

MS & AD

SUSTAINABILITY

REPORT 2023



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Sustainability Report 2023

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CEO Message

The MS&AD Insurance Group (hereinafter "Group") pledges in its Corporate Philosophy (Mission) "to contribute to the development of a vibrant society and help secure a sound future for the planet by enabling safety and peace of mind through the global insurance and financial services business." The Group, in collaboration with its stakeholders, has been making steady progress toward realization of a "resilient and sustainable society" through its contributions to resolution of social issues and the Creating Shared Value (CSV) initiative.

In the Medium-term Management Plan, (FY2022-2025), we state our aim to be a corporate group that will grow together with society as a Platform Provider of Risk Solutions and will support the achievement of a resilient and sustainable society. To realize the Group's vision, we have established three basics: "Value (Creation of value)," "Transformation (Business reforms)" and "Synergy (Demonstration of Group synergy)."

With regard to "Sustainability," we have positioned this as the fundamentals that support basic strategies. The Group has been promoting initiatives, focusing on realization of three materialities "Planetary Health (Symbiosis with global environment)," "Resilience (Safe and secure society)," and "Well-being (Happiness of diverse people)," which are highly important for both the Group and our stakeholders.

In relation to "Planetary Health (Symbiosis with global environment)," we have been carrying out initiatives centering on "Net-zero Carbon Emissions (Decarbonization/action on climate change)" and "Nature Positive (Enhancement of sustainability of natural capital)," which are closely interrelated. Our Group has set a goal of reducing its greenhouse gas emissions to net zero by FY2050 and implementing initiatives to reduce its environmental impact. As a specific initiative, through the MS&AD Green Earth Project, the Group's unique environmental management system, we are actively promoting initiatives to reduce the environmental impact of our business activities, including efforts to reduce greenhouse gas emissions. Furthermore, through insurance and consulting services, we will continue to support the development of a sustainable society by providing countermeasures against the impact of extreme weather events caused by climate change on business activities and developing products and services that contribute to the transition to a net-zero society. The Taskforce on Nature-related Financial Disclosures (TNFD) was established in June 2021 to create an information disclosure framework and guide global financial flows toward positive outcomes for nature. We also lead as the convener of the TNFD Japan Council. By providing solutions and products that help improve the sustainability of natural capital, the Group will build a sustainable relationship between natural capital and business activities and contribute to living in a global environment. For "Safe and secure society (Resilience)," in addition to accident prevention and mitigation, we are promoting initiatives to address new risks with the aim that our activities will lead to regional revitalization (building resilient and inclusive local communities). We are also seeking to contribute to the stable development of society through providing products/services that respond to new risks associated with progress in innovation and changes in industrial structure. For example, the Group provides solutions to prepare for risks through consulting by MS&AD InterRisk Research & Consulting, which has advanced research and study functions and practical consulting capabilities. In addition, to support preparing for automobile accidents, natural catastrophes, large-scale earthquakes, and infectious diseases, such as the novel coronavirus, we will visualize risks through data analysis and AI and provide problem-solving tools, thereby contributing to realizing a safe and secure society. Furthermore, to build such a society, we will conduct joint research with government agencies and universities on accident prevention and mitigation, and provide new services as a result of our research.



In order to address the issue "Happiness of diverse people (Well-being)," we have been promoting initiatives, centering on "Adaptation to a society of healthy longevity," "Respect for human rights" and "Improvement of employee engagement." For "Society of healthy longevity," we are committed to promoting good health so that people can remain active throughout their entire lives, providing the means to build assets that support a fulfilling "second life," and helping to develop business activities that lay the foundations for a super-aging society.

Regarding "Promotion of respect for human rights," we will promote initiatives by introducing human rights due diligence, covering the Group and its business partners. For "Improvement of employee engagement," we are focusing on re-skilling, recurrent training, securing professional human resources, and promoting their active engagement. We are also implementing digital human resource development programs. In addition, we are implementing global human resources development programs to create a system for improving our international awareness and global business skills. We are also providing more opportunities for self-directed career development through expanded use of the open recruitment system (post-challenge program) and utilization of free agent programs whereby employees can promote themselves to departments of their choice.

In addition to these initiatives, to create an environment in which diverse employees can genuinely demonstrate their abilities and to create innovations and enhance corporate value, we have incorporated the perspective of "equity" into "Diversity & Inclusion (D&I)," and we are promoting it as "DE&I." For the career development of women, we will expand opportunities for women to play an active role and develop the pipeline to achieve the Group's target by the end of FY2030.

Recently, in addition to the increasing severity of natural disasters due to expansion of the pandemic and to global warming, several risks such as those of a geopolitical nature have emerged. In these uncertain times, we are committed to demonstrating our true potential as a "risk solutions platform provider" and fulfill our mission as an insurance and financial group that supports society.

October 2023

President & CEO



Noriyuki Hara

CSuO Message

Increasingly diverse and complex social issues

In recent years, various risks have clearly emerged to disrupt society's safety and security, such as the spread of infectious diseases, geopolitical risks, intensifying natural disasters, and advances in digital technology. In addition, the COVID-19 pandemic triggered changes in people's sense of values and lifestyles, and the expectations and needs of customers and other stakeholders have become more diverse. Furthermore, global issues such as climate change and political and geopolitical factors are involved, whereas social issues are becoming increasingly complex.

MS&AD provides products and services to solve social issues through three approaches, starting with identifying such risks before anyone else and informing customers and society and adding functions to prevent risks and to reduce the impact of risks.



MS&AD's important social issues and partnerships

MS&AD has identified three social issues that are important to both our stakeholders and the Company: symbiosis with the global environment (Planetary Health), a safe and secure society (Resilience), and happiness of diverse people (Well-being).

Although the three might appear to be separate issues, they are deeply interconnected and need to be approached holistically.

The SDGs Wedding Cake Model proposed by the Stockholm Resilience Centre is a model that illustrates how the 17 SDGs are made up of three layers, which are closely related to each other. At the top of cake sits "Let's achieve our goals through partnerships," which indicates that partnerships are essential to solving increasingly complex social issues.



Translated into key social issues for MS&AD, the happiness of diverse people is made possible by a safe and secure society, which in turn has as its base symbiosis with the global environment, or the natural environment necessary for people to live in.

For example, MS&AD is working with local governments, researchers, and local NPOs on the MS&AD Green Earth Project to restore and preserve the natural environment, in which employees and their families participate. By restoring natural capital and increasing biodiversity, the project aims to reduce damage from floods, which are becoming more frequent and severe, and to contribute to regional development by creating a safe and secure society. It is a nature-based solution put into practice, which solves problems by utilizing the blessings of nature.

Achieving CSV in employees' daily work

MS&AD has continually made sustainability and CSV (Creating Shared Value with society) the pillars of its strategy since fiscal 2018, incorporating CSV into the organization's annual plans, promoting initiatives, and reviewing the results. The cycle has been shared throughout the Group and is now deeply woven into the sense of values of all Group employees. In the annual Sustainability Contest held as a part of the review process, approximately 2,000 initiatives have been reported to date, making tangible contributions to solving social issues.

We believe steadily running this cycle and advancing it through partnerships with stakeholders is the only path to the resilient and sustainable society that the Group aims for and will bring about the well-being of every employee.

October 2023

Naomi Motojima
Managing Executive Officer
Group Chief Sustainability Officer (CSuO)



Activities in the Kuma River basin, Kumamoto Prefecture. Learning from the damage caused by the torrential rains in 2020, this project will work to reduce flood damage by conserving wetlands upstream to improve biodiversity while enhancing rainwater storage

MS&AD Insurance Group and Sustainability



[Our Sustainability Approach](#)



[MS&AD's Story of Value Creation and Business Models](#)



[Targets \(KPI\) and Results](#)



[ESG Integration and Sustainability Approach](#)



[Communication with Stakeholders](#)



[Initiatives](#)



Our Sustainability Approach

The MS&AD Insurance Group has set Mission, Vision, and Values in order to clarify how the Group should be. Furthermore, we have accelerated initiatives based on our sustainability approach to achieve our mission.

Our Mission

To contribute to the development of a vibrant society and help secure a sound future for the planet, by enabling safety and peace of mind through the global insurance and financial services business

Our Vision

To create a world-leading insurance and financial services group that consistently pursues sustainable growth and enhances corporate value

Our Values

Customer focus, integrity, teamwork, innovation, professionalism

Perspective of Sustainability of the MS&AD Insurance Group

The MS&AD Insurance Group will create shared value and aim toward a resilient and sustainable society through corporate activities that implement "Story of Value Creation," in order to realize our Corporate Philosophy (Mission).

We will consistently strive for supreme quality that lives up to the trust and expectations upon us, and together with our stakeholders, continue to contribute to the creation of society where everyone can pursue a stable life and take on dynamic business activities, while preserving the sustainability of the global environment and society.

(Basic Policies on Corporate Governance, Chapter 2 Section 2)

Business Activities with Consideration for Sustainability

The MS&AD Insurance Group, as insurance and financial services group which provides safety and peace of mind conduct business activities with consideration for sustainability.

We aim to enhance corporate value by contributing to solutions for sustainability issues (also known as environmental, social and governance (ESG) issues) with profound understanding through stakeholder engagement.

- Our underwriting considers issues and risks that would have a negative impact on society and the global environment. In addition, we provide products and services that respond to the demand of society.
- Our investments consider ESG factors in pursuit of long-term returns and contribution to solutions for sustainability issues.

"Action on Climate Change", "Improving Sustainability of Natural Capital" and "Respect for Human Rights" that require urgent actions are the Group's priorities.

We will disclose our initiatives, in line with global disclosure standards.

[Action on Climate Change]

- We contribute to climate change mitigation and adaptation as climate change may bring material impacts on our lives and ecosystems and pose substantial risks to the insurance industry.
- The establishment and implementation of innovative technologies to reduce greenhouse gas emissions, as well as next-generation energy (renewable energy, hydrogen, etc.) and the carbon recycle, are essential to achieving the goals of the Paris Agreement. We will promote engagement with our business partners and other stakeholders, and actively work to provide new risk solutions and make investments to support the transition to a net-zero society.

- We will not newly provide insurance for, nor make investments in coal-fired power plants or thermal coal mines*1.
- We will not newly provide insurance for oil and gas extraction and coal-mining projects*3 by companies whose primary business is coal*2. We will not newly provide insurance for, nor make investments in oil sands mining and oil and gas extraction projects in the Arctic*3.
- We have established medium- and long-term targets for the green house gas emissions reduction from our business processes and our business partners and the renewable energy usage ratio, and are working to reduce green house gas emissions.

< Greenhouse gas Emission Reduction >

Scope		FY2030	FY2050
Scope 1, 2		-50% (Base year: FY2019)	Net Zero
Categories 1, 3, 5, 6, 7, 13		-50% (Base year: FY2019)	
Scope 3	Underwriting/Investments	We, through engagement with clients, share challenges they have in reducing GHG emissions. We work together with them towards reduction of GHG emissions with solution proposals.	
		-37% (Base year: FY2019) (Key Japanese domestic corporate clients)	

Scope 1 is for direct emissions from our group, such as gasoline from company-owned vehicles.

Scope 2 is for indirect emissions from the use of electricity and gas.

Scope 3 is for indirect emissions by our group's operations other than those in Scope 2.

<Renewable Energy Use>

FY2030	FY2050
60%	100%

[Improving Sustainability of Natural Capital]

- Natural capital is the foundation that supports our society and economy. As its conservation and sustainable use is essential to the economic development and prosperity of society, we take initiatives to conserve biodiversity and improve sustainability of natural capital.
- We will carefully determine whether or not to provide insurance or make investments in the following businesses that may have negative impacts on the environment and local communities, while taking into account the businesses' consideration for the environment and society.
 - New construction of coal-fired power plants and coal mines, oil-fired power plants and oil fields, oil sand mining, and gas fields
 - New construction of hydroelectric power plants
 - New agriculture, forestry and fisheries projects involving large-scale development in unexplored areas
 - Projects that could destroy natural and cultural heritage sites protected under the UNESCO Convention for the Protection of World Heritage Sites and wetlands protected under the Ramsar Convention

[Respect for Human Rights]

- As respecting human rights is the foundation of a safe society where one can enjoy peaceful lives, we conduct our business activities with respect for human rights.
- We will not provide insurance for, nor make investments in cluster munitions that may kill large numbers of people at once and biological and chemical weapons, and anti-personnel mines that may cause indiscriminate mass killing.
- We will carefully determine whether or not to provide insurance or make investments in the businesses which may violate human rights of indigenous people or local communities, while taking into account the businesses' consideration for the environment and society.

The Board of Directors and the Sustainability Committee hold discussions on the policies, plans, and the progress initiatives for the aforementioned Business Activities with Consideration for Sustainability. We keep the highly transparent disclosure and engage in dialogue with stakeholders. Revision and /or modification may be applied when necessary.

MS&AD Insurance Group participates in the following initiatives.

- Paris Pledge for Action
- United Nations Global Compact (UNGC)
- United Nations Environment Programme – Finance Initiative (UNEP FI) (Principles for Sustainable Insurance (PSI), Natural Capital Finance Alliance (NCFA))
- Principles for Responsible Investment (PRI)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Taskforce on Nature-related Financial Disclosures (TNFD)
- Partnership for Carbon Accounting Financials (PCAF)
- Japan Climate Initiative (JCI)
- Principles for Finance Action towards a Sustainable Society (Principles for Financial Action for the 21st Century)
- Japan Business Initiative for Biodiversity (JBIB) etc.

*1 : Existing coal fired power plants and thermal coal mines with technologies and techniques aiming to achieve the goals of the Paris Agreement might be handled after careful consideration.

*2 : Companies that derive at least 25% of their revenues from coal-fired power generation, thermal coal mines or companies that generate at least 25% of their energy from coal.

*3 : Projects and companies planning to decarbonize to achieve the goals of the Paris Agreement are exempted.

MS&AD's Story of Value Creation and Business Models

The MS & AD Insurance Group's business model, "The Story of Value Creation," is centered on the insurance business, a highly public business that solves social issues and provides value to society. At the same time, we ourselves pursue the value of sales and profits.

As an insurance and financial service provider, our Group anticipate a wide range of risks, including accidents and disasters, and provides coverage in the event of an emergency based on our concept of sustainability. In addition, in order to lessen the occurrence of risks, we commit to solving social issues that cause risks. We will realize the creation of common value with society through our activities by identifying and communicating risks, preventing the emergence of risks and reducing their impact, and reducing economic burdens. This is our Group's business model.

- > Our Sustainability Approach
- > MS&AD's Story of Value Creation
- > Our Value Creation Approach

Our Aim: The Group which Supports a Resilient and Sustainable Society

In its medium-term management plan (2022 – 2025), the Group aims to be a "Group which supports a resilient and sustainable society" that will grow together with society by contributing to the resolution of social issues as a platform for risk solutions based on our story of value creation. To put our Group's management concept into practice, we will support the creation of a surroundings where customers can live and conduct business activities with peace of mind by addressing social issues and providing products and services based on our company's business model.

A corporate group that supports a resilient and sustainable society

As a platform provider of risk solutions,

we will help solve climate change and other social issues, while growing together with society.

- In addition to covering economic losses, seamlessly provide products and services before and after coverage and protection.
- Offer optimal solutions through marketing, underwriting, payment services and risk consulting that utilize digital technologies.

Story of Value Creation

By facing social issues and providing products and services through our business model to realize our mission, we will help create an environment where customers can live and conduct business in a secure manner.

Our Management Philosophy (Mission)

To contribute to the development of a vibrant society and help secure a sound future for the planet, by enabling safety and peace of mind through the global insurance and financial services business

Our Business Model



Identifying Materiality

Our group selects social issues that need to be resolved, taking into account common global goals and international guidelines and frameworks. It then evaluates the impact on stakeholder's decision-making and the impact on our Group's business, and identifies those that are of greater importance to both parties as our materialities.

[STEP 1] Analysis of social issues

In order to accurately grasp the issues that society needs to solve, we have identified social issues based on the SDGs (Sustainable Development Plans), ISO 26000, international guidelines, frameworks, reports, etc., which are common global goals.

Social issues are extracted from the following.

- Issues that must be addressed internationally (Global Risk Report, SDGs, etc.)
- Issues specified by international guidelines requiring companies to respond to and disclose information (ISO 26000, GRI Standard, SASB, DJSI, CDP, etc.) *
- Issues identified in reports published by domestic government agencies and national and international organizations (Relevant Ministries, Non-Life Insurance Associations, Swiss Re Sigma Report, etc.)

1	Acceleration of global warming	8	Aging population and declining birthrate	15	Price instability
2	Damage to natural capital (Ecosystem degradation and crisis)	9	Human rights violations and exclusion of diversity	16	Hunger and food crisis
3	Environmental pollution and non-circular economy	10	Increasing poverty and inequality	17	Debt crisis
4	Emergence of new risks	11	Customer Responsibility	18	Frequent and spreading regional conflicts and terrorism
5	Spread of infection	12	Compliance	19	Disillusionment among young people
6	Large-scale earthquake	13	Corporate Governance	20	Commodity-shock
7	Decline of local industry	14	Human Capital	21	Immigration problems

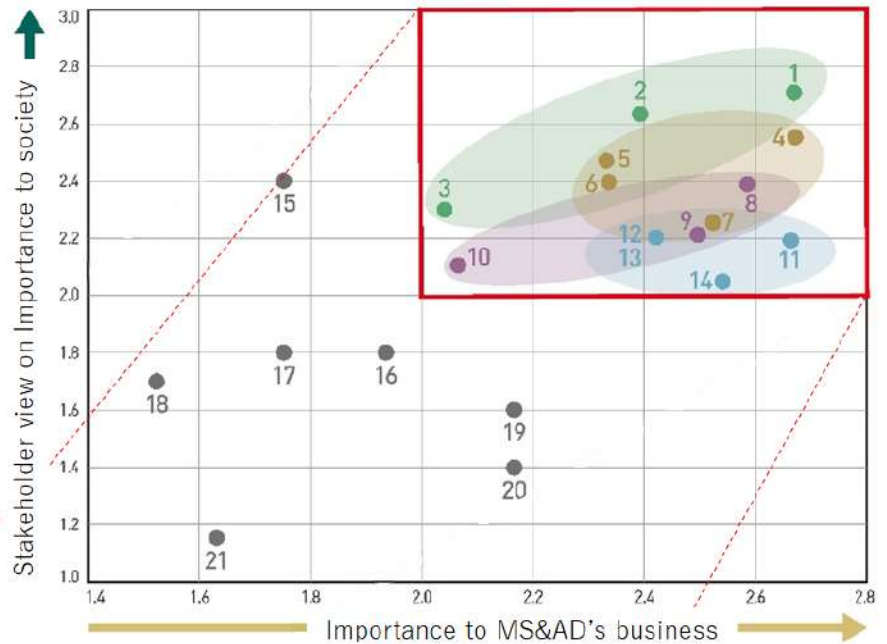
[STEP 2] Identification of priority issues

With regard to our group's business activities aimed at resolving social issues, we analyzed items that have a significant impact on stakeholder evaluations and decision-making, and items that have a significant impact on our group's long-term risks and opportunities. We identified three priority issues that are of high importance to both stakeholders and our company *.

*In evaluating our stakeholders, we use surveys of customers and agents, dialogues with shareholders, dialogues with investors and lenders, and employee engagement to investigate and analyze social issues that need to be resolved and expectations for our company.

■ We have analyzed social issues from two perspectives: (1) the impact of our company on society (stakeholder view on importance to society); and (2) the impact of society on our company (importance to our business).

■ We have sorted out the issues that are more than 2.0 in importance for stakeholders and our company, and set the materiality.



1	Acceleration of global warming	Planetary Health
2	Damage to natural capital (Ecosystem degradation and crisis)	
3	Environmental pollution and non-circular economy	
4	Emergence of new risks	Resilience
5	Spread of infection	
8	Large-scale earthquake	
7	Decline of local industry	Well being
8	Aging population and declining birthrate	
9	Human rights violations and exclusion of diversity	
10	Increasing poverty and inequality	
Core Initiatives		
11	Customer Responsibility	Quality Human Resources ERM
12	Compliance	
13	Corporate Governance	
14	Human Resources	

[STEP 3] Main Initiatives for the Priority Issues


These three priority issues are recognized as our challenges for CSV (Creating Shared Value) in order to clarify our intention to address them as initiatives that create value for both society and the Group. Main initiatives are as follows. Furthermore, the goals that we aim to achieve through solving these issues are aligned with SDGs.

Priority Issues

Priority issues	Social issues	Main initiatives
<p>Symbiosis with global environment (Planetary Health)</p>	<ul style="list-style-type: none"> • Global warming • Damage to natural capital • Environmental pollution • Linear economy 	<ul style="list-style-type: none"> • Action on climate change — Aiming for net zero carbon emissions by 2050 • Improvement of sustainability of natural capital
<p>Safe and secure society (Resilience)</p>	<ul style="list-style-type: none"> • Emergence of new risks • Major earthquakes • Spread of infectious diseases • Decline of regional industry 	<ul style="list-style-type: none"> • Measures to address new risks • Loss prevention/mitigation • Regional revitalization — Creation of a resilient and inclusive society
<p>Happiness of diverse people (Well-being)</p>	<ul style="list-style-type: none"> • Aging population and declining birthrate • Human rights violations • Elimination of diversity • Poverty and widening income disparity 	<ul style="list-style-type: none"> • Adaptation to a society of healthy longevity • Promotion of respect for human rights • Improvement of employee engagement


[STEP 4] Board approval

Materiality assessment results and the Priority Sustainability Issues of the Medium-term Management Plan are signed off by Board of Directors, and are disclosed to stakeholders through information sharing meetings and to employees through briefing sessions.

[➤ Risks, Opportunities and Initiatives \(PDF\)](#) 

Targets and Results

We have set Key Performance Indicators (KPI) targets to promote Sustainability initiatives.

 Key Performance Indicators (KPI)


Impacts of CSV Initiatives

We estimate both the "impact on society" and the "economic impact on our Group" from CSV initiatives.

 Impact

ESG Integration

The MS&AD Insurance Group has established its sustainability approach, which it upholds as a collection of strategies for ESG issues. In all of its corporate activities, including the development and provision of products and services and investments and loans, the Group takes sustainability into account, including factors such as environment, society, and corporate governance (ESG).

 ESG Integration

Management Structure

Strategies and plans for sustainability-related initiatives are discussed at the Board of Directors meetings and quarterly Committee Meetings. The Sustainability Committee comprises of members that include presidents, officers in charge of planning and risk management, outside directors of the Company and the Group's domestic insurance companies, and discusses considerations for sustainability issue in all business activities. The details of the Sustainability Committee's discussions are reported to the Board of Directors and the Management Committee.

Targets (KPI) and Results

Key Performance Indicators (KPI) in the Medium-Term Management Plan to Promote Our Sustainability Initiatives

KPI


Materiality	Metrics	Group Targets	FY2022 Achievement
Planetary Health	GHG emissions reduction rate (Scope 1+2)	FY2030 ▲50% vs FY2019 FY2050 Net Zero	▲26.8%
	GHG emissions reduction rate (Scope 3)	FY2030 ▲50% vs FY2019 Category :1、3、5、6、7、13 FY2050 Net Zero Category :All Categories	▲26.9%
	Renewable energy usage rate	FY2030 60% FY2050 100%	21.1% (*1)
	Premium growth rate of products which contribute to decarbonization and circular economy	FY2025 Annual average of 18 %	17.9%
Resilience	Rate of increase in the number of underwritten policies for products which help improve the resilience of society	FY2025 Annual average of 20%	29.4%
	Instances of support for the resolution of issues faced by regional companies (Consulting services, training/seminars)	FY2025 10,000 instances a year	12,349instances
Well-being	Number of policies in force for products which help solve health-related social issues	FY 2025 2.6 million	2.17million
	Number of policies in force for asset-building products to support longevity	FY 2025 0.1 million	0.05million
	Instances of support for action by companies to address human rights (Consulting services, training/seminars)	1,000 instances a year	1,111instances

(*1) Correction made on August, 2023 Before correction : 24.1% After correction : 21.1%

ESG Data

[> ESG Data / Reference Material](#)


Reference: Target and Results of Vision 2021

[> Target and Results of Vision 2021](#) 

< Main Efforts >

The classification of cases may differ from "Our Value Creation Approach" in this report.

In "Our Value Creation Approach," we have adopted the classification that is most easily understood by all.

[> Our Value Creation Approach](#) 

Medium- to Long-term Target

■ The following targets have been set for reducing Greenhouse Gas (GHG) Emissions.

< GHG Emission Reduction >

Scope		FY2030	FY2050
Scope 1, 2		-50% (Base year: FY2019)	Net Zero
Categories 1, 3, 5, 6, 7, 13		-50% (Base year: FY2019)	
Scope 3	Underwriting/Investments	We, through engagement with clients, share challenges they have in reducing GHG emissions. We work together with them towards reduction of GHG emissions with solution proposals.	
		-37% (Base year: FY2019) (Key Japanese domestic corporate clients)	

*1 : Categories quantifiable and with importance in light of employee behavior change and natural capital conservation.

Category 1: Purchased products and services (Subject: Paper and mail), 3: Non-scope 1 and 2 fuel and energy activities, 5: Waste from operations, 6: Business trip, 7: Employee commuting, 13: Lease assets, 15: Investments etc.

< Renewable Energy Use >

● Targets for renewable energy usage ratio

FY 2030	FY 2050
60%	100%

■As for the promotion of diversity, equity and inclusion, the following targets are set.

●KPI and Targets for Diversity, Equity and Inclusion

KPI	Target Year	Target	FY2022 Achievement
Percentage of female managers	FY 2030	30%	19.5%
Percentage of female line managers	FY 2030	15%	12.9%
Digital human resources	FY 2025	7,000 people	3,601 people
Employees for international business	FY 2025	1,200 people	1,182 people
Percentage of productivity improvement personnel expenses (MSI, ADI)	FY 2025	8.50%	9.2%
Percentage of people who exercise regularly	FY 2025	Current level or higher	26.5%
Percentage of male employees taking childcare leave	FY 2025	100%	92.5%
Duration of male employees taking childcare leave	FY 2025	4weeks	8.1days
Number of annual paid holidays taken	FY 2025	Equal to or greater than the previous year	16.4days
Percentage of mid-career employees among managerial staff	FY 2025	Current level or higher	22.6%
Percentage of employees hired locally overseas appointed as executives of overseas subsidiaries	FY 2025	Current level or higher	83.0%
Employee Awareness Survey	Equal to or greater than the previous year ・Sense of helping to create shared value (CSV) ・Constant awareness of MVV ・Pride in work, job satisfaction ・Active participation		4.5points
			4.6points
			4.4points
			4.6points

[ESG Data / Reference Material to refer Subject organizations and data coverage](#)

ESG integration and sustainability approach

The MS&AD Insurance Group always consider sustainability in terms of the environment, society, and governance (ESG) issues in all Group business activities, including the development of products and services, underwriting and investments.

ESG-related impacts include infringements of human rights that threaten respect for basic human rights, deforestation due to illegal logging, and corruption and bribery that undermine economic growth and stability. Our company’s business activities could influence ESG factors, and our company itself could be influenced by ESG factors. While we respond to such ESG-related risks to ourselves, we have been discovering business opportunities in addressing ESG concerns, e.g. offering automotive insurance with driving protection services to support safe driving, and thereby, reduce accidents, and using Big Data to present preventative measures against natural disaster. It is essential that we carefully assess ESG-related risks and opportunities, and reflect them in our business activities. We recognize the wide-ranging ESG risks such as legal risks, reputational risks, quality-related risks, business continuity risks, operational risks, transition risks, financial risks, etc., and these could potentially have a major impact on our company’s business activities and our stakeholders. Accordingly, we carefully identify such ESG-related risks to control them across our entire business activities.

We give an overview of these approaches in our “Perspective of Sustainability of the MS&AD Insurance Group” that describes our policies on addressing ESG concerns.

- [> Our Sustainability Approach !\[\]\(9a53fe79a03d38d8322f7a2c5a875b36_img.jpg\)](#)
- [> Products and services that contribute to achieving Sustainable Development Goals \(SDGs\)](#)
- [> ESG integration and sustainability approach \(practical process\) !\[\]\(01f19d40f03100aa8a158c4891453b0d_img.jpg\) \(610KB\)](#)

Implementation of "Business Activities with Consideration for Sustainability"

In May 2019, we committed that it would consider sustainability in all of our business activities in line with our ESG policy “Business Activities with Consideration”.

[ESG Guideline]

Sector	Classification	Guideline
Coal	To be excluded	Coal fired power plant, Coal mine(Mainly producing thermal coal)* ¹
	To be excluded	Underwriting new policy of oil and gas extraction and coal-mining projects* ³ by companies whose primary business is coal* ²
Oil•Gas	To be excluded	Oil sand mining, Oil & Gas extraction in the Arctic region* ³
	To be reviewed	Oil fired power plants and oil fields, Oil sand mining, and gas fields
Controversial weapons	To be excluded	Controversial weapon manufacturer(cluster munitions, anti-personnel mines and chemical weapons)
Agriculture, Forestry and Fisheries	To be reviewed	New agriculture, forestry and fisheries project involving large-scale development in unexplored areas
Hydroelectric power	To be reviewed	Construction of new hydroelectric power plants
Nature conservation area	To be reviewed	Project with negative impact on UNESCO World Heritage Sites or Ramsar-listed wetlands that may have negative impact on the environment and local communities
Human rights	To be reviewed	Businesses which may violate human rights of indigenous people or local communities

*1 Existing coal fired power plants and thermal coal mines with technologies and techniques aiming to achieve the goals of the Paris Agreement might be handled after careful consideration.

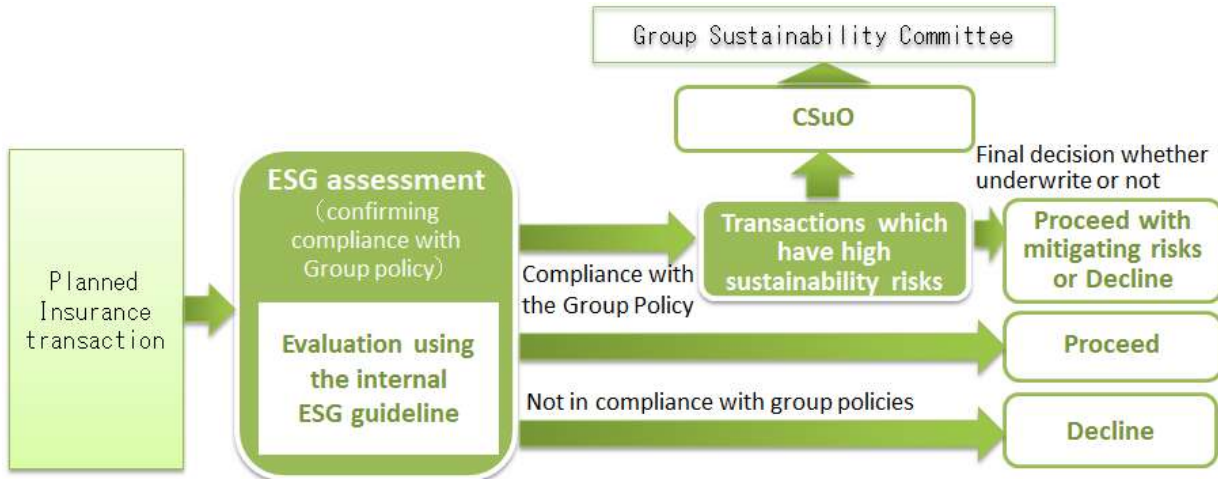
*2 Companies that derive at least 25% of their revenues from coal-fired power generation, thermal coal mines or companies that generate at least 25% of their energy from coal.

*3 Projects and companies planning to decarbonize to achieve the goals of the Paris Agreement are exempted.

[Process for Underwriting*]

In underwriting insurance, we have established an escalation process for projects that are considered to be in compliance with the Group's policies, but are deemed to have high sustainability risks (ESG risks). Since September 2020, we have reported such transactions to the Group Sustainability Committee based on the judgment of the senior management of the responsible sections for ESG. When formulating and revising policies, we hold dialogues with our company's client companies and share an understanding of the need for initiatives to move toward decarbonization.



*For the investment and financing process, please refer to "Investment and financing considering ESG issues" and "ESG evaluation process" below.



Signatory to the Principles for Sustainable Insurance (PSI) and the Principles for Responsible Investment (PRI)

The MS&AD Insurance Group has been seeking out what are the best practices for financial institutions that take into account environmental and social sustainability, and it has been participating in the United Nations Environment Programme Finance Initiative (UNEP FI) to disseminate and promote these best practices.

Our company has also signed up to the Principles for Sustainable Insurance (PSI) and the Principles for Responsible Investment (PRI) published by UNEP FI. We have been working on activities such as a pilot project for considering climate change-related and nature-related risk analyses and information disclosure carried out by UNEP FI or PSI.

<p>Principles for Sustainable Insurance (PSI)</p>	<p>Having signed PSI in June 2012, we give careful consideration to ESG (environmental, social, and governance) issues in our business activities as an insurance company, and undertake to do our part for the sustainable development of our planet.</p>	 <p>PSI Principles for Sustainable Insurance</p>
<p>Principles for Responsible Investment (PRI)</p>	<p>Having signed PRI in June 2015, we pursue constructive dialogue with companies we invest in, taking ESG and other perspectives into account, and develop ESG-based investing practices.</p>	<p>Signatory of:</p>  <p>PRI Principles for Responsible Investment</p>

- > Climate-related Financial Disclosure
- > Nature-related Financial Disclosure


Development of Products and Services with Consideration for ESG

The MS&AD Insurance Group has underwriting criteria adapted for respective product and service as part of risk assessment process. In each process, certain ESG criteria are considered such as natural catastrophe risks, involvement with anti-social forces or ethical risks, based on the nature of the risk. Comprehensive process including system verification are properly implemented. Underwriting decision including the Board's approval are made based on these risk evaluations.

In association with underwriting products and services, we discuss general policy to handle ESG risks at the Sustainability Committee, and we evaluate and manage individual ESG risk at the Risk Management Committee. Both committees shall report their decisions and conclusions to the Board of Directors.

In developing products and services, we examine the value to society and the value for our company generated by our products and services from various angles, and we strive to create value shared with society in providing these products and services. We have also developed a variety of sustainable products and services such as insurance or risk consulting services that support renewable energy projects, discounts to drivers who take a safe driving lecture aiming at reducing traffic accidents, and automotive insurance policies that allow the same-sex partner to be beneficiaries to support diversity.

In underwriting these products and services, all employees and agencies deepen their understanding of sustainability issues, including ESG risks, through trainings and other means, and to promote initiatives to realize a resilient and sustainable society with customers through dialogue. Additionally, in reviewing factors to be considered, we have referred to the UN Global Compact, the Universal Declaration of Human Rights, the Guiding Principles on Business and Human Rights, the International Labour Organization Standards, the UN Convention against Corruption, and the OECD Guidelines for Multinational Enterprises.

 Products and services that contribute to achieving Sustainable Development Goals (SDGs)

ESG Investment and loan

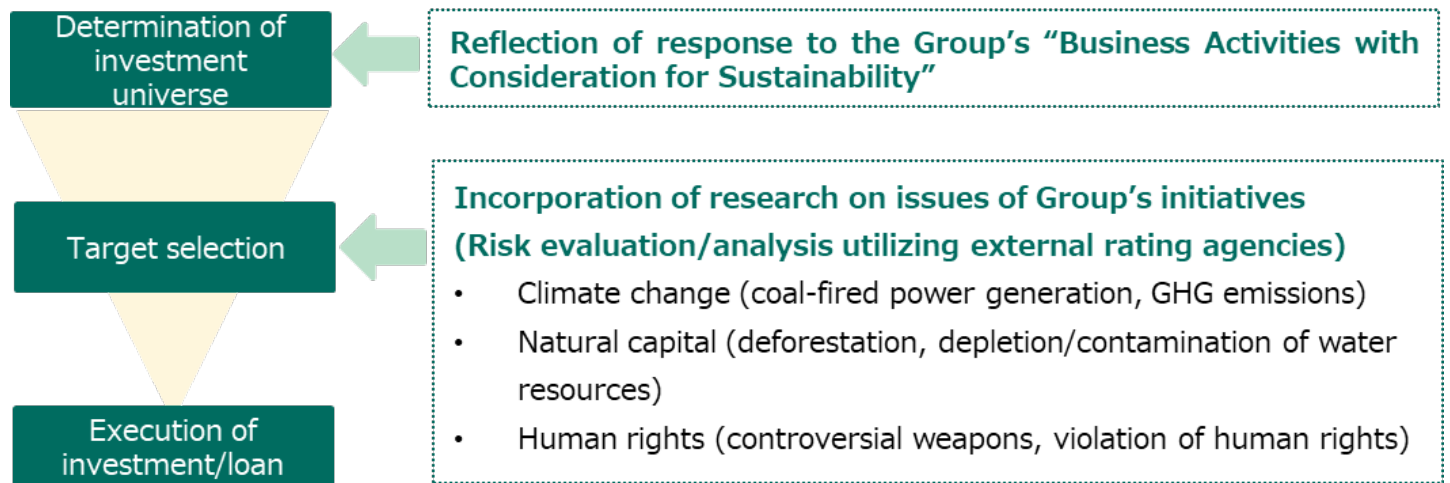
As a signatory to the Principles for Responsible Investment (PRI), the MS&AD Insurance Group takes ESG issues into account for investment and loan.

Specifically, we incorporate ESG factors into investment/loan processes and promote ESG-themed investment (Sustainability-themed investment/loan, impact investment) on the basis of profitability, taking into consideration the MS&AD Insurance Group's sustainability priorities. In addition, MSI and ADI declared their acceptance of Japan's Stewardship Code, and have since engaged in constructive dialogue in line with ESG perspectives with investee companies, to encourage them to take appropriate actions to increase medium-term corporate value by raising their awareness over ESG.

Initiatives for ESG Investment and Loan

ESG investment and loan initiatives	Content
Integration	
Reflection of the response to the Group’s “Business Activities with Consideration for Sustainability”	Screening specific uses of funds and industries (“coal-fired power generation” and “inhuman weapons manufacturing” etc.) without investments and loans, and making prudent decisions on whether to engage in transactions from the perspectives of responding to climate change, improving the sustainability of natural capital, and respecting human rights
Incorporation of the Group’s priority issues into the research	Focusing on “CO2 emissions”, “deforestation”, “water risk”, and “human rights violations”, evaluations by ESG evaluation companies and international initiatives (such as CDP) are used for investment decisions and monitoring.
Constructive Engagement	
Engagement	Conduct dialogue centered on stewardship activities
Positive Impact	
Sustainable/thematic investing	ESG issues, investments, and loans in themes such as renewable energy (e.g., solar, wind, hydrogen), green transition finance (greenhouse gas reduction), and regional revitalization
Impact investing	Investment in themes such as healthcare and education, focusing on climate change

Integration into Investment/Loan Processes - Systematic Incorporation of ESG factors into the investment process



Implementation of Constructive Responses as a Responsible Institutional Investor

From the perspective of fulfilling their social responsibility as institutional investors, Mitsui Sumitomo Insurance (MSI) and Aioi Nissay Dowa Insurance (ADI) have announced their support for Japan's Stewardship Code, a code of behavior laid out for institutional investors. In line with the Code, we carry out a constructive dialogue with investee companies to encourage them to enhance their medium- and long-term value and sustainable growth, and, through the dialogue, we focus on understanding their management issues, their shareholder return policy, ESG, and other non-financial information. From July, 2022 to June, 2023, MSI and ADI conducted constructive "purposeful dialogue" with two companies, resulting in a total of 361 firms.

[MSI Our Policies According to Japan's Stewardship Code](#)

[ADI Our Policies According to Japan's Stewardship Code](#)

In addition, through constructive dialogue (engagement) with our investee companies, we are encouraging them to reduce GHG emissions and disclose information in accordance with the TCFD recommendations, aiming for realization of a net-zero society, Specific matters to be confirmed include organizational structure in relation to addressing climate change, their efforts toward GHG emission reduction targets, their plans for technological innovation, and any challenges they face.

< Examples of initiatives for engagement in relation to climate change >

Example 1	Example 2
<p>We had an engagement with a chemical manufacturer which is experiencing technological issues in its attempts to reduce GHG emissions, and we exchanged views on the feasibility of its transition plan with a 2030 reduction target.</p> <p>While checking specific schedules for measures such as conversion to biomass fuel and mixed combustion and use of ammonia in that company's private power generation equipment, we have been conducting a frank engagement on issues such as fuel supply and costs, and we plan to have ongoing engagement with the company.</p>	<p>We had an engagement with a logistics company which has issues in responding to climate change, and exchanged views.</p> <p>The company has recently expressed support for the TCFD recommendations, and plans to conduct scenario analyses, going forward. Therefore, we helped the company to deepen its understanding of the significance of such analysis by providing information on how important it is and introduction of some case examples where analysis led to the discovery of strengths and weaknesses of strategies in companies which carried out such scenario analyses.</p>

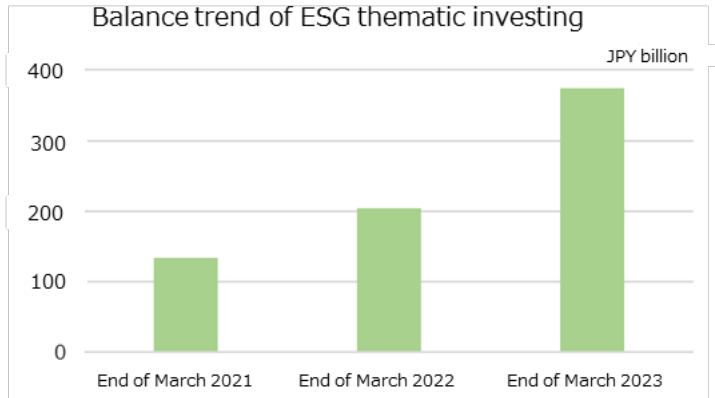
ESG-themed investing including action on climate change

< Sustainability-themed investment >

Net-zero transition requires technological innovation and capital investment toward a drastic reduction of GHG emissions. Factors such as growth of demand for funding and needs for new financial products and services in relevant industries will likely bring about opportunities for financial institutions. The Group is working on ESG-themed investing on the premise of ensuring profitability, such as investment in projects with themes of developing solutions for social issues, including climate change.

As part of our mission as an insurance company that manages insurance funds deposited in the form of premiums, we will continue, with an emphasis on quality, to invest in projects, including those that are profitable and can contribute to both the environment and society.

- Investment in Funds with an ESG Issues Theme**
- Support for Initiatives Designed to Reduce GHG Emissions**
 - Next-generation energy (renewables, hydrogen, etc.)
 - Transition-/Sustainability-linked finance
 - Green finance
- Support for Global Sustainable Development**
 - Social/Sustainability (including supranational bonds) finance
 - Regional revitalization, healthcare, etc.



< Impact Investment >

The Group's mission is "To create a world-leading insurance and financial services group that consistently pursues sustainable growth and enhances corporate value". Through this investment activity, we will aim to create positive and measurable impacts on the environment/society while earning financial returns. In addition, we will contribute to attainment of SDGs and creation of a sustainable society by accumulating findings through evaluation/management of impacts on the environment/society while earning financial returns.

Started the Group Joint Impact Investments



*1 Investment through a Group-specific investment vehicle. Managed by MSR (investment ratio: MS 85%, LGT 15%), an investment (asset management) JV in New York. LGT, a management company in Switzerland, is one of the global leaders in the ESG field.
 *2 Achievement of SDGs and realization of a sustainable society

ESG Investment/Loan Promotion Structure

As a signatory to the Principles for Responsible Investment (PRI), global standards for responsible investment, we have been reporting to FRI the status of our ESG investment/loan activities and progress, and we have received annual evaluation of our ESG initiatives.

Utilizing the results of the annual evaluation under PRI, we aim to improve our level of ESG initiatives.




Our Principal Thematic Investment

Impact Investment


<p> MSI ADI MSI Aici Life MSI Primary Life </p> <p>The group joint investment in overseas impact funds</p>	<p>Through funds investment and with a focus on “climate change solutions,” invest in social impact themes such as “inclusive growth, healthcare, education” as well.</p> <p>MS&AD INSURANCE GROUP INVESTS IN IMPACT FUNDS </p>
<p>MSI</p> <p>Investment in social impact bonds</p>	<p>Investment aimed at addressing social/environmental issues in such fields as medical/nursing care that the region is facing, in collaboration with Japanese local government</p> <p>Investment In Next Rise Social Impact Funds (in Japanese only) </p>

Sustainability-themed investment








ESG in general

<p>MSI ADI MSI Aioi Life MSI Primary Life</p> <p>Investment in Green/Social/Sustainable Bonds</p>	<p>Invested in green bonds and social bonds, etc. issued by domestic and foreign companies.</p>
<p>MSI ADI MSI Aioi Life MSI Primary Life</p> <p>Investment in sustainable development bonds</p>	<p>Invested in sustainable development bonds issued by World Bank which aim to supports a wide range of projects in education, health, infrastructure, public administration, agriculture, and the environment to reduce poverty and support development in developing countries.</p> <p>The MS&AD Insurance Group Invests in World Bank's Sustainable Development Bond </p>
<p>MSI</p> <p>Incorporation of ESG guidelines into the investment/loan processes for externally entrusted funds</p>	<p>Incorporated ESG guidelines into the investment process of an overseas bond fund entrusted to Guggenheim, a close partner.</p>
<p>ADI</p> <p>Investment in SDGs funds</p>	<p>Among companies making positive contributions to attaining SDGs through their products and/or services, invested in those companies with potential to improve corporate value through their business activities.</p>

Environment








<p>MSI ADI MSI Primary Life</p> <p>Financing for renewable energy power plants</p>	<p>Financing and fund investment in solar, wind, and biomass power generation to promote the spread of renewable energy.</p>
<p>MSI ADI</p> <p>Investment in Future Creation Fund</p>	<p>Invested in companies or projects that have positioned intelligent technologies, robotics, technologies useful in bringing about a hydrogen society, motorization, and new materials as core technologies, processing innovative technologies in these fields.</p>
<p>MSI</p> <p>Transition Finance</p>	<p>Supporting corporate efforts to reduce greenhouse gas emissions.</p>
<p>MSI Aioi Life</p> <p>Investment in Asian Development Bank's Water bond</p>	<p>Helping to achieve water security in the Asia-Pacific Region.</p> <p>Investment in the Water Bonds issued by the Asian Development Bank -Supporting the achievement of water security in the Asia-Pacific region- (MSA) (Japanese only) </p>

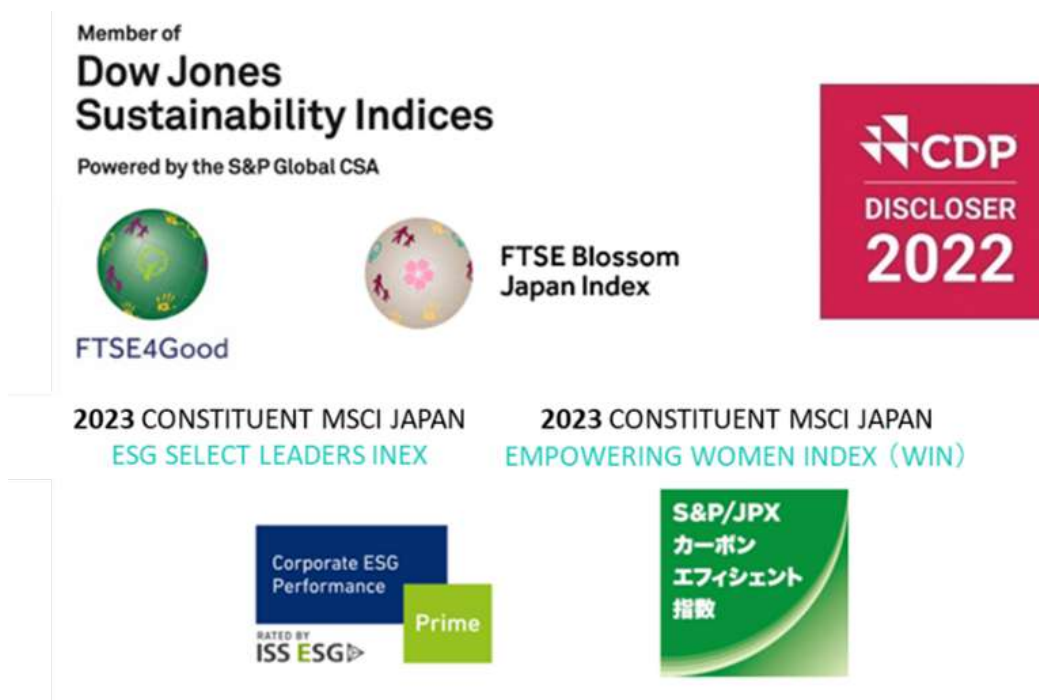
Social

<p></p> <p>Investment in Japan International Cooperation Agency's Social bond</p>	<p>Investments in areas aimed at developing basic infrastructure (water, sewage, sanitation, transportation improvements, etc.), improving access to social services (health, education, vocational training, financial services, etc.), and addressing social issues.</p> <p>Social contribution through bond investments -Investment in the social bonds issued by the Japan International Cooperation Agency- (MSA) (Japanese only) </p>
<p></p> <p>Investment in Japan Railway Construction, Transport and Technology Agency's Sustainability bond</p>	<p>The funds used for financing and refinancing of "Railway Construction Operations" and "Shared Shipbuilding Operations" by Japan Railway Construction, Transport and Technology Agency, contributing to the achievement of the United Nations Sustainable Development Goals (SDGs) through both operations.</p> <p>Social contribution through bond investments -Investment in the sustainability bonds issued by the Japan Railway Construction, Transport and Technology Agency- (MSA) (Japanese only) </p>
<p></p> <p>Investment in African Development Banks's Industrialize Africa bond</p>	<p>The project aims to industrialize Africa, focusing on the following priority areas for development: (1) electrification of Africa, (2) increased food production, (3) industrialization, (4) regional integration, and (5) improvement of quality of life.</p> <p>Social contribution through bond investments -Investment in the African Development Bank's "Industrialize Africa Bond"- (MSA) (Japanese only) </p>
<p></p> <p>Investment in Inter-American Development Bank's Sustainable Development bond</p>	<p>Supporting the fight against novel coronavirus infection through bond investments.</p> <p>Investment in the Sustainable Development Bonds issued by the Inter-American Development Bank -Social contribution through bond investments (support for measures against the COVID-19 pandemic)- (MSA) (Japanese only) </p>
<p></p> <p>Investment in Asian Development Bank's Gender bond</p>	<p>Promoting gender equality and women's advancement in the Asia-Pacific Region.</p> <p>Investment in the Gender Bonds issued by the Asian Development Bank -Promoting gender equality and women's advancement in the Asia-Pacific region- (MSA) (Japanese only) </p>
<p></p> <p>Investment in Japan International Cooperation Agency's Peacebuilding Bonds</p>	<p>Supporting projects contributing to peace, stability and rehabilitation of countries, regions, etc. affected by conflicts and/or civil wars.</p> <p>Investment in the Peacebuilding Bonds issued by the Japan International Cooperation Agency (MSA) (Japanese only) </p>
<p></p> <p>Investment in agriculture fund</p>	<p>Helping to reduce hunger to zero by investing in a farmland fund that aims to increase productivity.</p>

External Assessment

Investing methods that assess corporate sustainability from the standpoint of Environmental, Social and Corporate Governance (ESG) are spreading. The MS&AD Insurance Group utilizes the assessments provided by major ESG evaluation organizations to improve its sustainability approach. As of July 2023, the Group is a constituent of the following ESG indices and has received high evaluation:

- > [Dow Jones Sustainability Indices \(Asia Pacific\)](#) 
- > [MSCI Japan ESG Select Leaders Index \(Japanese only\)](#) 
- > [MSCI Japan Empowering Women Index \(Japanese only\)](#) 
- > [FTSE4Good Index Series](#) 
- > [FTSE Blossom Japan Index](#) 
- > [ISS ESG Corporate Rating Prime](#) 
- > [S&P/JPX Carbon Efficient Index](#) 



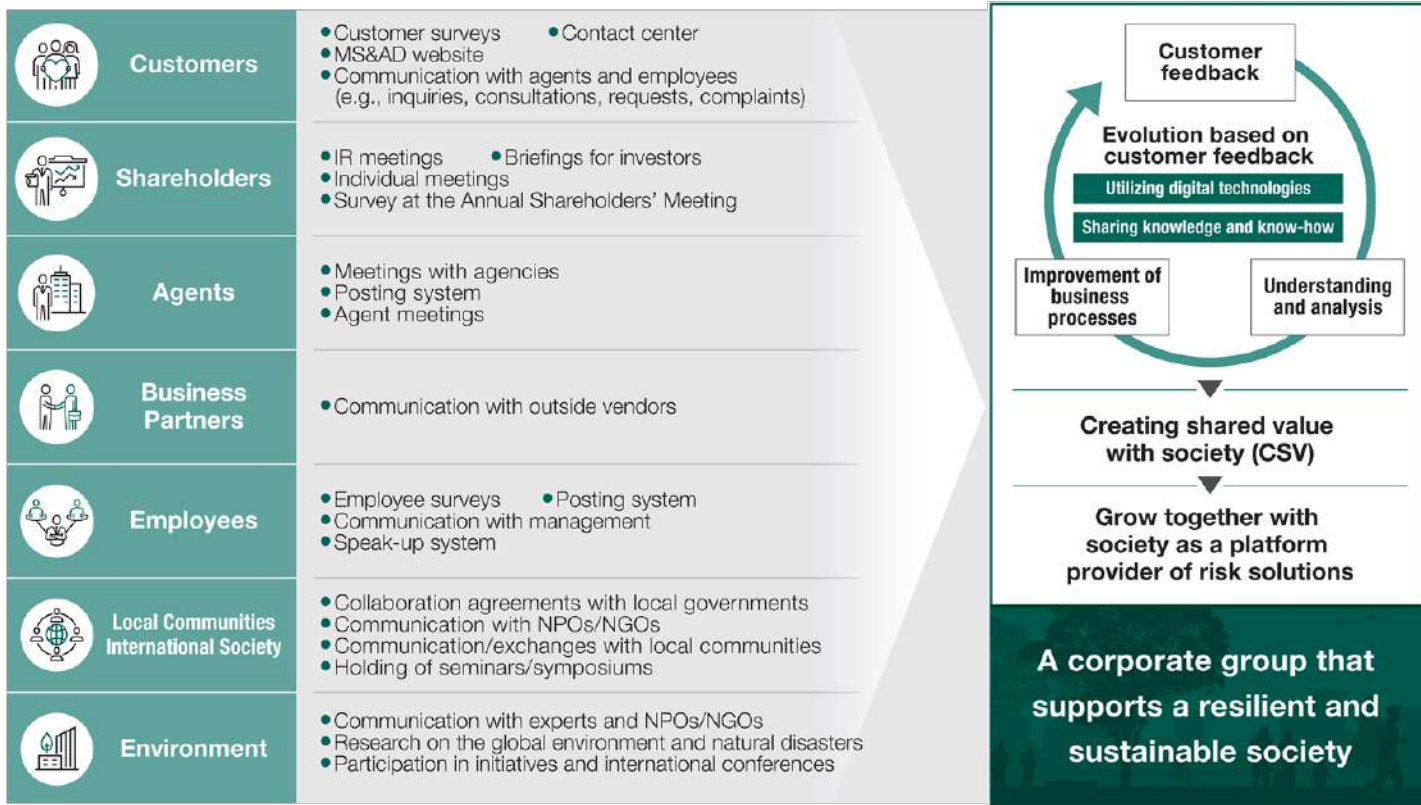
* THE INCLUSION OF THE MS&AD INSURANCE GROUP IN ANY MSCI INDEXES, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF THE MS&AD INSURANCE GROUP BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

Communication with Stakeholders

We believe it is important to understand what our stakeholders expect and want from our Group and to utilize this understanding to improve the quality of products and services in order to consistently be valued as a corporate group that makes progress based on communication with our customers. Our Group has various systems in place to facilitate communication with our stakeholders and offers quality which meets their expectations through feedback-based business improvement and highly transparent and effective corporate governance practices.

It is our role to provide the best solutions to the uncertainties and risks in society based on public expectations for the insurance and financial services. In order to provide safety and security to people and support dynamic business activities and a healthy and productive life, we listen and react to a wide variety of feedback from stakeholders, including customers, through such channels as consultations, requests, complaints, and opinions received, and utilize it for quality improvement. In addition, we publicly disclose our processes for understanding the feedback received, as well as the results and progress of counter measures.

Communication with Stakeholders



Customers

Based on the MS&AD Insurance Group Basic Policy for Responding to Customer Communications, we listen sincerely to feedback from our customers obtained through customer questionnaires, the official website, and communication with agents/employees, and utilize it to improve business operations for quality enhancement. In addition, we have established the Customer-first policy in the business operations to ensure that we carry out business operations placing high value on the customer-first principle. We have developed various schemes that help to understand our stakeholders' needs and expectations and, to that end, to improve the quality of the products and services we offer together with management level discussions.

Quality that Earns the Trust of Society

<p>Shareholders</p>	<p>We have been developing a range of IR activities such as IR meetings, briefings for investors, individual meetings, and shareholders' meeting questionnaires, in accordance with the Basic Policy to win the trust of shareholders and investors, and to enable our our Group's corporate value to be fairly evaluated. Our Group proactively engages in highly transparent information disclosure and constructive dialogue with shareholders and investors in an initiative to achieve sustainable growth and increase corporate value.</p> <p>Specifically, through highly transparent information disclosure, our Group seeks to reduce information asymmetry with shareholders and investors. The feedback gained from the constructive dialogue with shareholders and investors is shared with management and the relevant departments to be utilized in the formulation of management strategies.</p> <p>IR Events</p>
<p>Agents</p>	<p>We seek to contribute to resolution of social issues and grow together with society by maintaining continuous communication with agents, who are our business partners, to provide "Products/services covering before/after compensation/guarantees, in addition to "financial loss" and "Best solutions utilizing digital technologies" in an integrated manner by the Group and agents. We intend to further strengthen communication with agents through measures such as holding study sessions aimed at bolstering their growth, supporting their activities to contribute to their local and regional societies, and providing an information-sharing system. Furthermore, due to the growth of full-time insurance agents' businesses, dedicated full-time staff members with expertise provide overall management support to agents, including in growth strategies, maintenance of systems, and staff education through training and one-to-one meetings, thereby improving the agents' management base and the quality of their products and services.</p> <p>Quality that Earns the Trust of Society</p>
<p>Business Partners</p>	<p>We will conduct fair and equitable transactions with integrity and endeavor to achieve sustainable development as well as to fulfill our corporate social responsibilities. The MS&AD Insurance Group explains its Group Environmental Basic Policy to business partners and asks for their cooperation. Furthermore, The MS&AD Insurance Group supports its business partners' initiatives towards the environment, including the acquisition of Eco Action 21 certification, a simplified version of the environmental ISO certification.</p> <p>Transaction Responsibilities</p>
<p>Employees</p>	<ul style="list-style-type: none"> · Each year, the MS&AD Insurance Group carries out an employee engagement survey covering topics such as those to ascertain the degree of diffusion of the Group Mission, Vision, and Values; the degree of unity within the Group; and whether employees feel a strong sense of motivation. · A "speak up" system encouraging whistleblowing has been put in place, creating an environment in which employees can frankly and proactively share their views or raise concerns on any problems they may have. · A message board was established on the intranet to collect the views and improvement proposals from employees in order to incorporate them into quality improvement. The opinions are reviewed at each headquarters division and the feedback is given based on the results. · Through the exchange of opinions between executives and employees, we continue to make initiatives to leverage employee feedback in business operations. <p>Improvement of employee engagement Implementing Activities and Dialog that Respect Human Rights</p>

<p>Local Communities and International Society</p>	<p>As a member of both the local and international communities, our Group takes part in domestic and global initiatives. We also contribute to realization of resilient and sustainable community development by revitalizing local communities and international society through support for regional business, identification of issues by means of communication with NPOs/NGOs, etc. in each country, and collaboration and communication with various stakeholders aimed at resolving local and global issues.</p> <p>Initiatives Resilient and inclusive community development (regional revitalization)</p> <p>In order to promote initiatives through our insurance business to create shared value, our employees are encouraged to join environmental conservation activities and contributing activities to the local community so that they can deepen their understanding of social issues. Furthermore, through the MS&AD Unison Smile Club, a social contribution group created by the employees of our Group, donations are made that meet local needs through dialogue with local governments and various social contribution activities in collaboration with non-profit organizations.</p> <p>Green Earth Project (in Japanese only) MS&AD Unison Smile Club</p>
<p>Environment</p>	<p>Focusing on harmonious coexistence with the global environment (Planetary Health) as a priority issue, we have been promoting initiatives for responding to climate change, improving the sustainability of natural capital, and preserving and restoring biodiversity. We have also been contributing to resolution of social issues related to the natural environment through such means as conducting joint research programs with experts at universities, research institutes, etc. on global environment/natural disasters, holding seminar sessions/symposiums, and communicating with NPOs and NGOs.</p> <p>Contributing to climate change mitigation and adaptation Improving the sustainability of natural capital Initiatives</p>

Initiatives

Our Group participates in various initiatives and strives to create shared value with society. We will continue to work to identify and address a diverse range of sustainability issues.

<p>Participation in the United Nations Global Compact*</p> 	<p>The MS&AD Insurance Group strives to carry out corporate activities with respect to the principles of the UN Global Compact. Furthermore, our Group is involved in the operation and activities of the Global Compact Network Japan, a local network of the UN Global Compact, by serving as an organizer of working sessions.</p> <p>* An initiative advocated by the former UN Secretary-General Kofi Annan in 1999. It requires global companies to comply with and practice 10 principles related to human rights, labor, environment, and anti-corruption.</p>
<p>The Principles for Sustainable Insurance (PSI) and the Principles for Responsible Investment (PRI)</p>	<p>The MS&AD Insurance Group has been seeking out what are the best practices for financial institutions that take into account environmental and social sustainability, and it has been participating in the United Nations Environment Programme Finance Initiative (UNEP FI) to disseminate and promote these best practices. Our Company has signed on to the Principles for Sustainable Insurance (PSI) and the Principles for Responsible Investment (PRI) published by UNEP FI.</p> <p>Signatory to the Principles for Sustainable Insurance (PSI) and the Principles for Responsible Investment (PRI)</p>
<p>Principles for Financial Action toward a Sustainable Society in the 21st Century (PFA21)</p>	<p>In October 2011, "Principles for Financial Action toward a Sustainable Society in the 21st Century (PFA21)" and "Business-specific Guidelines (insurance, deposits, loans and leases, investment management, securities and investment banking)" were released in Japan as action guidelines for financial institutions that wish to fulfill their responsibilities and roles in building a sustainable society.</p> <p>MS&AD Holdings, Mitsui Sumitomo Insurance, Aioi Nissay Dowa Insurance, Mitsui Direct General Insurance, Mitsui Sumitomo Aioi Life Insurance, Mitsui Sumitomo Primary Life Insurance, and MS&AD InterRisk Research & Consulting have signed, showing their intent to follow these principles.</p>
<p>Principles for Responsible Institutional Investors (Japan's Stewardship Code)</p>	<p>Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance, from the perspective of fulfilling their social responsibility as institutional investors, have announced their support for Japan's Stewardship Code, a code of behavior laid out for institutional investors.</p> <p>Our Policies According to Japan's Stewardship Code</p>
<p>Task Force on Climate-related Financial Disclosures (TCFD)</p>	<p>The Task Force on Climate-related Financial Disclosures (TCFD) is working on developing a framework for companies and other organizations to disclose climate-related information. The Group is promoting information disclosures in line with its recommendations.</p> <p>Task Force on Climate-related Financial Disclosures (TCFD)</p>
<p>PCAF (Partnership for Carbon Accounting Financials)</p>	<p>The MS&AD Insurance Group is a member of the PCAF, which has been developing measurement/disclosure methods for GHG emissions related to loans/investments and insurance portfolios.</p> <p>We will promote the measurement and disclosure of GHG emissions by financial institutions with the aim of contributing to emissions reduction across society as a whole. And we will also contribute to the realization of a net-zero society by measuring and disclosing our GHG emissions of investment and underwriting portfolios.</p>

CDP	The CDP (formerly known as the Carbon Disclosure Project) is an independent nonprofit organization with the world's largest database for corporate measures against climate changes, and corporations and organizations across the world have disclosed their greenhouse gas emissions and measures against climate change through CDP. The MS&AD Insurance Group subscribes to CDP's approaches and continuously submits new data.
Challenge Zero (innovation challenges toward a net-zero society) Declaration	In June 2020, we subscribed to the "Declaration on Challenge Zero" released by Keidanren (Japan Business Federation) in support of achieving a net zero regarding greenhouse gas emissions as early as possible, in line with the goal of the Paris Agreement.
Japan Climate Initiative	The MS&AD Insurance Group has signed up to the Japan Climate Initiative. The Initiative was launched in 2018 with the aim of enhancing Japan's efforts to address climate change and sharing information on such efforts with the rest of the world. Under the Initiative, Companies, local governments and NGOs that are actively engaged in climate change actions to cooperate toward achieving the goal.
Paris Pledge for Action	We support the "Paris Agreement," which countries all across the world affirmed in December 2015 to tackle climate change, and we have signaled our intention to work toward this goal by signing the "Paris Pledge for Action."
Taskforce on Nature-related Financial Disclosures (TNFD)	The MS&AD Insurance Group is taking part in activities of Taskforce on Nature-related Financial Disclosures (TNFD: Taskforce on Nature-related Financial Disclosures), which is aimed at promoting nature-positive financial flow. We have also established and have been operating the TNFD Consulting Group of Japan, a forum for promoting understanding of TNFD, etc.
Natural Capital Finance Alliance	In July 2016, our Group signed the Natural Capital Declaration, which calls on financial institutions to incorporate the concept of "natural capital" into their financial products and services subscribing to the purpose of the Declaration. (The Natural Capital Declaration has been reorganized as the Natural Capital Finance Alliance (NCFA).)
Business for Nature	In June 2020, the MS&AD Insurance Group subscribed to the purpose of Business for Nature, a global coalition which calls on governments to adopt ambitious nature and environmental policies.
Japan Business Initiative for Biodiversity (JBIB)	In regards to conservation of biodiversity and sustainable use of biological resources, MS&AD Holdings has been serving as the chair company of the Japan Business Initiative for Biodiversity (JBIB), which brings companies together for joint research projects on biodiversity, since JBIB's founding in April 2008. Japan Business Initiative for Biodiversity (JBIB) "The Story of Biodiversity Told by Companies"
30by30 Alliance	In order to contribute to realization of 30by30, a global target of designating at least 30% of the world's land and oceans as protected/conserved areas by 2030, the MS&AD Insurance Group has been taking part in the 30by30 Alliance for Biodiversity headed by the Ministry of the Environment. The Group is working to contribute to realization of the target by promoting conservation of its own green zone.
"Plastics Smart" Forum	We participated in the Plastics Smart campaign promoted by the Ministry of the Environment and joined the Plastics Smart Forum in July 2019. We will tackle the problem of plastic waste more actively than ever before.
30% Club Japan	In May 2019, in line with the company's vision, the MS&AD Insurance Group Holdings became a member of the 30% Club Japan, part of a global campaign aimed at developing female board members. Regarding gender diversity as an urgent business issue that companies need to address, and placing importance on diversity among decision-makers, the Company has been mounting efforts to cultivate female executives within the Group.

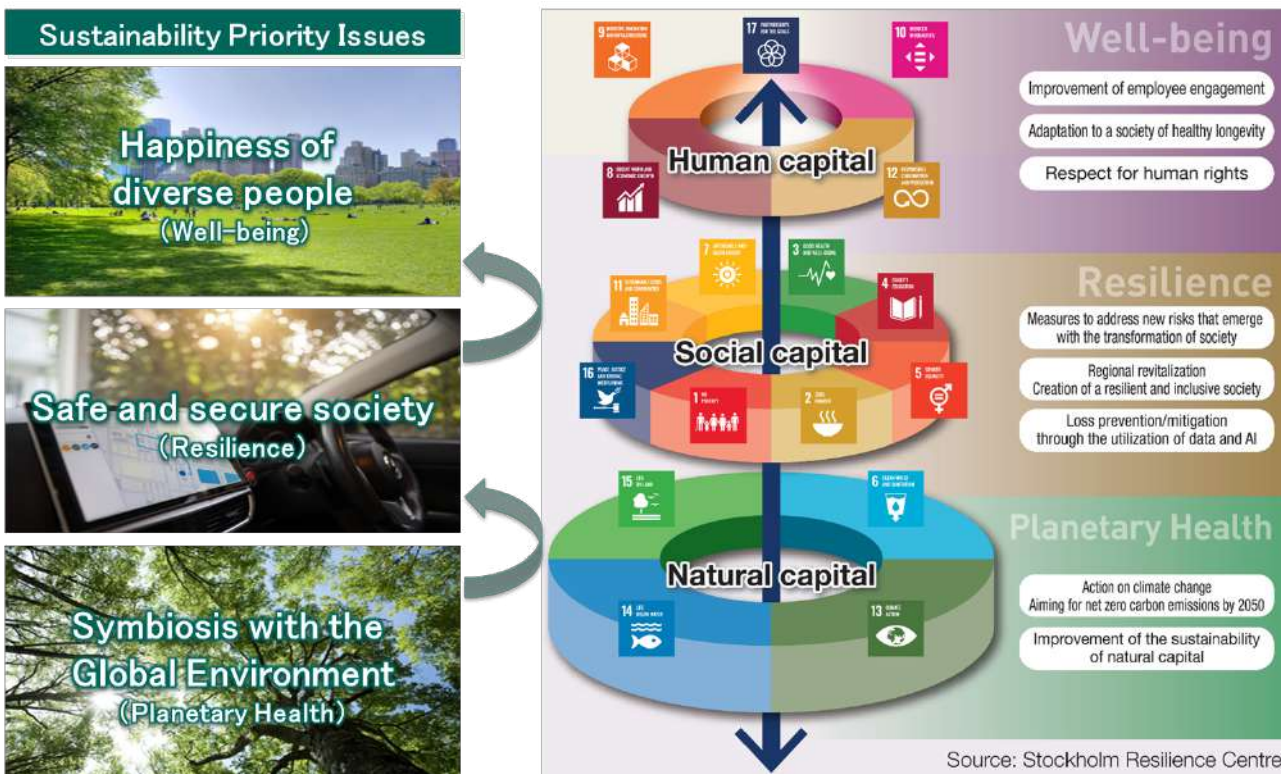
Priority Issues

The MS&AD Insurance Group has determined “Planetary Health (Symbiosis with the global environment),” “Resilience (Safe and secure society),” and “Well-being (Happiness of diverse people)” as three key areas of focus among various social issues.

Obviously, “Happiness of diverse people” is supported by “Safe and secure society” and “Safe and secure society” are dependent on “Symbiosis with the global environment,” as indicated by the Wedding Cake Model, in which 17 SDGs are organized into three layers: “Nature,” “Society,” and “People.”

As the three goals are closely related, we need to work on them in an integrated manner.

We believe that there is still much that insurance companies, including ours, can do in cooperation with the various parties concerned, such as establishing a nature-positive, safe and secure society that is conscious of coexistence with the global environment and the happiness of people that is generated from such a society.



Symbiosis with the Global Environment (Planetary Health)

With the adoption of the 2015 Paris Agreement, a framework agreement on climate change, governments around the world agreed to restrict the increase in the global average temperature to well below 2°C from pre-Industrial Revolution levels, and to pursue measures to limit that increase to 1.5°C., and to the transition to a net-zero society based on a substantial reduction in greenhouse gas emissions. Extreme weather events, which appear to be an effect of global warming, are occurring frequently, and adaptation to the climate change is required.

At Convention on Biological Diversity COP15 held in December 2022, a new global goal, the Kunming Montreal Biodiversity Framework, was established, clearly indicating the direction of "to halt and reverse biodiversity loss by 2030" or "nature positive." Achieving nature positive also requires the transformation of the entire social economy, and companies as well as national and local governments are expected to play an important role.

Our society and economy is also supported by natural capital including water resources, and terrestrial and aquatic life, in addition to the climate system. Global warming leads to severe natural disasters and physical changes, such as forest burning and desertification that undermine the natural capital that provides many benefits to our lives. The elimination of forests lead to the decrease of CO₂ absorption which leads to accelerating global warming. Climate change and natural capital issues are interconnected and affect society and the economy. The transition to net-zero and nature-positive society will bring about drastic social and economic changes.

The MS&AD Insurance Group has identified "Symbiosis with the Global Environment ~Planetary Health~" as one of its priority sustainability issues (materiality) in its Medium-Term Management Plan, and is promoting CSV initiatives to create common value with society by positioning responses to climate change and the improvement of the sustainability of natural capital as issues to be addressed in an integrated manner. The group recognizes that climate-related risks and opportunities, such as large-scale natural disasters, can affect the bottom line in a single fiscal year, while others can emerge over the medium and long term. As an insurance company, we are taking steps to address the risk of large-scale accumulated damage caused by natural disasters, and are upgrading our risk management. We consider the effects of physical changes in climate systems the transition to a net-zero society to be risks in our business operations, and are working to ensure stable earnings and financial soundness. In line with the 1.5°C target of the Paris Agreement, we set a GHG emission reduction target of net 0 by 2050, and declared that we will contribute to the transition to a net-zero society in cooperation with our stakeholders. We support the establishment and social implementation of next-generation energy such as renewable energy and hydrogen, as well as innovative technologies for a net-zero society. We also accelerate the assessment of climate change impacts and the provision of services to eliminate or mitigate damage and loss from natural disasters. For example, flood damage has occurred worldwide due to rainfall exceeding expectations. Against this background, nature-based solutions are attracting attention. Our group is promoting the spread of these solutions, working to reduce disaster prevention through environmental restoration and conservation, and promoting adaptation to climate change.

Rapid social and economic changes resulting from transition to a net-zero society will bring opportunities for the Group's growth, such as stimulated demand for new insurance products and services, and improved performance of our clients along with new industries emerge or technological changes take place.

In the field of natural capital, we are working to provide new products and services that contribute to the conservation and restoration of nature and biodiversity. Some of these products mitigate negative impacts on nature, such as the oceans, forests, soil, and animals, which are also important in responding to climate change. Because it is important for society as a whole to realize nature positivity, our group has been disseminating the latest information, conducting research, and developing solutions through the development of the TNFD (since October 2021) disclosure framework, initiatives, and partnerships with other companies, governments and academia.

In the transition to a nature-positive society, the burden on companies may increase to avoid the risk of negative impacts. It is important for companies to understand the nature-related risks involved in their business activities and prepare for the increased burden by taking measures in advance. We believe that our group's business model of "identify and inform on risks" provides an opportunity to prepare for these new risks and lead to growth in our group.

[> Basic Policy on the Environment](#)

[> Transition to 2050 Net Zero !\[\]\(003082e50e3009141f59bd5df831749f_img.jpg\) \(3,488KB\)](#)

[Action on Climate Change](#)



[Improvement of sustainability of natural capital](#)



Safe and Secure Society (Resilience)

The pandemic has caused tremendous changes in our society, economy and life style. Industries and societies are being rapidly digitized, giving rise to a surge in online exchanges, electronic commerce transactions, online education, a shift to remote working, and in the number of platforms which accelerate these trends. This has driven and continuing to give a significant change in our society. Improvement of digital safety and preparation for a new way of life are becoming increasingly important. Furthermore, in the wake of Chat GPT released in the fall of 2022, there is controversies over the expectations and risks associated with its technology. In the future, dealing with the risks associated with the advancement of technology, such as generative AI, will continue to be an important issue for our society.

The MS&AD Insurance Group believes that predicting, preventing, and appropriately managing new risks associated with the advancement of innovation and changes in the industrial structure are important for people's stable lives and active business activities. We will carry out research and study on new risks, provide products and services that respond to them, and contribute to the realization of a safe and secure society, while at the same time creating opportunities for growth in our Group.

In addition, due to the effects of climate change, natural disasters such as heavy rain, floods, and cyclones have become more severe in recent years, causing a greater damage throughout the world. There is an urgent need to promote disaster-resilient community development in terms of both hardware and software, to reduce the damage and economic losses caused by disasters. For disaster prevention and mitigation, we are working to realize a safe and secure society by promoting DX utilizing various data accumulated through its insurance business. Group will focus not only natural disasters but also focus on various risks faced by society, such as automobile accidents and infectious disease countermeasures with data analysis, risk visualization using AI, and provide solutions.

In addition to these sudden events such as accidents and disasters, there is also gradual progress of issues such as declining birthrates and aging populations with declining regional vitality in Japan and in many other developed countries. The Group's goal of creating resilient and inclusive communities is to create safe, resilient, and sustainable living spaces in communities where everyone can live with peace of mind. In order to support the safety and security of people's lives, it is important to anticipate the risks that may arise in the event of an emergency and to prepare for an emergency. It is also important to revitalize local industries in order to continue working in the community. Local revitalization is one of the important measures of the government, but we are working together with local governments and various stakeholders around the region to realize an inclusive society in which everyone can continue to live with peace of mind through measures such as regional industrial development with local nature-based disaster-resistant community.

**Measures to Address New Risks Occurring
in Line with Social Changes** >

**Loss Prevention/Mitigation through the
Utilization of Data and AI** >

**Creation of a Resilient and Inclusive
Society (Regional Revitalization)** >

Happiness of Diverse People(Well-being)

Japan's birthrate is declining, society is aging, and total population is declining. According to the Population Projections for Japan (2023) by the National Institute of Population and Social Security Research, the country's population will drop below 92 million by 2065, with the elderly population rate – the percentage of the population aged 65 and older – exceeding 40%. The rising elderly population necessitates an environment in which the elderly can live with peace of mind. This living environment must give consideration to an urban structure that makes it easy to get about, supports access to information on health and preventive medical care, and is adapted to the decline of bodily functions that comes with age and nursing care. At the same time, urban structures need to facilitate the slowing of population decline by creating an Environment in which pregnant women, children, and people with children can live safely and with confidence. We believe that a state of well-being is one in which all kinds of people are able to accept one another's social, ethnic and cultural differences etc. for what as they are and live contented lives with peace of mind.

The MS&AD Insurance Group provides not only insurance coverage but also a range of health care services, free of charge or at preferential prices, to support the total health of customers who promote well-being, thereby helping not only individuals but also corporate customers to manage their health-related endeavors and secure human resources.

The 100-year-life span era also brings about new risks to our lives. In addition to extending healthy life expectancy, it is important to increase the so-called "asset life span," which allows us to live without financial concerns. We provide asset-building means to support a fulfilling "second life," and helps to develop business activities that lay the foundations for a super-aging society and thereby promote "adaptation to a Society of Healthy Longevity."

The Group is strengthening its efforts to respect human rights, which is at the heart of well-being. The "MS&AD Insurance Group Basic Policy on Human Rights" covers also to other stakeholders in the Group's value chain, including suppliers related to the procurement of services and business partners such as agents. We are engaging with these stakeholders in order to prevent and mitigate any adverse impacts on human rights arising out of businesses activities. Our group encourages these parties to prevent and mitigate negative impacts on human rights in their business activities. Based on the UN Guiding Principles on Business and Human Rights, we aim to enhance our corporate value by establishing and implementing a human rights due diligence system, a management system for respecting human rights, and by developing value chains and internal environments that are free from human rights violations. In addition, as human rights initiatives in the insurance and financial services group, we support the concept of "financial inclusion," in which access to insurance and financial services is not limited by poverty or social status, and everyone can utilize these services to improve their economic stability. We have activated our efforts in local subsidiaries, especially in developing countries. We are working to revitalize our efforts, especially in our overseas subsidiaries in developing countries. Expanding business with diverse markets also leads to business opportunities for us, and we are promoting services such as micro-insurance.

In order to help our stakeholders, including customers, realize well-being, it is also essential to realize the well-being of our employees. We believe that this consists of three elements: good physical and mental health, an amenable work environment, and a sense of fulfillment in one's work.

It is important that the diversity of our employees is respected and that opportunities are provided for each individual to fulfill their potential, skills and motivation. We believe that the growth of our employees realized through this process will lead to an increase in our corporate values. Our medium-term management plan calls for securing and developing the human resources to support the implementation of strategies, as well as creating an environment in which employees can flourish. We will create an environment in which our employees feel fulfilled and can work independently and enthusiastically, and foster a climate in which they are challenged to transform and create new value. In addition, we will promote the diversification of the decision-making layer and promote the spread of inclusive organizational management that draws on the knowledge, experience, and values of diverse human resources to inform organizational decision-making.

**Implementing Activities and Dialog that
Respect Human Rights** >

**Adaptation to a Society of Healthy
Longevity** >

Improvement of Employee Engagement >

Our Value Creation Approach

Achieving the SDGs

In order to realize a resilient and sustainable society, we need to recognize and take the initiative in solving the social issues that hinder it. Social issues include various risks in the global environment, such as climate change and natural capital issues; the emergence of new risks due to the rapid digitalization of industry and society triggered by the pandemic; the increasing severity of natural disasters due to the effects of climate change; the decline in community vitality due to the declining birthrate and aging population; and the increasing burden of care and medical care due to the aging population.

Resolving such social issues is also in keeping with the direction set out by the UN in 2015 in its Sustainable Development Goals (SDGs).

The MS&AD Insurance Group will create shared value with society, and work to build a resilient and sustainable society.

Products and services that contribute to achieving Sustainable Development Goals (SDGs) >

ESG integration and sustainability approach >

Sustainability Contest >

Impact of CSV Initiatives on society and our company >

Priority Issues

[Overview of Priority Issues](#)

Symbiosis with global environment (Planetary Health)

Action on climate change >

Improvement of sustainability of natural capital >

Safe and secure society (Resilience)

Measures to address new risks occurring in line with social changes >

Loss prevention/mitigation through the utilization of data and AI >

Creation of a resilient and inclusive society (regional revitalization) >

Happiness of diverse people (Well-being)

Adaptation to a society of healthy longevity >

Implementing Activities and Dialog that Respect Human Rights >

Improvement of employee engagement >

Quality • Human resources • ERM

Quality that Earns the Trust of Society >

Human Resource Strategy >

Corporate Governance >

ERM and Risk Management >

Products and services that contribute to achieving Sustainable Development Goals (SDGs)

The MS&AD Insurance Group provides products and services to support the industries required to realize a sustainable society. We are promoting creating shared values with society, including the discovery and prevention of risks. It is necessary to take integrated approaches to the 17 Sustainable Development Goals (SDGs) as the limited natural environment of the earth and social and economic issues closely related. The MS&AD Insurance Group analyzes our contributions to the sustainability of society and the impacts on our long-term growth from the areas of the Environmental (E), society (S), and corporate governance (G). Based on the three priority issues we have extracted, we are contributing to the achievement of the SDGs through risk consulting services, insurance and other services for safety and peace of mind from a multifaceted perspective centered on sustainability.

Products and services aimed at further contributing to the resolution of social issues reached about 59% of premiums written in the non-life insurance business in FY2022.

Items	Coverage	FY2021	FY2022
Products and services that contribute to achieving SDGs*1 <Target products> Products and services that contribute to "Planetary Health" Products and services that contribute to "Resilience" Products and services that contribute to "Well-being"	Group Domestic + Other	about 64 %	about 59 %

(*1) Percentage of net premiums written

- ▼ [Symbiosis with global environment \(Planetary Health\)](#)
- ▼ [Safe and secure society \(Resilience\)](#)
- ▼ [Happiness of diverse people \(Well-being\)](#)


Symbiosis with the global environment (Planetary Health)

[Major relevant SDGs]

- Goal 6: Clean water and sanitation
- Goal 7: Affordable and clean energy
- Goal 11: Sustainable cities and communities
- Goal 13: Climate action
- Goal 14: Life below water
- Goal 15: Life on land



(★) links are "in Japanese only"







Products and Services	Outline	Contribution to solving social issues	Details
Service to Support Decarbonization	Provision of all kinds of support in a one-stop package for businesses of any size in any industry, such as introductory seminars on decarbonization, support for calculating carbon emissions, and development of strategies for reducing emissions	Helping companies to reduce emissions	Details MSI (★) 
Net-zero emissions Support Special Clause for corporate fire insurance	Commercial fire insurance endorsement for additional installation costs that will lead to emission reduction in the course of repair of damaged properties	Helping companies to reduce carbon emissions	Details
Endorsement for cost of replacement with electric vehicles, etc.	Coverage for costs incurred when replacing an insured gasoline-powered vehicle with an EV, etc. due to an accident	Helping to create a net-zero society	Details
Provision of Service for calculating and visualizing GHG emissions (Telematics Automobile Insurance)	Provision of a new service for visualizing CO2 emissions reduction through safe driving, using a unique algorithm, targeting policyholders of Telematics Automobile Insurance	Helping to create a net-zero society	Details
Comprehensive coverage plan for mega-solar farm products	Comprehensive coverage of risks faced by renewable energy producers	Promoting reduction of CO2 emissions (reducing impact on the environment) with alternative energy	Details
Imbalance risk compensation insurance for renewable energy producers/aggregators	Coverage of losses sustained by renewable energy producers, etc. due to imbalance between their generation plans and actual amounts of generated energy as a result of climatic changes, generation equipment failure, etc., targeting renewable energy producers	Helping to the promotion of the renewable energy business and realization of decarbonization	Details
Insurance package for PPA business operators	Provision of "Insurance Package for PPA Business Operators" to cover not only the risk of damage to power generation facilities but also the risk of having to procure alternative sources of renewable energy and environmental value due to such damage, with the aim of promoting spread of the "PPA model," which is being introduced as one of the renewable energy procurement methods	Contributing to wide development and promotion of renewable energy business and realization of decarbonization	Details

Service attached type of Power Generation Imbalance Fee Compensation Insurance	Provision of the service attached type of Power Generation Imbalance Fee Compensation Insurance covering deficit imbalance fees for solar power generation companies	Contributing to wide development and promotion of renewable energy business and realization of decarbonization	Details
Environmental Pollution Liability Insurance for CCS Operators	Contributing to realization of net-zero emissions through providing an insurance that covers the risk of damage related to CCS projects, for which demonstration experiments are progressing for commercialization	Contributing to realization of decarbonization	Details
J-Credit (Japan Greenhouse Gas Emission Reduction/Removal Certification) Scheme Participants Support Insurance (for local governments)	Coverage of risks sustained by local governments in relation to program-based projects aimed at implementing decarbonization activities utilizing the J-Credit scheme	Helping to realization of decarbonization	Details
Comprehensive offshore wind power generation system coverage	Comprehensive coverage of risks faced by renewable energy producers	Promoting reduction of CO2 emissions (reducing environmental burdens) with alternative energy	Details
Weather derivatives	A financial derivative that covers damage caused by extreme weather. U.S. subsidiary, MSI Guaranteed Weather, is actively engaged in global sales of weather derivatives, with a focus on Japanese companies operating overseas	Stabilizing company earnings by avoiding and mitigating losses incurred by abnormal weather and weather instability. Contributing to sustainable business activities	Details
Weather index insurance platform for farmers	Development of a dedicated platform that enables customers to obtain online quotes in real time on weather index insurance, and launch of the insurance to farmers in Australia.	Stabilizing company earnings through avoidance and/or mitigation of losses incurred due to abnormal weather and weather instability. Contributing to sustainable business activities	Details

<p>Sympathy Money Insurance for payments to neighborhood victims (PPA business operators)</p>	<p>Covering expenses such as sympathy money incurred by PPA* business operators in cases where damage to their power generation equipment as a result of natural disasters such as typhoons have resulted in damage to the properties owned by neighboring residents and companies, even when the operators are not held liable for compensation *Abbreviation of Power Purchase Agreement model</p>	<p>Helping to the promotion of the renewable energy business and realization of decarbonization</p>	<p>Details</p>
<p>Climate change risk analysis service</p>	<p>Provision of services that support our clients in building a climate change governance structure, performing scenario analysis, and developing a climate strategy in accordance with the TCFD's Final Recommendations through assessment and analysis of such risks of which companies need to be aware</p>	<p>Assessing and analyzing climate change risks</p>	<p>Details</p>
<p>LaRC flood risk analysis service</p>	<p>Launch of Large-Scale Assessment of Flood Risks Due to Climate Change (LaRC-Flood®)" project in collaboration with the University of Tokyo, Shibaura Institute of Technology Realization of highly accurate estimation of inundation depth distributions based on the effects of climate change, with support from the New Energy and Industrial Technology Development Organization (NEDO), a national research and development agency Launch of the distributions made available free of charge as a global-scale flood hazard map, together with a new consulting service utilizing that hazard map, which enable[d][s] . quantitative impact assessments on a global basis and supports identification of physical risks in the event that climate change is actualized.</p>	<p>Assessing and analyzing climate change risks</p>	<p>Details</p>
<p>Renewal of our dedicated Web page for policyholders</p>	<p>Significant reduction of the effort required for customers to register for use through renewal of our dedicated Web page for policyholders and step-by-step digitization of notifications, which were previously sent out by postal mail. Promotion of paperless initiatives in collaboration with customers.</p>	<p>Contributing to reducing environmental impact and improving customer convenience through paperless services</p>	<p>Details</p>
<p>Eco insurance policies/Web clauses</p>	<p>A system that enables policyholders to view their policy certificates and policy clauses on the websites</p>	<p>Improvement of sustainability of natural capital</p>	<p>Details</p>

Support for nature-related risk analysis in line with TNFD	Support for conducting scoping of analysis targets, analyzing priority regions (including value chains), and dependencies and impacts, and for considering business risks/opportunities and disclosing information based on the results thereof, in line with the guidance of the Taskforce on Nature-Related Financial Disclosures (TNFD)	Supporting environmentally conscious business activities	Details
Basic evaluations of water-related risks	Basic evaluation of exposure to water risks such as water depletion, drought, flood and decline in water quality (present/future) on individual production sites (domestic/overseas)	Supporting environmentally conscious business activities	Details
Biodiversity-conscious land-use consulting	Services that support companies' activities to preserve biodiversity and assess biodiversity risks in business activities	Supporting environmentally conscious business activities	Details
Provision of a discount on premiums to businesses working on recycling of plastic resources	With the aim of supporting promotion of plastic resources recycling, provision of discounts on premiums for certain types of liability insurance products to companies working on such recycling with discounts on premiums for certain types of liability insurance products	Supporting environment-conscious business activities	Details
Supporting reduction of roadkill incidents	Installation of an alert function in dedicated dashcams for automobile insurance in order to prevent the occurrence of automobile accidents rank high as a cause of death for rare species of animals (roadkill) and donations based on sales to organizations, including those working on protection of rare animals and reduction of roadkill incidents	Improvement of sustainability of natural capital	Details
Endorsement for Compensation of Additional Costs for Responses to Marine Contamination	Coverage of costs of such actions as preservation and restoration of damage to the natural environment, which vessel operators voluntarily carry out at times of marine accidents	Helping to preservation and restoration of natural capital and biodiversity	Details

Endorsement for Extended Compensation for Contamination Damage	Coverage of a wide range of risks including liability for damages and expenses of contamination clean-up arising out of unexpected and sudden outflow of contaminants from various facilities, such as a factory	Helping to preservation and restoration of natural capital and biodiversity	Details
Providing coverage of reforestation expenses, etc.	Coverage of expenses necessary for reforestation of forests damaged by fire, etc., which have been outside the coverage of conventional forest fire insurance	Improvement of sustainability of natural capital	Details
Corporate Green Spaces Support Package	Provision of insurance products/related services that package "Surugadai Green Space Inspection Guide," "Corporate Green Space Consulting Service," and "Corporate Green Space Insurance" to support corporate green space initiatives in consideration of natural capital and biodiversity	Improvement of sustainability of natural capital	Details
Liability insurance for "Noyaki (Open Burning)"	Ensuring safety and security through coverage of damage related to the spread of fire to other property for Noyaki (open burning), which is carried out in Aso for the purposes of maintaining and restoring grasslands, conserving biodiversity, storing carbon, and recharging downstream water sources	Improvement of sustainability of natural capital	Details
Products recall expenses insurance for food service businesses - Shoku-eco	When a food company (the insured) recalls food due to mislabeling expiry dates, Kuradashi reduces food loss by purchasing the food (those without any issues other than mislabeling). Because of this, disposal costs (or insurance payouts) are reduced meaning insurance premiums can be offered at a 10% discount	Helping to stop food waste issue	Details
Electronic policy procedures	A system enabling customers to complete policy procedures on-screen via their smartphones, PC or tablet devices, and enabling agents to complete policy/change procedures on their own PC or tablet devices	Helping to reduce environmental impact by going paperless	Details
Eco-mark automobile insurance	Automobile insurance with Eco-Mark certification through promotion of Eco-insurance policy and web policy clauses, provision of information for safe driving, and initiatives to reduce impact on the environment, such as encouraging the use of recycled automobile parts	Helping to environmental conservation and reducing the impact on the environment	MSI (★) ADI (★)

<p>Policyholder app (Mitsui Direct non-life insurance app)</p>	<p>The services of Mitsui Direct General Insurance are bundled in one app so that the "Strong and Tender" concept can be delivered to customers. Various inquiries and procedures for automobile insurance and special benefits and coupons become available. The "Smart Renewal" feature was launched in October 2020, making it easier for policyholders to renew their policies</p>	<p>Helping to paperless procedure as well as convenience by allowing for inquiries regarding contract details and the checking of progress in the case of an accident, providing new applications and continuing procedures, etc.</p>	<p>MD (★) </p>
<p>Remote application procedures for a paperless, contactless service</p>	<p>A completely paperless service from providing information through video, to responding to inquiries and the application process</p>	<p>Helping to prevent the spread of infectious diseases through non-contact, reducing the impact on the environment by going paperless, and improving customer convenience.</p>	<p>MSI Aioi Life (★) </p>
<p>Insurance to support stable supply of green power certificates</p>	<p>When the facilities of a green power company contracted by the issuer are shut down because of a disaster or other such event, the additional costs that issuer owe to procure green energy value from other power companies, etc. can be covered</p>	<p>Helping to create a net-zero society.</p>	<p>MSI (★) </p>
<p>Automobile insurance "EV charging equipment damage coverage special clause"</p>	<p>Coverage for damages to electric vehicle charging equipment and alternative charging costs incurred while the damaged equipment cannot be used</p>	<p>Helping to create a net-zero society</p>	<p>MSI (★) </p>
<p>Endorsement for rental car costs at times of suspended operation of hydrogen stations, under Automobile insurance</p>	<p>Coverage of rental car cost incurred when an insured vehicle is regarded as inoperative due to halted operation of nearby hydrogen stations resulting from such coincidental reasons as "accident," "failure," "operator's bankruptcy" and "operator's withdrawal from business"</p>	<p>Helping to create a net-zero society</p>	<p>MSI (★) </p>
<p>Net-zero emissions support</p>	<p>One-stop support for corporate net-zero initiatives at all stages, including introduction, strategy, and reduction, in collaboration with external organizations regardless of industry size</p>	<p>Contributing to create a net-zero society</p>	<p>InterRisk (★) </p>

Renewable energy support service	Consulting services regarding assessment of business risks associated with renewable energy (solar power, wind power, biomass, etc.), as well as energy conservation, improved comfort in the working environment, and reduced energy costs	Supporting stable development of renewable energy businesses	InterRisk (★)
Service for accepting online handling of transfer accounts	A service to enable customers to carry out account-related procedures via the Internet, such as registration and changing of insurance premium transfer accounts through smartphone reading of a QR code and selection of a preferred financial institution on a dedicated site for account registration	Helping to reduce environmental impact by going paperless	MSI/ADI (★)
Mobile application-based payment service	A premium payment service as a replacement for direct collection, enabling customers to pay premiums through smartphone reading of a QR code and selection of a contracted payment service from various listed services	Helping to reduce environmental impact by going paperless	MSI/ADI (★)

Safe and secure society (Resilience)

[Major relevant SDGs]

Goal 1: No poverty

Goal 2: Zero hunger

Goal 3: Good health and well-being for all

Goal 8: Decent work and economic growth

Goal 9: Industry, Innovation and Infrastructure


Goal 11: Sustainable cities and communities





(★) links are "in Japanese only"


Products and Services	Outline	Contribution to solving social issues	Details
Cybersecurity Insurance	Comprehensive coverage for risks such as those brought about by cyber-attacks. A line-up of various services, including risk assessment service and emergency service in the event of accidents, which contribute to prevention and minimization of losses, and to prompt restoration of services	Helping to the stabilization of corporate management and supporting social development	Details




Cyber risk consulting	Provision to companies of a one-stop support for development of a system to multilaterally assess cyber risks and protect against them in a multi-layered manner, including a menu of services corresponding to each phase of "organizational system development," "risk identification," "protection," "detection," and "responses/restoration"	Supporting cyber risk measures taken by companies	Details
Comprehensive Telecommuting Coverage Plan	Coverage for various kinds of risks of companies promoting teleworking, which widely covers liability for information leakage due to cyber attacks and liability caused by labor management of employees	Helping to the spread of telework, promoting the creation of social value through the realization of a work-life balance and contributing not only to the prevention of the spread of COVID-19 infections but also to the diversification of working styles in post-pandemic	Details
GIGA school concept compensation plan for sales operators	Provision of a plan to cover the risk of companies selling laptops and tablets to local governments to realize the GIGA School Concept	Contributing to the development of educational ICT environments	Details
Developed the world's first "Lunar Insurance" to cover risks arising out of navigation to and landing on the Moon	Coverage for risks from launch to landing on the Moon in lunar-related business activity, which is expected to expand in the future	Providing solutions to mitigate risks arising in the new space domain	Details
Streaming Event Cancellation Insurance	Coverage targeting providers of streaming delivery services for risks such as refunding of fees due to delivery failure caused by equipment defects in the streaming of online concerts, online sporting events, online tours, etc.	Covering performance cancellation risks associated with streaming delivery	Details
Dedicated Insurance Coverage for NFT Art	Coverage targeting exhibitors of digital artworks for damage sustained when their owner information is falsified through unauthorized access by a third party	Covering damage due to unauthorized access	Details

<p>Services through utilizing metaverse</p>	<p>Development of "Future Design Metaverse," and provision of content to enable cooperative consideration of a potential future energy system through Avatar (Mitsui Sumitomo Insurance)</p> <p>Start of development of metaverse in Fortnite and support activities for creators aimed at establishment of insurance products/services/customer contact points prior to the creation of a new economic zone (Aioi Nissay Dowa Insurance)</p>	<p>Development of new insurance products and services which will support economic activities in the virtual space, "metaverse"</p>	<p>Details</p>
<p>Exclusive package insurance for metaverse</p>	<p>Coverage for three risks such as cyber attacks/information leakage, Fraud occurring in metaverse and cancellation of events in metaverse</p>	<p>Development of new insurance products and services which will support economic activities in the virtual space, "metaverse"</p>	<p>Details</p>
<p>Loss prevention and reduction system for local governments "Loss Prevention Dashboard"</p>	<p>Provision of support for disaster prevention and mitigation measures in local communities to help protect the lives and property of residents through central visualization of real-time weather data in relation to disaster risks, flood forecast data for 30 or more hours ahead, and AI-based estimation of post-occurrence damage.</p>	<p>Supporting disaster prevention and mitigation in local communities</p>	<p>Details</p>
<p>Real-time damage forecasting website cmap.dev Real-time damage forecasting website and app, cmap.dev</p>	<p>As part of a joint research project with Aon Group Japan Co., Ltd., and Yokohama National University, we have established a system for forecasting, by municipality, the number of buildings likely to be damaged and the damage rate due to typhoons, heavy rains, and earthquakes. This information is available free-of-charge on the website and in app. Information, including SNS information on weather, damage and lifelines, and information on evacuation site locations is also available free of charge on the website. In addition to the functions of the website, the application allows users to receive push notifications of emergency information in the event of a disaster, and to view and post various types of risk information surrounding their daily lives.</p>	<p>Supporting the early identification of the scale of damage and rapid rescue and support activities in the event of a disaster</p>	<p>Details ADI (★) </p>
<p>Evacuation insurance plan</p>	<p>A plan consisting of summarized effective measures for supporting a local public body in establishing an evacuation scheme, which we have prepared utilizing the knowledge and know-how acquired through validation of specific risks and measures related to resident evacuation in the event of disasters</p>	<p>Supporting establishment of a scheme which enables rapid evacuation of persons requiring support in the event of disasters</p>	<p>Details</p>

Natural disaster hazard information survey	Service to diagnosing the location risks for corporate facilities by collecting and organizing hazard information based on comprehensive surveys on earthquakes, wind and water disasters, volcanic eruptions, lightning strikes, snow accumulation, and more	Supporting corporate risk measures in the event of a natural disaster	Details
Flood disaster countermeasure support service	Risk assessments for river flooding, inundation of inland waters, and storm surges, and formulating damage prevention plan, mitigation measures and BCPs against flood disaster	Helping to ensure continuity and early recovery of core business while minimizing damage to a company's business assets in the event of a disaster such as river flooding, inundation of inland waters or storm surges	Details
Sediment-related disaster risk diagnosis	Simulation risk assessments of sediment-related disasters (debris flows, landslides, etc.) at individual sites based on "largest recorded" and "potential largest" rainfall scenarios	Supporting the prevention of sediment disasters by identifying the risk of slope failures at business and planned sites	Details
Wind disaster risk diagnosis	Preparation of a 3D model through using 3D CAD based on drawings and exterior photographs and submission of a report including visualized wind load on a building and wind flow during strong winds, with the surrounding terrain and buildings taken into consideration	In order to reduce damage caused by strong winds, utilized for examining measures for buildings and outdoor equipment that should be taken daily.	Details
Flood risk information integrated confirmation system (Sui Search)	Providing a website that enables the acquisition of various types of information related to water disasters at multiple sites either "in summary" or "in real time" and the automatic determination of the timing of various responses and decisions (= alert stage judgments)	Supporting companies in their loss prevention responses at times when damage due to typhoon, heavy rain, etc. is anticipated	Details
Volcanic eruption measures service	Launch of a service for comprehensively supporting identification of risks relating to volcanic eruption, emergency responses, business continuity measures, training in normal times, etc., in line with the 2021 revision of the Hazard Map of Mt. Fuji, which had not been revised for about seven years	Supporting the development of a business continuity plan (BCP) assuming volcanic eruptions	Details





Weather information alert service	Email alerts when forecasts of rainfall, wind speed, or snowfall at monitored locations exceed threshold, or when lightning is observed within a threshold distance	Preventing and mitigating damages caused by natural disasters	Details
Evacuation support insurance for supporters/persons requiring support	Provision of insurance products to cover provision of compensation for accidents to persons requiring support during evacuation activities, etc. based on individual evacuation plans that compile information on such persons and evacuation methods, as well as injuries to supporters or persons requiring support during evacuation support activities.	Supporting disaster prevention and mitigation in local communities	Details
Endorsement for lump-sum payment in the event of evacuation due to specific emergency disasters, etc.	Endorsement for a lump-sum payment in the event of the need to relocate to an evacuation shelter, etc. due to a disaster of a certain size or greater, such as being designated as a specified emergency disaster area, regardless of whether or not there is damage to the insured object.	Supporting disaster prevention and mitigation in local communities	Details
Preparing against natural disasters	In response to growing customer interest in flood and earthquake compensation due to the more frequent occurrence of natural disasters in recent years, promotion of initiatives to remind customers of the importance of "being prepared," before a disaster occurs.	Supporting disaster prevention and mitigation in local communities	Details
Earthquake insurance	Coverage for losses to buildings and household goods caused by fires, damage, being buried, or being washed away as a result of earthquakes, volcanic eruptions, or tsunami	Helping to rebuild the lives of those affected by earthquake and the early recovery of areas hit by earthquakes	MSI (★)  ADI (★) 
Smartphone app: Smartphone Disaster Navigator	A smartphone app to identify user's current location using GPS and to display information regarding nearby evacuation shelters and hazards on a map. The camera function displays directions to the user's home or nearby evacuation center on a landscape screen for safer evacuation. Disaster prevention information for the user's current location is also sent out in real-time by push notifications. Available in English, Chinese (traditional and simplified), Korean, Vietnamese, Tagalog, and Portuguese, except for some features	Supporting safe and secure behavior in the event of a large-scale natural disaster	Details
Provision of applications that support safe driving	Provision of various menus (applications, services, etc.) leading to safety and peace of mind through utilizing telematics technology	Supporting local disaster prevention and mitigation through utilization of DX	Details










<p>AD Tele-millage, points program for policyholders</p>	<p>Points program for policyholders of Telematics Automobile Insurance. A service whereby points are earned by taking on the challenge of initiatives that lead to safe driving, and can be used to obtain coupons that can be redeemed for prizes based on points or for making donations to support various organizations</p>	<p>Helping to prevent traffic accidents and supporting safe driving</p>	<p>Details</p>
<p>Driving skill improvement training</p>	<p>A brain training game for improving concentration, awareness and driving skills. Easy and fun training with smartphone</p>	<p>Helping to prevent traffic accidents and supporting safe driving</p>	<p>Details</p>
<p>TOUGH Connected Automobile Insurance</p>	<p>Automobile insurance with a reasonable insurance premium calculated in consideration of the distance traveled and discounts based on safe driving scores, using the most advanced telematics technology, which is applied for connected cars that meet certain requirements</p>	<p>Contributing to creation of safe and secure communities through preventing traffic accidents by providing "safe driving incentives (discounts)" and "safe and secure services."</p>	<p>ADI (★) </p>
<p>GK Mimamoru (Dashcam-based) Automobile Insurance, TOUGH Mimamoru Automobile Insurance, Tsuyokute Yasashii (Tsuyoyasa) Automobile Insurance Rescue Dashcam (Dashcam Optional Policy)</p>	<p>Automobile Insurance with the concept of "supporting customers' safe driving and safeguarding their driving against an accident" by utilizing the latest telematics technology. In addition to a driving diagnosis by analyzing the driving data of the contracted car, a wide range of alert services support customer's safe driving. In the event of an accident, our operator will contact to confirm safety and provide advices such as what steps to be taken</p>	<p>Helping to prevent traffic accidents and supporting safe driving</p>	<p>Details</p>
<p>TOUGH Mimamoru Automobile Insurance plus (dashcam-based)/TOUGH Mimamoru Automobile Insurance plus S/TOUGH Mimamoru automobile insurance Next</p>	<p>Automobile insurance that reflects the degree of safe driving in insurance premiums based on driving data obtained from a dedicated dash cam/simplified vehicle-mounted device/smartphone</p>	<p>Contributing to creation of safe and secure communities through preventing traffic accidents by providing "safe driving incentives (discounts)" and "safe and secure services."</p>	<p>Details</p>







<p>"F-Dora" drive recorder telematics service for fleet policy holders</p>	<p>Service of three types of support: "during accidents/emergencies," "accident prevention measures," and "operation management," using our original dedicated dash cams and the industry's first driver-facing camera</p>	<p>Helping to prevent serious accidents by detecting and alerting in the case of dangerous driving behavior (dozing off, not paying attention or talking on the phone) using a driver-facing camera, in addition to supporting safe driving efforts by companies</p>	<p>MSI (★) </p>
<p>Sasaeru Navi</p>	<p>Telematics service for fleet policyholders</p>	<p>Supporting corporate customers with their vehicle management and efforts to reduce accidents</p>	<p>ADI (★) </p>
<p>Four Safety – Support service preventing the use of mobile phones while driving</p>	<p>A smartphone application, by plugging a designated terminal into the automobile's cigarette lighter socket, automatically controlling a smartphone (including telephone and apps) once a certain speed (20kph) is exceeded. Administrators can check whether smartphones have been controlled and driving patterns, such as sudden acceleration or deceleration, for each employee through a dedicated website</p>	<p>This service can be used by companies to ensure safe driving practices. Supporting the creation of corporate value by helping to prevent distracted driving, a social issue</p>	<p>MSI (★) </p>
<p>Support for rebuilding the lives of disaster victims</p>	<p>In light of increased severity and frequency of natural disasters, provision of a service to help local governments take actions in relation to the victims' life reconstruction support system in the event of a flood disaster; in particular, prompt issuing of disaster certificates and working efficiently to deliver the certificates in order to support early resettlement for disaster victims.</p>	<p>Enabling local governments to reduce their workloads in investigation and improve efficiency in the administrative work of issuing disaster victim certificates and realizing prompt restoration of disaster victims' living situations through receipt of assistance under various support programs, such as disaster sympathy money and tax reductions/exemptions.</p>	<p>Details</p>








Supporting the establishment of Business continuity management system (BCMS)	A service to support the establishment of a system that ensures the resumption of operations within a target time frame in the event that business activities are suspended due to a large earthquake, infectious disease, or other reasons, and the formulation of business continuity plans (BCP)	Helping to ensure continuity and early recovery of core business while minimizing damage to a company's business assets in an emergency	Details InterRisk (★) 
Supporting for securing housing for single elderly households	Development of a new insurance product/service utilizing IoT devices that alert property management companies when specific behaviors are detected, such as signs of lonely death, in order to secure stable housing for single elderly households	Supporting resolution of issues particular to an aging society	Details
Disaster countermeasure support insurance	Coverage for expenses incurred when a business operator who has concluded a disaster support agreement ("Agreement") with a local government provides supplies and/or dispatches personnel based on the Agreement	Supporting business operators' social contribution activities in the event of a natural disaster	Details
Endorsement covering emergency evacuation of vehicles in the event of disasters	Coverage for the costs incurred by companies in evacuating their vehicles when evacuation information has been issued by local governments in relation to a natural disaster	Disaster support in cooperation with local governments	Details
Coverage for traffic accidents involving fire brigade members, etc. engaged in firefighting activities	Coverage for private vehicles, etc. of fire brigade members, etc. used in fire-fighting activities against traffic accidents involving those vehicles during such activities	Supporting enhancement of local communities' disaster prevention capabilities	Details
Platform Clover	Support for SDGs initiatives by local governments, commercial/industrial groups, regional financial institutions, and small/medium-sized companies through providing online SDGs platform "Platform Clover" to co-create a sustainable society	Supporting SDGs initiatives by local governments, commercial/industrial groups, regional financial institutions, and small/medium-size companies	Details
Proposal of business continuity plans (BCP)	Holding of seminars and other events to help companies formulate BCPs that allow them to rapidly restore and continue their business operations, even after natural disasters or unexpected accidents occur	Helping to ensure continuity and early recovery of core business while minimizing damage to a company's business assets in the case of an emergency	Details

Regional revitalization support site	Establishment of a website to help local governments support regional revitalization initiatives and dissemination of information on such initiatives carried out by each local government, and to provide useful information for local governments online	Supporting regional revitalization initiatives of local governments	Details
Regional issue resolution through provision of "Unoccupied House Package"	Provision of products and services that will promote distribution and utilization of unoccupied houses in partnership with operators of platforms which connect house owners, businesses, and local governments with the aim of promoting regional revitalization through addressing issues relating to unoccupied houses	Contributing to regional revitalization through addressing unoccupied house issues	Details
Support for optimization of road inspection and management services through automatic detection of road damage using AI analysis "DORA-RECO (Dashcam) Road Manager"	Automatic detection of road damage through AI analysis of data collected from dashcams owned by Mitsui Sumitomo Insurance, thereby realizing optimization of conventional road patrols carried out by visual checking.	Supporting optimization of operations of local governments through DX promotion	Details
U-Medical Support for veterinarians and livestock farmers	Provision of U-Medical Support, a service to digitally support communications between veterinarians and farmers for the diagnosis and treatment of cattle	Supporting farmers through DX promotion	Details
Provision of automobile insurance for self-driving vehicles utilizing electromagnetic induction lanes	Provision of low-cost automobile insurance for self-driving vehicles that use electromagnetic induction lanes, which are expected to be a new means of transport in depopulated areas with aging populations, and in other areas.	Supporting resolution of social issues through DX promotion	Details
Development of an accident relief system linked to dementia ordinances (dementia "Kobe Model")	Development of comprehensive three-pronged coverage scheme for dementia: (1) Accident relief, (2) System expansion, and (3) Prevention of accidents under entrustment with the administration of the accident relief system linked to Kobe's dementia ordinances	Supporting resolution of issues particular to an aging society	Details

Provision of easy-to-understand information	In addition to utilization of personal computers and smartphones, adoption of procedures with due consideration given to the needs of the elderly and people with disabilities and eye-friendly, easily readable fonts (Universal Design Font, etc.) for use in brochures for our primary products, provision of information using easy-to-understand language, figures, and illustrations, as well as provision of sign language, interpretation services in 17 languages, and translation services in 12 languages.	Supporting resolution of issues particular to an aging society	-
Introduction of Heartful Line Service	Introduction of the Heartful Line Service for customers aged 80 years and older, which, when they phone the call center, connects directly to the operator without going through the voice guidance	Supporting resolution of issues particular to an aging society	-
Endorsement for social contribution	Joint development with Sumitomo Mitsui Banking Corporation of Endorsement for Social Contribution, which enables designated public interest groups to be appointed as beneficiaries of insurance claims, in response to customers' wide range of values in relation to asset inheritance, such as goodwill through contributing to society by donating their assets	Supporting resolution of issues particular to an aging society	Details
Comprehensive Coverage Insurance for Mobile Application-based Payment Service Providers	Coverage for damages caused by illegal access through a mobile application-based payment service	Helping to the spread of secure and safe cashless payment	MSI/ADI (★) 
Coverage plan for sharing economy-based business	Insurance products with order-made conditions for coverage required for various business situations. This plan was developed to respond to coverage needs for personal liability insurance valid only for the user and only for the period of use, arising from the spread of the sharing economy	Helping to the development of sharing economy-based business	MSI (★) 
One-day Leisure Insurance	Leisure insurance providing only the required coverage only when needed	Helping to enriching customers' lives	MSI (★) 
Built-in Insurance	Insurance for users of digital businesses, utilizing digital insurance sales platforms to share data with such businesses	Providing safety and security to users of e-commerce and sharing services	MSI (★) 

One-day Insurance/One-day Supporter	Automobile insurance for rent vehicles that is available in daily increments	Promoting the reduction of accidents caused by uninsured vehicles	MSI (★)  ADI (★) 
Automobile insurance for car share platforms	Coverage for damage caused by non-return in car sharing	Helping to solving issues unique to car sharing that conventional vehicle insurance cannot afford	MSI (★)  ADI (★) 
Smartphone app: Suma-Ho Driving Ability Diagnosis	Service providing analysis of driving skill characteristics, dash cam, eco drive diagnosis, audio warnings when drivers are approaching locations where accidents frequently occur, extreme weather forecasts, and other services	Helping to prevent traffic accidents and supporting safe driving	MSI (★) 
Automobile risk management service	Effective programs and solutions to prevent and reduce accidents	Helping to prevent traffic accidents and supporting safe driving	InterRisk (★) 
Transportation safety management seminar	Seminars on accident prevention and reduction for automobile transportation companies certified as an implementing organization by the Ministry of Land, Infrastructure, Transport and Tourism	Helping to prevent traffic accidents and supporting safe driving	InterRisk (★) 
Automobile Insurance: Special endorsement for additional rental alternative car cost due to lending own electric vehicles based on a disaster support agreement	Coverage for rental car costs incurred when a business operator lends its electric vehicle, etc. to a local government (in line with any disaster support agreement) and needs to arrange a tentative	Supporting the construction of regional cooperation systems in the event of a disaster and supporting the wider use of electric vehicles by encouraging the effective use of electric vehicles (emergency power supply)	MSI (★) 
Smartphone app: Suma-Ho Disaster Navigator	A smartphone app to identify user's current location using GPS and to display information regarding nearby evacuation shelters and hazards on a map. The camera function displays directions to the user's home or nearby evacuation center on a landscape screen for safer evacuation. Disaster prevention information for the user's current location is also sent out in real-time by push notifications. Available in English, Chinese (traditional and simplified), Korean, Vietnamese, Tagalog, and Portuguese, except for some features	Supporting safe and secure behavior in the event of a large-scale natural disaster	MSI(★) 

<p>Repair service for damaged equipment</p>	<p>Service to dispatch experts to conduct a survey of contamination on buildings, machineries, and facilities damaged from fire smoke, soot and rust after fire or flooding etc., and conduct decontamination works</p>	<p>Supporting early full-scale recovery of customer's businesses from damages caused by disasters by repairing damaged machineries and equipment, which previously had to be replaced with new ones</p>	<p>MSI (★) </p>
<p>Earthquake and tsunami risk management consulting</p>	<p>Support for the enhancement of countermeasures based on calculations of estimated damage amounts taking into account the effects of earthquakes and tsunamis, field surveys, etc</p>	<p>Helping to ensure continuity and early recovery of core business while minimizing damage to a company's business assets in the event of a disaster such as an earthquake or tsunami</p>	<p>InterRisk (★) </p>
<p>BCP development support services for international business</p>	<p>Supporting countermeasures in light of serious risks overseas, such as accidents and natural disasters</p>	<p>Supporting the development of overseas business</p>	<p>InterRisk (★) </p>
<p>Building damage calculation system using AI</p>	<p>A system whereby photos, simply sent from a smartphone or a PC, can be automatically analyzed using AI to detect damaged areas and instantly assess the amount of coverage</p>	<p>Since quotes for repair do not need to be submitted, insurance claims can be swiftly paid out helping customers to quickly rebuild their lives after a disaster.</p>	<p>MSI/ADI (★) </p>
<p>Comprehensive global business coverage plan</p>	<p>Comprehensive coverage to cover risks related to overseas business expansion for small and medium-sized enterprises (SMEs)</p>	<p>Facilitating the smooth operation of business activities overseas to support the stabilization of SMEs' business operations overseas and the development of local communities</p>	<p>MSI (★) </p>
<p>Supporting companies in expanding overseas operations</p>	<p>Risk management services for small and medium-sized enterprises expanding their business overseas</p>	<p>Helping to expand overseas operations of small and medium-sized enterprises</p>	<p>MSI (★) </p>

Export food insurance	Coverage for risks that occur when exporting food, such as spoilage and deteriorating quality due to accidents during transportation	Supporting new exports by SMEs and contributing to the sustainable development of Japan's agriculture, forestry and fisheries and food industries.	MSI (★) 
Consulting on occupational health and safety, and on development of safety culture	Provision of training and consultation on occupational health and safety, diagnosis of current status, and consultation toward development of a safety culture which supports and activates safety control	Supporting prevention of work-related accidents and facility disasters	InterRisk (★) 
Sustainable Development Goals (SDGs) promotion support services	Providing training and consulting services to assist companies in developing their strategies and strengthening their efforts toward the SDGs	Supporting regional revitalization and solving social issues through the SDGs	InterRisk (★)
Consulting on new infectious diseases such as new strains of influenza countermeasures	Consulting services to support customers in measures against new strains of influenza and other new infectious diseases from a variety of perspectives, including infection prevention, spread prevention, response to business partners, business continuity, and reputational damage	Helping to prevent and limit the spread of infection	InterRisk (★)
Solicitation system to be completed online	Introduction of "&LIFE e-Net," a solicitation system that enables workers to complete online application for employees in their workplaces and for some customers	Providing a system to meet the need for non-person-to-person processing, which is increasing with the progress of digitalization	MSI Aioi Life (★) 
Rep and Warranty insurance with labor due diligence service	Representation and warranty insurance for small businesses incorporating a labor due diligence service	Proposing labor due diligence risks during small-scale M&A.	ADI (★) 
Family Eye (notification system for relatives)	A system in which any one relative of a policyholder is registered as an emergency contact in relation to matters regarding insurance policies. It enables our company or agents to contact the registered relative and ensure more reliable delivery of important notifications concerning insurance policies in an emergency, such as when we cannot contact the policyholder, or to share with the relative contract information, following completion of an identification procedure based on the registered information, in order to respond to the registered relative's inquiry	Providing peace of mind to single elderly-person households as well as to policyholders/family members in the event of hospitalization/disaster	MSI (★)  ADI (★)  MSI Aioi Life (★) 

Happiness of diverse people (Well-being)

[Major relevant SDGs]

Goal 3: Good health and well-being for all



Goal 5: Gender Equality

Goal 8: Decent work and economic growth












(★) links are "in Japanese only"





Products and Services	Outline	Contribution to solving social issues	Details
MSA Care	Provision of support before and after illness, such as prevention/early detection of illness, prevention of serious illness/recurrence, and consultation regarding health, as "a set of services" In addition to providing life insurance coverage in the event of illness	Supporting customers in creating a healthy future	Details
"KokoKara Diary" smartphone app	A smartphone app to measure stress levels, display calories burned from steps automatically measured, record meals, height, weight, sleep duration, check medical information, and more. We also provide a dedicated website for administrators that has features that include viewing employee life log data and sending health advice to the app. It also helps to promote communication among employees by hosting a health-related event using a feature to display a ranking of employees' steps	Supporting health management on employee level and health and productivity management on corporate level	Details
Promoting good health in collaboration with the University of Tokyo's Center Of Innovation	Launch of insurance products to support health and productivity management that combine consulting services with a health management app based on an AI-driven health risk forecasting model developed by Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance in cooperation with the University of Tokyo Provision of services for checking risks of MCI (Mild Cognitive Impairment) through use of an algorithm jointly developed by the University of Tokyo and MSI Aioi Life	Supporting health management on employee level and health and productivity management on corporate level	Details
Services for welfare and nursing care providers	Provision of products that offer compensation for various risks related to welfare/nursing care providers, which also covers consulting costs for prevention of accident recurrence and support for nursing care providers in establishing the BCPs and holding abuse prevention training sessions, which are obligatory for nursing facilities/offices.	Helping to resolve issues specific to an aging society	Details



Medical Receivable[s] Compensation Insurance for members of the Japan Hospital Association	Development and provision of medical receivables compensation insurance (plan for foreign patients only) for members of the Japan Hospital Association in preparation against the risk of unexpected large receivables arising out of an increase in the number of foreign visitors to Japan, etc.	Contributing to support for stabilizing hospital operations	Details
Health and productivity management consulting services	Counseling and advice on issues related to the practice of health and productivity management and provision of information on the METI's system for certifying enterprises engaging in excellent health and productivity management	Supporting corporate health and productivity management	Details
"Work and Nursing Care Dual Support Service for Companies"	Advice companies on identifying issues and the directions to be taken, based on the five initiatives described in the "Model for supporting work-life balance to prevent long-term care turnover" by the Ministry of Health, Labour and Welfare	Helping to stable corporate management and creating a comfortable working society	Details
Health Management Support Insurance	Provision of an insurance package that includes three functions: health management support services, loss of income coverage for employees who are unable to work due to injuries and/or illnesses, and tools for visualizing health risks for employees and helping to prevent disease through using the health management app, My Body Forecast, developed in conjunction with the University of Tokyo Center of Innovation	Supporting corporate health and productivity management	Details
Mental Health Support Service for contact centers	A service for call centers, the turnover rates of which are said to be high due to an extreme level of work-related stress, which leads to rapid improvement of workplace conditions, etc. through facilitating timely identification of the occupational mental conditions of call center personnel	Supporting corporate health and productivity management	Details
Smartphone-completed Asset-building/Management Type Life Insurance "AHARA"	Provision of a first-in-Japan variable annuity insurance, AHARA, which can be completed using just a smartphone, as a savings type asset-building product that meets the needs of customers who "want to start asset-building casually."	Supporting a rewarding second life	Details
Individual defined contribution pension plan (iDeCo)	A system in which an individual receives tax breaks while paying premiums and managing the funds themselves, and receives the funds as a lump sum or pension after the age of 60 in principle. Provided through financial institutions and agent	Supporting a rich second life	Details MSI (★)  ADI (★) 

<p>“Fulfilling Tomorrow” existence protection oriented-type individual annuity insurance (with variable interest rate, level premium payment)</p>	<p>Flat payment-type individual annuity insurance. Customers pay a fixed amount of insurance premiums in Japanese yen every month, and then it is converted into a foreign currency and receive pensions based on the increased fund. Customers can take advantage of dollar cost averaging to reduce foreign exchange risk, and tontines, a system to increase pension funds by suppressing death protection cover then transfer that amount to the pension</p>	<p>Supporting a rich second life</p>	<p>Details</p>
<p>“Joy for tomorrow” “Joy for Tomorrow 2” currency option-type existence protection oriented individual annuity insurance</p>	<p>Individual annuity insurance that uses tontine to support a rich second life with a focus on “100 years of life.” “Joy for Tomorrow 2” features four courses that can be chosen according to the customer’s funding needs: “Amount receivable oriented course,” “Pre-pension benefit/whole life death protection course,” “Fulfillment at maturity course” and “Target course”</p>	<p>Supporting a rich second life</p>	<p>Details</p>
<p>Currency-selective Special Whole Life Insurance such as “Yasashisa, Tsunagu 2”</p>	<p>A whole life insurance product which enables trouble-free transmission of assets to next generations by making the insured’s family the beneficiary of living benefits</p>	<p>Supporting a fulfilling “second life”</p>	<p>Details</p>
<p>&LIFE Cancer Insurance S Smart Select</p>	<p>Special fire insurance clause for the landlords covering the additional cost incurred when an elderly person dies alone in rental housing.</p>	<p>Providing solution to counter medical risks</p>	<p>Details</p>
<p>Fire Insurance products responding to aging society</p>	<p>Special fire insurance clause for the landlords covering the additional cost incurred when an elderly person dies alone in rental housing.</p>	<p>Helping to solving issues specific to an aging society</p>	<p>Details</p>
<p>Nursing care health desk</p>	<p>Telephone consultation for customers who have purchased insurance regarding long-term care and dementia. Consultation by counselors with nursing qualifications, etc. regarding nursing care and dementia. Information is available on services tailored to the needs of customers, such as mental counseling for family members for nursing care, provision of information on specialized medical institutions for dementia, and telephone checks of cognitive functions</p>	<p>Supporting nursing care for customers and treasured members of their families</p>	<p>Details</p>
<p>BPSD onset prediction services</p>	<p>Provision of BPSD onset prediction services that realize improvement of the QOL (Quality of Life) of elderly persons living at home and reduction of the burdens on families and nursing care personnel</p>	<p>Supporting nursing care for customers and treasured members of their families</p>	<p>Details</p>

<p>Insurance for small loans to micro-entrepreneurs (Philippines)</p>	<p>Micro-insurance for loans, in cooperation with BPI Direct Banko, which provides small loans to micro entrepreneurs. Available from the autumn of 2019</p>	<p>Supporting the operations of micro entrepreneurs through insurance even in the event of an unforeseen occurrence such as an accident or disaster.</p>	<p>Details</p>
<p>Exclusive fire insurance for indigenous people (Malaysia)</p>	<p>Development of a fire insurance specifically designed to cover the homes of indigenous people left behind in economically developing urban areas, through collaborating with EPIC Homes, a social enterprise working to improve the living conditions of indigenous people in Malaysia. By indemnifying indigenous people for housing, this product allows the indigenous people to stay living in peace, and at the same time, a support scheme is created that makes it easier for the sponsors recruited by EPIC Homes to participate, as there is no fear that the value of their donations will be lost in the event of a house fire</p>	<p>Helping to the stability of the livelihood of indigenous people, many of whom are in poverty and in need of housing coverage and assistance</p>	<p>Details</p>
<p>Smart offices (India)</p>	<p>Opening small offices equipped with insurance policy issuing machines (smart offices) in small- and medium-sized cities, towns and villages, where insurance penetration has lagged behind than metropolitan areas</p>	<p>Contributing to expanded availability of insurance in areas where access to insurance coverage has traditionally been inconvenient</p>	<p>Details</p>
<p>Microinsurance (India)</p>	<p>Launch of microinsurance for loans in cooperation with a financial institution, which provides small loans to residents in areas where access to insurance has been inconvenient</p>	<p>Contributing to expanded availability of insurance in areas where access to insurance coverage has traditionally been inconvenient</p>	<p>Details</p>
<p>Financial literacy classes for high school students (Japan)</p>	<p>Implementation of classes to improve financial literacy for high school students following the April 2022 revision of the Civil Code that lowered age of adulthood from 20 to 18, through which we provided opportunities for students to learn life skills toward achieving an independent, secure and prosperous life, and contributed to improvement of living standards, going forward</p>	<p>Contributing to improving the lives of young persons in Japan, going forward</p>	<p>Details</p>

<p>Services through digitization and AI utilization</p>	<p>Launch of MS1 Brain Remote through digitizing the whole insurance process, from solicitation through claims settlement</p> <p>Development and provision of support apps and services using AI in order to provide insurance products and services more promptly</p>	<p>Improving customer convenience through use of digital technology</p>	<p>Details</p>
<p>Using sign language interpretation services</p>	<p>A service in which sign language interpreters take inquiries from customers with hearing or language impairments by video call using sign language or writing, and then interprets by voice to one of the company operators</p>	<p>Improving customer convenience by enabling inquiries and procedures related to policies in real time in sign language and writing</p>	<p>Details</p> <p>MSI (★) </p> <p>ADI (★) </p> <p>MSI Aioi Life (★) </p> <p>Mitsui Direct General (★) </p>
<p>Accident response service available in 17 languages</p>	<p>Communication in 17 languages via interpreting operators, allowing customers with difficulties in communication in Japanese who have been involved in an accident, the other party, or customers who wish to receive consultation or have an inquiry regarding insurance to all communicate freely</p>	<p>Improving convenience for customers who have difficulty communicating in Japanese</p>	<p>Details</p> <p>MSI (★) </p> <p>ADI (★) </p> <p>Mitsui Direct General (★) </p>
<p>Web site for customers with hearing disabilities</p>	<p>Online road services arrangement through web</p>	<p>Improving convenience for customers with hearing disabilities</p>	<p>MSI (★) </p>
<p>Coverage for search costs when missing of the elderly</p>	<p>Coverage for search costs if the insured years goes missing can be attached to accident insurance for people over 70 years old</p>	<p>Helping to solving issues specific to an aging society</p>	<p>MSI/ADI (★) </p>
<p>"&LIFE" New Income Guarantee Insurance-Wide</p>	<p>An insurance policy with monthly pension payments to enable preparation against the risk of becoming unable to work or being in need of nursing care due to illness or injury, in addition to preparedness for emergencies</p> <p>Premiums discounted according to status of receiving medical examinations, health conditions, smoking history, and driving history by attaching to the policy an "endorsement for applying premium rate based on medical examination results" and a "good health discount (endorsement for application of category-based premium rate"</p>	<p>Providing solutions to counter the risk of being unable to work and helping to the maintenance and improvement of customers' health</p>	<p>MSI Aioi Life (★) </p>

<p>"&LIFE" New Medical Insurance-Ace Select</p>	<p>An insurance with sufficient degree of support for lifestyle-related diseases, cancer, female diseases, and nursing care, in addition to coverage for hospitalization and surgery. Various selection of coverages in line with customers' needs is available</p>	<p>Providing solutions to counter medical risks</p>	<p>MSI Aioi Life (★) </p>
<p>100-year Life Lounge ~ Visualizing life plans/money plans and providing total support for asset building ~</p>	<p>Providing of information, products and services which satisfy both the need of companies to "provide employees with welfare programs enabling them to lead a rich life, such as asset building support," and the desires of employees to "design a life plan including post-retirement life based on the detailed income/expenditure simulation" and to "receive the best possible support at each life event"</p>	<p>Providing products and services to suit customers' life plans and financial plans through visualizing their situations and needs against a backdrop of increasing concern about social welfare and retirement funds with a focus on "100-year life"</p>	<p>MSI (★) </p>
<p>Support team for a better life</p>	<p>Telephone consultation service for policy holders, with variety menu such as health, medical and lifestyle consultations to customers who have purchased insurance</p>	<p>Supporting customers' lives with health and peace of mind by helping to solve their problems and providing useful information</p>	<p>MSI Aioi Life (★) </p>
<p>Service to provide information on medical treatment and nursing care</p>	<p>Provision of information using virtual reality images seen on smartphones. Customers can experience simulated visits to medical facilities where proton beam therapy is performed, treatment methods using molecularly targeted drugs, and simulated experiences of the daily life of a person with dementia and his/her family (first-person experience)</p>	<p>Aiming to help customers' live better, providing easy-to-understand information on medical care and nursing care and helping customers' understand the correct information</p>	<p>MSI Aioi Life (★) </p>

<p>Medical/welfare risk management service</p>	<p>Support for prevention of occurrence/recurrence of incidents/accidents on the part of medical institutions and welfare service providers</p>	<p>Supporting sustained development of medical institutions and welfare service providers</p>	<p>InterRisk (★) </p>
<p>Consulting to support handling of Business and Human Rights</p>	<p>Support to companies for due diligence, risk measures in supply chains, and disclosures of human rights initiatives</p>	<p>Supporting initiatives to promote respect for human rights and information disclosure by companies</p>	<p>InterRisk (★) </p>

*Goal 17: "Partnerships for the goals" relates to all initiatives.



Impact of CSV Initiatives

Based on the three priority issues identified, we are promoting CSV initiatives based on risks and opportunities. Our group's products and services solve social problems and support a resilient and sustainable society. We are creating a positive impact both in improving corporate value and solving social issues.

Symbiosis with the global environment (Planetary Health)	Quantitative assessment service on the climate change impact of the TCFD recommendations	Number of companies that provided quantitative assessment services for physical risks from climate change impacts
	Work with Jupiter, a climate analysis company, to provide quantitative risk assessments of climate change impacts	FY2022: 6,640 bases
	Real-time damage prediction website cmap.dev (cmap)	Number of page views per year on a site that forecasts and publishes the number of buildings affected by typhoons, heavy rains, and earthquakes in real time
	It is open to the public free of charge as an advance disaster prevention and reduction measure against natural disasters.	FY2022: 2.73 million accesses
Safe and secure society (Resilience)	Products to cover cyber risks	Number of corporations and organizations protected from cyber risks
	Support cybersecurity countermeasures and provide coverage to hedge damage resulting from the unlikely event of a cyberattack	FY2022: 20,165 companies
	Telematics-based safety driving support services	Number of automobile insurance policies for monitoring and automobile insurance for connected cars
	We offer automobile insurance that utilizes telematics-based safety driving support services.	FY2022: 2.2 million cases
Happiness of diverse people (Well-being)	Tontine pension plans	Number of tontine annuity contracts
	A foreign currency-denominated individual pension insurance that meets the usage needs of customers who receive a greater amount of pension the longer they live	FY2022: 50,000 cases
	Support for companies that address human rights issues	Number of human rights-related consultations, training, seminars, etc., conducted for companies, etc.
	We support companies in their efforts to address human rights issues and develop insurance proposals related to corporate welfare and health management.	FY2022: 1,111 cases

Note: Figures are estimates for FY2022.

Sustainability Contest

With “a resilient and sustainable society” as our vision for society by 2030, the Group is promoting various initiatives toward Creating Shared Value (CSV) with society using the SDGs as a guide. In order to solve social issues through our business, it is essential for each Group employee to deepen their understanding of CSV and the SDGs. From 2018, the Sustainability Contest, which aims to raise awareness among employees, are yearly held to recognize outstanding initiative in CSV through proposals and initiatives that lead to solutions on social issues.

The fifth contest, in 2022, attracted 276 submissions from around the world regarding a wide range of social issues, including climate change, loss prevention/mitigation, and aging etc. With four aspects - value creation, communication, approach, and prospects - as criteria for selection, among sixteen winners in the contest, 1 Grand Prize, 3 issue-specific prizes, 2 excellence prizes were chosen through an online examination/voting by the Group executives.

[Grand Prize Winner]

Chola MS (MSI India subsidiary)

Support for financial inclusion of low-income households and women's social advancement through microinsurance for home contents In India, women's social advancement and financial inclusion of the low-income households (especially in rural areas) are social issues, and property and other types of insurance are not adequately accessible to the low-income households. Natural disasters such as cyclones and floods cause property damage, which makes it difficult for the low-income households to restore their livelihoods, leading to further widening income inequality.

Chola MS is promoting financial inclusion for the low-income households by partnering with financial institutions that offer microcredit and selling microinsurance for home contents. In addition, since many of the loan borrowers are women who run microbusinesses, the provision of microinsurance for home contents can help women's social advancement by reducing business risks.

The Sustainability Contest helps employees to develop a ‘sustainability’ mindset and raises awareness of linking their daily work with CSV. We will continue to tackle social issues by creating new business models and sharing success cases with the entire Group through the Sustainability Contest, for creating a virtuous cycle of commonly practiced sustainable initiatives within the Group.



The Grand Prize Winner group in the Sustainability Contest 2022

Action on Climate Change

Climate-related Financial Disclosure

Having established Symbiosis with Global Environment -Planetary Health- as a priority issue for sustainability (issues of materiality), our Group is promoting various initiatives in relation to climate change.

Because climate change seriously impacts society and industry and may constitute a major factor behind the fluctuations in corporate performance, companies' disclosure regarding the impacts of climate change on their business activities is becoming more important than ever. Our Group endorses the Task Force on Climate-related Financial Disclosures (TCFD) and promotes the disclosure of financial information.

[> Climate-related Financial Disclosure](#)

Transition to 2050 Net Zero

To promote action on climate change, our Group has set interim targets for GHG emissions (Scope 3, Category 15) from insurance underwriting and investments to facilitate the transition to net-zero. Through engagements with our clients, we will share challenges they have in reducing GHG emissions and work together to resolve them.

[> Transition to 2050 Net Zero !\[\]\(aa53ad6fea213b8b2226d3077e30533a_img.jpg\) \(3,488KB\)](#)

Reduction on environmental burden

Aiming for realization of net zero GHG emissions by 2050, our Group is actively promoting initiatives to reduce burdens on the environment in our own business activities, including one aimed at reducing GHGs, through our proprietary environmental management system, MS&AD Green Earth Project, under the MS&AD Insurance Group Basic Policy on the Environment.

[> Reduction on environmental burden](#)




Creating Shared Value with Society



We need to develop initiatives for mitigating advancing climate change while also putting in place measures to prepare against rising risks. Our Group will provide society with safety and peace of mind through effective preparatory measures, including reinsurance for loss due to large-scale disasters. We will also support new businesses which lead to realization of a net-zero society, promoting climate change adaptation by providing appropriate services to reduce or eliminate damage and loss inflicted on customers by natural disasters.




Identifying and providing information on risks	Prevent risks from occurring/ minimize the impact	Reduce the economic burden
<ul style="list-style-type: none"> · Risk analysis based on the impacts of climate change · Risk assessment associated with transition to a net-zero society <p>(Examples)</p> <ul style="list-style-type: none"> · Risk assessments based on long-term flooding forecasts · Analyses of business risks associated with new technologies toward decarbonization 	<p>Proposals for risk management measures based on survey/analysis findings</p> <p>(Example)</p> <ul style="list-style-type: none"> · Alert service to detect wind power generation system failure and signs of abnormal conditions 	<p>Provision of needed risk coverage</p> <p>(Example)</p> <ul style="list-style-type: none"> · Comprehensive coverage of various risks surrounding renewable energy businesses



Products and Services to Support Decarbonization

While business activities in line with the Paris Agreement have become an important management strategy, we are working to develop and provide insurance products and services that support decarbonization of our customers' activities and of society in general.

<div style="text-align: center;"> <div style="display: flex; justify-content: space-around; margin-bottom: 5px;"> <div style="border: 1px solid black; padding: 2px 5px;">MSI</div> <div style="border: 1px solid black; padding: 2px 5px;">ADI</div> <div style="border: 1px solid black; padding: 2px 5px;">InterRisk</div> </div> <p>Service to Support Decarbonization</p> </div>	<p>The Japanese Government declared a target of “carbon neutral” by 2050 through reducing emissions of GHGs such as CO2 and requested local governments and companies in various industries to take appropriate measures.</p> <p>We provide all kinds of support in a one-stop package for businesses of any size in any industry. This support ranges from introductory seminars on decarbonization, to support for calculating carbon emissions, and developing strategies to cut emissions.</p> <p>Provision of net-zero GHG emission introduction support tool for small to medium enterprises (ADI) (in Japanese only) </p> <p>Consulting menus – climate change (TCFD/Net-zero GHG emission) (InterRisk) (in Japanese only) </p>
<div style="text-align: center;"> <div style="display: flex; justify-content: space-around; margin-bottom: 5px;"> <div style="border: 1px solid black; padding: 2px 5px;">MSI</div> <div style="border: 1px solid black; padding: 2px 5px;">ADI</div> </div> <p>Insurance to Support Companies' Decarbonization</p> </div>	<p>In terms of commercial property insurance, we provide the Carbon Neutral Support Clause (decarbonization measures cost compensation endorsement).</p> <p>While standard insurance coverage is up to restoration cost, this clause provides additional coverage and support companies' decarbonization.</p> <p>Launched the Carbon Neutral Support Clause for corporate fire insurance (MSI, ADI) </p>


<p style="text-align: center;"> MSI ADI </p> <p style="text-align: center;">Supporting wider use of environmentally friendly vehicles</p>	<p>Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance, led the industry in developing an Endorsement for Replacement with an Electric Vehicle, etc., which covers expenses incurred when buying an electric vehicle to replace an insured gasoline-fueled vehicle damaged/written off due to a traffic accident, and they began marketing that endorsement for insurance policies with commencement dates in and after January 2023.</p> <p>[Industry "first"] Developed an Endorsement for Replacement with an Electric Vehicle, etc. (MSI, ADI) (in Japanese only) </p> <p>Aioi Nissay Dowa Insurance also supports greater uptake of environment-friendly vehicles, including EVs, through provision of lower-premium insurance options, such as 10% discount on vehicle damage coverage for Toyota ultra-compact EVs and discounts specifically for autonomous vehicles (low-speed EVs) that use electromagnetic induction lanes, which are being introduced to secure means of local transport.</p> <p>Providing insurance for self-driving cars using electromagnetic induction lanes (ADI) (in Japanese only) </p> <p>10% discount on vehicle damage coverage for Toyota ultra-compact EVs (ADI) (in Japanese only) </p>
<p style="text-align: center;">ADI</p> <p style="text-align: center;">Provision of Service for calculating and visualizing GHG emissions</p> <p style="text-align: center;">Telematics Automobile Insurance</p>	<p>Aioi Nissay Dowa Insurance launched a new service for visualizing CO2 emissions reduction through safe driving, using its unique algorithm, targeting Telematics Automobile Insurance policyholders.</p> <p>This is an initiative whereby we aim to improve the value of telematics technologies for global environmental issues, further contributing to addressing social issues through providing a new value which is "environmental preservation" in addition to such conventionally provided added values as "reduction of accidents."</p> <p>Launched a new service for visualizing CO2 emissions reduction in Telematics*1 Automobile Insurance (ADI) (in Japanese only) </p>
<p style="text-align: center;">ADI</p> <p style="text-align: center;">Demonstration experiments on on-site charging service for EVs</p>	<p>Aioi Nissay Dowa Insurance and MS&AD Grand Assistance Co., Ltd. carried out, in cooperation with Tortoise Car Assistance Co., Ltd. and Bell Energy Inc., demonstration experiments on the on-site charging service for EVs, preparing for the future spread and expansion of EV uptake and elimination of electric power shortage problems.</p> <p>The four companies are contributing to realization of a net-zero society and creation of environment whereby everyone can use EVs with peace of mind, aiming for provision of on-site charging services for EVs, utilizing know-how obtained through the demonstration experiments.</p> <p>* Electric power shortage: Situation whereby an EV runs out of electrical charge and cannot move</p> <p>Carried out demonstration experiments on the on-site charging service for EVs (ADI, Grand Assistance) (in Japanese only) </p>

<p style="text-align: center;"> MSI ADI </p> <p style="text-align: center;">Products that support renewable energy businesses</p>	<p>We support dissemination of renewable energies that help the transition to a net-zero society through various types of insurance products that comprehensively cover a variety of risks (including property damage, lost profits and liability) surrounding renewable energy developers (e.g. solar power, onshore/offshore wind power, biomass power, and small and medium-sized hydropower), and risk management services such as risk assessment/consulting and the provision of information through handbooks and other means.</p> <p style="text-align: center;">Products and services that contribute to achieving the Sustainable Development Goals</p>
<p style="text-align: center;">MSI</p> <p style="text-align: center;">Imbalance Risk Compensation Insurance for renewable energy producers/aggregators</p>	<p>Mitsui Sumitomo Insurance has developed insurance products to cover imbalance risks borne by renewable energy producers and aggregators due to shortfalls in actual amounts of generated energy against their generation plans as a result of changes in the weather, generation equipment damage, etc., which can be customized depending on the status of risks.</p> <p style="text-align: center;">Launched on May 10, 2022 an insurance product/service, Imbalance Risk Compensation Insurance for renewable energy producers/aggregators (MSI) (in Japanese only) </p>
<p style="text-align: center;">ADI</p> <p style="text-align: center;">Insurance Package for PPA Business Operators</p>	<p>Aioi Nissay Dowa Insurance launched provision of an "Insurance Package" to cover not only risks of damage to power generation equipment but also risks of requiring alternative procurement of renewable energy and environmental values due to damage for the purpose of promoting the spread of the "PPA model*" that is increasingly being introduced as a method of procuring renewable energy.</p> <p>This initiative contributes to realization of net-zero through expansion of renewable energy utilization while supporting safe and secure business operation by providing coverage for various risks that could arise when operating PPA models.</p> <p>* Abbreviation for Power Purchase Agreement, which is a power purchase agreement between a consumer, such as a company introducing renewable energy, and a power generator</p> <p style="text-align: center;">[Japan's first] Launched provision of "Insurance Package for PPA Operators" (ADI) (in Japanese only) </p>
<p style="text-align: center;">ADI</p> <p style="text-align: center;">Power Generation Imbalance Costs Compensation Insurance</p> <p style="text-align: center;">Automatically included in all "AI-based power generation forecasting service" provided by COOL TRUST</p>	<p>Aioi Nissay Dowa Insurance launched "Power Generation Imbalance Costs Compensation Insurance" to cover shortage imbalance costs*1 for solar power generation companies which utilize the O&M*2 service provided by COOL TRUST Co., Ltd.</p> <p>ADI supports achievement of net-zero by eliminating barriers to entry into the solar power generation business and increasing the proportion of renewable energy used in power generation in Japan.</p> <p>*1: Costs incurred when the actual amount of power generation falls short of the planned amount of power submitted to the Organization for Cross-regional Coordination of Transmission Operators, Japan (OCCTO) by a solar power generation company.</p> <p>*2: Abbreviation for Operation & Maintenance, operation and maintenance inspection of solar power generation facilities</p> <p style="text-align: center;">Launched Power Generation Imbalance Costs Compensation Insurance to be Included to the AI Service (ADI) (in Japanese only) </p>

<p style="text-align: center;">MSI</p> <p style="text-align: center;">Insurance to Support Carbon Dioxide Capture and Storage</p>	<p>In order to achieve net-zero by 2050, it is essential to utilize CCS, a greenhouse gas reduction technology, in areas and industries where existing technologies cannot eliminate use of fossil fuels.</p> <p>Mitsui Sumitomo Insurance contributes to realization of net-zero through providing insurance to cover risk of damages related to CCS projects which are undergoing demonstration experiments toward commercialization.</p> <p>Launched Environmental Impairment Liability Insurance for CCS Operators (MSI) (in Japanese only) </p>
<p style="text-align: center;">ADI</p> <p style="text-align: center;">Launch of J-Credit (Japan GHG Emission Reduction/Removal Certification) Scheme Participants Support Insurance (for local governments)</p>	<p>Aioi Nissay Dowa Insurance has launched the J-Credit Scheme Participants Support Insurance (for local governments) to cover risks related to projects in which local governments take the lead in the J-Credit scheme utilized as a carbon offset method.</p> <p>This insurance is aimed at backing up compensation schemes where local governments repair/replace damaged/broken solar power generation equipment, etc. owned by local residents participating in such projects, and it enables stable system management as local governments can set budgets for repair costs, etc. in advance, in the form of insurance premiums.</p> <p>Launched J-Credit (Japan GHG Emission Reduction/Removal Certification) Scheme Participants Support Insurance (for local governments) (ADI) (in Japanese only) </p>

Initiatives for Research/Studies and Demonstration Related to Decarbonization Technologies and Risks

In order to realize "Net Zero Emissions by 2050," social implementation of innovative technologies is essential. There is a wide variety of problems to be studied and solved, such as technical issues and changes in social systems. We are actively working on research projects/studies and demonstrations in collaboration with stakeholders and experts.

<p style="text-align: center;">HD</p> <p style="text-align: center;">Participation in GX League</p>	<p>In order for Japan to realize its 2050 carbon neutral target and further contribute to realization of net-zero worldwide, and to adopt this as an opportunity for growth and increase its industrial competitiveness, it is important to lead the transformation of the entire economic and social system (GX: Green Transformation).</p> <p>MS&AD Holdings supports the basic concept of and is a participant in the GX League, which holds discussions on transforming the entire economic and social system and practices for creating new markets. The Group also participated in the "GX Management Promotion Working Group" aimed at "formation of rules for market creation," which is positioned as part of the GX League's initiative.</p> <p>Establishment of the "GX Business Working Group" to Build a Framework and Promote Evaluation and Disclosure on Climate-related Opportunities (HD) </p>
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<p style="text-align: center;"> MSI ADI </p> <p style="text-align: center;">Joined the Japan Hydrogen Association</p>	<p>MS&AD has joined the Japan Hydrogen Association which was set up in December 2020. The association was established with the aim to support the early creation of a hydrogen society by carrying out social implementation projects as a cross-industry and open organization with a bird's eye view of the entire supply chain. Collaboration of various companies for lower-cost hydrogen supply and wider use is expected and we will contribute through the association.</p> <p>Joining the Japan Hydrogen Association (MSI) (in Japanese only) </p> <p>Joining the Japan Hydrogen Association (ADI) (in Japanese only) </p>
<p style="text-align: center;"> MSI InterRisk </p> <p style="text-align: center;">Launch of research studies on commercialization of damage protection services for offshore wind power generation system</p>	<p>In April 2022, Mitsui Sumitomo Insurance and MS&AD InterRisk Research & Consulting initiated, in collaboration with startups, academic institutions, etc., a joint research project on commercialization of an alert service for detecting signs of equipment failure and abnormalities to support expanded deployment of offshore wind power generation, which is expected to be a major source of renewable energy.</p> <p>We are aiming at development of an alert service to detect signs of abnormalities which could lead to accidents, by making full use of damage data possessed by Mitsui Sumitomo Insurance in addition to obtaining/analyzing state data, etc. through demonstration experiments carried out in collaboration with local governments and partner companies on undersea equipment and windmills utilizing drones, robots, and sensors.</p> <p>Launched researches on commercialization of damage protection services for offshore wind power generation system (MSI, InterRisk) (in Japanese only) </p>
<p style="text-align: center;"> MSI </p> <p style="text-align: center;">Demonstration experiments in a community symbiosis type renewable energy power generating company</p>	<p>In March 2022, Mitsui Sumitomo Insurance invested in a community symbiosis type renewable energy power generating company, ENERU, in collaboration with the Machi Mirai Seisakujo and Higashimatsushima Organization for Progress, etc., and launched demonstration experiments aimed at reducing natural disaster risks through operation of solar power generation equipment to be set up in the future.</p> <p>We will contribute to regional revitalization and realization of a net-zero society by providing suitable products/services to support widespread utilization of renewable energy.</p> <p>Launched demonstration experiments in a Community Symbiosis Type Renewable Energy Power Generating Company (MSI) (in Japanese only) </p>
<p style="text-align: center;"> ADI </p> <p style="text-align: center;">Aioi Nissay Dowa Insurance and the University of Tokyo</p> <p style="text-align: center;">Launch of a joint research project toward CO2 reduction, utilizing telematics technology</p>	<p>In April 2022, Aioi Nissay Dowa Insurance and the University of Tokyo fully launched a joint research project aimed at promoting net-zero emissions through utilization of telematics technology.</p> <p>Aioi Nissay Dowa Insurance with its know-how related to telematics technology and the University of Tokyo with its knowledge and analytical techniques in the environmental field are aiming to promote an initiative to reduce CO2 volumes emitted by individual drivers through motor vehicle operation, thereby contributing to achievement of net-zero in Japan.</p> <p>Launched a joint research project with the University of Tokyo toward CO2 reduction by utilizing telematics technology (ADI) (in Japanese only) </p>

<div style="text-align: center; margin-bottom: 10px;"> <div style="border: 1px solid black; padding: 2px 5px; display: inline-block;">MSI</div> </div> <p>Launch of Blue Economy Project</p>	<p>Mitsui Sumitomo Insurance launched a cross-company project aimed at developing insurance products/services which support development of the blue economy through analysing new risks arising out of initiatives with themes such as renewable energy from oceans and seabeds, and negative emissions technologies</p> <p style="color: #0070c0;">Launched Blue Economy Project (MSI) (in Japanese only) </p>
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Providing Coverage for Damage/Loss Caused by Natural Disasters

We contribute to adaptation to climate changes through providing various ways of preparing against damage and loss caused by natural disasters.

<div style="text-align: center; margin-bottom: 10px;"> <div style="border: 1px solid black; padding: 2px 5px; display: inline-block; margin-right: 5px;">MSI</div> <div style="border: 1px solid black; padding: 2px 5px; display: inline-block; margin-left: 5px;">ADI</div> </div> <p>Weather derivatives</p>	<p>We sell weather derivatives to help minimize financial losses due to extreme weather or unseasonable weather. We provide solutions by underwriting weather derivatives that cover decreased sales and increased expenses stemming from below-average (or above-average) rainfall levels, extreme heat, unusually cool summers, severe winters, warmer-than-normal winters, or a lack of sunshine.</p> <p style="color: #0070c0;">MS&AD InterRisk Research & Consulting Sustainable Management Report (in Japanese only) </p>
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<div style="text-align: center; margin-bottom: 10px;"> <div style="border: 1px solid black; padding: 2px 5px; display: inline-block;">MSI</div> </div> <p>Weather index insurance platform for farmers</p>	<p>In collaboration with MSI GuaranteedWeather and an Australian Insurtech company, etc., we have developed a dedicated platform that enables customers to get online quotes in real time on weather index insurance, and sell the insurance to farmers in Australia. Whereas traditional crop insurance is often limited to wildfires and hailstorms, this product covers weather conditions such as drought, high and low temperatures, and rainfall just before harvest, contributing to the stabilization of farmers' businesses in countries with frequent natural disasters.</p>
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<div style="text-align: center; margin-bottom: 10px;"> <div style="border: 1px solid black; padding: 2px 5px; display: inline-block; margin-right: 5px;">MSI</div> <div style="border: 1px solid black; padding: 2px 5px; display: inline-block; margin-left: 5px;">ADI</div> </div> <p>Sympathy Money Insurance for payments to neighborhood victims (for PPA business operators)</p>	<p>This insurance covers expenses such as sympathy money incurred by PPA* business operators in cases where damage to solar power generation equipment established and managed by PPA business operators as a result of natural disasters such as typhoons has resulted in collateral damage to properties owned by neighboring residents and companies, even in cases where the operators are not held liable for compensation.</p> <p>* Power Purchase Agreement model: A business model where a PPA business operator installs solar power generation equipment in the premises or on the roofs of power consumers, free of charge, and provides the generated power to consumers on a chargeable basis.</p> <p style="color: #0070c0;">Launched Sympathy Money Insurance for payments to neighborhood victims (MSI, ADI) (In Japanese only) </p>
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MSI

Participation in publicly funded natural disaster compensation scheme in overseas

Mitsui Sumitomo Insurance has been participating in the Pacific Catastrophe Risk Assessment and Financing Initiative since it was jointly established in 2013 by the Japanese government and the World Bank, as a company underwriting reinsurance for natural disaster risks. In 2020, Mitsui Sumitomo Insurance participated in the Caribbean Catastrophe Risk Insurance Facility. In 2021, Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance joined the Southeast Asia Disaster Risk Insurance Facility and, in 2023, Mitsui Sumitomo Insurance became a participant in the African Risk Capacity, Through these activities, we provide timely relief funding in the event of a natural disaster of a certain size in countries and regions where the insurance market is not fully developed.

Providing Services and Research Related to Climate Change Risk Assessments and Analyses


Given the need to adapt to new risks arising from climate change, assessment/analysis of climate change risks have become essential. Our Group is stepping up its initiatives to assess/analyze climate change risks.

InterRisk

Climate change risk analysis service

The scope of risk which companies need to be aware includes not only physical risks, such as floods and droughts caused by climate change, but also transition risks which arise when societies and economies shift to a net-zero society, such as when transforming energy systems. We provide services that support our clients building a climate change governance structure, performing scenario analysis, and developing a climate strategy in accordance with the TCFD's Final Recommendations through assessment and analysis of such risks. We also provide a service which can quantitatively assess the risk of future natural disasters anywhere in the world to an accuracy of 90 m x 90 m based on climate change impact assessments using AI in collaboration with a US startup company. We have since provided this service to many companies.

[Climate change risk analysis service \(InterRisk\) \(in Japanese only\)](#) 

[Launched climate change impact assessment service for TCFD with Jupiter Intelligence \(InterRisk\) \(in Japanese only\)](#) 



Provision of LaRC-Flood® Flood Risk Database

The MS&AD Insurance Group Holdings and MS&AD InterRisk Research & Consulting launched in 2018 “Large-scale risk assessment of Climate change for Flood (LaRC-Flood®)” Project in collaboration with the University of Tokyo, Shibaura Institute of Technology.

With support from the New Energy and Industrial Technology Development Organization (NEDO), a national research and development agency, as of FY2021, we correct errors included in climate models and realize highly accurate estimation of inundation depth distributions based on the effects of climate change.



In order to encourage society to respond to climate risks, this inundation depth distribution has been made available free of charge as a global-scale flood hazard map since April 2023.

[Developed/opened to the public future wide area flood map \(InterRisk\) \(in Japanese only\)](#)

In addition, MS&AD InterRisk Research & Consulting has launched a new consulting service that utilizes this hazard map.

The map enables quantitative impact assessments all around the world and supports identification of physical risks in the event that climate change is actualized.

[Launched “LaRC Flood Risk Analysis Service” \(InterRisk\) \(in Japanese only\)](#)

Participation in the CDP

The CDP (formerly known as the Carbon Disclosure Project) is an independent nonprofit organization with the world's largest database for corporate measures against climate change. Corporations and organizations across the world have disclosed their GHG emissions and measures against climate change through CDP. The MS&AD Insurance Group subscribes to CDP's approaches and continuously submits new data.

Climate-related Financial Disclosure

Climate change is a material global issue. Countries around the world have signed on to the Paris Agreement with the aim of realizing a net-zero society, and are promoting measures against climate change.

The MS&AD Insurance Group has been implementing measures to address climate change, which has a significant impact on society and the Group.

For example, we are promoting the provision of products and services that contribute to disaster prevention and mitigation to support the improvement of society's resilience to damage from natural catastrophe and its adaptability to climate change. In addition, through the provision of insurance and investments, we are supporting the research and development and dissemination of new technologies to reduce the risk of climate change and contributing to the transition to a net-zero society.

The Task Force on Climate-related Financial Disclosures (hereinafter "TCFD"), recommends that responses to climate change be disclosed in accordance with the four frameworks of Governance, Strategy, Risk Management, and Metrics and Targets. The Group supports this and promotes climate-related disclosures.

[TCFD · TNFD Report !\[\]\(10f8862fc183b400327470ea85afe9ae_img.jpg\) \(2,009KB\)](#)

[What is TCFD? \(Ministry of Economy, Trade and Industry\) !\[\]\(e1d6102fe77919492c04879c8450f1f5_img.jpg\)](#)

[Nature-related Financial Disclosure](#)

Reduction on Environmental Burden

Aiming for realization of net zero carbon emissions by 2050, our Group is actively promoting initiatives to reduce burdens on the environment in our own business activities, including one aimed at reducing GHGs, through our proprietary environmental management system, MS&AD Green Earth Project, under the MS&AD Insurance Group Basic Policy on the Environment.

Environmental Management

Group-wide

We are actively promoting environmental initiatives through our proprietary environmental management system under the MS&AD Insurance Group Basic Policy on the Environment.

➤ Basic Policy on the Environment

[MS&AD Green Earth Project]

“MS&AD Green Earth Project” is the collective, unifying name for our various Group-wide environment-related initiatives under the themes of conservation/restoration of natural environments, environmental burden reduction, disaster prevention and reduction, and regional revitalization.

Scope	All companies in the MS&AD Group
Promotion Structure and Roles	At the MS&AD Insurance Group Holdings is promoted by the Sustainability Department, including the executive in charge of the Sustainability Division, which has a promotion secretariat and a general secretary responsible for planning, setting annual targets for, and promoting environmental initiatives of the company and our entire Group, and for managing their progress. We report the setting of targets, progress, summaries, etc. to the director in charge as appropriate, and we use the reviews to improve our initiative.
Monitoring	The promotion secretariat holds quarterly meetings to check progress.
Education	Environmental education is provided annually to all Group employees through e-learning. In addition, study sessions and training for directors and employees are held as appropriate to raise employee awareness.
Compliance with laws and regulations	In order to ensure compliance with environmental laws and regulations related to our business activities, we check the relevant environmental laws and regulations and inspect the status of compliance with environmental laws and regulations on an annual basis.

Reducing GHG Emissions

Group-wide

MS&AD has signed the Paris Pledge for Action to contribute to climate change mitigation. In May 2021, we revised our medium- to long-term targets for reducing GHG emissions to net zero by 2050, in line with the Paris Agreement "Pursuing efforts to keep global temperature increases well below 2°C and aiming to keep it below 1.5°C from pre-industrial levels." We have also set new targets for our use of renewable energy. As a global insurance and financial organization, all companies in our Group are actively working to reduce GHG emissions, including through our supply chains.

➤ Medium- to Long-term Targets

Reducing Electricity, Gasoline and Paper Consumption, etc.

Group-wide

By reducing business-related commuting and office space requirements through operational reforms such as remote working, Web-conferencing, and telecommuting, we are lowering our organization's consumption of electricity, gasoline and paper. We will make further reductions in these areas through measures such as introducing state-of-the-art energy-saving equipment in our own buildings, installing solar panels, replacing current company cars with more fuel-efficient vehicles, better managing expenses, and green purchasing. We are also working to reduce waste by promoting recycling and thorough separation of waste generated in buildings, which also contributes to reducing Scope 3 greenhouse gas emissions.



- Promoting use of FSC-certified paper

Initiatives to Promote Circular Economy

Group-wide

The concept of a circular economy, which creates added value by treating what has previously been waste in economic activities as resources and effectively utilizing and recycling it, is becoming important.

In addition to the water cycle that filters and reuses rainwater, the entire Group is working to promote the circular economy, including efforts at the Surugadai Building of Mitsui Sumitomo Insurance to contribute to urban flood mitigation, efforts at the Tokorozawa Building of Aioi Nissay Dowa Insurance to introduce office chairs made from recycled ocean plastic waste (plastic resource recycling), and Group-wide efforts to reduce plastics use and raise awareness of ocean plastic issues.

- Surugadai Building of Mitsui Sumitomo Insurance as a "Green Infrastructure" (MSI) (in Japanese only) 
- Introduction of office chairs made from recycled ocean plastic waste (ADI) (in Japanese only) 
- Reducing the Use of Plastics (Group-wide)

Initiatives to be Promoted in Cooperation with Our Stakeholders


Our initiatives for reducing our impact on the environment are also promoted in conjunction with our customers and key business partners. We, together with our stakeholders, will aim at contributing to realization of a sustainable society.

MSI

ADI

Renewal of our dedicated Web page for policyholders

In October 2023, we renewed our dedicated Web page for policyholders; significantly reducing the effort required for customers to register for use, and we have also been digitizing, step-by-step, the process for notifications, which were previously sent out by postal mail. We are promoting paperless initiatives in collaboration with customers.

-Strengthening digital contact points and contributing to net-zero emissions through paperless processes- Substantial renewal of our dedicated website for policyholders (MSI, ADI) (in Japanese only) 

<p>MSI ADI Mitsui Direct General MSI Aiol Life MSI Primary Life</p> <p>Paperless initiatives for policies and clauses</p>	<p>We are encouraging use of paperless insurance policies and policy clauses. Mitsui Sumitomo Insurance, Aiol Nissay Dowa Insurance, and Mitsui Sumitomo Primary Life Insurance make donations to environmental conservation activities, etc. based on the progress of each initiative.</p> <p>MS&AD Green Earth Project/ Eco-insurance policies and Web clauses (MSI) (in Japanese only) </p> <p>Paperless insurance policies and Web clauses (ADI) (in Japanese only) </p> <p>Web clauses (MSA) (in Japanese only) </p> <p>Web clauses and notification regarding policy status (MSP) (in Japanese only) </p> <p>e-Service (Non-issuance of Policies) Endorsement (MD) (in Japanese only) </p>
<p>MSI ADI</p> <p>Initiatives to promote EVs</p>	<p>With regard to environment-friendly Electric Vehicles (EVs), we are promoting expansion of the EV maintenance network through partnerships with relevant automotive manufacturers.</p>
<p>MSI</p> <p>Support for Certification under EcoAction 21</p>	<p>We have provided a program to obtain certification under the EcoAction 21 environmental management system advocated by the Ministry of the Environment to our agents and small and medium-sized corporate clients.</p>
<p>MSI</p> <p>Eco-maintenance and Eco-inspection</p>	<p>We are promoting the dissemination of eco-maintenance and eco-vehicle inspections through Advance Club, an agent organization centering on the automobile maintenance industry. Eco-friendly vehicle maintenance and inspection uses maintenance technologies primarily to clean the engine's combustion chambers by special methods (engine cleaning) thereby reducing toxic gas emissions, improving fuel efficiency and helping to reduce GHG emissions by reducing fuel use.</p>
<p>MSI ADI</p> <p>Eco-Safety Driving</p>	<p>We prepare and propose support tools to promote Eco-Safety Driving, an eco-friendly approach designed to reduce fuel costs and vehicle accidents.</p>
<p>MSI ADI</p> <p>Recycled parts</p>	<p>We promote the use of recycled automobile parts to repair vehicles in the event of an accident.</p> <p>We offer a special endorsement that gives customers a 5% discount on vehicle insurance premiums when they opt at the time of contract to repair their vehicle in the event of an accident using recycled parts. (ADI)</p>

Environmental Conservation Initiatives within Our Group

Each company in our Group is promoting initiatives for conservation of biodiversity. We are also actively engaged in environmental conservation activities within each company and in raising awareness among employees.

- Initiatives for conservation of biodiversity in Asia and Japan
- Environmental Conservation Initiatives within our Group - Environmental conservation activities and raising awareness among employees -

Basic Policy on the Environment

The MS&AD Insurance Group has established the following Environmental Basic Policy.

MS&AD Insurance Group Basic Policy on the Environment

Under its Group Mission Statement, "Through our insurance and financial service businesses, bringing security and safety to people and businesses around the world and making a lasting contribution to the enrichment of society," the MS&AD Insurance Group has made the environment a part of its corporate strategy. The Group has established the following Key Issues and is advancing efforts in these areas in line with the Standards of Conduct listed below.

The Group is committed to ongoing improvement through its environmental management system, and to abiding by environment-related laws and regulations, and the principles and guidelines agreed to by all members of the MS&AD Insurance Group.

1. Key Issues

- (1) Mitigation of and adaptation to climate change
- (2) Sustainable use of resources
- (3) Reduction of environmental burden
- (4) Preservation of biodiversity

2. Standards of Conduct

- (1) Initiatives via our insurance and financial services

We will create insurance and financial services that contribute to the Key Issues, and work to resolve social issues and thus enhance corporate value.

- (2) Initiatives as part of the business process

Through an innovative reassessment of our business processes, we will work to enhance quality and improve business operations while making more efficient use of resources and energy.

- (3) Environmental awareness and protection activities

By raising environmental awareness among all of our executives and employees, our communities and the next generation, we will work with stakeholders to promote environmental protection activities, gaining their trust and building sympathy for these issues.

We will work to ensure that all executives and employees of the MS&AD Insurance Group are familiar with this Environmental Basic Policy, which we are also disclosing to the public.

Established April 1, 2010

Revised April 1, 2016

Revised March 1, 2019

Improvement of Sustainability of Natural Capital

Natural-related Financial Disclosure

Damage to natural capital due to economic activities has increased and, if biodiversity continues to be damaged, this may become an obstacle to realization of a sustainable society. While working to improve the sustainability of natural capital, the Group is promoting nature-related disclosure as set forth in the Taskforce on Nature-related Financial Disclosures (“TNFD”) Disclosure Recommendations Version 1 (TNFD v.1.0) published in September 2023.

- > Nature-related Financial Disclosure
- > Reduction on Environmental Burden
- > Basic Policy on the Environment

Initiatives Related to TNFD

HD

Our Company has made efforts to promote understanding of TNFD (Taskforce on Nature-related Financial Disclosures) and to develop frameworks, etc., subscribing to the purpose of TNFD.

Promotion of Understanding and Development of Frameworks

TNFD selects members from among financial institutions, corporates, etc. in 14 countries for development of disclosure frameworks. One of our employees was selected as a taskforce member and contributed to framework development. Having released a prototype disclosure framework (beta version), TNFD proceeded with a development based on inputs and feedback from stakeholders such as financial institutions and corporates. Our company participated in the TNFD Forum and supported this initiative.

In Japan, the TNFD Consultation Group of Japan (commonly known as TNFD Japan Council) was formed in June 2022 in order to promote understanding about TNFD by companies, etc. participating in the TNFD Forum and it endeavored to increase understanding of the beta version of TNFD, inviting expression of opinions through creating opportunities for explanations on the beta version and discussions by various participants.



- > Participation in the Taskforce on Nature-related Financial Disclosures (TNFD) which promotes disclosure associated with nature-related risks (in Japanese only)
- > Establishment of the TNFD Consultation Group of Japan and convening of its first meeting (in Japanese only)

Participation in Pilot Programs

We participated in a pilot program which TNFD carried out in cooperation with the United Nations Environment Program’s Finance Initiative. In this program, we select one topic from among many which are based on establishment of region/industry combinations, and carry out pilot operation of risk evaluation using a method proposed by TNFD in its prototype framework. We then feed the results back to TNFD to help it further develop the framework.

Our company participated in the project in order to acquire know-how in risk assessment and disclosure, and to apply the knowledge gained through conducting pilots to framework development and TNFD Consultation Group of Japan.


Providing Natural Capital Products and Solutions


Our Group has been offering various services for quantitative evaluation of impacts on natural capital in developing business units and projects within and outside of Japan for our customers’ business expansion, and products to cover economic loss caused by damage to nature.

Identify and inform on risks	Prevent risks from occurring/minimize the impact	Reduce the economic burden
Assessment of risks caused by damage to or degradation of natural capital (Analysis examples) · Future risk of water depletion at business facilities that use large volumes of water · Assessment of the sustainability of supply chains which primarily depends on natural resources	Provision of proposals on risk management measures based on assessment and analysis results, and services for preventing accidents (Proposal example) · Consultation on land use that considers local ecosystems · Provision of alert function for smartphones to prevent roadkill incidents	Provision of risk coverage (Coverage example) · Expenses incurred for activities to remediate damage to the natural environment · Expenses incurred during recall when a sustainability certification of the used materials is revoked and expenses needed for apology



Provision of Nature-related Risk Analysis Support in Line with TNFD










In line with the guidance of the Taskforce on Nature-Related Financial Disclosures (TNFD), we provide support for scoping of analysis targets, analysis of priority regions and dependencies/impacts, including value chains, and consideration of business risks/opportunities, and we disclose information based on such results. Further progress in developing analytical techniques is underway, including a partnership with Think Nature Inc., a natural capital big data company, since November 2022.





[Entered into a co-creation agreement between Think Nature Inc. and MS&AD \(InterRisk\) \(in Japanese only\)](#) 


Provision of Basic Evaluations of Water-related Risks

An increasing number of areas worldwide have been experiencing depletion of their water resources due to climate change, population increases in developing countries, economic development and other factors. As, in some cases, this depletion is serious enough to threaten companies’ operations, companies now need to identify and disclose their own water-related risks. We offer services for assessing the water risks (depletion, contamination, flooding/droughts, etc.) for their business units inside and outside of Japan.




[Basic Evaluation service for water-related risks \(InterRisk\) \(in Japanese only\)](#) 


<p style="text-align: center;">InterRisk</p> <p>Biodiversity-conscious Land-use Consulting</p>	<p>A growing number of companies which regard initiatives to conserve biodiversity as both risks and opportunities for their businesses have been taking biodiversity into account in determining their businesses' land use. We offer comprehensive support ranging from surveys and analysis through formulation of development/action plans based on these surveys, and analyses, for the use of offices, apartment buildings, and other land with green spaces.</p> <p>Biodiversity-conscious land-use consulting (InterRisk) (in Japanese only) </p>
<p style="text-align: center;">MSI ADI</p> <p>Provision of a discount on premiums to businesses working on recycling of plastic resources</p>	<p>With the aim of supporting promotion of plastic resources recycling, we provide companies working on such recycling with discounts on premiums for certain types of liability insurance products.</p> <p>Introduction of a premium discount system for businesses working on recycling of plastic resources (MSI, ADI) (in Japanese only) </p>
<p style="text-align: center;">MSI ADI</p> <p>Supporting reduction of roadkill incidents</p>	<p>Automobile accidents rank high as a cause of death for rare species of animals such as Iriomote cats (roadkill). In order to prevent the occurrence of such accidents, an alert function has been installed in dedicated dashcams for automobile insurance.</p> <p>From FY2022, we have been making donations based on sales of such dashcams to organizations, including those working on protection of rare animals and reduction of roadkill incidents.</p> <p>Rolling-out of products and services which contribute to conservation and restoration of natural capital and biodiversity. (MSI) (in Japanese only) </p> <p>Expansion of our products and services which contribute to conservation and restoration of natural capital and biodiversity. (ADI) (in Japanese only) </p>
<p style="text-align: center;">MSI</p> <p>Providing coverage of additional expenses for dealing with marine contamination</p>	<p>In cases where the natural environment suffers damage due to a marine vessel accident, we will cover expenses of conservation/restoration actions taken voluntarily by the vessel's operator to address such damage. This type of risk has been outside the coverage of conventional insurance policies.</p> <p>Launched Endorsement for Additional Expenses for Dealing with Marine Contamination under hull insurance (MSI) (in Japanese only) </p>
<p style="text-align: center;">MSI ADI</p> <p>Providing extensive coverage of expenses associated with contamination damage</p>	<p>We will provide coverage on a wide range of risks, including liabilities for damages and expenses of contamination clean-up arising out of accidents such as an unexpected and sudden outflow of contaminants into public waters from a factory, etc.</p> <p>Launched Endorsement for Extended Coverage of Contamination Damage under facility owner's (manager's) liability insurance (MSI) (in Japanese only) </p> <p>Launched Endorsement for Extended Coverage of Contamination Damage, which contributes to conservation and restoration of natural capital and biodiversity. (ADI) (in Japanese only) </p>
<p style="text-align: center;">MSI ADI</p> <p>Providing coverage of reforestation expenses, etc.</p>	<p>We cover expenses necessary for reforestation of forests damaged by fire, etc., which have been outside the coverage of conventional forest fire insurance.</p> <p>Launched Forest Keeper, an insurance product for those engaged in forestry (MSI) (in Japanese only) </p> <p>Launched Endorsement for Coverage of Reforestation Expenses etc., which contributes to conservation and restoration of natural capital and biodiversity (ADI) (in Japanese only) </p>

<p style="text-align: center;">  Package for Supporting Corporate Green Space Initiatives </p>	<p>Recent trends such as Nature Positive and TNFD and other factors have increased the importance of corporate green space that reflect consideration for biodiversity as a concrete approach to corporate land use. Utilizing the know-how and experience of Mitsui Sumitomo Insurance, which has been engaged in the development of Surugadai Green Spaces at its head office site over many years, and MS&AD InterRisk Research & Consulting, which has been carrying out research and consulting services related to natural capital and biodiversity, we offer insurance products/related services packaged with "Surugadai Green Space Inspection Guide," "Corporate Green Space Consulting Service," and "Corporate Green Space Insurance" to support corporate green space initiatives that take into consideration natural capital and biodiversity</p> <p>Corporate Green Space Insurance/related services to support corporate green space initiatives (MSI, InterRisk) (in Japanese only) </p>
<p style="text-align: center;">  Provision of Liability Insurance for "Noyaki (Open Burning)" </p>	<p>In February 2023, we launched Japan's first liability insurance for accidents related to "Noyaki," an early spring tradition in Aso, Kumamoto Prefecture.</p> <p>In Aso, open burning has long been carried out for the purposes of maintaining and restoring grasslands, conserving biodiversity, storing carbon, and recharging downstream water sources, but ensuring safety and security is an issue as fire accidents occur. We maintain functions of the open burning through providing coverage for damage related to the spread of fire to other properties during the open burning period, thereby contributing to conservation of the natural environment.</p>
<p style="text-align: center;">  Product Recall Expenses Insurance for Food Service Businesses - Shoku-eco </p>	<p>We are partnering with Kuradashi Co., Ltd., which operates a social contribution food sharing platform, to provide recall expenses insurance for food service businesses. When a food company recalls foodstuffs without any quality issues but with mislabeled expiry dates, etc., Kuradashi reduces food wastage by purchasing such foodstuffs. This also helps to minimize disposal costs, enabling insurance premiums to be offered at a 10% discount. The food loss/waste is one of the social issues attracting global attention. This insurance contributes to reduction of food loss/waste through more effective use of foodstuffs that would otherwise be disposed of.</p>

Preserving Conserving Biodiversity through Partnerships and Industry-Academia Collaboration

Our Group has made biodiversity conservation one of key issues in the MS&AD Insurance Group Basic Policy on the Environment and is promoting measures such as participation in various initiatives.

<p style="text-align: center;">  Natural Capital Finance Alliance (Former Natural Capital Declaration) </p>	<p>In July 2016, our Group signed the Natural Capital Declaration, which calls on financial institutions to incorporate the concept of Natural Capital into their financial products and services, thereby subscribing to the purpose of the Declaration. The Natural Capital Declaration has been expanded and reorganized as the Natural Capital Finance Alliance.</p> <div style="text-align: right;">  </div>
<p style="text-align: center;">  Call to Action of Business for Nature </p>	<p>We subscribe to the purpose of Call to Action of Business for Nature, a global coalition which calls on governments to adopt ambitious nature and environmental policies.</p>

<p style="text-align: center;">HD</p> <p style="text-align: center;">30by30 Alliance</p>	<p>In order to contribute to realization of 30by30, a global target of designating at least 30% of the world's land and oceans as protected/conserved areas by 2030, the MS&AD Insurance Group has been taking part in the 30by30 Alliance for Biodiversity headed by the Ministry of the Environment. The Company aims to contribute to realization of the target by promoting conservation of its own green zones.</p>
<p style="text-align: center;">InterRisk</p> <p style="text-align: center;">Participation in Association for Business Innovation in harmony with Nature and Community (ABINC)</p>	<p>The association was established with the purpose of encouraging businesses to work toward development of a symbiotic society in harmony with communities' local flora and fauna, such as certification of corporate green space in consideration of biodiversity (ABINC certification). MS&AD InterRisk serves as the association's secretariat.</p> <p>Number of ABINC-certified green spaces: 139 (as of June 2023)</p>
<p style="text-align: center;">HD</p> <p style="text-align: center;">Japan Business Initiative for Biodiversity (JBIB)</p>	<p>Japan Business Initiative for Biodiversity (JBIB) is a gathering of companies which carry out joint research projects on conservation of biodiversity and sustainable use of biological resources. It made a start mainly with companies which had participated in a symposium, "The Story of Biodiversity Told by Companies" held in 2007 as major members, aiming to study and take actions together for promoting initiatives for conservation of biodiversity. MS&AD Holdings has been serving as the chair company since JBIB's founding in April 2008. Total number of official members and network members: 59 (as of June 30, 2023)</p> 
<p style="text-align: center;">MSI ADI</p> <p style="text-align: center;">Regional Revitalization and Disaster Prevention</p>	<p>We have been working on regional revitalization and disaster prevention projects by utilizing the region's nature,</p> <p>Creation of a resilient and inclusive society (regional revitalization)</p>

"The Story of Biodiversity Told by Companies"

HD

Each year, the Company holds a "The Story of Biology Told by Companies" symposium.

The symposium program was launched in 2007 as an opportunity to provide information on corporate initiatives for biodiversity and, in February 2023, we hosted the 16th symposium. This program has been highly rated with the symposiums featuring in the Guidelines for Private Sector Engagement in Biodiversity.

- [> 2021 "The Story of Biology Told by Companies" symposium](#)
- [> 2022 "The Story of Biology Told by Companies" symposium](#)
- [> 2023 "The Story of Biology Told by Companies" symposium](#)

Biodiversity Conservation Initiatives in Asia and Japan

Activities in Collaboration with Conservation International (Asia-Pacific)

MSI

MS&AD is promoting biodiversity conservation activities in Southeast Asia in collaboration with the global non-governmental organization, Conservation International (Asia-Pacific). Our Group is working with local partners in six key Asian markets (Hong Kong, Indonesia, Malaysia, Singapore, Thailand, and Vietnam) and two Pacific countries (Fiji and New Caledonia), to assist with activities such as reforestation, mangrove planting, conservation of rare wildlife, and monitoring of protected areas.

> Protecting biodiversity (MSIG-Asia) 

Support for Reforestation and Establishment of Sustainable Local Communities (Indonesia)

MSI

Over the past 18 years, starting in FY2005, we have been working with the Indonesian government to restore wildlife reserve forests and to recover tropical forests in the Special Region of Yogyakarta on Java Island. We have also been endeavoring to stimulate the local economy by, for instance, planting trees to revive degraded forests, and to form sustainable local communities, maintaining/managing protected forests and pursuing cooperative forestation initiatives with local residents by offering them technical guidance on planting and cultivating trees.



Soil preparation training

> Indonesia Reforestation Project 

Afforestation activities at the Aioi Nissay Dowa Insurance Forest

ADI

In FY 2019, we launched a tree-planting activity called the Aioi Nissay Dowa Insurance Forest in Bihoro Town, Hokkaido, as an activity for Connecting a Healthy Global Environment to the Future. Our environmental donation initiatives through customers' selection of paperless insurance/Web policies, etc. are being utilized for tree-planting activities. We planted three types of moisture-resistant, broad-leaved trees (Mizunara: Quercus cuspidate, Japanese white birch: Betula platyphylla Sukaczew, and Manchurian Ash) on 15.5 hectares of land in accordance with the soil characteristics of the plantation area.



Environmental Conservation Initiatives within our Group

We are actively engaged in environmental conservation activities and raising awareness among employees within our Group.

MS&AD Green Earth Project

Group-wide

MS&AD Green Earth Project is a project through which our Group has been addressing conservation/restoration of natural environments, environmental burden reduction, disaster prevention and mitigation, and regional revitalization in a unified manner. We are working to address climate change and improve the sustainability of natural capital in an integrated manner through these initiatives, including reduction of resource utilization through paperless business processes, etc. and resource circulation through recycling, and drawing out the functions of nature, such as disaster prevention/mitigation and decarbonization, by preserving the natural environment toward resolving social issues (Nature based Solutions) utilizing the power of nature.

> MS&AD Green Earth Project

Blue Economy Project

MSI






With a view to medium- to long-term social transformation associated with the conservation of natural capital/biodiversity and decarbonization, we will analyze new risks arising out of initiatives for "responses to climate change and decarbonization" such as renewable energy from the oceans/seabed and negative emissions technologies, and "responses to digital transformation of offshore/submarine business" utilizing oceanographic data and AI, etc., and will promote development of insurance products/services that support realization of the "blue economy" through a system deployed across internal and external organizations.

> Launched Blue Economy Project (in Japanese only) 

Mitsui Sumitomo Insurance Surugadai Green Spaces as OECMs / Corporate Green Space Support Package

MSI InterRisk

The green zones surrounding Mitsui Sumitomo Insurance's Surugadai Building and the Surugadai New Annex (Surugadai Green Spaces) are highly regarded as corporate green spaces that reflect consideration for biodiversity. Aiming to contribute to realization of "30 by 30," the Group participated in a demonstration project initiated by the Ministry of the Environment in relation to the Certification as "Other Effective area-based Conservation Measures" (OECMs), and Surugadai green spaces were certified as OECMs in October 2023. Mitsui Sumitomo Insurance and MS&AD InterRisk Research & Consulting provide a "Corporate Green Space Support Package", utilizing the know-how and experience of both companies, to support corporate green space initiatives through corporate green space insurance and related services.

- > Surugadai Building Green Spaces 
- > Participated in a demonstration project of the Ministry of the Environment related to the Certification as OECMs (in Japanese only) 
- > Evaluated to be Equivalent to Certified in the demonstration project in relation to the Certification as OECMs (in Japanese only) 
- > Supporting corporate green space initiatives through corporate green space insurance and related services (in Japanese only) 
- > Green zones surrounding the Surugadai Building and the Surugadai New Annex of Mitsui Sumitomo Insurance certified as OECMs by the Ministry of the Environment (in Japanese only) 

Reducing the Use of Plastics

Group-wide

As marine pollution becomes an ever-increasing concern, Mitsui Sumitomo Insurance has stopped using plastic cups and straws in its employee cafeterias since August 2018 in order to reduce the use of plastic and educate employees regarding the problem of plastic waste in our oceans. In July 2019, Aioi Nissay Dowa Insurance installed water stands with direct faucets to promote the use of personal water bottles. Furthermore, in, during work hours, we are focusing on group-wide initiatives to reduce the use of plastic. In July 2020, for example, we provided employees with original eco-bags as an alternative to plastic shopping bags and special stickers to put on bottles to encourage employees to bring in their own water bottles, focusing on group-wide initiatives to reduce the use of plastic during work hours.

Promoting the Use of FSC-Certified Paper*

Group-wide

Our Group has been making a switchover to FSC-Certified* paper for pamphlets and other printed material since fiscal 2010. Using paper made with lumber sourced from properly managed forests enables us to contribute to preserve biodiversity through forest protection.

*Paper manufactured from lumber sourced from properly managed forests in the interest of sustainable forest use and environmental conservation.

Sustainable Seafood

MSI

We offer sustainable seafood* in the cafeterias of our buildings, the Surugadai Building from October 2019 and Chiba New Town Center from August 2020. Every month, a Sustainable Seafood Day is scheduled to provide menus using sustainably sourced seafood. Simply by allowing employees to eat sustainable seafood and transforming their own eating habits through such initiatives, we are contributing to the realization of a sustainable society. *Sustainable seafood refers to seafood that has been certified for sustainable production (fishing and aquaculture), as well as management and traceability in the processing, distribution, and sales processes.

Nature-related Financial Disclosure

Damage to natural capital due to economic activities has been increasing and, if biodiversity continues its loss at the current rate, this will become a serious crisis for the realization of a sustainable society. MS&AD group recognizes the improvement of natural capital sustainability as a critical issue and is actively working on it.

We have been making ongoing efforts through activities such as the Japan Business Initiative for Biodiversity (JBIB) jointly established with other companies in FY2008, nature-related consulting services, and collaborative research with universities. We are focusing on initiatives related to natural capital and biodiversity with the aim of realizing a nature-positive society and a world in harmony with nature.

In FY2021, we supported the Taskforce on Nature-related Financial Disclosures ("TNFD")*1, which was inaugurated in order to promote disclosure of nature-related financial information. The Group is promoting nature-related disclosure as set forth in the TNFD Recommendations (TNFD v1.0), published by TNFD in September 2023.

The Group has identified risks and opportunities in line with the concept of LEAP approach*2 advocated by TNFD, taking into account dependencies upon and impacts on nature. In "scoping," which considers the scope of analysis that should be prioritized, we identified "non-life insurance business," "financial services business," and "risk-related service business" as the main targets, taking into account business scale, impacts on natural capital, and evaluability.

*1: Taskforce on Nature-related Financial Disclosures

An international organization aiming to develop a framework for information disclosure whereby the companies and others can redirect the flow of funds that have negative impacts on nature and bring about positive impacts on nature by disclosing nature-related risk information and visualizing the impacts on business.

*2 An integrated assessment process for managing nature-related risks and opportunities, focusing on the region or biome in which the business activities are carried out. "LEAP" stands for four phases: Locate, Evaluate, Assess, Prepare.

[TCFD · TNFD Report !\[\]\(6bb0e4f14c4133b37d2887cb37e67ddd_img.jpg\) \(2,009KB\)](#)

[Climate-related Financial Disclosure](#)

Measures to Address New Risks Occurring in Line with Social Changes

Adaptation to technological innovation and changes in lifestyles and business styles is essential to realizing a resilient and sustainable society. Construction of sustainable energy systems through efficient and smart use of distributed energy resources such as renewable energy, storage batteries, electric vehicles, and heat pumps, development of technologies for energy conservation, decarbonization, resource circulation, and biotechnology, etc., and research and development, etc. related to AI to support widespread deployment of such technologies are progressing, and risks are diversifying in response to environmental changes and social conditions.




The rapid changes in social conditions in recent years are having a major impact on our lifestyles and on the way we do business. Digitalization of industry and society is accelerating, and the number of platforms that facilitate people's online interactions, e-commerce, online education, remote work, etc. is rapidly increasing. Improving digital safety and preparing for the "new normal" is becoming increasingly important. To prepare for new risks, it is important to assess risks using reliable models and to control them based on such assessments. The MS&AD Insurance Group has been supporting transformation of society by providing new risk preparedness through activities such as collaboration with other industries, while making maximum use of the Group's knowledge and accumulated information.





We also believe that it is important for people's lifestyle stability and for efficient business activities to predict, prevent, and appropriately manage new risks associated with progress in innovation and changes in industrial structure. We will contribute to realization of a resilient and sustainable society through providing products/services that respond to new risks.

Providing Research, Studies, Development and Information on New Risks

We offer effective information and implementation of research and investigation, such as surveys on evolving technologies and the environment, research on utilization of big data and assessment and identification of risks.

< Representative Initiatives >

<p style="text-align: center;">Group-wide</p> <p style="text-align: center;">Collaborations with overseas startups</p>	<p>We aim to provide innovative insurance products, services and know-how through research and demonstration experiments on advanced technologies and services in collaboration with world-leading startups in the fields of cybersecurity, etc.</p> <p>Launched a demonstration experiment for advanced automotive cybersecurity countermeasures (MSI) (in Japanese only) </p> <p>Jointly developed cybersecurity solutions for SMEs (MSI, ADI, InterRisk)(in Japanese only) </p>
<p style="text-align: center;">MSI</p> <p style="text-align: center;">Research through participation in community</p>	<p>Through community participation, we securely utilize the data, services, and solutions held by each company, and consider development of new products and services that lead to improvements in women's QOL (quality of life).</p> <p>Participated in the "Value Add Femtech™ Community", a community for business co-creation and data utilization in the femtech area (MSI) (in Japanese only) </p>

<p style="text-align: center;">MSI InterRisk</p> <p style="text-align: center;">Cross-organizational project (within and outside of the company)</p>	<p>In respect of one of the remaining frontiers, the ocean seabed, we analyze new risks arising out of economic activities, decarbonization, and marine ecosystem conservation efforts, and promote development of insurance products and services that support development of the blue economy through a cross-organizational framework that includes both internal and external organizations.</p> <p>Launched “Blue Economy Project” (MSI) (in Japanese only) </p>
<p style="text-align: center;">Group-wide</p> <p style="text-align: center;">Joint research with universities</p>	<p>We are implementing initiatives and support for the development and practical application of advanced technologies through industrial-academic partnership agreements with universities engaged in cutting-edge surveys and research that will be useful to the next generation in relation to evolving technologies and ever-changing lifestyles.</p> <p>Example initiative:</p> <p>Concluded a comprehensive cooperation agreement between Tokyo University of Agriculture and Technology and Aioi Nissay Dowa Insurance (ADI) (in Japanese only) </p>
<p style="text-align: center;">InterRisk</p> <p style="text-align: center;">Offering of risk information/reports</p>	<p>We support companies to be well equipped for various risks by providing the latest practical reports and information related to corporate and organizational risk management initiatives.</p> <p>InterRisk – Risk information/reports (in Japanese only) </p> 

Providing Solutions to Risks

To prepare for new risks, it is imperative to assess risks through reliable models and to control them based on the results of such assessments, as well as understanding the social situation and having advanced expertise in the target area. The Group provides solutions to prepare for risks through consulting done by MS&AD InterRisk Research & Consulting, which is capable of advanced investigation and research as well as practical consulting.

Consulting menu offered by MS&AD InterRisk Research & Consulting

A list of online and remote risk management services is also available.





[> Consulting Menu by MS&AD InterRisk Research & Consulting \(in Japanese only\) !\[\]\(666e09182d4cd268646ea700ea60dcdf_img.jpg\)](#)




Support for Research and Development of Next-generation Mobility Services

“Next-generation mobility” refers to different forms of transportation that utilize cutting-edge technologies, and research and development thereof has been active in recent years.

Next-generation mobility is not only changing the conventional means of transportation but is also attracting attention as a means of addressing energy issues such as utilization of renewable energy, including solar power generation. The Group is participating in research and collaboration initiatives in cooperation with other industries, local government bodies, etc. with the aim of implementing next-generation mobility services and developing new insurance products and services that match those mobility services.

< Principal Approaches >

<div style="text-align: center;"> <div style="display: flex; justify-content: space-around; margin-bottom: 5px;"> <div style="border: 1px solid #008080; padding: 2px 5px; font-size: 8px;">MSI</div> <div style="border: 1px solid #008080; padding: 2px 5px; font-size: 8px;">ADI</div> </div> <p style="margin: 0;">Flying cars</p> </div>	<p>Flying cars are attracting attention as the next generation of air mobility, and development and efforts to make them a reality are underway in several countries.</p> <p>Example initiatives:</p> <p>Business partnership to develop takeoff and landing sites for flying cars (ADI) (in Japanese only)</p> <p> Participation in the Public-Private Conference for future Air Mobility (MSI)(in Japanese only) </p>
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<div style="text-align: center;"> <div style="display: flex; justify-content: space-around; margin-bottom: 5px;"> <div style="border: 1px solid black; padding: 2px 5px;">MSI</div> <div style="border: 1px solid black; padding: 2px 5px;">InterRisk</div> </div> <p>Drones</p> </div>	<p>Use of automated driving and autonomous delivery robots is attracting attention as a means of resolving regional issues including population decline, aging, and logistics and disaster prevention due to an increase in natural disasters as well as improving efficiency and labor-saving in transportation. Accordingly, various local governments and companies are accelerating efforts to commercialize autonomous drones.</p> <p>Example initiatives:</p> <p>Promotion of new logistics services in remote island areas using drones (MSI) (in Japanese only)</p> <p> Support for verification of drones and autonomous delivery robots (InterRisk) (in Japanese only)</p> <p></p>
<div style="text-align: center;"> <div style="border: 1px solid black; padding: 2px 5px; margin-bottom: 5px;">ADI</div> <p>Other next-generation mobility</p> </div>	<p>Example initiatives:</p> <p>Concluded a business alliance agreement aimed at expanding use of a locality-based service using electric kickboards BIRD. (ADI) (in Japanese only) </p>

Providing Products and Services that Address New Risks

Use of automated driving and automatic delivery robots is attracting attention as a means of resolving regional issues including population decline, aging, and logistics and disaster prevention due to an increase in natural disasters as well as improving efficiency and labor-saving in of transportation. Accordingly, various local governments and companies are accelerating efforts to commercialize autonomous drones

Responses to new risks related to actions on climate change and nature capital are posted in the content below:

- [> Action on Climate Change](#)
- [> Improvement of Sustainability of Natural Capital](#)

< Main Products and Services >

MSI

ADI

InterRisk

Addressing cyber risk

- Group companies cooperate closely in the area of cyber risk to develop a comprehensive service.
- Consulting service by MS&AD InterRisk Research & Consulting to offer one-stop support for companies to build a multi-layered system to protect against risks.
- Provision of a menu of services to offer, through both insurance products and services, comprehensive support for countermeasures against cyberattacks perpetrated on not only individual companies but also entire supply chains.



Launched targeted e-mail training service that applies

behavioral economics (MSI, ADI, InterRisk) (in Japanese only)

Launched "Bouken Cyber", the next-generation endpoint detection and response (EDR) + management security service (InterRisk) (in Japanese only)

Launched a comprehensive support menu for supply chain countermeasures against cyberattacks (MSI, ADI, InterRisk) (in Japanese only)

Set up cybersecurity call center (MSI, ADI) (in Japanese only)

MSI

ADI

Preparing for a new way of life

- Coverages for various kinds of risks such as information leakage due to cyberattacks, property damages or theft of business computer and labor management for companies promoting telecommuting.
- Coverages for the risk of companies selling laptops and tablets to local governments to realize the GIGA School Concept (covers expenses incurred with a warranty system for the repair or replacement of damaged or broken laptops and tablets being sold)

Launched Comprehensive Telecommuting Compensation Plan (MSI, ADI) (in Japanese only)

Launched GIGA school concept compensation plan for sales operators (MSI, ADI) (in Japanese only)

MSI

ADI

Preparing for new business activities

- Coverage for risks from launch to landing on the Moon in lunar-related business activity, which is expected to expand in the future
- Coverage targeting providers of streaming delivery services for risks such as refunding of fees due to delivery failure caused by equipment defects in the streaming of online concerts, online sporting events, online tours, etc.
- Coverage targeting exhibitors of digital artworks for damage sustained when their owner information is falsified through unauthorized access by a third party.

Developed the world's first "Lunar Insurance" to cover risks arising out of navigation to/from and landing on the Moon in collaboration with ispace, inc. (MSI) (in Japanese only)

Launch of Streaming Event Cancellation Insurance (MSI, ADI) (in Japanese only)

[Japan first] Launch of Dedicated Insurance Coverage for NFT Art (MSI) (in Japanese only)

ADI

InterRisk

Preparing for next-generation mobility society

Provision of insurance products and services aimed at implementation of next generation mobility services.

<Regional Revitalization x Automated Driving > Japan first! Support for safety in operation of the Level 3 remote unmanned automated mobility service (ADI, InterRisk) (in Japanese only)

Initiatives to Prepare for Widespread Societal Adoption of the Metaverse (Virtual Space)

Actively utilizing external knowledge, we are working on initiatives aimed at development of new insurance products and services which will support economic activities in the virtual space of the “metaverse” based on intensive consideration of a future society in which realistic virtual realities created by advancing technologies will become widespread.

Provision of services utilizing metaverse

[MSI](#) [ADI](#)

Mitsui Sumitomo Insurance has developed “Future Design Metaverse,” whereby Tsukuba City’s underground space and heat supply facilities were reproduced and are providing content to enable cooperative consideration of a potential future energy system through Avatar, which is the alter ego of the participant.

Launched “Future Design Metaverse” service - Thinking about the future of the heat supply business around Tsukuba Station, together with members of the local community (MSI)(in Japanese only) [PDF](#)



Aioi Nissay Dowa Insurance has started development of the metaverse in the “Fortnite,” a popular online game with over 400 million registered users worldwide, together with support activities for creators aimed at establishment of insurance products/services/customer contact points, prior to the creation of a new economic zone.

[Industry “first”] Launched initiatives in “Fortnite” toward creation of a new economic zone (ADI)(in Japanese only) [PDF](#)



Preparing for risks related to the Metaverse

[ADI](#)

While the metaverse offers business opportunities in all industries, such as unprecedented communication experiences and creation of new economic zones, and with expectations for the future growing, there are concerns about a new series of risks, such as privacy, security, legal systems, business practices, and culture. We will contribute to development of the metaverse through researching currently unknown risks that may occur in the metaverse, where remarkable technological innovation is taking place, to develop and provide insurance products and services that respond to market evolution and change.

[Japan “first”] Launched exclusive package insurance for metaverse (ADI)(in Japanese only) [PDF](#)

| Communicating within and outside of the company, utilizing avatars

As the first action in commencing business activities in the metaverse, we created an avatar of the president of Aioi Nissay Dowa Insurance, which has been providing digital points of contact between our Group and its customers at every opportunity for communication.



Development of data sharing platform across the Group





In order to prepare for and cope with a wide range of risks, it is essential to maximize use of the Group's knowledge and accumulated information. We convert the various data held by each group company into "pseudonymized information" so that it cannot be associated with a specific individual, and share such information using cutting-edge data virtualization technology. Virtualizing data makes it possible to share updated data in a timely manner with no need to copy data from the data storage location of each Group company to the sharing platform, and it is possible to always link the latest data quickly, enabling safe and timely sharing of data held by each company.

Developed "Group Data Sharing Platform," to share data across the Group (Group-wide)(in Japanese only) 



Loss Prevention/Mitigation through the Utilization of Data and AI

Research and Results through Industry-Government-Academia Collaboration in Relation to Loss Prevention and Reduction

In order to build a safe and secure society, we are conducting joint research with government agencies and universities on loss prevention/mitigation, and providing new services as a result of this research.

<p style="text-align: center;"> MSI InterRisk </p> <p style="text-align: center;">Loss prevention and reduction system for local governments "Loss Prevention Dashboard"</p>	<p>Developed and launched "Loss Prevention Dashboard" for local governments, which clearly and centrally visualizes real-time weather data in relation to disaster risks, flood prediction data at least 30 hours in advance, and post-disaster damage estimation using AI, and supports regional loss prevention/mitigation.</p> <p>Launched a new loss prevention/mitigation and reduction support system through "Weather/Disaster Data x AI" (in Japanese only) </p> <p>Developed AI-based damage estimation method jointly with the National Research Institute for Earth Science and Disaster Resilience under the Public/Private R&D Investment Strategic Expansion Program (PRISM).</p> <p>Developed a natural disaster damage estimation system utilizing non-life insurance data and machine learning(in Japanese only) </p>
<p style="text-align: center;">ADI</p> <p style="text-align: center;">Real-time loss prediction website, cmap.dev</p>	<p>Publicly available cmap.dev website, conceived from industry-academia joint research by Aon Group Japan and Yokohama National University, can predict the potential number of buildings damaged by typhoon, heavy rain, or earthquake. The website can be accessed from any device, computer or smartphone, 24 hours a day, 365 days a year. It provides forecasts for each municipality of the potential number of buildings damaged and the rate of damage caused prior to typhoon (up to 7 days before landfall), and immediately after heavy rain or earthquake strikes. The website can also display flood, landslide and tsunami hazard maps as well as information on warning levels (equivalent to 3, 4, 5), evacuation areas and shelters nationwide.</p> <p>In August 2020, the cmap.dev website function which sends out emergency information in the event of a disaster was released as an app.</p> <p>In June 2021, a function was added to display social media information relating to weather, disasters and lifelines, analyzed by AI, on the cmap.dev website.</p> <p>In August 2021, evacuation information was expanded with a function for visualizing congestion information on evacuation shelters in some local governments.</p> <p>And, in March 2022, barrier-free information which can be utilized for safe, secure and convenient evacuation in the event of a disaster was added to the app.</p> <p>Real-time loss prediction website, cmap.dev(in Japanese only) </p> <p>WheelLog barrier-free information added to loss prediction/mitigation platform, cmap.dev(in Japanese only) </p>





<p style="text-align: center;">ADI</p> <p style="text-align: center;">Evacuation insurance plan</p>	<p>Through a joint research project with the Prefectural University of Hiroshima on an approach to evacuation in the event of a natural disaster, the "Evacuation Insurance Plan" was provided; this consists of summarized effective support measures for establishing a scheme, which enables rapid evacuation of persons requiring support* in the event of disasters.</p> <p>*Elderly and disabled persons, etc. who have difficulty evacuating themselves or living in evacuation shelters.</p> <p>Started providing "evacuation insurance plan" to support development of an evacuation scheme when disaster occurs. (in Japanese only) </p>
<p style="text-align: center;">MSI ADI InterRisk</p> <p style="text-align: center;">Research through Industry-Government-Academia Collaboration on damage due to typhoons</p>	<p>Universities, insurance companies, and meteorological companies initiated joint research on "Creating virtual weather warning/advisories and damage estimation data based on typhoon simulation data, and devising a virtual disaster training menu for local governments," leveraging their respective strengths.</p> <p>Yokohama National University, Mitsui Sumitomo Insurance, MS&AD InterRisk Research & Consulting, Weathermap Co., Ltd., and Aioi Nissay Dowa Insurance initiated joint research to develop weather warnings/advisories and damage estimates based on typhoon simulations, together with a virtual disaster training menu for local governments(in Japanese only) </p>





Service Utilizing Data Analysis or AI for Risk Assessment/Analysis and Mitigation of Natural Disaster Risks

Services for Assessment and Analysis of Natural Disaster Risks

As natural disasters continue to increase in frequency, it has become an important management issue for companies to prepare for such emergencies. We support resilient business activities by providing services to assess and analyze the risks of various natural disasters.

< Principal Approaches >



<p style="text-align: center;">InterRisk</p> <p style="text-align: center;">Natural disaster hazard information survey</p>	<p>Identification of location risks for companies and other organizations through comprehensive collection and organization of hazard information on earthquakes, wind and water disasters, volcanic eruptions, lightning strikes, snow accumulation, and more.</p> <p>Natural disaster hazard information survey(in Japanese only) </p>
<p style="text-align: center;">InterRisk</p> <p style="text-align: center;">Flood disaster countermeasure support service</p>	<ol style="list-style-type: none"> (1) Assessing inundation risks by identifying locations with a high risk of inundation based on hazard maps (2) Simulations to evaluate inundation conditions in the vicinity of target sites with a fine mesh (3) Training simulated for before and past wind and water disasters hit. (4) Comprehensive support menu consisting of advice and support for simulated training on identifying dangerous areas through on-site checks, implementation of countermeasures and other actions <p>Water-related disaster risk consulting(in Japanese only) </p>

<p style="text-align: center;">InterRisk</p> <p>Sediment-related disaster risk diagnosis</p>	<p>Simulations of slope failures at individual sites based on largest recorded and potential largest rainfall scenarios are used for risk assessments</p> <p>Sediment-related disaster risk assessment services(in Japanese only) </p>
<p style="text-align: center;">InterRisk</p> <p>Wind disaster risk diagnosis</p>	<p>A 3D model is prepared using 3D CAD based on drawings and exterior photographs and a report including visualized wind load on the building and wind flow during strong winds is submitted, with the surrounding terrain and buildings taken into consideration. In order to reduce the damage caused by strong winds, it can be used to examine measures for buildings and outdoor equipment that should be taken daily.</p> <p>Wind disaster risk diagnosis(in Japanese only) </p>
<p style="text-align: center;">InterRisk</p> <p>Collective confirmation system for flood disaster risk information(Sui Search)</p>	<p>Providing a website that enables automatic judgments on the timing of various responses and decisions (warning stage judgments) by acquiring various types of information related to water disasters at multiple sites collectively and in real time.</p> <p>Flood risk information integrated confirmation system (Sui Search)(in Japanese only) </p>
<p style="text-align: center;">InterRisk</p> <p>Volcanic eruption measures service</p>	<p>In line with the 2021 revision of the Hazard Map of Mt. Fuji, which had not been revised for about seven years, we are providing a service to comprehensively support identification of risks relating to volcanic eruption, emergency responses, business continuity measures, training in normal times, etc.</p> <p>Launch of service relating to volcanic eruption measures(in Japanese only) </p>

Products/Service for Mitigating Natural Disaster Risks

We are providing products and services to support preparation against natural disasters and implementation of safe and secure actions when they occur.

<p style="text-align: center;">MSI</p> <p>Weather information alert service</p>	<p>In collaboration with Weather News Co., Ltd., the largest weather information company in Japan, we provide policyholders of corporate fire insurance (Property Master, Business Keeper), construction insurance (Business Construction Guard), liability insurance (Business Protector), or transport insurance (Full Line, Support One) with the following services for free:</p> <ul style="list-style-type: none"> · Customers can use an exclusive website to access at any time weather information and forecasts for up to five preset locations · Customers can select locations that are to be monitored and alert e-mail messages are sent out to customer-stipulated e-mail addresses when, for instance, rainfall, wind speed or snowfall forecasts exceed predetermined values or when lightning strikes have been observed within a predetermined distance from monitored locations.
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<p style="text-align: center;">MSI</p> <p style="text-align: center;">Evacuation Support Insurance for supporters/persons requiring assistance</p>	<p>We offer insurance products to cover provision of compensation for accidents to persons requiring support during evacuation activities, etc. based on individual evacuation plans that compile information on such persons and on evacuation methods, as well as covering injuries to supporters or persons requiring assistance during evacuation support activities.</p> <p>Launched insurance for supporting evacuation activities based on individual evacuation plans(in Japanese only)</p> <p></p>
<p style="text-align: center;">ADI</p> <p style="text-align: center;">Products/Services for supporting rapid evacuation in the event of large-scale disasters</p>	<p>We provide the “Endorsement for Lump-sum Payment in the Event of Evacuation Due to Specific Emergency Disasters, etc.,” whereby a lump sum payment will be made in the event of need to relocate to an evacuation shelter, etc. due to a disaster of a certain size or greater, such as a locality being designated as a specified emergency disaster area, regardless of whether or not there is damage to the insured object. We also provide the “TOUGH Housing Insurance App,” which is equipped with functions to support disaster preparedness during normal times, dissemination of disaster information and warning information in the event of a disaster, and accident reporting and claims settlements after a disaster occurs.</p> <p>Support for prompt evacuation in the event of a large-scale disaster with insurance and apps – Developed “Endorsement for Lump-sum Payment in the Event of Evacuation Due to Specific Emergency Disasters, etc.” and “TOUGH Housing Insurance App” (in Japanese only)</p> <p></p>

MSI ADI

Preparing against natural disasters

In response to growing customer interest in storm/flood and earthquake compensation due to the more frequent occurrence of natural disasters in recent years, we are now proposing “preparing” against natural disasters. We are promoting initiatives to remind customers of the importance of “being prepared,” not only after but also before a disaster occurs.



(MSI)

(ADI)

(MSI)

(ADI)

Flyer highlighting the need for coverage

Information on preventing and mitigating disasters

MSI ADI Mitsui Direct General

Useful smartphone apps in times of disaster

We provide smartphone apps for use during disasters and are endeavoring to help our users ensure their safety and security when large-scale natural disasters strike.

Apps are provided for anyone to use free of charge, with real-time push notifications of disaster prevention information, such as weather information and evacuation instructions, and functions that support prompt information gathering.

*Apps can be used free of charge; provided, however, that the communication fee for using the apps shall be user-paid.

Smartphone Disaster Navigator (MSI) (in Japanese only)

cmap app (ADI) (in Japanese only)

Products and Services for Safe Driving and Reduction of Automobile Accidents

Identifying and then avoiding the risks that lead to accidents is vital for preventing traffic accidents. Utilizing telematics, we are providing insurance products and services which contribute to accident prevention, safe driving, and reduction of accident frequency by identifying/analyzing our customers' driving situations, etc. and also reduce impacts in the event of accidents and support recovery.

MSI

ADI

Mitsui Direct General

InterRisk

Provision of applications that support safe driving

We provide a variety of services that utilize smartphone apps, and telematics technology with connected drive recorders for greater security and safety

Traffic accident map that visualizes open data of National Police Agency (MSI) (in Japanese only) [PDF](#)

Launched function to detect suspected road rage (MSI) (in Japanese only) [PDF](#)

Prevention of accidents on public roads by utilizing smartphone location information(MSI) (InterRisk)(in Japanese only) [PDF](#)




Launched Accident Risk AI Assessment (MSI)(ADI) (InterRisk)(in Japanese only) [PDF](#)

New AI alert function added to the "Mimamoru" dashcam-based automobile insurance (MSI) (ADI) (in Japanese only) [PDF](#)

Points program service, AnzenDrive by Telematics (ADI) (in Japanese only) [PDF](#)

Joint research with Tohoku University's the Institute of Development, Aging and Cancer utilizing data from "Telematics x brain training app" (ADI) (in Japanese only) [PDF](#)

Tips for safe driving that leads to mitigation/prevention of disasters (MD) (in Japanese only) [PDF](#)



· In January 2019, we launched the “Mimamoru” dashcam-based automobile insurance which encourages customers to drive more safely by utilizing the latest telematics technology with our original communicable dash cameras. In addition to the video recording function that comes with the dash cams, we provide safe driving assistance warnings that alert drivers to driving conditions, as well as a “guardian service” that shares information, such as driving habits, with family members and others living apart from the driver. Furthermore, when the dash cam detects a large impact in the unlikely event of an accident, the location of the vehicle is relayed to a dedicated call center. The operator can then make contact with the driver to offer assistance such as initial accident response and dispatching a recovery vehicle to the scene. (MSI) (ADI) (MD)

· MD launched “Rescue Dashcam (Dashcam Optional Policy)” in January 2023.
 · In January 2022, we launched “Mimamoru” premium dashcam-based automobile insurance with the highest standards of functions/services in the industry.

This added higher functionality such as 360 degree filming and parking monitoring to functions of dashcams provided by non-life insurance companies such as a constant reporting function and a portability function, to increase peace of mind and safety. (MSI)

· Automobile insurance with a comprehensive lineup of features to meet customer needs that provides incentives for safe driving (driving characteristics discounts) and services leading to safety and peace of mind (ADI)



Telematics- based automobile insurance

[“Mimamoru” dashcam-based automobile insurance/“Mimamoru” premium dashcam-based automobile insurance \(MSI\) \(in Japanese only\)](#)

[“TOUGH Mimamoru Automobile Insurance” and “TOUGH Connected Automobile Insurance” \(ADI\) \(in Japanese only\)](#)

[Launched “Mimamoru” premium dashcam-based automobile insurance \(MSI\) \(in Japanese only\)](#)

[Japan first - Developed telematics automobile insurance that reflects the safety of autonomous vehicles in insurance premiums \(ADI\) \(in Japanese only\)](#)

[Launch of service “Traffic Safety EBPM Support” utilizing driving data \(ADI\) \(in Japanese only\)](#)

[Launched, in FY2023, a new service for visualizing CO2 emissions reduction through safe driving, using a unique algorithm \(ADI\)](#)

[Launched a new service for visualizing “CO2 emissions reduction effects” in Telematics automobile insurance \(ADI\) \(in Japanese only\)](#)

Initiatives for reducing CO2 emissions in relation to Telematics auto insurance are posted in the content below:

[Action on Climate Change](#)

We have developed and provide a support service to reduce the number of accidents by utilizing telematics technology to provide safety and security to businesses.






Automobile insurance for businesses

Contributing to realization of an accident-free and amenable mobility society by enhancing employees' awareness of safe driving - Daito Trust Construction Co., Ltd. introduced the Mitsui Sumitomo Insurance safe driving support service “F-Dora” for all 6,500 company vehicles (MSI) (in Japanese only)
 Save up to 10% on car insurance (fleet contracts) with safe driving initiatives (ADI) (in Japanese only)

Assisting in Swift Post-disaster Recovery

In light of a series of large-scale disasters, our Group is working to facilitate swift claims settlement. We are also accelerating digital transformation and endeavoring to pay insurance claims promptly.



<Principal Approaches>

<p style="text-align: center;"> MSI ADI </p> <p style="text-align: center;">Damage surveys utilizing drones (unmanned aerial vehicles)</p>	<p>In conducting damage surveys in areas inaccessible by road due to flooding or landslides or of solar panels spread out over an extensive area, we analyze aerial images taken by drones to quickly assess the degree of damage</p>
<p style="text-align: center;"> MSI ADI </p> <p style="text-align: center;">Operational automation with software robots</p>	<p>Using robotic processing automation for operations such as registering accident claims received via a dedicated website and confirming contract information, and automating the simple administrative tasks, we have developed a system that allows us to assign more personnel to higher value-added work, such as customer service and damage surveys during large-scale disasters.</p>
<p style="text-align: center;"> MSI ADI InterRisk </p> <p style="text-align: center;">Support for early disaster certificate issuance</p>	<p>In light of increased severity and frequency of natural disasters, we provide a service to help local governments take actions in relation to the victims' life reconstruction support system: in particular, prompt issuing of disaster certificates and working efficiently to deliver the certificates in order to support early resettlement for disaster victims.</p> <p>Industry "first" - Start of a supporting service for victims' life reconstruction support in the event of a flood disaster (MSI) (in Japanese only) </p> <p>Nationwide deployment of support in applying disaster certificates through fire insurance claims settlement (ADI) (in Japanese only) </p> <p>Launch of "Support Service for Formulation of Damage Identification Investigation Plan" for local governments (InterRisk) (in Japanese only) </p>







Response to Infectious Disease Risks and Single Elderly Households

We are providing a range of products and services in light of various social changes such as increased risk of infectious diseases and solitary deaths among the elderly.

< Main Products and Services >

<p>MSI ADI InterRisk</p> <p>Support to formulate a BCP in preparation for infectious disease risk</p>	<p>We have developed and started providing an Infectious Disease BCP (Business Continuity Plan) Creation Support Tool for small and medium-sized businesses. We also provide lecturers to do workshops on creating a BCP and individual consultations on infectious disease BCP</p> <p>Measures against infectious diseases(in Japanese only) </p>
<p>ADI</p> <p>Supporting the securing of housing for single elderly households</p>	<p>We developed a new insurance product/service utilizing IoT devices that alert property management companies when specific behaviors are detected, such as signs of lonely death, in order to secure stable housing for single elderly households, which are expected to increase in number over coming years</p> <p>Industry "first" - Start of a supporting service for discount insurance premiums by installing monitoring sensors for single-person elderly(in Japanese only) </p>

[External Evaluation]

-  Received the Best in Category Award at the Good Digital Award (MSI, ADI) (in Japanese only) 
-  Received the Financial Institution Award at Japan Financial Innovation Awards 2022 (MSI) (in Japanese only) 
-  Won the "Winter Digi-den Koshien 2022" and received the "Prime Minister's Award" (ADI) (in Japanese only) 

Creation of a Resilient and Inclusive Society (Regional Revitalization)

The "Creation of a resilient and inclusive society," which MS&AD Holdings is aiming for, entails realizing sustainable residential spaces that are safe and able to recover from disasters. In order to support people's safety and security, it is very important to predict the risks that could be incurred in the event of a disaster and to develop communities that are prepared against emergencies. To that end, we are conducting various initiatives to realize an inclusive society where everyone can continue to live their lives with peace of mind, in addition to supporting local government to develop disaster-resilient communities.

In addition, revitalizing local communities is also important for creating communities capable of coping with disasters. Declining vitality among local communities is leading to a number of issues such as depopulation and a shortfall in social services. Regional revitalization is a key government policy. Accordingly, we are working in collaboration with local governments and various stakeholders around each region to take industrial promotion measures based on each region's particular characteristics, support risk management for resilient community development, taking advantage of the natural capital, and to take other forms of action toward creation of a resilient and inclusive society.

Provision of Risk Solutions Before/After Compensation

Believing it is important to create and provide "value before and after compensation" in addition to the core function of insurance, which is to provide compensation in the event of an accident," we have been creating and providing solutions to help prevent damage due to accidents and disasters, and solutions to support early recovery after an accident.

Through development and provision of risk solutions that address the issues faced by our customers and each community, we will contribute to creating communities and societies in which everyone can live with safety and peace of mind.

[Providing risk solutions by non-life insurance agents \(MSI, ADI\) \(in Japanese only\)](#) 

Contribution to Disaster-resilient Community Development

Initiatives in Collaboration with Local Governments

Collaborating with local governments and utilizing the accident and disaster information collectively acquired by non-life insurers, we are promoting initiatives which will assist in predicting loss, and developing evacuation plans for local residents in the event of disasters.

- > Loss prevention/mitigation system for local governments "Loss Prevention Dashboard"
- > Real-time loss prediction website, cmap.dev
- > Initiatives for loss prevention/mitigation

Support for Rapid Post-disaster Recovery

With disasters now occurring every year as a result of climate change, it is important to prepare for post-disaster situations. We are taking such approaches for rapid post-disaster recovery as development of new products to respond to needs which up to now have not been covered, rapid damage investigation and claims settlement, and provision of support, including donations, to disaster victims.

- > Assisting in Swift Post-disaster Recovery

<p style="text-align: center;"> MSI ADI </p> <p style="text-align: center;">Launch of Disaster Countermeasures Support Insurance encouraging local governments and business operators to conclude agreements</p>	<p>We have been supporting business operators to engage in social contribution activities and facilitate early recovery from disasters through covering expenses, etc. incurred by a business operator that has concluded a disaster support agreement ("agreement") with a local government in cases where they provide supplies, dispatch personnel, and take other measures based on the agreement.</p> <p style="color: #0070C0;">- Toward Realization of Climate Change-/Disaster-resilient Community Development - Launched Disaster Countermeasures Support Insurance (MSI, ADI) (in Japanese only) </p>
<p style="text-align: center;"> ADI </p> <p style="text-align: center;">Coverage for companies' costs incurred in evacuating vehicles based on issuance of evacuation information</p>	<p>We support evacuation before a disaster strikes through provision of "Endorsement Covering Emergency Evacuation of Vehicles in the Event of Disasters" which covers the costs incurred by companies in evacuating their vehicles when evacuation information is issued by local governments in relation to a natural disaster.</p> <p style="color: #0070C0;">[Industry "first"] Coverage for companies' costs incurred in evacuating vehicles based on issuance of evacuation information - Supporting "evacuation activities" of various companies prior to their incurring damage (ADI) (in Japanese only) </p>
<p style="text-align: center;"> MSI </p> <p style="text-align: center;">Launch of automobile insurance for fire brigade members, etc. to cover their own vehicles used during fire-fighting activities</p>	<p>This product covers private vehicles, etc. of fire brigade members or others used in fire-fighting activities against accidents involving those vehicles during such activities. Through this product, we will help to realize a society which enables fire brigade members, etc. to engage in disaster rescue operations with "safety and peace of mind," thereby contributing to further enhancement of local communities' disaster prevention capabilities.</p> <p style="color: #0070C0;">Launched automobile insurance for fire brigade members to cover their vehicles used during fire-fighting activities (MSI) (in Japanese only) </p>
<p style="text-align: center;"> Group-wide </p> <p style="text-align: center;">Donations in response to disasters</p>	<p>In order to help disaster-affected policyholders rebuild their lives as quickly as possible, we collect donations from employees of the Group companies. Utilizing our Disaster Relief Donation Matching Gift Program, through which we make additional donations to match employee contributions, a total of some JPY800 million, including company contributions, has been donated since the system was established in 2004.</p> <p style="color: #0070C0;">Disaster Relief Donation Matching Gift Program</p>
<p style="text-align: center;"> Group-wide </p> <p style="text-align: center;">Disaster volunteer activities</p>	<p>We are continuing our initiatives to provide aid to the victims of the Great East Japan Earthquake, as exemplified by sales events, co-sponsorship of marathon, etc. aimed at generating funds for reconstruction assistance. When floods or other disasters strike, employees obtain information on volunteer activities from their companies and disaster-hit areas and then participate individually in relief initiatives in these areas.</p>

Creation of Communities where People can Continue to Live Their Lives with Peace of Mind

In order to help create a community in which everyone can live with safety and peace of mind, it is critical to develop an environment that enables people to continue working.

Revitalization of local industries will lead to creation of employment opportunities. It will also generate the capacity to create an environment whereby people and things can be shifted to places where they are needed in a manner which suits the various lifestyles of those engaged in industrial activities. Through our insurance and financial service businesses, we are supporting a wide range of initiatives such as infrastructure development, business continuity, access improvement, and lifestyle diversification.

Support for Regional Revitalization through Conclusion of Collaboration Agreements

Our Group is providing support for various risks, consulting services for regional revitalization, and conducting other activities to support realization of regional revitalization through agreements with relevant partners, including prefectural and municipal governments, local commercial/industry groups, and financial institutions. We are working to create common value with society (CSV) by addressing social issues faced by local communities through our strengths in cooperation with local stakeholders.





< Principal Approaches >


<div style="text-align: center;"> <div style="display: flex; justify-content: space-around; margin-bottom: 5px;"> MSI ADI InterRisk </div> <p>Provision of SDGs initiatives support menu</p> </div>	<p>We support SDGs initiatives by local governments, commercial/industrial groups, regional financial institutions, and small/medium-size companies.</p> <p>Promoted utilization of the renewal version of online SDGs platform "Platform Clover" to co-create a sustainable society (MSI, ADI, InterRisk) (in Japanese only) </p> <p>Launched "Children KYT (Kiken Yochi Training) + Super-basics of SDGs" for nursery schools, pre-schools, and certified kindergartens. (ADI) (in Japanese only) </p> <p>Provided small and medium-sized enterprises throughout the country with Simplified Diagnosis Service for SDGs-oriented Management by Business Type (ADI) (in Japanese only) </p> <p>Provided SDGs Promotion Support Services (InterRisk) (in Japanese only) </p>
<div style="text-align: center;"> <div style="display: flex; justify-content: space-around; margin-bottom: 5px;"> MSI ADI InterRisk </div> <p>Provision of business continuity plans (BCP)</p> </div>	<p>We hold seminars and other events to help companies formulate BCPs that allow them to rapidly restore and continue their business operations, even after natural disasters or unexpected accidents occur.</p> <p>Provision of BCP/BCM (Business Continuity Management) Support (InterRisk) (in Japanese only) </p>
<div style="text-align: center;"> <div style="border: 1px solid black; padding: 2px 5px; margin-bottom: 5px;">ADI</div> <p>Regional revitalization support site</p> </div>	<p>We established a website for local governments to support regional revitalization initiatives by disseminating information on such initiatives carried out by each local government, and useful information for local governments.</p>

Ongoing Support in Line with the Characteristics of Regions and Regional Industries

In order to revitalize society, it is necessary to provide support for sustainable growth of local communities. We have been offering insurance products and services that meet needs, not only in Japan but also in other countries, focusing on particular issues which each region is facing.

< Principal Approaches >

<p style="text-align: center;">ADI</p> <p style="text-align: center;">Contribution to regional revitalization through addressing issues associated with unoccupied houses</p>	<p>With the aim of promoting regional revitalization through addressing issues relating to unoccupied houses, we are developing products and services that will promote distribution and utilization of unoccupied houses in partnership with operators of platforms which connect house owners, businesses, and local governments.</p> <p>Started partnership to promote distribution and utilization of unoccupied houses (ADI) (in Japanese only) </p>
<p style="text-align: center;">MSI</p> <p style="text-align: center;">Support for optimization of road inspection and management services through automatic detection of road damage using AI analysis "DORA-RECO (Dashcam) Road Manager"</p>	<p>Through AI analysis of data collected from dashcams owned by Mitsui Sumitomo Insurance, road damage is automatically detected, thereby realizing optimization of conventional road</p> <p>DORA-RECO (Dashcam) Road Manager (MSI) (in Japanese only) </p>
<p style="text-align: center;">MSI</p> <p style="text-align: center;">Development of U-Medical Support for veterinarians and livestock farmers</p>	<p>Developed U-Medical Support, a service to digitally support communications between veterinarians and farmers for the diagnosis and treatment of cattle, which is the first-of-a-kind service in the livestock industry. It not only enables confirmation of post-treatment conditions of cattle with electronic terminals such as smartphones but also contributes to enhancing the efficiency of administrative tasks such as preparation of electronic charts and electronic medical instructions.</p> <p>Started development of U-Medical Support for veterinarians and livestock farmers (MSI) (in Japanese only) </p>
<p style="text-align: center;">MSI</p> <p style="text-align: center;">Provision of insurance for small loans to micro-entrepreneurs (Philippines)</p>	<p>Launched Micro-insurance for loans in Autumn 2019, in cooperation with BPI Direct Banko, which provides small loans to micro-entrepreneurs.</p> <p>The insurance supports the operations of micro-entrepreneurs through insurance even in the event of an unforeseen occurrence such as an accident or disaster.</p> <p>Number of policies sold in FY2022: 146,633 Total premium amount: PHP 10,758,390 (Philippines Peso)</p>
<p style="text-align: center;">MSI</p> <p style="text-align: center;">Provision of fire insurance dedicated to housing for indigenous people (Malaysia)</p>	<p>We packaged insurance related to the support scheme undertaken by the social enterprise EPIC Homes with the aim of helping to improve the living conditions of indigenous people. Housing with this coverage provides peace of mind to the indigenous people living there and encourages participation in the support scheme by potential donors.</p> <p>Cumulative total of houses for indigenous people covered by our insurance in FY2022 : 84 Fire insurance premiums for indigenous homes: MYR 15,102 (Malaysian Ringgit)</p> <p>Press release (MSIG Malaysia) </p>

<p style="text-align: center;">MSI</p> <p>Promotion of insurance and job creation (India)</p>	<p>We have set up small shops equipped with insurance kiosks in villages, towns, and small and medium-sized cities across the country. Through this, we are contributing to promotion of insurance in regions where access to such services had previously been difficult.</p> <p>We have also entrusted groups that are working to create jobs in farming communities through issuance of insurance policies. This contributes to improving employment prospects for people in farming communities with few job opportunities other than agriculture</p> <p>Number of shops in FY2022): 332</p> <p>Cholamandalam MS General Insurance official website </p>
<p style="text-align: center;">MSI</p> <p>Insurance for small loans to micro-entrepreneurs (India)</p>	<p>The microinsurance is needed to be an affordable (Prices are determined by the customer's ability to pay) and meets to priority for risk protection (Examples: property insurance, health insurance, life insurance).</p> <p>Cumulative total of houses for the people covered by our insurance in FY2022: 440,000 Fire insurance premiums for homes: IRN 86,705,200 (Indian Rupee)</p>
<p style="text-align: center;">MSI</p> <p>Provision of financial education (non-life insurance) for young people (Japan)</p>	<p>Conducting classes to improve financial literacy for high school students following the April 2022 revision of the Civil Code that lowered the adult age from 20 to 18. These classes provided opportunities for students to learn life skills to achieve an independent, secure and prosperous life, and contributed to the improvement of living standards in the future.</p> <p>Number of schools: 3 (Tokyo)/Number of classes: 6 frames/Number of students participating: 186</p>

Support for a Variety of Lifestyles

In order for anyone including elderly citizens, disabled persons and people living in underpopulated areas or remote islands to continue living anywhere with peace of mind, we are implementing a range of initiatives, including provision of insurance products and services, investment, and social contribution activities.

< Principal Approaches >

<p style="text-align: center;"> MSI ADI InterRisk </p> <p style="text-align: center;">Contribution to addressing issues in remote island areas</p>	<p>We participate in demonstration experiments aimed at addressing issues in remote island areas, including mobility, logistics, and medical care, that arise due to population decline and aging. Through this initiative, we contribute to the creation of sustainable environments and revitalization of remote island areas.</p> <p>Support for demonstrations of drones and automatic delivery robots (InterRisk) (in Japanese only) </p>
<p style="text-align: center;"> MSI Aioi Life </p> <p style="text-align: center;">Investment in water bonds, gender bonds and peace-building bonds</p>	<p>Invested in water bonds and gender bonds, both issued by the Asian Development Bank, and peace-building bonds issued by the Japan International Cooperation Agency. Income generated by these bonds will be appropriated for programs which satisfy security needs concerning water and sanitation, programs which contribute to promoting gender equality and female leadership, and projects for achieving peace, stability and rehabilitation of countries and regions affected by conflicts and civil wars.</p> <p>Investment in water bonds issued by the Asian Development Bank (MSA) (in Japanese only) </p> <p>Investment in gender bonds issued by the Asian Development Bank (MSA) (in Japanese only) </p> <p>Investment in peace-building bonds issued by Japan International Cooperation Agency (JICA) (MSA) (in Japanese only) </p>
<p style="text-align: center;"> ADI </p> <p style="text-align: center;">Launch of automobile insurance for self-driving vehicles utilizing electromagnetic induction lanes</p>	<p>Providing low-cost automobile insurance for self-driving vehicles that use electromagnetic induction lanes, which are expected to be a new means of transport in depopulated areas with aging populations, and in other areas.</p> <p>Launched automobile insurance for self-driving vehicles utilizing electromagnetic induction lanes (ADI) (in Japanese only) </p>
<p style="text-align: center;"> MSI </p> <p style="text-align: center;">Development of an accident relief system linked to dementia ordinances (dementia "Kobe Model")</p>	<p>We are entrusted with the administration of the accident relief system linked to Kobe's dementia ordinance. We have developed Japan's first comprehensive coverage scheme for dementia based on a trinity of: (1) Accident relief (insurance), (2) System expansion (promotion of early dementia testing), and (3) Prevention of accidents (GPS tracking services operated by security companies)</p>
<p style="text-align: center;"> Group-wide </p> <p style="text-align: center;">Provision of easy-to-understand information</p>	<p>In addition to utilization of personal computers and smartphones, we are instituting procedures that give due consideration to the needs of the elderly and people with disabilities by adopting eye-friendly, easily readable fonts (Universal Design Font, etc.) for use in brochures for our primary products, together with easy-to-understand language, figures, and illustrations to convey information. We also provide sign language, interpretation services in 17 languages, and translation services in 12 languages.</p>

<p></p> <p>Introduction of Heartful Line Service</p>	<p>We introduced the Heartful Line Service for customers aged 80 years and older, which, when they phone the call center, connects directly to the operator without going through the voice guidance.</p>
<p></p> <p>Handling of endorsement for social contribution</p>	<p>In response to customers' wide variety of values in relation to asset inheritance, such as goodwill through contributing to society by donating their assets, in a joint effort with Sumitomo Mitsui Banking Corporation, we developed the industry's first Endorsement for Social Contribution, which enables designated public interest groups* to be appointed as beneficiaries of insurance claims (September 2019).</p> <p>In July 2023, we made the first donation to Kyoto University's CiRA Foundation in the form of coverage by an insurance contract.</p> <p>*The current designated public interest organizations:</p> <ul style="list-style-type: none"> · Japanese Red Cross Society · Japan Committee for UNICEF · Kyoto University's CiRA Foundation
<p></p> <p>Mitsui Direct General Insurance Tsuyoyasa (Strong and Kind) Fund, which donates to organizations according to the number of votes cast by policyholders</p>	<p>The Mitsui Direct General Insurance Tsuyoyasa Fund was launched in 2014, allowing policyholders to easily make social contributions with a single click.</p> <p>Mitsui Direct General Insurance Tsuyoyasa Fund (MD) (in Japanese only) </p>
<p></p> <p>Affixing of Bell Marks to insurance products</p>	<p>As the only co-sponsor from the non-life insurance sector (as of July 2023), we are participating in the Bell Marks campaign which is designed to ensure that all children equitably receive education in productive environments. We have affixed Bell Marks to all Tough-series products.</p> <p>Information on insurance products with bell mark (ADI) (in Japanese only) </p>
<p> </p> <p>Contribution to realization of an inclusive society</p>	<p>We are developing initiatives that contribute to realization of a sustainable society wherein all people, including the elderly and those with disabilities, can live comfortable lives.</p> <p>Started joint initiatives with WheelLog to promote universal urban design (ADI) (in Japanese only) </p> <p>Aioi Nissay Dowa Insurance and Sophia University jointly established Institute of Inclusive Community (ADI) (in Japanese only) </p> <p>Provided support for verification of autonomous driving and MaaS (InterRisk) (in Japanese only) </p>

<p style="text-align: center;">Group-wide</p> <p style="text-align: center;">Social contribution activities carried out nationwide</p>	<p>The group companies are actively carrying out global environmental conservation/social contribution activities tailored to the needs of individual communities.</p>
<p style="text-align: center;">Group-wide</p> <p style="text-align: center;">MS&AD Unison Smile Club</p>	<p>A social contribution activity organization operated by MS&AD Group employees who support the organization by undertaking volunteer activities and making donations in 100-yen units out of their monthly salaries. The club is developing donations to NPOs and other organizations, together with employee volunteer activities.</p> <p>MS&AD Unison Smile Club </p> <p>MS&AD Unison Smile Club activities (MSI) (in Japanese only) </p> <p>Fundraising activities by executives and employees (ADI) (in Japanese only) </p>

External Evaluation

- Received a commendation from the Cabinet Office Minister of State for Regional Revitalization for our initiatives associated with regional revitalization (MSI) (in Japanese only) 

Adaptation to a Society of Healthy Longevity








Japan's birthrate is declining, society is aging, and total population is declining. According to the Population Projections for Japan (2023) by the National Institute of Population and Social Security Research, the country's population will drop below 92 million in 2065, with an elderly population rate – the percentage of the population aged 65 and older – of approximately 38%. The rising elderly population necessitates an environment in which the elderly can live with peace of mind. This living environment must give consideration to an urban structure that makes it easy to get about, supports access to information on health and preventive medical care, and is adapted to the decline of bodily functions that comes with age and nursing care. At the same time, urban structures need to facilitate the slowing of population decline by creating an environment in which pregnant women, children, and people with children can live safely and with confidence.




The MS&AD Insurance Group commits to promoting good health so that people can remain active throughout their lifespans, provides asset-building means to support a fulfilling "second life," and helps to develop business activities that lay the foundations for a super-aging society and thereby promote "adaptation to a Society of Healthy Longevity."

Promoting Good Health and Preventing Illness

We provide services that promote fitness so that people can enjoy long and active lives, and we collaborate with universities to carry out studies and research on promoting good health.

< Principal Approaches >

 <p>Instant self health-check snapshot</p>	<p>Since October 2022, we have been expanding a healthcare service brand, MSA Care, which is aimed at providing total support for customers' health. In addition to providing life insurance coverage in the event of illness, we provide support before and after illness, such as prevention/early detection of illness, prevention of serious illness/recurrence, and consultation regarding health, as "a set of services".</p>  <p>(Examples of services)</p> <p>"Ketsuken" for early detection of diseases (MSA) (in Japanese only) </p> <p>Z4C (zen place for cancer) for prevention of serious illness/recurrence (MSA) (in Japanese only) </p> <p>Instant self health-check snapshot (MSA) (in Japanese only) </p>
 <p>Addressing social issues through early detection of dementia</p>	<p>With the aim of promoting early detection of dementia, we initiated an experiment of measuring cognitive function using a smartphone app which applies U.S. FDA medical device approval technology. This method enables users to self-check their cognitive function status using the scores converted by AI from measurements of visual tests and lifestyle factors such as sleep and amount of exercise.</p> <p>Cognitive function measurement by AI, applying U.S. FDA medical device approval technology (HD, MSA, MSP) (in Japanese only) </p>

<p style="text-align: center;"> MSI ADI MSI Aici Life Mitsui Direct General </p> <p style="text-align: center;">Assisting in maintaining physical and mental well-being</p>	<p>We have created the Kokokara Diary, a smartphone app that supports physical and mental well-being. The app can be used by customers to manage their health by measuring stress levels, automatically calculating and displaying calories burned by measuring steps, recording meals, weight, and sleep time, and it can be used to check medical information. In October 2021, the new functions were added to analyze photographs of meals using AI and to display consumed calories. For corporations, we support corporate health management with a dedicated “administrator-only website” that provides access to employees’ life log data, a “corporate step count ranking function,” and a “health point management function”</p>  <p>Renewal of Kokokara Diary, a health management app for smartphones (MSI, MSA) (in Japanese only) </p>
<p style="text-align: center;"> HD MSI ADI MSI Aici Life </p> <p style="text-align: center;">Promoting good health in collaboration with the University of Tokyo’s Center Of Innovation</p>	<p>In fiscal 2018, our Group commenced initiatives in collaboration with the University of Tokyo Center of Innovation (COI), a hub for self-managing a healthy society, to realize a “sustainable society of healthy longevity”. Since April 2021, MSI and ADI have been selling insurance products to support health and productivity management that combine consulting services with a health management app based on an AI-driven health risk forecasting model. In September 2019, we initiated joint research on developing services that provide dementia prevention measures and have already begun to detect signs of MCI (Mild Cognitive Impairment, a precursor to dementia) by voice.</p> <p>Self check for cognitive function by Instant snapshot (MSA) (in Japanese only) </p>
<p style="text-align: center;"> MSI Aici Life </p> <p style="text-align: center;">Seminars to provide information on human life and medical care</p>	<p>To give customers a better understanding of the importance of health, medical care, and precaution, we have been holding a variety of seminars on such topics as cancer, stroke, cardiovascular disease, and preventing dementia. We held seminars on strokes given by a specialist as part of the Cerebral Stroke Project, a joint business with the Japan Stroke Association.</p>

Expanding Various Business Lines to Support a Super-Aging Society

We are contributing to the development of businesses that support super-aging societies by making available measures and support to address various issues related to nursing care and medical care. Furthermore, a super-aged society means we will have a continuously declining workforce. Recognizing the increasing importance of mechanisms to back up workers, we are actively supporting health and productivity management by companies in all sectors, together with realization of family/work balance.


< Principal Approaches to Resolving Risk Issues such as Medical and Nursing Care >

<p style="text-align: center;"> ADI InterRisk </p> <p style="text-align: center;">Services for welfare and nursing care providers</p>	<p>We provide products that offer compensation for various risks related to welfare/nursing care providers (risk of compensation liability, information leakage risk, property damage risk, etc.), which also covers consulting costs for prevention of accident recurrence.</p> <p>We also help nursing care providers to establish BCPs and hold abuse prevention training sessions, which are obligatory for nursing facilities/offices.</p> <p>Medical Care, Nursing Care, Welfare for the Disabled, etc. (InterRisk) (in Japanese only) </p> <p>Support for Abuse Prevention Training (InterRisk) (in Japanese only) </p>
<p style="text-align: center;">ADI</p> <p style="text-align: center;">Reducing burdens on and turnover rate of caregivers utilizing AI and ICT</p>	<p>We have formed capital and business tie-ups with startup companies that develop CareTech (coined from Care (nursing care and welfare services) and Technology), aiming to innovate and solve issues in the field of nursing care.</p> <p>Capital and business alliance with WELMO, which provides nursing care welfare platforms using AI and ICT (ADI) (in Japanese only) </p>
<p style="text-align: center;">ADI</p> <p style="text-align: center;">Medical Receivable Compensation insurance for members of the Japan Hospital Association</p>	<p>We have developed and provide medical receivable compensation insurance (plan for foreign patients only) for members of the Japan Hospital Association in preparation for the risk of unexpected large receivables arising from the recent increase in the number of foreign visitors to Japan. This not only stabilizes hospital management but also reduces the burden of collecting receivable insurance payments.</p> <p>Launched the Medical Receivable Compensation insurance (plan for foreign patients only) for members of the Japan Hospital Association (ADI) (in Japanese only) </p>
<p style="text-align: center;"> MSI ADI MSI Aici Life InterRisk </p> <p style="text-align: center;">Promoting health and productivity management and offering consulting services</p>	<p>In order to promote health and productivity management, we hold seminars and offer a consultation service. We support further promotion and improve the quality of health and productivity management by helping companies apply to the Certified Health & Productivity Management Outstanding Organizations Recognition Program the Certified Health and Productivity Management Organization Program established by the Ministry of Economy, Trade and Industry (METI), and taking incentive measures linked to METI's recognition program.</p> <p>Promoting health and productivity management (P.127) (METI) (in Japanese only) </p> <p>Health support insurance consulting services (InterRisk) (in Japanese only) </p>
<p style="text-align: center;">InterRisk</p> <p style="text-align: center;">Support services for work/family balance for companies</p>	<p>We provide support for human resources departments to help employees balance work and family (childcare, nursing care, treatment, etc.) and find the right work-life balance.</p> <p>Support for Balancing Work and Family Life (Nursing Care, Treatment) (InterRisk) (in Japanese only) </p> <div style="display: flex; align-items: center;">   </div>

MSI
ADI
InterRisk

Supporting companies in promoting health with Health Management Support Insurance

An insurance package that includes health management support services, loss of income coverage for employees who are unable to work due to injuries and illnesses, and tools to visualize health risks for employees and help prevent disease with the health management app, My Body Forecast, developed with the University of Tokyo Center of Innovation. With employees using the app, managers can use the data for health management. Insurance premium discounts can be enjoyed where initiatives are made to promote health with employees using the app. The app helps to improve employee health and prevent illness, and the insurance premiums paid by the company are discounted depending on how much the app is used.

[Launch of Health Management Support Insurance \(MSI, ADI, InterRisk\) \(in Japanese only\)](#) 
[Human Capital/Health Management \(InterRisk\) \(in Japanese only\)](#) 

ADI

Mental Health Support Service for contact centers

A service for call centers, the turnover rates of which are said to be high due to an extreme level of work-related stress. This leads to rapid improvement of workplace conditions, etc. through facilitating timely identification of the occupational mental conditions of call center staff working for agents


[Mental Health Support Service for contact centers \(ADI\) \(in Japanese only\)](#) 

< Principal Approaches to Support for Making Proposals Based on Our Understanding of Customers >


MSI Primary Life

Proposing Training Courses to Financial Institutions/Agents


Based on academic knowledge of financial gerontology, which studies how changes in bodily and cognitive functions due to aging affect economic and financial conduct, we developed and provide a training course for imparting skills in dealing appropriately with elderly customers in an individual and tailored manner.

[Developed Financial Gerontology Training \(MSP\) \(in Japanese only\)](#) 

We have developed and provide the My 100-Year Life Training which is designed to enhance the consulting skills of insurance agents in an age of super-longevity. The training curriculum helps insurance agents enhance their ability to offer proposals that meet a variety of insurance needs by giving the agents opportunities to experience a realistic sense of what it might be like to live to the age of 100.

[Developed the My 100-Year Life Training \(MSP\) \(in Japanese only\)](#) 



















<p style="text-align: center;">Group-wide</p> <p style="text-align: center;">Development of Dementia Supporters</p>	<p>We also carried out online training in FY2022 in light of the COVID-19 pandemic. Our Group has been conducting joint promotion of training courses for employees to foster development of dementia supporters. MSA Life has entered into cooperation agreements with local governments to take part in community monitoring activities.</p>
<p style="text-align: center;">MSI Primary Life</p> <p style="text-align: center;">Smartphone-completed Asset-building/Management Type Life Insurance "AHARA"</p>	<p>We developed a first-in-Japan variable annuity insurance, AHARA, which can be completed using only a smartphone.</p> <p>All procedures can be completed via smartphone to apply for/purchase the insurance with a premium from JPY500 at minimum and an additional reserve can be made on a regular basis or at any time</p> <p>This was launched in May 2023 as a savings type asset-building product that meets the needs of customers who "want to start asset-building casually:"</p> <p>Life Insurance Product AHARA (MSP) (in Japanese only) </p>

Providing Products and Services to Support a Society of Healthy Longevity

We provide means for asset-building and products/services related to nursing and dementia, tailored to customers' needs, aiming to help people live fulfilling second lives in safe societies with peace of mind.

< Principal Products/Services >

<p style="text-align: center;"> MSI ADI MSI Aioi Life MSI Primary Life </p> <p style="text-align: center;">Self-help style asset building</p>	<p>We provide individual defined contribution (iDeCo) pension plans and products to support self-help style asset building in order to meet needs for asset building for retirement and long-term living benefits. We also provide a service that allows customers to easily estimate the pension they will receive, as support when considering life insurance coverage and period.</p> <p>Revised "Fulfilling Tomorrow (Ashita mo Jujitsu)," existence protection oriented-type individual annuity insurance (MSP) (in Japanese only) </p> <p>Expanded scope and yen-denominated contracts for the Joy for Tomorrow 2 plan (MSP) (in Japanese only) </p> <p>Pension calculation with just a picture - the life insurance industry's first public pension calculation tool using AI-OCR (MSA) (in Japanese only) </p> <p>Launched variable insurance (fixed-term type) "Shiawase Tsumitate (happiness accumulation)" (MSA, MSP) (in Japanese only) </p>
<p style="text-align: center;">MSI Primary Life</p> <p style="text-align: center;">Currency-selective Special Whole Life Insurance such as "Yasashisa, Tsunagu 2"</p>	<p>A whole life insurance policy that meets the needs of living gifts and inheritance for smooth asset succession to the next generation by having family members as recipients of survival benefits.</p> <p>New functions added to Currency-selective Special Whole Life Insurance "Yasashisa, Tsunagu 2" (MSP) (in Japanese only) </p>

<p style="text-align: center;">  Preparing for cancer </p>	<p>In order to promote and raise awareness of the importance of cancer screening and early detection, we have formed a capital tie-up with Hirotsu Bioscience to offer N-NOSE®, a simple, inexpensive, and highly accurate primary cancer screening test, at a preferential price.</p> <p>In addition, we launched a new “&LIFE Cancer Insurance S Select” with enhanced lump sum payments in November 2022. This encompasses all insurance coverage for cancer, starting from the earliest stages of the disease.</p> <p> “&LIFE Cancer Insurance S Smart Select (MSA) (in Japanese only)”  N-NOSE® (MSA) (in Japanese only)  </p>
<p style="text-align: center;">   Providing coverage tailored to an aging society </p>	<p>We offer endorsements and services to address various new issues that are emerging in an aging society, including losses arising from solitary deaths of elderly residents in rental housing, liability for damages without property damage, which has been increasing in line with the growing number of dementia patients, such as damages due to inability to operate a train, search costs when elderly persons go missing, and sharing safety information with relatives, etc. to encourage preemptive measures such as evacuation before a disaster occurs.</p> <div style="display: flex; justify-content: space-around;">   </div>
<p style="text-align: center;">  Customer consultation service in relation to nursing care/dementia </p>	<p>We added two new consultation services (adult guardianship, and family trust) to our nursing care health desk, a product service, where counselors qualified in nursing, etc., answer questions and concerns over the phone regarding long-term care and dementia.</p>
<p style="text-align: center;">   Starting development of BPSD onset prediction service to support elderly persons living at home </p>	<p>By combining the sensor and AI technology of NEC with the insurance products of Mitsui Sumitomo Insurance and Mitsui Sumitomo Aioi Life Insurance and the results of the “Establishment of the Tokyo Approach to Solving Elderly Dementia Issues from Multiple Perspectives through AI and IoT,” we aim to socially implement services that improve the QOL (Quality of Life) of elderly persons and reduce the burdens on families and nursing care personnel.</p> <p> Started development of BPSD onset prediction service (MSI, MSA)  </p>

Implementing Activities and Dialog that Respect Human Rights

Aspirations

The MS&AD Insurance Group Basic Policy on Human Rights covers not only the Group’s business activities, but also the Group’s value chain more broadly, including suppliers, agents and other business partners in the value chain. We are engaging with these stakeholders in order to prevent and mitigate any adverse impacts on human rights arising out of businesses activities.

Based on the United Nations Guiding Principles on Business and Human Rights, we aim to enhance our corporate value by establishing and implementing a human rights due diligence system, and through developing a value chain and in-house environment that are free of human rights violations.

Basic Policy on Human Rights

In February 2017, our Group established MS&AD Insurance Group Basic Policy on Human Rights to fulfill our corporate responsibility to respect human rights.

MS&AD Insurance Group Basic Policy on Human Rights

The MS&AD Insurance Group is committed to enhancing the enterprise value and contributing to the creation of a sustainable and resilient society through behavior that takes into account interaction with the environment and society in all business activities, with the aim of realizing Our Mission.

We recognize our responsibility for the actual and potential adverse impact our business activities have on human rights, including the impact of value chain, and we have pursued activities and dialogues that respect human rights. This Basic Policy has been adopted to prepare for this.

1. Basic Approach

(1) Compliance with laws, regulations and norms related to respect for human rights

- (i) The Group respects international norms on human rights such as the United Nations International Bill of Human Rights(*1), the corporate code of conduct in the United Nations Global Compact(*2), and the principles concerning fundamental rights set out in the International Labor Organization Declaration on Fundamental Principles and Rights at Work(*3).
- (ii) In addition to complying with laws and regulations in countries and regions where we conduct business activities, we seek ways to respect the principles of internationally recognized human rights when these laws and regulations conflict with the principles, while considering the circumstances in such countries and regions.

(2) Non-discrimination

We respect basic human rights in all business activities, and not discriminate based on race, nationality, gender, age, ethnic origin, descent (family origin), social status, creed, religion, physical characteristics, disability, sexual orientation, gender identity or pregnancy.

(3) Corporate culture that respects human rights

- (i) We “achieving mutual growth by respecting one another's individuality and opinions, and by sharing knowledge and ideas” as one of Our Values, we will foster a corporate culture that respects human rights.
- (ii) We respect diverse values and engage in the creation of a friendly working environment with consideration for the mental and physical health and safety of every single employee.

2. Human Rights Due Diligence

We will create a system for human rights due diligence in accordance with the United Nations Guiding Principles on Business and Human Rights, and engage in dialogue, consultation and reporting.

(1) Assessment and prevention

We will identify and assess any actual and potential human rights risks, and take prioritized steps to prevent and mitigate them.

(2) Remedy, remediation and dialogue

If the Group causes adverse human rights impacts, we will perform appropriate remedy and remediation through appropriate procedures, and engage in the prevention of recurrence. Moreover, if it is found that we are involved in such impacts through the value chain, we will sincerely engage in dialogue.

(3) Education and Training

We will engage in a broad range of activities to raise awareness of human rights through every opportunity to ensure our officers and employees have a deeper understanding of global, country-specific or regional issues related to human rights and their involvement with our business activities and have respect for human rights.

3. Responsibilities as a Global Insurance and Financial Services Provider

(1) Protection of privacy

In light of the importance of personal information and in accordance with our Basic Policy for Management of Customer Information we will protect personal information to ensure that there is no adverse impact on human rights including privacy.

(2) Reflection in business processes

As a founding signatory to the UN Principles of Sustainable Insurance (PSI) and a signatory to the UN Principles for Responsible Investment (PRI), we will consider environmental, social and governance (ESG) aspects in order to meet our responsibility to respect human rights in our insurance underwriting and investment decision-making processes.

(*1) International Bill of Human Rights consists of the Universal Declaration of Human Rights and the main instruments through which it has been codified: the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights

(*2) Ten Principles on human rights, labour, environment and anti-corruption. The principles of Human Rights and Labour include: (1) support and respect for the protection of human rights; (2) non-complicity in human rights abuses, (3) recognition of freedom of association and the right to collective bargaining; (4) elimination of forced labour; (5) effective abolition of child labour; and (6) elimination of discrimination in employment and occupation.

(*3) Fundamental Principles and Rights at Work in five categories : (1) freedom of association and the effective recognition of the right to collective bargaining, (2) elimination of all forms of forced or compulsory labour, (3) the effective abolition of child labour, (4) elimination of discrimination in respect of employment and occupation, and (5) safe and healthy working environment.

Established, February 1, 2017

Revised on March 1, 2019

Last Amended, October 11, 2022

President & CEO

Statement on the UK Modern Slavery Act 2015

- [> FY2022 Slavery and Human Trafficking Statement !\[\]\(756219e9389f679d57027482aa5cf5fc_img.jpg\)](#)
- [> FY2021 Slavery and Human Trafficking Statement !\[\]\(fcb77b2d9531d23794a07d244b7a89bc_img.jpg\)](#)
- [> FY2020 Slavery and Human Trafficking Statement !\[\]\(8175e06aff05874f50e11ffc448e6860_img.jpg\)](#)
- [> FY2019 Slavery and Human Trafficking Statement !\[\]\(d7fb7ebced2c712ed3052caf75d30501_img.jpg\)](#)
- [> FY2018 Slavery and Human Trafficking Statement !\[\]\(d0fe824e371dd316453cda01cf34ca98_img.jpg\)](#)
- [> FY2017 Slavery and Human Trafficking Statement !\[\]\(d1a2681fe7bfd4d9525bb4cc91a3e465_img.jpg\)](#)
- [> FY2016 Slavery and Human Trafficking Statement !\[\]\(8b973f5add5af5083ee0afc186cd5414_img.jpg\)](#)
- [> FY2015 Slavery and Human Trafficking Statement !\[\]\(a60687ab372714f0e840dc74a221d5b2_img.jpg\)](#)

Human Rights Due Diligence and Remedial Measures

Based on the United Nations Guiding Principles on Business and Human Rights, we have established and continuously implement a human rights due diligence system, which is a management system that respects human rights.

In accordance with the Basic Human Rights Policy established in February 2017, we conduct the following human rights due diligence.

As part of its human rights due diligence, our Group followed the procedures up to STEP 3 to identify and assess actual and potential human rights risks. As a result of the analysis, we selected the following as priority issues: (i) Fair and impartial customer service (ii) Consideration of human rights measures by underwriters, investors and outsourcers (iii) Consideration for employee health and a workplace environment free of discrimination

We review human rights risk identification and assessment every three years to determine priority issues in response to changes in the society and environment surrounding our Group and its value chain.

We use the Fragile States Index to identify, through regular reviews, countries and regions where risks to human rights are high. When we expanded our business to Myanmar, we conducted due diligence and surveys on the investee and confirmed that there were no human rights issues.

Evaluation procedure

STEP1 :	<p>Identify and organize any contact points between the Group's value chain and stakeholders whence human rights risks may arise</p> <p>[Target value chain]</p> <p>(1) Provision of products/services development and sales (including collection of insurance premiums), risk consulting services, insurance payment (including accident investigation personnel)</p> <p>(2) Management Process: Asset management (including investments and loans), information management, procurement (materials and real estate), human resources/recruitment</p> <p>[Stakeholders]</p> <p>Customers, shareholders, business partners, agents, employees, local and international communities, and environment</p> <p>[Human rights issues]</p> <p>(1) Discrimination (recruitment, employment and working conditions) (2) Occupational health and safety (3) Excessive and unreasonable working hours (4) Harassment (5) Freedom of association (6) Discrimination (freedom of thought, religion and expression) (7) Defamation and invasion of privacy (8) Consumer safety and the right to know (9) Rights of foreign workers (10) Forced labor (11) Child labor (12) Rights of indigenous peoples and local residents (13) Participation in conflict and inhumane acts (14) Others</p>
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STEP2 :	Assess and analyze such risks identified in terms of [1] severity*1 and [2] probability of occurrence (creation of a risk map*2) (*1) Severity is assessed based on the scale, scope, and difficulty of remediation of the estimated damage
STEP3 :	Remarkable risks found as a result of the risk map are organized by stakeholder and determined as a priority issue [Priority Issues] (1) Fair and impartial customer service (2) Consideration of human rights measures for underwriters, investors, and outsourcers (3) Consideration for employee health and a workplace environment free of discrimination
STEP4 :	Study and implement necessary preventive and remedial measures as well as review their effects

[>](#) (*2) Risk Map  (97KB)

Human Rights Assessment and Remedial Measures

In the human rights due diligence process, we conduct human rights risk assessment, periodically monitor the 3 priority issues, and implement mitigation measures.

Fair and impartial customer service	<ul style="list-style-type: none"> ■ Promotion of understanding and awareness of human rights <ul style="list-style-type: none"> · Human rights awareness training for employees ■ Comprehensive implementation of customer-first operations <ul style="list-style-type: none"> · Implementing initiatives in accordance with A Customer-first Policy in the Business Operations ■ Consideration for the elderly and persons with disabilities <ul style="list-style-type: none"> · Adoption of universal design principles · Establishment of a dedicated dial-up call service for the elderly and preparation of a response manual · Introduction of sign language interpretation services ■ Comprehensive Customer Information Management <ul style="list-style-type: none"> · Implementation of information management training to improve information literacy and training on e-mail targeted attacks · Conducting regular inspections and audits of insurance agents, outsourcers, and employees <p>Information Management Group Basic Policy for Management of Outside Vendors</p>
Consideration of human rights measures for underwriters, investors, outsourcing contractors, and agents	<ul style="list-style-type: none"> ■ Underwriters and investors <ul style="list-style-type: none"> · Establishing Group Policy on Business Activities with Sustainability in Mind and Implementing Business Activities, and carrying out business activities with ESG factors in mind ■ Outsourcing Contractors/Agents <ul style="list-style-type: none"> · Establishment of Human Rights Consultation Desk · Implementation of human rights awareness training for agents · Implementation of surveys on the status of efforts to address human rights issues and the degree of awareness · Implementation of information management, inspection, and corrective measures
Consideration for employee health and a workplace environment free of discrimination	<ul style="list-style-type: none"> ■ Promotion of health management <ul style="list-style-type: none"> · Interviews with industrial physicians regarding long working hours, reinforcement of measures to prevent mental illness (use of educational activities and rehabilitation programs that contribute to prevention), utilization of flexible work management, and promotion of health checkups ■ Measures against harassment <ul style="list-style-type: none"> · In addition to systematic management of working hours, our Group is promoting workstyle reforms for employee health and safety. · A speak-up system (internal reporting system) and consultation desks have been established. Dissemination of the reporting system and creation of an environment that makes it easy to consult with contact points <p>Speak-Up system</p> <ul style="list-style-type: none"> ■ Promotion of understanding and awareness concerning LGBTQ <ul style="list-style-type: none"> · Implementation of internal seminar to promote understanding of LGBTQ

Main Initiatives

<p>Our Sustainability Approach Business Activities with Consideration for Sustainability</p>	<p>In September 2020, we formulated the Group Policy "Business Activities with Consideration for Sustainability" and have been conducting business activities that take ESG factors into consideration. For insurance underwriting, and loans and investments, we have been taking human rights into consideration. In July 2022, we developed guidelines stipulating that, in addition to cluster munitions manufacturing companies, which can lead to the indiscriminate killing and wounding of a wide range of people, no insurance underwriting shall be carried out, and no investments or loans shall be made for companies that manufacture inhumane weapons, such as biological and chemical weapons and anti-personnel mines, which can lead to the indiscriminate killing and wounding of people, and we have been carrying out insurance underwriting and making loans and investments in accordance with those guidelines. In addition, with regard to businesses that could infringe on the human rights of indigenous peoples and local residents, we will make a careful decision on whether or not to trade them, based on consideration of the local community of the business partner. We check the underwriting status once a year, confirm that the content is in line with our policy, and take corrective measures such as suspending underwriting as necessary.</p>
<p>Structure of Education about Human Rights</p>	<p>In the MS&AD Insurance Group Holdings, the Sustainability Section of the Corporate Planning Department plays a central role in promoting efforts to respect human rights inside and outside of Japan in collaboration with departments in charge of overseas compliance and departments in charge of human rights awareness in the operating companies. In the operating companies, the organizations directed by the executive officers responsible for human rights awareness or officers in higher positions play a central role to raise human rights awareness of employees. They promote a better understanding of human rights and corporate social responsibility as well as develop and embed a corporate culture of respecting human rights.</p> <p><Major initiatives></p> <ul style="list-style-type: none"> • Planning and formulating as well as implementing and managing workplace training programs for all employees • Raising role awareness of employees involved in human rights education. <p>ESG Data / Reference Material (Human Rights)</p>
<p>Personal information protection</p>	<p>Each Group company establishes internal regulations on information management, introduces security measures, and provides education to employees and agents, according to the MS&AD Insurance Group Basic Policy for Management of Customer Information.</p> <p>To verify the management systems, we regularly conduct inspections and audits of agents, outside vendors, and employees, and promptly implement remedial measures against any found problems.</p> <p><Fiscal Year 2022 inspections and audits></p> <p>Internal inspections were carried out at the Company and the Group's domestic insurance companies. We inspected and audited around 30,000 agents and outside vendors, and provided instructions including to strengthen security to approximately 333 companies.</p> <p>Information Management Group Basic Policy for Management of Outside Vendors</p>
<p>Supply chain response (Foreign Technical Interns)</p>	<p>Since various problems such as low wages and a poor working environment for foreign technical interns and students have recently been arising in Japan, we conducted interviews with the relevant business divisions in the our Group. Although we did not find any problematic cases in the interviews, we will continue to follow up on this matter. In addition, a third party periodically audits the working environment and conditions in order to maintain an appropriate working environment.</p>

Consultation Service Desk

The MS&AD Insurance Group has established a system to receive reports on human rights violations and take appropriate remedial measures

<p>Schemes for Receiving Feedback from Customers</p>	<p>We widely accept various voices such as "consultations," "requests," and "complaints" from customers, and stipulate that they will be used to improve quality.</p> <p>Quality that Earns the Trust of Society</p>
<p>Reporting System from Employees (Speak-up System)</p>	<p>In order to prevent violations of laws and regulations, violations of internal regulations, and inappropriate conduct from being neglected, the MS&AD Insurance Group has in place a reporting and Internal and external consultation services, the Speak-up System, through which employees can report any concerns so the company can promptly identify the facts and take necessary measures. With this system, our Group pushes ahead with compliance with ethics, laws, and regulations.</p> <p><Main subjects of reports and consultation></p> <ul style="list-style-type: none"> • Any matters related to non-compliance • Issues related to employees' mental and physical health and other issues caused by sexual harassment, power harassment, or any other types of harassment • Any matters related to working environment, such as work hours and overtime work <p>We have made efforts to enable informers and consulters to easily use the system by setting up an external contact point at an outside law firm. In addition, we protect the informers and consulters by ensuring the informers and consulters' privacy and protect their information. We also make sure the informers are not treated disadvantageously.</p> <p>ESG Data / Reference Material (Speak-up System)</p>
<p>Harassment Consulting Desk</p>	<p>We have set up a dedicated harassment consulting desk to make sure that employees who feel victimized can consult staff with peace of mind about sexual harassment, power harassment, and maternity harassment cases. Based on verification of facts through prompt investigation, if deemed necessary, corrective measures and actions will be taken in accordance with internal regulations. The company is also making efforts toward prevention of harassment by providing education such as workplace training programs for all employees, level-specific training programs, and e-learning.</p>
<p>Human Rights Issues Consulting Desk</p>	<p>Establishment of consultation desk mainly for our group's outsourcing partners, utilizing the platform of a specialized organization that relies on the UN "Guiding Principles on Business and Human Rights".</p> <p>Through this consultation desk, we are working to promptly identify information on human rights violations in our value chain, further strengthen the corrective activities, and improve transparency in problem-solving processes.</p> <p>Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)</p>

Promotion of a Sound Relationship with the Labor Union

In the MS&AD Group, the Company and the labor union respect each other's position by complying with agreements in good faith and by engaging in efforts to maintain and improve the company's democratic and healthy development, the employee's working conditions, and their position. Based on the agreement, negotiations and consultations are carried out in the context of wages, personnel systems and operations, work environment, and management plan.

[ESG Data/Reference Material \(Labor union membership rate\)](#)

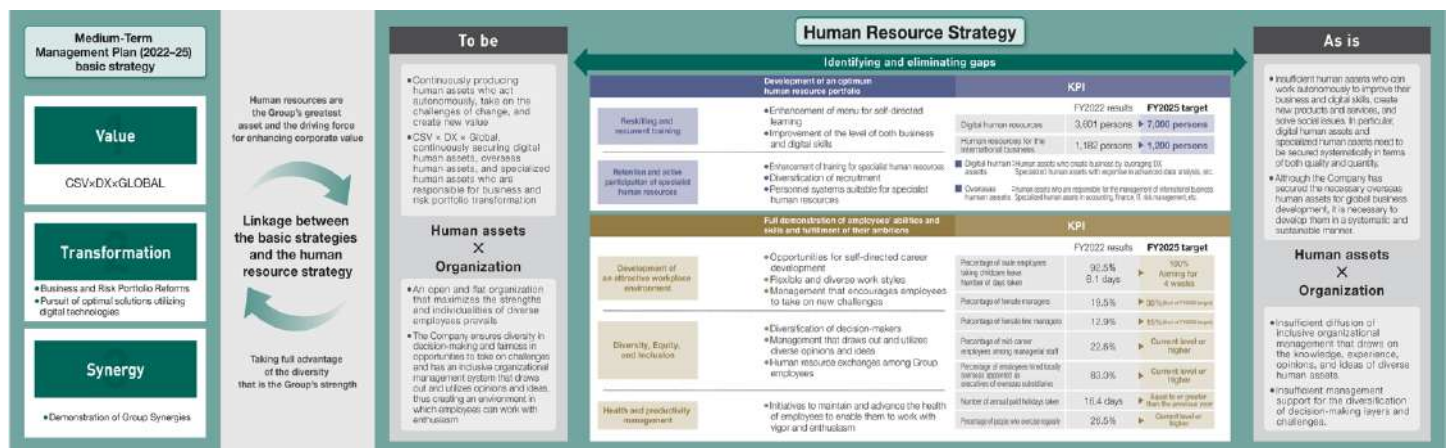
Improvement of Employee Engagement

The greatest assets of the Group are its human resources and, to ensure that each and every Group employee can maximize his or her abilities, skills, and motivation, we will clarify the skills required to realize our basic strategies and expand opportunities for employees to grow autonomously. The Medium-term Management Plan calls for developing/securing the human resources who will take responsibility for executing the strategies, as well as creating an environment in which employees can work vigorously and actively. We aim to develop an environment in which our employees feel fulfilled and can work independently and enthusiastically, and to foster a climate that encourages transformation and the creation of new value. In addition, we will promote diversification of the decision-making layer and promote the spread of inclusive organizational management that draws on the knowledge, experience, and values of a variety of human resources to inform organizational decision-making.

Human Resource Strategy

In the Medium-term Management Plan (2022-2025), for realization of a resilient and sustainable society, we have set forth "Value (Creation of value)," "Transformation (Business reforms)" and "Synergy (Demonstration of Group synergy)" as basic strategies. Those who will realize the strategies are individual Group employees and we will identify any gaps between the Group's aspiration (To be) and the current situation (As is) of human resources and/or the organization, which is necessary for implementation of the strategies, and we will execute a human resources strategy that will serve as a roadmap for eliminating any such gaps.

[Human resource strategy linked to basic strategies]



➤ Human resource strategy linked to the basic strategies details

➤ Targets (KPI) and Results


Building an Optimum Human Resource Portfolio

We will build an optimal human resources portfolio through employee development by expanding investment in self-directed learning menus such as reskilling and recurrent training, and by securing specialist human resources and promoting their playing active roles, including hiring external human resources.

➤ Reskilling and recurrent training

➤ Retention and active participation of specialized human resources

< Representative Initiatives >

<p>Development of digital-specialist human resources</p>	<p>We have implemented the Group's unique digital human asset development program in collaboration with educational institutions such as universities.</p> <p>Examples of training and programs:</p> <ul style="list-style-type: none"> · MS&AD Digital Academy · MS&AD Digital College from Kyoto · System x Design Thinking Workshop · Research with Shiga University Graduate School (ADI) <p>Initiatives that will not only improve the efficiency and convenience of processes and services using digital technology, but also transform our Group's overall business</p>
<p>Support for acquiring actuarial qualifications</p>	<p>We are encouraging and supporting employees to take qualification examinations conducted by the Institute of Actuaries of Japan (IAJ) as part of our efforts to develop actuarial professionals capable of applying probability, statistics and other methods to product development, risk management, etc.</p> <p>ESG Data/Reference Material (number of actuaries)</p>
<p>MSI</p> <p>Support for companies to provide recurrent training aimed at creating innovation</p>	<p>We have introduced "MS&AD Digital College from Kyoto," a recurrent education program in the digital and EV (electric vehicle) fields jointly developed by Kyoto University of Advanced Sciences and MS&AD Insurance Group Holdings and have been marketing this program to companies/organizations/local governments since April 2023.</p> <p>Launched a Recurrent Education Program in Partnership with a University (MSI) (In Japanese only) </p>

Maximization of Ability, Skill and Motivation of Employees

Development of Attractive Workplace Environment

Provision of opportunities for self-directed career development

We will expand the use of our open recruitment system (post-challenge program), which allows an employee to transfer to a position or department of his/her choice, and will revitalize initiatives for personnel transfers, human resources development, and career development among Group companies. We are also providing more opportunities for self-directed career development such as utilization of free agent programs whereby employees, based on the abilities/skills, etc. that they have cultivated to date, can promote themselves to several departments designated by them as immediate assets to the company, and provision of a mechanism to enable employees to participate in company measures beyond the frameworks of their current organizations.

Management that encourages employees to take on new challenges

We conduct management that changes the mindset and fosters a culture, which in turn encourages people to tackle challenges and draws out and utilizes the motivation of employees. By providing training for management and operating meetings with supervisors and subordinates, we will ensure that a culture of taking on challenges without fear of failure takes root and engage in challenging tasks.

Promotion of diverse and flexible working styles


We are promoting business operations that utilize remote work by efficiently combining telecommuting and on-site working. We will also expand opportunities to improve and utilize skills by introducing job-based employment and relaxing restrictions on side and second jobs. We will allow employees to flexibly choose whether or not to relocate depending on their career visions, life events, etc.

[Implementing a completely location-free call center system \(ADI\) \(In Japanese only\)](#) 

< Our Development Program >

MS&AD Open College	Classroom training to acquire business skills, such as problem-solving
Trainee programs	<p>Voluntary in-house programs that enable employees to experience working in other departments/companies for short periods; among the aims of these programs are to further cultivate Group solidarity and improve communication</p> <p>ESG Data/Reference Material (number of participants of the trainee system)</p>
Post-challenge programs	An open recruiting programs through which employees considering their own career paths can convey their plans and wishes to their companies and take on challenges to progress down these paths. Efforts to actualize autonomous career development.
<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">MSI</div> In-house free agent programs	A program whereby employees, with skills, experience and their own blueprints of carrier-building, can appeal to several sections desirable to them
<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">ADI</div> Corporate University Program "AD University"	A program that visualizes employee skills in all categories and which supports independent, self-directed learning for acquiring the abilities and skills that need to be strengthened for employee growth not bound by work or work roles.

< Human Resources Development for Addressing Social/Regional Issues >

<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">ADI</div> Required acquisition of qualification regarding CO2 emissions calculation methods	<p>We have enhanced human resources development aimed at addressing social/regional issues by making it mandatory for approximately 10,000 employees to acquire Level 3 qualification in the "Carbon Accounting Advisor Qualification System" related to CO2 emissions calculation methods.</p> <p>Made it mandatory for approximately 10,000 employees to acquire qualification related to CO2 emissions calculation methods (ADI) (in Japanese only) </p>
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< Examples of Systems and Support According to Life Stage >

Life Stage	Main Systems		Support Measures
Marriage	(Group-wide) • System for changing place of employment • System for those wanting to come back to work after retirement	(Group-wide) • Prenatal and postnatal leave	(Group-wide) • Childbirth and childcare handbook
Pregnancy and childbirth			
Childcare leave	(Group-wide) • Childcare leave system		
Return to work	(Group-wide) • System for working from home • System for changing place of employment • System for those wanting to come back to work after retirement	(Group-wide) • Shorter work hours/flex time system • Exemption from and restrictions on overtime • Sick/injured child care leave	(MSI,ADI,MSI Primary Life) • Discussion meeting for those returning to work after childcare leave (ADI) • Company-sponsored nursery school • In-house nursery school
Nursing Care		(Group-wide) • Nursing care leave, or time off • Shorter work hours system	(Group-wide) • Handbook to support balancing work and nursing care • External help desk for nursing care and health

Initiative to promote one month childcare leave for male employees (MSI) (in Japanese only) 

Diversity, Equity & Inclusion

In order to develop an environment whereby employees of all kinds can fully demonstrate their individual abilities, create new innovations, and contribute to enhancement of corporate value, we have incorporated the perspective of “Equity” into “Diversity & Inclusion (D&I)” and are now promoting it as “DE&I (Diversity, Equity & Inclusion)”.

< Example of Management Know-how Development to Positively Elicit and Utilize Opinions and Ideas >

<div style="border: 1px solid #ccc; display: inline-block; padding: 2px 5px; margin-bottom: 5px;">Group-wide</div> <p>e-Business Seminar</p>	<p>“e-Business Seminar” is a small-group online seminar conducted by officers of the holding company. The purpose of this seminar was to draw out opinions and ideas based on the knowledge, experience, and sense of values of diverse human resources, and systematize the processes and methods to reach them. We have applied this know-how as “inclusive leadership” in training for managers at each Group company and implement it in the workplace</p>
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Diversity, Equity & Inclusion

Issuing the Diversity, Equity & Inclusion (DE&I) Report

Group-wide

Our Group issues a DE&I Report and makes it publicly available on our official website. This report presents the directions the Group has taken toward DE&I, the projects being pursued by Group companies toward their common goals, and introduces specific DE&I measures being implemented at individual Group companies.

< Content of the Diversity, Equity & Inclusion (DE&I) Report >



(DE&I Report 2023 will be published in January 2024)

- Message from Group CEO
- D&I Promotion by the MS&AD Group
- Current Group Figures
- Target Numbers
- Initiatives and Systems for Promoting Career Development for Women
- Work-life Balance (Systems and Initiatives to Help Employees Keep Working)
- Career Development for Global Human Assets
- Career Development for People with Disabilities, LGBTQ Support, and Career Development for Seniors
- Career Development for Diverse Human Assets and Inclusion Initiatives
- Establishing Environments for Promoting D&I
- Message from the Executive Officer
- History of Key Awards Received from the Government



- > Targets and Results: Ratio of females in managerial positions, Ratio of taking fully paid paternity/secondary leave
- > ESG Data/Reference Material: percentage and number of females among board members and corporate auditors, percentage and number of females in managerial positions

Diversifying of Decision-making Layers

HD

Regarding promotion of female employees, we are strengthening efforts to develop a pipeline for promotion to executive and managerial positions. In addition, as a KPI to be achieved by the end of FY2030, we have set the proportion of female managers at 30% and that of "female line managers," who are the heads of the organization, at half of that number in order to promote diversity among decision makers.

- > Targets (KPI) and Results
- > New appointment of female deputy branch managers and deputy managers (MSI) (in Japanese only) [📄](#)
- > New appointment of deputy department/branch managers and deputy line managers (ADI) (in Japanese only) [📄](#)

Initiatives to Realize an Inclusive Society through Support for Athletes

MSI ADI Mitsui Direct General MSI Aiol Life MSI Primary Life

We have been striving to realize an inclusive society in which a variety of people can play active parts by supporting Paralympic sports. Initiatives taken thus far include fostering and supporting athletes who are actively engaged in competitions, co-sponsoring Paralympic sports organizations, and attending competitions around Japan to cheer on the participants. In this context, we have been employing able and people with disabilities athletes, many of whom take part in the Olympics, Paralympics, Deaflympics, world championships, and other international competitions in order to create an environment in which people are able to dedicate themselves to both work and sports.



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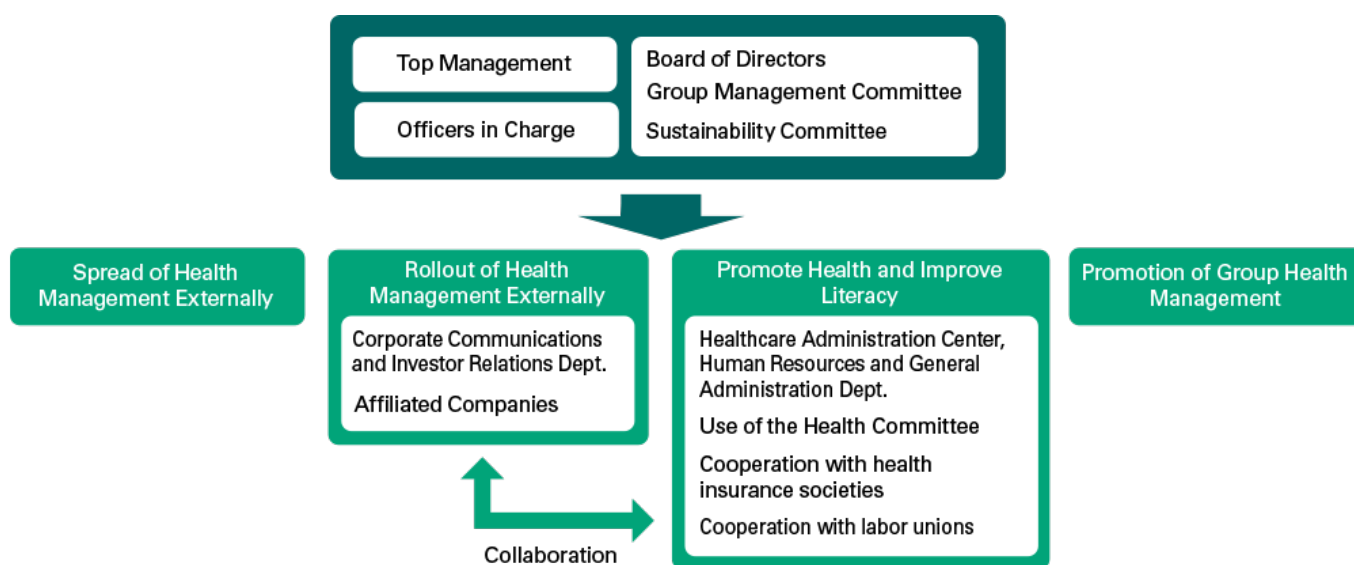
- > Sports support from Group companies (in Japanese only) [📄](#)

External Evaluation

- > Cowon Gold Awards winner for the PRIDE Index 2022 for LGBTQ initiatives (MSI, ADI, MSA) (in Japanese only) [📄](#)
- > Certified as a Tokyo Sports Promotion Company for the sixth consecutive year (MSI) (in Japanese only) [📄](#)
- > Certified as a Sports Yell Company by the Japan Sports Agency for the sixth consecutive year (MSI) (in Japanese only) [📄](#)
- > Certified as a Sports Yell Company by the Japan Sports Agency for the third consecutive year (MSI Primary Life) (in Japanese only) [📄](#)
- > Certified as a Sports Yell Company by the Japan Sports Agency for the third time (ADI) (in Japanese only) [📄](#)
- > For other awards and certifications, see the Diversity, Equity & Inclusion (DE&I) Report

Promotion of Health and Productivity Management

Keeping working employees healthy is essential, not only to improve their quality of life (QOL) but also to realize our Group's Corporate Philosophy. The Group provides venues that enable various personnel with a wide range of values to work together, and we increase productivity while making workplaces more amenable and work more satisfying, thereby creating health- and safety-conscious working environments in order to maintain and improve the physical and mental well-being of all employees. In addition, we have established a system whereby workplaces, health management centers (occupational health personnel), health insurance unions, labor unions, etc. cooperate and collaborate to promote health management.



Promotion of Varied and Flexible Work Style


We have been promoting business operations such as efficient combination of telecommuting and physical attendance, remote working, etc. at any location. In addition, we plan to provide more opportunities for improving and utilizing skills through easing of restrictions on side business and by-business activities. Regarding paternity leave, we are targeting an acquisition rate of 100% and 4-week leave.

<p>Diversification of work locations/hours</p>	<p>We are diversifying previously fixed work locations and pursuing more diverse work styles for our employees.</p> <p>Example initiatives:</p> <ul style="list-style-type: none"> · Promoting remote work (use of thin client computers, phones and smartphones for business use, and use of web conferencing tools) · Implementing work from home programs and utilizing satellite offices · Introducing shift work and short-term work systems
<p>Restructuring of roles</p>	<p>We are seeking to reform employees' thinking and behavior to ensure that they perform their work even better, further improving their productivity and strengthening their competitiveness.</p>

<p>Prevention of long-term working hours</p>	<p>We are maintaining the health of individual employees and supporting work-life balance by preventing long working hours.</p> <p>Example initiatives:</p> <ul style="list-style-type: none"> · As a rule, employees must leave work before 19:00 · Promotion of leaving work at/after 17:00 and before 18:00, twice a week (MSI) · Industrial physicians provide one-to-one guidance to employees who work on their computers beyond a certain number of hours
<p>Encouraging employees to take paid leave</p>	<p>We encourage employees to take paid leave by formulating plans for regular leave in advance, and periodically confirming that employees are in fact taking leave</p> <p>Targets and Results (the number of annual paid holidays taken) ESG Data/Reference Material (rate/days of paid leave taken)</p>

Maintaining and Improving Employee Health

We are working to maintain and improve the physical and mental health of employees and to create better working environments

<p>Support to improve health</p>	<p>We conduct campaigns that encourage and support employees to carry out behaviors and lifestyle habits that improve health (self-care).</p> <p>Example initiatives:</p> <ul style="list-style-type: none"> · Revamping day-to-day lifestyle habits by encouraging use of the Koko Kara Diary, our proprietary app · Planning health promotion and other campaigns, providing support to employees quitting smoking (subsidies to cover teletherapy expenses), etc. · Encouraging employees to come to work in sneakers, stair climbing (the 2-Up/3-Down campaign, displaying stickers on staircases showing calories burned), etc. · Disclosing data related to initiatives for promotion of health and productivity management, and enhancing employees' health consciousness <p>Data on initiatives (MSI) (in Japanese only) </p>
<p>Improving health literacy</p>	<p>Creating an environment that promotes lifestyle habits needed to improve health and which prompts employees to acquire greater knowledge and skills on mental health, etc.</p> <p>Example initiatives:</p> <p>E-learning, videos featuring top athletes promoting exercise, providing information on lifestyle habits that include physical and mental well-being, diet, exercise, sleep, smoking, and providing health education as part of health consultations and tier-specific training</p>

<p>Mental health care</p>	<p>We have set up a health and productivity management center and an employee consultation office to provide care for the mental health of employees. In addition to carrying out stress checks uniformly across the Group and bolstering mechanisms to prevent mental disorders, we are using the findings of group analysis to establish better workplace environments</p> <p>Example initiatives:</p> <p>Preventive activities: training, e-learning, stress checks, health consultations at workplaces</p> <p>Support for afflicted persons: consultations during rehabilitation</p> <p>Return-to-work support: preparations for returning to work during recovery periods, etc.</p>
<p>Support systems for balancing medical treatment and recuperation</p>	<p>Establishing a system to support the balance between work and treatment of illness or injury* [Leave system]</p> <ul style="list-style-type: none"> · Paid leave (up to 32 days) is granted every year. Up to 20 unused days can be carried over, and employees can take consecutive leave for medical treatment and recuperation · Up to a total of 65 remaining days of carried over leave can be accumulated, and can be taken as consecutive leave for treatment of personal injury or illness <p>[Support system]</p> <p>If an employee faces limitation due to injury or illness, s/he is allowed to work from home, work shorter hours, commute by personal vehicle, etc.</p> <p>(*) The support system and number of days of leave that can be taken or saved varies depending on the group company and employee classification</p>

Creating Safety-conscious Workplaces (Compliance with Occupational Health and Safety Act)

We are striving to ensure safety-conscious workplaces with the Group insurance companies in Japan setting up industrial health committees in accordance with the Occupational Health and Safety Act. The committees investigate/deliberate on matters pertinent to preventing health hazards and maintaining/improving health each month

<p>Uniform Group-wide medical checkup system</p>	<p>MS&AD Holdings operates a uniform Group-wide medical checkup system so that employees can undergo standardized medical exams and analyses. For employees with adverse findings, based on the results of medical checks, we take measures to prevent conditions becoming severe and to follow-up through such means as health guidance and encouragement to undergo further examinations provided by industrial physicians/nurses.</p> <p>ESG Data/Reference Material (Consultation rate of medical checkup) (in Japanese only)</p>
<p>Establishment of a suitable working environment</p>	<p>To improve operational efficiency among employees while ensuring their physical and mental health, we are establishing comfortable working environments with due consideration for lighting, circulation, temperature, humidity, noise, and ergonomics.</p>



<p>Prevention of workplace accidents</p>	<p>We conduct monitoring and risk assessments at workplaces in order to put in place the workplace environments needed to prevent falls and other accidents. Group insurance companies that use company-owned vehicles are managing accident rates and ensuring that employees engage in safe driving practices in keeping with the safe driving management rules for company-owned vehicles.</p> <p>ESG data and reference material (number of workplace accidents) (in Japanese only)</p>
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Communicating with Employees

We think it is vital that all employees understand the direction in which the company wishes to proceed and that working environments are created in such a way that the employees can maximally apply their enthusiasm and skills to helping the company along its course, and we are arranging various opportunities for communication among employees to this end. We also incorporate opinions expressed by employees in to our efforts to improve corporate management and upgrade the quality of our products/services.

<p>Employee satisfaction surveys Employee Satisfaction</p>	<p>We conduct annual opinion surveys of all Group employees at fixed time points and utilize the results when considering company systems/measures and environmental improvement. In FY2019, we began carrying out the same surveys for employees of overseas entities.</p> <p>Targets and results (Employee Awareness Survey)</p>
<p>Mechanisms to make use of employee opinions in improving operations</p>	<p>We have set up a bulletin board on the in-house system where employees can post improvement proposals and other messages. The posted content is then examined by the various head office divisions, who then provide feedback on the proposals.</p>
<p>Dialogue with executives</p>	<p>We periodically arrange opportunities for employees and top-level executives to exchange views so that the employees' views can be incorporated into company management.</p>

External Evaluation

- White 500 organization (large enterprise category) for the fourth consecutive year under the 2022 Certified Health & Productivity Management Outstanding Organizations Recognition Program (HD, MS, AD, MSA) (in Japanese only) 
- 2022 Certified Health & Productivity Management Outstanding Organizations Recognition Program (MD, MSP, MS&AD Systems) (in Japanese only) 

Quality that Earns the Trust of Society

Meeting the Trust of Society with High Quality



The MS&AD Insurance Group believes it important to pay close attention to the expectations and needs of customers and other stakeholders and to put information derived from this in to good use in improving the quality of its products/services in order to continue being a corporate group needed by society.

By putting in place a variety of schemes to solicit the views of stakeholders, we are continuing to improve our quality and operations through executive-level discussions to prove ourselves worthy of the public’s trust. For example, we provide easy-to-understand product explanations, use advanced technology to make procedures more convenient, adopt approaches that meet the needs of a diverse range of customers, including the elderly and people with disabilities, and work to improve the skills of employees.

Quality Improvement through Communications with Stakeholders

Our Group has established the “MS&AD Insurance Group Basic Policy for Responding to Customer Communications” and provided a scheme and opportunity to listen to the voice of customers and other stakeholders for quality improvement of products and services, as well as compliance, respect for human rights and environmental initiatives.

Communication with Stakeholders

 Customers	<ul style="list-style-type: none"> • Customer surveys • MS&AD website • Communication with agents and employees (e.g., inquiries, consultations, requests, complaints) • Contact center
 Shareholders	<ul style="list-style-type: none"> • IR meetings • Individual meetings • Survey at the Annual Shareholders’ Meeting • Briefings for investors
 Agents	<ul style="list-style-type: none"> • Meetings with agencies • Posting system • Agent meetings
 Business Partners	<ul style="list-style-type: none"> • Communication with outside vendors
 Employees	<ul style="list-style-type: none"> • Employee surveys • Communication with management • Speak-up system • Posting system
 Local Communities International Society	<ul style="list-style-type: none"> • Collaboration agreements with local governments • Communication with NPOs/NGOs • Communication/exchanges with local communities • Holding of seminars/symposiums
 Environment	<ul style="list-style-type: none"> • Communication with experts and NPOs/NGOs • Research on the global environment and natural disasters • Participation in initiatives and international conferences



Schemes for Receiving Feedback from Customers

The MS&AD Insurance Group has formulated a Basic Policy for Responding to Customer Communications and is receiving a wide range of feedback from customers including through consultations, requests, and complaints. The received feedback is then used for quality improvements. In line with the aforementioned policy, Domestic Group insurance companies utilize the customers' views to improve their business processes so they can provide products and services that better satisfy customers.

- > [MS&AD Insurance Group Basic Policy for Responding to Customer Communications](#)



We disclose the substance and results of the improvement activities on our website so that the customers can see the status of the improvements.

Reasons for customer feedback (complaints)

We listen to a wide range of customer feedback and are making company-wide improvements to provide better insurance products and services. Customer feedback is all feedback received from customers, including inquiries, consultations, requests, complaints, disputes, compliments and words of thanks, etc. Of this feedback, complaints are defined as an expression of dissatisfaction from the customer.

	Insurance solicitation and contract	Contract management	Insurance payments	Managing customer information	Other	Total
Number of complaints*	8,411	7,575	25,432	576	2,710	44,704

*Combined number received in fiscal 2022 for Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance






- > [Customer feedback \(MSI\) \(in Japanese only\)](#) 
- > [Customer Feedback \(ADI\) \(in Japanese only\)](#) 

Customer-first Policy in the Business Operations

The five Group insurance companies in Japan have formulated and published customer-first policy in the business operations based on the Financial Services Agency's Principles for Customer-oriented Business Conduct. These policies align with the framework for consumer-oriented voluntary declarations advocated by the consumer-oriented management promotion organization composed of the Consumer Affairs Agency and other members.

Please see individual companies' official websites for further information regarding these policies.

< Customer-first policy in the business operations (in Japanese only) >

- > [Mitsui Sumitomo Insurance](#) 
- > [Aioi Nissay Dowa Insurance](#) 
- > [Mitsui Direct General Insurance](#) 
- > [Mitsui Sumitomo Aioi Life Insurance](#) 
- > [Mitsui Sumitomo Primary Life Insurance](#) 

Specific Initiatives in Customer-Focused Business Operations






The five Group insurance companies in Japan have formulated and published customer-first policy in the business operations based on the Financial Services Agency’s Principles for Customer-oriented Business Conduct. These policies align with the framework for consumer-oriented voluntary declarations advocated by the consumer-oriented management promotion organization composed of the Consumer Affairs Agency and other members.

Please see individual companies’ official websites for further information regarding these policies.

< Customer-Focused Business Operations—FY2022 Overview (in Japanese only) >

- [Mitsui Sumitomo Insurance](#)
- [Aioi Nissay Dowa Insurance](#)
- [Mitsui Direct General Insurance](#)
- [Mitsui Sumitomo Aioi Life Insurance](#)
- [Mitsui Sumitomo Primary Life Insurance](#)

< Principal Approaches >

<div style="text-align: center;">  <p>Initiatives to enhance customer convenience in obtaining policies</p> </div>	<p>We have been developing and adopting more convenient and comprehensible procedural methods to provide information on insurance and services to a variety of customers</p> <ul style="list-style-type: none"> · Reinforcement of product explanation videos for customers (MSI, ADI) · Procedures for applying for and obtaining policies available online (MSI, ADI, Mitsui Direct General, MSI Aioi Life) · Procedures for obtaining policies without paper utilizing tablets and other devices. (MSI, ADI, MSI Aioi Life) · Realized cashless payment through payment methods that meet the diverse needs of customers (MSI, ADI) (in Japanese only)  · Customers can now change account information online (MSI Aioi Life) · Procedures for claims settlement online (MSI Aioi Life) (in Japanese only) 
<div style="text-align: center;">  <p>Prompt and courteous customer service during natural disasters</p> </div>	<p>We are helping to rebuild customers’ livelihoods as promptly as possible by increasing manpower and improving administration at our Accident Claims Center and Insurance Claim Payment Center in line with the scale of disasters and the types of disasters, such as earthquakes, typhoons, flooding, and heavy snowfall, and through rapid claims settlement. We have realized meeting customer needs, streamlining investigations, and speeding up the whole process through promoting digital surveys on water-related disasters utilizing chatbots and developing a smartphone reservation system for survey visit dates and times.</p> <p>Introduced a reservation system for visit days and times in the event of large-scale natural disasters (MSI, ADI) (in Japanese only) </p>

<p style="text-align: center;">Group-wide</p> <p style="text-align: center;">Screening of insurance payments</p>	<p>Claims determined not to be eligible for insurance payments but which nevertheless satisfy certain conditions are examined by a Screening Committee comprising outside attorneys and other experts.</p> <p>MSI and ADI disclose the number of claims examined and the cases examined on their websites.</p> <p>Insurance Payment Screening Committee (MSI) (in Japanese only) </p> <p>Usage status of application system for appeal review and status of screening performed by the Payment Screening Committee (ADI) (in Japanese only) </p>
<p style="text-align: center;">Group-wide</p> <p style="text-align: center;">Operational improvements utilizing customer suggestions</p>	<p>In accordance with MS&ADI Insurance Group Basic Policy for Responding to Customer Communications, customers' opinions that are received through consultations, requests and complaints are collected, centrally managed and analyzed, then actively implemented to improve business operations. The details and outcomes of these improvement initiatives are disclosed on the website in sequence.</p> <p>We are continually upgrading our services in response to customer feedback.</p> <p>MS&AD Insurance Group Basic Policy for Responding to Customer Communications</p>
<p style="text-align: center;">HD</p> <p style="text-align: center;">Use of customer satisfaction based on customer questionnaire surveys as a KPI</p>	<p>Among the indicators used for measuring the level the five Group insurance companies in Japan have continued their initiatives in customer-focused business operations, customer satisfaction from customer questionnaires (completed by customers when signing up for policies or being paid insurance money) has been designated as one of the indicators for Group sustainability that earns the trust of society</p> <p>ESG data and document collection: "Customer satisfaction survey about insurance contract procedures" and "Customer satisfaction survey about payment of insurance claim"</p>
<p style="text-align: center;">Group-wide</p> <p style="text-align: center;">Integrating customer-focused values among employees and agents</p>	<p>We have been fostering a suitable corporate climate by integrating customer-focused values into our operations through education for employees and agents.</p> <p>For employees:</p> <p>We conduct workplace meetings and arrange training and contests aimed at improving skills in all departments.</p> <p>For agents:</p> <p>We provide agents with various training and online learning opportunities, and we seek to motivate them via an agent quality certification system.</p>


Quality Improvement Utilizing Cutting-edge Technologies

To satisfy a variety of customer needs to a high degree, we develop products/services utilizing cutting-edge ICT and other technology and employ new technologies such as artificial intelligence (AI), Big Data, and voice recognition to revamp our operational flow.

< Principal Approaches >

<div style="text-align: center;"> <div style="display: flex; justify-content: space-around; margin-bottom: 10px;"> <div style="border: 1px solid black; padding: 2px 5px; font-size: 8px;">MSI</div> <div style="border: 1px solid black; padding: 2px 5px; font-size: 8px;">ADI</div> <div style="border: 1px solid black; padding: 2px 5px; font-size: 8px;">MSI Aioi Life</div> </div> <p>Improvement of customer convenience</p> </div>	<p>We have digitized the whole insurance process from gaining customers to making insurance payments</p> <p>Launched the MS1 Brain Remote (MSI) (in Japanese only) </p> <p>Development and provision of support apps and services using AI in order to provide insurance products and services more quickly</p> <p>Industry first - Launched a personalized video service that allows customers to see how their insurance premiums change when using automobile insurance (ADI) (in Japanese only) </p> <p>Industry first - Introduced an AI-based automatic voice response service for agents and customer billing (MSI Aioi Life) (in Japanese only) </p>
<div style="text-align: center;"> <div style="border: 1px solid black; padding: 2px 5px; font-size: 8px; margin: 0 auto; width: 40px;">ADI</div> <p>Improving the quality of customer service</p> </div>	<p>By utilizing the incoming call classification system, we can automatically classify and sort 1 million customer voices annually by category. We conduct analysis efficiently and effectively and promote initiatives to improve quality across the company.</p> <p>Industry first - Launched use of incoming call classification system to improve quality across the company (ADI) (in Japanese only) </p>

We have introduced a system that uses AI and telematics technologies to automatically and accurately explain accident situations through text and diagrams. This reduces the burden on customers and we have made the handling of claims more efficient (accident response).

[New features added to the dash cam-based AI accident explanation system "Ai's" \(MSI\) \(in Japanese only\)](#) 

[New features implemented in the telematics damage service system \(ADI\) \(in Japanese only\)](#)



We have launched an initiative for analyzing satellite images using AI and visualizing the average amount of damage to buildings in each region within three days after a disaster, at the earliest, in the event of a typhoon equivalent to a severe disaster.


We have reduced the average time from receipt of accident claims to the start of damage investigation by seven days, accelerated the start of remedial and repair work, and we help expedite disaster victim certification procedures in collaboration with partner local governments.

[\[World first\] Visualization of the average amount of damage to buildings in each region within three days after a disaster, at the earliest, in the event of a typhoon \(ADI\) \(in Japanese only\)](#)




We have developed an algorithm for predicting the extent of inundation in the event of flooding by utilizing fire insurance accident data and SNS big data collected and analyzed by JX PRESS Corporation.

In combination with techniques to advance prediction of the extent of inundation, we have initiated a demonstration experiment aimed at early identification of disaster-affected areas and customers who may have been affected.

[Launched a demonstration experiment to estimate the extent of inundation damage by flooding, utilizing fire insurance accident data and SNS big data \(MSI, ADI, InterRisk\) \(in Japanese only\)](#) 

Upon receipt of an accident report from a customer, the business automation system instantly determines various factors such as "details of policy" and "accident characteristics" to select the most appropriate insurance claims settlement center and the person in charge.


[Full-scale introduction of NEVA, a business automation system, for seamless linkage of cases \(ADI\) \(in Japanese only\)](#) 

MSI





ADI

InterRisk

Enhancement of accident responses

<p style="text-align: center;"> MSI ADI </p> <p style="text-align: center;">Enhancement of claim settlement operations</p>	<p>We have introduced an insurance fraud detection solution provided by French start-up company Shift Technology, realizing prompt and appropriate settlement of accident claims other than those which are fraudulent.</p> <p>Expanded use of fraudulent claims detection solutions (MSI, ADI) (in Japanese only) </p>
<p style="text-align: center;"> Group-wide </p> <p style="text-align: center;">Strengthening of information security management</p>	<p>In line with MS&AD Insurance Group Information Security Management Basic Policy, we have been pursuing consistent system security management across our Group to ensure that service can be reliably provided in the face of rising cyber risks stemming from technological advances. We are also working to develop more robust information management system through activities such as establishing in-house regulations and educating employees.</p> <p>Information Management</p>

External Evaluation (in Japanese only)

- IT Award and IT Encouragement Award in the 40th IT Awards (MSI, InterRisk, MS&AD Systems) (in Japanese only) 
- Three-star rating (highest rating) in the HDI Rating Benchmarks in inquiry desks, and online support categories (MSI) (in Japanese only) 
- Three-star rating (highest rating) in the HDI Rating Benchmarks in inquiry desks, and online support categories (ADI) (in Japanese only) 
- HDI five-star certification for the fifth consecutive year, making us one of two companies to receive five-star certification in the online (MD) (in Japanese only) 

MS&AD Insurance Group Basic Policy for Responding to Customer Communications

MS&AD Insurance Group Basic Policy for Responding to Customer Communications

The MS&AD Insurance Group shall respond to all customer communications quickly, appropriately and in good faith based on the Group's management ideology. The following principles for conduct are hereby promulgated to contribute toward greater customer satisfaction.

1. Definitions

(1) Definition of Customer

As used herein, "customer" shall refer to "a customer having a relationship with the activities of the MS&AD Insurance Group" with respect to both individuals and companies.

(2) Definition of Customer Communication

As used herein, "customer communication" shall refer to "any and all expressions from customers (inquiries, consultations, requests, complaints, disputes, praise, expressions of gratitude, etc.)." Here, "complaint" shall mean "an expression of dissatisfaction from a customer."

2. Principles for Conduct

(1) Basic Stance

- (i) All officers and employees shall respond to all customer communications quickly, appropriately and in good faith.
- (ii) All officers and employees shall be conscious of the fact that customer communications constitute "important information for assuring trust from customers, realizing corporate growth and further improving quality."
- (iii) All officers and employees shall compile and analyze information relating to customer communications, and while making effort to reduce complaints, shall also use this information to create measures that improve quality and raise the level of customer satisfaction.

(2) Management of Responses to Customer Communications

- (i) Domestic Group insurance companies shall prescribe policies for responding to customer communications that factor in the business conditions present at their respective companies consistent with the "MS&AD Insurance Group's Mission Statement" and the "MS&AD Insurance Group Basic Policy for Responding to Customer Communications."
- (ii) Domestic Group insurance companies shall prepare rules, manuals and the like regarding the procedures and specific individual actions for responding to customer communications.
- (iii) When necessary, the other Group companies shall prepare measures for responding to customer communications and put these into practice as appropriate.

ESG Information

The following is a supplement to the MS & AD Insurance Group's sustainability approach.

Subject period:

FY2022 (April 1, 2022 - March 31, 2023)

[> ESG Data Click here](#)

Corporate Governance

Supplement to the performance-based remuneration for directors

See "[Corporate Governance](#)" for an overview of the system.

1.Share of the CEO's short-term incentive

- Performance-linked remuneration shall be linked with the business performance of the company and determined based on financial(*1) and non-financial(*2) indicators.The standard ratio between financial and non-financial indicators used in the calculation of performance-linked remuneration shall be"50:50."
- The stock-based remuneration components of performance-linked remuneration shall be calculated as follows, based on standard amounts for each position
 Standard amount per position × business performance coefficient
 (financial indicators × 20% + non-financial indicators × 80%)
- The standard ratios of the components of compensation for the President and Director are as follows:

[Fixed remuneration] 50%	[Performance-linked remuneration] Monetary remuneration 25%	[Performance-linked remuneration] Stock-based remuneration 25%
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<Breakdown of 25% of Stock-based remuneration>

The ratio of financial indicators (indicators reflecting single fiscal year performance) is

$25\% \times 20\% = 5\%$.

The ratio of non-financial indicators (indicators to reflect medium- to long-term performance

contributions) is $25\% \times 80\% = 20\%$.

(*1)Financial indicators are indicators that are used to reflect business performance in a single fiscal year in officer remuneration.

(*2)Non-financial indicators are indicators that are used to reflect initiatives contributing to medium- to long-term business performance in officer remuneration.

2. Performance Period for Variable CEO Compensation

- Performance-linked remuneration shall be linked with the business performance of the company and determined based on financial and non-financial indicators.
- Financial and non-financial indicators have been selected after taking into consideration the Group's Medium-Term Management Plan (FY2022-2025) , which began in fiscal 2022 and will end in fiscal 2025 for a period of 4 years.

3.Claw back Clause

- We have a claw back clause in place. (click [here](#))

Management Ownership

Ratio of the amount converted into the fair value of shares to the amount of consolidated fixed remuneration of a person whose total amount of consolidated remuneration in fiscal 2022 is 100 million yen or more.

Name(s)	Position	Fixed remuneration (million yen)	Shares of the Company owned(*)		Value equivalent to Market Value of the shares held / fixed compensation
			Number of shares of the Company owned	Fair value(*) (million yen)	
Yasuyoshi Karasawa	Director	55	53,460	220	4.14
Yasuzo Kanasugi	Director	58	60,611	249	
Noriyuki Hara	Director, President&CEO	66	54,537	224	3.39

(*) March 31, 2023 end-of-day basis

Risk Management

Impact of Material Risks and Mitigation Measures

Changes in the environment surrounding human resources

Our Group recognizes changes in the environment surrounding human resources as one of the important risks in light of the following:

- A gap between management strategies and the human resources portfolio, as well as a shortage in securing or developing human resources to eliminate the gap due to external changes in the human resources market, labor supply-demand, and changes in the skills and expertise necessary for implementing strategies such as DX promotion.
- A decline in employee engagement and an outflow of human resources due to a lack of employee support program that accurately captures changes in employees' attitudes toward autonomous career opportunities, flexible / diverse work styles, and respect for diversity.

Impact

- Our Group's medium-term management plan calls for the value creation through the global expansion of CSV×DX and the transformation of the business by reforming the structure of the business and adapting to changes in the business environment, including the creation of new businesses.
 - The greatest asset of the Group pursuing this strategy is human resources, and each employee is responsible for the concrete implementation of the strategy. In particular, "digital human resources" and "overseas human resources" are the cornerstones of the strategy, as they are responsible for the global expansion of CSV×DX and the transformation of business and risk portfolios. In order to realize changing structure of the business and creation of new businesses in adapting to business environment, it is important to elicit and utilize the opinions and ideas of various employees.
- If there is a shortage of such human resources or if employees are unable to demonstrate their abilities, skills, and motivation, it will be impossible to execute the strategy and the achievement of the goals set forth in the medium-term management plan.

Mitigation measure

Promote digital human resources development programs which all employees acquire basic digital skills with the aim of fostering human resources leading the CSV×DX strategy. Based on our in-house certification system and education programs, we are systematically improving our skills in both business and digital fields. We are implementing our Group's unique Digital Human Resources Development Program in cooperation with universities and other institutions.

- We are implementing the initiatives for management personnel and "Professional human resources (Accounting, Finance, IT, Risk Management, etc.)" necessary for overseas businesses, including nomination-based training, overseas dispatch training, and the global trainee system, to develop in a multifaceted and planned manner.
- For digital and overseas personnel, we set KPIs and focus on the development of human resources while confirming the progress of their development.
- In order to improve employee engagement, it is important to develop a work environment that includes opportunities for autonomous career development, flexible, efficient, and effective working styles, and a corporate culture that supports individual's endeavours. We are promoting the provision of opportunities for autonomous career development and diverse and flexible working styles. At the same time, we are working to pursue diversity, equity, and inclusion (DE&I) by promoting women and young personnel to decision-making positions, and by developing management know-how that actively draws on opinions and ideas.

Please refer to [ERM and Risk Management](#) for other important risks.

Impact of Emerging Risks and Mitigation Measures

■ Damage to natural capital

Our Group recognize that damage to natural capital is an emerging risk that may affect our group's management in the medium to long term.

There is a possibility of an impact on insurance underwriting and investment / financing in our Group due to the following;

- depletion of water and other natural resources
- man-made pollution and accidents that cause significant damage to the environment
- ecological degradation and crises

Impact

· Our Group provides a number of insurance policies and loans to corporate clients in a variety of industries. For example, we underwrite and invest in natural rubber industries in Indonesia's tropical forest region, which is estimated to have a very high biodiversity. The production of natural rubber is highly dependent on nature, and depending on the degradation of the nature on which it depends (such as the occurrence of pests and diseases or water shortages), the supply chain will be disrupted, and this will greatly affect corporate performance in related industries.

· In addition, if the national or local governments enforce strict laws and regulations to prevent deforestation in tropical forest areas, or if the reputation is severely damaged by human-caused acts that cause extensive damage to the area due to severe deforestation, corporate performance in related industries will also be greatly affected. If we were to invest in such company, the decline in corporate profits and growth potential would have a financial impact, such as a decline in investment returns. In addition, as an insurance underwriter, a downturn in the industry could lead to a decline in premiums earned by related companies.

<p>Mitigation Measures</p>	<ul style="list-style-type: none"> · Natural capital losses will have a negative impact on business activities in a variety of industries, but there are still many challenges in the methodology of how to assess and analyze these risks. · Accordingly, our group is increasing its knowledge of natural capital losses by sending out our employee to the TNFD Task Force, which aims to establish a framework for assessing, managing, and disclosing nature-related risks and opportunities. · In order to mitigate company's risks, many companies need to be aware of the risks of natural capital losses and take appropriate action. We have established the TNFD Japan Council to promote awareness of nature-related risks and their disclosure. · MS&AD InterRisk Research & Consulting, a think tank division of the Group, provides nature-related consulting services and supports specific responses to individual company risks. In addition, four financial institutions including MS&AD Group have established alliances to strengthen support systems for these companies' initiatives. By reducing nature-related risks and supporting initiatives for nature positive, financial institutions aim to reduce nature-related risks and acquire new business opportunities.
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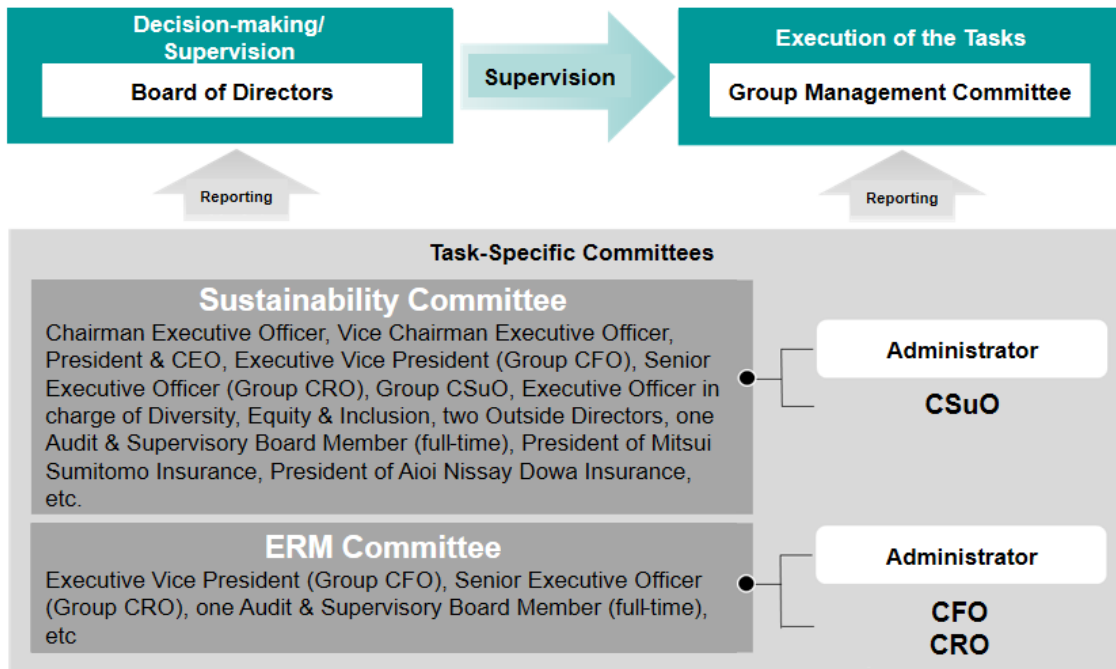
Please refer to [ERM and Risk Management](#) for other emerging risks.

Contribute to Climate Change Mitigation and Adaptation

Governance change from previous year

We maintain a climate-related governance structure composed of the Board of Directors, the Group Management Committee, and Task-Specific Committees such as Sustainability Committee.

CSuO (Group Chief Sustainability Officer) has been newly assigned this fiscal year and administrates Sustainability.



Remuneration in Relation to Climate Issues –Incentives

As part of the initiatives contributing to medium- to long-term performance, we have non-financial indicators reflected in the performance-linked remuneration for directors and officers excluding external directors. Initiatives toward climate change mitigation are included in the evaluation of these indicators. The standard ratio of performance-linked remuneration to total remuneration is 50% for President & CEO and 30 -40% for other directors and officers.

Other employees are also incentivized through annual appraisal where achievement of climate-related KPI in his charge is considered.

Portfolio scope of Business Activities with Consideration for Sustainability

Business Coverage for our fossil fuel-related policies in “Business Activities with Consideration for Sustainability” is all of active, passive and third-party managed investment and all direct and re-insurance excluding treaty-re-insurance.

Climate Activities through initiatives and Trade Associations

Our memberships of industry associations and outside initiatives will promote "Initiatives to Achieve Net Zero By 2050".

While ascertaining the decarbonization pathways that these organizations are pursuing, the status of their membership and activities are managed by the line of control, and important information is reported to the director in charge. After management of the status of membership and activities by the line of control, material matters are reported to the officer in charge. We will respond through discussions with the organizations when found necessary to confirm consistency with our policy.

TCFD Scenario Analysis

Scenario Analysis has been updated in August 2022 in our TCFD disclosure (link below).

[> Climate-related Financial Disclosure](#)

■Scenario Analysis excerpt

	Business area	Contents	Result Examples	Scenario used
Physical Risk	Insurance Underwriting	Fluctuation in loss paid by typhoon and storm surge in Japan	Typhoon 2050 Effects of change +5 to +50% Effects of changing frequency of occurrence -30 to +28%	RCP4.5 RCP8.5
Transition Risk	Investment	Impact on investee companies by carbon costs	EBIT at Risk Equity 2030 Low Carbon Price Scenario: 4.2% Medium Carbon Price Scenario: 8.9% High Carbon Price Scenario: 18.5%	Developed by Trucost referring to Nationally determined contributions (NDCs), OECD and IEA.

ESG Data / Reference Material

The following are the materials and data about sustainability approaches of the MS&AD Insurance Group.

Subject period:

FY2022 (April 1, 2022 - March 31, 2023) For Overseas insurance subsidiaries, FY2022 (Jan 1, 2022 - Dec 31, 2022)

Subject organizations and data coverage:

Company name	abbreviation	Group Domestic (Domestic consolidated subsidiaries)		Consolidated (MS&AD Group total)	
		Subject	Employee-based coverage	Subject	Employee-based coverage
Mitsui Sumitomo Insurance Co., Ltd.	MSI	○	75.2%	○	100%
Aioi Nissay Dowa Insurance Co., Ltd.	ADI	○			
Mitsui Direct General Insurance Co., Ltd.	Mitsui Direct General	○			
Mitsui Sumitomo Aioi Life Insurance Co., Ltd.	MSI Aioi Life	○			
Mitsui Sumitomo Primary Life Insurance Co., Ltd.	MSI Primary Life	○			
MS&AD Holdings	MS&AD Holdings	○			
Overseas insurance subsidiaries	Overseas		○		
Other(*)	Other		○		

(*) Domestic group companies operating such as risk-related services

Third-Party Assurance

Since 2015, the MS&AD Insurance Group has engaged KPMG AZSA Sustainability Co., Ltd. to perform assurance of selected environmental and social data in order to assure credibility of reported figures. The data subject to the third-party assurance for this fiscal year is indicated with ✓.

[KPMG's Independent Assurance Report !\[\]\(6a9b39b98eb945faa14c645ec99e4eaa_img.jpg\) \(1,949KB\)](#)

[The Calculation Methodology !\[\]\(9c2e8d1b5bd77cb5c9f83b7a9cff79fd_img.jpg\) \(462KB\)](#)

ISO 26000 Core Subjects (Organizational Governance)

Corporate Governance

As a company with an Audit & Supervisory Board, the Company will endeavor to improve governance by ensuring that independently appointed Audit & Supervisory Board Members appropriately act in their auditing functions, in addition to ensuring that the Board of Directors appropriately acts in its oversight functions, while strengthening the functions of each and actively disclosing information.

- [MS&AD Insurance Group Basic Policies on Corporate Governance](#)
- [MS&AD Insurance Group Basic Policy Pertaining to System for Internal Controls](#)
- [MS&AD Insurance Group Basic Policy for Management of Conflicts of Interest](#)
- [MS&AD Insurance Group Basic Policy Concerning Antisocial Forces](#)

Directors (as of 26 June 2023)

Chairperson of the Board	Chairman (except holding concurrent post of President)
Number of Directors	11 (*1)
Number of Outside Directors	5 (*2)
Number of independent Directors	5 (*3)
Number and ratio of women at the Board of Directors	3 / 27.3%

(*1) Board members average tenure 4.6years

(*2) Outside directors average tenure 3.0years

(*3) The number of outside directors with relevant work experience in our company's sector : 1

Corporate Auditors (as of 26 June 2023)

Establishment of Board of Auditors	Established
Number of Audit and Supervisory Board Member	4
Number of Outside Audit and Supervisory Board Member	2
Number of independent Audit and Supervisory Board Member	2
Number and ratio of women in corporate auditors	2 / 50.0%

Nomination and Remuneration

- [Detailed Information](#)

Number of Meetings of Board of Directors etc.

Function		FY2022
Business Execution, Oversight	Board of Directors	12 *1
	Governance Committee	3
	Group Management Committee	12
	Task-Specific Committees	
	Sustainability Committee	4
	Quality Improvement and Compliance Committee	5
	Digitalization Committee	3
	Group Systems Committee	12
	Group International Business Committee	3
	Risk Management Committee	8
Group standardization Committee	8	
Auditing, Oversight	Board of Auditors	11 *2

(*1) Outside Directors average attendance rate 100%. All directors average attendance rate 100%

(*2) Outside Corporate Auditors average attendance rate 95.5%

[Detailed information of Corporate Governance](#)

Information Voting Right

Classification	Number of shares (shares)	Number of Voting Rights	Description
Non-Voting shares	-	-	-
Shares with Restricted Voting Right (treasury shares, etc)	-	-	-
Shares with Restricted Voting Right (others)	-	-	-
Shares with Full Voting Right (treasury shares, etc)	(Treasury Shares) Common Stock 267,900	-	Share Unit Number (100 shares)
Shares with Full Voting Right (others)	Common Stock 534,120,400	5,341,204	Same as above
Fractional Shares	Common Stock 1,579,047	-	Fractional Shares (Less than 100 shares)
Total number of Outstanding Shares	535,967,347	-	-
Total number of Vote	-	5,341,204	-

Political Donations*

Name of Organization	Coverage	Unit	FY2020	FY2021	FY2022
The People's Political Association (Liberal Democratic Party)	Consolidated	thousand JPY	21,000	21,000	21,000

(*) As a member of society, MS&AD Insurance Group believes that it is necessary to pay an appropriate share, and we make political donations to the extent permitted by law.

Amount of Contributions to Initiatives

MS&AD Insurance Group contributed to the following initiatives to achieve environmental conservation on a global scale and the realization of a sustainable society.

Name of Organization	Unit	FY2022
UNEP Finance Initiative	thousand JPY	2,942
Global Compact Network Japan	thousand JPY	1,510
Total		4,452

Compliance

- > MS&AD Insurance Group Compliance Basic Policy
- > MS&AD Insurance Group Basic Policy for Management of Customer Information
- > MS&AD Insurance Group Basic Policy for Shared Use of Customer Information
- > MS&AD Insurance Group Basic Policy for Management of Outside Vendors
- > MS&AD Insurance Group Tax Policy

Speak-up system (Whistleblowing system)

Items	Coverage	Units	FY2020	FY2021	FY2022
Number of cases reported (*)	Consolidated	cases	283	254	298 (**)

* Including Consultation

**Of the cases received in FY 2022, 144 were related to harassment (including suspicious cases).

- > Speak-up system (Whistleblowing system)

Risk Management

- > MS&AD Insurance Group Risk Management Basic Policy

Information Disclosure

- MS&AD Insurance Group Basic Policy for Disclosure of Information

ISO 26000 Core Subjects (Consumer Issues)

- MS&AD Insurance Group Basic Policy for Responding to Customer Communications

Progress and KPI(key performance indicators) in relation to our customer-first policy in the business operations (in Japanese only)

The Group's five domestic insurance companies have disclosed their initiatives based on their Customer-first Policy in the Business Operations and KPI used to evaluate the result of their initiatives.

- Mitsui Sumitomo Insurance Co., Ltd.
- Aioi Nissay Dowa Insurance Co., Ltd.
- Mitsui Direct General Insurance Co., Ltd.
- Mitsui Sumitomo Aioi Life Insurance Co., Ltd.
- Mitsui Sumitomo Primary Life Insurance Co., Ltd.

Indicators	FY2020 Achievement	FY2021 Achievement	FY2022 Achievement
Customer satisfaction survey about insurance contract procedures	97.3%	97.6%	98.0%
Customer satisfaction survey about payment of insurance claim	96.7%	96.8%	95.7%

For details of the questionnaire on customer satisfaction survey of each company, please visit their website.

ISO 26000 Core Subjects (Environment)

- MA&AD Insurance Group Basic Policy on the Environment

Greenhouse Gas (GHG) Emissions in Business Activities

With our support for the Paris Agreement adopted in 2015, we have signed the Paris Pledge for Action that calls on its signatories to address climate change and global warming. On May, 2021 we have set a goal of Net Zero GHG emissions by FY 2050. In order to achieve the goal, we also set 2030 interim targets for GHG emission reduction (Scope 1, 2 and part of 3) and renewable energy use (60% in 2030) . For Net Zero it is essential to reduce GHG emission in supply chain as in our own business operation. We will promote initiatives together with our customers, agents and other stakeholders.

(Percentage change from the previous year in parenthesis)

Items	Coverage	Units	FY2020	FY2021	FY2022	Third-Party Assurance
GHG emissions (Scope1,2,3)	Consolidated	t-CO2	224,599 (▲12.7%)	199,630 (▲11.1%)	191,789 (▲3.9%)	
GHG emissions (Scope 1)	Group Domestic + Other	t-CO2	15,883 (▲14.1%)	14,915 (▲6.1%)	14,102 (▲5.5%)	✓
	Consolidated	t-CO2	19,686 (▲13.9%)	17,584 (▲10.7%)	16,804 (▲4.4%)	✓
GHG emissions (Scope 2)	Group Domestic + Other	t-CO2	54,824 (▲11.9%)	51,629 (▲5.8%)	45,263 (▲12.3%)	✓
	Consolidated	t-CO2	57,569 (▲12.2%)	53,907 (▲6.4%)	47,956 (▲11.0%)	✓
GHG emissions (Scope 1 and Scope 2 combined)	Group Domestic + Other	t-CO2	70,707 (▲6.4%)	66,544 (▲5.9%)	59,364 (▲10.8%)	✓
	Consolidated	t-CO2	77,255 (▲12.7%)	71,491 (▲7.5%)	64,760 (▲9.4%)	✓
GHG emissions (Scope 3)	Consolidated	t-CO2	147,344 (▲12.7%)	128,139 (▲13.0%)	127,029 (▲0.9%)	

GHG emissions (Scope 3)

(Percentage change from the previous year in parenthesis)

Items	Coverage	Units	FY2020	FY2021	FY2022	Third-Party Assurance
Category 1 Purchased goods and services	Group Domestic + Other	t-CO2	47,523 (▲14.7%)	43,881 (▲7.7%)	41,509 (▲5.4%)	✓
Category 2 Capital goods	Consolidated	t-CO2	61,824 (1.8%)	50,784 (▲17.9%)	48,107 (▲5.3%)	✓
Category 3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	Consolidated	t-CO2	16,003 (▲5.9%)	15,265 (▲4.6%)	14,544 (▲4.7%)	✓
Category 5 Waste generated in operations	Consolidated	t-CO2	1,295 (▲36.3%)	1,172 (▲9.5%)	1,568 (33.8%)	✓
Category 6 Business trip	Consolidated	t-CO2	4,163 (▲74.1%)	4,232 (1.7%)	9,115 (115.4%)	✓
Category 7 Employee commuting(*1)	Group Domestic + Other	t-CO2	9,956 (▲1.2%)	6,983 (▲29.9%)	6,712 (▲3.9%)	✓
Category 13 Downstream leased assets	Consolidated	t-CO2	6,581 (▲7.1%)	5,821 (▲11.5%)	5,473 (▲6.0%)	✓
Category15 : investments	Group Domestic	Please refer to [Underwriting · Investments] for details (*2)				

(*1) Regarding the amount of activity for employee commuting, the attendance rate is not taken into consideration until 2020, and the attendance rate is taken into consideration from 2021.

(*2) Please refer [HERE](#) for the Underwriting Investment details.

Data on Environmental Burden

Scope 1 & 2 Coverage [the Group's consolidated figures (including overseas companies)]

(Percentage change from the previous year in parenthesis)

Items	Coverage	Units	FY2020	FY2021	FY2022	Third-Party Assurance
Electricity	Consolidated	MWh	133,440 (▲4.6%)	131,255 (▲1.6%)	124,892 (▲4.8%)	
Heat supply	Consolidated	GJ	67,767 (9.6%)	64,867 (▲4.3%)	61,824 (▲4.7%)	
City gas	Consolidated	thousand m ³	1,936 (▲5.6%)	1,952 (0.8%)	1,955 (0.1%)	
Liquefied Petroleum Gas	Consolidated	t	82 (▲38.9%)	47 (▲43.3%)	51 (10.5%)	
Heavy oil	Consolidated	kℓ	40 (▲26.9%)	45 (12.8%)	40 (▲11.6%)	
Kerosene	Consolidated	kℓ	57 (11.3%)	30 (▲47.4%)	24 (▲21.4%)	
Diesel oil	Consolidated	kℓ	0.6 (▲29.2%)	0.6 (2.7%)	0.6 (7.4%)	
Gasoline	Consolidated	kℓ	6,410 (▲15.6%)	5,574 (▲13.0%)	5,237 (▲6.0%)	
Total energy consumption (*1)	Consolidated	MWh	239,805 (▲7.1%)	228,273 (▲4.8%)	217,863 (▲4.6%)	✓
		GJ	863,298 (▲7.1%)	821,784 (▲4.8%)	784,307 (▲4.6%)	✓

(*1) The calculation of the total energy consumption in MWh and GJ is based on unit heat values specified in Japan's Act on the Rational Use of Energy except for purchased electricity, for which 3.6GJ/MWh is used.

Scope 3 Coverage (major items)

(Percentage change from the previous year in parenthesis)

Items		Coverage	Units	FY2020	FY2021	FY2022	Third-Party Assurance
Paper		Group Domestic + Other	t	10,035 (▲23.1%)	9,090 (▲9.4%)	8,301 (▲8.7%)	
Proportion of paper with forest certification*		MSI, ADI, Mitsui Direct General, MSI Primary Life	%	28.5 (20.0%)	28.3 (▲0.6%)	34.4 (21.7%)	
Total water use		Consolidated	thousand m3	766 (▲23.1%)	707 (▲7.7%)	683 (▲3.4%)	✓
Disposed waste	Total	Consolidated	t	7,818 (▲21.4%)	7,286 (▲6.8%)	8,760 (20.2%)	✓
	Recycled		t	4,643 (2.9%)	4,226 (▲9.0%)	5,498 (30.1%)	✓
	Final disposal amount		t	3,175 (▲37.4%)	3,060 (▲3.6%)	3,262 (6.6%)	✓
	Incinerated		t	3,034 (▲38.1%)	2,988 (▲1.5%)	3,173 (6.2%)	
	Landfilled		t	140 (▲46.6%)	72 (▲48.7%)	89 (23.6%)	
Business trip		Consolidated	thousand passenger -km	44,498 (▲78.6%)	43,998 (▲1.1%)	108,917 (147.6%)	✓

* We have revised the coverage to add Mitsui Direct General and MSI Primary Life to FY2022 figure. FY2021 coverage is MSI and ADI.

Renewable Energy Generation

We have installed solar power generation systems in our domestic eight buildings, and are promoting to reduce GHG emissions by using these renewable energy.

(Percentage change from the previous year in parenthesis)

Items	Coverage	Units	FY2020	FY2021	FY2022	Third-Party Assurance
Energy Generation	8 Buildings (*1)	kWh	54,441 (6.8%)	68,430 (25.7%)	91,134 (33.2%)	✓
Energy Consumption(*2)	Consolidated	kWh	13,226,441 (103.5%)	18,136,730 (37.1%)	26,393,327 (45.5%)	✓
Renewable energy introduction rate	Consolidated	%	9.9	13.8	21.1 (*3)	

(*1) MSI Surugadai bldg. & Surugadai Annex, Tamagawa Training Center, MSI Osaka Yodoyabashi bldg, MSI Kooriyama bldg, MSI Omiya Higashi-cho bldg, MSI Okayama bldg, ADI Tokyo Customer Center

(*2) Includes power generation from renewable energy sources and use of renewable energy certificates. Note that 1,913,000 kWh of the certificates are issued under multi-countries.

(*3) Correction made on August, 2023 Before correction : 24.1 After correction : 21.1

Cost Effect

Items	Coverage	Units	FY2020	FY2021	FY2022
Electricity *1	Consolidated	thousand JPY	▲178,934	▲64,468	▲247,086
Gasoline *2	Consolidated	thousand JPY	▲159,310	▲135,477	▲57,121
Copy Paper	Group Domestic + Other	thousand JPY	▲64,680	▲28,892	▲80,187

(*1) Calculated from the average unit price at MS&AD Holdings.

(*2) Calculated from the petroleum products price survey gasoline nationwide annual average unit price (Agency for Natural Resources and Energy).

Environmental Approaches through Supply Chain

Our efforts to reduce the environmental burden are also promoted in conjunction with key business partners. We are engaged in green purchasing, prioritizing eco-friendly products in procuring the materials used in our operations, and our entire value chain is working to establish a sustainable society. In addition, we are working with policyholders on Eco insurance certificates and web policy clauses that reduce the environmental burden of business activities and, at the same time, improve the convenience of policyholders.

Items	Coverage	Units	FY2020	FY2021	FY2022
Ratio of Web Policy Clause *	MSI, ADI	%	77.2	77.6	80.3
Number of trees corresponding to the reduced amount of paper	MSI, ADI	tree	25,836	24,848	26,897

(*) Online "Terms & Conditions" in consideration of environment

ISO 26000 Core Subjects (Community Involvement and Development)

Through our Group's social contribution activities and involvement in and support for community development, companies can help their employees become interested in understanding the community and society, be creative, and be able to build a network with the communities. Based on these ideas, the Group provides our employees with opportunities to take part in social contribution activities, and we have seen the number of participants is increasing. In fiscal 2018, over 70% of employees in Japan joined the social contribution activities. If our employees think it difficult to spare time to physically participate in these activities, they can alternatively make a monetary contribution through the employees' social contribution activity team. The monetary contributions start at 100 yen, and the contributions are withdrawn from their monthly salaries. We also strive to disclose social contribution expenditures, including conversion of social contribution activities.

Items		Coverage	Units	FY2020	FY2021	FY2022
Number of acquirer of Volunteer leave		MSI, ADI, MSI Aioi Life	people	21	15	3
Number of acquirer of Volunteer suspension		MSI, ADI, MSI Aioi Life	people	1	0	0
Number of employees engaged in social contribution activities		Group Domestic	people	26,519	23,024	22,553
MS&AD Unison Smile Club Number of members		Group Domestic	people	14,626	13,971	13,191
Disaster Relief Donation Matching Gift Program	Donated amount *1	Consolidated	thousand yen	33,381	21,479	25,092
	Number of participants *2	Consolidated	people	13,385	7,979	9,213
Corporate philanthropic contributions		Group Domestic	thousand yen	1,211,100	1,103,218	1,287,754
(Breakdown) Purpose	Charitable Donations			42,020	142,813	41,146
	Community Investments			820,170	626,247	870,053
	Commercial Initiatives			348,910	334,158	376,555
(Breakdown) Money conversion	Cash contributions			1,088,020	979,210	1,227,540
	Employee volunteering during paid working hours			7,760	2,270	90
	In-kind donation, facility opening etc			15,330	23,860	13,180
	Management overheads			99,990	97,878	46,944

(*1) Total amount of Donation Matching Gift and Donation from employees

(*2) Total participants

ISO 26000 Core Subjects (Human Rights) (Labor Practices)

Breakdown of employees

Items	Coverage			Units	FY2020	FY2021	FY2022	Third-Party Assurance	
Number of Group employees *1 Temporary employees are superscripted as the average number of annual temporary hires in the bracket.	Consolidated	male-female combined total		people	41,501	39,962	38,584		
					(8,615)	(8,103)	(7,177)		
			male		19,379	18,433	17,718		
			female		22,122	21,529	20,866		
	Group domestic	male-female combined total			32,002	30,724	29,030		
					(7,988)	(7,321)	(6,414)		
			male		14,960	14,184	13,298		
			female		17,042	16,540	15,732		
		companies	MSI		14,168	13,453	12,572		
			ADI		13,933	13,503	12,741		
			MD		559	528	498		
			MSA		2,529	2,436	2,391		
			MSP		390	403	410		
		holding company	HD		423	401	418		
	Domestic employees (including group companies) /Consolidated employees				%	77.1	76.9	75.2	
	Overseas	male-female combined total			people	9,230	8,943	9,217	✓
						(619)	(771)	(717)	
			male			4,209	4,027	4,172	
			female			5,021	4,916	5,045	
		Overseas employees/ Consolidated employees				%	22.2	22.4	23.9
Others *2	male-female combined total		people	269	295	337			
				male	210	222	248		
		female		59	73	89			
	Other employees/ Consolidated employees			%	0.6	0.7	0.9		

(*1) The number of employees represents the number of persons in employment, and does not include executive officers and employees on leave.

(*2) Risk-related service businesses operated by the Group Companies other than those in the domestic insurance industry. From 2019, Leadenhall Capital Partners LLPUK is included in Overseas.

Number of Employees by Age

Items	Coverage			Units	FY2020	FY2021	FY2022
Number of Employees by Age (Group Domestic)	Under 30	male-female combined total		people	7,020	6,416	5,491
			male		2,322	2,175	1,881
			female		4,698	4,241	3,610
	30~39	male-female combined total			7,019	6,852	6,682
			male		2,984	2,825	2,734
			female		4,035	4,027	3,948
	40~49	male-female combined total			7,856	7,276	6,772
			male		3,433	3,106	2,820
			female		4,423	4,170	3,952
	50~59	male-female combined total			7,988	7,989	7,730
			male		4,652	4,498	4,226
			female		3,336	3,491	3,504
	60 and above	male-female combined total			2,100	2,173	2,334
			male		1,554	1,566	1,621
			female		546	607	713
	Others *				19	18	21

(*)No further classification due to privacy

Employment

Items	Coverage		Units	FY2020	FY2021	FY2022
Average age *1	Group domestic	male-female combined total	age	41.9	42.3	42.8
	Group domestic	male		44.7	44.9	45.3
	Group domestic	female		39.4	40.0	40.7
Average length of service	Group domestic	male-female combined total	year	13.4	13.9	14.2
	Group domestic	male		14.4	14.9	15.0
	Group domestic	female		12.6	13.1	13.5
New-graduate recruits *2	Group domestic	male-female combined total	people	596	459	460
	Group domestic	male		208	164	194
	Group domestic	female		388	295	266
Number of mid-career hires *3	Group domestic	male-female combined total	people	350	190	309
	Group domestic	male		120	78	173
	Group domestic	female		230	112	136

Total turnover rate		Group domestic	male-female combined total	%	3.4	4.7	5.4
Turnover Rate (Voluntary) *4		Group domestic	male-female combined total	%	2.6	3.2	3.5
The ratio between the total annual compensation of the Chief Executive Officer and the mean employee compensation	Total annual compensation of the Chief Executive Officer	HD	male-female combined total	million JPY	132	133	127
	Mean employee compensation			JPY	10,744,848	10,976,292	11,013,816
	Ratio			times	12.3	12.1	11.5

(*1) The end of March of each year

(*2) The number of new hires in April of each next year

(*3) The number of new employees in fiscal year

(*4) Exclude retirees and are calculated based on voluntary resignees.

Diversity

We are promoting diversity, equity and inclusion (DE&I) initiatives in order to create a working environment where all employees with different backgrounds, characteristics, and values can fully demonstrate their abilities and play active roles. The percentage of females in managerial positions has achieved 15% target in FY2020. We have set a new target, aiming for 30% in FY2030.

Items	Coverage	Units	FY2020	FY2021	FY2022	Third-Party Assurance	
Employment rate and number of employees with disabilities	Group domestic	%	2.49	2.55	2.59	✓	
		people	730	716	702	✓	
Rehiring Program after retirement Number of users *1	Group domestic	people	1,492	1,650	1,795		
Percentage and number of females among board members and corporate auditors*2	HD	Board members	%	20.0	27.3	27.3	
			people	2	3	3	
		Corporate Auditors	%	50.0	50.0	50.0	
			people	2	2	2	
Percentage and number of females in managerial positions*3	Consolidated	General Managers	%	14.8	18.9	19.9	
			people	294	294	318	
		Managers	%	23.2	23.7	25.9	
			people	1,497	1,549	1,660	
		Total managerial positions	%	21.3	22.7	24.7	✓
			people	1,791	1,843	1,976	✓
	Group domestic	General Managers	%	5.0	5.2	6.5	
			people	63	64	78	
		Managers	%	18.8	20.6	22.9	
			people	954	990	1,060	
		Total managerial positions	%	16.1	17.5	19.5	✓
			people	1,017	1,054	1,138	✓
Division that contributes to sales: Total managerial positions *4	%	14.7	15.8	18.5			
	people	539	593	651			

(*1) Number of people newly or consecutively re-employed on April 1st next fiscal year

(*2) Approved at shareholders meeting held each next fiscal year.

(*3) As of April 1st next fiscal year for Group Domestic. As of December 31st for Overseas insurance subsidiaries

(*4) Number of sales and insurance payers

Wages of employees

Items	Coverage			Units	FY2020	FY2021	FY2022	Third-Party Assurance	
Gender wage gap *1	Group domestic	companies	MSI *2	All employees	%	-	-	43.6	✓
				Full-time employees	%	-	-	50.7	✓
				Non-full-time employees	%	-	-	30.6	✓
			ADI *3	All employees	%	-	-	52.8	✓
				Full-time employees	%	-	-	56.7	✓
				Non-full-time employees	%	-	-	65.5	✓
			MD *4	All employees	%	-	-	61.9	
				Full-time employees	%	-	-	56.3	
				Non-full-time employees	%	-	-	65.7	
		MSA *5	All employees	%	-	-	56.0		
			Full-time employees	%	-	-	56.1		
			Non-full-time employees	%	-	-	44.0		
		MSP *6	All employees	%	-	-	64.9		
			Full-time employees	%	-	-	64.3		
			Non-full-time employees	%	-	-	84.9		
holding company	HD *7	All employees	%	-	-	65.1			
		Full-time employees	%	-	-	65.7			
		Non-full-time employees	%	-	-	84.1			

(*1) Female's wage / Male's wage (Wages do not include commuting expenses)

(*2) Excludes seconded employees (But includes employees seconded from other companies whose wages are paid by MSI) ; Full-time: excludes executive officers and directors; Non-full-time: excludes temporary employees, but includes insurance consultants, directors and professional employees (industrial physicians, highly skilled professionals, etc.)

(*3) Excludes seconded employees; Full-time: excluding executive officers and including directors; Non-full-time: excluding temporary employees.

(*4) Excludes seconded employees; Full-time: excluding executive officers and including directors; Non-full-time: excluding temporary employees.

(*5) Excludes seconded employees; Full-time: excluding executive officers, directors and senior managers, including career LC employees; Non-full-time: excluding temporary employees, including directors, senior managers and LC employees.

(*6) Excludes seconded employees (But includes employees seconded from other companies whose wages are paid by MSP); Full-time: excluding executive officers and advisors; Non-full-time: excluding temporary employees.

(*7) All employees are seconded from subsidiaries, etc.; Full-time: excluding executive officers, Non-full-time: excluding temporary employees

Human Rights

In February 2017, the Group established MS & AD Insurance Group Basic Policy on Human Rights and implemented the Group's human rights due diligence system. We provide our employees with human rights training every year in order for them to understand human rights better and to develop an organizational culture that respects human rights.

Items	Coverage	Units	FY2020	FY2021	FY2022
Trainings of Human rights*	Group domestic	%	100.0	100.0	100.0

(*)Rate of departments that conducted human rights trainings that required all employees to participate

Items	Coverage	Units	FY2020	FY2021	FY2022
Labor union membership rate	Group domestic	%	93.6	93.4	93.8

Human Asset Development

Items	Coverage	Units	FY2020	FY2021	FY2022
Total training hours	Group domestic	hours	846,050	954,523	1,402,280
Average training hours per person	Group domestic	hours	26.4	31.1	48.3
Total training cost	Group domestic	thousand JPY	1,670,079	1,630,995	2,575,357
Average training cost per person	Group domestic	JPY	52,187	53,085	88,714
Number of participants of the Trainee System*1	Group domestic	people	633	1,258	539
Number of participants of the Global Trainee System*2	Consolidated	Total	74	195	190
		Domestic employee	0	82	90
		Local employee	74	113	100
Number of participants of the overseas career training program*3	Group domestic	people	6	7	30
Number of participants of the Temporary Transfer System to Headquarters from Overseas Branches*4	Consolidated	people	0	0	4 *5
Number of actuaries*6	Group domestic	male-female combined total	123	127	135
		male	119	123	130
		female	4	4	5
Digital human resources *7	Group domestic	people	-	2,179	3,601
Global human resources *8	Group domestic	people	-	1,129	1,182

(*1) Short-term program which allows employees to experience work they have never done before, at the request of the employee.

(*2) Short-term program which allows employees at the head office in Japan to experience working at overseas subsidiaries, as well as local employees at overseas subsidiaries to experience working at the head office.

(*3) MBA dispatch program, and training program which allows employees to experience working for a year at overseas subsidiaries or insurance companies.

(*4) Transfer system for which allows the local employees from overseas experience the jobs at the head office for 6 months to 1 year in Japan.

(*5) Number decreased due to immigration restrictions by COVID-19

(*6) Number of professional actuaries employed by the MS&AD Group with specialized skills for making full use of probability, statistical and other mathematical techniques used in product development, risk management and other processes (as of April 1 of the subsequent fiscal year).

(*7) Employees who can utilize the latest digital technology and data (as of next April 1 of every fiscal year)

(*8) Employees who have experienced expatriates and potential candidates (as of next April 1 of every fiscal year)

Employee satisfaction *1

Items	Coverage	Units	FY2020	FY2021	FY2022
Employee satisfaction (questionnaire results), "Pride, Job satisfaction"*2	Group domestic	point	4.4	4.4	4.4
Employee satisfaction (questionnaire results), "Working Vigorously"*3		point	4.5	4.6	4.6

(*1) The results of the opinion poll asking all Group employees (all-employee average on a 6-point scale, Scope: 45,420 all domestic employees including temporary employees at the time of survey, Response rate: 96.0%).

(*2) Ratio of employees feeling pride or job satisfaction

(*3) Ratio of employees, regardless of gender and age, feeling free and lively at workplaces.

Programs for Promoting Work-life Balance

We have been developing an effective system that helps employees actively work with satisfaction and with the feeling of growth by balancing their work and personal life. In particular, we have set KPI for the rate of male employees taking childcare leave, and encouraged them to take part in the program.

Items	Coverage *1		Units	FY2020	FY2021	FY2022	Third-Party Assurance
Temporary leave before / after childbirth Number of acquirers	Group domestic		people	737	767	833	
Number of employees taking childcare paid leave	Group domestic	male-female combined total	people	937	1,092	1,143	
		male		265	355	383	
		female		672	737	760	
Acquisition rate of childcare paid leave	Group domestic	male-female combined total	%	85.9	92.7	97.0	
		male		69.0	86.4	92.5	✓ *2
		female		95.0	96.1	99.5	
Flexible working hours for childcare Number of acquirers	Group domestic	shorter hours	people	1,437	1,246	1,303	
		flextime		132	101	112	
		change of Starting / finishing time		94	99	191	
Temporary retirement for nursing Number of acquirers	Group domestic	male-female combined total	people	14	19	23	
		male		1	2	3	
		female		13	17	20	
Flexible working hours for nursing Number of acquirers	Group domestic	number of acquirers	people	15	21	43	
Paid leave	Group domestic	ratio of days taken*3	%	68.1	74.3	74.6	
		days taken	days	15.0	16.3	16.4	

(*1) Includes temporary employees

(*2) Third-Party Assurance has been obtained since FY2022

Number of employees who took childcare leave/Number of the employees whose spouses gave birth

(*3) Number of days acquired / granted

Occupational Health and Safety (OHS)

In accordance to the Occupational Safety and Health Act, a health committee has been established to research and discuss relevant topics to preventative measures for OHS-related concerns and initiatives to support employees' health. We strive to provide a workplace environment that considers employee's health and safety. In addition, we have a group-wide health checkup system, a health management center, and a consultation room for employees in order to ensure that our employees can maintain their good health even better.


Items	Coverage	Units	FY2020	FY2021	FY2022	Third-Party Assurance
Number of claims for work related injuries	Total	cases	156	189	208	
	Work-related accident	cases	83	78	79	
	Accident during commute	cases	73	111	128	
	Fatality accident	cases	0	0	1	
Consultation rate of Medical Checkup*1	Group domestic	%	100.0	100.0	100.0	
Absentee rate*2	Group domestic	%	0.433	0.548	0.599	✓

(*1) Number of employees undergoing medical checkup consultation / number of employees

(*2) Total days lost due to absenteeism / Total days scheduled to be worked

Underwriting Investments

> ESG integration and sustainability approach

> Transition to 2050 Net Zero  (3,488KB)

Products and services that contribute to achieving Sustainable Development Goals (SDGs)

Item	Scope	FY2021	FY2022
Products and services that contribute to achieving Sustainable Development Goals (SDGs)*1 <Target Products> Products and services that contribute to "Planetary Health" Products and services that contribute to "Resilience" Products and services that contribute to "Well-being"	Group Domestic+Others	about 64%	about 59%

(※1) Percentage of net premiums written

Green Products and Services that Contribute to "Planetary Health"

Item	Scope	FY2021	FY2022
Annual growth rate of green underwriting*1	MSI, ADI	19.98%	17.9%

(※1) Annual average growth in premiums of insurance products that contribute to planetary health

Greenhouse gas emissions in investment portfolio(Scope3 Category15)

Methodologies for GHG emission in investment portfolio is under development. Our company is upgrading our methodologies in line with developments.

"The following table shows the carbon footprints of investee companies. Scope 1 and Scope 2 GHG emissions are calculated through using Trucost's tool for calculating GHG emissions through a proprietary modeling approach and PCAF estimation when there is not enough information" Data of previous years, which methodologies were different from those of 2021 and 2022 are beneath tables as reference values.

(Absolute Unit : kt-CO2e, Intensity Unit:t-CO2e/US\$M)

Asset Class		2021*1	2022*2
Stocks	Absolute	2,501	2,302
	Intensity	131.5	114.5
Corporate bonds	Absolute	2,538	2,400
	Intensity	205.6	221.5
Business Loans	Absolute	273	286
	Intensity	256.5	273.2

(Absolute Unit : kt-CO2e, Intensity Unit:t-CO2e/US\$M)

Region			2021※1	2022※2
Japan	Stocks	Absolute	2,365	2,124
		Intensity	112.9	87.5
	Corporate bonds	Absolute	1,814	1,589
		Intensity	127.1	117.7
	Business Loans	Absolute	259.2	247.0
		Intensity	241.5	224.1
Americas	Stocks	Absolute	103	141
		Intensity	15.4	23.4
	Corporate bonds	Absolute	358	499
		Intensity	48.5	77.0
	Business Loans	Absolute	13.9	39.4
		Intensity	14.9	48.8
Asia	Stocks	Absolute	20	32
		Intensity	1.9	3.2
	Corporate bonds	Absolute	148	130
		Intensity	17.6	17.9
	Business Loans	Absolute	0.0	0.4
		Intensity	0.0	0.0
Europe	Stocks	Absolute	13	5
		Intensity	1.4	0.3
	Corporate bonds	Absolute	94	75
		Intensity	8.2	6.4
	Business Loans	Absolute	0.0	0.1
		Intensity	0.0	0.2

Other	Stocks	Absolute	0	1
		Intensity	0.0	0.0
	Corporate bonds	Absolute	124	108
		Intensity	4.2	2.4
	Business Loans	Absolute	0.0	0.0
		Intensity	0.0	0.0

* 1 : Calculated in FY2021 using portfolio as of end of March 2021. Coverage for Stock 99%,Corporate Bonds 69%

* 2 : Calculated in FY2022 using portfolio as of end of March 2022. Coverage for Stock 99%,Corporate Bonds 67%, Business loans 48%

Governance

The MS&AD Insurance Group have established “Our Mission, Our Vision and Our Values” as aspirations that all Group officers and employees should prioritize in all aspects of their work, and we are working to disseminate these aspirations to all of the officers and employees of the Company and Group companies. In addition, we have set corporate governance, compliance, and risk management as priority issues within our Group Medium-Term Management Plan and are making active efforts to promote them.

Outline of the Group >	Corporate Governance >
Compliance >	ERM and Risk Management >
Information Management >	Transaction Responsibilities >
Information Disclosure >	Medium-Term Management Plan >

Outline of the Group

The MS&AD Insurance Group supports the business and life activities of its customers with the all-around capability of its Group companies.

Company Information



Financial and Non-Financial Highlights



- > Company Overview
- > Organizational Chart
- > History

Group Structure



Our Business




Company Overview

MS&AD Insurance Group Holdings, Inc. is the insurance holding company of the new Group formed in April 2010 through the merger of Aioi Insurance Co., Ltd., Nissay Dowa General Insurance Co., Ltd., and Mitsui Sumitomo Insurance Group.

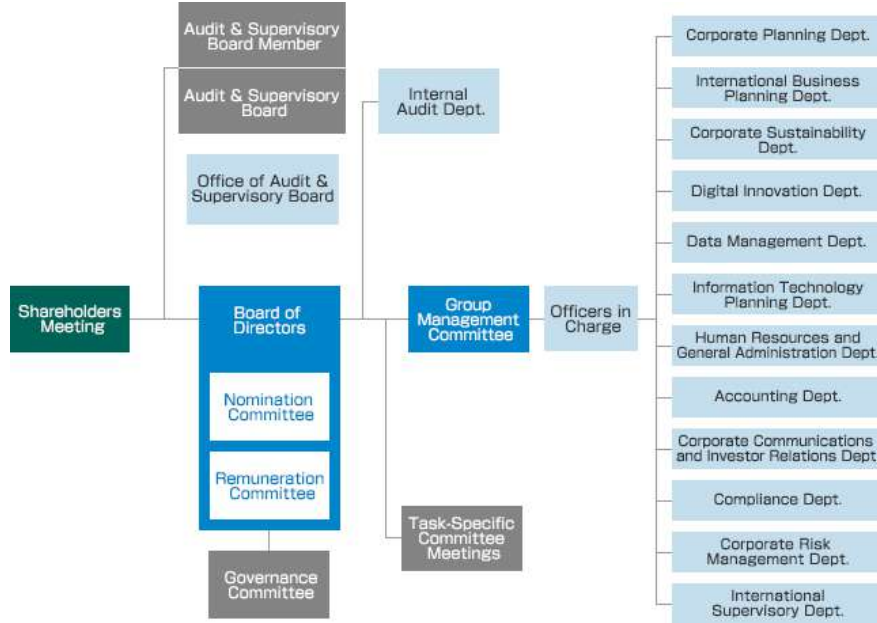
The purpose of MS&AD insurance Group is to achieve sustainable growth and to enhance enterprise value through the creation of a world-leading insurance and financial services group that operates globally, by rapidly and significantly improving quality and expanding its operating presence and corporate resources.

Corporate Name	MS&AD Insurance Group Holdings, Inc. Abbrev.: MS&AD Holdings
Date Established	Apr. 1, 2008 (Name changed in Apr. 1, 2010)
Headquarters	Tokyo Sumitomo Twin Building (West Tower) 27-2, Shinkawa 2-chome, Chuo-ku, Tokyo, Japan Map
Representative	Noriyuki Hara, Representative Director, President & CEO
Paid-in Capital	101,076 million yen (As of July 25, 2023)
Number of Employees	418 (As of March 31, 2023)
Business Description	Our activities as an insurance holding company are: <ol style="list-style-type: none"> 1. Management of non-life and life insurance companies and companies qualified to become subsidiaries under insurance business law. 2. Any business associated with previous body.
Stock Listing	Tokyo Stock Exchange (Prime Market) Nagoya Stock Exchange (Premier Market)

Related Information


- > [Corporate Video](#) 
- > [Group Structure](#)

Organizational Chart



History of Holdings

April 2008	Mitsui Sumitomo Insurance Group Holdings, Inc. is incorporated.
	Mitsui Sumitomo Insurance Group Holdings, Inc. Listed on Tokyo Stock Exchange and Osaka Securities Exchange and Nagoya Stock Exchange.
September 2009	Aioi Insurance Co., Ltd., Nissay Dowa General Insurance Co., Ltd., and Mitsui Sumitomo Insurance Group Holdings, Inc. reach basic agreement on business integration. In conjunction, announced integration plan, president of the holding company, address, descriptions and corporate name, etc.
April 2010	Mitsui Sumitomo Insurance Group Holdings, Inc. changed its name to MS&AD Insurance Group Holdings, Inc.
October 2010	Aioi Insurance Co., Ltd. and Nissay Dowa General Insurance Co., Ltd. merged into "Aioi Nissay Dowa Insurance Co., Ltd."
April 2011	MS&AD Insurance Group Holdings, Inc. converted Mitsui Sumitomo MetLife Insurance Co., Ltd. into a wholly owned subsidiary and renamed it Mitsui Sumitomo Primary Life Insurance Company, Limited
October 2011	Mitsui Sumitomo Kirameki Life Insurance Co., Ltd. and Aioi Life Insurance Co., Ltd. merged into "Mitsui Sumitomo Aioi Life Co., Ltd."

[> History of Mitsui Sumitomo Insurance \(link to website\)](#) 

Five Business Domains

Harnessing the distinguishing features of each Group company, every effort is being made to provide a wide range of products and services to address diversifying risks and meet customer needs.

Domestic Non-Life Insurance Business

No. 1 position in the domestic non-life insurance market, making group-wide efforts to comprehensively meet diverse customer needs

MS&AD Mitsui Sumitomo Insurance

[Features] Comprehensive capabilities and global business development

[Products] Product development that creates social value in response to customer needs

MS&AD Aioi Nissay Dowa Insurance

[Features] With a focus on innovation, diversity, close relationships with local communities; striving to become a unique company with its own distinctive character

[Products] Innovative product development as a pioneer in the field of telematics insurance

MS&AD Mitsui Direct General Insurance

[Features] Professional claims handling (accident response) based on smartphones

[Products] Easy-to-understand products and services and reasonable premiums

Domestic Life Insurance Business

Leveraging the distinctive strengths of two group companies in protection-type and asset-building products

MS&AD Mitsui Sumitomo Aioi Life Insurance

[Products] Protection-type products

As Japan increasingly becomes a super-aged society, there is a growing need for medical/nursing care products as well as death benefit and other protection-type products

[Sales channels]

The Group has developed diverse sales channels centered on cross-selling through the agents of the Group's two core non-life insurance companies, financial institutions, professional life insurance agents and direct sales personnel

MS&AD Mitsui Sumitomo Primary Life Insurance

[Products] Asset-building and asset-inheritance products

Suitable to the diversification of customer needs as Japan increasingly becomes a super-aged society, asset-inheritance products that can be used for inheritances or living donations and asset-building

type insurance products

[Sales channels]

Over-the-counter sales by financial institutions (e.g., banks, securities companies)

International Business

An overseas network covering 48 countries and regions*No. 1 in terms of non-life gross premiums written in the ASEAN region



Financial Services Business

Leveraging the full range of its capabilities as an insurance and financial services group to provide new financial products and services



Risk-Related Services Business

Creating synergies with the insurance business by deploying global risk solution services



Group Structure

MS&AD Holdings is a listed holding company with five directly invested Group insurance companies in Japan: Mitsui Sumitomo Insurance Co., Ltd. (MSI), Aioi Nissay Dowa Insurance Co., Ltd. (ADI), Mitsui Direct General Insurance Co., Ltd. (Mitsui Direct), Mitsui Sumitomo Aioi Life Insurance Co., Ltd. (MSI Aioi Life) and Mitsui Sumitomo Primary Life Insurance Co., Ltd. (MSI Primary Life); and eight affiliated operating companies: MS&AD InterRisk Research Institute & Consulting, Inc., MS&AD Business Support Co., Ltd., MS&AD Staffing Service Co., Ltd., MS&AD Systems Co., Ltd., MS&AD Business Service Co., Ltd., MS&AD GRAND ASSISTANCE Co., Ltd., MS&AD ABILITYWORKS Co., Ltd., and MS&AD VENTURES INC.

MS&AD Insurance Group Holdings, Inc.

[> Company Overview](#)

[>](#) MITSUI SUMITOMO INSURANCE CO., LTD. (MSI)

Responsible for non-life insurance business, which is a core business of the MS&AD Insurance Group, MSI is exercising its comprehensive capabilities to offer insurance and financial services business globally.

[v](#) Outline

[>](#) AIOI NISSAY DOWA INSURANCE CO., LTD. (ADI)

Responsible for non-life insurance business, which is a core business of the MS&AD Insurance Group, ADI is leveraging its strong relationships with the Toyota Group and the Nippon Life Group and engaging in business based on close relationships with local communities.

[v](#) Outline

[>](#) MITSUI DIRECT GENERAL INSURANCE CO., LTD. (Mitsui Direct General)

Mitsui Direct General is a non-life insurance company that specializes in directly selling personal voluntary automobile insurance to customers via the Internet and phone calls.

[v](#) Outline

> MITSUI SUMITOMO AIOI LIFE INSURANCE CO., LTD. (MSI Aioi Life)

MSI Aioi Life is a life insurance company that offers protection-type life insurance products, while leveraging the Group's marketing network and customer base. The company is realizing a growth model that involves a combination of strategies to utilize unique marketing channels.

▼ [Outline](#)

> MITSUI SUMITOMO PRIMARY LIFE INSURANCE CO., LTD. (MSI Primary Life)

Specializing in the over-the-countersales via financial institutions, MSI Primary Life is a life insurance company that offers asset-building products centered on individual annuity insurance and whole life insurance.

▼ [Outline](#)

Directly Invested Affiliated Operating Companies

> MS&AD InterRisk Research & Consulting, Inc.

MS&AD InterRisk Research & Consulting is one of the major risk consulting companies in Japan. It provides companies and government entities with consulting, risk survey, research and investigation, information provision and other services related to diverse kinds of risks. With overseas bases in Singapore, Thailand, and China, the company is seeking to provide risk solutions throughout the world.

▼ [Outline](#)

> MS&AD Business Support Co., Ltd.

MS&AD Business Support provides the MS&AD Insurance Group with such infrastructure support as printing and logistics and also provides employee welfare services and real estate management services, etc.

▼ [Outline](#)

[>](#) MS&AD Staffing Service Co., Ltd.

As the MS&AD Insurance Group's comprehensive human resource company, MS&AD Staffing Service provides each Group company with human resource services and also dispatches and introduces staff to insurance agencies and other customers.

[v](#) Outline

[>](#) MS&AD Systems Co., Ltd.

MS&AD Systems supports each MS&AD Insurance Group company by taking responsibility for information systems strategy and by planning, designing, developing, and operating information systems.

[v](#) Outline

[>](#) MS&AD Business Service Co., Ltd.

MS&AD Business Service delivers contract administration services, services related to data entry, the creation of documents and forms, and other services to MS&AD Insurance Group companies.

[v](#) Outline

[>](#) MS&AD GRAND ASSISTANCE Co., Ltd.

As a top-quality call center specializing in assistance services, MS&AD GRAND ASSISTANCE provides such support services as roadside assistance, home assistance and overseas medical assistance.

[v](#) Outline

[>](#) MS&AD ABILITYWORKS Co., Ltd. 

MS&AD Insurance Group is promoting Diversity, Equity & Inclusion by creating a working environment where employees with disabilities can fully utilize their potential and competence.

[v](#) [Outline](#)

[>](#) MS&AD VENTURES INC. 

MS&AD Ventures Inc. is a corporate venture capital firm. It seeks to invest in startups that may lead to new business models and technologies, enabling MS&AD Insurance Group to establish a competitive advantage as an innovation leader across different markets and global territories.

[v](#) [Outline](#)

Corporate Governance

- [▼ Basic Policies on Corporate Governance](#) [▼ Corporate Governance Stance](#) [▼ Supervision System \(Board of Directors\)](#)
- [▼ Support Systems for Outside Directors and Outside Audit & Supervisory Board Members](#) [▼ Auditing](#) [▼ Nomination and Remuneration](#)
- [▼ Remuneration Committee](#) [▼ Criteria for the Selection and Independence of Outside Directors and Outside Audit & Supervisory Board Members](#)
- [▼ Appointment of Outside Directors and Outside Audit & Supervisory Board Members and Related Matters](#)

Our group aims for a "resilient and sustainable society" by 2030, and is working to achieve this through corporate activities that create "stories of value creation."

As a management foundation to support this, we will implement transparent and highly effective corporate governance in our medium-term management plan (2022 -2025).

- [> Basic Policies on Corporate Governance](#)
- [> Responses to the Corporate Governance Code](#)
- [> Internal Control](#)
- [> Internal Control Systems](#)
- [> Corporate Governance Report \(last update : November 22, 2023\) !\[\]\(b1b781be830eb908d845c527ab08d5f8_img.jpg\) \(1,104KB\)](#)

Basic Policies on Corporate Governance

- In line with its Corporate Philosophy (Mission), MS&AD, as a holding company overseeing all group businesses, has established a management framework that ensures transparent, fair, swift and decisive decision-making that takes into account the standpoint of all stakeholders. The Company's objectives are to sustain stability and consistent growth over the long term by using corporate resources efficiently and managing risks properly and ultimately, to further increase enterprise value.
- To this end, the "MS&AD Insurance Group Corporate Philosophy (Mission), Corporate Vision, and Values" were formulated as something all officers and employees of the Group should adhere to in all situations. In addition to working to disseminate these principles among all officers and employees of the Company and its Group companies, corporate governance, compliance, and risk management are positioned as important management issues in the medium-term management plan, and efforts shall be made to actively promote that plan.

※There is a movement to set "Purpose" as an expression of the raison d'etre of a company separate from the management philosophy. However, because our group's Management Philosophy (Mission), which expresses the raison d'etre of a company in a simple and easy to understand manner, has already permeated throughout the Group, our group has determined that "Purpose" is the same as the Management Philosophy.

Corporate Governance Stance

- As a company with an Audit & Supervisory Board, the Company will endeavor to improve governance by ensuring that independently appointed Audit & Supervisory Board Members appropriately act in their auditing functions, in addition to ensuring that the Board of Directors appropriately acts in its oversight functions, while strengthening the functions of each and actively disclosing information.
- The Company has formed the Governance Committee (made up of all outside directors, the Chairman of the Board, the Vice Chairman of the Board and the President) in addition to the Nomination Committee and Remuneration Committee (a majority of the members and a chairperson each have been appointed from among the Outside Directors) as internal committees of the Board of Directors, thus building a highly effective and transparent corporate governance system.
- The Company has introduced an executive officer system and is proceeding to delegate authority over business execution to these executive officers to ensure swift execution.

[> Management Structure of MS&AD Insurance Group Holdings, Inc.](#)

Supervision System (Board of Directors)

Role of the Board of Directors

- In addition to matters specified by law and the Articles of Incorporation, the Board of Directors discusses and decides upon important matters involving Group management strategy and corporate management, including the Group's management policies, management strategies and capital policy, in addition to overseeing the duties of directors and executive officers.
- The Board of Directors allocates management resources according to risk appetite controlled with a balance of risk, return and capital, and aims to increase enterprise value in the medium-to-long term by achieving sustainable growth and improvement in earnings and capital efficiency with a foundation of soundness.
- In addition to appointing executive officers, the Board of Directors aims to separate management decision making and oversight by the Board of Directors from business execution by executive officers by clarifying their respective roles.
- Executive officers are responsible for executing business in the respective areas of business entrusted to them by the Board of Directors, and report on the status of business execution to the Board of Directors.

Composition of the Board of Directors

Composition of the Board of Directors

More than one-third of the Board of Directors which has eleven members (eight men and three women) are nominated as Outside Directors to incorporate perspectives independent from management, strengthen monitoring and oversight functions, and conduct highly transparent management. As shown below, we are striving to ensure diversity including gender, race, and nationality, while considering the balance of knowledge, experience and abilities of the Board of Directors as a whole. Please refer to Policies on the Board of Directors' Overall Balance of Expertise, Experience, Capabilities, Diversity, and Scale below.

Expected Roles of Outside Directors

Outside Directors are expected to perform the following roles:

- Provision of advice from a broad perspective on management policies and management improvement based on their knowledge and experience, with the aim of promoting sustainable corporate growth and increasing enterprise value over the medium-to-long term
- Supervising of management through important decision making at the board level
- Monitoring of conflicts of interest between the Company and related parties such as management* and/or major shareholders
- Realizing supervising from a standpoint independent of management by fulfilling accountability for stakeholders, including shareholders

* Collectively refers to the directors, Audit & Supervisory Board Members, and executive officers of the Company and domestic insurance companies in the Group in which the Company has a direct investment.

Committees Comprised Mainly of Outside Directors / Providing Opportunities for Opinion Exchanges

Aiming to enable Outside Directors to engage freely in constructive discussions and opinion exchanges, we have formed the following committee and meetings.

- Governance Committee (meets about twice a year)
- Outside Directors Council
- Outside Directors and Outside Audit & Supervisory Board Members Joint Council

Support Systems for Outside Directors and Outside Audit & Supervisory Board Members

Support for the activities of the Outside Directors is provided by the Corporate Planning Department, and support for the Outside Audit & Supervisory Board Members is supplied by the Internal Audit Department. The agenda for the Board of Directors' Meetings is explained to the Outside Directors and Outside Audit & Supervisory Board Members in advance of the meetings by the Corporate Planning Department, which acts as the secretariat for the Board of Directors. In addition, information, such as important risk information, is reported on an ongoing basis to all Directors and Audit & Supervisory Board Members, internal and external.

Support Systems for Directors and Audit & Supervisory Board Members / Training Policy

The Company has the following systems in place as required for Directors and Audit & Supervisory Board Members to effectively fulfill their roles and responsibilities:

1. The Company has assigned a person in the secretariat of the Board of Directors to each of the Outside Directors and Outside Audit & Supervisory Board Members (hereinafter referred to as "Outside Officers") to provide support in areas such as providing briefings in advance.
2. The Company has established a system for ongoing provision of information and training at the time of appointment and during the term of Directors and Audit & Supervisory Board Members.
3. The Company provides appropriate opportunities for Outside Officers to share information and exchange opinions with management and senior employees.

The Company bears the expenses required to enable Outside Officers to fulfill their roles.

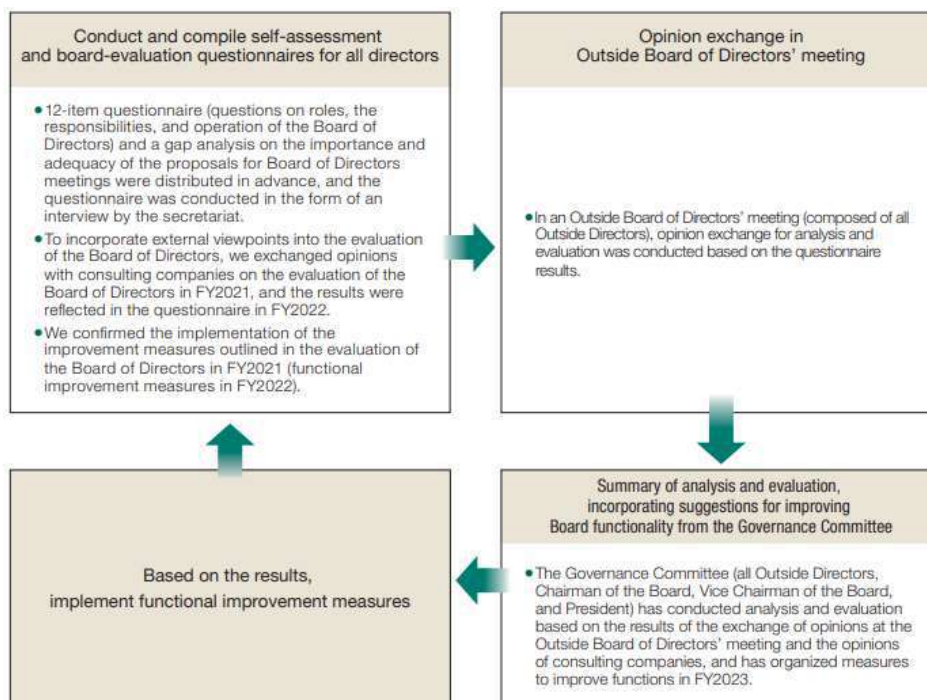
In fiscal 2022, 8 seminars and study sessions were held for executives.

< Main themes >

"Natural capital", "Asset management strategies", the latest trends in IoT and AI, and "DE&I"

Evaluation of Board of Directors Effectiveness and the Analysis Process

Analysis and evaluation process



As noted in Chapter 3.5 of the "Basic Policies on Corporate Governance," an analysis and evaluation of the overall effectiveness of the Board of Directors is conducted annually.

An outline of the analysis and evaluation of the effectiveness of the Board of Directors for FY 2022 is as follows.

(1) Questionnaires conducted for all Directors' self-evaluation and board evaluation

- In order to incorporate external perspectives into the evaluation of the Board of Directors, we exchanged views with a consulting firm on the evaluation of the Board of Directors in fiscal 2021. A 12-item questionnaire reflecting the results of the exchange of views and a gap analysis on the importance and adequacy of the proposed Board of Directors meeting were distributed in advance, and the questionnaire was conducted in the form of an interview conducted by the secretariat.
- With regard to the improvement measures (measures to improve functions in FY 2022) outlined in the board evaluation for FY 2021, we also checked to see if initiatives were being implemented.

(2) Exchange of opinions at the Outside Director Council

- At a meeting of the Outside Director Council (consisting of all the Outside Directors), Outside Directors exchanged opinions about analysis and evaluation based on the results of the questionnaire.

(3) Summary of analysis and evaluation by the Governance Committee

- The Governance Committee (consisting of all the Outside Directors, Chairman & Director, Vice Chairman & Director and President) conducted analysis and evaluation based on the results of the exchange of views at the meetings of the Outside Directors. In addition, based on the opinions of the consulting firms, the committee compiled measures to improve the functions of the board in fiscal 2023.

(4) We will promptly commence and strengthen measures for improving capabilities in fiscal 2022, and link them to a PDCA cycle aimed at enhancing effectiveness.

Summary of the Results of Analysis and Evaluation

Based on the content of discussions and the performance of functions at the Board of Directors meetings in fiscal 2022, as well as operational aspects and the training and information provided to outside officers, the performance of functions at the Board of Directors meetings was generally well received. The following is a summary of the activities and results of the evaluation of the Board of Directors in fiscal 2022 and the measures to improve functions in fiscal 2023.

<p>Fiscal 2022 Initiatives and Board of Directors Evaluation Results</p>	<ul style="list-style-type: none"> • All directors strongly recognize that the Medium-Term Management Plan is a commitment to internal and external stakeholders, and they check the progress in a timely manner. The Board of Directors discusses issues and measures and makes the best efforts to realize the plan. • Through dialogues with employees of operating companies and hearing their ideas and opinions directly from the workplace, we have deepened our understanding of the state of penetration of management principles, etc. in operating companies. • Important issues related to sustainability, such as efforts to reduce greenhouse gas emissions involving stakeholders and efforts to respect human rights involving employees, should be discussed in greater depth. Gap analysis also indicated that it would be better to enhance discussions on sustainability and ESG
<p>Measures to improve functions in fiscal 2023</p>	<ul style="list-style-type: none"> • Provide opportunities to discuss business investment projects from the early stages of consideration (In addition to discussions at the Board of Directors meetings, opportunities such as executive study sessions will be utilized.). • Expand opportunities to discuss important sustainability issues such as initiatives to reduce greenhouse gas emissions involving stakeholders and initiatives to respect human rights involving employees. • Provide opportunities for outside officers to exchange frank views with internal officers (including executive officers of operating companies).

Auditing

Audit & Supervisory Board Members and Audit & Supervisory Board

1. Roles and Responsibilities of Audit & Supervisory Board Members

- As an independent entity entrusted with authority by the shareholders, the Audit & Supervisory Board Members are responsible for ensuring the sound and sustainable growth of the Company and the Corporate Group, and establishing good corporate governance in response to the public trust by supervising the performance of duties of the Directors, and work to maintain an independent position and a fair and unbiased attitude, acting in accordance with their own beliefs.
- Each Audit & Supervisory Board Member shall appropriately exercise his/her legal investigating authority, including the authority to audit operations and assets, and supervises the performance of duties of the Directors by attending meetings of the Board of Directors and other important meetings, viewing important approval documents, investigating departments within the Company, and investigating subsidiaries in accordance with the auditing policies and plans stipulated by the Audit & Supervisory Board.
- Audit & Supervisory Board Members participate in joint meetings of Outside Directors and Auditors, etc. and work to share information with Outside Directors.

2. Composition and Roles of the Audit & Supervisory Board

- The Audit & Supervisory Board comprises a majority of Outside Audit & Supervisory Board Members. As independent officers, Outside Audit & Supervisory Board Members have independence, and a significant degree of expertise and knowledge. Full-time Audit & Supervisory Board Members also have sophisticated information gathering capabilities based on extensive operational experience, and the organic combination of the 2 serves to enhance audit effectiveness.
- The Audit & Supervisory Board receives reports from Audit & Supervisory Board Members on the status of the performance of their duties and reports from officers and employees, etc. on important matters related to auditing, and also makes decisions regarding auditing policies and auditing plans.

Internal Auditing

- The Company has established the "MS&AD Insurance Group Basic Policy for Internal Audits." Under this basic policy, the Company and domestic Group insurance companies have formed the Internal Audit Department that acts as an independent body with auditing functions.
- The Company has established an internal audit department, the head of which reports directly to the Board of Directors on the outcome of its activities, thus sharing information with all Directors and Audit & Supervisory Board Members.
Audit & Supervisory Board Members also share opinions with the department on such matters as planned internal audits and/or their progress, in addition to collecting every audit report issued by the department.

Accounting Auditors

- The Company has appointed KPMG AZSA LLC as its independent audit corporation. Please note that there are no special conflicts of interest between this company and MS&AD Holdings.
- The Board of Directors and the Audit & Supervisory Board endeavor to take appropriate action to ensure adequate auditing by the Accounting Auditors.
- The Audit & Supervisory Board makes decisions regarding proposals submitted to the General Shareholders' Meeting on the appointment or dismissal of Accounting Auditors. It also has the right to consent to decisions regarding remuneration of the Accounting Auditors.
- The Audit & Supervisory Board prepares criteria for appropriately selecting and evaluating Accounting Auditor. To promote appropriate accounting by the Accounting Auditors, measures are taken to confirm the independence, specialist capabilities, and other requisite characteristics of the Accounting Auditors.

Accounting Auditor Remuneration

(¥ million)

Scope	FY2021		FY2022	
	Compensation for audit services	Compensation for non-audit services	Compensation for audit services	Compensation for non-audit services
The Company	108	0	138	0
Consolidated subsidiaries	753	3	704	0
Total	862	4	842	1

*Compensation for audit and attestation services at our company and consolidated subsidiaries includes compensation for voluntary audit contracts in preparation for adoption of International Financial Reporting Standards (IFRS).

The non-audit function in our company is to support compliance. The content of non-audit operations at consolidated subsidiaries includes agreed procedural operations.

Nomination and Remuneration

For the purpose of maintaining high transparency, the Company has formed the Nomination Committee and Remuneration Committee as internal committees of the Board of Directors. Please note that these two committees comprise eight members each, and the chairpersons and other members are appointed from among members of the Board of Directors. With respect to each of the two committees, a majority of the members and the chairperson have been appointed from among the Outside Directors.

*In fiscal 2022, both the Nomination Committee and the Compensation Committee consisted of 5 outside directors and 8 members, including the Chairperson of the Board, the Vice Chairperson of the Board and the President.

Nomination Committee (Nomination Process)

- The Nomination Committee deliberates on major management personnel matters and provides advice on these matters to the Board of Directors. Such matters include the selection of candidates for the positions of Director, Audit & Supervisory Board Member, and Executive Officer of the Company as well as the selection of Directors and Audit & Supervisory Board Members for domestic insurance companies in which the Company has direct investments.
- With respect to the evaluation of candidates for Director and candidates for Executive Officer, evaluation items include performance evaluations (corporate performance and personal performance) and other items.
- The Board of Directors appoints candidates for Director as well as candidates for Audit & Supervisory Board Member and Executive Officers based on advice from the Nomination Committee. The consent of the Audit & Supervisory Board must be obtained for candidates for Audit & Supervisory Board Member. In fiscal 2022, the Committee has eight members made up of all five outside directors, the Chairman of the Board and the President.
- From the perspective of making effective discussions to strengthen corporate governance at the Nomination Committee, policy for selecting candidates for Directors and Audit & Supervisory Board Members is added to the deliberation items. It has been clarified that the Nomination Committee shall meet at least once a year.
- The committee met 3 times in fiscal 2022, and all committee members attended every meeting. Discussions were held regarding consideration of candidates for outside directors.

Remuneration Committee

- This committee advises the Board of Directors regarding the remuneration of Directors and Executive Officers of the Company as well as the remuneration systems for management of domestic insurance companies in which the Company has direct investments.
- From the perspective of making effective discussions to strengthen corporate governance at the Remuneration Committee, policy for remuneration of Directors and Executive Officers is added to the deliberation items. It has been clarified that the Remuneration Committee shall meet at least once a year.
- In fiscal 2022, the Remuneration Committee met three times.

Policies for determining the content of individual remuneration for Directors, etc.

The Board of Directors of the Company passed the following resolution on policies for determining the content of individual remuneration for Directors, etc. at its meetings held on February 14, 2019, May 20, 2019, May 20, 2021 and December 27, 2022 after deliberation by the Remuneration Committee of which a majority of the members are Outside Directors.

a. Basic policy

- The purpose is to strengthen governance and enhance the medium- to long-term corporate value of the Group.
- The officer remuneration system shall function as an appropriate incentive for sustainable growth, linking with the business performance of the Company.
- The level of remuneration shall be competitive as a global company.

b. Decision process

(a) Remuneration for Directors

- To ensure transparency, it shall be decided by resolution of the Board of Directors after deliberation by the Remuneration Committee, of which a majority of the members are Outside Directors, within a range determined by resolution of the Shareholders Meeting.
- The Remuneration Committee provides advice to the Board of Directors on the amount of remuneration for Directors and policies regarding decisions on the determination of officer remuneration.
- The Board of Directors respects the advice of the Remuneration Committee to the maximum possible extent. And the amount of remuneration is determined after confirmation that it is in line with the remuneration system established by resolution of the Board of Directors.

Furthermore, the Board of Directors has confirmed that, in regard to the individual remuneration of Directors for the relevant fiscal year, the advice of the Remuneration Committee has been respected to the maximum possible extent and it is in line with the remuneration system established by resolution of the Board of Directors. The Board of Directors has therefore judged that it is in line with this basic policy for determining the remuneration of Directors.

(b) Remuneration for Audit & Supervisory Board Members

- It shall be decided by discussion among Audit & Supervisory Board Members within a range determined by resolution of the Shareholders Meeting, taking into consideration full-time/part-time, audit operation assignment, the details and level of Directors' remuneration.

c. Overview of remuneration

(a) Composition of remuneration

	Fixed remuneration	Performance-linked remuneration	
		Monetary remuneration	Stock-based remuneration
Directors (excluding Outside Directors)	○	○	○
Outside Directors	○	—	—
Audit & Supervisory Board Members	○	—	—

- Composed of fixed remuneration and performance-linked remuneration. Outside Directors and Audit & Supervisory Board Members shall be provided only fixed remuneration.
- Fixed remuneration is determined in accordance with officers' position.
- Performance-linked remuneration is determined based on business performance.
- Performance-linked remuneration is composed of monetary remuneration and stock-based remuneration.
- Fixed remuneration is paid on a monthly basis, and performance-linked remuneration is paid after the end of each fiscal year.
- The standard proportions of the components of officer remuneration differ depending on the officer's position, as shown below. (This excludes Outside Directors and Audit & Supervisory Board Members.)

<President & Director>

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

(Standard ratios)

[Fixed remuneration] 50%	[Performance-linked remuneration] Monetary remuneration 25%	[Performance-linked remuneration] Stock-based remuneration 25%
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<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)

[Fixed remuneration] Approx. 60% - approx. 70%	[Performance-linked remuneration] Monetary remuneration Approx. 20%	[Performance-linked remuneration] Stock-based remuneration Approx. 10% - approx. 20%
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(b) Contents of stock-based remuneration

- Restricted stock shall be provided as stock-based remuneration and in principle, the Transfer Restrictions shall be released upon retirement of the related Director.
- If it is found that a Director was involved in a fraudulent act while in office, the Company acquires the restricted stock for free during the Transfer Restriction Period or the Director is made to return it after the transfer restriction is released. (Malus Clawback Clause)

Overview of restricted stock remuneration plan

Eligible Directors	Directors excluding Outside Directors
Amount of monetary remuneration to be provided (maximum)	200 million yen per year
Type of shares to be allotted	Common shares (with transfer restrictions under a restricted stock allotment agreement)
Number of shares to be allotted (maximum)	130,000 shares per year
Transfer restricted period	Period from the allotment date to the date on which the related Eligible Director resigns or retires as the Company's Director or from another position which the Board of Directors has determined.

d. Key performance indicators pertaining to performance-linked remuneration

- Performance-linked remuneration shall be linked with the business performance of the Company and determined based on financial and non-financial indicators.
- Financial and non-financial indicators have been selected after taking into consideration the Group's Medium-Term Management Plan, "FY 2022-25," and the details of indicators and reasons for their selection are as follows.

(a) Financial indicators

- Financial indicators are indicators that are used to reflect business performance in a single fiscal year in officer remuneration.

Indicator	Reasons for selection
Group Adjusted Profit(*1)	The selected indicators were Group Adjusted Profit as a measure of shareholder returns, Group Adjusted ROE as a measure of capital efficiency, and Consolidated Net Income as a key performance indicator for the Group. * After the adoption of IFRS, the indicators at the left will be changed to "IFRS net income" and "Adjusted ROE" on an IFRS basis.
Consolidated Net Income	
Group Adjusted ROE (*2)	

*1: Group Adjusted Profit

Consolidated net income + provision for catastrophe loss reserve and others – other incidental factors (amortization of goodwill and other intangible fixed assets, and others) + equity in earnings of the non-consolidated group companies

*2: Group Adjusted ROE

Group Adjusted Profit ÷ average of beginning and ending amounts on BS of adjusted net assets (consolidated net assets + catastrophe reserves, and others – goodwill and other intangible fixed assets)

(b) Non-financial indicators

- Non-financial indicators are indicators that are used to reflect initiatives contributing to medium- to long-term business performance in officer remuneration.

	Evaluation item	Reasons for selection
Basic strategies	<input type="radio"/> Value (creating value) <input type="radio"/> Transformation (business transformation) <input type="radio"/> Synergy (demonstrating Group synergy)	"Basic strategies" and "Platforms" that support the basic strategies have been selected as non-financial indicators in order to realize "A corporate group that supports a resilient and sustainable society," which is an aspiration of the Group's Medium-Term Management Plan (2022-2025).
Platforms	<input type="radio"/> Sustainability <input type="radio"/> Quality <input type="radio"/> Human resources <input type="radio"/> ERM	

(c) Application methods for financial and non-financial indicators

- The standard ratio between financial and non-financial indicators used in the calculation of performance-linked remuneration shall be "50:50"
- The application coefficients for financial and non-financial indicators shall vary within ranges of 0 to 3.0 and 0.5 to 1.5, respectively, with 1.0 as the standard.
- The monetary remuneration and stock-based remuneration components of performance-linked remuneration shall each be calculated as follows, based on standard amounts for each position.

Monetary remuneration: Standard amount per position × business performance coefficient (financial indicators × 80% + non-financial indicators × 20%)

Stock-based remuneration: Standard amount per position × business performance coefficient (financial indicators × 20% + non-financial indicators × 80%)

- Monetary remuneration is structured such that it more strongly reflects business performance in a single fiscal year, by having a higher ratio for financial indicators than non-financial indicators.
- Stock-based remuneration is structured such that it more strongly reflects an evaluation of initiatives contributing to the enhancement of corporate value over the medium- to long-term, by having a higher ratio for non-financial indicators than financial indicators.

(d) Actual financial and non-financial indicators in the fiscal year under review

<Financial indicators>

	Actual	Target	Vs. target
Group Adjusted Profit	¥172.7 billion	¥167.4 billion	103.2%
Consolidated Net Income	¥161.5 billion	¥138.3 billion	116.8%
Group Adjusted ROE	4.8%	4.6%	0.2 point

<Non-financial Indicators>

Evaluation item	Results of evaluation
Basic strategies	As a result of evaluation based mainly on the following points, performance is evaluated to be at a standard level: <ul style="list-style-type: none"> · Developing and providing products and services that offer new value leading to solutions to social issues · Transforming the business, product, and risk portfolios · Implementation of the One Platform Strategy and Group synergies, etc.
Foundations	As a result of evaluation based mainly on the following points, performance is evaluated to be at a standard level: <ul style="list-style-type: none"> · Initiatives related to the key sustainability issues of coexistence with the global environment, a safe and secure society, and the well-being of diverse people · Quality improvement initiatives such as product and service improvements based on customer feedback · Initiatives related to human assets, such as building an optimal human asset portfolio and creating a workplace environment that maximizes employees' abilities, skills, and motivation, including implementation of DE&I · Initiatives related to ERM, such as improving profitability and capital efficiency and reducing strategic equity holdings, etc.

e. Resolutions related to officer remuneration at the Shareholders Meeting

<Remuneration of Directors>

Shareholders Meeting held on June 25, 2018 [10th Annual Shareholders Meeting] Resolved that the maximum amount of remuneration of Directors in total (exclusive of wages as an employee payable to a Director also serving as an employee) shall be 500 million yen per year (of which remuneration for Outside Directors shall be no more than 100 million yen per year). The number of Directors was twelve (12) (including five (5) Outside Directors) as at the close of the Annual Shareholders Meeting.

Shareholders Meeting held on June 24, 2019 [11th Annual Shareholders Meeting] Resolved to introduce a new restricted stock remuneration plan with delayed delivery and that the total amount of monetary remuneration receivables to be paid for the allotment of restricted stock to Directors other than Outside Directors shall be up to 200 million yen per year. The number of Directors other than Outside Directors was seven (7) as at the close of the Annual Shareholders Meeting.

<Remuneration of Audit & Supervisory Board Members>

Shareholders Meeting held on June 25, 2009 [1st Annual Shareholders Meeting] Resolved that remuneration shall be up to 110 million yen per year. The number of Audit & Supervisory Board Members was four (4) as at the close of the Annual Shareholders Meeting.

Performance-Based Remuneration

- The Company has introduced performance-based remuneration (linked to corporate and personal performance) into its corporate officer remuneration system.
- In order to realize a director remuneration system functioning as an appropriate incentive for improving linkage between director remuneration and business performance and achieving sustainable growth for the purpose of strengthening governance and increasing medium term corporate value of the Group, the Company has introduced a restricted stock remuneration plan for Directors (excluding Outside Directors). The plan involves granting treasury stock or new stock (allotment of restricted stock) by replacing a portion of the Company's performance-based monetary remuneration with monetary remuneration receivables provided by means of contribution in kind.
- The Company introduced the same system as mentioned above and granted treasury stock or new stock (allotment of restricted stock) to the Company's executive officers and the Directors (excluding Outside Directors) and Executive Officers of Group domestic insurance companies in which the Company has direct investments, by replacing a portion of the Company's performance-based monetary remuneration with monetary remuneration receivables provided by means of contribution in kind.

Directors' and Audit & Supervisory Board Members' Remuneration

We disclose the total amounts of remuneration to all Directors and to all Audit & Supervisory Board Members according to the category (Directors/Audit & Supervisory Board Members) and according to the types of remuneration. We also disclose total amounts of consolidated remuneration to officers amounting to 100 million yen or more.

Total Amount of Remuneration by Directors/Audit & Supervisory Board Members Category, and the Number of Recipients (fiscal 2022)

Category	Number	Total Remuneration (¥ million)
Directors (excluding Outside Directors)	7	313
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	2	56
Outside Directors/Audit & Supervisory Board Members	7	92

Persons with consolidated Remuneration (including remuneration for corporate officer posts at main subsidiaries, etc.) of ¥100 Million or More (fiscal 2022)

Name	Corporate Officer Posts	Company	Total consolidated remuneration, etc. (¥ million)
Yasuyoshi Karasawa	Director	The Company	111
Yasuzo Kanasugi	Director	The Company	106
	Director	ADI	
Noriyuki Hara	Director	The Company	127
	Director	MSI	

Our company has established the Guidelines for Ownership of Treasury Shares in order to enhance corporate value over the medium to long term by encouraging directors and executive officers (excluding outside officers) to own treasury stock and further raising the motivation and morale of directors and executive officers.

Criteria for the Selection and Independence of Outside Directors and Outside Audit & Supervisory Board Members

1. Policies on the Board of Directors' Overall Balance of Expertise, Experience, Capabilities, Diversity, and Scale

- Five of the eleven Directors (eight men and three women) and two of the four Audit & Supervisory Board Members (2 men and 2 women) have been appointed from outside the Company to incorporate perspectives independent from management, strengthen monitoring and oversight functions, and conduct highly transparent management. Please note that there are no concerns that the interests of these Outside Directors and Outside Audit & Supervisory Board Members of the various companies will be in conflict, in terms of human, capital, transactions, or other relationships, with the interests of shareholders in general. These Directors and Audit & Supervisory Board Members are independent, and their names as independent outside officers have been filed with the Tokyo Stock Exchange Co., Ltd., and Nagoya Stock Exchange Co., Ltd.
- Outside Director candidates must satisfy the eligibility requirements as defined in the Companies Act and the Insurance Business Act. In addition, with the goal of selecting candidates able to accurately and fairly supervise the overall management of insurance companies, candidates are selected based on consideration of specialized expertise such as that stemming from experience working as a general business company corporate officer, government administration officer, lawyer, and academic as well as specialized expertise regarding social, cultural, and consumer issues.
- Director candidates other than Outside Director candidates must meet legal eligibility requirements. In addition, with the goal of selecting candidates able to accurately and fairly supervise the overall management of insurance companies, candidates are selected based on consideration of specialized expertise, such as that stemming from extensive experience working as a manager in an insurance company as well as on consideration of varied experience, highly specialized experience, and the ability to exercise leadership in accordance with the Company's corporate philosophy.
- At least one candidate for Audit & Supervisory Board Member must have sufficient knowledge of accounting or finance.

2. Criteria for the Selection of Director Candidates and Audit & Supervisory Board Member Candidates and Criteria for Determining the Independence of Outside Corporate Officers

- Outside Director candidates must satisfy the eligibility requirements as defined in the Companies Act and the Insurance Business Act. In addition, with the goal of selecting candidates able to accurately and fairly supervise the overall management of insurance companies, candidates are selected based on consideration of specialized expertise such as that stemming from experience working as a finance-related government administration officer, general business company corporate officer, lawyer, and academic as well as specialized expertise regarding social, cultural, and consumer issues.
- Director candidates other than Outside Director candidates must meet legal eligibility requirements. In addition, with the goal of selecting candidates able to accurately and fairly supervise the overall management of insurance companies, candidates are selected based on consideration of specialized expertise, such as that stemming from extensive experience working as a manager in an insurance company as well as on consideration of varied experience, highly specialized experience, and the ability to exercise leadership in accordance with the Company's corporate philosophy.
- In addition, the Company has instituted the "Criteria for the Selection of Director Candidates and Audit & Supervisory Board Member Candidates" below. The determination of "independence" when selecting Outside Director candidates is undertaken in accordance with the criteria described in section "1. (3) Independence" below.

Criteria for the Selection of Director Candidates and Audit & Supervisory Board Member Candidates

1. Outside director candidates and outside Audit & Supervisory Board Member candidates

Candidates must meet the following requirements.

- Must not be disqualified from serving as a director or Audit & Supervisory Board Member pursuant to the Companies Act.
- Must not be disqualified from serving as a director or Audit & Supervisory Board Member of an insurance holding company pursuant to the Insurance Business Act.
- Must have a sufficient level of public credibility.
- An outside Audit & Supervisory Board Member must satisfy the eligibility requirements for an Audit & Supervisory Board Member pursuant to the Insurance Business Act.

Additionally, candidates must satisfy the following three requirements

(1) Eligibility

A candidate must have the qualities listed below that are necessary to monitor the overall management of the company and provide advice, based on a general knowledge of company management and a basic understanding of the roles of the directors and board of directors.

- Ability to discern facts from materials and reports
- Capability to detect problems and risks and apply own knowledge to solve them
- Capacity to appropriately monitor business strategy and provide advice
- Mental independence to openly question, debate, re-examine, continuously deliberate, and propose ideas in opposition to a resolution

(2) Expertise

Must have knowledge in a specialized field such as management, accounting, finance, law, administration, or social/cultural affairs, and have a record of achievement in that field.

(3) Independence

The following persons are ineligible.

- [1] An executing person of the Company or a subsidiary of the Company.
- [2] A director or Audit & Supervisory Board Member of a subsidiary of the Company.
- [3] A person for whom the Company is a major business partner (i.e. a person who received payments from the Company or subsidiaries of the Company that represent 2% or more of annual consolidated sales for the most recent fiscal year), or an executing person thereof (in the case of a consulting firm, auditing firm or law firm, a consultant, accounting professional, or legal professional who belongs to said corporation, partnership, etc.).
- [4] A major business partner of the Company (i.e. a person who made payments to subsidiaries of the Company representing 2% or more of the Company consolidated direct premiums written excluding deposit premium from policy holders for the most recent fiscal year), or an executing person thereof.
- [5] Any of the Company's top 10 largest shareholders (or, if the shareholder is a corporation, an executing person thereof).
- [6] An executing person of a company to which the Company or a subsidiary of the Company has appointed a director.
- [7] A consultant, accounting professional, or legal professional who has received, other than officer compensation, average cash or other financial benefits of at least 10 million yen per year for the past three years from the Company or subsidiaries of the Company.

[8] A person falling under any of the items [2] through [7] during the past five years.

(Note) "During the past five years" means five years from the time the content of a proposal to the General Shareholders Meeting to elect the outside director or outside Audit & Supervisory Board Member was resolved by the Board of Directors.

[9] An individual who was an executing person of the Company or subsidiaries of the Company in the past (in the case of an outside Audit & Supervisory Board Member, including an individual who has been a director of the Company or a subsidiary of the Company.)

[10] A spouse or second-degree or closer relative of a person listed in items [1] through [9] above (an executing person means an executive director, executive officer or an employee in a position of general manager or higher.)

(4) Term limits

The total terms of office for newly elected outside directors and outside Audit & Supervisory Board Members from April 1, 2015 onwards are as listed below.

[1] For outside directors, the expectation is 4 terms, 4 years, renewable for a maximum of 8 terms, 8 years.

[2] For outside Audit & Supervisory Board Members, in principle the total term is 1 term, 4 years, but this is renewable for a maximum of 2 terms, 8 years.

2. Candidates for director other than outside director and candidates for Audit & Supervisory Board Member other than outside Audit & Supervisory Board Member

Candidates must meet the following requirements.

- Must not be disqualified from serving as a director or Audit & Supervisory Board Member pursuant to the Companies Act.
- Must not be disqualified from serving as a director or Audit & Supervisory Board Member of an insurance holding company pursuant to the Insurance Business Act.
- Must satisfy the eligibility requirements for a director or Audit & Supervisory Board Member who engages in daily business at an insurance company pursuant to the Insurance Business Act.

Additionally, a candidate must have varied experience as well as highly specialized experience and must embody our corporate philosophy in the exercise of leadership.

Appointment of Outside Directors and Outside Audit & Supervisory Board Members and Related Matters

Outside Directors

Name	Date of Selection	Reason for Selection	Attendance at Board of Directors Meetings*
Mariko Bando	June 2017	Ms. Mariko Bando has gained a wealth of insight and experience in the administrative and educational fields as well as diversity promotion from previously serving as Director General of Gender Equality Bureau of the Cabinet Office, Consul General of Japan in Brisbane, Australia, President of Showa Women's University, etc. We expect to continue to draw that insight and experience and have her supervise the management and provide advice on management overall from her expert perspective, particularly in regard to promoting diversity.	12 of 12 meetings
Junichi Tobimatsu	June 2018	Mr. Junichi Tobimatsu has a wealth of insight and experience concerning overall corporate legal affairs including those of overseas companies as an attorney-at-law. We expect to continue to draw that insight and have him supervise management and provide advice on management overall from his expert perspective, particularly in regard to securing soundness of the management of the Group.	12 of 12 meetings
Rochelle Kopp	June 2020	Ms. Rochelle Kopp has a wealth of insight into cross-cultural communication and experience in both Japan and the U.S. as a management consultant. We expect to continue to draw that insight and experience and have her supervise management and provide advice on management overall from her expert perspective, particularly in regard to the Group's global expansion.	12 of 12 meetings
Akemi Ishiwata	June 2022	Ms. Akemi Ishiwata has a wealth of insight on sustainability gained from previously serving as Executive Officer of Kao Corporation, leading its ESG activities. She also has experience as a general manager in charge of public relations and corporate branding. We expect to draw that insight and experience and have her supervise management and provide advice on management overall from her broad perspective.	10 of 10 meetings
Jun Suzuki	June 2023	Mr. Jun Suzuki has extensive experience as a management executive by having served as Representative Director, President & CEO of Teijin Limited, and has a wealth of knowledge on global management by having served as the Teijin Group Chief Representative in Europe and other positions. The Company expects to draw from that experience and insight and have him supervise management and provide advice on overall management from his expert perspective, particularly in regard to global management.	-

* The number of Board of Directors' meetings attended during fiscal 2022.

Outside Audit & Supervisory Board Members

Name	Date of Selection	Reason for Selection	Attendance at Board of Directors/ Audit & Supervisory Board Members
Kunio Chiyoda	June 2016	Mr. Kunio Chiyoda is an expert in accounting and auditing and has served as a university professor and a member of a public institution. He has been stating opinions at meetings of the Company's Board of Directors and on other occasions based on his knowledge and experience. We appointed him as Outside Audit & Supervisory Board Member to reflect his wealth of knowledge and experience in the management of the Company.	Board of Directors meetings: 11 of 12 Audit & Supervisory Board meetings: 11 of 11
Kyoko Uemura	June 2017	As a legal professional, Ms. Kyoko Uemura has held a number of posts, including a judge and attorney-at-law. She has been stating opinions at meetings of the Company's Board of Directors and on other occasions based on her knowledge and experience. We propose to reappoint her as Outside Audit & Supervisory Board Member in order to draw on her knowledge and experience in the management of the Company.	Board of Directors meetings: 11 of 12 Audit & Supervisory Board meetings: 10 of 11

* The number of Board of Directors' meetings and Audit & Supervisory Board meetings attended during fiscal 2022.

Skills Matrix of Directors, Audit & Supervisory Board Members, and Executive Officers

In order to promote debate from diverse viewpoints in our efforts to reach the goal of achieving growth strategy for the MS&AD Group, the Group deliberated regarding skills necessary to assure the effectiveness of the Board of Directors (knowledge, experience, and capability), and from the standpoint of supervising the decisions made and execution of duties on matters required for management strategy, we set forth the following.

(1) Base skills that are generally required

“Corporate management,” “human resources and human asset development,” “legal affairs and compliance,” “risk management,” and “finance and accounting”

(2) Skills complementing the fact that the core business of the MS&AD Group is insurance, and that we engage in business globally

“Insurance business” and “internationality”

(3) Skills that take into account our current business environment and that are necessary to address business reform and issues considered important by the market

“IT and digital” and “sustainability”

Furthermore, regarding Audit & Supervisory Board Members, we also consider “finance and accounting” to be important skills.

Officer	Skills								
	Corporate Management	Internationality	IT and Digital	Sustainability	Human Resources and Human Asset Development	Legal Affairs and Compliance	Risk Management	Finance and Accounting	Insurance Business
Director Karasawa	●	●		●	●	●	●	●	●
Director Kanasugi	●	●		●	●	●			●
Director Hara	●	●		●	●		●		●
Director Higuchi	●	●	●	●	●	●	●	●	●
Director Shimazu		●	●	●	●	●	●		●
Director Shirai				●		●	●		●
Outside Director Bando	●	●		●	●	●			
Outside Director Tobimatsu		●				●			
Outside Director Kopp	●	●		●	●				
Outside Director Ishiwata				●					
Outside Director Suzuki	●	●		●	●				
Auditor Suto							●	●	●
Auditor Suzuki							●	●	●
Outside Auditor Chiyoda		●						●	
Outside Auditor Uemura						●			

In addition, we have installed an executive officer system. The skills for Executive Officers who are not Directors are as follows.

Executive Officer Tamura		●	●	●	●	●	●	●	●
Executive Officer Motojima	●			●	●				●
Executive Officer Funabiki	●	●	●	●	●				●
Executive Officer Niiro	●	●		●	●				●
Executive Officer Kawate	●	●					●		●
Executive Officer Kawabe	●	●		●	●				●
Executive Officer Hayakawa	●	●						●	●
Executive Officer Tsuda	●	●	●		●				●
Executive Officer Owada		●		●	●			●	●
Executive Officer Arakawa	●			●					●
Executive Officer Tatematsu									●
Executive Officer Motoyama			●		●				●
Executive Officer Sato				●		●			●
Executive Officer Hori		●				●	●		●

Related Information

[> Board Members](#)

Compliance

Compliance Basic Policy

We formulated the Compliance Basic Policy and "MS&AD Insurance Group Compliance Basic Policy" which is compliance criterion of the Basic Policy. Based on this Basic Policy or each policy, we and MS&AD insurance companies work positively to develop through compliance. All officers and employees carry out our social responsibility with responding to confidence of all the stakeholders including customers through the corporate activities based on the high ethical sense without failing to comply with laws and company internal rules.

- MS&AD Insurance Group Compliance Basic Policy
- Basic Policy Concerning Antisocial Forces
- Basic Policy for Management of Conflicts of Interest

Compliance Promotion Structure

The Company has formed Quality Improvement and Compliance Committee, as one of the task-specific committees under the Board of Directors, to monitor as well as discuss and make necessary adjustments in the compliance structure. For important matters related to compliance, Quality Improvement and Compliance Committee reports to the Board of Directors after discussion in the committee.

The Company established its Compliance Department as the organizational unit to integrate and manage Group compliance matters. This department is responsible for integrating compliance initiatives within the Company and domestic Group insurance companies.

Each unit in the domestic Group insurance companies that is in charge of compliance matters is responsible for the preparation and implementation of policies, internal rules, and measures related to compliance and for planning and operating activities related to business operating rules pertaining to insurance solicitation and sales. These units are also the focal points for fact finding and confirmation as well as conducting investigations related to activities where there are concerns about violations of internal rules and other compliance issues.

Activities

Compliance Program

We and MS&AD insurance companies, as a part of the compliance implementation plan, resolve the Compliance Program at the Board Meetings and pursue the specific issues. The implementation and issues of the Program and responding issues are regularly submitted to each company's Compliance Committee and/or the Board Meetings.

Compliance Manual

We and MS&AD insurance companies have each Compliance Manual that states their compliance-related policies and regulations, with examples and interpretations, for board members and employees. The Manual is distributed to board members and employees, and its content is familiarized through training and examinations. Procedures for reporting inappropriate behavior is stipulated in the Manual for the speedy handling of misconduct.

Compliance-related Training

Based on the Compliance Program, we and MS&AD insurance companies organize annual education / training programs for employees and agencies to raise the knowledge of laws and company internal rules and to enhance the knowledge of compliance.

Compliance-related Inspection

MS&AD insurance companies conduct compliance-related inspections for prevention and early detection of unlawful acts that may violate laws or company internal rules.

Monitoring Group Companies

The Compliance Department monitors and reports on compliance-related activities of MS&AD insurance companies. Group Compliance Division Meetings are held to share knowledge and know-how on compliance-related issues in order to reinforce compliance throughout the group.

Speak-up system (Whistleblowing system)

The MS&AD Insurance Group has established the Speak-up system (whistleblowing systems) . Group company employees, etc. can contact the speak-up desk to make a report if a compliance-related issue arises. A contact desk has also been established at an external legal office to make it easier for whistleblowers to speak up a case. The identity of whistleblowers is protected and their information is handled carefully to protect them and ensure that they do not suffer any unfair treatment.

We have also established a global contact point for officers and employees working overseas. It is available in 15 languages and can be reported directly to our Group Head Office in Japan via a dedicated website or e-mail.

Anti-Money Laundering, Countering the Financing of Terrorism and Countering the Proliferation Financing (AML/CFT/CPF)

The MS&AD Insurance Group has formulated a "Policy on AML/CFT/CPF" and is promoting initiatives to prevent the products and services of Group companies from being used in money laundering, terrorist financing or proliferation financing.

Moreover, measures to prevent money laundering, terrorist financing or proliferation financing are implemented at overseas entities of the MS&AD Insurance Group, where "Measures for Anti-Money Laundering and Counter Financing of Terrorism" are stipulated in the "Compliance Manual for International Operations".

Prevention of Corruption and Bribery

The MS&AD Insurance Group has formulated a "Policy on Fair Operating Practices" and implements fair operating practices ("prevention of Corruption including bribery" and "compliance with laws and regulations regarding political activities and political funds").

As for the international operation of MS&AD Insurance Group, "counter measures of Anti-Bribery" are stipulated in the "Compliance Manuals for International Operations" and the establishment of adequate rules and training has been implemented properly.

[> Policy on Fair Operating Practices](#)

Compliance Promotion Structure in International Business Operations

All executives and employees of the overseas offices of the MS & AD Insurance Group give top priority to compliance and respect the culture, customs, and history of their respective countries and regions, as well as act in a manner that contribute to the development of the community. As a department that supervises and manages matters related to compliance at overseas offices of the Group, the Company established the International Supervisory Department to monitor the status of compliance-related initiatives of these overseas offices, while providing them guidance and support.

This department works with the Compliance Department, which is in charge of overall integration of Group companies' compliance matter, to provide periodic reports regarding the status of overseas compliance framework to the Company's Board of Directors, also engages in activities to improve and expand the overseas compliance promotion structure based on the discussion with other relevant departments.

Tax compliance efforts

Our Global Tax Strategy

In achieving a resilient and sustainable society, we believe that MS&AD Insurance Group should build trust as a social entity by supporting people live in stability and encouraging companies develop their business. We believe that is the basis of insurance business and our value to become a trusted and reliable partner.

In order to earn the trust from the society, we always consider tax compliance. The environment surrounding taxation has changed significantly in recent years, with the increasing focus on securing transparency in taxation as corporate responsibility and strengthening the international tax framework. Our Group believes it is important as a responsible insurer to fully recognize the importance of fair and transparent taxation and to disclose the Group's approach to and initiatives for tax compliance both throughout the Group and to the outside.

■MS&AD Insurance Group Tax Policy

In order to ensure that each and every employee of the Group has a high ethical standard concerning taxation and to implement appropriate tax practice and procedures, we are working to ensure thorough tax compliance in accordance with the "MS&AD Insurance Group Tax Policy" adopted by the Board of Directors in April 2018.

Pursuant to the "Tax Management Principles" (please see below), MS&AD Insurance Group will promote a greater awareness of tax compliance to build trust from all stakeholders by ensuring to act transparently in each jurisdiction.

Basic Policies ("Tax Management Principles")

1. MS&AD Group values the trust and confidence of its stakeholders and is committed to managing tax matters with integrity and responsibility while recognizing the importance and social significance of appropriate tax payments.
2. MS&AD Group, in performing our business operations, complies with all applicable tax laws and the relevant regulations of each jurisdiction in which it operates.
3. MS&AD Group is committed to both optimizing tax-related costs as well as making appropriate tax filings and tax payments.
4. MS&AD Group does not conduct any transactions only intended to avoid tax without business purposes in a way contrary to the national and local tax laws.
5. MS&AD Group develops and maintains trusting relationships with the tax authorities in each jurisdiction in which it operates through sincere and transparent behavior in a timely and appropriately cooperative manner.

■ Our Approaches Underpinned by "MS&AD Insurance Group Tax Policy"

"MS&AD Insurance Group Tax Policy" is managed and operated by the Group's tax department under the responsibility of the Director/Senior Executive Officer in charge of tax and practical management of global tax governance.

Based on the "MS&AD Insurance Group Basic Policy Pertaining to System for Internal Controls", the Group's tax department annually inspects whether a system has been developed in accordance with the "MS&AD Insurance Group Tax Policy" and appropriately operated and report to the responsible Director/Senior Executive Officer and the Board of Directors.

- **Global tax governance framework**

Our Group is working to strengthen its tax governance framework on a global level by creating a system in which the Group's tax department monitors the status of tax compliance and tax risks at major Group companies on a regular basis and checks tax treatment prior to the execution of important transactions.

Moreover, for manage tax risks, we carry out necessary due diligence and consults with external experts and tax authorities.

- **Tax transfer pricing**

We understand the purpose of the OECD's BEPS (Base Erosion and Profit Shifting) project. We are committed to ensuring that we meet our tax obligation in the jurisdictions where we engage in business activities. Intragroup transactions are conducted at appropriate prices determined on an arm's length basis under the group transfer pricing policy. We pay a fair allocation of taxes corresponding to profits reported to the tax authorities in the jurisdictions where value is created within commercial activity.

- **Tax planning**

We do not conduct tax planning only intended to avoid tax, such as through the transactions or organizations without business purposes or economic substance, using tax-free or low tax jurisdictions (known as tax havens).

- **Relationship with tax authorities**

We endeavor to reduce unexpected tax risks by developing sound relationships with the tax authorities in each country through sincere behavior, such as providing appropriate information in response to requests from the tax authorities in each country.

Current income tax by country (FY2022)

(Unit : 100 million yen)

Country	Number of employees (persons)	Main revenue	Income before tax	Current income tax	
					Share
Japan	29,367	47,078	2,400	216	60.6%
U.S.A.	607	542	60	34	9.6%
Singapore	720	360	252	23	6.6%
Malaysia	975	393	103	20	5.9%
Taiwan	1,267	460	▲ 7	20	5.7%
China	406	476	38	16	4.7%
Switzerland	171	2,620	▲ 60	8	2.3%
U.K.	1,799	2,544	▲ 145	0	0.0%
Other	3,272	2,306	110	16	4.6%
Consolidation adjustments	-	-	▲ 397	-	-
Total	38,584	56,781	2,354	357	100%

*Country by country data is aggregated by country where headquarters of group companies are located.

**"Main revenue" represents the total of net premiums written for non-life insurance business and premium income for life insurance business.

*Income tax paid for major countries (FY2021, The figures shown are based on the Country-by-Country Report (CbCR))

(Unit : 100 million yen)

Country	Income tax paid
Japan	1,102
U.S.A.	29
Singapore	21
Malaysia	21
U.K.	19
Other	49
Total	1,245

ERM and Risk Management

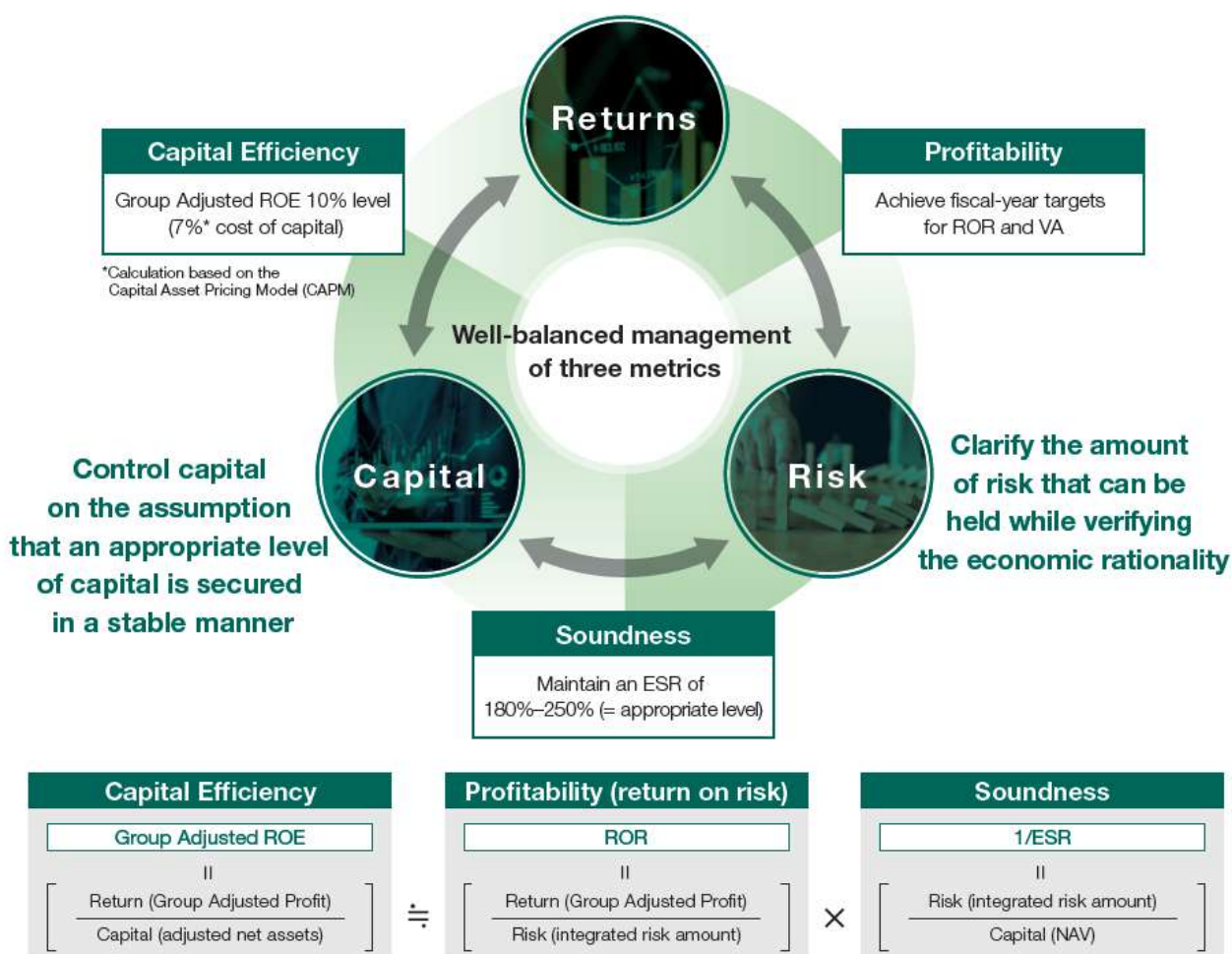
ERM-based Group Management

The MS&AD Group endeavors to increase its earnings power and capital efficiency while maintaining financial soundness. Toward this end, it practices Group management based on an enterprise risk management (ERM) cycle. It allocates capital to its businesses in accord with its Group Risk Appetite Statement. Its businesses take risks with the allocated capital. The Group exercises appropriate risk control, through the monitoring of return on risk (ROR) and other metrics. Under the Medium-Term Management Plan (2022–25), the ERM Committee will work to enhance the evaluation and management of each business in the Group, considering capital, risk, and return, and to improve the Group's capital efficiency by flexibly allocating capital to more capital-efficient business opportunities, such as investments in growth businesses.

Integrated Management of Risk, Returns and Capital

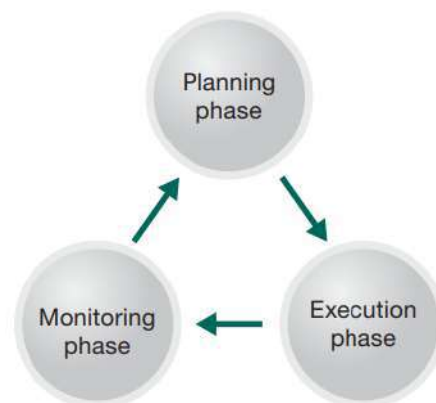
To realize its management vision, the Group formulates medium-term management plans in accord with its Group Risk Appetite Statement and holistically manages risk (integrated risk amount), returns (Group Adjusted Profit), and capital (NAV) with the aim of maintaining financial soundness and boosting capital efficiency and risk/return.

Make internal and external investments for sustainable profit growth



ERM Cycle

Planning phase	① Formulate strategies based on the Group Risk Appetite Statement and establish capital allocation amounts after confirming the amount of risk that can be taken.
Execution phase	② Take risks within the risk limits based on the capital allocation amounts and others.
Monitoring phase	③ Conduct regular monitoring of financial soundness, profitability, capital efficiency, etc. ④ Based on the outcome of monitoring, examine and implement any necessary measures.



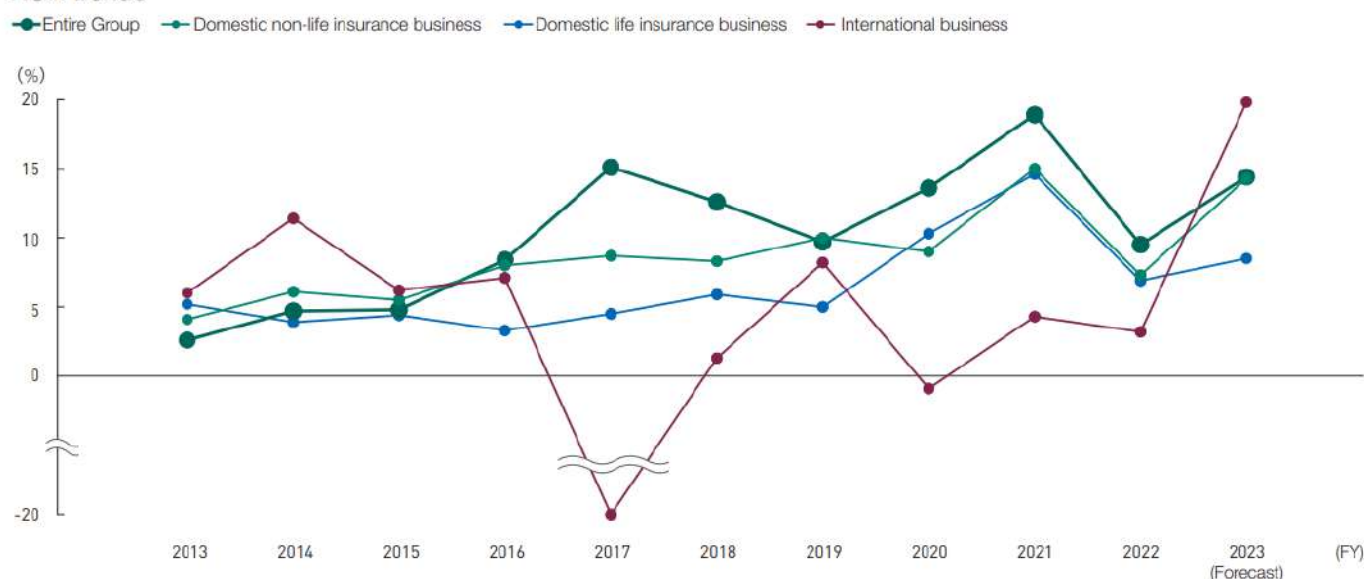
Initiatives to Boost Profitability

To boost capital efficiency while maintaining financial soundness, the MS&AD Insurance Group seeks to earn adequate risk/return through the following initiatives in each of its business domains.

Product development/ sales/ initiative management	P/L management by product/line						
	<table border="0"> <tr> <td style="background-color: #008000; color: white; padding: 2px;">Domestic non-life insurance</td> <td>Strengthening risk/return management according to insurance line attributes and P/L management of new types of insurance, which have a large impact on major accidents and are growth drivers</td> </tr> <tr> <td style="background-color: #0056b3; color: white; padding: 2px;">MSI Aioi Life*</td> <td>Assessing ROR for new policies when products are developed and revised and a sales policy is formulated</td> </tr> <tr> <td style="background-color: #0056b3; color: white; padding: 2px;">MSI Primary Life*</td> <td>Product-by-product profitability assessment (estimated value at the start of sales and actual value after sales)</td> </tr> </table>	Domestic non-life insurance	Strengthening risk/return management according to insurance line attributes and P/L management of new types of insurance, which have a large impact on major accidents and are growth drivers	MSI Aioi Life*	Assessing ROR for new policies when products are developed and revised and a sales policy is formulated	MSI Primary Life*	Product-by-product profitability assessment (estimated value at the start of sales and actual value after sales)
	Domestic non-life insurance	Strengthening risk/return management according to insurance line attributes and P/L management of new types of insurance, which have a large impact on major accidents and are growth drivers					
MSI Aioi Life*	Assessing ROR for new policies when products are developed and revised and a sales policy is formulated						
MSI Primary Life*	Product-by-product profitability assessment (estimated value at the start of sales and actual value after sales)						
Asset management strategy	Promoting diversified investment in assets with relatively high expected returns coupled with appropriate risk control through comprehensive asset and liability management (ALM)						
Retention/ reinsurance policy	Establishment of a retention and outward reinsurance scheme that maintains financial soundness and stability of periodic profit and loss and contributes to improving profitability. Control the net retained risk amount associated with natural disasters						

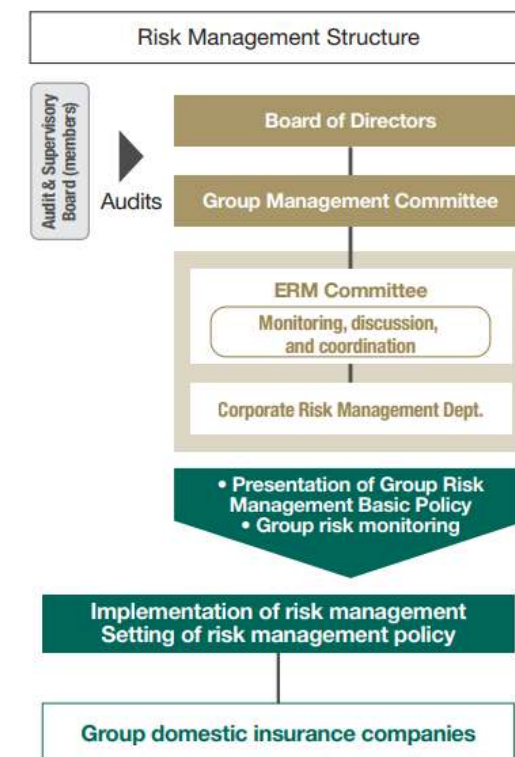
*MSI Aioi Life: Mitsui Sumitomo Aioi Life Insurance; MSI Primary Life: Mitsui Sumitomo Primary Life Insurance

ROR trends



Implementation and promotion of risk management

Our Group has established the MS&AD Insurance Group Risk Management Basic Policy and is implementing risk management based on the basic philosophy shared within the Group. Specifically, our Group promotes risk management by identifying major risk events affecting our business portfolio and evaluating their risk factors both quantitatively and qualitatively.



> Risk Management

- Risk Management Basic Policy
- Risk Management Structure
- Insurance Business Risks
- Risk Management in International Business
- Crisis Management System (Including Business Continuity Management System)

Identification and Management of Risks

Our Group designates important risk events that should be addressed by management as “Group Material Risks,” formulates a management action plan, and periodically monitors the status of each risk. In addition to considering the correspondent relationship of each risk event, we are working to control risks based on the scenario of the occurrence of the risk event to be addressed.

Group Material Risks	
No.	(Main scenarios assumed are surrounded by a dotted border)
1	<p>Occurrence of large-scale natural catastrophes (Considerations: <u>Climate Change</u>)</p> <ul style="list-style-type: none"> Increase in claims paid due to the occurrence of large-scale windstorms, floods, forest fires, blizzards, hailstorms, droughts, earthquakes, volcanic eruptions and other natural catastrophes in Japan and overseas, in part due to climate change Development of a situation in which it is difficult to control risks in line with policy due to rising outward reinsurance premiums and reduced reinsurers' underwriting capacity mainly as a result of the occurrence of large-scale natural catastrophes Development of situation in which the occurrence of a large-scale natural disaster prevents the Group from properly executing business or delivering services
2	<p>Significant changes in financial markets (Considerations: <u>Antagonism among nations</u>)</p> <ul style="list-style-type: none"> Fall in the value of stocks and other assets held on concerns of the stagnation of economic activity as a result of intensified antagonism among nations, the fragmentation of the global economy, and other factors Decrease in capital adequacy due to fluctuations in interest rate and exchange rates as a result of changes in monetary policy around the world in light of price trends
3	<p>Significant increase in credit risk (Considerations: <u>Antagonism among nations</u>, <u>Climate Change</u>)</p> <ul style="list-style-type: none"> Deterioration in performance and default of investees due to factors such as deterioration in the actual economy as a result of supply chain disruptions and other obstacles caused by tighter economic security-related regulations around the world, tighter regulation for the transition to a decarbonized society and delayed compliance with regulation Fall in value of bonds and other instruments held due to factors such as the downgrading of the credit rating of government bonds of countries around the world and decline in their creditworthiness as a result of a lack of fiscal discipline, and increased risk aversion among investors amid concerns about a global slowdown
4	<p>Occurrence of an act that results in serious damage to the Group's enterprise value and the loss of social credibility (Considerations: <u>Digitalization</u>, <u>Climate Change</u>, <u>Antagonism among nations</u>)</p> <p>*An act that results in serious damage to enterprise value or the loss of social credibility refers to acts such as a breach of laws and regulations related to Group business, a serious labor issue (long working hours, harassment, etc.), a human rights violation or elimination of diversity, deficient data governance as well as acts arising from deviation from social norms (including deviation arising from inaction) and a failure to adopt or fully adopt a customer-oriented perspective (conduct risk).</p> <ul style="list-style-type: none"> Business into disorder and increase of complaints as a result of reorganization, business reforms or system development for the execution of Group strategies Occurrence of serious error in disclosed information due to delayed or insufficient development of framework for disclosure of consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) or negative response among investors on transition from previous business management indicators or their use alongside new IFRS-based business management indicators Decline in work quality or efficiency as a result of insufficient communication or other changes associated with more widespread remote working Damage to the Group's reputation or financial burden as a result of Group's insufficient response and any ensuing litigation to sustainability-related issues such as climate change Damage to the Group's reputation as a result of an infringement of human rights or intellectual property rights or an economic security-related issue within the Group or at a subcontractor or other business partner
5	<p>Large-scale and serious business delay, information leak or payment of insurance claim as a result of cyber attack (Considerations: <u>Digitalization</u>, <u>Antagonism among nations</u>)</p> <ul style="list-style-type: none"> Occurrence of business holdups or information leaks within the Group or at a subcontractor or other business partner due to increasingly sophisticated and diverse cyber attacks Increase in claims paid due to escalation of damage caused by cyber attacks globally as a result of further digitalization, intensified antagonism among nations and other factors
6	<p>Frequent occurrence of system failure or occurrence of serious system failure, or progress delay, non-attainment of targets, budget overrun or failure to achieve desired outcome in large system development (Considerations: <u>Digitalization</u>, <u>Antagonism among nations</u>)</p> <ul style="list-style-type: none"> Business and service holdups caused by the occurrence of system failure that has a greater impact than before due to further digitalization, the occurrence of a large-scale natural disaster or other event which affects system-related facilities, or communication failure arising from a problem or incident involving a communications satellite or communications line which also risk being affected by space weather phenomena Occurrence of a large-scale fault in a non-business hours system for customers and insurance agents which leads to delays in dealing with customers and others Delays in system development or degradation of services due to a change in subcontractor or other business partner as a result of tighter economic security-related regulation worldwide
7	<p>Spread of a new strain of influenza or other infection (Considerations: <u>Climate Change</u>, <u>COVID-19</u>)</p> <ul style="list-style-type: none"> Development of situation in which the Group is prevented from properly executing business or delivering services caused by spread of new strains of infectious diseases partly due to the impact of global warming and protraction of the impact of infectious disease events, or resurgence of COVID-19 driven by a new strain Decline in profitability caused by an increase in claims and benefits paid amid a rise in infections worldwide and long-term stagnation of economic activity due to protraction of the impacts of infectious disease events
8	<p>Changes in the insurance market (Considerations: <u>Digitalization</u>, <u>Climate Change</u>, <u>Falling Birthrate and Aging Population</u>, <u>Antagonism among nations</u>)</p> <ul style="list-style-type: none"> Impact on profit structure from decline in the number of car accidents resulting from the transformation of business models amid the emergence of digital platforms and changes in consumer awareness, and advances in driver assistance and autonomous driving technologies Impact on sales strategy from constraints on the supply of equipment or reputation damage as a result of problem with app, system, IoT equipment or other technology or fraud or administrative error at a subcontractor or other business partner in line with expansion of services before and after coverage and protection Increase in claims paid due to new insurance underwriting relating to response to climate change such as low-carbon and decarbonization technologies Impact on business portfolio from changes in market size and structure caused by declining birthrate, aging population, and depopulation, etc. Restriction or suspension of business or withdrawal from business in a specific country or region due to a change to regulations, military action or other development associated with intensified antagonism among world powers Increase in claims paid and business expenses due to rise or accumulation of risks associated with changes in the external environment (including changes in needs of society, aging of buildings and equipment of enterprises, etc.), and emergence of risks which straddle countries and regions such as climate change risk and cyber risk) or other factors such as inflation
9	<p>Changes in environment surrounding human capital (Considerations: <u>Falling Birthrate and Aging Population</u>, <u>Digitalization</u>)</p> <ul style="list-style-type: none"> Gap between management strategies and human capital portfolio and insufficient recruitment and development of human resources to eliminate such gap, due to external changes in areas such as the human capital market and labor supply and demand and changes in the skills and specialisms necessary for the execution of strategies such as the promotion of DX Decrease in employee engagement and loss of human capital due to insufficient development of environments that accurately reflect changes in employee awareness in relation to matters such as autonomous career development opportunities, flexible and diverse work styles and respect for diversity

Listed below are events with the potential for medium- to long-term impacts on Group management and events for which the impact and timing are difficult to grasp at present but about which we need to maintain awareness. As Group Emerging Risks, our Group periodically monitors these events.

Group Emerging Risks	
No.	
1	Appearance or emergence of new systems or innovative technologies that will significantly change or transform the economy, consumer behavior and business models
2	Damage to natural capital (depletion of resources, ecological degradation and crisis, man-made pollution or accident which causes enormous damage to the environment)
3	Establishment, revision or abolition of Japanese or foreign laws, regulations, systems, regimes, etc. which may significantly affect the Group
4	Significant stagnation or delays in the maintenance, management or renewal of social capital (bridges, tunnels, river facilities, port facilities, sewers, etc.) or significant and chronic supply shortages of energy, etc.
5	Major disruption or failure of national governance and politics, or collapse of national security

Management of Natural Catastrophe Risk

[Climate-related Financial Disclosure](#) >

Control of the Retained Amount of Natural Catastrophe Risk

[Climate-related Financial Disclosure](#) >

Information Security

Basic View and Policy

The MS&AD Insurance Group will observe the laws and regulations for information security, and will continuously implement measures to strengthen information management. These measures include setting internal rules, upgrading system security, conducting thorough information management training for staff and agents, and taking steps to mitigate the risk of information leakage.

In order to proactively strengthen information security management to the entire group, we have established the "MS&AD Insurance Group Information Security Management Basic Policy."

In light of the importance of protection for personal information, and in the interest of compliance with related laws and regulations as well as proper handling of customer information, we have formulated the "MS&AD Insurance Group Basic Policy for Management of Customer Information" and the "MS&AD Insurance Group Basic Policy for Shared Use of Customer Information".

[Information Security Management Basic Policy](#) >

[Basic Policy for Management of Customer Information](#) >

[Basic Policy for Shared Use of Customer Information](#) >

Structure of Information Security Management

The holding company appoints the Group Chief Information Security Officer (CISO) to build a framework and enhance information security management. The MS&AD Group maintains a framework to detect threats to information assets and always understands changes in the external environment, such as those related to cybersecurity, to ensure information security and respond to emergencies quickly.

In accordance with the "MS&AD Insurance Group Basic Policy for Management of Customer Information", the domestic insurance companies in the Group determine guidelines and internal rules related to information management, and instate security initiatives. They also plan and operate programs for the education of employees and agents, and perform related checks and monitoring. In addition, they make arrangements for response in the event of incidents such as information leaks, take steps for prompt post-incident correction and recurrence prevention, and otherwise work for appropriate handling in this respect.

Monitoring Activities

The holding company monitors the status as regards arrangements for information security management at domestic insurance companies in the Group, and reports of its findings to management. In addition, it applies the findings of its monitoring activities in its efforts to reinforce arrangements for information security management in the entire Group, through steps such as sharing of know-how with and provision of requisite support to domestic insurance companies in the Group.

MS&AD Insurance Group Holdings, Inc. Declaration of Personal Information Protection (Privacy Policy)

The holding company and the domestic insurance companies in the Group have formulated privacy policy for various items related to the handling of customer information, including a declaration of commitment to compliance with related laws and regulations, appropriate acquisition, and limitation of the purposes of use. They have disclosed these declarations on their respective websites.

[> Declaration of Personal Information Protection \(Privacy Policy\)](#)

Transaction Responsibilities

Basic Concept and Policy

In the MS&AD Insurance Group Compliance Basic Policy, the MS&AD Insurance Group stipulates that all of our officers and employees should take sincere, fair, and proper actions to respond to the expectations and requests of society by complying with all laws and regulations related to our corporate activities with a constant awareness of our corporate social responsibility.

[Compliance Basic Policy](#)

Furthermore, we established the MS&AD Insurance Group Basic Policy on Human Rights in February 2017, in which we recognize our responsibility for the actual and potential adverse impact that our business activities have on human rights, including in the value chain. We have begun efforts to implement activities and dialog that respect human rights.

[Basic Policy on Human Rights](#)

Based on the fact that there are situations in business activities where various activities are entrusted to outside vendors, we have formulated the MS&AD Insurance Group Basic Policy for Management of Outside Vendors as our basic policy regarding outsourcing. Based on the above, the Group companies maintain and properly control the management of outside vendors.

[Basic Policy for Management of Outside Vendors](#)

Under the "MS&AD Insurance Group Basic Policy on the Environment," the Group has established the following Key Issues and is advancing efforts in these areas, together with its stakeholders, making environmental issues part of its corporate strategy:

1. Mitigation of and adaptation to climate change, 2. Sustainable use of resources, 3. Reduction of environmental burden, and 4. Preservation of biodiversity

[Basic Policy on the Environment](#)

Specific Initiatives

Initiatives for Human Rights

Through its human rights due diligence, the MS&AD Insurance Group is taking measures to reduce risks through making realization of 1. Fair and impartial customer services, 2. Initiatives that take into consideration human rights measures to be implemented by business partners/agencies, and 3. consideration for employee health and a workplace environment free of discrimination priority Issues and carrying out monitoring on a regular basis.

[Human Rights Due Diligence and Remedial Measures](#)

Confirming the Appropriateness of Outside Vendors

The Group's domestic insurance companies have established standards for selecting new outside vendors and conduct regular inspections of vendors, in principle annually, to check the vendors' customer personal information management system, the soundness of business management, and the appropriateness of business execution.

Initiatives for the Environment

The MS&AD Insurance Group has set "Symbiosis with the Global Environment —Planetary Health" as one of its key sustainability issues and is undertaking various initiatives to address climate change and natural capital

- Action on Climate Change
- Improvement of Sustainability of Natural Capital

Initiatives in the Value Chain

Consideration for Human Rights

- Basic Policy on Human Rights

The MS&AD Insurance Group urges related parties such as business partners, including suppliers, who are involved in the procurement of services, and agencies, to prevent and/or reduce the risk of adverse impacts on human rights through their business activities.

Environmental Consideration

We have signed the Paris Pledge of Action. To achieve net zero in 2050, we have established a policy that consideration for sustainability in all business activities.

In order to achieve net zero emissions in 2050, it is important to reduce emissions not only in our company but also throughout the supply chain. We will therefore work with our customers, agents, and other stakeholders to promote initiatives that contribute to the transition to a net-zero society and the reduction of CO2 emissions in society.

As the chairman of the Japan Biodiversity Initiative (JBIB), we are demonstrating leadership in improving the sustainability of natural capital. MSI and ADI annually explain the MS&AD Insurance Group Basic Policy on the Environment to clients and ask for their cooperation in environmental consideration.

We are encouraging agencies and clients to obtain Eco Action 21 certification (MSI only) , a simplified environmental ISO certification, as well as spreading Eco-maintenance* and promoting the use of recycled automobile parts.

Each Group company is promoting paperless in-house processes such as use of paperless insurance policies and policy clauses, expansion of Web pages exclusively for policyholders, and digitalization of notices that formerly were sent by postal mail, in cooperation with customers. We are also actively engaged in green procurement of stationery and other items used in our business.

- Promotion of Paperless In-house Processes in Cooperation with Customers
- Support for Certification under Eco Action 21
- Support for the Spread of Eco-maintenance and Eco-inspection

* Encouraging the spread of Eco-maintenance (engine cleansing)

"Engine cleansing" has been stipulated by the government as one of the designated items of Green Purchase Method in April 2008. Support for obtaining Eco Action 21 certification has directly lead to the spread of engine cleansing.

Group Basic Policy for Management of Outside Vendors

Based on the fact that there are situations in business activities where various activities are entrusted to outside vendors, the MS&AD Insurance Group has formulated the Group Basic Policy for Management of Outside Vendors as the basic policy regarding outsourcing. Based on the above, the Group companies maintain and properly control the management of outside vendors.

MS&AD Insurance Group Basic Policy for Management of Outside Vendors

The MS&AD Insurance Group maintains proper management of outside vendors based on the below management policy in situations when it entrusts work externally.

1. Outside Contracting Subject to This Policy

When the MS&AD Insurance Group delegates all or part of the administrative work necessary for it to conduct business to an outside vendor, there must be an assurance that such is appropriate in conjunction with the execution of business bearing in mind the need to assure that customers are protected and management is conducted soundly. As used herein, "customer" shall refer to "a customer having a relationship to the activities of the MS&AD Insurance Group" with respect to both individuals and companies.

2. System for Management of Outside Vendors

MS&AD Holdings and the domestic Group insurance companies shall create the following system for managing outside vendors and properly implement the same:

- (1) Establish a supervisor and business unit responsible for managing outside vendors.
- (2) Establish and disseminate rules pertaining to the management of outside vendors.
- (3) Conduct inspections and supervision over outside vendors.
- (4) Conduct appropriate management of subcontractors.
- (5) Establish procedures for responding to inquiries, complaints and other communications from customers pertaining to outside vendors.
- (6) Create other procedures necessary for managing outside vendors and revise the same as appropriate.

Other Group companies shall also create system for managing outside vendors and properly implement the same consistent with the above.

Information Disclosure

The MS&AD Insurance Group stipulates its external information disclosure policy for each Group domestic insurance company in "MS&AD Insurance Group Basic Policy for Disclosure of Information". In accordance to the policy, each Group company has thoroughly put the disclosure rules in practice as set forth by the Financial Instruments Exchange and is engaged in disclosing information so that respective stakeholders can have a correct understanding of the true status of the Group companies without delay.

[➤ Basic Policy for Disclosure of Information](#)

Disclosure of Information and Investor Relations (IR)

We are conducting investor relations (IR) activities according to the basic policies (IR policy) to win trust from shareholders and other investors as well as to have our corporate value assessed fairly and properly.

[➤ Disclosure of Information and Investor Relations \(IR\)](#)

Capital Management Policies and Shareholder Return Policy

On the premise of ensuring the soundness of its operations, our Group aims to increase its corporate value through sustained growth and to provide continuous and stable returns to shareholders.

[➤ Capital Policy and Shareholder Return Policy](#)

<References>

We provide reference materials for our shareholders/investors, such as the dividends trend of recent years and basic information, which includes the securities identification code and the number of MS&AD Holdings shares.

[➤ Dividend Policy](#)

[➤ Stock Overview](#)

Climate-related Financial Disclosure

The MS&AD Insurance Group endorses the Task Force on Climate-related Financial Disclosures (TCFD) and promotes the disclosure of financial information.

[➤ Climate-related Financial Disclosures](#)

Nature-related Financial Disclosures

The MS&AD Insurance Group endorses the Taskforce on Nature-related Financial Disclosures (TNFD) and promotes the disclosure of financial information.

[➤ Nature-related Financial Disclosures](#)

Disclosure of Information and Investor Relations (IR)

The MS&AD Insurance Group is actively conducting appropriate information disclosure to earn trust from a wide variety of stakeholders, including our customers, shareholders, investors, and business partners, so that our corporate value is assessed fairly and properly.

Basic Policy and the Structure of Our Approach

Our Group has compiled its stance relating to information disclosure in the "MS&AD Insurance Group Basic Policies on Corporate Governance." Based on this basic policy, we have established the "Policy for Constructive Dialogue with Shareholders" as a guideline for dialogue with shareholders, and the "MS&AD Insurance Group Basic Policy for Disclosure of Information," etc. as a guideline for adequate disclosure, to ensure that the Group implements accurate, timely, and fair information disclosure.

[> MS&AD Insurance Group Basic Policies on Corporate Governance](#)

Basic Policies

MS&AD Insurance Group Basic Policy for Disclosure of Information

The "MS&AD Insurance Group Basic Policy for Disclosure of Information" is an external information disclosure policy established for domestic Group insurance companies. In accordance with this policy, all domestic Group insurance companies strive to thoroughly comply with the disclosure rules stipulated by laws, regulations and the disclosure rules of financial instruments exchange. At the same time, the domestic Group insurance companies disclose information to ensure that their respective stakeholders can be made aware of important information in an accurate, timely, and fair manner.

[> MS&AD Insurance Group Basic Policy for Disclosure of Information](#)

Policy for Constructive Dialogue with Shareholders

Towards sustainable growth and improvement of corporate value in the medium and long term, our Group works to carry out constructive dialogue with shareholders, and is working to further create value by taking advantage of the dialogue in management.

[> Policy for Constructive dialogue with shareholders](#)

IR Policy

The "IR Policy" is the basic policy for IR activities established by MS&AD Holdings. Not only disclosing corporate information required under statutes and regulations of financial instruments exchanges, our Group proactively releases information for investment decisions, ranging from basic policies and management plans to business strategies of the Group, thereby improving the quality of our disclosure. In addition, by disclosing such information, we strive to put out information that is timely, fair, and easy-to-understand.

[> IR Policy](#)

Information Disclosure Framework

To ensure timely and adequate disclosure and evaluate the effectiveness of information disclosure controls, our Group has established a “Risk Management Committee” and built a timely disclosure system.

Risk Management Committee

The Risk Management Committee was established by a resolution of the Board of Directors, and it is the institution at the core of the timely disclosure system. The Committee is composed of directors and general managers responsible for the planning, accounting, and other departments involved in information disclosure. It convenes to deliberate on information disclosure and verify the appropriateness of disclosed information. The overview of the structure for timely disclosure is provided in the Corporate Governance Report.

[Corporate Governance Report](#) 


Communication with Shareholders and Investors

Our Group is actively engaging in dialogues with shareholders, investors, and analysts with the Group management at its core. In addition to holding the various information meetings for institutional investors and analysts, we provide highly convenient and clear information disclosure to shareholders and investors via the MS&AD Holdings website. The Group responds in good faith to enquiries from investors/shareholders and securities analysts. We will share the requests and opinions that we received during the course of our IR activities within the Group companies and will use them to enhance our corporate value.

[Policy for Constructive dialogue with shareholders](#)

The Medium-Term Management Plan

**MS&AD Group
Medium-term Management Plan (FY2022-2025)
Grow Together with Society As a Platform Provider of Risk Solutions**



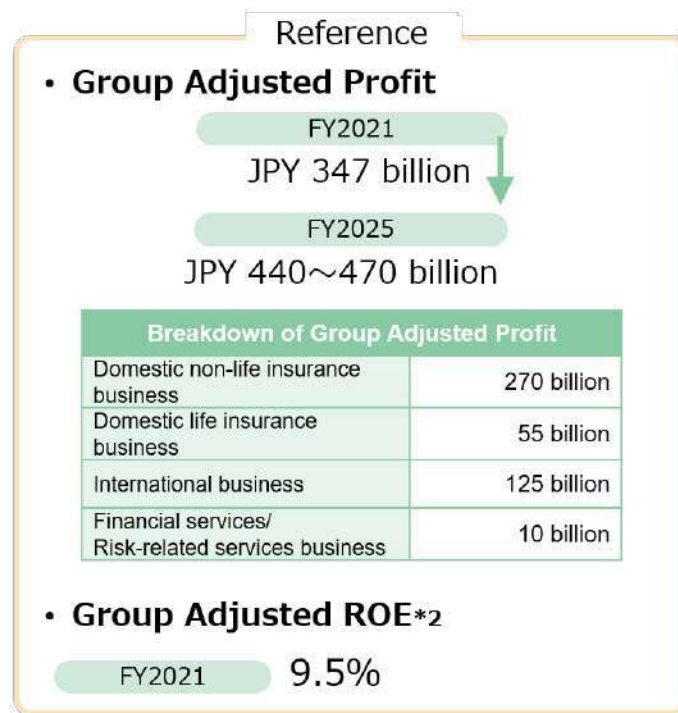
- [➤ The Medium-Term Management Plan \(2022~2025\) !\[\]\(18cc31d76ac95bd753a3bf08c0e23367_img.jpg\) \(4,472KB\)](#)
- [➤ FY2022 First Information Meeting !\[\]\(bde5326fc513602bcb315433f52b2412_img.jpg\) \(11,893KB\)](#)

Our Aspirations: (1) Qualitative Targets



Our Aspirations: (2) Quantitative Targets

- Net income of JPY 470-500 billion on an IFRS basis and stable realization of adjusted ROE of 10% or higher by FY2025



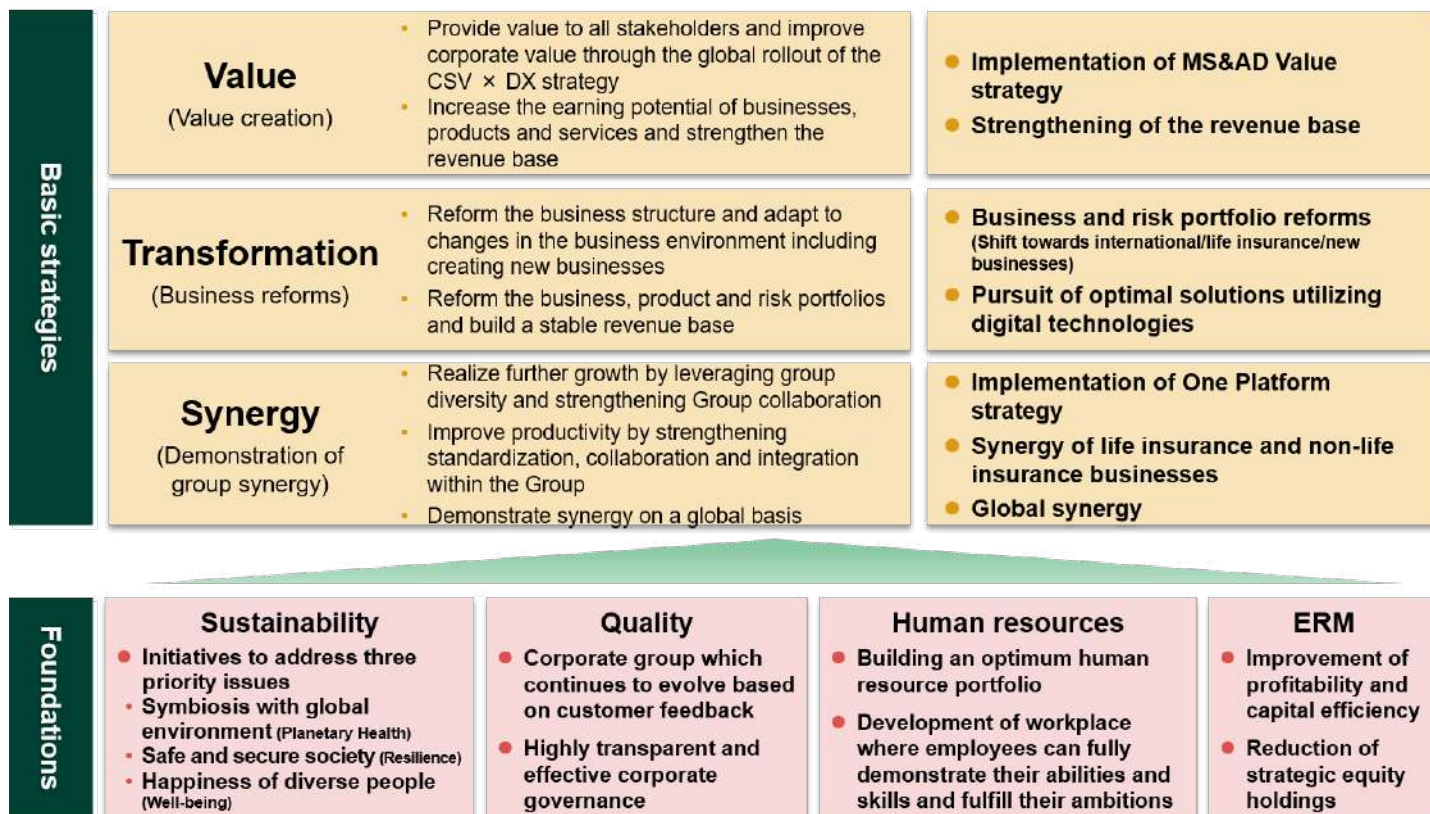
*1.Net profit on IFRS basis ÷ (Net assets on IFRS basis – Unrealized gain/loss from strategic equity holdings)

(Since, under IFRS, gain/loss on sale of strategic equity holdings is no longer included in net profit, unrealized gain/loss from strategic equity holdings is excluded from net assets to align the denominator (net assets) and numerator (net profit) used to calculate ROE.)

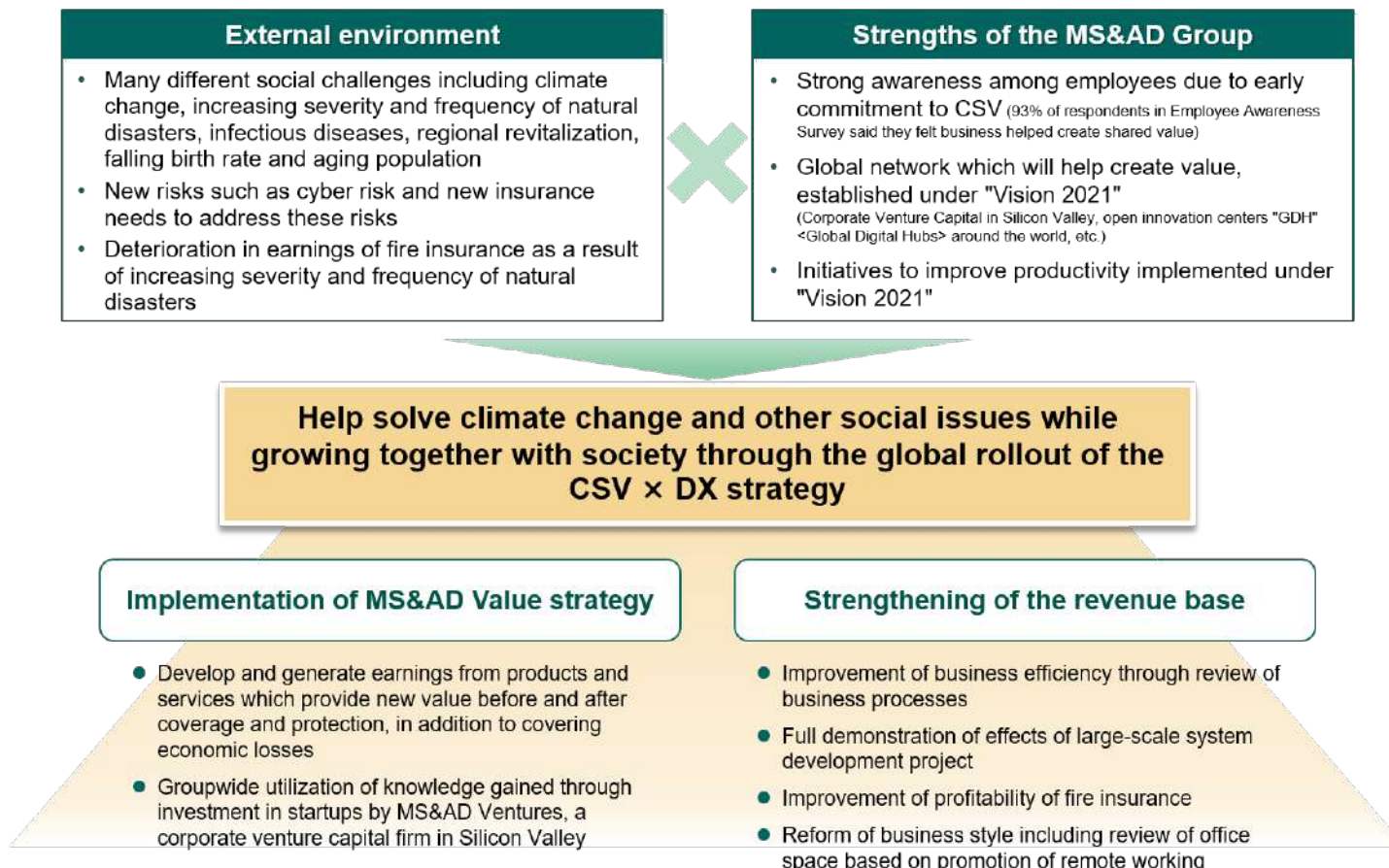
*2.Group Adjusted Profit ÷ average of beginning and end amounts on BS of adjusted net assets (consolidated net assets + balance of catastrophe reserves etc. - balance of goodwill and other intangible fixed assets)

Basic Strategies and Foundations Supporting Basic Strategies

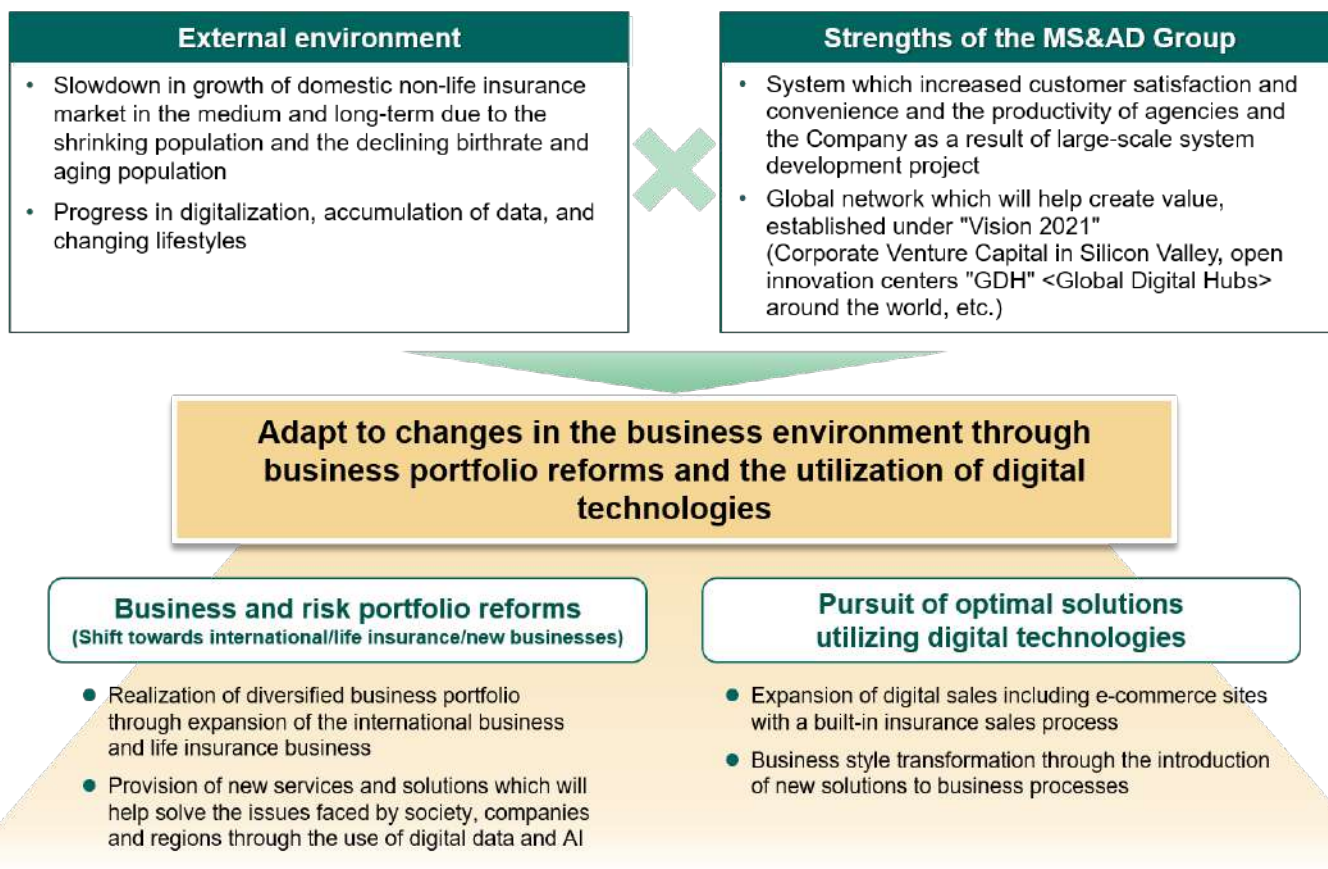
- Our basic strategies for realizing our aspiration of becoming a "corporate group that supports a resilient and sustainable society" are "Value (value creation)," "Transformation (business reforms)" and "Synergy (demonstration of group synergy)."
- "Sustainability," "Quality," "Human Resources" and "ERM" are the foundations supporting the basic strategies.



Basic Strategy: Value (Value Creation)



Basic Strategy: Transformation (Business Reforms)



Digital Transformation

Strengthen "digital human resource development," "systems," "business investment" and "data management," which are the foundations of DX, and implement business transformation through the use of digital data for the realization of "creation of stakeholder value" and "enhancement of profitability"

Business and risk portfolio reforms (creation of new businesses)

- Creation of services and solutions which will help solve the issues faced by society, companies and regions through alliances with companies, local governments and others and the utilization of digital technologies and data
- Establishment and utilization of Group data integration platform for the rapid and secure sharing of data inside and outside the Group
- Identification of and carefully selected investment in investment projects which will lead to improvement in corporate value through the strategic generation of returns from MS&AD Ventures' exploratory investment and maximization of their use across the Group and the acquisition of technologies and business models

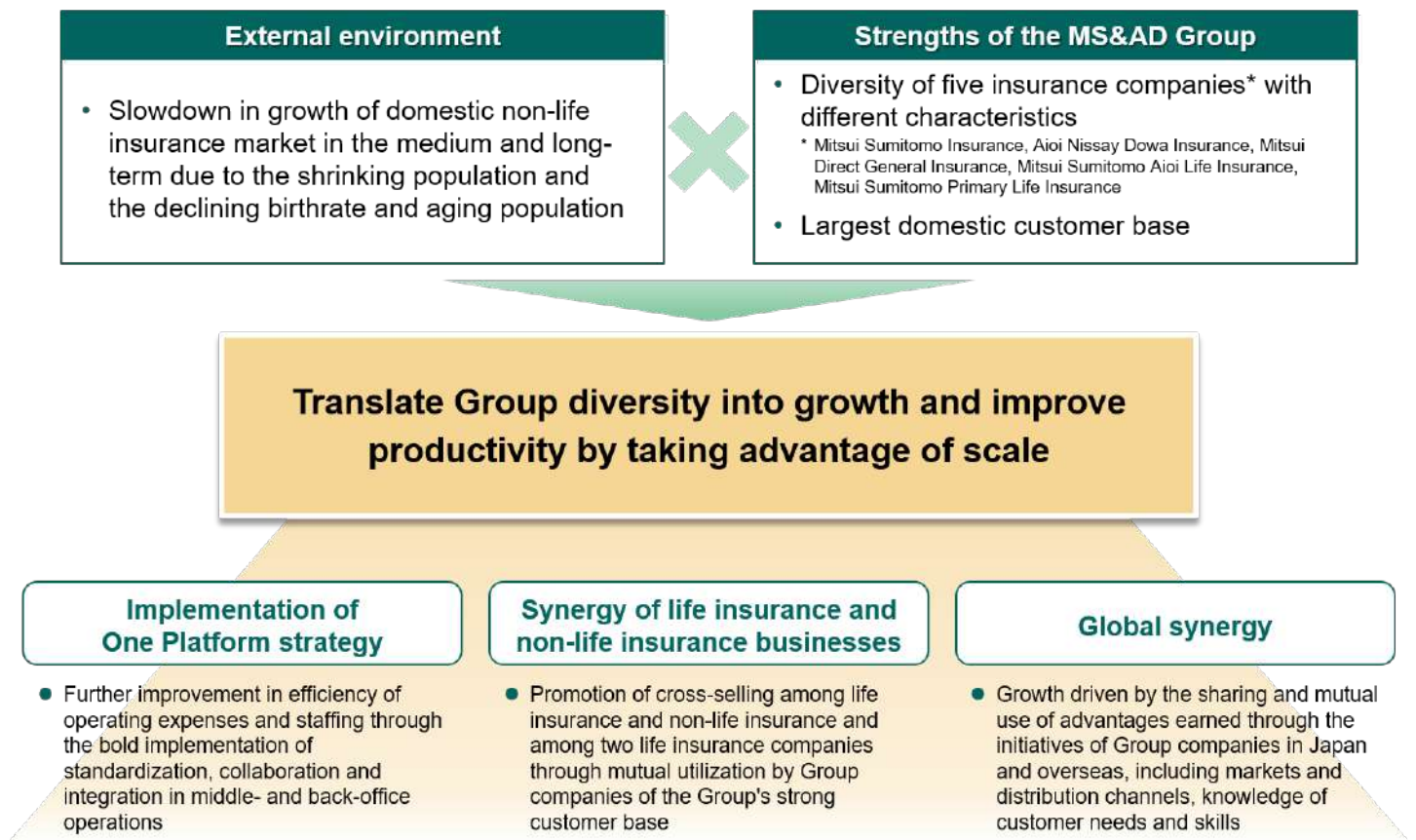


Pursuit of optimal solutions utilizing digital technologies

- Improvement of customer convenience and expansion of sales channels through the deployment of digital sales including built-in insurance on e-commerce sites through collaboration with platformers
- Adoption of an agile approach, which will provide the foundations for the speedy development and provision of products and services and creation of new businesses in response to change, and the development of a culture that allows employees to take on challenges, tolerating failure
- Business style transformation through initiatives such as the digitalization of customer touchpoints, the real-time aggregation of performance data and other KPIs, the completion of sales activities on smartphones, the automatic recording of activities, and the automation of insurance claim procedures
- Improvement of income and expenditure and market expansion through more sophisticated underwriting and realization of more efficient underwriting operations through the utilization of AI

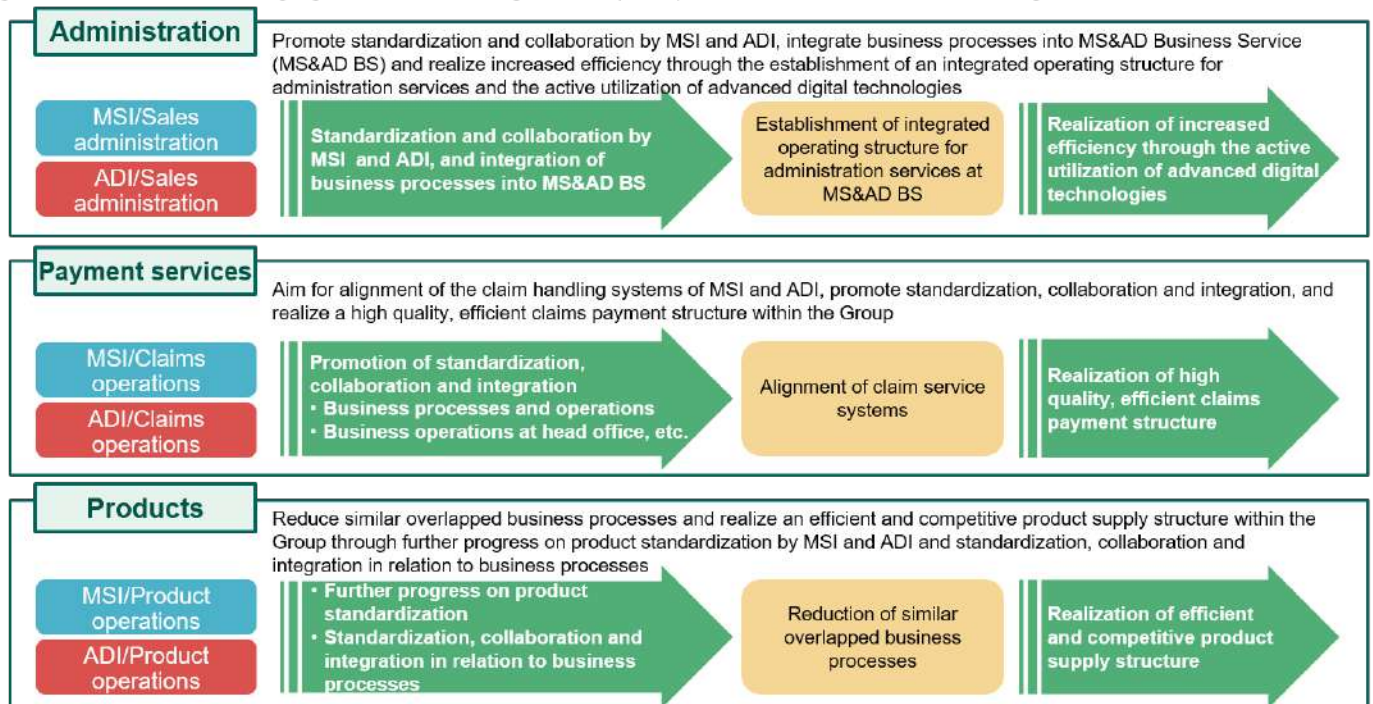


Basic Strategy: Synergy (Demonstration of Group Synergy)



One Platform Strategy (standardization, collaboration and Integration in Middle- and Back-office Operations)

Further promote standardization, collaboration and integration within the Group focusing on the middle- and back-office operations of Mitsui Sumitomo Insurance (hereinafter "MSI") and Aioi Nissay Dowa Insurance (hereinafter "ADI") to fully utilize the economies of scale achieved by having the largest share of the domestic non-life insurance. Seek to improve the efficiency and quality of business processes and invest the generated resources in strategic growth areas to strengthen Group competitiveness and achieve sustainable growth



* Includes details of initiatives from FY2026

Foundation Initiatives: Sustainability

- Aim to solve social issues that are important both for stakeholders and for the Company, and focus on the three priority issues

Priority issues	Social issues	Main initiatives
<p>Symbiosis with global environment (Planetary Health)</p>	<ul style="list-style-type: none"> • Global warming • Damage to natural capital • Environmental pollution • Linear economy 	<ul style="list-style-type: none"> • Action on climate change — Aiming for net zero carbon emissions by 2050 • Improvement of sustainability of natural capital
<p>Safe and secure society (Resilience)</p>	<ul style="list-style-type: none"> • Emergence of new risks • Major earthquakes • Spread of infectious diseases • Decline of regional industry 	<ul style="list-style-type: none"> • Measures to address new risks • Loss prevention/mitigation • Regional revitalization — Creation of a resilient and inclusive society
<p>Happiness of diverse people (Well-being)</p>	<ul style="list-style-type: none"> • Aging population and declining birthrate • Human rights violations • Elimination of diversity • Poverty and widening income disparity 	<ul style="list-style-type: none"> • Adaptation to a society of healthy longevity • Promotion of respect for human rights • Improvement of employee engagement

- Implement initiatives with stakeholders to achieve net zero by 2050

Symbiosis with global environment (Planetary Health)

Action on climate change

— Aiming for net zero carbon emissions by 2050

- Reduction of greenhouse gas emissions created by Group and its supply chain
- Provision of products and services and investment and financing that will support technological innovation and its implementation in society for a shift towards a circular economy which will lead to decarbonization and the control of environmental pollution
- Provision of solutions for adapting to the effects of climate change

Improvement of sustainability of natural capital

- Implementation of initiatives that will help improve the sustainability of natural capital whilst addressing climate change, such as nature-based loss prevention/mitigation (green resilience)
- Support for the transition to business based on the restoration and protection of biodiversity and the utilization of sustainable resources
- Participation in the Taskforce on Nature-Related Financial Disclosures (TNFD) and promotion of visualization of the impact of corporate activities on nature

KPI

GHG emissions reduction rate

FY2030

Down 50% (from FY2019)
FY2050: Net zero emissions

Renewable energy usage rate

FY2030

60%
FY2050: 100%

Premium growth rate of products which contribute to decarbonization and a circular economy

Annual average of 18%

Safe and secure society (Resilience)

Measures to address new risks that emerge with the transformation of society

- Provision of products and services which address new risks associated with innovation and changes in the industrial structure such as cyber risks

Loss prevention/mitigation through the utilization of data and AI

- Support to prepare for accidents, natural disasters and major earthquakes, including risk visualization and the provision of solution based on data analysis

Creation of a resilient and inclusive society (regional revitalization)

- Pursuit of solutions to social issues in collaboration with regional stakeholders including local governments and industrial groups
- Promotion of regional revitalization through initiatives such as transition to a sustainable infrastructure, activation of regional industries, and realization of diverse mobility services

Happiness of diverse people (Well-being)

Adaptation to a society of healthy longevity

- Support for companies' health & productivity management
- Provision of products and services which help advance people's health and prevent disease
- Provision of products and services which support extension of the human wealth span in the era of the 100-year life

Respect for human rights

- Assessment of the impact of the Company's business activities on human rights and the implementation of preventive measures (human rights due diligence)
- Improvement of access to insurance and financial services

Improvement of employee engagement

- See "Foundation Initiatives: Human Resources (P.21)"

KPI

FY2025

Rate of increase in the number of underwritten policies for products which help improve the resilience of society

Annual average of **20%**

Instances of support for the resolution of issues faced by regional companies
(Consulting services, training/seminars)

10,000 instances a year

Number of policies in force for products which help solve health-related social issues

2.6 million

Number of policies in force for asset-building products to support longevity

0.1 million

Instances of support for action by companies to address human rights
(Consulting services, training/seminars)

1,000 instances a year

Foundation Initiatives: Quality

- Earn trust from society and customer satisfaction, to support the execution of strategies

Corporate group which continues to evolve based on customer feedback

- Initiatives to improve customer experience value through the improvement of business processes and the utilization of digital technologies based on customer feedback
- Advancement of the Group as a whole through the groupwide sharing of knowledge and knowhow for improving customer satisfaction gained through the initiatives of each Group company

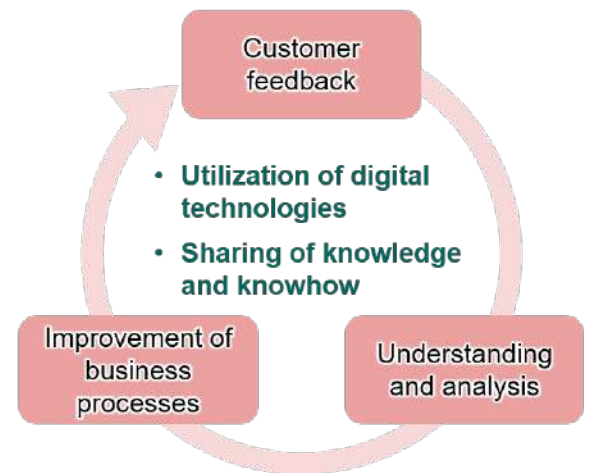
KPI

Customer satisfaction level (On quotation & application process)

Equal to or greater than the previous year

Customer satisfaction level (On payment of claims)

Equal to or greater than the previous year



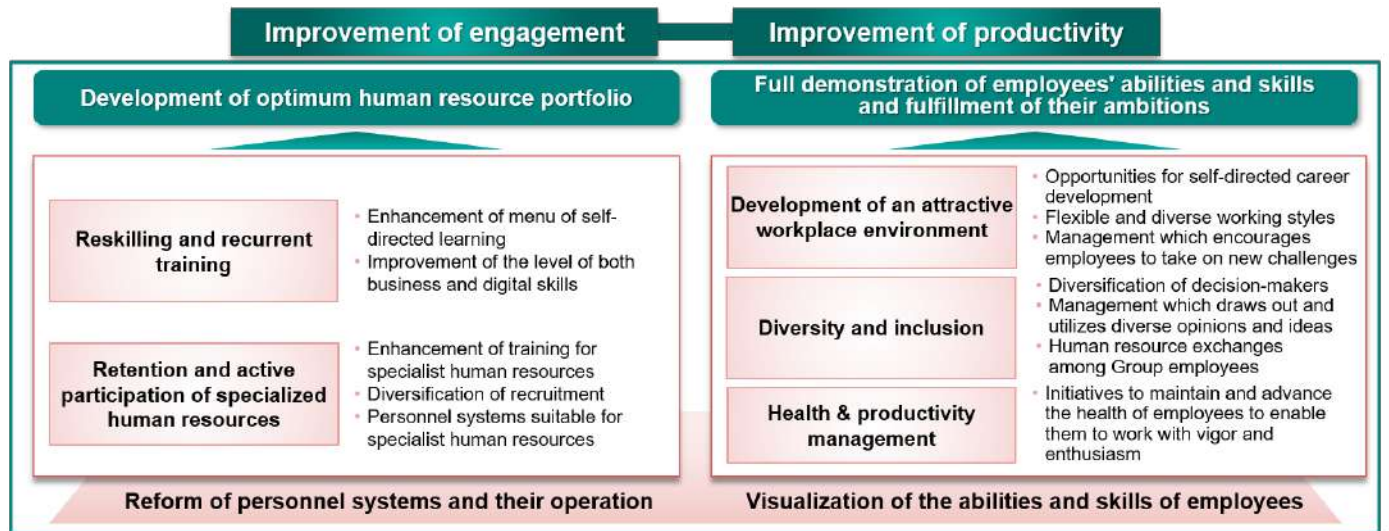
Practice of highly transparent and effective corporate governance

- Continuous enhancement of the oversight function of the Board of Directors and the audit function of the Audit & Supervisory Board Members
- Implementation of fair, accurate and prompt information disclosure



Foundation Initiatives: Human Resources

- Secure human resources to support the execution of strategies and also develop an environment for their active participation and career advancement



KPI			
End of FY2030	FY2025 (targets)		Employee Awareness Survey
Percentage of female managers 30% <small>* Aiming for early achievement</small>	Digital human resources 7,000	Percentage of people who exercise regularly Current level (24%) or higher	Percentage of mid-career employees among managerial staff Current level (21%) or higher Percentage of employees hired locally overseas appointed as executives of overseas subsidiaries Current level (77%) or higher
Percentage of female line managers 15% <small>* Aiming for early achievement</small>	Employees for international business 1,200	Male childcare leave Aiming to increase percentage of male employees taking childcare leave to 100% and duration of leave to 4 weeks	
Percentage of productivity improvement personnel expenses (MS+AD) 8.5%	Percentage of productivity improvement personnel expenses (MS+AD) 8.5%	Number of annual paid holidays taken Equal to or greater than the previous year	
			Sense of helping to create shared value (CSV) Constant awareness of MVV Pride in work, job satisfaction Active participation Equal to or greater than the previous year

Foundation Initiatives: ERM

- Allocate management resources in such a way that strikes the right balance between risk, returns and capital by using the ERM cycle

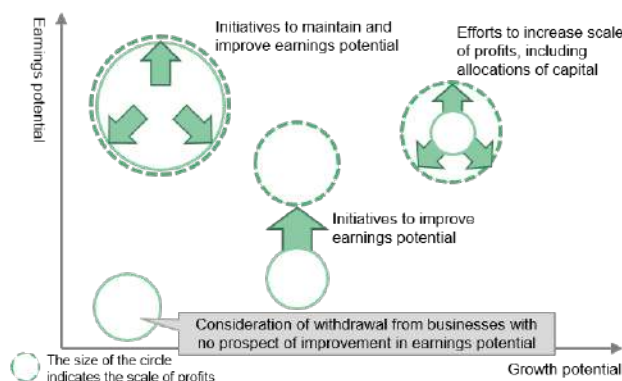
Improvement of profitability and capital efficiency through the integrated management of risk, returns and capital

- Improvement of corporate value through enhancement of business management**
Improvement of corporate value by monitoring each business segment of every Group company to clarify issues and implementing initiatives to solve issues, with a view to improving ROE.
- Effective utilization of capital within the Group**
Flexible movement of capital within the Group for the allocation of capital to more capital efficient business opportunities, including investment in growth businesses.
Optimization of Group capital and improvement of Group's capital efficiency.

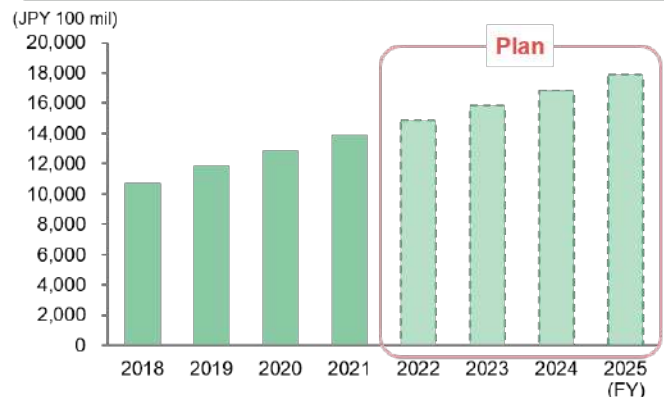
Reduction of strategic equity holdings

- Reduction amount**
Strengthening of financial position through continued reduction by JPY 100 billion a year.
- Weight in consolidated total assets**
Target weight of less than 10%.
- Weight in risk amount**
Target weight of less than 30%.

Conceptual diagram of sophistication of business management



Actual reduction (cumulative) and planned reduction in strategic equity holdings



Capital Strategy

Shareholder returns policy

- Provide shareholder return based on shareholder dividends and repurchase of own shares by adopting a benchmark of 50% of Group adjusted profit in Stage 1 (FY2022-FY2023) of the Medium-term Management Plan and 50% of return base profit* in Stage 2 (FY2024-FY2025)
- * Profit for accounting purposes (net profit on an IFRS basis) after adjustment to avoid significant fluctuations from Group adjusted profit under the previous Medium-term Management Plan, taking continuity into consideration.
- Provide additional returns in an agile and flexible manner, in light of market trends, the business environment, capital status and other factors

Calculation formula for return base profit

Return base profit = Net profit on an IFRS basis – Adjustments* from net profit on an IFRS basis + Gain/loss on sale of strategic equity holdings

* Impact of market fluctuations, impact of deferred policy acquisition costs, gain/loss related to unfavorable policies, amortization of intangible assets, goodwill impairment

Investment policy

Strengthen

Investment to strengthen the competitiveness of existing businesses

- We will carry out investments that demonstrate a strong awareness of ROI, including investments aimed at promoting digitalization, such as investments in information systems.

Expand

Investment to diversify and expand the business portfolio

- We will consider the investments from the perspectives of shared values, sustainable growth models and risk diversification in terms of geography and business category.
- Targets will include specialty investments and MGAs in the United States and the retail insurance market in Asia

Innovate

Investment to create new business territories

- Investment to search for technologies and business models that will be game changers over the next 3 to 5 years

ESR

- Set target range at 180-250%.
- Set the upper bound of the ESR target range at 250%, 30 points higher than the previous Medium-term Management Plan, to build up capital corresponding to the business investments to be implemented during this Medium-term Management Plan


Previous Medium-Term Management Plan


- [Vision 2021-Stage2 \(2020~2021\)](#)  (4,032KB)
- [Vision 2021 \(2018~2021\)](#)  (5,655KB)
- [Next Challenge 2017-Stage2\(FY2016-FY2017\) \(May 26, 2016\)](#)  (451KB)
- [Next Challenge 2017 \(June3, 2014\)](#)  (5,709KB)

Third-Party Assurance

Third-Party Assurance

Since 2015, the MS&AD Insurance Group has engaged KPMG AZSA Sustainability Co., Ltd. to perform assurance of selected environmental and social data in order to assure the credibility of reported figures. The data subject to the third-party assurance for this fiscal year is indicated with ✓.

[> KPMG's Independent Assurance Report](#) 

[> The Calculation Methodology](#) 



Independent Assurance Report

To the President and CEO of MS&AD Insurance Group Holdings, Inc.

We were engaged by MS&AD Insurance Group Holdings, Inc. (the “Company”) to undertake a limited assurance engagement of the environmental and social performance indicators marked with ✓ (the “Indicators”) for the period from April 1, 2022 to March 31, 2023 included in its MS&AD Sustainability Report 2023 (the “Report”) for the fiscal year ended March 31, 2023.

The Company’s Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the “Company’s reporting criteria”), as described in the Report.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the ‘International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information’ and the ‘ISAE 3410, Assurance Engagements on Greenhouse Gas Statements’ issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing the Company’s responsible personnel to obtain an understanding of its policy for preparing the Report and reviewing the Company’s reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company’s reporting criteria, and recalculating the Indicators.
- Visiting the Company’s Mitsui Sumitomo Insurance Surugadai Bldg selected on the basis of a risk analysis.
- Evaluating the overall presentation of the Indicators.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Report are not prepared, in all material respects, in accordance with the Company’s reporting criteria as described in the Report.

Our Independence and Quality Management

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Management 1, we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Kazuhiko Saito, Partner, Representative Director
KPMG AZSA Sustainability Co., Ltd.
Tokyo, Japan
December 25, 2023

Scope and Method of Calculating Environmental Data

Item	Method of calculating amounts of energy used, amounts of disposed waste, and passenger-kilometers traveled		CO ₂ emission factor
Amount of electric power, gas, cold and hot water, heavy oil, and kerosene used	Japan	Actual measured energy usage	Emission factor by energy source based on the Act on Promotion of Global Warming Countermeasures as published by Japan's Ministry of the Environment and emission factor by electric power utility.
	Overseas	Actual measured energy usage or calculated from energy purchase costs and unit price by country as published by JETRO (*1).	
Amount of gasoline and diesel oil used	Japan	In principle, actual measured amounts of gasoline and diesel oil are used. When an actual measured amount of gasoline is unknown, the amount is calculated from the gasoline purchase cost and the domestic national average unit price as published in a survey of gas station retail prices conducted by Japan's Agency for Natural Resources and Energy.	For overseas electric power, emission factor by country published by IEA (*2).
	Overseas	In principle, the amount used is calculated from gasoline purchase costs and unit price by country as published by JETRO. When the cost of gasoline is unknown, it is calculated from the amount of gasoline used per car and the number of cars at overseas sites.	
Total amount of waste	Japan	The percentage of the actual measured amount of general waste disposed from Company-owned buildings is 93.0%. When an actual amount is unknown, it is estimated from the cost of waste disposal and the unit cost. The amount of general waste disposed from non-Company-owned buildings is calculated from the amount of disposed general waste per person in Company-owned buildings and the number of employees in non-Company-owned buildings. The amount of disposed industrial waste is the actual measured amount.	
	Overseas	Calculated from the amount of disposed general waste per person in Company-owned buildings in Japan and the number of employees overseas.	
Amount of recycled waste	Consolidated	The actual measured amount of recycled waste	
Amount of disposed waste	Consolidated	Total amount of waste minus actual measured amount of recycled waste	
Amount of water used	Japan	The percentage of the actual measured amount of water used in Company-owned buildings is 83.5%. The amount of water used in non-Company-owned buildings is calculated from the amount of water used per person in Company-owned buildings and the number of employees in non-Company-owned buildings.	
	Overseas	The amount used is calculated from water purchase costs and unit price by country as published by JETRO. When the cost of water is unknown, it is calculated from water use per person in Company-owned buildings in Japan and the number of employees in each overseas site.	
Business Japan	Japan	Calculated from domestic air travel expenses estimated	

travel		from domestic business travel expenses (assuming that 10% of domestic business travel expenses are air travel expenses), train travel expenses (assuming that 60% of domestic business travel expenses are train travel expenses) ,taxi travel expenses and international air travel expenses estimated from international business travel expenses (assuming that 50% of international business travel expenses are air travel expenses), emissions unit values per amount of transportation costs incurred as published by Japan's Ministry of the Environment, and emissions unit value per thousand passenger-kilometers traveled by type of transportation.	
	Overseas	Calculated from air travel expenses, train travel expenses and taxi travel expenses, emissions unit values per amount of transportation costs incurred as published by Japan's Ministry of the Environment, and emissions unit value per thousand passenger-kilometers traveled by type of transportation.	

Organizational boundary: MS&AD Insurance Group Holdings, Inc. and its consolidated subsidiaries and following non-consolidated affiliate

1	Aioi Nissay Dowa Claims Adjusting Company, Limited
2	Aioi Nissay Dowa Insurance Service Co.,Ltd
3	Fure-Ai Do Life Services Co., Ltd
4	Aioi Nissay Dowa Automobile Research Center Company, Limited

However, for gasoline and diesel oil, only Aioi Nissay Dowa Claims Adjusting Company, Limited Co., Ltd., which is in charge of insurance payment business, is included as non-consolidated affiliated companies.

*1 JETRO: Japan External Trade Organization

*2 IEA: International Energy Agency

Scope and Method of Calculating Scope3

Category	Subject	Calculation method	Emission source unit
Purchased Goods and Services	MS&AD Insurance Group Holdings, Inc. (hereinafter Holdings) and its major domestic consolidated subsidiaries	<ul style="list-style-type: none"> ○Cost of paper materials Cost × emission source unit ○Postal charges Postal charges × emission source unit 	The Ministry of the Environment's database*3 [5] Input-output table base emission source units (paper) (post)
Capital goods	Holdings and its consolidated subsidiaries	Facility investment amount x emission source unit per price of capital goods	The Ministry of the Environment's database*3 [6] emission source units per price of capital goods (financial/insurance)
Fuel- and energy-related activities (not included in scope 1 or scope 2)	Holdings and its consolidated subsidiaries	Usage amount of fuel and energy Usage amount x emission source unit	<ul style="list-style-type: none"> ①The Ministry of the Environment's database*3 [7] emission source units per usage of electricity and heat ②IDEA DB *4 emission source units per amount of fuel
Waste generated in operation	Holdings and its consolidated subsidiaries	Amount of recycled industrial waste, incineration processing, and direct landfill processing x waster type/emission source unit by processing method	The Ministry of the Environment's database*3 [8] emission source units by waste type / processing method (including waste transportation), [9] emission source units by waste type (including waste transportation)
Business travel	Holdings and its consolidated subsidiaries	Calculated from domestic air travel expenses estimated from domestic business travel expenses (assuming that 10% of domestic business travel expenses are air travel expenses), train travel expenses (assuming that 60% of domestic business travel expenses are train travel expenses) ,taxi travel expenses and international air travel expenses estimated from international business travel expenses (assuming that 50% of international business travel expenses are air travel expenses). Cost of air flight/ train/ taxi × Emission source unit per transportation expenses	The Ministry of the Environment's database*3 [11] Emission source unit per transportation expenses
Employee commuting	Holdings and its consolidated subsidiaries	<ul style="list-style-type: none"> ○Commutation allowance Calculate the allowance for commuting by multiplying the remote working rate Commutation allowance × emote working rate × Emission source unit per transportation expenses	The Ministry of the Environment's database*3 [11] Emission source unit per transportation expenses

Lease property	Holdings and its consolidated subsidiaries	○Electricity and gas used in the lease property • energy and gas consumption amount × Emission source unit per consumption amount for electricity and gas	Emission factor by energy source based on the Act on Promotion of Global Warming Countermeasures as published by Japan's Ministry of the Environment
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*3 : The Ministry of the Environment's emission source unit database (ver. 3.3) for calculating greenhouse gas emissions through the supply chain (May 2023)

*4 : IDEA Database (for calculating greenhouse gas emissions through the supply chain) ver.2.3 (27, Dec, 2019)

Editorial Policy

Concept of Sustainability Information Disclosure

The MS&AD Insurance Group issues an annual Sustainability Report so that stakeholders can better understand the sustainability-related activities at the Group. In addition to including information that is considered important by stakeholders and the Group, the report is published via a website that focuses on conservation of natural resources.

1.Toward realization of "Group which Supports a Resilient and Sustainable Society," the MS&AD Insurance Group will contribute to resolution of social issues such as climate change as a platformer of risk solutions, and will grow together with society.

- In addition to coverage for economic losses, we seamlessly provide products and services before and after compensation, and security.
- We aim to offer the best solutions through marketing that utilizes digital technology, underwriting, claims settlement, risk consulting.

2.This report focuses on the following three key priority issues that constitute "sustainability," which is one of the foundations stated in the Medium-Term Management Plan (2022 -2025): Symbiosis with global environment (Planetary Health), Safe and secure society (Resilience) and Happiness of diverse people (Well-being).

3.The report also mentions unique initiatives being carried out at Group companies (please refer below for the scope of the report).

4.The report includes a collection of sustainability-related data.

Scope of the Report

Target period

Fiscal 2022 (April 2022 through March 2023)

* Also includes some activities in and after April 2023.

Target organizations and abbreviations

The Company and Group companies are abbreviated as follows.
(The Group's domestic insurance companies are indicated with a star symbol.)

· MS&AD Insurance Group Holdings, Inc.

⇒ "MS&AD Holdings" or "HD"

· Mitsui Sumitomo Insurance Co., Ltd. (★)

⇒ "Mitsui Sumitomo Insurance" or "MSI"

· Aioi Nissay Dowa Insurance Co., Ltd. (★)

⇒ "Aioi Nissay Dowa Insurance" or "ADI"

· Mitsui Direct General Insurance Co., Ltd. (★)

⇒ "Mitsui Direct General Insurance" or "Mitsui Direct General"

· Mitsui Sumitomo Aioi Life Insurance Co., Ltd. (★)

⇒ "Mitsui Sumitomo Aioi Life" or "MSI Aioi Life"

· Mitsui Sumitomo Primary Life Insurance Co., Ltd. (★)

⇒ "Mitsui Sumitomo Primary Life" or "MSI Primary Life"

· MS&AD InterRisk Research & Consulting, Inc.

⇒ "MS&AD InterRisk Research" or "InterRisk"

Timing of Publication

This issue

December 2023

Previous issue

December 2022

Referred Guidelines


- GRI, Sustainability Reporting Guidelines (Standard)

[>](#) Linkage with GRI Guideline

- ISO26000:2010 Guidelines on social responsibility (Japanese Standards Association)

Past Sustainability Reports

[>](#) MS&AD Insurance Group Sustainability Report

[>](#) Mitsui Sumitomo Insurance's CSR Report 

[>](#) Aioi Nissay Dowa Insurance's Communication Report (in Japanese only) 