclusion) culture for recognizing each other's diverse values.

Communication by top management (Town Hall Meetings)

Town Hall Meetings have been held continuously as a forum for the management team of the Group to communicate the significance of My Purpose and SOMPO's Purpose to officers and employees in Japan and overseas. To date, a total of 15 Meetings were held with about 24,800 people attended on a Group-wide basis.

A front-line initiative (My Purpose 1-on-1)

With the aim of introducing one-on-one dialogue primarily on the theme of My Purpose between supervisors and subordinates, we have introduced My Purpose 1-on-1 training across the Group. By the end of FY2023, all group managers in Japan had participated in the training. We confirmed that the more organizations practice dialogue based on My Purpose, the higher the tendency is in engagement.

Measuring instillation (Engagement Survey)

Setting employee engagement as one of the KPIs common to the Group, we have conducted the survey for domestic and overseas group companies every year. Scores have been on a rising trend since the start of the survey, showing a positive outcome of our initiatives based on My Purpose.

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Principles of the Next Mid-Term Management Plan

The new Mid-Term Management Plan that starts in FY2024 rephrased in more understandable terms SOMPO's Purpose, which sets out what the Group must pursue. Under the Plan, all officers and employees will come together and continue working on its realization. To this end, we will develop personnel systems and implement measures for allowing all employees to feel a "sense of pride and happiness", and "self-driven career formation and personal growth", and to pursue My Purpose. We will also strengthen our management foundation through creating an environment where employees and companies can grow together. In the course of this endeavor, we will promote "a reform of corporate culture," "enhancement of the Group human resources," and "evolution of personnel systems and expansion of human resource foundation," all of which are positioned as key strategies.

A reform of corporate culture

With My Purpose, autonomy, diversity, and a sense of ethics placed at the core, we aim to build a corporate culture to encourage employees to speak up and embrace diverse ideas. To achieve this goal, we are strengthening initiatives for deeper understanding of the rephrased SOMPO's Purpose, continuous pursuit of My Purpose, and the practice of Diversity, Equity & Inclusion (DEI). As these initiatives are premised on the maintenance and promotion of mental and physical health and respect for human rights, efforts will also be continued in these areas. The effectiveness of these initiatives and the realization of a reform will be verified through an engagement survey, etc.

Enhancement of the Group human resources

To build the Group human resource portfolio that is necessary for executing the management strategies of the SOMPO Group and each business, we will establish a SOMPO Human Resource Fund totaling about 30.0 billion yen in size. Through this fund, we will expand human capital investment for the Group, including development and recruitment of personnel. Specifically, we will foster candidates for managerial positions who will be responsible for Group management in the future and enhance recruitment and development of personnel to hone the expertise of each department. We also build a platform for assisting employees in their self-motivated learning, thereby creating opportunities to support their self-propelled growth and career formation. Through these initiatives, we seek to complete strategic and optimal personnel

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assignments across the entire Group.

Evolution of personnel systems and expansion of human resource foundation

We will develop the Group-wide personnel schemes and systems to support a reform of corporate culture and enhancement of the Group human resources. In order to embody SOMPO's Purpose and a reform of corporate culture, standards for the promotion and evaluation of management positions will be revised, while company-led reassignments are to be abolished or diminished. We will also build a Group-wide talent management system beneficial in formulating and executing human resource strategies for the Group and each business, in an effort to enhance the Group-wide human resource base.

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Sustainability

Initiatives on social contribution

Support for The 2024 Noto Peninsula Earthquake relief efforts

For the purpose of rebuilding the lives of those affected by The 2024 Noto Peninsula Earthquake struck on January 1, 2024 and facilitating various relief efforts in that regard, the Group provided assistance as follows in cooperation with the municipalities affected by the disaster.

<Primary forms of assistance>

1. Provision of food (20,000 emergency rations and 20,000 pre-cooked meals suitable for elderly residents)

Through Sompo Japan's sales offices, we provided residents of the disaster-stricken region with 20,000 emergency rations, which are sold by a Group company Alpha Foods Co., Ltd. Moreover, we furnished senior care facilities and other such locations in the disaster-stricken region with 20,000 pre-cooked meals suitable for elderly residents, which are provided to long-term care facilities by Sompo Care Foods Inc.

2. Dispatch of caregivers

We dispatched Sompo Care caregivers to evacuation shelters to provide support and assistance to elderly residents living in the shelters.

3. Relief funds

The SOMPO Group donated a total of 132 million yen for the purpose of facilitating relief efforts with respect to the disaster-stricken regions and those affected by the disaster.

Efforts on humanitarian assistance and support for victims of wide-area, large-scale disasters

The social contribution fund administered by the Sompo Chikyu (Earth) Club made donations as follows in FY2023, using funds voluntarily contributed by executives and employees as the source of funds.

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Disaster cases and our support	Donation recipients
2023 Noto Ishikawa Earthquake	Central Community Chest of Japan
2023 Typhoon Mawar heavy rain disaster	
July 2023 torrential rain disaster	Central Community Chest of Japan, *Saigai Boranthia Katsudo Shien Purojekuto Kaigi (Shien P)*(Joint Committee for Coordinating and Supporting Voluntary Disaster Relief (Support P))
Fires in Hawaii, U.S.A. (Maui)	Japanese Red Cross Society, Japan Platform
Morocco earthquake	
Afghanistan earthquake	
Libya flood disaster	Japanese Red Cross Society, United Nations WFP (World Food Programme)
Israel-Gaza humanitarian assistance	UNICEF, Save the Children Japan

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Turning Sompo Care homes into community hubs of intergenerational exchange

In November 2022, Sompo Care started running SOMPO-style children's cafeterias at mainly residential facilities such as the nursing homes it operates nationwide. It currently operates these cafeterias once a month at approximately 450 residential facilities and day-care service centers.

As of the end of March 2024, a total of 21,064 meals had been provided to children in the community. Both the facility users and the children have enjoyed these intergenerational exchange opportunities by sitting down to eat a meal together or engaging in recreational activities.

Through the operation of the Sompo Children's Cafeteria, Sompo Care aims to provide a place for community interaction, bring more smiles and energy to the users of its facilities, and enhance the job satisfaction of staff members. And by providing children the opportunity to get a feel for what it might be like working as a caregiver, we contribute to solving the multitude of social issues in the community.

Adapting to climate change

The Group upholds "adapt to climate change, mitigate climate change, and contribute to societal transformation" as SOMPO Climate Action from FY2021 and is pursuing strategic initiatives throughout the Group.

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Products and services that contribute to climate change adaptation and mitigation

SOMPO SUSTAINA, a service that helps companies solve problems such as responding to climate change

Sompo Japan Insurance Inc. and Sompo Risk Management Inc. are accumulating knowledge to address corporate challenges and risks, such as adapting to climate change and improving resilience to natural disasters. To help more customers make effective use of this knowledge in their climate change countermeasures, we are offering SOMPO SUSTAINA, a web-based platform that allows users to easily quantify and visualize the future impact of climate change physical risks on their property and corporate activities.

EV-One, a service to contribute to the popularization of EVs

Sompo Japan Insurance Inc. and Prime Assistance Inc. are offering EV-One, a user support platform for battery-powered electric vehicles (EVs) from 2023.

EV-One provides multifaceted services* that eliminate concerns of EV users with its functions to support a safe and secure EV transition, including a repair shop search and reservation function, a charging station search function, a function that guides users in the event of an accident or breakdown, and a road-service.

* As of March 2024

Contribute to societal transformation

Contributions to societal transition through collaboration with our stakeholders

Initiatives that the Group is pushing forward through collaboration with its stakeholders include the following:

- Partnership agreement with Weathernews to create new value and businesses to solve social issues related to climate change and global warming
- Establishment of “Disaster Risk Finance-Industry-Academia Joint Research Division” in collaboration with Disaster Prevention Research Institute, Kyoto University
- Joint research agreement with Gifu University to study flood risk prediction and social impacts due to climate change