Roundtable Discussion among Audit and Supervisory Committee Members

Dialogue

Pursuing audits that enhance the quality of management and strongly support sustainable growth and enhanced corporate value

In June 2025, the MS&AD Group transitioned to a company with an Audit and Supervisory Committee. Under the new institutional design, the Audit and Supervisory Committee is deepening its collaboration with the internal audit division and working to enhance the Group-wide audit framework.

The Audit and Supervisory Committee Members discussed their impressions after the first year and the role audits should play in supporting sustainable growth and enhanced corporate value.



Stronger collaboration between the Audit and Supervisory Committee and the internal audit division

Looking back on the first year following the change in institutional design, what changes have you observed compared with the previous structure?

Kunii The Company transitioned to a company with an Audit and Supervisory Committee, taking another step toward stronger governance. I understand that the change in institutional design was intended to enhance the audit and supervisory functions while enabling the Company to respond swiftly to changes in the business environment. The environment surrounding insurance companies is changing significantly, including the maturation of Japan's domestic market, the increasing severity of natural catastrophes, the expansion of overseas operations, and the need to respond to digital transformation (DX) and AI. As business execution accelerates, those responsible for audit and supervision must accurately understand these changes and provide the necessary perspectives. I feel that our responsibility to exercise the supervisory function from an independent standpoint on the Board of Directors has grown even greater.

Murayama A major benefit of the transition is that it established an organizational audit framework enabling the Audit and Supervisory Committee and the internal audit division to collaborate more closely than before. Effective governance requires timely access to necessary information and ensuring that identified issues are firmly reflected in audit activities and dialogue with executives. Over the past year, we have become able to hold more in-depth discussions while sharing audit perspectives and other relevant matters with the internal audit division. I believe the role of Audit and Supervisory Committee Members is beginning to extend beyond ex post checks to helping improve management transparency and the quality of decision-making.

Kawatsu It is very reassuring to hear that both of you see the changes that way, particularly from my position as a full-time Audit and Supervisory Committee Member. In making this transition, we sought to build the framework from the ground up in line with the purpose of changing the institutional design. We replaced the former horizontal coordination between the Audit & Supervisory Board and the internal audit division with a vertical relationship in which the internal audit division operates under the direction of the Audit and Supervisory Committee, thereby establishing an organizational audit framework. Our aim was to combine the capabilities of the Group's internal audit division, comprising more than 400 personnel, with the expertise of Outside Directors serving as Audit and Supervisory Committee Members specialized in accounting and law and the knowledge of Internal Directors serving as Audit and Supervisory Committee Members who understand conditions within the Group, thereby improving the quality, effectiveness, and efficiency of audits. The organizational audit framework is functioning effectively in line with its original purpose and generating synergies.

Continuing to learn and hone our powers of observation

What do you keep in mind when seeking to increase audit effectiveness and strengthen Group governance?

Kunii I believe closer collaboration between the internal audit division and the Audit and Supervisory Committee has further improved the quality of internal audits. The role of audits goes beyond finding errors. It also involves illuminating from a different angle the concerns held by top management and issues that might be difficult to see from the executive side alone, thereby helping stabilize management. Insurance companies in particular provide coverage and protection against a wide range of concerns in society and therefore bear enormous social responsibility. I recognize that Audit and Supervisory Committee Members have an important responsibility to take a Group-wide view from an independent standpoint and raise the necessary questions with management.



Murayama What I focus on most in my audit activities is whether the holding company's supervisory function is operating effectively throughout the Group. The important point is to confirm that mechanisms such as rules and reporting systems do not become hollow formalities on site at each Group company but instead lead to actual action. Group companies differ in their business characteristics and risks, so there is much that cannot be seen from materials submitted to the holding company alone. For that reason, I speak directly with the top management of Group companies whenever possible and participate in forums such as the Group Audit Officers Liaison Meeting, seeking to assess firsthand the situation on the ground and how issues are perceived. I believe following up to determine whether improvement measures have become



firmly established and led to behavioral change is essential to increasing audit effectiveness.

Kawatsu As a full-time Audit and Supervisory Committee Member, I am also keenly aware of risks that arise during periods of change. The insurance industry is now undergoing major changes in both its external and internal environments. We must assess each new risk arising from these changes to determine whether it should be treated as an isolated event or has the potential to spread as an internal control issue. Another important role of audits is to confirm that verification and checks are functioning from an independent, third-party perspective. Precisely because I am inside the organization, I intend to maintain a fair and impartial stance and remain prepared to say what must be said.

Kunii The "different perspective" you mentioned, Mr. Kawatsu, is extremely important. Audit and Supervisory Committee Members cannot have the same volume of information as executives. We must therefore maintain an independent external perspective while continually deepening our own knowledge so that we can take a Group-wide view. I also strive to deepen my understanding of the insurance industry and the businesses of Group companies rather than relying solely on my accounting expertise. I am always considering how insights gained through dialogue with executives can be applied to management stability and increased corporate value.

Kawatsu Simply changing the institutional design does not in itself strengthen a company's audit and supervisory functions. The Group must go beyond the formal transition and establish a framework in which the Audit and Supervisory Committee collaborates substantively with the internal audit division and applies its expertise to oversee the entire Group. Audit and Supervisory Committee Members themselves must also continue to enhance their expertise. Over the past year, I obtained the globally recognized Certified Internal Auditor (CIA) and Certified Information Systems Auditor (CISA) certifications. As digitalization and the use of AI advance, and cyber and system risks become important management issues, Audit and Supervisory Committee Members also require global knowledge of information systems auditing and internal auditing. How can Audit and Supervisory Committee Members apply their expertise and make effective use of the internal audit division to increase management transparency and the quality of decision-making? I believe putting this into practice at that level of depth will strengthen Group governance.

Murayama Another distinctive feature of the Company, I believe, is that we exchange views with the Independent Auditor almost every month. The General Manager of the Internal Audit Dept. also attends every Audit and Supervisory Committee meeting to provide explanations and reports directly to the Committee. I believe this collaboration is also important for recognizing events at individual companies as Group-wide risks and issues.

Kunii Even when the Company had an Audit & Supervisory Board, frequent opportunities were provided for the Independent Auditor, internal audit division, and Audit & Supervisory Board Members to share information. I therefore believe that collaboration among these three audit functions is already at a high level. As the merger of the two domestic non-life insurers and Group restructuring proceed, how collaboration with audit officers at operating companies should evolve will also become an issue. While respecting each company's independence as a corporate organ, I believe there is room to further deepen information-sharing and coordination.

Achieving both social value and economic value at a higher level

What are your expectations for the Group, and what are your personal aspirations?

Kawatsu The Group's strengths include the integrity and diligence of its many employees and its high level of "operational excellence" in steadily carrying out what it has decided. At the same time, amid major environmental changes, it is not sufficient simply to view matters as an extension of the past. It is increasingly important to return to first principles and ask why each rule exists and whom each mechanism serves, and then consider what must change for us to become the insurance and financial group most chosen by



customers. Incorporating external perspectives and different experiences and increasing opportunities to encounter diverse ways of thinking will also be effective.

Kunii Since its establishment in 2010, the MS&AD Group has been highly distinctive in having operated with two core non-life insurers side by side. In considering how to consolidate management resources and where to focus investment following the merger of the two core non-life insurers, it will be vital to harness the Group's diversity—including differences in corporate culture and ways of thinking—and its robust business platform as competitive strengths. The insurance business carries an important social mission. In Japan, society faces many issues, including natural catastrophes, and the falling birth rate and aging population, while diverse risks such as geopolitical risk are also expanding overseas. In this environment, I expect the Group to further improve the quality of its coverage, protection, and services and strive to become the Group most chosen by customers.

Murayama I also believe the Group's strength lies in its sincere attitude: recognizing anew the importance of trust, confronting issues directly, and working to turn them into improvements. I believe the role expected of an insurance and financial group is expanding beyond providing coverage and protection after accidents and disasters to preventing risks and enhancing the resilience of society as a whole. The Group possesses diverse human assets, an extensive domestic and international business platform, and abundant expertise and data. By combining these strengths with technology, we should be able to respond more agilely than ever to the needs of customers and society and achieve both social value and economic value at a higher level. I hope the merger of the two domestic non-life insurers will serve as an opportunity to organically connect human assets, expertise, and data across the



Group and further strengthen its collective capabilities.

Kawatsu I see considerable potential in the international business, but I also place great importance on growth in the domestic business. Japan is the Group's home market, where many employees engage with customers every day. In that context, it is highly significant for first-line business execution divisions, such as sales, to take on challenges as risk takers. As risk-taking increases and the environment changes, new distortions and issues could arise. It is therefore essential that second-line oversight divisions, including the Corporate Risk Management Dept. and Compliance Dept., conduct verification and checks from a different perspective, while the third-line internal audit division assesses the balance between execution and oversight. As an Audit and Supervisory Committee Member, I will carefully confirm whether all three lines in the Three Lines Model—an enterprise risk management framework—are functioning appropriately and whether this is contributing to sustainable growth and enhanced corporate value over the medium to long term.

Murayama While working to restore trust, the Group is also advancing its growth strategy toward 2030. As the Group accelerates growth, it is essential to have solid foundations in areas such as legal affairs, compliance, and internal control. This is because compliance with laws and regulations and risk management form the foundation that enables management to move forward and take on challenges with confidence. As changes in the business environment accelerate, the volume of risks and information that the Board of Directors and Audit and Supervisory Committee must understand is increasing. It will become increasingly important to determine where to focus our efforts among all of these matters. As an Audit and Supervisory Committee Member, I intend to objectively assess whether decisions can be explained to stakeholders and whether the controls supporting those decisions are functioning effectively, while respecting the need for timely management decisions.

Kunii The Group is at a stage that could truly be called a second founding. It is building a new organizational structure and setting ambitious targets for 2030 and beyond. How should we prevent and control the new risks that arise from changes to organizational structures and decision-making processes? As an Audit and Supervisory Committee Member, I will remain vigilant and continue to monitor and support the Group from an independent standpoint so that it evolves into a Group that is truly the most chosen by customers and trusted by all stakeholders.

Corporate Governance System

As a Company with an Audit and Supervisory Committee, the Company ensures that its Board of Directors appropriately exercises its supervisory function over the execution of duties by Directors. In addition, by delegating some decisions on important business execution matters to Directors, the Company seeks to expedite decision-making and business execution. Moreover, the Company has established a framework whereby the Audit and Supervisory Committee audits the execution of duties by Directors. The Company keeps working to enhance its corporate governance by strengthening the supervisory function of the Board of Directors and the audit function of the Audit and Supervisory Committee by proactively disclosing information.

1 Board of Directors

As the ultimate decision-making authority for Group management, the Board of Directors deliberates and decides upon matters of importance for Group management and supervises the execution of duties performed by directors, executive officers, and others.
Chairperson: Noriyuki Hara
Members: Six Internal Directors and seven Outside Directors /
12 meetings held in FY2025 (excluding written reports)
Attendance rate 99%

2 Audit and Supervisory Committee

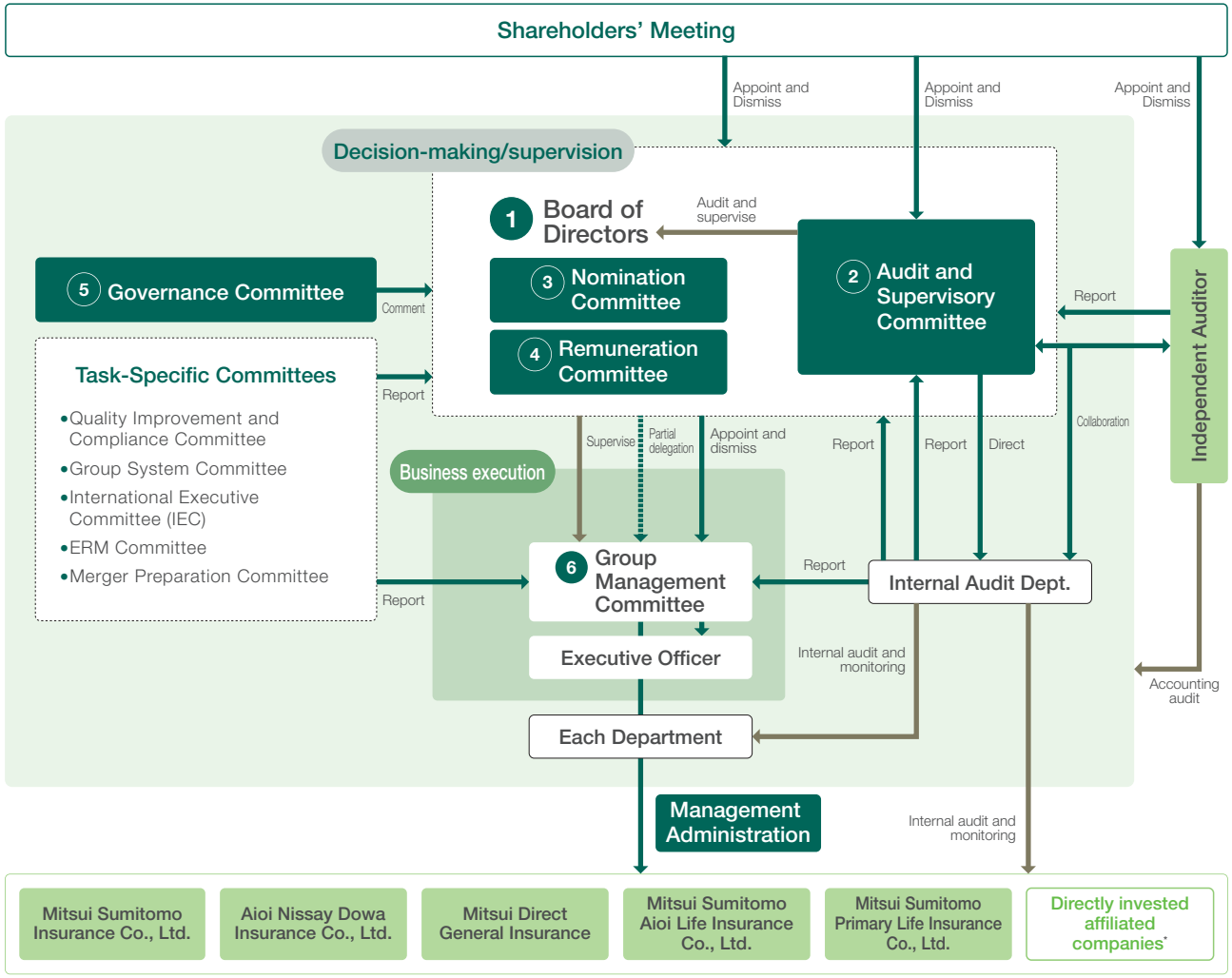
The purpose of this committee is to audit the execution of duties by Directors to achieve the sound and sustainable growth of the Group and the creation of medium- to long-term corporate value as well as to establish a high-quality corporate governance structure that meets social expectations.
Chairperson: Taisei Kunii (Outside Director, Audit and Supervisory Committee Member)
Members: One Internal Director who is an Audit and Supervisory Committee Member
Two Outside Directors who are Audit and Supervisory Committee Members / 12 meetings held in FY2025
Attendance rate 100%

3 Nomination Committee

Upon the delegation of the Board of Directors, the committee offers advice to the Board of Directors concerning the nomination policy and nomination of candidates for Directors; the nomination, promotions, dismissals, and disciplinary actions pertaining to Executive Officers; and the nomination, dismissals, etc., of Directors of the Group's domestic insurance companies.
Chairperson: Rochelle Kopp (Outside Director)
Members: Three Internal Directors and five Outside Directors / Six meetings held in FY2025
Attendance rate 100%

MS&AD Insurance Group Holdings, Inc.

(As of June 30, 2026)



*The 10 affiliated operating companies are MS&AD InterRisk Research & Consulting, MS&AD Business Support, MS&AD Staffing Service, MS&AD Systems, MS&AD Business Service, MS&AD GRAND ASSISTANCE, MS&AD ABILITYWORKS, MS&AD Ventures, Mitsui Sumitomo Insurance Venture Capital, and MS&AD AX.
Note: Committees boxed in indicate those under the scope of supervision of the Board of Directors.

4 Remuneration Committee

Upon the delegation of the Board of Directors, the committee offers advice to the Board of Directors concerning policy for determining remuneration for Directors and Executive Officers, the remuneration amount, limits on total remuneration for Directors, and the policy for determining Executive Officer remuneration, etc., for the Group's domestic insurance companies.
Chairperson: Akemi Ishiwata (Outside Director)
Members: Three Internal Directors and five Outside Directors / Four meetings held in FY2025
Attendance rate 100%

5 Governance Committee

In the Governance Committee, Outside Directors consult with the Chairman & Director, Vice Chairman, and President on matters pertaining to the status of corporate governance, as well as policies and positions, and make comments to the Board of Directors on an as-needed basis.
Chairperson: Jun Suzuki (Outside Director)
Members: Three Internal Directors and five Outside Directors / Two meetings held in FY2025
Attendance rate 100%

6 Group Management Committee

The Group Management Committee discusses important matters pertaining to management policy and strategy, and management of the Company and the Group. It will also deliberate on important matters of the Group's domestic insurance companies.
Chairperson: Shinichiro Funabiki
Members: Executive Officers, President of Mitsui Direct General Insurance, President of Mitsui Sumitomo Aioi Life Insurance, President of Mitsui Sumitomo Primary Life Insurance, Directors who are Audit and Supervisory Committee Members (Standing) / 13 meetings held in FY2025
Attendance rate 100%

Approach of Task-Specific Committees to value creation

Task-Specific Committees have been established to discuss important management matters related to business execution. The results of committee deliberations are reported by the officer in charge to the Group Management Committee, the Board of Directors, and other bodies as necessary.

Task-Specific Committee overview

Committee	Administrator	Number of meetings held in FY2025	Main agenda items
Quality Improvement and Compliance Committee Members: Two Outside Directors	CHRO Tamura	5 times	• Discussion promoting customer-focused business operations, improving quality within the Group, and other various issues • Discussion on the status of formulation and implementation of compliance programs for the Group • Discussion on the development and promotion of the Group's information security management system
Group System Committee	CIfO/CISO Tsuda	12 times	• Discussions on initiatives for rebuilding system infrastructure, large-scale system development projects across Group companies, etc. • Discussion on the status of cybersecurity risk events and the implementation of countermeasures, as well as the occurrence status of system failures and the status of countermeasures
International Executive Committee (IEC)	CGO Morimoto	3 times*	• Discussion of international business strategy and international business management from a Group-wide perspective (including the resolution of important issues and promotion of cross-Group initiatives)
ERM Committee	CFO Kudo CHRO Tamura	7 times	• Discussion of important issues related to improving corporate value, financial soundness, capital efficiency, and the profitability of the Group as a whole • Discussion on strengthening the Company's internal risk detection capabilities • Discussion on the introduction of International Financial Reporting Standards (IFRS) and new capital regulations
Merger Preparation Committee	CFO Kudo	11 times	• Deliberation, coordination, and other activities concerning important matters to facilitate the smooth merger of MSI and ADI

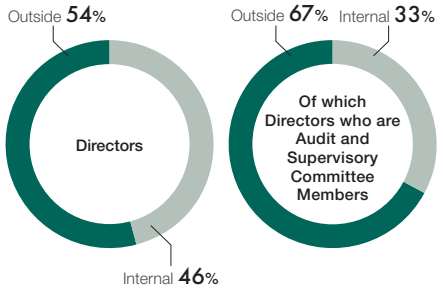
*The number of meetings of the Group International Business Committee

Corporate governance evolution

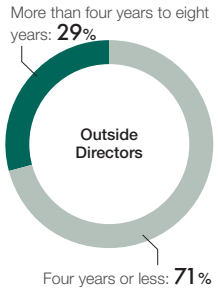
	2014–2017	2018–2021	2022–2025	2026–
Medium-Term Management Plan	Next Challenge 2017	Vision 2021	Medium-Term Management Plan (2022–2025)	Group Vision for FY2030
	Strengthening of Group governance	Improving the corporate governance system	Highly transparent and effective corporate governance practices	Proactive governance as a source of competitiveness
Governance Evolution	• Implemented analysis and evaluation of the Board of Directors' effectiveness and published the evaluation results • Introduced performance-linked remuneration • Introduced stock options as a stock-based remuneration system for Directors (excluding Outside Directors) and Executive Officers • Published selection criteria for Directors and Audit and Supervisory Board Members (including criteria for independence) • Newly established the Governance Committee mainly composed of Outside Directors • Newly established titles such as Group CFO and Group CRO • Enacted and released the Basic Policy for Corporate Governance	• Introduced the Group CEO succession plan • Revised the executive remuneration system (linkage to company performance and evaluation of medium- to long-term performance (non-financial indicators)) • Promoted diversity among the Board members • Reorganized the task-specific committees (launched the Sustainability Committee, the ERM Committee, and the Group Standardization Committee) • Newly established the title of Group CDO	• Introduced stock issuance trust systems • Introduced guidelines for holding the Company's own shares • Exchanged opinions with third-party organizations on the results of analysis and evaluation of the effectiveness of the Board of Directors • Newly established the title of Group CSuO <<Second stage of the Medium-Term Management Plan (2024 onward)>> • Newly established the Group Risk Response Conference (with participation of outside experts) • Exchanged opinions with third-party organizations on the results of analysis and evaluation of the effectiveness of the Board of Directors • Transitioned to a Company with an Audit and Supervisory Committee	• Transition to a CxO structure • Established the International Executive Committee (IEC) • Established an international business CxO structure • Transition of Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance to Companies with an Audit and Supervisory Committee • Revised the executive remuneration system (changes to the indicators used to calculate performance-based remuneration and introduction of individual performance evaluations) • Selected Board members to realize the Group strategy

Composition of Directors (As of July 1, 2026)

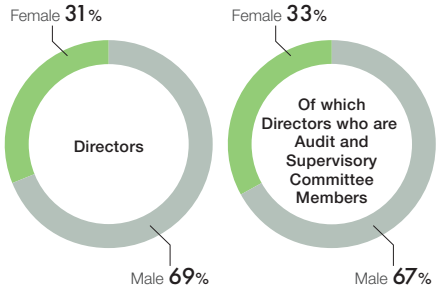
Ratio of Outside Directors



Length of Term in Office of Outside Directors



Ratio of Women



Ratio of Outside Directors on the Board

(compared with July 1, 2010)

2010
39%
(Seven out of 18)

2026
54%
(Seven out of 13)

Increased ratio of Outside Directors

Ratio of Women on the Board

(compared with July 1, 2010)

2010
0%
(Zero out of 18)

2026
31%
(Four out of 13)

Increased ratio of women

Skills Matrix of Directors

To ensure discussions from diverse perspectives toward realizing the Group's growth strategy, the Nomination Committee and Governance Committee deliberated on the skills (knowledge, experience, and capabilities) necessary to ensure the effectiveness of the Board of Directors. From the perspective of making decisions on important matters such as management strategy and supervising the execution of duties, the required skills were determined as follows.

1) Basic skills that are generally required

- Corporate Management
- Personnel Affairs/HR Development
- Legal Affairs/Compliance/Internal Audit
- Risk Management
- Finance/Accounting/Financial Affairs

2) Relevant skills given that the Group's core business is insurance and the Group is operated globally

- Insurance Business
- Internationality

3) Skills necessary for business transformation and addressing issues that are considered important by the market, in view of the current business environment of the Company

- IT/Digital/AI
- Sustainability

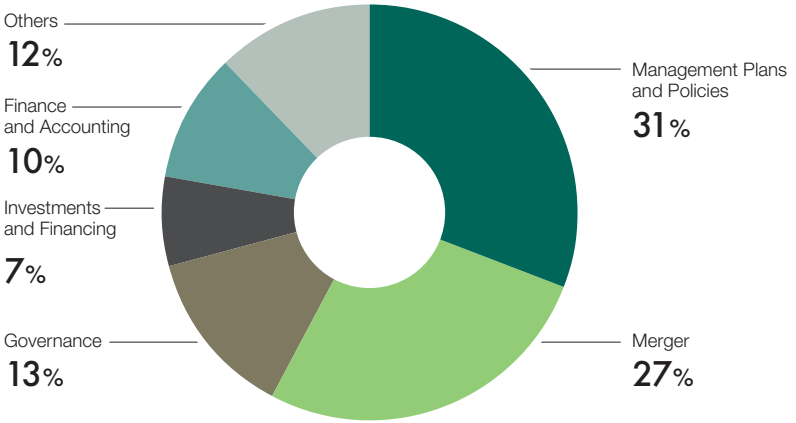
Officer	Skills								
	Corporate Management	Internationality	IT/Digital/AI	Sustainability	Personnel Affairs/HR Development	Legal/ Compliance/ Internal Audit	Risk Management	Finance/ Accounting/ Financial Affairs	Insurance Business
Director Hara	●	●		●	●	●	●		●
Director Kanasugi	●	●		●	●	●			●
Director Funabiki	●	●	●	●	●	●			●
Director Kudo				●		●	●		●
Director Niiro	●	●		●	●				●
Director Kopp	●	●		●	●				
Director Ishiwata				●					
Director Suzuki	●	●		●	●				
Director Okajima					●	●	●		
Director Seguchi	●	●						●	
Director and Audit and Supervisory Committee Member Kawatsu			●	●		●			●
Director and Audit and Supervisory Committee Member Kunii	●							●	
Director and Audit and Supervisory Committee Member Murayama						●			

Skills	Criteria for satisfying skill requirements
Corporate Management	•Experience as president or CxO of a company or other organization
Internationality	•Experience working or serving as an executive in an international department or abroad •Experience in international business investment and alliances •Expertise in international operations
IT/Digital/AI	•Experience working or serving as an executive in the IT, digital, or AI department •Experience working or serving as an executive in companies in the IT, digital, or AI sector •Expertise in the IT, digital, or AI sector
Sustainability	•Experience working or serving as an executive in the sustainability department •Expertise in sustainability
Personnel Affairs/ HR Development	•Experience working or serving as an executive in the human resources department •Expertise in human resources or human capital development

Skills	Criteria for satisfying skill requirements
Legal/Compliance/ Internal Audit	•Experience working or serving as an executive in the legal, compliance, or internal audit department •Experienced lawyer, judge, or prosecutor •Expertise in legal, compliance, or internal audit matters
Risk Management	•Experience working or serving as an executive in the risk management department •Expertise in actuarial matters
Finance/Accounting/ Financial Affairs	•Experience working or serving as an executive in the finance or accounting department •Expertise in financial or accounting matters •Experience working or serving as an executive in the business investment or asset management department
Insurance Business	•Experience working or serving as an executive in the insurance industry

For information on Executive Officers, see the Company's official website. Website

Breakdown of Board discussion time by topic



	Main topics	
Management plans and policies	•Next Group management plan •Shareholder return •International business strategy	•Progress of the Group's Medium-Term Management Plan •Life insurance business strategy •Maximization of Group profitability
Merger of Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance	•Approval of the final merger agreement (merger agreement and basic merger plan) •Approval of transition decision criteria •Reports from the Merger Preparation Committee – Corporate brand strategy – Systems integration – Consolidation of business locations – Project management, etc.	
Governance	•Response to business improvement orders •Evaluation of the effectiveness of the Board of Directors •Establishment of AI governance standards	•Response to the inappropriate handling of information obtained from secondment destinations •Internal audit reports •International business management
Investments and Financing/Finance and Accounting	•Business investment in Barings LLC •Approval of financial results and income and expenditure plans •Results of the calculation and verification of the economic value-based solvency margin ratio	

Discussion content and reflection in management

(• indicates recommendations from Outside Directors)

Management plans and policies	**Formulation of the Next Group Management Plan** • Given that the Group Vision for FY2030 are being formulated in light of the merger of the core non-life insurance companies, consideration could be given to formulating a Medium-Term Management Plan from FY2027 or to not formulating one at all.	For the next Group Management Plan, the conventional practice of formulating a Medium-Term Management Plan was discontinued. Instead, the Group adopted the Group Vision for FY2030 and a management approach under which an annual plan is formulated and implemented each year toward their realization.
Management plans and policies	**Sustainability Discussions** • From the perspective of integrating sustainability into business strategies and investment decisions, discussions on sustainability should be further deepened.	Sustainability has been established as one of the Group strategies in the "Vision for FY2030." The Group as a whole will work together to contribute to the development of a vibrant society and the realization of a healthy future for the planet.
Merger	**Corporate Brand Strategy** • To become the insurance and financial group most chosen by customers, we should consider the matter from the perspectives of corporate branding and marketing.	To further enhance brand strength, a new trade name was selected as the unified Group brand, with the aim of choosing a name that would also resonate internationally. The Mitsui Sumitomo Insurance Group brand symbol was established as a mark of our commitment to providing high-quality services to customers around the world. The Group Communication Department, which is responsible for promoting branding, was established at the holding company.
Governance	**Changes to the International Business Management Structure** • We want to prevent delays in decision-making by establishing an international business management company.	We are considering a structure that enables agile decision-making, including limiting matters requiring a resolution by the holding company's Board of Directors to major business investments and allowing the International Executive Committee (IEC) to decide many other matters.
Others	**Cybersecurity Initiatives** • Although compliance with the Economic Security Management Guidelines published by the Ministry of Economy, Trade and Industry is recommended rather than mandatory, we should consider responding in view of our position as an industry leader and the Directors' duty of due care.	The insurance business is designated as core infrastructure for economic security purposes. Measures relating to system development have been strengthened.

Board of Directors initiatives and effectiveness evaluation

Analysis and evaluation process

➤ **Implementation of questionnaires and interviews with Directors concerning evaluations of themselves and the Board of Directors**

- In FY2025, the 16-question survey was expanded to include questions concerning the change in institutional design and a gap analysis of the importance and adequacy of Board agenda items. The secretariat also conducted interviews based on the survey results.
- We confirmed the implementation status of the FY2025 functional improvement measures based on the FY2024 Board evaluation.

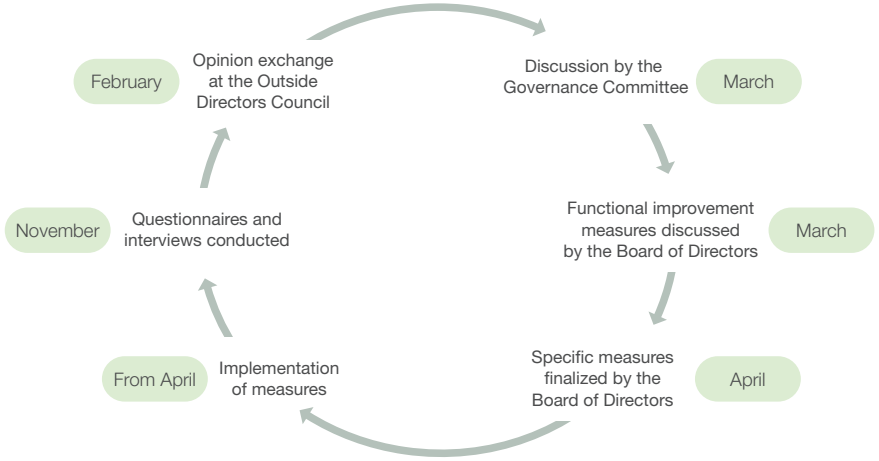
[Questionnaire items for all Directors]

1. Roles and responsibilities of the Board of Directors Discussion of management strategies and management plans
2. Commitment to the Medium-Term Management Plan
3. Roles and responsibilities of the Board of Directors Discussion on risk-taking proposals
4. Supervision of the dissemination and implementation of the Management Philosophy, Code of Conduct, and other principles
5. Appropriate collaboration with stakeholders other than shareholders (mechanisms for listening to internal and external views)
6. Sustainability initiatives/ESG issues (environment, society, and governance)
7. Operation of the Board of Directors
8. Content of Board of Directors deliberations
9. Composition of the Board of Directors
10. Nomination Committee
11. Remuneration Committee
12. Audit and Supervisory Committee
13. Other (e.g., ensuring opportunities for ongoing training concerning the roles and functions expected of the Board of Directors)
14. Management and supervision of international operating companies
15. Board Culture (Mutual understanding among Board members)
16. Group Governance (Mutual understanding with operating companies)*

*Additional questions on this item were included for Outside Directors.

[Questionnaire Results]

- More than 90% of ratings were **A or B on a four-point scale from A to D**
- Evaluation weighting (compared with FY2024): **Board of Directors overall 61% → 71%**
  Individual Directors: 44% → 60%
- Weight of C ratings (same as above): **Board of Directors overall 5%→2%**



Discussion by the Governance Committee

- Based on the results of the exchange of opinions at the Outside Directors Council, the Governance Committee (a majority of whose members and whose chairperson are Outside Directors) conducted an analysis and evaluation and compiled the FY2026 functional improvement measures, taking external opinions into account.

Effectiveness evaluation results

- The Board of Directors holds constructive discussions through questions from diverse perspectives, primarily from Outside Directors. As the Group transitions to a structure in which the holding company leads the execution of the Group's growth strategy, the holding company's Board of Directors should place greater emphasis on capital (resource) allocation and strategic discussions.
- The Board of Directors should further enrich discussions on strategy and important issues. To this end, it is desirable to make effective use of committees, study sessions for Outside Officers, and other forums in combination.
- Major investment proposals are submitted to the Board of Directors after the executive side appropriately assesses their necessity and analyzes their risks, enabling the Board to make objective judgments. Further in-depth discussion is desirable regarding the Group's overall investment strategy and the positioning of individual proposals going forward.
- The change in institutional design has accelerated decision-making and enhanced internal audits through collaboration with the Audit and Supervisory Committee, thereby strengthening governance.

Measures to enhance the effectiveness of the Board of Directors

Based on the results of the FY2025 effectiveness evaluation, the following functional improvement measures will be implemented.

Clarification of roles

- To balance the Group's growth with discipline, the roles of the holding company, the operating companies, and the Board of Directors were clarified. The main roles of the holding company are (1) to formulate management strategies for the entire Group aimed at achieving sustainable growth and enhancing corporate value, and to allocate management resources in a disciplined manner to maximize effectiveness, and (2) through the merger of the operating companies, to build a stronger domestic non-life insurance business structure, and—by transitioning to a Company with an Audit and Supervisory Committee structure—further strengthen supervisory and oversight functions (second-and third-line functions, and business management functions) in order to appropriately monitor the internal control systems of the operating companies.

[Roles of the Holding Company's Board of Directors]

Supervision of the execution of duties by Directors and Executive Officers +

- Review, approval, and monitoring of Group strategy
- Evaluation of the results of reviewing execution status at operating companies
- Verification and evaluation of the appropriateness of management resource allocation
- Review and evaluation of monitoring results concerning the soundness of operating companies and the appropriateness of their operations

Study sessions for Outside Officers

- By making domain- and region-specific business strategies and investment strategy in study sessions for Outside Officers and exchanging opinions on them, we support substantive discussions and decision-making by the Board of Directors.

[Study Session Topics for Outside Officers] (FY2025 results)

- "Business and Human Rights": management respecting human rights and responsible business conduct required of companies
- Global Insurance Markets and the Group's International Business Strategy
- Latest AI Trends and Group Initiatives
- Status of International Financial Reporting Standards (IFRS) Adoption and Related Preparations

Establishment of the International Executive Committee (IEC)

- To transform the Group into a world-leading global insurance and financial group, the International Executive Committee (IEC) was established to discuss the international business, which is central to the Group's investment strategy. Strategic discussions based on the matters deliberated by the committee will be held by the Board of Directors and other bodies.

Enhancing Board of Directors operations

Operations will be strengthened to facilitate in-depth discussions by the Board of Directors.

Review of criteria for Board submissions to clarify important agenda items

- Taking into account the holding company's principal roles—formulating Group management strategy, optimally allocating management resources (capital, funds, and human assets), and performing supervisory and checking functions—we have narrowed down the matters submitted to the Board of Directors to those that contribute to these functions.

Enhancing information provided to Outside Directors

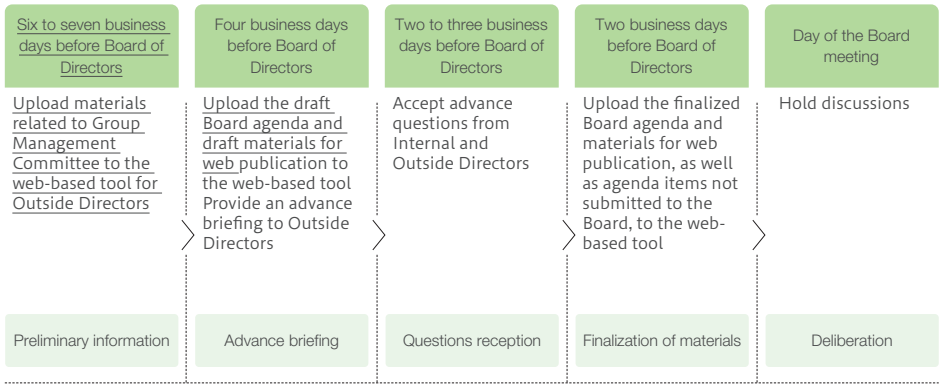
- Earlier Distribution of Materials
  As a general rule, materials related to Board of Directors agenda items will be distributed to Outside Directors six to seven business days before Board meetings. This will give them sufficient time to review the materials and allow basic questions necessary for them to fulfill their roles at Board meetings to be resolved outside the meeting room.
- Sharing Advance Questions and Opinions
  To facilitate in-depth discussions that draw on the knowledge of Outside Directors, the Board of Directors secretariat will proactively obtain advance questions and opinions to be shared at meetings.

Use of web-based tools

- Web-based tools will be used to improve the efficiency of meeting operations and enhance support from the Board of Directors secretariat.

Sufficient information through early distribution of materials and use of web-based tools

Note: Underlining indicates functional improvement initiatives.



Remuneration plan targeting strengthened governance

Basic Policy

- Our aim is to enhance Group governance and medium- to long-term corporate value.
- The remuneration plan for executive officers is now linked to the business performance of the Company to serve as an appropriate incentive for sustainable growth.
- We will provide competitive compensation levels as a global company.

Process for determining remuneration

Remuneration, etc., of Directors who are not Audit and Supervisory Committee Members

- To ensure transparency, remuneration is determined by resolution of the Board of Directors after deliberation by the Remuneration Committee, which is made up of a majority of Outside Directors, within the range of amounts determined by resolution of the General Meeting of Shareholders.

Deliberation by the Remuneration Committee

- The Remuneration Committee advises the Board of Directors regarding policies and other matters pertaining to determining the amount of Directors' remuneration and Executives' remuneration.

Resolution by the Board of Directors

- The Board of Directors will adhere to the advice provided by the Remuneration Committee to the maximum extent possible, and the amount of remuneration will be determined after assessing whether it is in line with the remuneration system decided through a Board of Directors resolution.

Remuneration for Directors who are Audit and Supervisory Committee Members

- To ensure transparency, remuneration is determined through consultation among the Directors who are Audit and Supervisory Committee Members, following deliberation by the Remuneration Committee, a majority of whose members are Outside Directors, and within the amount resolved at the Shareholders' Meeting, taking into account whether the Director is full-time or part-time, the allocation of duties, and the content and levels of remuneration for Directors who are not Audit and Supervisory Committee Members.

Composition of remuneration

- Fixed remuneration is set separately for each role, and performance-linked remuneration is determined considering company performance.

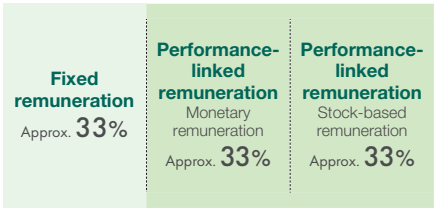
	Fixed remuneration	Performance-linked remuneration	
		Monetary remuneration	Stock-based remuneration
Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members)	●	●	●
Outside Directors (excluding Directors who are Audit and Supervisory Committee Members)	●	–	–
Directors who are Audit and Supervisory Committee Members	●	–	–

- The standard structure ratio for executive remuneration is as follows, based on role.

Chairman & Director / Vice Chairman & Director / President & Director:

The proportion of performance-linked remuneration is higher than for other positions.

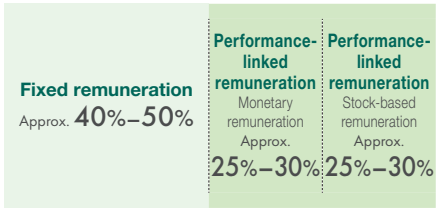
(Standard ratios)



Other positions:

The composition is such that the proportions of fixed remuneration and performance-linked remuneration differ depending on the officer's position.

(Standard ratios)



Stock-based remuneration details

- Stock-based remuneration is paid through restricted stocks and, as a general rule, the restriction is released upon retirement of the Officer.
- In the case that inappropriate behavior becomes evident during an Officer's tenure, either the restricted stocks will be made available for free acquisition during the period of restriction or they will be returned after the period of restriction has been concluded (malus and clawback clauses).

Performance index, etc., related to performance-linked remuneration

- Performance-linked remuneration is linked to business performance and is determined based on both financial and non-financial indicators.
- The financial and non-financial indicators were selected in light of the Group Vision for FY2030. The indicators and the reasons for their selection are as follows.

	Indicators/Evaluation items	Reasons for selection
Financial indicators (single fiscal year performance)	• Adjusted profit • Adjusted ROE • EPS growth rate • Relative TSR (Total Shareholder Return)	These indicators were selected to establish an earnings structure capable of generating stable adjusted profit in FY2030, even after the sales of strategic equity holdings has been completed, by steadily achieving the indicators each fiscal year. Note: Following the introduction of IFRS, we plan to change "consolidated net income" to "IFRS net income" and "Adjusted ROE" to "IFRS adjusted ROE."
Non-financial indicators (medium to long term)	• Optimize the business structure ・Transform the value we provide ・Optimize capital allocation • Strengthen business foundations ・Strengthen strategic functions ・Strengthen governance ・Human capital management ・AI/DX • Sustainability initiatives	These items were selected to simultaneously enhance environmental and social sustainability and the Company's corporate value by continuing to provide insurance—a form of social infrastructure—on a stable basis while resolving important management issues. KPIs will be established to enable progress on the relevant initiatives to be evaluated from a medium- to long-term perspective.

- In the calculation of performance-linked remuneration, the standard ratio of financial indicators to non-financial indicators is 50:50.
- For both financial and non-financial indicators, the applicable coefficient varies from a standard of 1.0, with no upper limit and a lower limit of zero.
- For performance-linked remuneration, monetary remuneration and stock-based remuneration are each calculated as specified below, based on the base amount for each role.
- Monetary remuneration: Base amount for each role × Company performance coefficient (financial indicators × 80% + non-financial indicators × 20%)
- Stock-based remuneration: Base amount for each role × Company performance coefficient (financial indicators × 20% + non-financial indicators × 80%)
- Monetary remuneration is set to reflect the performance of a single fiscal year more accurately by placing a higher percentage of financial indicators than non-financial indicators.
- By increasing the ratio of non-financial indicators to financial indicators, stock-based remuneration is set to more accurately reflect the evaluation of initiatives that contribute to the enhancement of corporate value over the medium to long term.

Financial indicators (FY2025)

	Plan	Results
Group adjusted profit	¥671.0 billion	¥1,000.9 billion
Consolidated net income	¥579.0 billion	¥787.3 billion
Group adjusted ROE	16.4%	21.7%

Non-financial indicators (FY2025)

Evaluation items	Evaluation results
Basic Strategy	The following initiatives were evaluated from the perspective of the status of progress and what results were achieved, and the evaluation was on par with the standard. • Under the MS&AD Value Strategy (promotion of CSV × DX), the Group advanced the development and rollout of products and services before and after coverage that help resolve social issues, while reviewing the structure for monetizing these offerings. Profitability in the domestic non-life insurance business improved as initiatives to increase underwriting profit progressed. • The Group made progress in transforming its business portfolio through the expansion of the international business and domestic life insurance business and more sophisticated business management; transforming its risk portfolio by reducing strategic equity holdings and curbing natural catastrophe risk; pursuing new businesses using digital technologies and data; and transforming its business style. Specific studies and preparations are underway for the merger of MSI and ADI in April 2027. Efforts to realize life and non-life insurance synergies and global synergies are continuing, and progress toward further growth through stronger collaboration that leverages the Group's diversity has been generally in line with the plan.
Foundations	The following initiatives were evaluated in terms of their progress and achievements. Taking into account incidents including information leakage, the evaluation was slightly below the standard. • Initiatives addressing the three sustainability priority issues (Symbiosis with the global environment, Safe and secure society, and Happiness of diverse people) progressed as planned. New global initiatives and initiatives to enhance the sustainability of the Group were also launched. In addition, operating companies steadily advanced disaster prevention and mitigation initiatives and nature-positive initiatives, including the promotion of Group infrastructure. The Group also worked to respect human rights and appropriately disclose corporate information, earning high external evaluations. • In response to the price fixing incident and fraudulent insurance claims involving an agent, the Group promoted a major transformation of its business style. However, information leakage incidents involving insurance agencies and insurance companies came to light. In addition, at a life insurance company, an employee seconded to a financial institution agency removed internal information from the secondment destination without authorization. To again ensure that customer-focused business operations are thoroughly implemented and firmly established and to improve compliance awareness and knowledge, the Group issued messages from the President and conducted training and workplace meetings. • Toward the Group Vision for FY2030, the Group developed human assets who act autonomously, take on the challenges of transformation, and create new value, with the aim of building an optimal human asset portfolio and enabling employees to fully demonstrate their abilities, skills, and motivation. Specifically, the Group improved the environment for reskilling and recurrent education and for securing and enabling specialized human assets to thrive; rolled out a skills-based personnel system in preparation for the launch of the new company following the merger in FY2027; and expanded opportunities for employees to autonomously develop their careers. • To strengthen the risk management structure, the Group enhanced the detection and management of risks that are difficult to quantify, such as legal and conduct risks, through the Group Risk Response Conference, thereby strengthening its governance structure. • To improve capital efficiency, the Group also reviewed the profitability and growth potential of each international business location and business, monitored progress in improving ROI, sold low-profitability businesses, and pursued new investment opportunities.

Total amount of remuneration (FY2025)

Total remuneration by category, total amount by type of remuneration, and number of applicable corporate officers

(¥ million)

Corporate officer category	Headcount	Total remuneration	Breakdown		
			Fixed remuneration	Performance-linked remuneration	
				Monetary remuneration	Stock-based remuneration
Directors (excluding Audit and Supervisory Committee Members and Outside Directors)	8	371	141	127	103
Director (Audit and Supervisory Committee Member) (excluding Outside Directors)	1	27	27	—	—
Audit and Supervisory Board Members (excluding Outside Audit and Supervisory Committee Members)	2	18	18	—	—
Outside Officers	9	125	125	—	—

Total amount of consolidated remuneration, etc., of those whose total amount of consolidated remuneration, etc., is ¥100 million or more

(¥ million)

Name	Corporate officer category	Company category	Consolidated total remuneration	Breakdown		
				Fixed remuneration	Performance-linked remuneration	
					Monetary remuneration	Stock-based remuneration
Noriyuki Hara	Director	Submitting company	226	28	30	24
	Director	Mitsui Sumitomo Insurance Co., Ltd.		45	54	43
Yasuzo Kanasugi	Director	Submitting company	137	26	27	21
	Director	Aioi Nissay Dowa Insurance Co., Ltd.		30	17	13
Shinichiro Funabiki	Director	Submitting company	226	31	33	27
	Director	Mitsui Sumitomo Insurance Co., Ltd.		42	50	41
Keisuke Niiro	Director	Submitting company	146	10	4	3
	Director	Aioi Nissay Dowa Insurance Co., Ltd.		48	44	35

CEO succession plan

- With the aim of achieving sustainable growth and enhancing corporate value in our Group, we have established a succession plan that positions the appointment and dismissal of the CEO and the development of successors as a key management issue.

Criteria for CEO selection

- ✓ Ability to embody the Group's Mission, Vision, and Values and having the concept of CSV (Creating Shared Value) in their own system of values
- ✓ Ability to plan and build a future vision
- ✓ Fairness and impartiality
- ✓ Ability to develop human assets
- ✓ Ability to demonstrate leadership
- ✓ Global response capability
- ✓ Acting in the Group's best interest

CEO selection process

Recommendation by the current CEO
- The current CEO prioritizes several candidates and recommends them to the Nomination Committee.
- Candidates can be from within the Group or outside the Group.

Deliberation by the Nomination Committee
- The Nomination Committee reviews candidates recommended by the CEO.
- Outside Directors can recommend other candidates.

Resolution by the Board of Directors
- The Nomination Committee advises the Board of Directors, which makes the final decision.

Development plan for CEO candidates

- The CEO plays an important role and can mentor numerous candidates. The candidates (from within the Group) should have the following experience:
  - Experience across departments (administration, operations, international, sales, claims services, systems, and others)
  - Management at a domestic company and/or an overseas subsidiary

CEO dismissal process

- When an Outside Director deems it necessary to discuss dismissal such as when the CEO is subject to the prohibitions stipulated in the Executive Officer Rules (e.g., violating obligations set forth in the Companies Act and other laws and regulations or company regulations) or when it is determined that it is difficult for the CEO to properly continue their duties due to health or other reasons, the Outside Director shall deliberate on their own initiative with members of the Nomination Committee, excluding the CEO.
  Based on the results of the deliberation, necessary procedures are carried out in accordance with the Companies Act and internal regulations.
- Directors who are not Outside Directors can request a meeting of the Board of Directors to be convened in accordance with the Rules of the Board of Directors and submit proposals for dismissal of Directors at the Shareholders' Meeting.

Group Governance

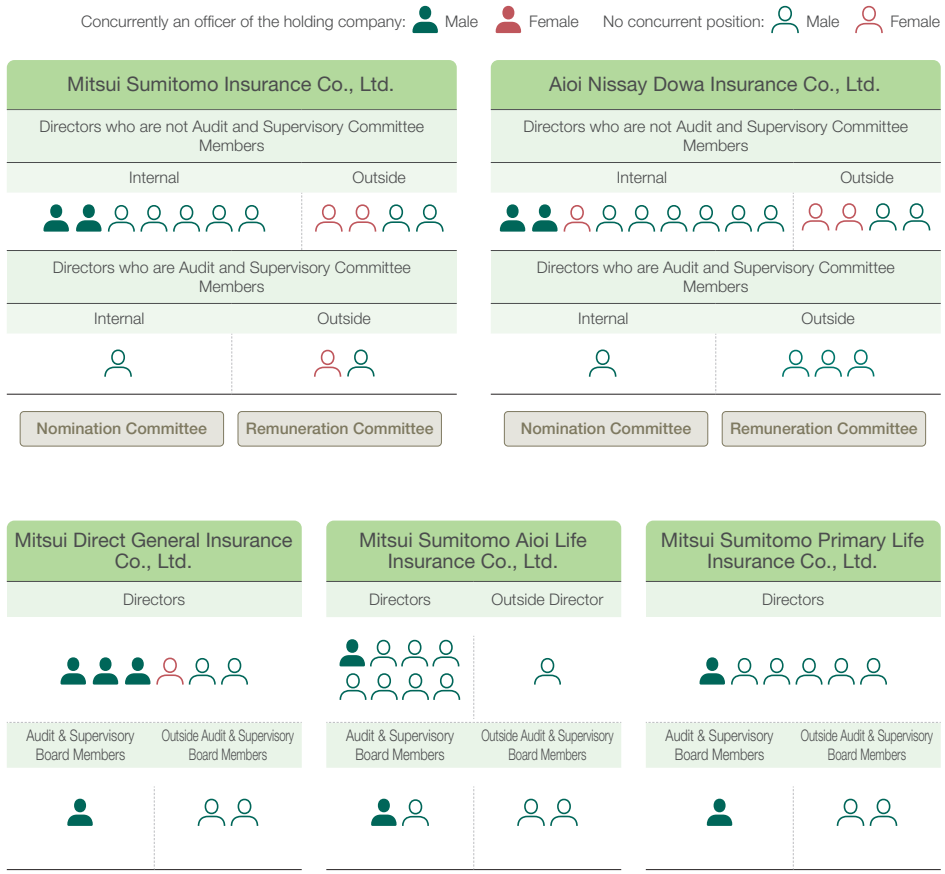
To achieve sustainable growth with the Group working in unison, we are leveraging our functions as a holding company and working to strengthen Group governance.

Group management administration structure

The Company (the holding company) enters into Group management supervision contracts with directly invested operating companies and conducts management administration of each Group company, the main points of which are as follows:

Role of the holding company in the Group	•Formulate and implement Group management strategies •Consider and implement effective capital allocation to Group companies to strengthen our earnings foundation •Enhance the Group's comprehensive strength and implement initiatives to further strengthen governance
Matters to be approved by and reported to the holding company	The approval of the holding company or reports to the holding company are required for important matters at directly invested companies, based on management supervision contracts. [Examples of prior approval items] 1) Management plans, Risk Appetite Statement, and income and expenditure plans; 2) Election and dismissal of Directors and Audit & Supervisory Board Members; 3) Issuance of new shares, stock splits, etc.
Compliance with the Basic Policy on Group Management and Administration	The holding company has established basic Group policies, including the Basic Policy on the Group Internal Control System, the Risk Management Basic Policy, the Compliance Basic Policy, the Basic Policy for Internal Audits, the Group Risk Appetite Statement, and the Basic Policy on Information and Technology Governance, and requires compliance by all Group companies.
Conducting internal audits	In accordance with the "Group Basic Policy for Internal Audits," the holding company and the Group's domestic insurance companies have established independent specialized organizations as internal audit departments, which conduct internal audits of the Group as a whole in cooperation with each company.

Management structure of operating companies



Note 1: More than half the members, as well as the committee chairperson, are Outside Directors.
Note 2: Concurrent Directors of the holding company refer to executives and employees of the holding company who also serve as Directors and Audit & Supervisory Board Members of the operating companies.

Management Team



Directors

❶ Noriyuki Hara
Chairman & Director, Chairman Executive Officer

❷ Yasuzo Kanasugi
Representative Director, Vice Chairman & Director
Vice Chairman Executive Officer

❸ Shinichiro Funabiki
Representative Director
President & CEO

❹ Shigeo Kudo
Representative Director, Executive Vice President

❺ Keisuke Niiro
Director, Executive Officer

❻ Rochelle Kopp
Outside Director
Independent Officer

❼ Akemi Ishiwata
Outside Director
Independent Officer

❽ Jun Suzuki
Outside Director
Independent Officer

❾ Atsuko Okajima
Outside Director
Independent Officer

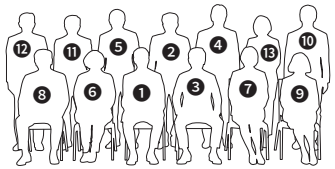
❿ Jiro Seguchi
Outside Director
Newly appointed
Independent Officer

Directors who are Audit and Supervisory Committee Members

⓫ Hideki Kawatsu
Director, Audit and Supervisory Committee Member

⓬ Taisei Kunii
Outside Director, Audit and Supervisory Committee Member
Independent Officer

⓭ Yukari Murayama
Outside Director, Audit and Supervisory Committee Member
Independent Officer



Directors

❶ Noriyuki Hara

Chairman & Director, Chairman Executive Officer

Date of birth: July 21, 1955
Number of Company shares owned: 207,366
Important concurrent positions:
Director and Special Advisor,
Mitsui Sumitomo Insurance Co., Ltd. (MSI)

April 1978	Entered Taisho Marine and Fire Insurance Co., Ltd.
April 2008	Executive Officer, General Manager of Corporate Quality Management Dept., MSI
April 2010	Managing Executive Officer, General Manager of Nagoya Corporate Business Division, MSI
April 2012	Director, Managing Executive Officer, MSI
April 2013	Director, Senior Executive Officer, MSI
April 2015	Director, Executive Vice President, MSI
April 2016	President & CEO, MSI Executive Officer, the Company
June 2016	Director, Executive Officer
June 2020	President & CEO
April 2021	Chairman & Director, Chairman Executive Officer, MSI
June 2024	Chairman & Director, Chairman Executive Officer, the Company (present)
April 2026	Director and Special Advisor, MSI (present)

❷ Yasuzo Kanasugi

Representative Director, Vice Chairman & Director, Vice Chairman Executive Officer

Date of birth: May 29, 1956
Number of Company shares owned: 213,241
Important concurrent positions:
Chairman & Director, ADI

April 1979	Entered Dai-Tokyo Fire and Marine Insurance Co., Ltd.
April 2008	Managing Officer, General Manager of Human Resources Planning Dept., Aioi Insurance Co., Ltd.
April 2009	Executive Officer, Aioi Insurance Co., Ltd.
Oct. 2010	Executive Officer, Aioi Nissay Dowa Insurance Company, Limited (ADI)
April 2011	Managing Executive Officer, ADI
April 2012	Executive Officer, the Company
June 2012	Director, Managing Executive Officer, ADI
April 2013	Director, Senior Executive Officer, ADI
June 2014	Director, Executive Officer, the Company
April 2016	President & CEO, ADI
June 2020	Vice Chairman & Director, Vice Chairman Executive Officer, the Company (present)
April 2022	Chairman & Director, ADI (present)

❸ Shinichiro Funabiki

Representative Director, President & CEO

Date of birth: May 11, 1960
Number of Company shares owned: 171,455
Important concurrent positions:
Chairman & Director, Chairman Executive Officer, MSI

April 1983	Entered The Sumitomo Marine and Fire Insurance Co., Ltd.
April 2013	Executive Officer, General Manager of Corporate Planning Dept., MSI
April 2015	Managing Executive Officer, General Manager of Tokyo Corporate Business Division I, MSI
April 2017	Director and Senior Executive Officer, MSI, Executive Officer, the Company
April 2019	Senior Executive Officer
April 2020	Executive Officer, the Company, Director and Executive Vice President, MSI
April 2021	President & CEO, MSI
June 2024	President & CEO, the Company (present)
April 2026	Chairman & Director, Chairman Executive Officer, MSI (present)

❹ Shigeo Kudo

Representative Director, Executive Vice President

Date of birth: August 11, 1964
Number of Company shares owned: 56,493
Important concurrent positions: —

April 1987	Entered Taisho Marine and Fire Insurance Co., Ltd.
April 2018	Executive Officer, General Manager of Corporate Planning Dept., MSI
April 2019	Executive Officer, General Manager of Tokyo Division, MSI
April 2021	Managing Executive Officer, MSI
April 2022	Director and Managing Executive Officer, General Manager of Product and Services Division, MSI
April 2023	Director and Senior Executive Officer, General Manager of Product and Services Division, MSI
April 2025	Executive Vice President, the Company
June 2025	Director, Executive Vice President (present)

❺ Keisuke Niiro

Director, Executive Officer

Date of birth: July 5, 1965
Number of Company shares owned: 69,758
Important concurrent positions:
President & CEO, ADI

April 1988	Entered Dai-Tokyo Fire and Marine Insurance Co., Ltd.
April 2018	Executive Officer, ADI
April 2020	Managing Executive Officer, ADI Executive Officer, the Company
June 2020	Director, Managing Executive Officer, ADI
April 2022	President & CEO, ADI (present)
June 2025	Director, Executive Officer, the Company (present)

❻ Rochelle Kopp

Outside Director Independent Officer
Chairperson of the Nomination Committee

Date of birth: June 29, 1964
Number of Company shares owned: 0
Attendance record: Board of Directors' meetings (FY2025) 12/12 (100%)
Tenure as an Outside Director as of the close of this Ordinary General Meeting of Shareholders: 6 years
Important concurrent positions:
Managing Principal, Japan Intercultural Consulting, Director (Outside Director), Air Water Inc.

June 1986	Business analyst, ZS Associates International, Inc.
June 1987	Senior business analyst, ZS Associates International, Inc.
Aug. 1988	Yasuda Trust & Banking Co., Ltd. (currently, Mizuho Trust & Banking Co., Ltd.) International Public Relations Specialist
Oct. 1992	Consultant, IPC Group, Inc.
July 1994	Managing Principal, Japan Intercultural Consulting (present)
Jan. 2015	Professor, Global Leadership Course, Business Breakthrough University
April 2019	Professor of Faculty of Foreign Studies, The University of Kitakyushu
June 2020	Director, the Company (present)

❼ Akemi Ishiwata

Outside Director Independent Officer
Chairperson of the Remuneration Committee

Date of birth: August 23, 1960
Number of Company shares owned: 2,000
Attendance record: Board of Directors' meetings (FY2025) 12/12 (100%)
Tenure as an Outside Director as of the close of this Ordinary General Meeting of Shareholders: 4 years
Important concurrent positions: —

April 1983	Entered Bristol-Myers Company
Dec. 1985	Entered Kao Corporation ("Kao"), Assigned to Kao Life Science Laboratory
March 2003	Product Development Manager, Household Business Division, Kao
Dec. 2005	Section Chief, Consumer Research Center, Kao
March 2010	General Manager, Consumer Research Center, Kao
March 2015	Executive Officer, Supervisor of Corporate Communications Division, Kao
Jan. 2021	Executive Fellow, Kao
Jan. 2022	Special Mission Fellow, Kao
June 2022	Director, the Company (present)

❽ Jun Suzuki

Outside Director Independent Officer
Chairperson of the Governance Committee

Date of birth: February 19, 1958
Number of Company shares owned: 7,500
Attendance record: Board of Directors' meetings (FY2025) 11/12 (92%)
Tenure as an Outside Director as of the close of this Ordinary General Meeting of Shareholders: 3 years
Important concurrent positions:
Director (Outside Director), Idemitsu Kosan Co., Ltd.

April 1983	Entered Teijin Limited
April 2011	Teijin Group Chief Representative in Europe, Teijin Limited President, Teijin Holdings Netherlands B.V.
April 2012	Teijin Group Corporate Officer, Teijin Limited
April 2013	Teijin Group Managing Executive Officer, Teijin Limited
June 2013	Director, Managing Executive Officer, Teijin Limited
April 2014	Representative Director, President & CEO, Teijin Limited
April 2022	Director, Chairperson, Teijin Limited
April 2023	Director, Senior Advisor, Teijin Limited
June 2023	Senior Advisor, Teijin Limited (present) Director, the Company (present)

Directors

❾ Atsuko Okajima

Outside Director Independent Officer

Date of birth: October 15, 1954
Number of Company shares owned: 400
Attendance record: Board of Directors' meetings (FY2025) 10/10 (100%)*
Tenure as an Outside Director as of the close of this Ordinary General Meeting of Shareholders: 1 year
Important concurrent positions:
Executive Director, Saitama Prefectural University
Director (Outside Director (Audit and Supervisory Committee Member)), House Foods Group Inc.
Director (Outside Director), DAITO KOUN CO., LTD

April 1977	Entered the Ministry of Agriculture and Forestry (now the Ministry of Agriculture, Forestry and Fisheries)
July 2003	Councillor, Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries
July 2004	Councillor, Minister's Secretariat, Ministry of Health, Labour and Welfare
July 2006	Vice-Governor of Saitama Prefecture
July 2009	Director General of Gender Equality Bureau, Cabinet Office
April 2013	Member, Information Disclosure and Personal Information Protection Review Board, Cabinet Office
April 2016	Member, Information Disclosure and Personal Information Protection Review Board, Ministry of Internal Affairs and Communications
April 2022	Executive Director, Saitama Prefectural University (present)
June 2025	Director, the Company (present)

*Atsuko Okajima was newly elected and appointed as a Director at the 17th Ordinary General Meeting of Shareholders held on June 23, 2025. Accordingly, the attendance record shown above covers Board of Directors' meetings held on and after that date.

❿ Jiro Seguchi

Outside Director Newly appointed Independent Officer

Date of birth: July 29, 1963
Number of Company shares owned: 0
Important concurrent positions:
President, Representative Director and Chief Executive Officer, Japan Investment Corporation
Director (Outside Director), Otsuka Holdings Co., Ltd., Director (Outside Director), Resona Holdings, Inc.

April 1986	Entered The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)
March 1999	Entered Merrill Lynch Japan Securities Co., Ltd. (currently BofA Securities Japan Co., Ltd.)
July 2010	President and Representative Director, Merrill Lynch Japan Securities Co., Ltd. Country Executive for Japan, Bank of America Corporation
Oct. 2013	Head of Asia Pacific, Global Corporate & Investment Banking, Bank of America Corporation
June 2016	President and Representative Director, Merrill Lynch Japan Securities Co., Ltd. Country Executive for Japan, Bank of America Corporation
Jan. 2019	Co-President of APAC (Asia-Pacific), Bank of America Corporation
July 2023	Senior Advisor, Asia Pacific, Bank of America Corporation
May 2026	Senior Executive Officer, Japan Investment Corporation
June 2026	President, Representative Director and Chief Executive Officer, Japan Investment Corporation (present) Director, the Company (present)

Directors who are Audit and Supervisory Committee Members

⓫ Hideki Kawatsu

Director, Audit and Supervisory Committee Member

Date of birth: November 2, 1968
Number of Company shares owned: 25,078
Important concurrent positions: Director, MSI

April 1991	Entered The Sumitomo Marine and Fire Insurance Co., Ltd.
April 2023	Executive Officer, General Manager of Corporate Planning Dept., MSI
Aug. 2024	Managing Executive Officer, MSI
April 2025	Director, Managing Executive Officer, MSI
June 2025	Director, MSI (present) Director, Audit and Supervisory Committee Member, the Company (present)

⓬ Taisei Kunii

Outside Director Chairperson of the Audit and Supervisory Committee Independent Officer

Date of birth: June 12, 1959
Number of Company shares owned: 1,000
Attendance record: Board of Directors' meetings (FY2025) 10/10 (100%)*
Attendance record: Audit and Supervisory Committee meetings (FY2025) 9/9 (100%)*
Important concurrent positions: Certified Public Accountant, Taisei Kunii Certified Public Accountant Office
Director (Outside Director (Audit and Supervisory Committee Member)), Sumitomo Corporation

Oct. 1985	Entered Tohmatsu, Awoki & Co. (currently Deloitte Touche Tohmatsu LLC)
Aug. 1989	Registered as Certified Public Accountant
Oct. 2013	Executive Officer, General Manager of Tokyo Audit Division, Deloitte Touche Tohmatsu LLC
June 2018	CEO, Deloitte Touche Tohmatsu LLC
Feb. 2023	Certified Public Accountant, Taisei Kunii Certified Public Accountant Office (present)
June 2024	Audit & Supervisory Board Member, the Company
June 2025	Director, Audit and Supervisory Committee Member, the Company (present)

*Taisei Kunii was newly elected and appointed as a Director at the 17th Ordinary General Meeting of Shareholders held on June 23, 2025. Accordingly, the attendance records shown above cover Board of Directors' and Audit and Supervisory Committee meetings held on and after that date.

⓭ Yukari Murayama

Outside Director, Audit and Supervisory Committee Member Independent Officer

Date of birth: August 4, 1972
Number of Company shares owned: 0
Attendance record: Board of Directors' meetings (FY2025) 10/10 (100%)*1
Attendance record: Audit and Supervisory Committee meetings (FY2025) 9/9 (100%)*1
Important concurrent positions: Attorney-at-Law, Anderson Mori & Tomotsune–Foreign Law Joint Enterprise
Director (Outside Director (Audit and Supervisory Committee Member)), DENTSU SOKEN, INC.
Director (Outside Director), Carlit Co., Ltd.

April 2000	Registered as an Attorney-at-Law, Attorney-at-Law, Hideyuki Sakai Law Office*2
Jan. 2010	Seconded to the Supervisory Bureau of the Financial Services Agency (Nonbank Financial Companies Office and Financial System Stabilization Management Office)
April 2012	Counsel, Bingham Sakai Mimura Aizawa–Foreign Law Joint Enterprise*2
Jan. 2013	Partner, Bingham Sakai Mimura Aizawa–Foreign Law Joint Enterprise
April 2015	Partner, Anderson Mori & Tomotsune*2 (present)
June 2025	Director, the Company (present)

*1 Yukari Murayama was newly elected and appointed as a Director at the 17th Ordinary General Meeting of Shareholders held on June 23, 2025. Accordingly, the attendance records shown above cover Board of Directors' and Audit and Supervisory Committee meetings held on and after that date.
*2 Currently Anderson Mori & Tomotsune–Foreign Law Joint Enterprise

Engagement with Shareholders and Investors

The MS&AD Insurance Group is actively engaged in constructive dialogue with shareholders and investors to achieve sustainable growth and improve corporate value. Specifically, we aim to minimize information asymmetry with shareholders and investors by providing highly transparent information disclosure, and we share feedback obtained from constructive dialogue with shareholders and investors with management and related departments and utilize that in our management strategies.

Results of FY2025 activities

We held “information meetings” for shareholders and investors at which the Group CEO explained management strategies and business results. We also held company briefings for individual investors and provided opportunities for the Group CEO and Group CFO to individually engage in dialogue with shareholders and investors in Japan and overseas.

Event	Description	Frequency
Conference call to explain financial results	Quarterly and full-year results	4 times
Information meetings	Group’s overall management strategy and performance	Twice
Thematic meetings	Specific topics of interest to investors and analysts	Twice
Briefing session for individual investors	Industry trends and the Group’s overall management strategy and performance	4 times
Individual meetings with domestic and overseas shareholders and investors	Group’s overall management strategy and performance	289 times

Key dialogue themes and concerns

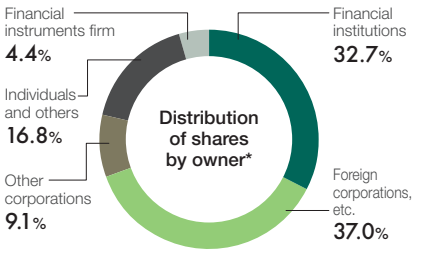
We regularly report to the Group Management Committee and the Board of Directors information regarding shareholders’ and investors’ opinions, their perceptions of our company, and stock market evaluations. By sharing these insights with top management and relevant departments, we use this information to develop and execute management strategies, thereby enhancing our corporate value.

In addition, based on engagement with shareholders and investors, we are accelerating initiatives to improve capital efficiency, including raising ROE and reducing strategic equity holdings.

Theme	Concerns
Profit plan KPIs	• What were the reasons for revising the FY2030 adjusted profit outlook from ¥700 billion to ¥800 billion, and what are the main factors expected to drive the increase? • Is the target ROE level of 15% presented in the Group Vision for FY2030 supported by specific calculations, or is it simply meant to serve as benchmark? • What are the key assumptions that investors should bear in mind regarding adjusted profit of ¥800 billion for FY2026?
Shareholder returns (including ESR)	• The Company has committed to increasing dividends, in principle. Is it reasonable to assume increases of approximately ¥10 at a time? • Please explain the Company’s approach and plans for additional shareholder returns.
Strategic equity holdings and growth investments	• Is it correct to understand that the Company plans to sell approximately ¥1 trillion of strategic equity holdings in total during FY2026 and FY2027? • The measures addressing the supply-demand dynamics of MS&AD shares were discussed at the information meeting. Please provide further details regarding the intent of these. • Is it correct to understand that the Company is not considering any large-scale business investments (involving several hundred billion yen) for the time being?
IFRS	• The transition to IFRS has made it difficult to rebuild valuation models. Will the Company cease disclosing actual results under Japanese GAAP? • Please disclose the amount of adjusted net assets. • In the insurance service result, what does the positive year-on-year impact (+¥111.1 billion) regarding onerous contracts represent?

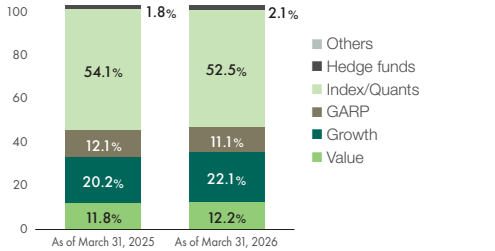
Overview of shareholders and IR activities for investors

Shareholder composition: 32.7% financial institutions; 37.0% foreign corporations, etc.; 9.1% other corporations; and 16.8% individuals and others. We hold regular meetings with shareholders and investors in Japan and overseas and actively engage in “constructive dialogue.” In addition, from the viewpoint of immediate and fair information disclosure, the information meetings were broadcast live in Japanese and English, and we are working to distribute information through English disclosure on our website.



*As of March 31, 2026; excludes shares with less than one unit

Shareholder composition by investment type (Overseas institutional investors)



Information disclosure as a basis for engagement

Website (Japanese/English)

- From the perspective of ensuring fair information disclosure, we promptly disclose IR event materials in both Japanese and English.
- Our website won the top prize at the “Daiwa IR 2025 Internet IR Awards.”





Integrated Report (Japanese/English)

- In FY2025, we explained our achievement for the numerical management targets of the Medium-Term Management Plan (2022–2025), among other things.
- We received the Judges’ Special Award in the WICI Japan Integrated Report Award 2025.
- We received an Excellence Award in the Fifth Nikkei Integrated Report Award.





Shareholders’ Meeting

	14th term	15th term	16th term	17th term	18th term
Date (fixed time)	June 27, 2022 (Monday)	June 26, 2023 (Monday)	June 24, 2024 (Monday)	June 23, 2025 (Monday)	June 22, 2026 (Monday)
Number of shareholders in attendance including shareholders exercising voting rights (including via the Internet)	19,305 persons	21,995 persons	25,961 persons	55,842 persons	112,884 persons
Ratio of the exercise of voting rights	86.9%	84.1%	83.4%	80.5%	81.8%

For more information, visit the Group’s official website.
Investors Website

• Policy on constructive dialogue with shareholders • Financial and non-financial information (timely disclosure materials, securities reports, earnings conference call materials, corporate governance reports, information meeting materials*, and sustainability reports) • Videos of the President’s presentations (including Q&A summaries) • Notice of Convocation of Ordinary General Meetings of Shareholders, etc.

*Including capital costs and initiatives to improve the stock price



Investor meetings conducted by the CFO

CFO Shigeo Kudo actively engages in dialogue with stakeholders, including institutional investors. In FY2025, he held 56 individual meetings with institutional investors, with active discussions taking place at every meeting.

Example Q&A (1)

Institutional investor **What enabled the turnaround at MS Amlin?**

CFO Kudo: After acquiring MS Amlin, losses continued due to a series of major natural disasters and losses from general risks. In response, we took three measures. The first was a review of the organizational structure. (The intermediate holding company structure, which includes the Lloyd's business, the reinsurance business, and the European Continental Underwriting Business, was changed to make three companies directly under MSI.) The second was a change to the management team and underwriters who can realize the portfolio that our company aims for. The third was to build a highly profitable portfolio with low volatility. We will utilize this know-how in restructuring our business in the Americas and position it as a future growth driver.

Example Q&A (2)

Institutional investor **Are there any updates regarding the merger of the domestic non-life insurance companies?**

CFO Kudo: As chair of the Merger Preparation Committee, I meet monthly with the two companies involved in the merger to align their positions. Agreement was reached on the various issues over the past year. We are now at the stage of steadily implementing the agreed matters. System integration presents the greatest risk, and development has been proceeding in stages through the end of September 2025. There may, of course, be issues, but progress is monitored monthly.

Example Q&A (3)

Institutional investor **Are there annual targets for achieving the ¥150 billion reduction in expenses in the domestic non-life insurance business from FY2026 onward?**

CFO Kudo: In the domestic non-life insurance business, we aim to reduce operating expenses by a total of ¥150 billion in FY2030 as a result of the merger, including agency commissions, personnel costs, and property costs. In principle, full-fledged reduction effects will start to emerge in FY2027, the first year of the merger. However, as we have been working on joint and common operations with a view to a merger within the Group, we started to see effects ahead of schedule in FY2025. This does not include the use of AI generation, and we will actively work to add to the reduction effects.

Example Q&A (4)

Institutional investor **Conditions in the domestic non-life insurance business appear favorable, with premium rate increases progressing. What is your overall view of underwriting trends?**

CFO Kudo: The profitability of fire insurance has stabilized as a result of premium rate increases and shorter insurance periods. For voluntary automobile insurance, however, we recognize that further premium rate increases remain necessary. Over the past three years, we have raised premium rates ahead of other companies. We will continue working toward our target automobile insurance combined ratio of 95%.

Example Q&A (5)

Institutional investor **What synergies do you expect from the investment in WRB?**

CFO Kudo: Through our long-standing business relationship with WRB, including sidecar investments, we have developed a strong understanding of its portfolio. By FY2030, we expect to generate ¥100 billion in profit through equity-method earnings and synergies such as profit from sidecar investments and the expansion of WRB's products in Asia.

Example Q&A (6)

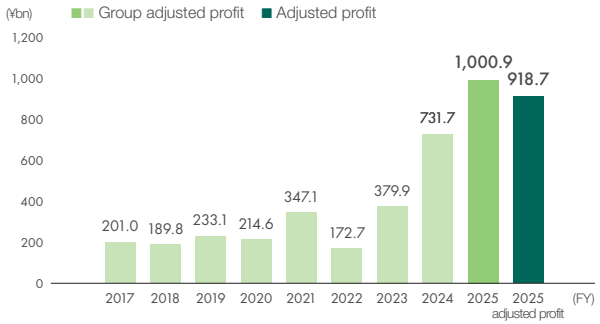
Institutional investor **How do you view the potential for M&A in the specialty insurance sector?**

CFO Kudo: As for growth investments using funds for strategic share sales, large-scale business investments have run their course with investments in WRB and Barings. Going forward, we are considering allocating capital to growth areas in the Americas; bolt-on business investments in Asia, which is our strength; overseas life insurance areas with high cash-generating capacity; and investments that contribute to improving the efficiency of existing businesses through the use of generative AI. We are considering investments that will contribute to the efficiency of existing businesses.

Financial and Non-financial Highlights

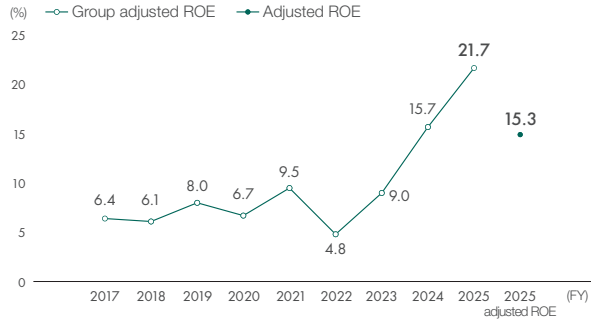
Numerical Management Targets

Group adjusted profit/Adjusted profit*1



This is profit that serves as a source of shareholder returns and is the numerical management target in the Management Plan.

Group adjusted ROE/Adjusted ROE*1



This is one of the numerical management targets and indicates the ratio of the Group adjusted profit/adjusted profit, as shown to the left, in respect to consolidated net assets.

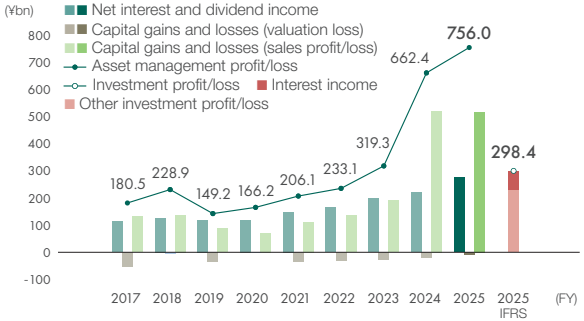
Profitability Indicators

Combined ratio*2 (domestic non-life insurance business)



The combined ratio is a key indicator of profitability for underwriting in the non-life insurance business. Profitability is negative when this indicator exceeds 100% and positive when this indicator falls below 100%.

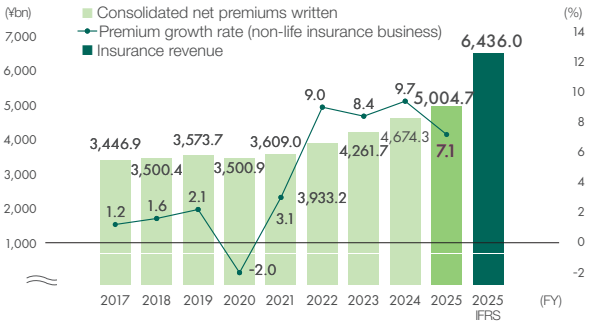
Asset management and investment profit/loss*2 (domestic non-life insurance business)



For non-life insurance companies, this is a major source of earnings, next to insurance underwriting profit/insurance service profit and loss, and consists of components such as interest and dividend income and gains/losses on sales of securities.

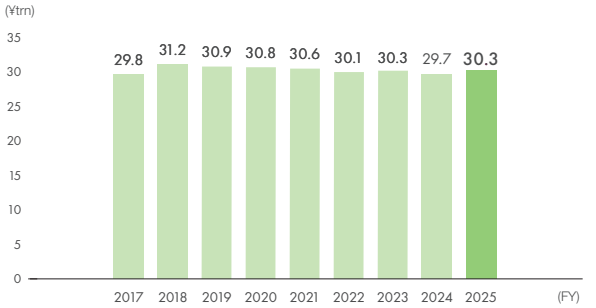
Growth Potential Indicators

Consolidated net premiums written/insurance revenue and premium growth rate (non-life insurance business)



One of the basic indicators of the performance of non-life insurance companies. The premium growth rate indicates growth potential in premium income for the domestic non-life insurance business and international non-life insurance business.

Policies in force*3 (domestic life insurance business)

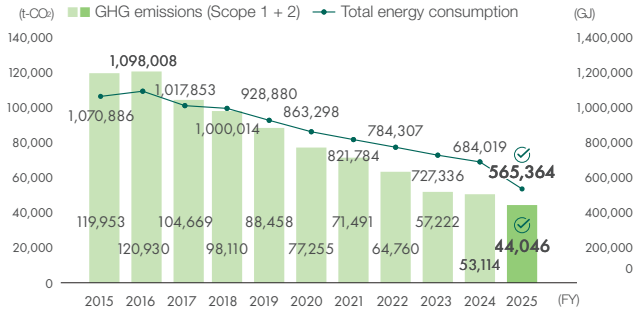


Policies in force are one of the basic indicators of the performance of life insurance companies. It represents the total amount of money guaranteed to policyholders of valid policies at the end of a fiscal year. (See “Glossary of Insurance Terminology” on P.114)

*1 The definitions for adjusted profit and adjusted ROE, which have been identified as numerical management targets, are being reviewed in the management plan for FY2026. (See the “Glossary of Insurance Terminology” on P.114 for details.)
*2 Simple sum of non-consolidated figures for Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance
*3 Total amount of policies in force for individual insurance and individual annuity insurance at MSI Aioi Life and MSI Primary Life

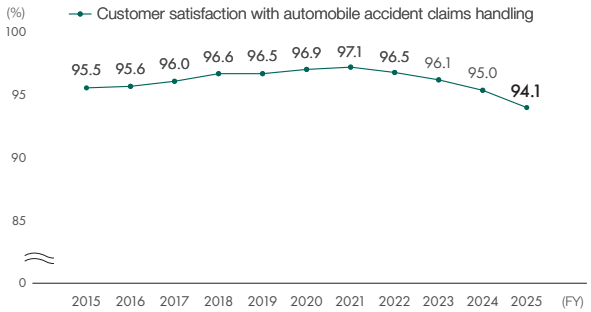
Non-financial Indicators

✓ Greenhouse gas (GHG) emissions and total energy use*4



Reducing GHG emissions will contribute to mitigating climate change, which is a risk to the insurance business. It also contributes to a reduction in business expenses related to energy use.

Customer satisfaction*5



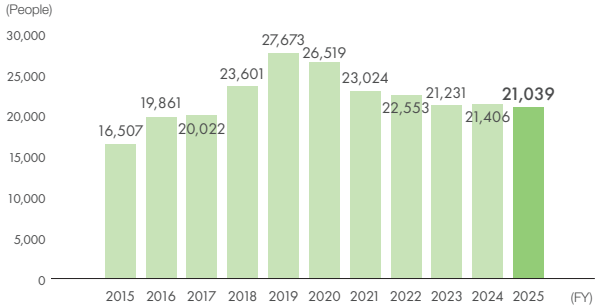
Our growth potential depends on improving customer satisfaction. Along with these indicators, we incorporate customer feedback into quality improvement efforts.

✓ Number and ratio of female managers*6



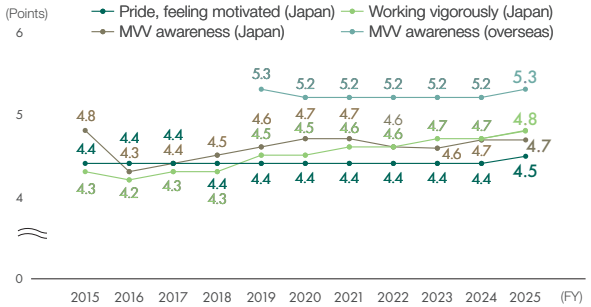
By promoting diversity in the manager position (section managers and above), we believe that greater diversity among managers (section manager level and above) enables us to develop strategies, products, and organizational practices that reflect diverse perspectives and values, thereby enhancing customer satisfaction and growth potential.

Number of employees participating in social contribution activities (domestic)



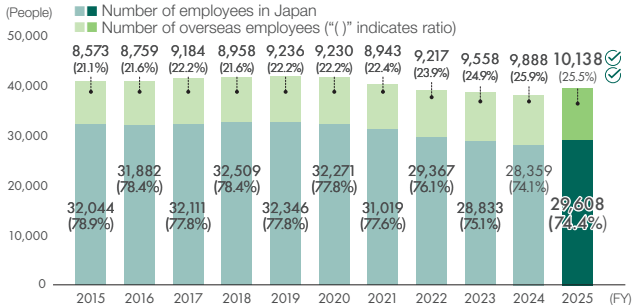
By encouraging employees to voluntarily engage in social contribution activities, we are strengthening our ties with the local community while also fostering employee initiative and cultivating our corporate culture.

Employee satisfaction



Scope: Domestic and overseas Group companies. All-employee average on a 6-point scale.
We consider “mission/vision/value (MVV) awareness” and “pride, feeling motivated” on the part of Group employees to be important elements in achieving sustainable growth in corporate value and always aim to improve these areas.

✓ Number and ratio of global employees



※Japanese standards
Increasing the number of employees from different cultures and with a diverse sense of values, and deepening mutual understanding among employees, leads to stronger organizational capacity for the Group and is a driving force especially in international business development.

*4 For details on the data calculation methodology, please visit our official website: Website
*5 Customer survey choices were streamlined from five options to four in FY2015 and unified within the Group. This figure indicates the ratio of customers who chose the top two options (Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance).
*6 As of April 1 of the subsequent fiscal year for domestic Group companies and as of December 31 for overseas Group companies

11-Year Performance

Key Management Indicators

Japanese GAAP

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Consolidated financial data (¥ million)											
Ordinary income	5,013,038	5,335,239	5,217,835	5,500,438	5,168,361	4,892,244	5,132,042	5,251,271	6,572,889	6,660,813	**7,653,030**
Net premiums written	3,078,732	3,407,389	3,440,976	3,497,572	3,573,732	3,500,996	3,609,052	3,934,473	4,261,736	4,674,301	**5,004,799**
(Net premiums written)*1	(3,078,995)	(3,406,966)	(3,446,940)	(3,500,403)	(3,573,732)	(3,500,996)	(3,609,052)	(3,934,473)	(4,261,736)	(4,674,301)	**5,004,799**
Insurance claims paid (non-life + life)	2,023,599	2,162,773	2,311,295	2,528,145	2,403,833	2,307,722	2,418,385	2,772,451	2,774,237	2,981,393	**2,887,797**
Ordinary profit/(loss)	291,578	352,612	211,548	290,847	157,701	306,524	390,499	231,113	416,440	928,989	**1,120,230**
Net income attributable to owners of the parent	181,516	210,447	154,057	192,705	143,030	144,398	262,799	161,530	369,266	691,657	**787,339**
Comprehensive income/(loss)	-233,116	114,294	311,096	-79,701	-157,288	753,938	310,470	-80,923	1,527,696	-17,284	**1,219,940**
Net assets	2,725,274	2,734,432	2,968,387	2,778,047	2,494,038	3,126,657	3,302,749	3,056,273	4,513,562	4,052,835	**4,825,140**
Total assets	20,303,649	21,234,300	22,472,927	23,132,539	23,196,455	24,142,562	25,033,846	25,000,433	26,960,207	26,241,298	**28,640,815**
Consolidated solvency margin ratio*2	743.3%	872.6%	819.3%	807.3%	781.3%	916.0%	857.9%	777.7%	771.8%	708.7%	-
Equity ratio	13.3%	12.8%	13.1%	11.9%	10.6%	12.8%	13.0%	12.0%	16.6%	15.2%	**16.7%**
Return on equity (ROE)	6.36%	7.78%	5.45%	6.77%	5.50%	5.22%	8.3%	5.2%	9.8%	16.3%	**18.0%**
Combined ratio (domestic non-life insurance)*3	91.6%	92.4%	92.7%	99.4%	95.8%	93.0%	93.3%	98.7%	99.3%	99.4%	**95.0%**
Group core profit*4/Group adjusted profit*5	¥147.5 billion	¥213.7 billion	¥105.1 billion	¥189.8 billion	¥233.1 billion	¥214.6 billion	¥347.1 billion	¥172.7 billion	¥379.9 billion	¥731.7 billion	**¥1,000.9 billion**
Group ROE*6/Group adjusted ROE*7	5.2%	7.9%	3.7%	6.1%	8.0%	6.7%	9.5%	4.8%	9.0%	15.7%	**21.7%**
Per share data (yen)											
Net income per share (basic)	99.57	116.98	86.68	109.57	82.78	85.26	158.17	99.93	231.83	445.52	**528.87**
Net income per share (diluted)*8	-	116.96	86.66	109.53	82.74	85.21	158.10	99.90	231.77	445.45	**528.80**
Group core profit/(loss) per share/ Group adjusted profit*9	80.94	118.79	59.15	107.95	134.97	126.73	208.96	106.86	238.54	471.38	**672.33**
Dividend per share (DPS)	30.00	40.00	43.33	46.66	50.00	51.66	60.00	66.66	90.00	145.00	**160.00**
Book-value per share (BPS)	1,489.86	1,524.27	1,654.88	1,570.70	1,436.12	1,841.80	1,985.07	1,877.98	2,817.00	2,647.01	**3,286.85**
Stock price–related data											
Year-end market price (closing price) (yen)	1,045	1,180	1,118	1,123	1,008	1,083	1,326	1,368	2,711	3,225	**4,032**
Price-earnings ratio (PER) (times)*10	10.50	10.09	12.90	10.25	12.18	12.70	8.38	13.70	11.69	8.42	**7.62**
Price-to-book ratio (PBR) (times)*10	0.70	0.77	0.68	0.72	0.70	0.59	0.67	0.73	0.96	1.22	**1.23**
Dividend yield*10	2.9%	3.4%	3.9%	4.2%	5.0%	4.8%	4.5%	4.9%	3.3%	4.5%	**4.0%**
Annual total shareholder return (TSR)*11	-4.9%	16.7%	-1.6%	4.6%	-5.8%	12.5%	28.0%	8.2%	104.8%	24.3%	**30.0%**
Stock price volatility (annual rate)*12	41.0%	36.9%	19.7%	16.2%	19.4%	23.2%	21.7%	23.7%	27.2%	39.0%	**30.1%**

IFRS

	FY2025
Consolidated financial data (¥ million)	
Insurance revenue	**6,436,026**
Insurance service result	**525,444**
Financial result	**261,099**
Profit attributable to owners of the parent	**510,612**
Total comprehensive income	**1,493,364**
Total equity	**6,481,239**
Total assets	**29,592,153**
Consolidated solvency margin ratio*2	-
Ratio of equity attributable to owners of the parent	**21.7%**
Return on equity attributable to owners of the parent (ROE)	**8.7%**
Combined ratio (domestic non-life insurance)*3	**93.6%**
Adjusted profit*13	**918,779**
Adjusted ROE*14	**15.3%**
Per share data (yen)	
Basic earnings per share	**342.98**
Diluted earnings per share	**342.94**
Adjusted profit per share	**617.16**
Equity attributable to owners of the parent per share (BPS)	**4,424.60**
Stock price–related data	
Price-earnings ratio (PER) (times)*10	**11.76**
Price-to-book ratio (PBR) (times)*10	**0.91**

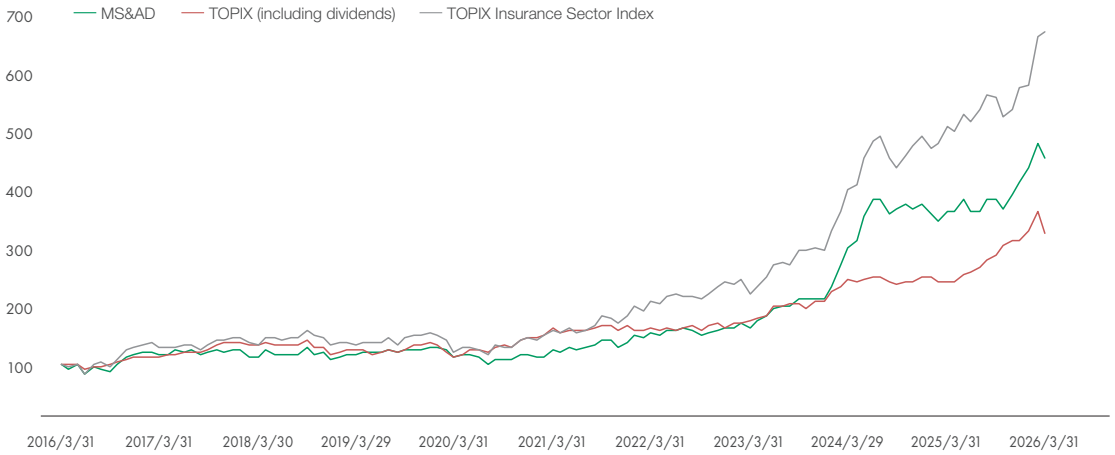
*1 Figures are presented exclusive of the Good Results Return premiums of Mitsui Sumitomo Insurance's proprietary automobile insurance product "ModoRich," which contains a special rider for premium adjustment and refund at maturity.
*2 Consolidated solvency margin ratios have been calculated from FY2011 reflecting the revision of the Insurance Business Act, etc. The calculation standards were revised beginning with the FY2025 results, including a transition to an economic value-based assessment method and the introduction of more rigorous risk assessment methods. The FY2025 figure is scheduled to be disclosed by the end of October 2026 in accordance with the Insurance Business Act and related regulations.
*3 Simple sum of non-consolidated figures of Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance
*4 Group core profit = Consolidated net income – Net capital gains/losses on stock (e.g., gains/losses on sales) – Net evaluation gains/losses on credit derivatives – Other incidental factors + Equity in earnings of the non-consolidated Group companies (before FY2017)
*5 Group adjusted profit = Consolidated net income + Provision for catastrophe loss reserve and others – Other incidental factors (e.g., amortization of goodwill and other intangible fixed assets) + Equity in earnings of the non-consolidated Group companies (from FY2018)
*6 Group ROE = Group core profit / Consolidated net assets (average of beginning and ending amounts excluding stock acquisition rights and non-controlling interest) (before FY2017)
*7 Group adjusted ROE = Group adjusted profit / Average of beginning and ending amounts on the B/S of adjusted net assets (Consolidated net assets + Catastrophe loss reserve and others – Goodwill and other intangible fixed assets) (from FY2018)
*8 Net income per share (EPS) and diluted EPS disclosed. Diluted net income/(loss) per share data before FY2015 are not disclosed because there was no potential dilution during that period.
*9 Group core profit/(loss) per share (before FY2017) or Group adjusted profit/(loss) per share (from FY2018)
*10 Stock price–related indicators are based on the market price of the stock at the end of the fiscal year.
*11 Total shareholders' return is calculated as follows: (Fiscal year-end stock price – Previous fiscal year-end stock price + Annual dividends) / Previous fiscal year-end stock price
*12 Stock price volatility is the annualized standard deviation of returns based on daily closing prices.
*13 Adjusted Profit = Net income + Gains/losses on sales of strategic equity holdings and pure investment equities – Impact of market fluctuations – Impact of deferred acquisition costs – Other special factors (including goodwill impairment)
*14 Adjusted ROE = Adjusted profit / Adjusted net assets (IFRS net assets – Unrealized gains/losses (AOCI) – Goodwill and other intangible assets related to business combinations)

Japanese GAAP	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Capital management policy data (¥ million)											
Total dividends	54,447	71,489	77,014	81,720	85,770	86,995	99,088	107,140	143,348	221,331	**235,617**
Dividend payout ratio (consolidated)	30.1%	34.2%	50.0%	42.6%	60.4%	60.6%	37.9%	66.7%	38.8%	32.5%	**30.3%**
Aggregate amount of repurchase*15	19,996	29,938	29,981	31,972	34,999	34,999	74,999	19,999	199,999	144,999	(Maximum) ¥325 billion
[Average repurchase price (yen)]*16	[1,014]	[1,246]	[1,146]	[1,160]	[1,135]	[1,095]	[1,346]	[1,706]	[3,180]	[3,254]	-
Shareholder return ratio*17	50.4%	47.7%	101.8%	60.0%	52.0%	57.0%	50.0%	74.0%	90.0%	50.0%	**(Plan) 56.0%**
Non-financial data											
Customer satisfaction (accident response of automobile insurance)*18	95.5%	95.6%	96.0%	96.6%	96.5%	96.9%	97.1%	96.5%	96.1%	95.0%	**94.1%**
Number of employees	40,617	40,641	41,295	41,467	41,582	41,501	39,962	38,584	38,391	38,247	**39,746**
[of which at consolidated overseas subsidiaries] ✓	[8,573]	[8,759]	[9,184]	[8,958]	[9,236]	[9,230]	[8,943]	[9,217]	[9,558]	[9,888]	**[10,138]** ✓
Number of female managers*19 (domestic) ✓	449	551	613	782	944	1,017	1,054	1,138	1,278	1,488	**1,603** ✓
Number of employees participating in social contribution activities (domestic)	16,507	19,861	20,022	23,601	27,673	26,519	23,024	22,553	21,231	21,406	**21,039**
Greenhouse gas emissions (Scope 1 + 2)*20 ✓	119,953 t-CO_2	120,930 t-CO_2	104,669 t-CO_2	98,110 t-CO_2	88,458 t-CO_2	77,255 t-CO_2	71,491 t-CO_2	64,760 t-CO_2	57,222 t-CO_2	53,114 t-CO_2	**44,046 t-CO_2** ✓

✓ A check mark indicates that FY2025 figures have been assured by KPMG AZSA Sustainability Co., Ltd.

*15 The total amount of share buybacks in FY2025 is up to ¥325 billion (maximum). Of this amount, ¥135 billion has already been acquired. The acquisition period for the remaining ¥190 billion (maximum) is from May 21, 2026, to November 18, 2026 (resolved at the Board of Directors meeting held on May 20, 2026).
*16 The average acquisition price for FY2025 is not stated because the share buyback is still in progress.
*17 Shareholder return ratio = (Dividends applicable to the fiscal year (paid in December of that year and June of the following year) + Value of share repurchases during the period through the time of the general shareholders' meeting in the following fiscal year) / Group core profit for the fiscal year (from FY2018: Group adjusted profit)
*18 Ratio of customers satisfied with accident response for automobile insurance (Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance). From FY2015, the client survey was modified from five stages to four stages.
*19 Number of female employees in positions of manager or higher (as of April 1 of the subsequent fiscal year for domestic Group companies)
*20 For details on the data calculation methodology, please visit our official website: Website

Total shareholder return (TSR) over the past 10 years



	1 Year		3 Years		5 Years		10 Years	
	Annualized	Cumulative	Annualized	Cumulative	Annualized	Cumulative	Annualized
MS&AD	30.0%	223.4%	47.9%	320.5%	33.3%	357.8%	16.4%
TOPIX	34.6%	87.4%	23.3%	102.2%	15.1%	228.2%	12.6%
TOPIX Insurance Sector Index	31.8%	205.3%	45.1%	326.6%	33.7%	576.2%	21.1%

- The graph shows the fair value (investment performance) of investments at each point in time, with the investment amount as of March 31, 2016, set as 100.
- We have calculated our total shareholder return (TSR) based on the accumulated amount of dividends and the share price. Moreover, when accumulating dividends, the amount of dividends prior to the stock split is calculated using detailed figures without rounding fractional amounts.
- Returns for TOPIX data are calculated using the index including dividends.
- Rates of return beyond one year are converted to annualized rates of return by averaging over multiple years.

Source: Calculated by MS&AD Holdings based on data from Bloomberg