

June 14, 2024

Name of Listed Company: MS&AD Insurance Group Holdings, Inc.
Name of Representative: Noriyuki Hara, President & CEO
(Securities Code: 8725, Tokyo Stock Exchange and Nagoya Stock Exchange)
Contact: Corporate Communications and Investor Relations Dept.
<https://www.ms-ad-hd.com/en/ir/contact.html>

Submission of the Progress Report of Business Improvement Plan by subsidiaries of MS&AD Insurance Group Holdings to the Financial Services Agency

Mitsui Sumitomo Insurance Co., Ltd. ("MSI", President: Shinichiro Funabiki) and Aioi Nissay Dowa Insurance Co., Ltd. ("ADI", President: Keisuke Niiro), subsidiaries of MS&AD Insurance Group Holdings, Inc. ("the Company"), today submitted to the Financial Services Agency of Japan ("FSA") the Progress Report of Business Improvement Plan in response to the administrative actions (Business Improvement Order) issued by FSA on December 26, 2023.

For the outline of the reports, please refer to the materials released by MSI and ADI on the links as below.

The Company, MSI and ADI continue to take this situation seriously and sincerely apologize for the great concern and inconvenience caused to customers and other stakeholders. We will devote all our efforts to improving our business operation to prevent recurrence, and strive to restore trust from all the stakeholders.

The following is a summary of the progress and status related to the improvement of our management system, which is described in the business improvement plans of MSI and ADI, as follows. Under the supervision of Board of Directors, the Company will supervise and provide guidance for the implementation of the business improvement plans released by both companies.

[Progress and status related to the improvement of our business management system]

- In order to detect risks inherent in the Group and respond autonomously, the Company have established the Group Risk Management Committee, in which relevant officers of the Company and the domestic insurance companies in the Group participate, and the Group Risk Review Working Group, in which all divisions of the Company participate (both of which include outside experts).
- In order to consolidate knowledge within and outside the Group and strengthen the functions of audit & supervisory board, audit & supervisory board member (including an outside audit & supervisory board member) of the Company and the domestic insurance companies in the Group have decided to establish the Group audit & supervisory board member meetings for discussion and exchange of opinions, and to hold these meetings in the first and second half of the FY2024.
- As matters that require reporting from group companies to the Company, we have included matters related to "identification of the risks (forecast and detection), assessment of the risks and necessary response" and "cultivation of a sound corporate culture" shall be stipulated in the Rules of the Group management supervision contracts and Director Association of the Company to strengthen the system for timely and appropriate reporting of important management matters of group companies.
- In order to strengthen governance in conjunction with group companies, the Company commenced participation as an observer in the management meetings of MSI and ADI.
- In order to strengthen the auditing function of the Internal Audit Department, the Company reorganized and newly established the organization to improve Risk sensitivity and strengthen monitoring the entire Group.
- In order to build a more robust compliance promotion system as a group, the Company revised its compliance program and added "promotion of compliance education and training for thorough compliance" and "Strengthening of internal control system for compliance with the Antimonopoly Act."

[The progress reports of Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance Reports]

○Mitsui Sumitomo Insurance

(https://www.ms-ad-hd.com/en/news_group/news_group20240614_2.html)

○Aioi Nissay Dowa Insurance

(https://www.ms-ad-hd.com/en/news_group/news_group20240614.html)

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