

MS&AD Insurance Group Holdings, Inc. CSR Report 2011 Index

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Advancing with you

MS&AD **MS&AD Holdings**

Message from Management

Please accept my deepest sympathies to everyone who suffered damages from the Great East Japan Earthquake in last March.

MS&AD Insurance Group installed the consultation desk immediately after the occurrence of the earthquake disaster and the personnel corresponding to our customers were reinforced sharply and as a result of thoroughgoing procedure of the payment of insurance claims, we completed mostly the payment to those customers. It is now focusing on the correspondence to our customers in stricken area which has not received the message yet, the whole Group is making effort so that all the target customers could receive the insurance payment certainly.



Not to mention the corresponding to the Great East Japan Earthquake, after the business integration in April, last year, all employees share Our Mission and Vision which were summarized as an ideal situation of the Group and engage in the business management.

And through the connection with various stakeholders, we recognize the required social roles as a global player and are promoting the quality improvement of our products, service, agent work and growth of employees, contribution to local and international communities, the approaches to various environmental problems.

After the Great East Japan Earthquake, all employees in the Group recognize the meaning of Our Mission, along with carrying out our mission, "making the payment of insurance claims to the suffered customers quickly and certainly" as a insurance and financial services group, we are conducting various activities, such as donations, volunteer activities in stricken area, and sale of indigenous products with the hope of the earliest possible revival.

And for further improvement of the approaches of CSR, we became the first financial institution to participate in the U.N. Global Compact and engage in the activities of UN Environment Programme and Financial Initiative.

We will carry out social responsibility through all of our business activities.

We would be very grateful for your continued support in the future.

Representative Director, President & CEO

A handwritten signature in black ink, which appears to read "T. Egashira". The signature is fluid and cursive, written in a professional style.

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Response to the Great East Japan Earthquake

The Great East Japan Earthquake on March 11th, 2011 brought about unprecedented damages on the Tohoku and Kanto region.

MS&AD Insurance Group establishing Our Mission that we send relief and safety through the global insurance and financial services business, put the first priority on giving the feel of relied and making the earliest payment of insurance claims, and to carry out the approaches all employees have been giving the full efforts.

The whole Group taking good care of our customers

Since we put efforts to make the payment of insurance quickly and surely, the payment procedure has completed mostly.

We introduce the special measures such as guidance of contract procedure and payment of insurance.

[Detailed information](#)

We support the reconstruction of stricken area

We make contribution of continuous support, a volunteer activity, and a donation etc.

[Detailed information](#)

We assist the preparation for disaster

We provide decision support of business contingency plans and engage in the spread of earthquake insurance etc.

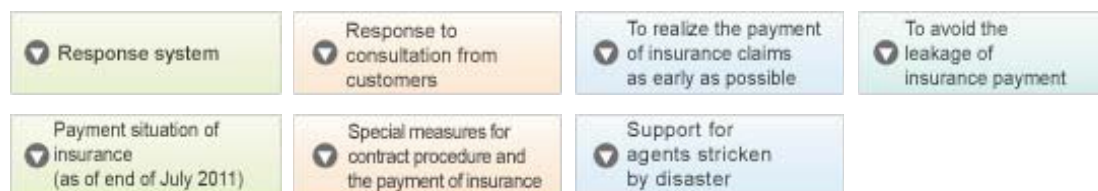
[Detailed information](#)

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MS&AD MS&AD Holdings

Response to the Great East Japan Earthquake

The whole Group taking good care of our customers



We installed the consultation desk immediately after the occurrence of the earthquake disaster and the personnel corresponding to our customers were reinforced sharply, the whole group has been taking good care of our customers. To carry out our mission that "making the payment of insurance claims to the suffered customers as quickly as possible" and to contribute the earliest revival of possible, we proceeded various approaches.

Response system

◆ Crisis measures division

On the day of earthquake occurrence, each Group Company established the crisis measures division and started the receipt of accident reports and payment of claims, and the check of damage situations of employees, agents, and office buildings etc.



◆ Structure for response to customers

MSI and Aioi Nissay Dowa established the office from which the first contact to our customers was given and all the works including the payment of insurance, and more than 20 sites of investigation in all over the eastern Japan, total of 2,000 personnel engaged in the response to the customers.(the numbers of sites and personnel are at the peak time) MSI Kirameki Life, Aioi life and MS Primary Life received the insurance claims at the headquarters and the Insurance Service Division provided those service intensively.

◆ Structure in stricken area

14 sites of MSI and Aioi Nissay Dowa in stricken area lost its functions because of the destruction of buildings after earthquake/tsunami and nuclear power plant disaster, but we continued the service to the customer at other substitute sites.

Response to consultation from customers

At MSI and Aioi Nissay Dowa, supporting personnel are dispatched to Contact Center and receiving various consultation from our customers.

They gave supports the management of contracts reference center which was established by the General Insurance Association and Life Insurance Association to deal with the issues related to that earthquake.

In order that our customer know the consultation desk widely, both non-life insurance and life insurance industries created the posters of contacts and the notice was put in the shelters and given by the newspaper advertisement and radio commercials.

To realize the payment of insurance claims as early as possible

Each of non-life and life insurance industry worked together to realize the payment of insurance claims as early as possible, the payment to those customers has completed mostly.

◆ Earthquake Insurance

- Cooperative investigation using aerial and satellite photograph was conducted and proceeded the certification of the total loss area.
- Through the investigation of documents based on the customers'self-assessment, the efficient survey of damages was performed.
- The insurance claim procedures were simplified.

◆ Life Insurance

- Some documents required for the insurance claims were made omissible.

* Please see the following web pages about the details of approaches performed by the whole Group

[General Insurance Association of Japan](#)

[Life Insurance Association of Japan](#)

To avoid the leakage of insurance payment

In order to avoid the leakage of insurance payment to our customers we are making following approaches.

◆ Earthquake Insurance

At MSI and Aioi Nissay Dowa, we provide guidance regarding the claims by documents and telephone to the customers in stricken area who have earthquake insurance and not given notice of the accidents yet.

◆ Life Insurance

At MSI Kirameki Life, Aioi Life and MSI Primary Insurance, safety confirmation of customers were conducted by agents and personnel in stricken area, and safety confirmation of customers who live in northeast 3 prefectures are being made by telephone and documents.

Payment situation of insurance (as of end of July 2011)

Number of reception of earthquake insurance and payment amount are as follows.

	Number of reception (Note1)	Completion number of investigation (Note2)	Number of payment case	Payment amount (thousand yen)
MSI	92,660	90,685	80,050	141,334,865
Aioi Nissay Dowa	89,248	86,308	76,714	153,051,743

Note1: Number of reception includes the requests of investigation of accidents, consultation, inquiries of the contents of the contract regarding the coverage of the earthquake insurance.

Note2: completion number of investigation includes the completion number of investigation, the number of cases which insurance was paid and which were not payment target, and the number of consultation by which the issue were solved.

Payment situation of life insurance is as follows.

	Number of payment case (Note)	Payment amount (thousand yen) (Note)
MSI Kirameki Life	75	680,729
Aioi Life	51	353,410
MSI Primary Life	13	79,000

Note: Including the death insurance, hospital coverage

Special measures for contract procedure and the payment of insurance

Special measures such as contract procedure and the payment of insurance are carried out for the customers who suffered a great deal of damage by that earthquake disaster.

Non-life insurance

- Grace period of contract renewal (until the end of September 2011)
- Grace period for the payment of premium (until the end of September 2011)
- Handling at the time of cancellation of fire insurance or automobile insurance when the residence or the cars are lost.

Life-insurance

- Grace period for the payment of premium (until the end of December 2011)
- Payment of total amount of disaster related insurance and benefit.
- Handling of the hospital coverage in case the medical treatment equivalent to hospitalization was given outside of hospital.

* Please see the respective web pages of each Group Company about the details of special measures

 [MSI \(Japanese only\)](#)

 [Aioi Nissay Dowa \(Japanese only\)](#)

 [Mitsui Direct \(Japanese only\)](#)

 [MSA Life \(Japanese only\)](#)

 [MSI Primary Life \(Japanese only\)](#)

Support for agents stricken by disaster

In order that agents which suffered a great deal of damage could restore the normal life as early as possible and restart the agent work, it provided supports such as solatium, lending facility with low interest. Moreover, the range of procedure that Contact Center can complete by telephone was expanded, it supported agents to reduce their works.

As for agents who suffered the damage of their office, MSI and Aioi Nissay Dowa prepared the work places with computers in their office buildings so that they could start the reception of consultation from the customers and procedure for the early payment of insurance from immediately after that disaster.

Ai Nakajima
Supervisor, Sendai Fire & Casualty Claims Service Center
Tohoku Claims Dept. MSI

I could not use computers, telephone in the office and infrastructures or public transportation, it was frustrating that I could not respond to the immediate requests of our customers. Although I felt uneasy what I could do but by the support of encouraging words from customers and whole country, I kept in mind paying insurance as early as possible and providing sincere response to our customers.

I would like to cherish the gratitude from our customers who are in serious environment, continue to perform the reliable response to our customers.



Hitoya Komeda
Tokyo 2nd Corporate Production Dept.
Aioi Nissay Dowa

At a damage investigation, a customer shed tears saying "This broken lacquer ware was given from my late mother at marriage as the marriage furniture. While there are some which can be replaced with money, unforgettable elegance never returns to origin. But by making the payment of insurance as early as possible, I was able to give a little support to help the customer regain the former life. I would continue to have the self-confidence in the work for the insurance company.



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MS&AD **MS&AD Holdings**

Response to the Great East Japan Earthquake

We support the reconstruction of stricken area

In addition to the earliest payment of insurance possible, the thought of employees of the MS&AD Insurance Group in the world that they want to support the people and companies in stricken area led to various activities.

Provision of information through “The measurement guide of the Great East Japan Earthquake”

To support early revival of customers and agents who suffered from the damage, “The measurement guide of the Great East Japan Earthquake (revival support edition)” which contains the variety of information about the official financial supports and the revival was created. This guide created all the 5 series such as the revival support edition, personal edition, power saving edition etc, and they are distributed at every site.



The measurement guide of the Great East Japan Earthquake

Volunteer activities

MS&MS&AD instituted “reconstruction assistance program” and supporting the volunteer activities by employees in the Group.

Since 30th July, about 10 employees in the Group participate in the reconstruction activity by restoring the rice fields in Minamisanriku-cho in Miyagi hit by that disaster to the rich rice field with various living things by utilizing the agricultural technique of “Fuyumizutanbo”.

[Detailed information of reconstruction assistance volunteer activities \(Japanese only\)](#)



Activities at the rice field

Continuous support

MSI and Nissay Dowa appealed for participation to neighboring residents and held the products exhibition which sells vegetables in stricken area and some sale were donated. They are planning to hold the exhibition in areas other than Tokyo.

And regional AD Club at Aioi Nissay Dowa introduced "Friendship program" that assigns the area for the supports and collected bell marks are donated to schools which participate in bell mark campaign.



MSI



Aioi Nissay Dowa

Donation for charity

The donation was collected from employees and 94,173,715 yen gathered from 21,156 employees in the whole MS&AD Insurance group and a total of 150 million yen were contributed as a group.

MSI contributes some parts of donation of "Green Power Supporter" program as the charity. Aioi Nissay Dowa contributes for the construction of wooden temporary houses in stricken area and job creation project by the donation through the approaches of web policy clauses.

Philippines charity marathon

Following the devastating news that struck the entire world last March 11, 2011, that a 9.0 intensity earthquake struck Japan, and seeing images of wide spread destruction and a feeling of desolation among the Japanese people, the employees, business partners and clients of BPI/MS decided to do their share to raise funds for those greatly affected by the earthquake and tsunami. It was an opportune time to give back and reciprocate the generosity and kindness of the Japanese people during the Filipinos' own times of crisis.

In solidarity with MSIG's relief efforts, BPI/MS Insurance Corporation organized their first ever fund raising event dubbed "Run for a Cause". Spearheaded by Ma. Perpetua Cutiongco, Business Director for Sales & Marketing, the fun run activity held last June 18, 2011 was supported by over 2,700 runners and sponsors.

The activity raised a total of JPY 900k which will be donated to the victims of the Japan earthquake through the Japan Red Cross Society.



Philippines charity marathon

Akiko Koseki
Deputy Manager, Iwate Sub-Branch
Tohoku Production Dept. MSI Kirameki Life

It is quite natural but when I saw the damages of tsunami, I felt it was our responsibility that helping the people who lost the loved ones could return to the life before the earthquake by smooth and quick insurance payment and it led to the reconstruction assistance. At forefront of marketing, we are engaging in the daily work with agents by the thought "We want to support our customers' possible incident with 'relief' of life insurance".



Fuminori Kagaya
Manager, Compliance Section
Compliance and Corporate Risk Management Dept. Aioi Life

In Ishinomaki area where I conducted safety confirmation of our customers, roads were now open but traffic signals were not working around the railroad station, and tsunami outflow area seems to be the burned field without the remain of a burn. I met a young mother with facing front and saying "My father and mother who had contract died and my daughter who is insured goes to the kindergarten vigorously.", I felt victims of the disaster sorted out the mind as it is painful and turned to a front to live. We will continue the supports with deeply associate with our customers by the MS&AD Insurance Group as a whole.



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MS&AD MS&AD Holdings

Response to the Great East Japan Earthquake

We assist the preparation for disaster

That earthquake disaster brought about the serious damage far beyond imagination and prediction of us. Although we can not predict a natural disaster and cannot prevent it, the preparation and know-how for emergency can be offered, and we can help for the restoration at the time of disaster.

Support to instate the business continuity plan

At that earthquake disaster, delay of the commodity supply by the discontinuation of a supply chain, close up of business continuation in companies, electric power shortage were taken up greatly.

MSI and Aioi Nissay Dowa support to instate and review the business continuity plan (BCP).

The activities include publishing and free distribution of the "The Great East Japan Earthquake countermeasure guidebook(business continuing and decision making edition)" and cases of reconstruction edition through the Group's consulting firm, InterRisk Research Institute & Consulting,Inc., holding seminars in all over the country, offering various consulting etc.

[Web page of InterRisk Research Institute & Consulting \(Japanese only\)](#)

Spread of Earthquake Insurance

Based on "Act for Earthquake Insurance", earthquake insurance is managed by both government and the non-life insurance companies, and aims to contribute for building the disaster victims' stability of a life. After the Great East Japan Earthquake, we received many opinions "it was really good to have joined earthquake insurance" from disaster victims at the time of payment of insurance. We rediscovered the importance of that customers understand the necessity and the contents of earthquake insurance correctly, and many of people to have earthquake insurance, we are making efforts for the spread.

Mihoko Obara
Representative Director
Obara Sogo Service Company

Fortunately I survived tsunami since I lived in Yamada-machi where devastated by tsunami but my area was beyond the hill. I was stunned to see the tragedy like the hell but in appreciation of the life I have, I began the activity as an agent and as a member of the area. I distributed cooked rice in the light of candles and let the victims of the disaster use the bath in my house. When mobile phones began working and hearing the loss of our customers and relatives, friends, I cried with their families. During the four months after the disaster I could deepen more than ever the unity with my district and customers, I decided to do my best for the district.



Jun Nagai
Director and General Manager, Sendai Branch
JIC Co., Ltd.

The office in Wakabayashi-ku, Sendai city survived tsunami because the Eastern Sendai road became the barrier of tsunami. But the spectacle from my office building was awful with full of rubble and countless destroyed cars. I received a lot of grateful voice from our customers at the time if accident report and payment if insurance. When accepting the consultation of the enrollment in the earthquake insurance, I realize the importance of agents. I will provide the best insurance service to customers for the preparation of any possibilities.



Takashi Kubota
General Manager, Corporate Planning Dept.
The holding company

Please accept my deepest sympathies to everyone who suffered damages from the Great East Japan Earthquake.

In a phase of primary function of insurance companies was called into question, we put utmost efforts to bring the security feeling to the customers and maintain the foundation. In MS&AD Insurance Group, the phase is shifting from the payment of insurance claims certainly to the approaches to provide supports for the reconstruction as corporate citizen. Since March 11th, all employees in the Group re-realized and taking action for achieving Our Mission, Our Vision and Our Values, we will carry out the social responsibility and work harder than ever.



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CSR information Perspectives of disclosure

MS&AD Insurance Group issues CSR report every year so that stakeholders could understand our CSR activities. While incorporating the detailed information about CSR activity of the Group, in order to consider the resource saving, main knitting is provided through the web. The Digest version is also issued so that overall pictures of the approaches could be more understandable.

- Implemented actions(main items) for achieving the social responsibility that the MS&AD Insurance Group is required by stakeholders are reported by subject.
- The characteristic measures in each company of the MS&AD Insurance Group is reported, (Coverage of report is as follows)
- The approaches which should be reported after issuance of CSR report will be published in our website.

Scope of report

Subject Period

FY2010 (April 1, 2010 - March 31, 2011)

* The report also includes some activities that began in April 2011 or later.

Subject organization and abbreviation

The following is a list of abbreviations for the Group and its member companies.
(Domestic insurance companies in the Group are indicated by asterisks.)

MS&AD Insurance Group

MS&AD Insurance Group Holdings, Inc.

» The holding company

Mitsui Sumitomo Insurance Co., Ltd.

» MSI*

Aioi Nissay Dowa Insurance Co., Ltd.

» Aioi Nissay Dowa*

Mitsui Direct General Insurance Co., Ltd.

» Mitsui Direct*

Mitsui Sumitomo Kirameki Life Insurance Co., Ltd.

» MSI Kirameki Life* *1

Aioi Life Insurance Co., Ltd.

» Aioi Life* *1

Mitsui Sumitomo Primary Life Insurance Co., Ltd.

» MSI Primary Life* *2

The former Aioi Insurance Co., Ltd.

» The former Aioi*

The former Nissay Dowa General Insurance Co., Ltd.

» The former Nissay Dowa*

The former Mitsui Sumitomo MetLife Insurance Co., Ltd.

» The former MSI MetLife *2

*1 MSI Kirameki Life and Aioi Life merged on October 1, 2011 and formed Mitsui Sumitomo Insurance Aioi Life Insurance Co., Ltd. The report describes the former MSI Kirameki Life as MSI Kirameki Life and the former Aioi Life as Aioi Life.

*2 MSI MetLife altered its corporate name to Mitsui Sumitomo Primary Life Insurance Co., Ltd. in April 2011.

Publication

Publication of This Issue

October 2011

Previous Publication

December 2010

Next Publication

October 2012 (planned)

Reference Guidelines

- GRI, Sustainability Reporting Guidelines (Version 3.0)
[Index for GRI guidelines](#)
- ISO26000: 2010 Guidance on social responsibility (Japanese Standards Association)

Past CSR Reports

- ▣ CSR reports of MS&AD Insurance Group (2010 [Full version](#) [Digest version](#))
- ▣ CSR reports of former Mitsui Sumitomo Insurance Group (before 2009)
- ▣ CSR reports of Aioi Nissay Dawa Insurance Co., Ltd. (before 2010) (Japanese only)

Inquiries

CSR Section, Corporate Planning Department
MS&AD Insurance Group Holdings, Inc.
Yaesu First Financial Building,
Yaesu 1-3-7, Chuo-ku, Tokyo 103-0028, Japan
TEL : +81-3-6202-5269 / FAX : +81-3-6202-6882
Mail : aaa703_csr@ms-ad-hd.com

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MS&AD **MS&AD Holdings**

Profile of the MS&AD Insurance Group

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

Outline

Presents the outline of the Group.

➤ [Company Data](#)

➤ [Organizational Chart](#)

➤ [History](#)

Financial Statement Highlights

Presents digest information for the performance of the MS&AD Insurance Group.

[Detailed information](#) ➤

Structure of the Group

Presents the organization structure of the holding company and each member company.

[Detailed information](#) ➤

Development of Group Business

The MS&AD Insurance Group is promoting a global development of business mainly in five major fields: domestic non-life insurance, domestic life insurance, overseas business, financial services, and risk-related services.

[Detailed information](#) ➤

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Company Data

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.

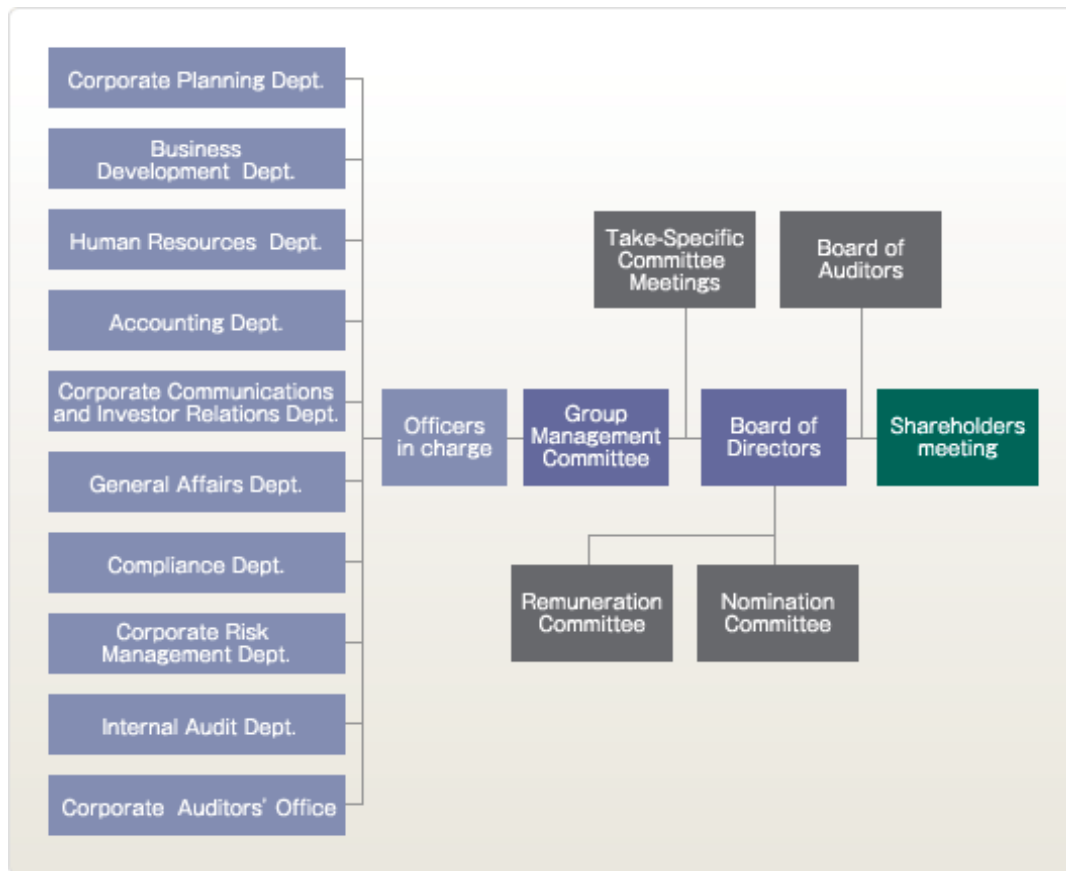
The purpose of MS&AD insurance Group is to achieve sustainable growth and to enhance enterprise value through the creation of a world-class insurance and financial services group that operates globally, by rapidly and significantly improving quality and expanding its operating presence and corporate 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	Yaesu First Financial Building, Yaesu 1-3-7, Chuo-ku, Tokyo, Japan [Map]
Representative	Representative Director, President & CEO Toshiaki Egashira
Board of Directors	Board Members
Paid-in Capital	100,000,000,000 yen
Number of Employees	94(As of March 31, 2011)
Business Description	Our activities as a holding insurance company are: 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 (First Section) Osaka Securities Exchange (First Section) Nagoya Stock Exchange (First Section)

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MS&AD **MS&AD Holdings**

Organizational Chart



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History

April 2008	MSIG Listed on Tokyo Stock Exchange and Osaka Securities Exchange and Nagoya Stock Exchange
	MSIG is incorporated
September 2009	Aioi Insurance, Nissay Dowa General Insurance, and Mitsui Sumitomo Insurance Group reach basic agreement on business integration. In conjunction, announced integration plan, presidents of the holding companies, addresses, descriptions and corporate name, etc.
April 2010	MSIG changed its name to MS&AD Insurance Group Holdings
October 2010	Aioi Insurance and Nissay Dowa Insurance merged into "Aioi Nissay Dowa Insurance"
April 2011	MS&AD Holdings acquired a 100% stake in Mitsui Sumitomo MetLife Insurance Co., Ltd. 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 \(link to website\)](#)

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MS&AD MS&AD Holdings

Profile of the MS&AD Insurance Group

Financial Statement Highlights

Presents digest information for the performance of the MS&AD Insurance Group.

Outline of consolidated financial statements / Fiscal 2010 (MS&AD Holdings)

(100 million yen)

	Fiscal 2009*1	Fiscal 2010		
			Increase-decrease	Increase-decrease rate [%]
Net premiums written*2	25,190	25,414	223	0.9
Ordinary profit	991	210	-781	-78.8
Net income	573	54	-519	-90.5
Total assets	114,813	114,450	-363	-0.3
Net assets	18,623	16,333	-2,289	-12.3

Ordinary profit and Net income of fiscal 2010 includes the impacts of underwriting expenses of the Great East Japan Earthquake, 64.7billion yen. (excluding the Residential Earthquake Insurance)

Net premiums by lines (Group total)

Net premiums written by lines*2

(100 million yen)

	Fiscal 2009*1		Fiscal 2010	
		Increase-decrease rate [%]		Increase-decrease rate [%]
Fire	3,717	0.5	3,545	-4.6
Marine	842	-19.4	894	6.2
Personal accident	2,087	-1.1	2,127	1.9
Voluntary automobile	12,519	0.1	12,895	3.0
Compulsory automobile liability	2,726	-8.7	2,738	0.4
Other	3,296	-7.6	3,212	-2.6
Total	25,190	-2.8	25,414	0.9

Insurance premium paid by lines

(100 million yen)

	Fiscal 2009*1		Fiscal 2010	
		Increase-decrease rate [%]		Increase-decrease rate [%]
Fire	1,527	2.6	1,373	-10.1
Marine	462	-5.2	398	-13.9
Personal accident	1,151	5.9	1,125	-2.2
Voluntary automobile	7,998	1.9	8,370	4.6
Compulsory automobile liability	2,581	-2.8	2,608	1.1
Other	2,412	5.4	1,984	-17.7
Total	16,134	1.7	15,861	-1.7

*1 FY2009 figures are the simple aggregate of those for the former MSIG (consolidated), the former Aioi (consolidated), and the former Nissay Dowa (non-consolidated).

*2 Figures are presented exclusive of the "Good Result Return (GRR)" premiums of MSI's proprietary automobile insurance product "Modo-Rich," which contains a special clause for premium adjustment and refund at maturity.

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Profile of the MS&AD Insurance Group

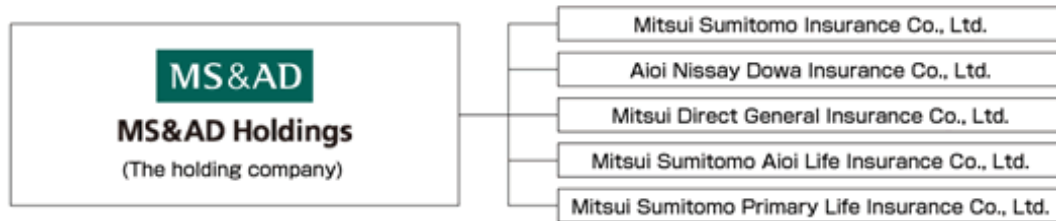
Structure of the Group

The MS&AD Insurance Group continues to take up challenges toward its goal of becoming one of the world's leading insurance and financial groups.

Mitsui Sumitomo MetLife Insurance turned into a wholly-owned subsidiary of the holding company in April 2011 and Mitsui Sumitomo Primary Life Insurance Co., Ltd. was newly established.

And MSI Kirameki Life and Aioi Life merged on October 1, 2011 and formed Mitsui Sumitomo Aioi Life Insurance Co., Ltd.

■ Organizational structure of the Group



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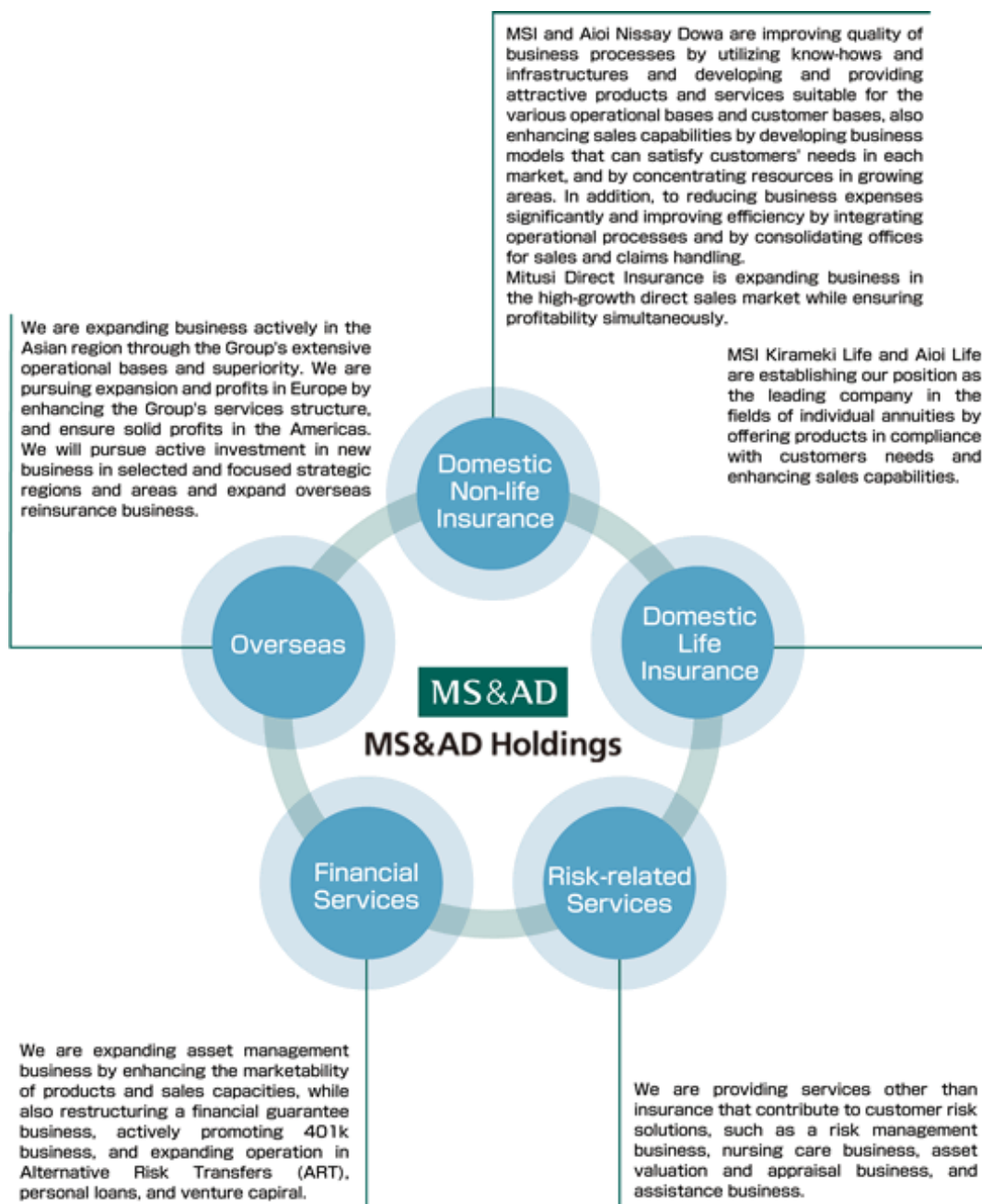
MS&AD **MS&AD Holdings**

Profile of the MS&AD Insurance Group

Development of Group Business

We will pursue group synergies by combining our comprehensive strengths to provide high-quality products and services that meet the needs of individual customers.

Diagram of Group business development



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CSR in the MS&AD Insurance Group

Aspiration of the MS&AD Insurance Group(Mission, Vision, and Values)

Presents our mission, vision, and values.

[Detailed information](#) ⓘ

CSR Management in the MS&AD Insurance Group

All of our business activities are for realization of our mission and vision. Discharging our corporate social responsibility through all our business activities is the Group's CSR management.

[Detailed information](#) ⓘ

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CSR in the MS&AD Insurance Group

Aspiration of the MS&AD Insurance Group (Mission, Vision, and Values)

Through rapid and significant improvement and expansion of our operational base and corporate resources in both qualitative and quantitative terms, we intend to create a globally operating and world-leading insurance and financial services group, and achieve sustainable growth while enhancing enterprise value.

To paint a vivid portrait of the kind of corporate group we aspire to be, we determined our mission, vision, and values, as follows.

Aspiration of the MS&AD Insurance Group	
Our Mission Significance of the Group	To contribute to the development of a vibrant society and help secure a sound future for the earth, by bringing security and safety through the global insurance and financial services business
Our Vision Aspiration of the Group	To create a world-leading insurance and financial services group that consistently seeks sustainable growth and to enhance enterprise value
Our Values Things to be cherished in our daily activities to realize our mission	CUSTOMER FOCUSED We continuously strive to provide security and achieve customer satisfaction
	INTEGRITY We are sincere, kind, fair and just in all our dealings with everyone
	TEAMWORK We achieve mutual growth by respecting one another's individuality and opinions, and by sharing knowledge and ideas
	INNOVATION We listen to our stakeholders and continuously seek ways to improve our work and business
	PROFESSIONALISM We make continuous efforts to improve our skills and proficiency to provide high quality services

Medium-term Management Plan "MS&AD New Frontier 2013"

➡ [Medium-term Management Plan "MS&AD New Frontier 2013"](#)

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MS&AD **MS&AD Holdings**

Medium-term Management Plan

MS&AD Insurance Group Medium-Term Management Plan

MS&AD New Frontier 2013

1. Basic Strategy of the Group

Win customer's trust and realize growth through quality improvement.

- Make every operation customer focused and deliver to all variety of customers products and services of the highest quality.
- Establish virtuous cycles and realize sustainable growth by injecting profits obtained from growth back into quality improvement.

Integrate all the power of the Group and pursue group synergies to enhance profitability even further.

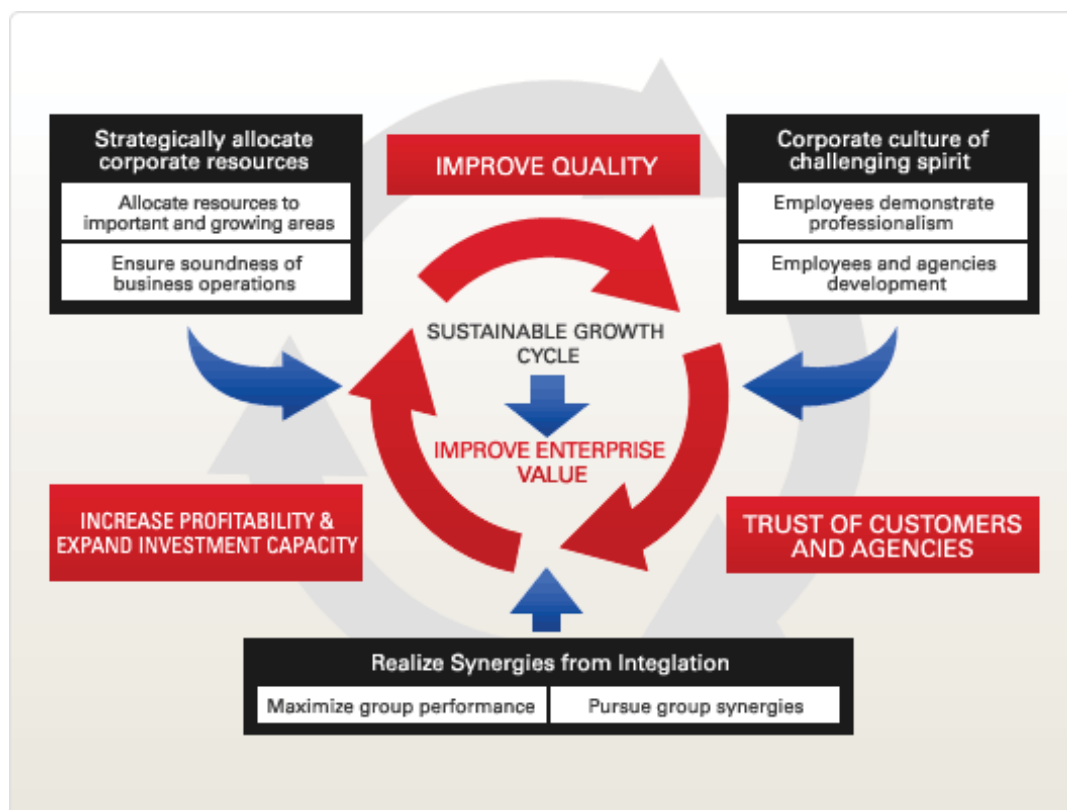
- Aim to enhance efficiencies and increase group profitability by pursuing synergies within the Group.
- Revise all of the Group's operations from the perspective of maximizing performance of the Group, utilizing integration of operational processes and computer systems and development of shared services, and capitalize on economies of scale.

Allocate resources strategically to selected and focused areas, as well as secure soundness of business operations.

- Allocate expanded corporate resources into important and growing areas and aim to make an efficient use of resources and to accelerate growth of the Group.
- Secure the soundness of the entire Group, by conducting business operations in each group company with the soundness required in the insurance and financial service businesses and by establishing a Group-wide corporate governance structure with the core of the holding company.

Foster a corporate culture of challenging spirit as professionals and grow with employees and agencies.

- Foster a corporate culture under which every single employee tackle challenges as a professional.
- Create a group that its members are proud of and want to work for and in which employees and agencies can grow with the Group.



2. Business Domain and Individual Strategies

To grow as a group with business domains of domestic non-life insurance, domestic life insurance, overseas business, financial services, and risk-related services by expanding each of these businesses.

Domestic Non-life Insurance Business

Mitsui Sumitomo Insurance, Aioi Nissay Dowa Insurance, Mitsui Direct General Insurance

- To develop and provide attractive products and services suitable for the various operational bases and customer bases.
- To enhance sales capabilities by developing business models that can satisfy customers' needs in each market, and by concentrating resources in growing areas.
- To improve quality of business processes and to create best practices by utilizing know-hows and infrastructures of Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance.
- To reduce business expenses significantly and to improve efficiency by integrating operational processes and by consolidating offices for sales and claims handling.
- To ensure profitability while simultaneously expanding business in the high-growth direct sales market.

Domestic Life Insurance Business

Mitsui Sumitomo Aioi Life Insurance, Mitsui Sumitomo Primary Life Insurance

- To accelerate growth by providing customers with attractive products and services mainly through cross-selling as well as through other sales channels such as financial institutions, life insurance agencies, and direct sales on expanded operational bases.
- To establish the Group's position as a leading company in the area of individual annuities business by providing products that meet customers' needs and by enhancing sales capabilities.

Overseas Business

- To expand business actively in the Asian region through the Group's extensive operational bases and superiority.
- To pursue expansion and profits in Europe by enhancing the Group's services structure, and to ensure solid profits in the Americas.
- Active investment in new business in selected and focused strategic regions and areas.
- To expand overseas reinsurance business.

Financial Services Business

- To expand asset management business by enhancing the salability of products and sales capabilities.
- To restructure a financial guarantee business in response to the structural changes in the financial market.
- To actively promote 401k business that responds to both corporate and individual needs.
- To expand ART (Alternative Risk Transfer) business, personal loan related business, and venture capital business.

Risk Related Services Business

- To provide services other than insurance services, that contribute to customer's risk solutions. (Risk management business, nursing care business, asset valuation and appraisal business, and assistance business)
- To promote new businesses in light of changes in the business environment.

3. Medium-Term Targets (Numerical Targets)

Target Business Portfolio

(unit: billion yen)

	Fiscal year 2013 (Target)
Profit Indicators for the group*	150.0
Domestic non-life insurance	100 (67%)
Domestic life insurance	15 (10%)
Overseas business	30 (20%)
Financial services/Risk related service business	5 (3%)

The figures in the () indicate breakdown.

Numerical Targets

(unit: billion yen)

	Fiscal year 2013 (Target)
Non-life consolidated net premiums written	2,700
Life annualized premium in force*1	330
ROE based on Group Core Profit*2	7%

*1: The Annualized premium in force of Mitsui Sumitomo Aioi Life(excluding group insurance)

*2: ROE based on Group Core Profit=Group Core Profit ÷ Consolidated shareholders'equity (excluding minority interest; average of starting and ending amounts)

*Profit Indicators for the group

Group's Core Profit = consolidated net income - net capital gains/losses on stock portfolio (gains/losses from sale, etc.) - net evaluation gains/losses on credit derivatives - other incidental factors + equity in earnings of the non-consolidated group companies

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MS&AD **MS&AD Holdings**

CSR in the MS&AD Insurance Group

CSR Management in the MS&AD Insurance Group

▼ Pillars of Approaches

▼ Formulation of KPIs* to promote CSR management

▼ Participation to overseas Initiatives

▼ External Evaluation

It is the mission of the MS&AD Insurance Group to contribute to the development of a vibrant society and help secure a sound future for the earth, by bringing security and safety through the global insurance and financial services business.

We intend to discharge our corporate social responsibility based on our basic idea that all of our business activities are for realization of our corporate mission and vision. The MS&AD Insurance Group places this as our CSR management.

Pillars of Approaches

The two pillars of our approaches to CSR management are creating a sustainable society through our core business and sharing our mission, vision, and values.

Pillar of approaches I

Creating a sustainable society through our core business

As an entity engaged in a global development of business, the Group is required to take action that will help to create a sustainable society. We strive to response to expectations and needs from local and international communities and create a sustainable society through our core operations. To present the status of our approaches in an easy-to-understand manner, we will disclose information with objective indicators.

Pillar of approaches II

Sharing our mission, vision, and values

We will practice the **values** in order to realize the **mission, vision** as well as the first pillar of approaches.

In intangible insurance and financial services, the work of each of us is the very product. We consider it is important that we always consider the linkage of our each work with the society and to practice the value in order to realize the mission, vision as well as realizing the first pillar of approaches.

Formulation of key performance indicators(KPIs) to promote CSR management

The MS&AD Insurance Group is working on the following approaches in order to bring security and safety to stakeholders and for lasting contribution to enrichment of society and a sound future for the earth in line with the two pillars of our approaches.

Stakeholders	Main approaches
Customers	Approaches to the improvement of quality of products and services
Agents	Approaches to the growth and improvement of Agents
Employees	Approaches that lead to the growth of employees
Local and International Communities	Contribution to the building of sustainable societies
Global Environment	
All stakeholders including shareholders, business partners	Approaches for stabilization of operating basis

We are formulating key performance indicators(KPIs) for promoting these approaches.

KPIs will enable the effective approaches by visualizing the progress of main approaches with objective indicators in line with the PDCA cycle in line with the PDCA cycle.

We also believe that clearly indicating KPIs will make it possible for employees themselves to learn how they are helping to create a sustainable society through their work.

Participation to overseas Initiatives

◆ Participation in the U.N. Global Compact*

In June 2004, MSI became the first financial institution to proclaim its support of the U.N. Global Compact. MS&AD Insurance Group will take over the support and continue the active participation.

* The Global Compact is an initiative that was advocated by Kofi Anan, the former U.N. Secretary-General, in 1999. It calls upon globally active companies to observe and practice ten principles related to human rights, labour, the environment, and anti-corruption.



◆ Ten principles in Global Compact

Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.
- Principle 2: make sure that they are not complicit in human rights abuses.

Labour

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Principle 4: the elimination of all forms of forced and compulsory labour.
- Principle 5: the effective abolition of child labour.
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges.
- Principle 8: undertake initiatives to promote greater environmental responsibility.
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Participation in the UN Environmental Program UNEP Finance Initiative (UNEP FI)

MSI and Aioi Nissay Dowa are participating in UN Environmental Program UNEP Finance Initiative(UNEP FI). to seek the concept of good service, spread and promote the service at financial institution taking into account the environment and social sustainability.

External Evaluation

Socially Responsible Investment(SRI); a method that assessing the company not only through the profitability but from a viewpoint of Corporate Social Responsibility(CSR) and investing in the company is practiced widely. MS&AD Insurance Group is utilizing the assessment provided by major SRI evaluation organization for improvement of approaches. As of July, 2011, MS&AD Insurance Group is included in the following components of SRI Index.

- FTSE4Good index series
- Ethibel PIONEER and EXCELLENCE Investment Registers
- Morningstar Socially Responsible Investment Index(MS-SRI)



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MS&AD **MS&AD Holdings**

Management

Corporate Governance

We have established a management framework equipped with transparency and internal checking functions, and are striving to heighten our corporate value for the purpose of long-term stability and advancement.

[Detailed information](#)

Compliance

Each and every one of our executives and employees follows laws, regulations, and internal rules, and engages in business activities grounded in a keen sense of ethics.

[Detailed information](#)

Risk Management

We have positioned risk management as a key task of the Group's management, and are taking approaches to ensure our ability to fulfill our responsibilities to all of our stakeholders.

[Detailed information](#)

Information Management

For proper handling of customer information, we are working to bolster arrangements for information management throughout the Group.

[Detailed information](#)

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Corporate Governance

Our basic philosophy on corporate governance and management structure.

- ▶ [Basic Policies on Corporate Governance](#)
- ▶ [Board of Directors and Board of Corporate Auditors](#)
- ▶ [Items regarding Execution , Audit, Monitoring, Nomination, and Remuneration.](#)
- ▶ [MS&AD's Basic Policy Regarding Internal Control System](#)

Reference Material

 [Articles of Incorporation \(PDF file 21KB/7pages\)](#)

Displays our corporate articles of incorporation.

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Corporate Governance

Basic Policies on Corporate Governance

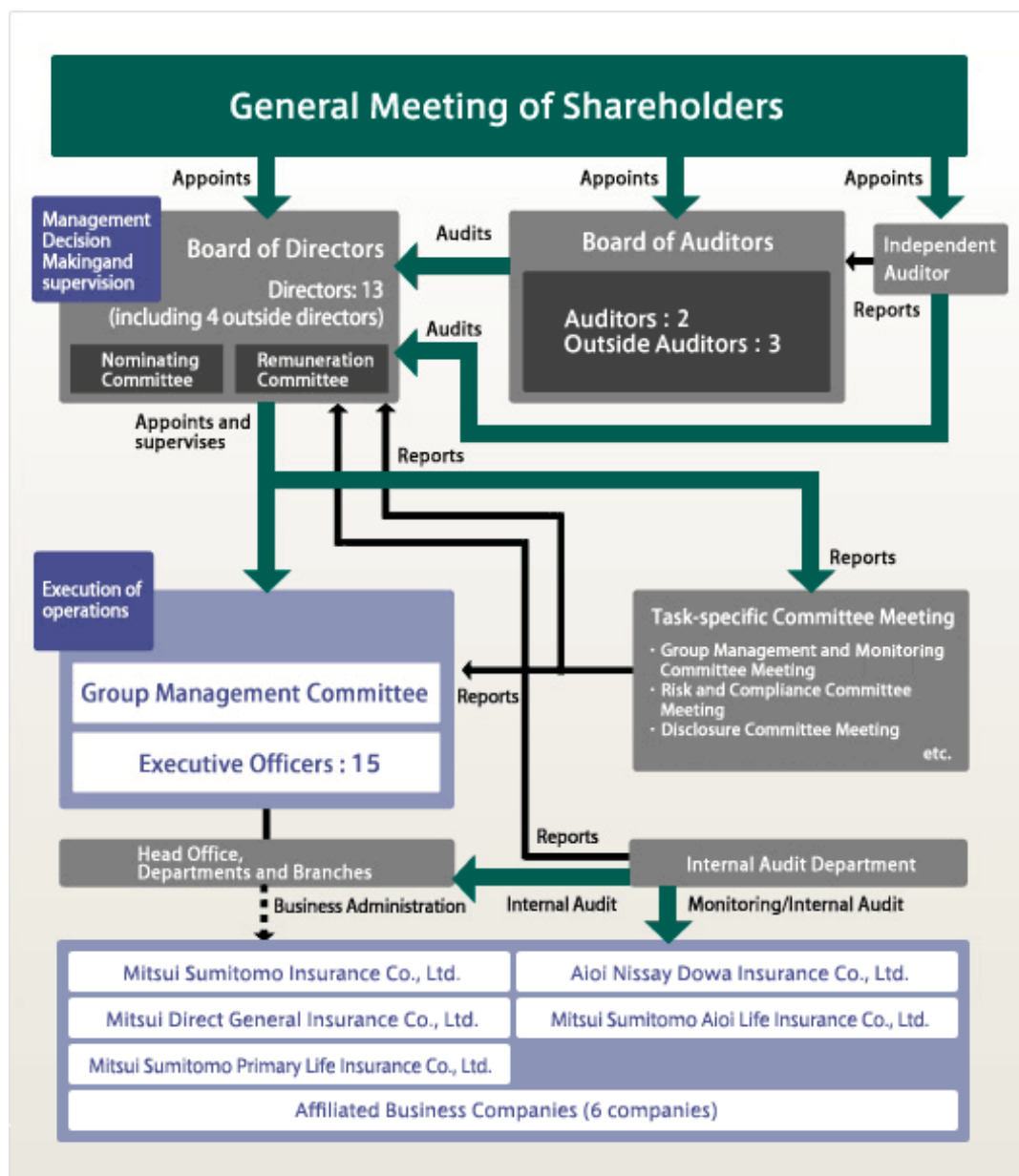
Basic Policies

In line with its Management Philosophy, MS&AD, as a holding company overseeing all group businesses, has established a transparent management framework that incorporates internal checking functions. The Company's objectives are to sustain consistent growth over the long term by using corporate resources efficiently and managing risks properly and ultimately, to further increase corporate value.

Corporate Governance Structure

As a company whose operations are reviewed by corporate auditors, MS&AD is working to improve corporate governance in large part by reinforcing the functions of the Board of Directors and Board of Corporate Auditors, and through the active disclosure of information.

MS&AD has introduced an executive officer system and is strengthening the control of MS&AD management by clarifying the roles of the Board of Directors, who are responsible for management decision-making and supervision, and the Executive Officers, who are responsible for business execution. Moreover, MS&AD believes that in order to reinforce the management monitoring and supervision functions, and thereby making the management highly transparent, it is crucial to incorporate perspectives independent of the management. Consequently, 4 of the 13 members on the Board of Directors and 3 of the 5 Corporate Auditors are selected from outside. In addition, the Board of Directors has two internal committees: the Nomination Committee and Remuneration Committee, which are chaired by outside directors who also account for the majority of the members.



Management structure for group business

MS&AD has a business management agreement with its directly invested insurance subsidiaries (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.) to provide business administrative support.

MS&AD believes that obtaining timely and accurate information regarding the business of its subsidiary companies is beneficial to the smooth operations of the group. Therefore, MS&AD board members concurrently serve as directors of the subsidiary companies. Furthermore, directors from the subsidiary companies participate in Group Management Committees depending on the topic.

MS&AD also has a business management agreement with each of its directly invested affiliated business companies to do business administration and management of them as the parent company.

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Corporate Governance

Board of Directors and Board of Corporate Auditors

Corporate Relationship with Outside Directors - Applicable supplemental Information

Toshihiko Seki: Professor of Tohoku University, Professor of Hosei University Law School.

Akira Watanabe: Attorney at Seiwa Meitetsu Law Office.

Mitsuhiro Umezu: Associate Professor of Keio University Business & Commerce.

Daiken Tsunoda: Attorney at Law of Nakamura, Tsunoda and Matsumoto Law Firm.

Cooperation between Auditors and Accounting Auditor

Plans, operations and outcomes of auditing shall be reported by Accounting Auditors at regular meetings.

Additionally, various issues surrounding accounting audit shall be discussed when necessary.

Cooperation between Corporate Auditors and Internal Audit Department

Regular liaison meetings shall be convened to discuss issues such as audit policy and its operations.

All audit results from Internal Audit Department shall be reported to Corporate Auditors.

Relationship between Outside Corporate Auditors and MS&AD - supplement to terms of compliance

Sousuke Yasuda: Senior Adviser of Gyosei & Co., Former Managing Partner of Gyosei & Co.

Kuniaki Nomura: Attorney at Nomura Sogo Law Office

Hiroyuki Tezuka: Attorney at Nishimura Asahi Law Office

Supplement to Information Disclosure of Board of Directors' Remuneration (total of all Directors combined)

The total remuneration of all Board of Directors combined as well as the total remuneration of all Corporate Auditors combined shall be disclosed. Of the amounts involved, each shall also disclose the total remuneration of Outside Directors and that of Outside Corporate Auditors respectively.

Directors and Auditors of the Board receive compensation in cash. We have obliged eight Directors who execute businesses of MS&AD or MSI out of the nine internal Directors to buy our stocks monthly at the market price by a specified amount of money or more based on the remuneration rules that apply. We have no stock option grants. We do not make any loans to Directors and Auditors of the Board. We do not have any pension plans for Directors and Auditors of the Board, and do not make any lump-sum payments to them upon retirement.

Support system of Outside Directors (Outside Corporate Auditors)

Outside Directors shall be supported by the Corporate Planning Department and Outside Auditors shall be supported by the Corporate Auditors' Office.

The Corporate Planning Department, serving as the administrative office of the Board of Directors, shall explain the agenda of Board of Directors meeting to Outside Directors and Outside Auditors prior to the meeting. In addition, information regarding risks shall be reported as needed to all Directors and Auditors, including those from outside.

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Corporate Governance

Items regarding Execution , Audit, Monitoring, Nomination, and Remuneration

1. Execution and Monitoring Functions

(1) Board of Directors

To strengthen the functions of decision-making and monitoring of important business operations, the Board of Directors appoints 4 Outside Directors.

The Chairman chairs the Board and does not serve as the chief executive officer from the standpoint of separating supervision and execution.

(2) Group Management Committee

The Group Management Committee is responsible for deliberating certain key issues of the Company and MS&AD, including management policy and strategy. It also monitors specific business operations by receiving reports on approved matters from the director in charge.

(3) Task-Specific Committee Meetings

The Task-Specific Committee Meetings have been set with the aim to deliberate various key issues in management when executing operations as well as to coordinate perspectives across various departments. The main committees are listed as below.

- Group Management and Monitoring Committee Meeting (basically twice a month)
Upon receiving reports on matters related to board of directors and management committee of direct subsidiaries of MS&AD, the committee meeting ensures healthy finance of the group companies and insures appropriate risk management and operation.
- Risk Compliance Committee Meeting (basically 4 times a year)
While monitoring the overall risk management and compliance matters of MS&AD, it also deliberates and coordinates the key issues.
- Information Disclosure Committee Meeting (basically 4 times a year)
With the aim to appropriately disclose MS&AD corporate information including the financial data, it examines in-house operation procedures and evaluates the effectiveness of internal control.

2. Functions for Nomination and setting Remuneration

The Nomination Committee and Remuneration Committee have been established as internal committees of the Board of Directors, to ensure transparency.

- Nomination Committee
It advises the Board of Directors by deliberating important personnel matters such as nominees for MS&AD Directors and Corporate Auditors or the appointment of Directors and Corporate Auditors for subsidiaries directly invested in by MS&AD.
- Remuneration Committee
It advises the Board of Directors on matters related to remuneration of MS&AD's Directors and Executive Officers as well as the director compensation system of subsidiaries directly invested in by MS&AD.
In order for the Remuneration Committee to function sufficiently, there are no overlaps between Directors or Auditors of the Board of MS&AD and the entities to which the outside Directors of the Remuneration Committee belong.

3. Audit and Monitoring functions

(1) Board of Auditors

The Board of Auditors consists of 2 full-time and 3 part-time Auditors (Outside Auditors). Following the principles and plans of audit laid out by the Board of Auditors, each Corporate Auditor audits the performance of the Directors, internal control and other affairs, by attending key meetings including the Board of Directors Meeting as well as consulting important settlement documents, monitoring each in-house department, and inspecting the subsidiaries. In addition, an Auditor of the Board may utilize outside advisors at MS&AD's expense as required.

(2) Audit Committee

KPMG AZSA & Co. is to be the appointed accounting auditor, which does not have any conflict of interest with MS&AD.

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Corporate Governance

MS&AD's Basic Policy Regarding Internal Control System

The system stipulated in this policy was established to be in alignment with the Corporation Law in addition to holding “securing trust on financial reporting” as its top priority. The summary of the basic policy is as follows.

1. System to ensure appropriate operations of corporate group comprised of MS&AD and its subsidiaries

- (1) From the perspective of maximizing the corporate value of the whole group, the Company shall control business affairs of the whole group and shall exercise its shareholder's right accordingly to its direct subsidiary (“direct investment subsidiary”).
- (2) The Company shall conclude a management agreement with its direct investment subsidiary. Based on that contract, the Company shall call for the direct investment subsidiary to comply with the Group Basic Policy as well as to seek approval from and report to the Company on any important matters related to direct investment subsidiary. Additionally, in relation to sub-subsidiary, the direct investment subsidiary shall, in principle, manage its own subsidiaries accordingly as agreed in the contract.

2. System to ensure the assignments of the Directors are carried out efficiently

- (1) As well as formulating the Group management plan, the Company shall set the task-specific numerical targets and appropriately distributes the managerial resources needed to realize that plan. In addition, the Company and its subsidiary's execution of business operations shall be reported to the Board of Directors.
- (2) To realize rapid decision-making and appropriate monitoring, the Company shall introduce an executive officer system, appoint outside directors and set the number of Directors at 15 or less.
- (3) To ensure assignments of Directors and Executive Officers are carried out appropriately and efficiently, the Company shall establish rules of organizational and administrative authority and clarify the assignments to be implemented and the relevant authority.

3. System to ensure that the assignments of the Directors and the employees adhere to laws and the article of incorporation

- (1) In accordance with the MS&AD Insurance Group Basic Policy on Compliance set out by the Holding Company's Board of Directors, the Company and its Group companies shall make sure that each and every director and employee is aware of the importance of compliance, ensure compliance with all applicable legislation and internal regulations, etc. and maintain high ethical standards as part of all business activities.
- (2) To promote and complete compliance program in the Company and the Group companies, MS&AD shall maintain organizational structure of Compliance Department and report regularly on overall compliance promotion situations of the Group to the Board of Directors. To monitor compliance promotion, it shall set Risk Compliance Committee and take necessary measures on issues identified by it.
- (3) The Company and the Group companies shall set up an internal report system so that all directors and employees may directly report to in-house contacts or outside lawyers on individual or group behaviors that are unjust, illegal, or unethical.

4. Regulation and System Related to Managing Risks of Losses (Integrated Risk Management System)

- (1) In addition to establishing a shared basic understanding in accordance with the MS&AD Basic Policy on Risk Management set out by the Company's Board of Directors, the Company and its Group companies shall formulate company-specific risk management policies and take appropriate risk management measures in line with circumstances at each company.
- (2) The Company's Board of Directors shall establish a risk management department and put in place the necessary organizational framework to identify the full range of risks inherent in the Group's activities and effectively implement integrated risk management. To monitor risks and risk management activities, the Company shall also establish a Risk Compliance Committee and take all necessary measures to avoid and minimize risks, based on the results of consultations held by the Committee (including the results of integrated risk management evaluation (quantitative analysis)).
- (3) The Company shall evaluate risk management and business contingency plans at Group companies and establish a risk management and business contingency plan for the Group as a whole.

5. System to ensure credibility of Financial Report

- (1) Out of the Corporate Auditors, the Company shall nominate at least one person who is equipped with sufficient knowledge of accounting or finance.
- (2) In accordance with the MS&AD Insurance Group Basic Policy on Disclosure Regulation set out by the Company's Board of Directors, the Company and its Group companies shall put in place the necessary framework to ensure the timely and adequate disclosure of financial information and other information relating to the Group.
- (3) To secure fair disclosure of information, the Company shall set Information Disclosure Committee to maintain internal control regarding financial reports of the Company and the Group, as well as to examine the effectiveness of disclosure system.

6. System to ensure effective Internal Auditing

In line with the "MS&AD Insurance Group Basic Policy on Internal Audit", the Company and its direct investment subsidiary shall maintain internal audit systems tailored to all the business activities of MS&AD in order to ensure efficiency and effectiveness of internal audit. The Internal Audit Department shall report all important items from the internal auditing results of the Company and its direct investment subsidiaries, as well as improvement progress in the audited departments, to the Board of Directors.

7. System to manage and store information related to Directors' duties

The Company shall establish regulations for document management to appropriately store and manage information as well as documents that are related to Directors' and Executive Officers' duties. Directors and Corporate Auditors shall be able to browse the information at all times.

8. System to ensure that audits by the Auditors are carried out effectively

- (1) System related to an employee hired to assist the duties of the Corporate Auditors
To accommodate the duties of Corporate Auditors, the Company shall set a Corporate Auditor Room with an assisting employee. Respecting the independence of the Corporate Auditor Room, organizational change of the Room as well as transfer or discharge of the hired employee shall only take effect upon reaching a consensus at the Board of Auditors. Employee evaluation shall also take place upon consultation with an Auditor assigned by the Board of Auditors.
- (2) Systems of report to the Auditors
 - Directors and Executive Officers shall report to the Board of Auditors without delay about matters governed by law, decisions that greatly influence business operations and organizations, and the results of internal audits and the internal reporting system.
 - Employees shall be able to directly report to the Board of Auditors about managerial acts that are seriously fraudulent or illegal, and about facts that may have extremely negative impact on the Company.
- (3) Other systems
 - Auditors shall attend important meetings including the Group Management Committee Meetings.
 - Chairman of the Board, President, and Representative Director shall convene regular consultations with the Board of Auditors. Additionally, Internal Audit Department is to cooperate with the audit upon request from the Auditors.

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MS&AD Insurance Group Holdings, Inc. Articles of Incorporation

Chapter I. General Provisions

(Trade Name)

Article 1.

The name of the Company shall be *MS&AD INSHUARANSU GURUPU HORUDINGUSU KABUSHIKI KAISHA*, which in English shall be MS&AD Insurance Group Holdings, Inc.

(Purpose)

Article 2.

The purpose of the Company shall be to engage in the following businesses as an insurance holding company:

- (1) management and administration of non-life insurance companies, life insurance companies and companies that it may own as its subsidiaries under the Insurance Business Law; and
- (2) any other business incidental to the business provided for in the preceding item.

(Location of Head Office)

Article 3.

The Company shall have its head office in Chuo-ku, Tokyo.

(Governance Structure)

Article 4.

The Company shall have in place, in addition to shareholders meeting and directors:

- (1) a board of directors;
- (2) corporate auditors;
- (3) a board of corporate auditors; and,
- (4) one or more accounting auditors.

(Method of Public Notice)

Article 5.

The method by which public notices are made by the Company shall be electronic public notice, which shall be substituted by publication in the *Nihon Keizai Shimbun* published in Tokyo and Osaka if an electronic public notice is impracticable for such reason as an accident or unavoidable event.

Chapter II. Shares

(Total Number of Authorized Shares)

Article 6.

The total number of authorized shares of the Company shall be 900,000,000.

(Acquisition of Company's Own Shares)

Article 7.

The Company may acquire its own shares through market transactions, etc., upon a resolution of the Board of Directors under Article 165, Paragraph 2, of the Companies Act.

(Number of Shares Constituting One Unit and Non-Issuance of Share Certificates for Less Than One Unit)

Article 8.

The number shares of the Company constituting one unit shall be 100.

(Rights Pertaining to Shares Less Than One Unit)

Article 9.

No shareholder of the Company shall be entitled to exercise any right with respect to shares less than one unit held by such shareholder except for any of the following rights:

- (1) the rights provided in the items in Article 189, Paragraph 2, of the Companies Act;
- (2) the right to allotment of the right to subscribe for shares and stock acquisition rights that are proportionate to the number of shares already held by the shareholder; and
- (3) the right to demand as provided in the following Article.

(Purchase of Shares Less Than One Unit)

Article 10.

Each shareholder may demand the Company to sell to such shareholder such number of shares that, together with the number of shares less than one unit already held by such shareholder, will constitute a unit in accordance with the Share Handling Regulations.

(Administrator of Shareholders Registry)

Article 11.

1. The Company shall have in place an administrator of shareholders registry.
2. The administrator of shareholders registry and the place of its office shall be designated by resolution of the Board of Directors and the Company shall give public notice of them.
3. The preparation, maintenance and other administration relating to the Company's shareholders registry and stock acquisition rights registry shall be delegated to the administrator of shareholders registry; they shall not be handled by the Company.

(Share Handling Regulations)

Article 12.

The administration of, and handling and fees concerning, the Company's shares, and the procedures for exercising shareholder rights and other related matters shall be governed by the Share Handling Regulations, as set out by the Board of Directors, except as otherwise provided by laws and regulations or the Articles of Incorporation.

Chapter III. Shareholders Meetings

(Convening of Shareholders Meetings)

Article 13.

Annual shareholders meetings of the Company shall be convened within 3 months of the close of each business year; extraordinary shareholders meetings shall be convened from time to time when necessary.

(Place of Convocation)

Article 14.

Shareholders meetings of the Company shall be convened within the area of the 23 wards of Tokyo.

(Record Date for Annual Shareholders Meeting)

Article 15.

The record date for the annual shareholders meeting of the Company shall be March 31 every year.

(Chairman of Shareholders Meeting)

Article 16.

1. The President and Director shall chair shareholders meetings. If the President and Director is unable to do so, the Director next in the order previously determined by the Board of Directors shall act in his or her place.
2. The chair of a shareholders meeting convened at a shareholder's demand shall be mutually elected by and from among the shareholders present.

(Reference Documents for Shareholders Meeting, Etc. Deemed Provided)

Article 17.

The Company may deem information relating to matters required to be specified or recorded in reference documents for shareholders meetings, business reports, financial statements, and consolidated financial statements as having being provided to shareholders when such information is disclosed via the Internet in accordance with laws and regulations.

(Manner of Resolution)

Article 18.

1. Except as otherwise provided by laws and regulations or by the Articles of Incorporation, resolutions of shareholders meetings shall be adopted by a majority of votes of the shareholders entitled to exercise their voting rights and present.
2. The resolution provided for in Article 309, Paragraph 2, of the Companies Act shall be adopted by a two thirds or more of votes of the shareholders present at the meeting where the shareholders holding one third or more of the voting rights of the shareholders entitled to exercise their voting rights are present.

(Voting by Proxy)

Article 19.

1. A shareholder may vote through a proxy, who must be a shareholder who has a voting right.

2. A shareholder or his or her proxy, shall at each shareholders meeting submit to the Company document evidencing the authority of proxy.

Chapter IV. Directors and the Board of Directors

(Number of Directors)

Article 20.

The Company shall not have more than 15 Directors.

(Election of Director)

Article 21.

1. Directors shall be elected at shareholders meeting.
2. Resolutions to elect Directors shall be adopted by a majority votes of the shareholders present at the meeting where the shareholders holding one third or more of the voting rights of the shareholders entitled to exercise their voting rights are present.
3. Cumulative voting shall not be used in elections of Directors.

(Term of Office)

Article 22.

The term of a Director shall expire at the close of the annual shareholders meeting for the last business year ending within 1 year of the Director's election.

(Election for Filling a Vacancy)

Article 23.

A vacancy in a Director's position need not be filled unless the number of remaining Directors violates the minimum number of directors provided by laws and regulations.

(Representative Director and Director's Title)

Article 24.

1. The Board of Directors shall by its resolution appoint one or more Representative Directors.
2. The Board of Directors may by its resolution appoint one or more Chairman and Directors, Vice Chairman and Directors, President and Directors, Vice President and Directors, Senior Managing Directors, and Managing Directors.

(Convocation of Board of Directors Meetings)

Article 25.

1. Board of Directors meetings shall be convened by the Chairman and Director except as otherwise provided by laws and regulations.
2. If the office of Chairman and Director is vacant or the Chairman and Director is unable to do so, the President and Director shall act in his or her place. If the President and Director is unable to do so, the Director next in the order previously determined by the Board of Directors shall act in his or her place.

3. The convocation notice for a Board of Directors meeting shall be sent to each Director and each Corporate Auditor at least 3 days prior to the date of the meeting. However, that period may be shortened in the event of an emergency.

(Omission of Resolution of the Board of Directors)

Article 26.

The Company shall deem that a resolution of the Board of Directors has been adopted when the requirements provided for in Article 370 of the Companies Act have been satisfied.

(Regulations of the Board of Directors)

Article 27.

The administration of the Board of Directors shall be governed by the Regulations of the Board of Directors as set out by the Board of Directors, except as otherwise provided by laws and regulations or the Articles of Incorporation.

(Remuneration of Director)

Article 28.

Compensation and other proprietary interests received from the Company as consideration for performance of duties ("Remuneration") of Directors shall be determined by resolution at a shareholders meeting.

(Exemption of Director's Liability)

Article 29.

1. The Company may, in accordance with Article 426, Paragraph 1, of the Companies Act and by resolution of the Board of Directors, exempt to the extent permitted by laws and regulations a Director (including retired Director) from liability for damages arising out of breach of the Director's duties.
2. The Company may, in accordance with Article 427, Paragraph 1, of the Companies Act, enter into an agreement with an Outside Director limiting the Outside Director's liability for damages arising out of breach of the Outside Director's duty. However, the maximum amount to which that liability may be limited by such an agreement shall be the sum of the amounts set out in the items in Article 425, Paragraph 1, of the Companies Act.

Chapter V. Corporate Auditors and the Board of Corporate Auditors

(Number of Corporate Auditors)

Article 30.

The Company shall not have more than 6 Corporate Auditors.

(Election of Corporate Auditor)

Article 31.

1. Corporate Auditors shall be elected at shareholders meeting.
2. Resolutions to elect Corporate Auditors shall be adopted by a majority votes of the shareholders present at the meeting where the shareholders holding one third or

more of the voting rights of the shareholders entitled to exercise their voting rights are present.

(Effectiveness of Election of Substitute Corporate Auditor)

Article 32.

The effectiveness of the election of a substitute Corporate Auditor shall expire on the commencement of the annual shareholders meeting for the last business year ending within 4 years of such substitute Corporate Auditor's election, unless the period is shortened at such resolution.

(Term of Office)

Article 33.

The term of a Corporate Auditor shall expire at the close of the annual shareholders meeting for the last business year ending within 4 years of the Corporate Auditor's election.

(Election for Filling a Vacancy)

Article 34.

A vacancy in a Corporate Auditor's position need not be filled unless the number of remaining Corporate Auditors violates the minimum number of corporate auditors provided by laws and regulations.

(Full-time Corporate Auditor and Standing Corporate Auditor)

Article 35.

1. The Board of Corporate Auditors shall by its resolution appoint one or more full-time Corporate Auditors.
2. The Board of Corporate Auditors may by its resolution appoint one or more standing Corporate Auditors.

(Convocation of Board of Corporate Auditors Meeting)

Article 36.

The convocation notice for a Board of Corporate Auditors meeting shall be sent to each Corporate Auditor at least 3 days prior to the date of the meeting. However, that period may be shortened in the event of an emergency.

(Regulations of the Board of Corporate Auditors)

Article 37.

The administration of the Board of Corporate Auditors shall be governed by the Regulations of the Board of Corporate Auditors as set out by the Board of Corporate Auditors, except as otherwise provided by laws and regulations or the Articles of Incorporation.

(Remuneration of Corporate Auditor)

Article 38.

Remuneration of Corporate Auditors shall be determined by resolution at a shareholders meeting.

(Exemption of Corporate Auditor's Liability)

Article 39.

- 1 The Company may, in accordance with Article 426, Paragraph 1, of the Companies Act and by resolution of the Board of Directors, exempt to the extent permitted by laws and regulations a Corporate Auditor (including retired Corporate Auditor) from liability for damages arising out of breach of the Corporate Auditor's duties.
- 2 The Company may, in accordance with Article 427, Paragraph 1, of the Companies Act, enter into an agreement with an Outside Corporate Auditor limiting the Outside Corporate Auditor's liability for damages arising out of breach of the Outside Corporate Auditor's duty. However, the maximum amount to which that liability may be limited by such an agreement shall be the sum of the amounts set out in the items in Article 425, Paragraph 1, of the Companies Act.

Chapter VI. Accounts

(Business Year)

Article 40.

The business year of the Company shall start on April 1 of every year and end on March 31 of the following year.

(Dividends)

Article 41.

1. The record date for year-end dividends of the Company shall be March 31 every year.
2. The Company may, by resolution of the Board of Directors, pay interim dividends, the record date for which shall be September 30 every year.
3. The Company may fix a record date and pay dividends otherwise than as set out in the preceding two paragraphs.
4. If the dividend is payable in cash and 3 full years pass after the date it becomes payable, the Company shall be exempt from any obligation to pay the dividend.
5. No interest shall accrue on the dividend provided for in the preceding paragraph.

Last amended on April 1, 2010

Advancing with you



Compliance

Basic Policy on Compliance

To sustain ongoing development, it is imperative that companies carry out their business activities in strict adherence to laws while maintaining the highest sense of ethics. As the basis for the fundamental values shared by all MS&AD employees and the execution of appropriate and lawful corporate activities, MS&AD formulated the "MS&AD Insurance Group Basic Policy on Compliance", with the aim of imbuing all officers and employees with a thorough awareness of compliance.

▶ [MS&AD Insurance Group Basic Compliance Policy](#)

Compliance Promotion Structure

The Compliance Department carries out unified management of compliance matters. Departments in charge of compliance at MS&AD insurance companies plan and implement measures and policies for employees and agencies, as well as operational rules for insurance sales. They also work to strengthen factual inquiry functions in case inappropriate behavior is discovered.

Activities

Compliance Program

As part of a compliance implementation plan by the Company, MS&AD insurance companies each have a Compliance Program that is approved by the Board of Directors. The Compliance Committee of each company submits a regular report on the implementation and issues of the Program to the Board of Directors.

Compliance Manual

MS&AD insurance companies each have a 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, MS&AD insurance companies organize annual education/training programs for employees and agencies to raise stronger awareness of lawful conduct and to enhance knowledge of regulations and company rules.

Compliance-related Inspection

MS&AD insurance companies conduct compliance-related inspections in accordance to each company's business model to discover and correct any deficiencies that might occur.

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.

Advancing with you



Compliance

MS&AD Insurance Group Basic Compliance Policy

Apr. 1, 2010

The MS&AD Insurance Group positions compliance as one of the foremost priorities in the management of the Group. We have adopted the following policies to establish a structure in which all of our officers and employees aim to achieve compliance, with a constant awareness of our corporate social responsibility.

1. Basic Policy

- (1) We intend to achieve our mission by ensuring compliance in every aspect of our corporate activities and by establishing corporate ethics.
- (2) We define compliance as "taking 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, relevant guidelines issued by competent government agencies, and regulations of the holding company and Group companies ("laws and regulations, etc.)."

2. Development of Compliance Structure

(1) Development of systems

- (i) We will develop a system under which important compliance matters and breaches of relevant laws and regulations are appropriately reported to Board and senior management.
- (ii) We will manage compliance matters in an integrated manner, establish a department that enforces and monitors compliance, and give the department the authority needed to function the compliance structure effectively.
- (iii) We will develop reporting and consulting systems - for examples when our officers and employees identify any compliance-related misconduct and breaches of laws and regulations.

(2) Enforcing compliance

- (i) We will create a Compliance Manual setting out specific guidelines for compliance and will become fully familiar with it.
- (ii) We will develop and implement an annual Compliance Program as a specific plan of action and practice compliance accordingly.
- (iii) We undertake training and inspections to ensure compliance.
- (iv) We will immediately correct any inappropriate behavior related to compliance and analyze the causes to prevent a recurrence.

3. Code of Conduct for Officers and Employees Concerning Compliance

(1) Faithful conduct

- (i) We will comply with laws and regulations, etc., and if we discover any behavior with the potential to break laws and regulations, etc., we will have the courage to point out the behavior and correct it in cooperation with related persons and authorities where necessary.
- (ii) When considering an action, we will ask ourselves if the action is ethical, if we can explain the action to our customers, friends and family with confidence, and if the action will preserve confidence in the MS&AD Insurance Group and its brand.
- (iii) We treat every person faithfully, fairly, and appropriately in every situation.

(2) Conduct to ensure that corporate activities are appropriate

- (i) We will not engage in unfair trade, such as restricting competition through collusion or acquiring unfair benefits by abusing our position.
- (ii) We will protect our intellectual property rights and will not infringe on the intellectual property rights of others.
- (iii) We will diligently manage customer information we obtain in the course of our work and use such information only for specified approved purposes.
- (iv) We will be resolute in dealing with anti-social forces and will not accept any unjust, unlawful or unethical demands.
- (v) We will appropriately manage conflicts of interests to ensure that our customers' interests are not compromised unfairly.
- (vi) We will ensure that transactions are fair, for instance when we do business within the Group or form a business alliance.
- (vii) We will ensure that our management is transparent, by disclosing information appropriately on a timely basis.
- (viii) We will not engage in insider trading (trading in stocks, etc. using important undisclosed information).
- (ix) We will appropriately manage assets, important information, and trade secrets, etc. of the Group companies.
- (x) We will not seek personal benefits by making use of our position in business.

(3) Respect for Human Rights and Creating a Positive Working Environment

- (i) We respect human rights and will not discriminate or harass people based on race, nationality, gender, age, profession, region, faith, disability, or other elements.
- (ii) We will create a safe and comfortable working environment.

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MS&AD MS&AD Holdings

Risk Management

Risk Management Basic Policy

The MS&AD Insurance Group has set out the "Group Risk Management Basic Policy" which stipulates the basic processes and the group wide framework for risk management. The group companies implement and execute commonly shared risk management subject to the Policy.

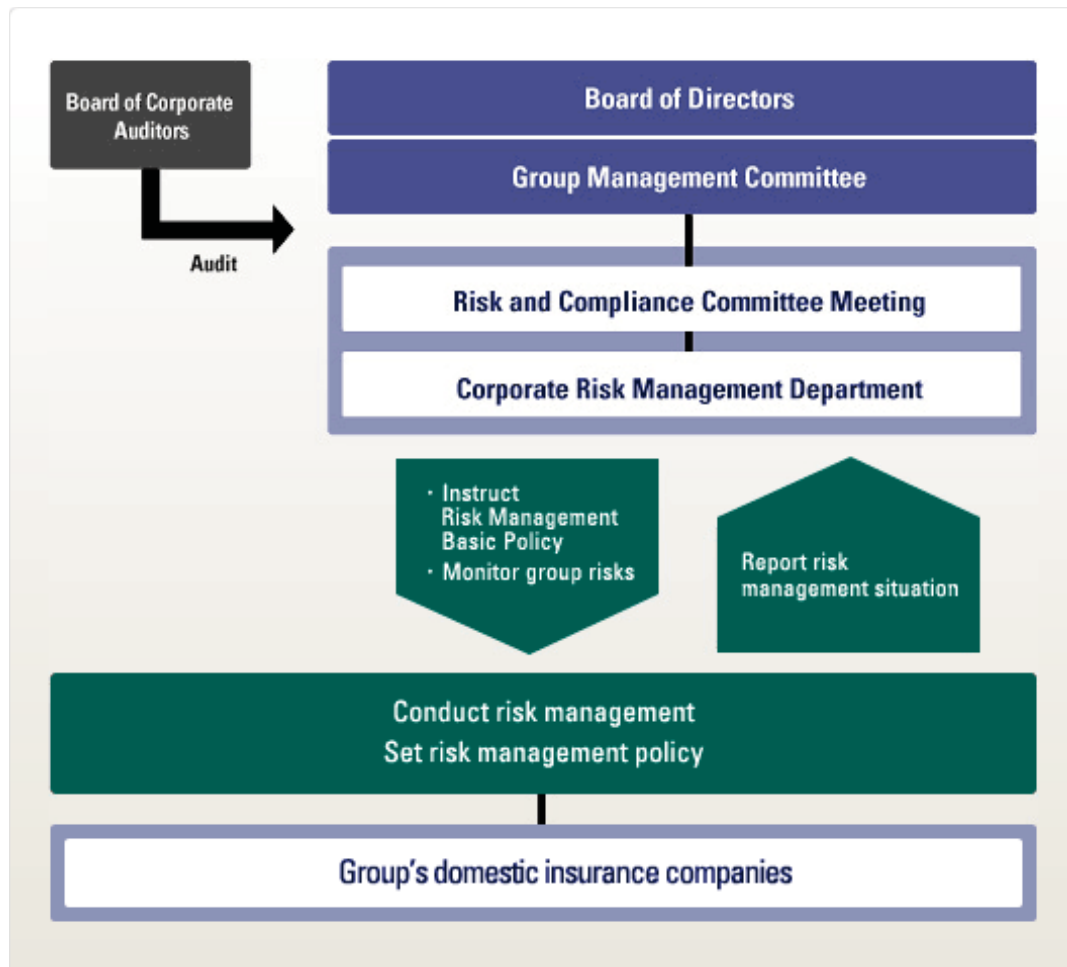
It also defines the categories of risks which our Group should identify and manage them.

The Group companies under our holding system set out their own "Risk Management Policies" and manage risk by their own responsibilities in line with the "Group Policy".

Risk Management Structure

The Group insurance companies implement risk management on an individual basis. The Holding Company implements an enterprise-wide risk management program and monitors integrated risk and group companies' risk management activities.

The Corporate Risk Management Department obtains and analyzes the enterprise-wise risk reported from group insurance companies on a regular basis at the Risk Compliance Committee and the all important items are to be reported to the Board of Directors.



Enterprise Risk Management

Based on risk reports and risk management activities at the Group's insurance companies, the Company manages risk in both the ways of a quantitative and qualitative approach, covering risk that is difficult to quantify.

- Quantitative approach

Based on quantitative analysis (VaR), the Company periodically measures insurance underwriting risk, asset management risk, and operational risk to confirm that the risk threshold is in alignment with group capital.

The Company also monitors the risk of the Group insurance companies to confirm it does not exceed the set-up limit.

To ensure that risk is within capital adequacy, the Company confirms financial plans and an impact on uncertainty of an anomalous but probable event such as a large-scale natural disaster or turmoil in the financial markets by stress tests.

* VaR (Value at Risk) is the particular level of maximum loss in terms of its chance of occurrence.

- Qualitative approach

To evaluate insurance underwriting risk, asset management risk, liquidity risk, and operational risk, the Company assesses Group insurance company's risk management activities and risk management framework.

The Company also regulates the accumulation of loans and investments, and monitors transactions between Group companies. This is to ensure that propagation, maldistribution and concentration of risk shall not have an impact on the soundness of MS&AD Insurance Group.

Risk of Insurance business

There are a variety of risks inherent in the insurance business. Given that the insurance business engages on the payment of insurance claims and benefits, insurance underwriting risks and asset management risks which arise within insurance business must strike a proper balance with capital adequacy and return. Liquidity Risk shall be managed based on funding requirements in present and future. By ensuring appropriate operation, operational risks stemming from issues such as clerical errors and system failures need to be minimized to prevent losses as far as possible. The MS&AD Insurance Group takes precise action in response to these risks and regards risk management as its foremost priority in business in order to achieve its corporate vision and management target.

Insurance Underwriting Risk	Insurance underwriting risks relate to the possibility of a decline in insurance income as a result of unexpected changes in the frequency and damageability of accidents, or natural disasters.
Asset Management Risk	Asset Management risks relate to the possibility of a decline in asset value (including off-balance assets) or income. The major causes are fluctuation of interest rates, stock prices, exchange rates, real estate values, rents, or financial difficulties of investments and loans. Risks stemming from the inability to matching the mix of assets and the liabilities of payment of insurance claims.
Liquidity Risk	Cash Flow Risk is risk that the group may incur losses due to being forced to sell assets at a price considerably lower than normal in order to maintain funds, owing to deteriorating cash flows as a result of such event as an outflow of funds in the aftermath of a large-scale disaster. Market Liquidity Risk is risk that the group may incur losses due to the inability to trade on a market or being forced to trade at a price considerably less advantageous than normal owing to a market disruption, etc.
Operational Risk	Operational risks is risk that group may incur losses due to loss resulting from inadequate or failed internal processes, people and systems, or from external events.

Crisis Management Structure

To prepare for risk discovery and having its influence spreading within the group. The Group's companies have created crisis management manuals and business contingency plan, and perform drills to assure the effectiveness of these measures. The Company promotes these preparations and oversees the situation.

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Management

Information Management

Basic perspective and 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 Holdings, Inc. Basic Policy on Customer Information Management and the MS&AD Insurance Group Holdings, Inc. Basic Policy on Sharing Customer Information.

- [MS&AD Insurance Group Holdings, Inc. Basic Policy on Information Management](#)
- [MS&AD Insurance Group Holdings, Inc. Basic Policy on Sharing Customer Information](#)

Structure of Information Management

In accordance with the aforementioned Basic Policies, the domestic insurance companies in the Group determine guidelines and internal rules related to information management, institute 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 management at domestic insurance companies in the Group, and reports on the same to management. In addition, it applies the findings of its monitoring activities in its efforts to reinforce arrangements for information 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.

Policy for protection of personal information (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 observance of related laws and regulations, appropriate acquisition, and limitation of the purposes of use. They have disclosed these policies on their respective websites.

Privacy policy (policy for protection of personal information) of each company

- [MS&AD Insurance Group Holdings, Inc.](#)
- [Mitsui Sumitomo Insurance Co., Ltd.](#)
- [Aioi Nissay Dowa Insurance Co., Ltd. \(Japanese only\)](#)
- [Mitsui Direct General Insurance Co., Ltd. \(Japanese only\)](#)
- [Mitsui Sumitomo Aioi Life Insurance Co., Ltd. \(Japanese only\)](#)
- [Mitsui Sumitomo Primary Life Insurance Co., Ltd. \(Japanese only\)](#)

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MS&AD Insurance Group Holdings, Inc. Basic Policy on Information Management

Apr. 1, 2010

Handling of Personal Information

Given the importance of protecting personal information, and seeking to maximize public confidence in its business, MS&AD Insurance Group will strictly adhere to laws regarding the protection of personal information (Act on the Protection of Personal Information), as well as other laws and ordinances to properly handle personal information and take appropriate measures for secure management.

1. MS&AD Insurance Group will obtain personal information to the extent necessary for business in a fair and legitimate manner. We will also report or make public our purpose for using the personal information, and use it only for the stated purpose.
2. MS&AD Insurance Group will not offer personal data to third parties without prior permission, unless stipulated by law.
3. MS&AD Insurance Group may share personal data to introduce the products and services best suited to customers, and to manage the businesses of the Group companies. (Click [here](#) for our Policies of Shared Use).
▶ [Policies of Shared Use](#)
4. MS&AD Insurance Group will endeavor to prevent leakage, damage, or defamation of personal data. It will also ensure adequate security measures such as the maintenance of policies regarding use, as well as implementation of systems for the maintenance of policies regarding use of data and secure management. We will also offer the necessary and relevant supervision when personal data is trusted to external parties on behalf of the Group.
5. MS&AD Insurance Group will ensure that personal information is not mishandled, and will properly educate and supervise employees on the appropriate handling of personal information. We will also continue to review and improve our handling of personal information and our methods for secure management.
6. MS&AD Insurance Group will respond quickly and appropriately to complaints and requests for consultations regarding its handling of personal information. If customers request the disclosure or correction of their own personal information held by the Group, we will promptly respond in compliance with the law.

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MS&AD Insurance Group Holdings, Inc. Basic Policy on Sharing Customer Information

Apr. 1, 2010

MS&AD Insurance Group accords the greatest priority to customer satisfaction in its activities and offers risk solutions of the highest quality. For this reason, we occasionally share information about our customers when necessary, within the boundaries noted below.

To handle customer information appropriately, we will strictly comply with laws for the protection of personal information (Act on the Protection of Personal Information) as well as other laws and ordinances.

Note

1. For MS&AD Insurance Group Holdings, Inc. (hereinafter, the "Holding Company") to manage the business of the MS&AD Insurance Group companies, MS&AD Insurance Group may share personal data between the Holding Company and the MS&AD Insurance Group companies based on the following conditions.

(1) Items of personal data

- 1) Shareholder information (name, address, number of shares etc)
- 2) Customer information held by the Holding Company or the Group companies (name, address, phone number, email address, gender, date of birth, other information related to customer transactions such as those noted in contract forms or information regarding insured events, etc).

(2) Scope of users of shared information and management representative

Group companies sharing information are domestic and overseas insurance companies, reinsurance companies, and related business companies of the MS&AD Insurance Group (click [here](#) for the list).

The management representative for the shared use of information will be the Holding Company.

2. To introduce or offer products and services of MS&AD Insurance Group companies to customers, personal information may be shared among Group companies based on the following conditions.

(1) Items of personal data

Name, address, phone number, email address, gender, date of birth, other information related to customer transactions such as those noted in contract forms or information regarding insured events etc.

(2) Scope of users of shared information and management representative

Please click [here](#) for a list of Group companies sharing information.

The management representative of the shared use of information will be the Holding Company.

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MS&AD Insurance Group Holdings Privacy Policy

- ▶ [MS&AD Insurance Group Holdings, Inc. Basic Policy on Information Management](#)
- ▶ [MS&AD Insurance Group Holdings, Inc. Basic Policy on Sharing Customer Information](#)

October 1, 2010

Handling of Personal Information

Given the importance of protecting personal information, MS&AD Insurance Group will strictly adhere to the Act on the Protection of Personal Information (so-called "Personal Information Protection Act"), as well as other laws, ordinances and guidelines to properly handle personal information and take appropriate measures for secure management. We will also ensure that personal information is not mishandled, and will properly educate and supervise employees on the appropriate handling of personal information. We will continue to review and improve our handling of personal information and our methods for secure management.

1. Collection of Personal Information

MS&AD Insurance Group will obtain personal information to the extent necessary for business in a fair and legitimate manner. We may also obtain personal information from phone calls involving questions and consultations, which will be recorded to accurately record their content.

2. Purposes of Use of Personal Information

MS&AD Insurance Group will also notify individual respondents of or make public our purposes for using the personal information, and use it only to the extent necessary to accomplish the following purposes. We will define the purposes of use clearly for respondents to understand and we announce it on a Web site as in the following. We limit the purposes of use to an extent relevant to specific cases where personal information is obtained. In cases where obtained personal information is intended to be used beyond the extent necessary to accomplish the said purposes, we should acquire consent from the relevant individuals to such use unless it meet any item of Article 16, paragraph (3) of the Act on the Protection of Personal Information.

Purposes for Using Personal Information

- For corporate management of group companies
- For appropriate and smooth performance of transaction with the relevant individual

3. Provision of Personal Data to Third Parties

MS&AD Insurance Group will not offer personal data to third parties without prior consent from the relevant individual except for the following cases:

1. When required to do so by law;
2. When offering the information to consigned companies to the extent necessary for operations;
3. When offering the information to third parties via procedures based on Article 23, paragraph (2) of the Act on the Protection of Personal Information (i.e. opting out);
4. When sharing information between our Group companies (please refer to item 5 below).

4. Consignment of Personal Data Handling

MS&AD Insurance Group may provide a certain portion of obtained personal information to external third parties for consigned operations within the extent necessary to accomplish the purposes of use. According to pre-set criteria for selecting consigned companies, we will check their information management system and conduct other necessary and adequate supervision on the consigned company prior to making an order and trusting personal data to it.

5. Shared Use of Personal Data

For MS&AD Insurance Group Holdings, Inc. (hereinafter, the "Holding Company") to manage the business of the MS&AD Insurance Group companies, MS&AD Insurance Group may share personal data between the Holding Company and the MS&AD Insurance Group companies based on the following conditions.

(1) Items of personal data

- a) Shareholder information (name, address, number of shares, etc.)
- b) Customer information held by the Holding Company or the Group companies (name, address, phone number, email address, gender, date of birth, other information related to customer transactions such as those noted in contract forms or information regarding insured events, etc).

(2) Scope of users of shared information and management representative

Users of shared information are domestic and overseas insurance companies, reinsurance companies, and related companies of the MS&AD Insurance Group. (Click [here](#) to see the users.) The management representative for the shared use of information will be the holding company.

6. Handling of Sensitive Information

In accordance with Article 53-10 of the Enforcement Regulation of Insurance Business Law, MS&AD Insurance Group will not obtain, use, or offer to third parties personal information regarding political opinions, faith (religion, thoughts and beliefs), membership of labor unions, race or ethnicity, family and domicile of origin, health condition and medical treatment, sexual orientation or criminal records (hereinafter, "sensitive information"), unless otherwise stipulated by the Act on the Protection of Personal Information, other laws, ordinances or guidelines.

7. Request for Notification, Disclosure, Corrections, etc.

Please refer to the information desk below for requests for notification, disclosure, corrections, etc. of matters regarding information that we hold under the Act on the Protection of Personal Information or discontinuation, etc. of their use. We will reserve the right to verify the identity of the claimant, who will be required to complete the prescribed forms and the application procedure. In principle, requests will be answered in writing at a later date. At the time of responding, we will require claimants to pay the standard fees for any requests for disclosure.

If we find that information about the claimant is incorrect, we will correct the information based on the results of our investigation.

(Click [here](#) for details of the procedure.)

8. Summary of Secure Management Procedures for Personal Data

MS&AD Insurance Group will make efforts to prevent leakage, damage, or defamation of personal data. It will also ensure adequate security measures such as the maintenance of policies regarding use as well as that of systems in place for secure management procedures.

Please contact the information desk below for queries regarding secure management procedures.

9. Information Desk

MS&AD Insurance Group will respond quickly and appropriately to complaints and requests for consultations regarding its handling of personal information. Please contact the desk below for enquiries, disclosure, corrections, etc. regarding the handling of personal information, requests for discontinuation, etc. of use of personal data, and questions about secure management procedures.

Contact Desk

MS&AD Insurance Group Holdings, Inc., Compliance Department
Telephone Number: 03-3297-4841
Business Hours: 9:00-20:00 (Monday through Friday)

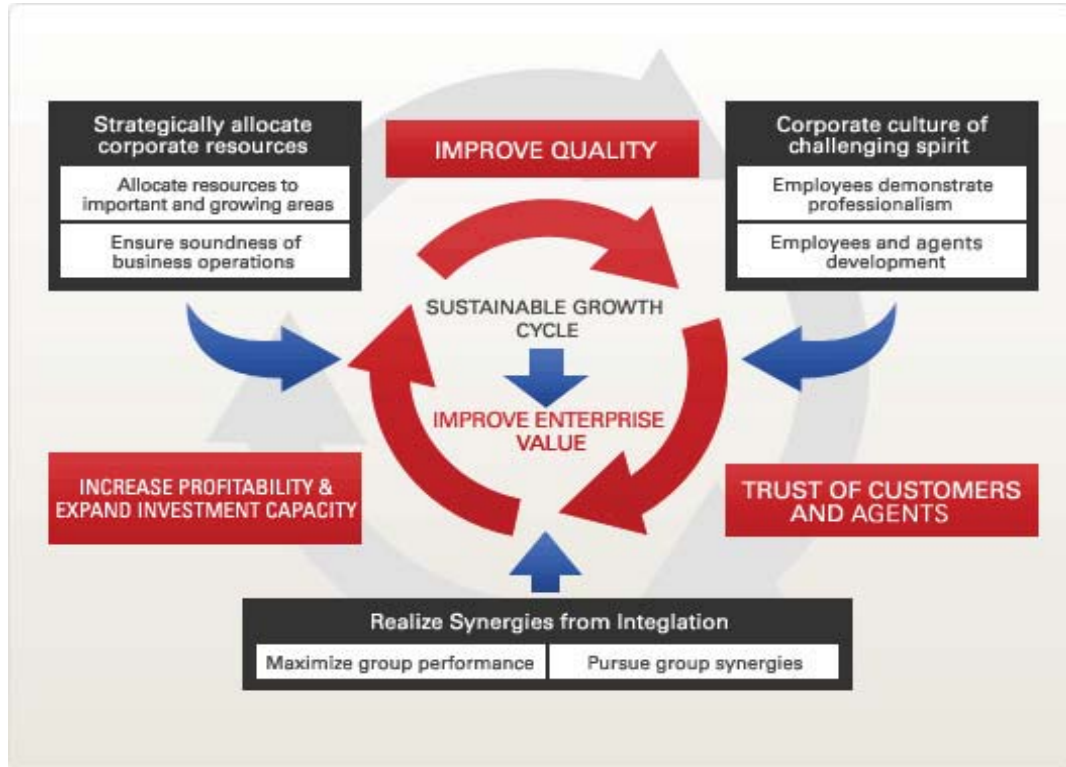
* The office is closed during the year-end and new-year period.

Advancing with you

MS&AD MS&AD Holdings

Quality Improvement of Products, Service

The MS&AD Insurance Group determines to listen to our stakeholders and continuously seek ways to improve our work and business (Innovation) in Our Values. And the fundamental strategy of Medium-term Management Plan of the MS&AD Insurance Group is to earn and keep the trust of customers and achieve growth through improvement of quality.



Quality Improvement in response to stakeholder view

The MS&AD Insurance Group has constructed various schemes for absorbing the views of customers and external experts, and is reflecting them in discussions on the management level.

[Detailed information](#)

Develop products from customers perspective

We are developing the products from the customer's perspective to meet the needs of customers.

[Detailed information](#)

Improve the simplicity and convenience for customers

Making most of customers, employees, and agent views, we are striving to improve the simplicity and convenience for our customers.

[Detailed information](#)

Claim service preferable to customers

We are working for providing the claim service that gratify our customers with high levels of accuracy, speed, and integrity.

[Detailed information](#)

Quality improvement of Contact Center

We are making overall effort to raise the quality of dealing with customers at Contact Centers.

[Detailed information](#)

Advancing with you

MS&AD MS&AD Holdings

Quality Improvement of Products, Service

Quality Improvement in response to stakeholder view

Utilizing customers' views in business improvement

Strengthen the structure for handling customers' voice

Utilizing agents' voice for business improvement

Utilizing employees' voice for business improvement

To remain a corporate group that is truly needed by society, we consider it important to know what our stakeholder views for improving the quality of products and services. The MS&AD Group Insurance Group has constructed various schemes for absorbing the views of customers, and is reflecting them in efforts to improve our products and services. And stakeholder views are being reflected not only in the processes of all work, but also in discussions on the management level. We shall continue to treasure feedback from shareholders and mount approaches to making the most of them for improvement of our routine business activities.

Utilizing customers views in business improvement

The MS&AD Insurance Group has formulated its Basic Policy on customers' voices response and takes widely and utilizes various views from customers such as consultation, requests, and complaints, for improvement of qualities. Domestic insurance companies in the Group utilize customers views in business improvement to provide products and services that satisfy customers based on this policy. We disclose the substance and results of these activities for improvement on our website so that the customers can see the actual improvement.

Domestic insurance companies in the Group: Approaches related to customer views

- Mitsui Sumitomo insurance Co., Ltd. (Japanese only)
- Aioi Nissay Dowa Insurance Co., Ltd. (Japanese only)
- Mitsui Direct General Insurance Co., Ltd. (Japanese only)
- Mitsui Sumitomo Aioi Life Insurance Co., Ltd. (Japanese only)
(The former MSI Kirameki Life and the former Aioi Life)
- Mitsui Sumitomo Primary Life Insurance Company, Limited. (Japanese only)

Questionnaires with customers

Through questionnaire surveys we conduct with customers, we ascertain their views and reflect them in business improvement.

MSI encloses post card of questionnaire with insurance policies that sends to customers. These questionnaires ask about the degree of satisfaction with handling by the company and its agents at the time of contract, and confirm whether the customer has questions or concerns for the nature of products, contracting procedures.

Aioi Nissay Dowa became the first insurance company in Japan to conduct questionnaire surveys by computer and mobile telephone. Through these surveys, the company gets an accurate picture of the level of customer expectations and degree of satisfaction in areas such as the understandability of explanations of important items and various procedures at the time of contracting, and claim handling.

Utilizing external experts views in business improvement

MSI aspires to give feedback of customer views throughout the company and to link them to provision of products and services that satisfy customers. To this end, its management team engages in discussion with external experts in the Council on Promotion of Customers' Viewpoint. Items found to require improvement are the subject of recommendations presented to the Board of Directors.

- The Council on Promotion of Customers' Viewpoint (Japanese only)

Approaches to reflecting customer views in efforts for business improvement while absorbing the opinions of external experts and other parties are also exemplified by the checks made by an ad-hoc unit. The findings of these checks are regularly reported to the Audit Committee, an internal committee of the Board of Directors.

More specifically, the services of an organization devoted to consumer affairs are utilized in checks to see whether obligations to provide customers with explanations are being properly discharged in connection with the pamphlets and applications forms used in selling insurance, instructions regarding contracting procedures, and explanatory materials supplied in response to the filing of claims. In fiscal 2010, there were 12 regular meetings for evaluation of documents by the consumer affairs institution.

Aioi Nissay Dowa holds regular meetings with participation of advisory specialist for consumer's affairs once a month and we discuss about agenda for improvement the quality of works.

At this meeting, we collect and analyze the information regarding the quality, sort out the problems for improving the quality, debate the validity and examine the effectiveness of approaches that each division has set and on the basis of Customer views and Customer questionnaire. We endeavor to improve the service to better satisfy our customers by adding the verification of customer view. The remit is reported to Quality improvement committee which is internal committee and the Board of Directors when needed.

Strengthen the structure for handling customers' voice

Domestic insurance companies in the Group has formulated its response policies in accordance with the Basic Policy on customers' voices response and is carrying out responses to customers' voices including complaints and managing measures for improvement.

The personnel assigned to customers' voices response at each of these companies regularly hold meetings to confirm that the system for customers' voices is being properly operated. They also make reports the handling situation of customer's voice to the Management Committee of the holding company each quarter. We at the MS&AD Insurance Group perceive information from customers' voices as vital for efforts by all employees to earn and keep the trust of customers, achieve business growth, and further improve quality. Furthermore we are actively collecting and analyzing information regarding customers' voices in order to reflect it in our initiatives for improvement of quality and customer satisfaction.

Situation of customers' voices (complaint) receipt at each company

-  Mitsui Sumitomo Insurance Co., Ltd.(Japanese only)
-  Aioi Nissay Dowa Insurance Co., Ltd.(Japanese only)
-  Mitsui Direct General Insurance Co., Ltd.(Japanese only)
-  Mitsui Sumitomo Aioi Life Insurance Co., Ltd.(Japanese only)
(The former MSI Kirameki Life and the former Aioi Life)
-  Mitsui Sumitomo Primary Life Insurance Company, Limited.(Japanese only)

Conformance of the complaint response management system with the international standard ISO 10002

MSI and MSI Kirameki Life run a complaint response system in conformance with the international standard ISO 10002 (Quality management—Customer satisfaction—Guidelines for complaints handling in organizations).

Conformance with ISO 10002

-  Mitsui Sumitomo Insurance Co., Ltd.(Japanese only)

Utilizing agents' voice for business improvement

As one of its measures for closer communication with agents, MSI has instated the MSA (Mitsui Sumitomo Insurance Agent Association) Product Monitor Program. The program was instituted in July 2002 as a means of utilizing the opinions and information of agents for the development and revision of easily understandable products from the customer's perspective. By the end of fiscal 2010, the program had been held a total of 21 times.

Aioi Nissay Dowa runs Agents voice system which receives the request of improvement from our agents through our offices. Those requests to the system are being fully utilized for new product development and revision, making forms simpler and improvement of agent system.

Utilizing employees' voice for business improvement

MSI and MSI Kirameki Life are conducting the Customers' Viewpoint Campaign, which encourages to find points needing improvement, and take action on a voluntary basis with teamwork for quality improvement. There is the bulletin board on the in-house intranet (entitled Everybody's Circle of Wisdom) which is a tool for the posting of issues that employees cannot solve. The issues are studied in the head office divisions, and the conclusions are disclosed on the bulletin board.

At MSI, the assigned corporate executives from the head office divisions have made visits to sites across Japan since fiscal 2006 to hold the Management Meetings for exchange of views with employees and utilize the views of employees engaging in sales and claim service. In fiscal 2010, there were 23 such meetings.

To receive the posting from employees regarding the quality improvement requests from the customer viewpoint that leads to the improvement of customer satisfaction, Aioi Nissay Dowa is conducting a program the Kaizen-no-Tobira(Door for improvement). Under this program the proposed issues are studied in the head office divisions, the consultations are disclosed on the bulletin board, and undergo the monitoring of long-term issues. And it conducts the Employee Monitoring Program which collects employees' opinions about corporate initiatives, strategies, through e-learning. Those opinions are reflected for the improvement and reinforcement of corporate initiatives and strategies. The consultations are disclosed on the bulletin board for the feedback and two-way communication with the head office.

Advancing with you

MS&AD MS&AD Holdings

Quality Improvement of Products, Service

Develop products from customers perspective

Domestic insurance companies in the Group are developing readily understandable products from the stakeholders' perspective including our customers. This is in response to opinions received from customers about products being too complex and difficult to understand, lack of knowledge about what types of claim payments customers can receive in the event of accidents, and better handling in such events.

Products of non-life insurance

MSI has launched New Long, as a new product of long-term automobile insurance in October, 2010. It is a long-term automobile insurance which adopted the mechanism in which a premium of the next year was decided according to the existence of the accident of the previous year. It was awarded the grand prize in the "Nikkei Best Product and service award of 2010", which was selected in recognition of its advantage of premium, the facilities which can exclude an annual continuous procedure and the track record of over 100 thousand contracts in the first 10 months.



Product pamphlets
GK Automobile Insurance

Youichi Matsumoto
Deputy Manager, Product Planning Section
Automobile Underwriting Dept. MSI

Automobile insurance is based on a "one-year contract" in order to reflect an annual accident situation on a premium of the next year. But we have received requests from our customers asking for long-term insurance since annual procedure of the contract is burdensome. Taking those requests seriously, we developed the industry's first long-term automobile insurance, New Long. Thinking out of the box, this product has realized our customers' request, which are simplification of renewal procedure and advantageous premium, and has gained popular support from lots of customers since its introduction.



Aioi Nissay Dowa marketed automobile and total home insurance products in 2008 and other products in the personal field in 2010 around the basic concept of consistency in terminology, tables, and other respects in pamphlets, application forms, policies, and policy clauses.

And since October 2010, it has marketed “TOUGH” which is the aggregation tool of automobile, fire and other insurance under the basic concept of Reliable, Quickness, Gentle. It put up a brand slogan of “Tough security to you”, we are making effort to provide security to all customers.



Product pamphlet
TOUGH automobile insurance

Products of life insurance

MSI Kirameki Life revised the premium lower mainly for the customers in their 20's and 40's in December 2010. That has promoted more customers to enroll the “Non-cancellation refunds income security insurance” and “Total non-cancellation refunds income security insurance”. And since April, 2011, it extended the service of free telephone consultation service(Life support service), issuing the letter of introduction of medical specialist according to the case, consultation service for strokes etc.

To respond to a wide range of women's needs, Aioi Life marketed “Luna Medical” which was developed by project team consisting of female employees in June 2009. This product combines a “total women's medical care optional policy with non-cancellation refunds” and “whole life medical insurance with variable reserve interest rates”. The company also instituted Ladies Support Service for female customers and provides services in consultation about the nature of products and filing of claims as well as health and medical care consultation by female physicians and nurses.



Product pamphlet
Luna Medical

MSI Primary Life provides specialized service of the personal annuity insurance service corresponding to the aging society with fewer children, the needs of setting fund aside for use in retirement, the multiple methods of managing the household financial asset. The personal annuity insurance sold as its mainstay offers three functions: receipt as annuities, increase through investment, and bequeathing through mortality insurance. In response to the desire of leading a life of abundance, the company commenced sales of variable amount personal annuity insurance in April 2011, in which customer can receive increased annuity. The company is going to continue developing products to meet the diverse needs of customers.



Product pamphlet of
Prime Select, Happy Choice

Advancing with you

MS&AD MS&AD Holdings

Quality Improvement of Products, Service

Improve the simplicity and convenience for customers

Provision of understandable explanatory documents

Consideration for challenged persons

Improve the convenience for customers in contracts

Road Assistance Service

Provision of understandable explanatory documents

The domestic insurance companies in the Group have laid down in-house rules concerning terms to be used in policy clauses and items for notation in pamphlets, we began using policy clauses and pamphlets with plain terms and figures. MSI Kirameki Life revised the notices of policy contents to be more user-friendly and easy to understand, that are sent to our customers once a year to ask customers to check the contents. As a consequence, it was awarded "explicit information prize" in UCDA Award 2011 conducted by Universal Communication Design Association(UCDA).

Kimihiko Imanishi

Manager, Service Planning & Management Section
Customer Service Dept. MSI Kirameki Life

The notices of policy contents is the important notice sent to our customers once a year in order to ask them to check the contents, whether this is no leaks in the application of benefits. The expression we use in daily business are sometimes confusing expression for our customers. We aspired for making the expression, layout, the font size more explicit with the image of our customers opening the envelope and looking at the notice.



Consideration for challenged persons

Adoption of SP code

MSI has adopted SP codes, which were developed with the aged and visually impaired in mind, on the pamphlets for its GK Automobile Insurance, GK Home Insurance and GK Personal Accident Insurance products. When the codes are read with a special reading unit, the recorded information is reproduced by voice.



Product pamphlets of
GK Home Insurance

◆ Printed material in consideration of color universal design

MSI Primary Life's disclosure magazine has been certified by the NPO Color Universal Design Organization (CUDO). The magazine was made neater and more legible by design combining differences of shape as well as color, patterns distinguished by lines and colors, and other features enabling conveyance of information properly in consideration of individual differences in perception of color and elderly readers.

The company seeks higher levels of legibility, readability of the annuity payment requests sent to policyholders, some pamphlets, and it obtained certification from the CUDO for these as well.



Certificate of verification

◆ Improve the convenience for customers in contracts

◆ Electronic contracting procedure

MSI is promoting electronic contracting procedures. Under these procedures, the policy contents are displayed on the screen of a computer brought along by the agent, and the customer signs the policy electronically after confirming the contents. This procedure eliminates the need for customers to have pens and seals on hand. Because changes in content and premium estimates can be easily made on the computer, there is also no need for filling out and submitting paper application forms. Electronic procedures are applied for automobile insurance and fire insurance. As of the end of fiscal 2010, about 55% of the personal policies (i.e., excluding corporate and group policies) were being contracted electronically. In fiscal 2010, The function in which the registration site of credit card information can be easily called from a mobile phone was added for customers who want credit card payment, which contributes for paperless and improve the convenience. We hope to expand the usage of electronic procedures by making the functions strengthened and improved.

◆ Internet Service

An extended total of more than 950,000 customers are registered for use of "Customer Web Service" provided to individual customers on the MSI website. Customers can use the service to check the contents of GK Automobile Insurance, file changes of address, submit notices of vehicle replacement, and perform other procedures on the Internet. They can also check policy contents and perform change of address procedures from their mobile phones. In the customer dedicated service "My Page" of Aioi Nissay Dowa, customers can use "AD Tough Club". The service enables customers to view the policy contents and course of accident response, and "AD Tough Club" provides presenting prizes, safe driving service as well. More than 3,000,000 customers are registered on the service at present.

◆ Distribution of Policy clauses on CD-ROMs

In place of the conventional paper policy clauses, MSI Kirameki Life instated policy clauses on CD-ROMs in March, 2010. The CD-ROMs contain the policy explanation and clause. Compared with the conventional paper policy clauses, This compact and convenient method is chosen by 80% of customers who contract newly.

The CD-ROM clause has various features to make the explanation and clause even more easy-to-read and understand for customers. It delivers the ultimate in convenience that could only be offered by electronic media, as exemplified by an operation guide and simple commentary based on voice and motion-video guidance, search for target information using key words, enlargement of text, and a page-turning function allowing customers to treat the electronic clause like a paper one.

Road Assistance Service

The domestic non-life insurance companies in the Group provide various services in towing/transferring a car in the event of accidents and breakdowns, and emergency work on the spot in response to breakdowns and trouble.

Car rescue QQ team(Road service) offered by MSI enables customers to reduce individual payment and improve the convenience by combining the road service and special contract of conveyance, transferring, taking-over payment. This service is applied for the contract executed after October 2010. Under this revised contract, it enables 1) towing/transferring a car over 200km by the special contract of the service, and covers 2) the payment of towing/transferring a car of accident.

The Road Assistance Service offered by Aioi Nissay Dowa was the first service in the industry and has been given high marks by over 90% of its customers for about 10 years, Since October 2010, the service was revised:: 1) the distance of free towing/transferring a car from the scene of accident and with the breakdown was extended to 60km, and 2) quick repairing service at the place of accident within 30 minutes.



Towing service

Advancing with you

MS&AD MS&AD Holdings

Quality Improvement of Products, Service

Claim service preferable to customers

The MS&AD Insurance Group is taking various steps toward its goal of constructing setups that will permanently be given high ratings and trust by all customers, through provision of claim services that gratify them with high levels of accuracy, speed, and integrity.

Adoption of new system

MSI is promoting the innovation around a revision of all work processes from receipt of accident reports to payment of claims.

The company instated a “one-accident, one-team” system for reinforcement of coordination when two or more personnel are assigned to a single case. In this and other ways, the work processes constructed in response to customer views are in operation at Claim Payment Centers nationwide.

MSI also developed the SPM System (patent pending), which is designed to support the work processes and is equipped for automatic display of the schedule for action by assigned personnel to provide sure service to the customer.

In fiscal 2009, Aioi Nissay Dowa instated Ensemble, a forerunning system that is the first of its kind in the non-life insurance industry, based on a computer telephony integration (CTI) function integrating the accident response system with telephones. The system automatically and instantly retrieves accident information from the customer's telephone number, and directly links it to the telephone of the personnel assigned to the accident. It also displays this information on the personnel's computer based on telephone information about the caller identity and accident date. It assists smooth response that does not keep the customer waiting.

In January 2010, MSI Kirameki Life commenced operation of a new claims system to handle the payment of benefits quickly and properly, and this system made it possible for the company to provide easy-to-understand guidance on procedures for seeking payments, in correspondence with the nature of the policy and claim.

In addition to this new system, it actively promotes the “Direct service” in which the customer and the company proceed the procedures directly and as a consequence, the payment procedure is surely executed by the due date stated in policy clause.

Reliable receipt system for accident report and provision of the course of accident response

At the domestic non-life insurance companies in the Group, each company accepts all the accidents reports such as car accidents, fire accidents 24 hours a day, 365 days a year at accident report reception center.

And in response to the customer's request, it provides initial support such as contacting with the counterparty of the accident, arrangement of substitute vehicle, contact with medical agency, repair shop, and arrangement of investigation of fire accident, and feedback of handling the incident, which services are provided during midweek night and holidays. In case of hospitalization due to injury, the company also provides service for visits by special-assignment staff after receipt of the accident report.

The assigned personnel gives information on the state of progress after accidents and making efforts to mitigate the anxiety of our customer and reply to their queries in customers standpoint.

Aioi Nissay Dowa also furnishes “My Page” service. This service enables customers to view the policy contents and course of accident response on their mobile phone and smart phone, or computer.

Quality improvement of personnel in claim service

Whether the claim service satisfies our customer depends on the handling level of the assigned personnel. MS&AD Insurance Group engages in the quality improvement of the personnel of claim service.

MSI is engaged in activities for qualitative improvement in pursuit of higher levels of customer satisfaction in its Good Job Campaign.

MSI is holding and participating in role-playing competitions related to customer response and call-handling contests conducted by external institution, proceeding the various approaches for providing proper, quick and courteous support to our customers.

In fiscal 2010, at Corporate Call-handling Contest hosted by the Japan Telecom Users Association, two of its sites won prizes of excellent award(First prize) and fineness award(Second prize) respectively.

Business improvement project (LIPS*)

Aioi Nissay Dowa is promoting business improvement activities at each workplace in order to heighten customer satisfaction in claim handling. And the company is announcing the results of the activities and promoting their spread throughout the Division.

* Lady Improvement Project



LIPS group discussion

Questionnaire surveys to customers

MS&AD Insurance Group execute questionnaire surveys at the event of payment of insurance claim. The opinions and requests from customers are reflected in measures for work improvement and development of new products to heighten quality even more.

<Satisfaction level to accident response through questionnaire (as of December 2010)>

		Satisfaction level
Automobile	MSI	88.6
	Aioi Nissay Dowa	90.6
	subtotal	88.7
Fire Personal accident New form	MSI	89.0
	Aioi Nissay Dowa	93.5
	subtotal	89.1

* Automobile: Except bodily injury and/or property damage insurance

* MSI: The top 2 of 5 choices that include [normal] are considered to be satisfied. Aioi Nissay Dowa: The top 2 of 4 choices that do not include [normal] are considered to be satisfied.

Claims Payment Examination Council

At MSI and Aioi Nissay Dowa, in order to make a fair payment of insurance to our customers, in case it does not seem to correspond to an insurance payout, or in case the customer appeals complaint to the decision, those issues are examined at Claims Payment Examination Council which consists of experts such as an external lawyer.

State of examination is disclosed at the company's homepage.

 [MSI \(Japanese only\)](#)

 [Aioi Nissay Dowa \(Japanese only\)](#)

Advancing with you

MS&AD **MS&AD Holdings**

Quality Improvement of Products, Service

Quality improvement of Contact Center

The Contact Centers of the MS&AD Insurance Group serve as the windows of dealings with customers, and their personnel play a vital role as its “face” in their eyes. The whole Group is taking action to further raise the quality of dealings with customers, such as provision of education for communicators in direct dialogue with customers by phone and reconstruction of related systems. Through these measures, they strive to achieve the Group values, which post the “customer focused” and “integrity” principles.

The Group holds the Group Contact Center Strategy Meetings and the Group Contact Center Quality Improvement Committee on regular basis, which is composed of representatives of various Contact Centers of domestic insurance companies in the Group. Besides the sharing of information, the meetings are held for the purpose of making the work of all Contact Centers more efficient and improving its quality. We intend to continue with tasks such as joint use of the Contact Center's systems and consolidation of joint work (such as system maintenance and basic education for communicators).

And from fiscal 2010, it holds call-handling contests in which all Contact Centers of the Group participate.

Masamichi Niki
General Manager, Contact Center Business Department
Aioi Nissay Dowa

Each Contact Centers of MS&AD Insurance Group is working together through the improvement of quality to achieve the credibility of our customers.

The Quality Improvement Committee is being held quarterly to consider the unification of educational trainings, the improvement and sharing of measure of a Center management. And call-handling contests held once a year stimulate members of each Contact Center to work hard and draw the sense of solidarity.

We will participate in those activities actively and promote the improvement of quality.



Growth with Our Agents

We strive to maintain and improve quality through on-going dialogue with agents. And we aspire to grow with them while supporting to improve quality of work by agents and delivering high-quality products and services to customers of all types.

Support for Improvement of Quality in Agent Work

◆ Basic perspective

The domestic insurance companies in the Group have long been making efforts to improve quality among agents as the points of contact with customers. MSI and Aioi Nissay Dowa have jointly established perspectives on quality in the basic activities of agents, and offering support to improve quality of work by agents in line with these perspectives, in order to deliver high-quality products and services to customers of all types.

◆ Agent Quality Certification System

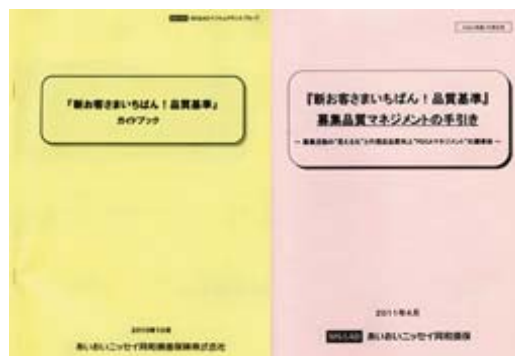
MSI has established an Agent Quality Certification System (Q Mark system) to make arrangements enabling sure provision of services of uniform quality to all customers. The system operates as a standard for certification of proper execution of various insurance procedures that suit customer's requests and on accurate knowledge regarding insurance products and claim handling.



Q Mark system pamphlet

◆ New Customer-First

To maintain and improve quality through dialogue with agents, Aioi Nissay Dowa established quality standards under the banner "New Customer-First"(brochure) in fiscal 2010. These standards are centered around customer handling through a proper canvassing procedure. The company regularly examines tasks and furnishes support for qualitative improvement.



"New Customer-First" (brochure)

MSI has constructed education Program for agents to support them to acquire knowledge about compliance, products, administrative work, systems and sales skills required for insurance sales. It offers learning environment through the internet, group seminars to support the skills of work by agents.

Learning through internet

MSI also makes effective use of MS College, a system for centralized management of information for each canvasser*1 on items such as insurance sales qualifications, participation in group seminars, and history of e-learning. MS College makes it possible to support each canvasser to improve the skills in line with each level of them. By the end of fiscal 2010, the total of 91 e-learning courses had been taken by about 410,000 persons in all. The system is utilized by about 30,000 agents.

Since fiscal 2007, Aioi Nissay Dowa has been offering ADWeb Lecture, This Internetbased system is being utilized by about 80,000 canvassers of agents, which transmits various types of training programs and exams to obtain qualifications and self-learning programs related to revision of carious non-life insurance products. It also prepared new contents of life insurance works toward the foundation of new company with the management integration of Aioi Life and MSI Kirameki Life in October, 2011.

Also these 2 companies participate in the Non-life Insurance Canvasser Exam Updating Program and Insurance Product Education Program*2 to improve canvassing quality, operated by the General Insurance Association of Japan.

*1 Canvassers: Persons who are qualified to sell insurance and have made notification of engagement in insurance sales to the Financial Services Agency

*2 Both programs will be integrated to the Non-life Insurance Canvasser General Exam in October, 2011.

Trainings in response to the needs of agent

To respond to diversifying customer needs, MSI Primary Life is enhancing various training programs for agents and reinforcing its setup for sales support through agent education. In addition to training common to the whole industry, the company provides training adapted to agent needs in specialized areas including products, compliance, asset management, annuities, and taxes. Furthermore, the company independently offers a course of training in sales communication aimed at building close communication with customers.



Training in sales communication

Advancing with you

MS&AD **MS&AD Holdings**

Information disclosure for shareholder

The MS&AD Insurance Group is conducting investor relations (IR) activities under the following core principles to win trust from shareholders and other investors, as well as to have our corporate value assessed fairly and properly.

[IR Policy](#)

Basic policy on disclosure of IR information

Besides disclosing such corporate information as we are required to under statutes or regulations of stock exchanges, we proactively release information that we consider helps investors/shareholders make reasoned investment decisions, ranging from basic policies and management plans to business strategies of the Group, thereby improving the disclosure variation. In disclosing such information, we strive to put out timely, fair and easy-to-understand statements.

Setup for information disclosure

Disclosure committee

The Disclosure Committee was instituted by determination of the Board of Directors. The Committee is composed of corporate officers and general managers assigned to divisions related to information disclosure such as the planning division and accounting division, and outside directors. It is regularly convened for the purpose of assessing the efficacy of information disclosure control in the entire Group, taking action for improvement of this efficacy, and checking the appropriateness of disclosure.

Outline of the setup for timely disclosure

Outline of the setup for timely disclosure The outline of the setup for timely disclosure is provided in the Corporate Governance Report.

 [Corporate Governance Report \(Japanese only\) \(PDF, 261KB/10 pages\)](#)

Stock overview

This section introduces securities codes, number of issued shares and other basic matters on our stock.

[Stock overview](#)

Dividends

This section shows the history of dividend payouts in recent years.

[Dividends](#)

Communication with Shareholders and Investors

While providing information through our website and presentation meetings on a broadly disseminated basis, we respond in good faith to enquiries from investors/shareholders and securities analysts. We will share within the company such requests and opinions as we have received in the course of IR activities, with a view to making use of them to enhance our corporate value.

Holding of information meetings (for institutional investors and analysts)

In fiscal 2010, MS&AD Insurance Group was established and it held meetings on financial results and strategy for institutional investors and analysts (information meetings). In addition to the outline of our previous period and the projected result, it presented the Group strategy and policy for related approaches based on MS&AD New Frontier 2013 (our medium-term management plan). And in September and March, it participated in a conference for institutional investors held by an external institution and had meetings jointly and separately.

The video and documents at the meeting (presentation) are published on our website for promoting the information disclosure.



Information meeting
(for institutional investors and analysts)

Holding of separate meetings inside and outside Japan

We promote closer communication with institutional investors and analysts inside and outside Japan through separate meetings and response to inquiries. In fiscal 2010, we held about 130 of separate meetings and endeavored to improve the good communication with institutional investors.

Information provision through booklets

We not only report on our business and financial results to our shareholders when sending out invitation of general meetings of shareholders; we also furnish detailed information on these areas when sending out dividend notices. We provide the MS&AD Report twice in a fiscal year, after the announcement of financial statement of previous financial year and interim financial statement.

We also publish a Disclosure Magazine (in Japanese) and Annual Report (in English) for more widespread knowledge of the MS&AD Insurance Group.

 [The video, documents and each brochure at meetings](#)

Improvement of the IR website

We are making efforts to improve the IR section within the official website of the MS&AD Insurance Group to give shareholders and investors a timely disclosure of corporate information and financial results information. The site also displays information, in both Japanese and English, on our financial statements and the substance of information meetings, for perusal by shareholders and investors in Japan and other countries.

We should add that our IR website has received the "Internet IR Best Company Prize 2010" from Daiwa IR.



Daiwa IR [Internet IR
Best Company Prize
2010]

Feedback to management

The needs and ratings we receive from our shareholders, investors, and analysts through our IR activities are shared in the Group and applied in efforts to heighten our corporate value.

Advancing with you

MS&AD **MS&AD Holdings**

IR Policy

[▶ Japanese](#)

We will conduct investor relations (IR) activities under the following core principles to win trust from shareholders and other investors, as well as to have our corporate value assessed fairly and properly.

Basic Policy on Disclosure of IR Information

Besides disclosing such corporate information as we are required to under statutes or regulations of stock exchanges, we will proactively release information that we consider helps investors/shareholders make reasoned investment decisions, ranging from basic policies and management plans to business strategies of the Group, thereby improving the disclosure variation. In disclosing such information, we strive to put out timely, fair and easy-to-understand statements.

Improvement of Communications

While providing information through our website and presentation meetings on a broadly disseminated basis, we will respond in good faith to enquiries from investors/shareholders and securities analysts. We will share within the company such requests and opinions as we have received in the course of IR activities, with a view to making use of them to enhance our corporate value.

Quiet Period

In order to ensure fairness in disclosing important information such as financial results, we observe a quiet period with respect to IR activities commencing on the date three weeks prior to the announcement of financial results for each quarter (the "Quiet Period"). During the Quiet Period, we refrain from making comments or responding to enquiries on financial results, and will not in principle hold one-on-one meetings or presentation meetings.

コーポレートガバナンス

CORPORATE GOVERNANCE

MS&AD Insurance Group Holdings, Inc.

最終更新日: 2011年6月7日

MS & ADインシュアランスグループホールディングス株式会社

取締役社長 江頭敏明

問合せ先: 総務部 03-6202-5265

証券コード: 8725

<http://www.ms-ad-hd.com>

当社のコーポレート・ガバナンスの状況は以下のとおりです。

I コーポレート・ガバナンスに関する基本的な考え方及び資本構成、企業属性その他の基本情報

1. 基本的な考え方

(1) 基本的な考え方

当社は、グループの事業を統括する持株会社として、「経営理念」のもと、経営資源の効率的な活用と適切なリスク管理を通じ、長期的な安定と発展を実現するため、透明性と牽制機能を備えた経営体制を構築し、企業価値の向上に努めています。

(2) 経営体制

当社は、監査役会設置会社として、取締役(会)および監査役(会)双方の機能の強化、積極的な情報開示等を通じ、ガバナンスの向上に取り組んでいます。

執行役員制度を導入し、経営意思決定および監督を担う「取締役(会)」と業務執行を担う「執行役員」の役割を明確化してグループ経営管理の強化を図ります。また、経営から独立した社外人材の視点を取り入れて監視・監督機能を強化し、透明性の高い経営を行うため、取締役13名のうち4名、監査役5名のうち3名を社外から選任しています。また、取締役会の内部委員会として、「人事委員会」「報酬委員会」を設置し、委員の過半数および委員長を社外取締役とします。

2. 資本構成

外国人株式保有比率	30%以上
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【大株主の状況】更新

氏名又は名称	所有株式数(株)	割合(%)
トヨタ自動車株式会社	52,610,933	8.31
日本生命保険相互会社	36,325,258	5.74
日本トラスティ・サービス信託銀行株式会社(信託口)	29,884,100	4.72
日本マスタートラスト信託銀行株式会社(信託口)	27,010,700	4.27
STATE STREET BANK AND TRUST COMPANY	24,770,350	3.91
SSBT OD05 OMNIBUS ACCOUNT - TREATY CLIENTS	10,643,300	1.68
NATSCUMCO	9,159,326	1.45
STATE STREET BANK AND TRUST COMPANY 505225	8,817,126	1.39
THE CHASE MANHATTAN BANK, N.A. LONDON SECS LENDING OMNIBUS ACCOUNT	8,027,519	1.27
MELLON BANK, N.A. AS AGENT FOR ITS CLIENT MELLON OMNIBUS US PENSION	7,674,858	1.21

支配株主(親会社を除く)の有無

——

親会社の有無

なし

補足説明

3. 企業属性

上場取引所及び市場区分	東京 第一部、大阪 第一部、名古屋 第一部
決算期	3 月
業種	保険業
直前事業年度末における(連結)従業員数	1000人以上
直前事業年度における(連結)売上高	1兆円以上
直前事業年度末における連結子会社数 更新	10社以上50社未満

4. 支配株主との取引等を行う際における少数株主の保護の方策に関する指針

5. その他コーポレート・ガバナンスに重要な影響を与えうる特別な事情

Ⅱ 経営上の意思決定、執行及び監督に係る経営管理組織その他のコーポレート・ガバナンス体制の状況

1. 機関構成・組織運営等に係る事項

組織形態	監査役設置会社
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【取締役関係】

定款上の取締役の員数	15 名
定款上の取締役の任期	1 年
取締役会の議長	社長
取締役の人数	13 名
社外取締役の選任状況	選任している
社外取締役の人数	4 名
社外取締役のうち独立役員に指定されている人数	4 名

会社との関係(1)

氏名	属性	会社との関係(※1)								
		a	b	c	d	e	f	g	h	i
関 俊彦	学者								○	
渡邊 顯	弁護士				○				○	
梅津 光弘	学者				○				○	
角田 大憲	弁護士				○				○	

※1 会社との関係についての選択項目

- a 親会社出身である
- b 他の関係会社出身である
- c 当該会社の大株主である
- d 他の会社の社外取締役又は社外監査役を兼任している
- e 他の会社の業務執行取締役、執行役等である
- f 当該会社又は当該会社の特定関係事業者の業務執行取締役、執行役等の配偶者、三親等以内の親族その他これに準ずる者である
- g 当該会社の親会社又は当該親会社の子会社から役員としての報酬等その他の財産上の利益を受けている
- h 本人と当該会社との間で責任限定契約を締結している
- i その他

会社との関係(2)

氏名	独立役員	適合項目に関する補足説明	当該社外取締役を選任している理由(独立役員に指定している場合は、独立役員に指定した理由を含む)
関 俊彦	○	東北大学名誉教授	法律学者としての知識や経験を当社の経営に反映していただくため。 法律学者としての専門的な知識や経験を有しており、一般株主と利益相反が生じるおそれはないと判断しております。
渡邊 顯	○	成和明哲法律事務所弁護士	法曹としての知識や経験を当社の経営に反映していただくため。 法曹としての専門的な知識や経験を有しており、一般株主と利益相反が生じるおそれはないと判断しております。
梅津 光弘	○	慶應義塾大学商学部准教授	学者として企業倫理などに関する知識や経験を当社の経営に反映していただくため。 学者として企業倫理などに関する専門的な知識や経験を有しており、一般株主と利益相反が生じるおそれはないと判断しております。
角田 大憲	○	中村・角田・松本法律事務所弁護士	法曹としての知識や経験を当社の経営に反映していただくため。 法曹としての専門的な知識や経験を有しており、一般株主と利益相反が生じるおそれはないと判断しております。

【監査役関係】

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監査役会の設置の有無	設置している
定款上の監査役の数	6 名
監査役の数	5 名

監査役、会計監査人、内部監査部門の連携状況

監査役と会計監査人の連携状況については、定例の打合せ会により監査計画、監査実施状況、監査結果等に関して、会計監査人から報告・説明を受けます。また、必要に応じ会計監査上の諸問題について意見・情報交換を行います。一方、監査役と内部監査部門の連携状況については、定期的に連絡会を開催し、監査方針、監査の実施状況等について意見・情報交換を行います。また、内部監査部門による監査結果は、全件監査役に報告します。

社外監査役の選任状況	選任している
社外監査役の数	3 名
社外監査役のうち独立役員に指定されている人数	3 名

会社との関係(1)

氏名	属性	会社との関係(1)								
		a	b	c	d	e	f	g	h	i
安田 莊助	公認会計士				○				○	
野村 晋右	弁護士				○				○	
手塚 裕之	弁護士				○				○	

※1 会社との関係についての選択項目

- a 親会社出身である
- b その他の関係会社出身である
- c 当該会社の大株主である
- d 他の会社の社外取締役又は社外監査役を兼任している
- e 他の会社の業務執行取締役、執行役等である
- f 当該会社又は当該会社の特定関係事業者の業務執行取締役、執行役等の配偶者、三親等以内の親族その他これに準ずるものである
- g 当該会社の親会社又は当該親会社の子会社から役員としての報酬等その他の財産上の利益を受けている
- h 本人と当該会社との間で責任限定契約を締結している
- i その他

会社との関係(2)

氏名	独立役員	適合項目に関する補足説明	当該社外監査役を選任している理由(独立役員に指定している場合は、独立役員に指定した理由を含む)
安田 莊助	○	仰星監査法人(元)理事長代表社員、(現)特別顧問	公認会計士としての知識や経験を当社の監査に反映していただくため。公認会計士としての専門的な知識や経験を有しており、一般株主と利益相反が生じるおそれはないと判断しております。
野村 晋右	○	野村総合法律事務所弁護士	法曹としての知識や経験を当社の監査に反映していただくため。法曹としての専門的な知識や経験を有しており、一般株主と利益相反が生じるおそれはないと判断しております。
手塚 裕之	○	西村あさひ法律事務所弁護士	法曹としての知識や経験を当社の監査に反映していただくため。法曹としての専門的な知識や経験を有しており、一般株主と利益相反が生じるおそれはないと判断しております。

【独立役員関係】

独立役員の人数	7 名
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その他独立役員に関する事項

【インセンティブ関係】

取締役へのインセンティブ付与に関する施策の実施状況	その他
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該当項目に関する補足説明

執行役員を兼務する取締役の報酬については、会社業績および個人業績に連動する制度としています。

ストックオプションの付与対象者

該当項目に関する補足説明

【取締役報酬関係】

(個別の取締役報酬の)開示状況

個別報酬の開示はしていない

該当項目に関する補足説明 更新

全取締役の報酬等の総額および当該金額のうち社外取締役の報酬等の総額並びに全監査役の報酬等の総額および当該金額のうち社外監査役の報酬等の総額を開示しています。
平成22年度における当社の取締役に対する報酬その他職務執行の対価の総額は269百万円(うち社外取締役48百万円)、また当社の監査役に対する報酬その他職務執行の対価の総額は75百万円(うち社外監査役23百万円)です。

報酬の額又はその算定方法の決定方針の有無 更新

あり

報酬の額又はその算定方法の決定方針の開示内容

各取締役の報酬等の額については、株主総会の決議により定めた金額の範囲内で、業績向上に向けたインセンティブとしての機能、長期的な企業利益・企業価値への貢献、グローバル企業として競争力のある報酬水準などを勘案のうえ、透明性を確保するため社外役員が過半数を占める報酬委員会における審議を経たうえで取締役会の決議により決定することとしております。各監査役の報酬等の額については、株主総会の決議により定めた金額の範囲内で、常勤・非常勤の別、監査業務の分担の状況、取締役の報酬等の内容及び水準等を考慮し、監査役の協議により決定することとしております。
なお、株主総会の決議により、取締役の報酬は年額5億円以内(使用人兼務取締役の使用人分給与を含まない。)(うち社外取締役年額6,000万円以内。)、監査役の報酬は年額1億1,000万円以内とする旨を定めております。

【社外取締役(社外監査役)のサポート体制】

社外取締役は総合企画部が、社外監査役は監査役室が補佐する体制としています。
なお、取締役会付議議案については、取締役会の事務局である総合企画部が、社外取締役および社外監査役に事前説明を行います。また、リスク情報等については、社内外を問わず全取締役・監査役に対して随時報告を行います。

2. 業務執行、監査・監督、指名、報酬決定等の機能に係る事項(現状のコーポレート・ガバナンス体制の概要)

(1) 業務執行、監督の機能

イ. 取締役会

取締役会は、グループ全体の経営重要事項について論議、決定するとともに、取締役、執行役員の職務の執行を監督しています。これらの機能を一層強化するため、4名の社外取締役を選任しています。

ロ. グループ経営会議

経営方針、経営戦略、会社およびグループの経営に関する重要な事項について協議するとともに、執行役員による決裁事項についてグループ経営会議規程に基づき、報告を受けることにより具体的な業務執行のモニタリングを行っています。

ハ. 課題別委員会

業務執行上の経営的重要事項に関する協議および関係部門の意見の相互調整を図ることを目的に、課題別委員会を設置しています。委員会の協議結果は、必要に応じて担当役員が取りまとめ、取締役会、グループ経営会議等に報告しています。主な委員会は以下のとおりです。

・グループ経営モニタリング委員会(原則月2回)

当社が直接出資する子会社の取締役会および経営会議等の付議事項について報告を受け、グループ会社の財務の健全性、リスク管理および業務の適切性を確認します。

・リスク・コンプライアンス委員会(原則年4回)

グループのリスク管理状況・コンプライアンス態勢のモニタリングおよびこれらの重要事項の協議・調整等を行います。

・情報開示委員会(原則年4回)

財務情報をはじめとする当社の企業情報を適正に開示できるよう、社内の業務プロセスを検証し、内部統制の有効性評価を行います。

(2) 指名、報酬決定の機能

透明性確保のため、取締役会の内部委員会として社外取締役を過半数とする「人事委員会」および「報酬委員会」を設置しています。

・人事委員会

当社の取締役・監査役・執行役員の候補者および当社が直接出資する子会社の取締役・監査役の選任等の重要な人事事項について審議し、取締役会に助言します。

・報酬委員会

当社の取締役・執行役員の報酬および当社が直接出資する子会社の役員報酬体系等について取締役会に助言します。報酬委員会がその機能を十分に発揮するため、当社は、報酬委員会メンバーである社外取締役の所属企業(または法人)との間で取締役または監査役の相互兼任を行っていません。

(3) 監査・監督の機能

イ. 監査役会

監査役会は、常勤監査役2名、非常勤監査役(社外監査役)3名で構成されています。各監査役は、監査役会で定めた監査の方針・計画等に従い、取締役会その他の重要な会議への出席、重要な決裁書類等の閲覧、社内各部の監査、子会社の調査等により、取締役の職務の執行、内部統制等について監査します。なお、監査役は必要に応じて会社費用により外部アドバイザーを活用することができます。

ロ. 会計監査

有限責任あずさ監査法人を会計監査人に選任しました。なお、当該監査法人と当社との間には特別な利害関係はありません。

3. 現状のコーポレート・ガバナンス体制を選択している理由

当社は、監査役会設置会社として、取締役(会)および監査役(会)双方の機能の強化、積極的な情報開示等を通じ、ガバナンスの向上に取り組んでいます。

執行役員制度を導入し、経営意思決定および監督を担う「取締役(会)」と業務執行を担う「執行役員」の役割を明確化してグループ経営管理の強化を図ります。また、経営から独立した社外人材の視点を取り入れて監視・監督機能を強化し、透明性の高い経営を行うため、取締役13名のうち4名、監査役5名のうち3名を社外から選任しています。また、取締役会の内部委員会として、「人事委員会」「報酬委員会」を設置し、委員の過半数および委員長を社外取締役とします。

Ⅲ株主その他の利害関係者に関する施策の実施状況

1. 株主総会の活性化及び議決権行使の円滑化に向けての取組み状況 更新

	補足説明
株主総会招集通知の早期発送	2011年6月29日開催予定の第3期定時株主総会の招集通知を6月7日に発送しました。
電磁的方法による議決権の行使	インターネットによる議決権行使を可能としています。
議決権電子行使プラットフォームへの参加 その他機関投資家の議決権行使環境 境向上に向けた取組み	議決権電子行使プラットフォームへ参加しています。
招集通知(要約)の英文での提供	ホームページに招集通知の英訳を掲載しています。

2. IRに関する活動状況 更新

	補足説明	代表者自身 による説明 の有無
ディスクロージャーポリシーの作成・公表	MS&ADインシュアランスグループディスクロージャー基本方針ならびにIRポリシーを策定し、インターネットホームページで開示しています。	
アナリスト・機関投資家向けに定期的説明会を開催	決算発表後の決算説明電話会議、年2回、決算(年度・中間)発表後にIRミーティングを実施しています。	あり
海外投資家向けに定期的説明会を開催	米州、欧州、アジア等の海外を訪問し、投資家向けに個別説明等を行っています。	あり
IR資料のホームページ掲載	ホームページに掲載するほか、投資家向けにニュースリリースのメール発信も実施します。	
IRに関する部署(担当者)の設置	広報・IR部内に専任担当者を配置しています。	

3. ステークホルダーの立場の尊重に係る取組み状況 更新

	補足説明
社内規程等によりステークホルダーの立場の尊重について規定	「経営理念」において、社会の発展と地球の健やかな未来を支えることを掲げ、それを実現するための「行動指針」の中で「革新－わたしたちは、ステークホルダーの声に耳を傾け、絶えず自分の仕事を見直します」と定めています。
環境保全活動、CSR活動等の実施	当社および主たるグループ会社で環境マネジメントシステムの国際規格ISO14001の認証を維持しており、インドネシアにおいて植林活動も実施しています。また、WEB約款や電子契約手続きの普及推進など、本業を通じた地球環境保護の取組み「Green Powerサポーター」を展開し、普及実績に応じた金額を地球環境保護に取組む基金などに寄付をしています。
ステークホルダーに対する情報提供に係る方針等の策定	MS&ADインシュアランス グループ ディスクロージャー基本方針を策定し、インターネットホームページで開示しています。
その他	CSRに関わる報告を、インターネットホームページ上で広く開示しています。

IV 内部統制システム等に関する事項

1. 内部統制システムに関する基本的な考え方及びその整備状況 更新

会社法及び会社法施行規則に基づき決定した「内部統制システムに関する基本方針」の概要は以下のとおりであり、本方針に基づき体制を整備しております。

イ 当社およびその子会社から成る企業集団における業務の適正を確保するための体制

直接出資会社との間で締結する経営管理契約に基づき、グループの基本方針について遵守を求めるとともに、直接出資会社の重要事項について、当社の承認又は当社への報告を求める。また、原則として、孫会社については、経営管理契約に基づき、直接出資会社が自らの子会社について適切に経営管理を行う。

ロ 取締役の職務の執行が効率的に行われることを確保するための体制

迅速な意思決定と適切なモニタリングを両立させるため、執行役員制度を導入するとともに社外取締役を選任し、取締役の員数を15名以内とする。

ハ 取締役及び使用人の職務の執行が法令及び定款に適合することを確保するための体制

ア 当社及びグループ会社は、当社の取締役会が策定する「MS&ADインシュアランス グループ コンプライアンス基本方針」に従い、全役職員に対しコンプライアンス意識の徹底に取り組み、法令や社内ルール等を遵守し、高い倫理観に基づいた事業活動を行う。また、反社会的勢力排除のための体制整備に取り組み、全役職員に反社会的勢力に対しては毅然とした姿勢で臨み、不当、不正な要求に応じない旨を徹底する。

イ 当社及びグループ会社におけるコンプライアンスの推進・徹底を図るため、コンプライアンス統括部門などの組織・体制を整備し、グループ全体のコンプライアンス推進状況を定期的に取締役会に報告する。また、リスク・コンプライアンス委員会を設置し、コンプライアンス推進状況のモニタリングを行い、同委員会が確認された課題について必要な措置を講じる。なお、組織的又は個人による不正・違反・反倫理的行為について、全役職員が社内の窓口及び社外弁護士に直接通報できるグループ内部通報制度を設ける。

ニ 損失の危険の管理に関する規程その他の体制（統合リスク管理体制）

ア 「MS&ADインシュアランス グループ リスク管理基本方針」に従い、当社及び当社グループ会社で基本的な考え方を共有するとともに、統合リスク管理を適切に行うため、リスク管理部門などの組織・体制を整備し、グループ全体のリスク及びリスク管理状況を定期的に取締役会に報告する。また、リスク・コンプライアンス委員会を設置し、リスク及びリスク管理状況のモニタリングを行い、同委員会における協議結果（統合リスク管理（定量）確認結果を含む）に基づきリスクの回避・削減などの必要な措置を講じる。

イ グループ会社の危機管理・事業継続計画の整備状況を確認するとともに、グループ全体の危機管理・事業継続計画を整備する。

ホ 財務報告の信頼性を確保するための体制

監査役のうち最低1名は経理又は財務に関して十分な知識を有する者を選任する。また、「MS&ADインシュアランス グループ 情報開示統制基本方針」に従い、財務情報その他グループに関する情報を適時かつ適正に開示するための体制を整備する。情報開示委員会は、当社及びグループ会社における「財務報告に関する内部統制」の整備・運用状況並びに情報開示統制の有効性を検証する。

ヘ 内部監査の実効性を確保するための体制

「MS&ADインシュアランス グループ 内部監査基本方針」に従い、グループすべての業務活動を対象として内部監査体制を整備し、効率的かつ実効性のある内部監査を実施する。当社の内部監査部門は、当社及びグループ国内保険会社が実施した内部監査の結果等のうち重要な事項、被監査部門における改善状況等を当社の取締役会に報告する。

ト 取締役の職務の執行に係る情報の保存および管理に関する体制

文書管理規程に従い、取締役及び執行役員の職務の執行に係る文書その他の情報を適切に保存及び管理する。取締役及び監査役は、これらの情報を常時閲覧できるものとする。

チ 監査役監査の実効性を確保するための体制

ア 監査役の職務を補助すべき使用人に関する体制

監査役の職務を補助するため、監査役室を設け専任の従業員を置く。監査役室の組織変更、上記従業員の人事異動及び懲戒処分を行うにあたっては監査役会の同意を得るほか、人事考課についても監査役会が定める監査役と協議のうえ行う。

イ 監査役への報告に関する体制

取締役及び執行役員は、法令に定める事項のほか、事業・組織に重大な影響を及ぼす決定、内部監査の実施結果、内部通報制度における通報状況および内容を遅滞なく監査役会に報告する。従業員は、経営上重大な不正・違法行為、会社に著しい損害を及ぼすおそれのある事実について、監査役会に直接報告することができるものとする。

イ その他

監査役は、グループ経営会議等の重要な会議に出席する。また、取締役社長及び代表取締役は、監査役会と定期的に意見交換を行い、内部監査部門は、監査役の監査に協力する。

2. 反社会的勢力排除に向けた基本的な考え方及びその整備状況

(1) 反社会的勢力排除に向けた基本的な考え方

当社は、反社会的勢力排除のための体制整備に取り組み、反社会的勢力に対しては毅然とした姿勢で臨み、不当・不正な要求には応じない旨を全役職員に徹底します。

(2) 反社会的勢力排除に向けた整備状況

イ 当社は、「MS&ADインシュアランス グループ 反社会的勢力に対する基本方針」において全役職員が共有する基本姿勢と対応方針を定め、社内外に公表しています。

ロ 当社は、反社会的勢力による不当要求が発生した場合の対応を統括する部署を定めるとともに、反社会的勢力に関する対応マニュアルを定め、社内に公表しています。

ハ 当社は、平素から警察、暴力追放運動推進センター、弁護士等の外部専門機関と緊密な連携関係を築き、情報収集や相談を積極的に行える態勢を構築しています。

ニ 当社は、反社会的勢力に関する社内研修を定期的に実施しています。

1. 買収防衛策の導入の有無

買収防衛策の導入の有無

なし

該当項目に関する補足説明

—

2. その他コーポレート・ガバナンス体制等に関する事項

【適時開示体制の概要】

1. 基本的な姿勢

当社においては、情報開示に係るコンプライアンスの観点及び企業の社会的責任を果たすうえで、迅速、正確かつ公平な会社情報の開示を行うことが不可欠との認識のもと、開示書類を適時かつ適正に作成するための統制を構築するとともに、情報開示統制の有効性を評価し、開示書類の記載内容の適正性を確認するための情報開示統制及び手続に関する社内規程を制定しています。

2. 社内の統制

(1) 情報開示委員会

取締役会の決議により、情報開示委員会を設置しています。情報開示委員会は、企画部門・経理部門その他情報開示に関連する各部門を担当する役員及び部長並びに社外取締役により構成し、情報開示に関する審議や開示情報の適正性の検証等を行っています。

(2) 情報開示に関する統制及び手続

上記1. の社内規程に基づいて、以下の各部門がそれぞれの役割を果たすとともに、部門内の統制の有効性や手続の適切性について定期的に検証しています。

イ. 当社各部署及び子会社は、取締役会・グループ経営会議への付議事項、担当役員への報告事項等につき、証券取引所が定める適時開示項目に該当するか否かを判断します。

ロ. 上記イ. において、適時開示項目に該当すると判断した場合は、当社各部署及び子会社は、その内容を総務部長に報告します。

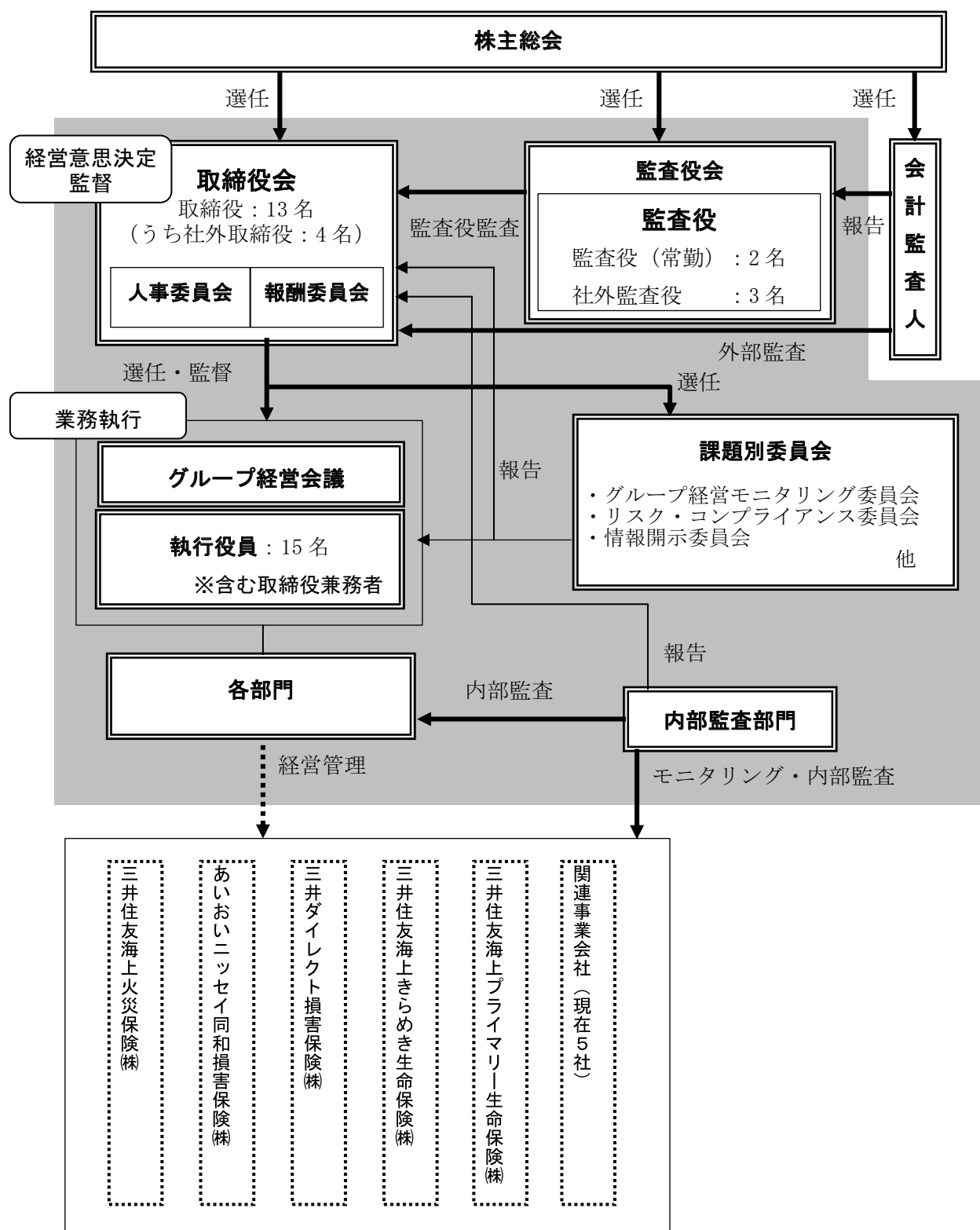
ハ. 総務部長は、上記ロ. の報告を受けたときは、適時開示の要否の最終判断を行い、適時開示項目に該当する場合は、所定の手続により、情報開示を行います。

二. 情報開示委員会は、適時開示を行う内容について報告を受け、その適正性を検証します。なお、必要に応じ、情報開示委員会において、事前に協議を行います。

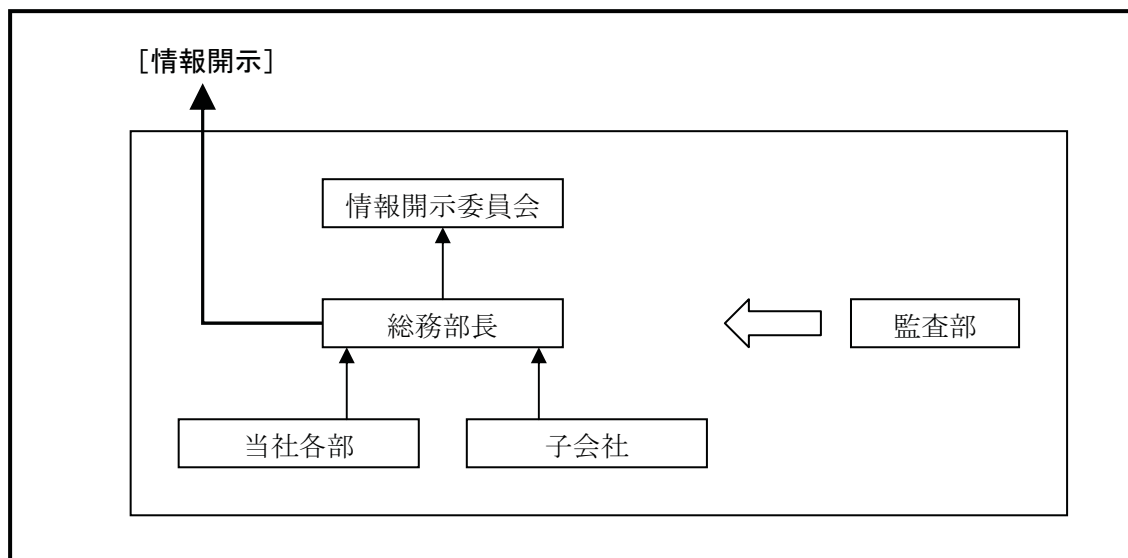
(3) 情報開示に関する統制の監査

監査部は、定期的に、業務遂行状況、内部管理体制及び経営管理体制に関する内部監査を実施し、監査結果を取締役に報告します。

【当社の経営体制】 2011. 4. 1 現在



【適時開示体制の概要】



Advancing with you

MS&AD MS&AD Holdings

Stock Overview

▶ Japanese

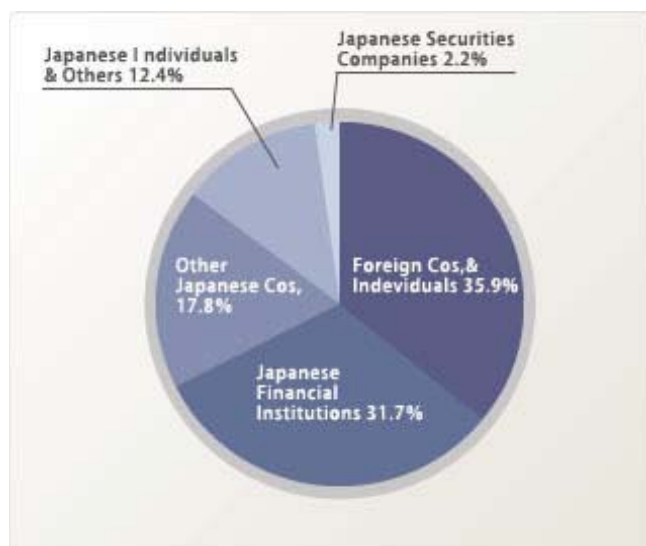
As of Mar. 31, 2011

Stock Exchange Listings	Tokyo, Osaka and Nagoya stock exchanges (first sections)
Securities Code	8725
Class of Stock	Common stock
Authorized Shares	900,000,000 shares
Issued Shares	633,291,754 shares
Number of Shares per Unit	100 shares
Fiscal Year	Apr. 1 to Mar. 31 of the following year
Date of Record for Dividends	Sep. 30 for interim dividends Mar. 31 for year-end dividends
Annual Shareholders' Meeting	Within 3 months of the end of each fiscal year
Administrator of Shareholders' Registry	The Sumitomo Trust and Banking Co., Ltd. (Kitahama 4-5-33 Chuo-ku, Osaka-shi)
Place of Business of Administrator of Shareholders' Registry	The Sumitomo Trust and Banking Co., Ltd., Stock Transfer Agency Dept. (Yaesu 2-3-1, Chuo-ku, Tokyo)
Contact	The Sumitomo Trust and Banking Co., Ltd., Stock Transfer Agency Dept. (Nikko-cho 1-10, Fuchu-shi, Tokyo 183-8701, Japan)

Shareholding Profile

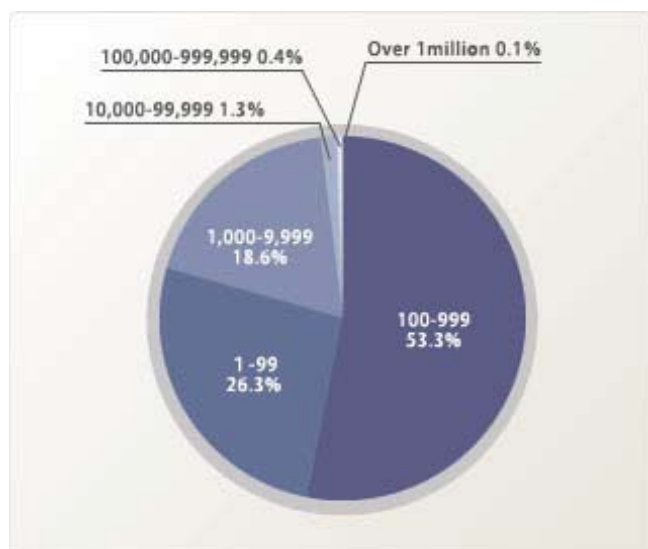
Breakdown by Sector (Percentage of shares issued)

As of Mar. 31, 2011



Breakdown by number of shares held (Percentage of all shareholders)

As of Mar. 31, 2011



Large Shareholders

As of Mar. 31, 2011

Shareholder Name	Shares Held (in thousands)	Percentage to Shares Issued(%)
TOYOTA MOTOR CORPORATION	52,610	8.31
Nippon Life Insurance Company	36,325	5.74
Japan Trustee Services Bank, Ltd. (Trust account)	29,884	4.72
The Master Trust Bank of Japan, Ltd. (Trust account)	27,010	4.27
STATE STREET BANK AND TRUST COMPANY	24,770	3.91
SSBT OD05 OMNIBUS ACCOUNT - TREATY CLIENTS	10,643	1.68
NATSCUMCO	9,159	1.45
STATE STREET BANK AND TRUST COMPANY 505225	8,817	1.39
THE CHASE MANHATTAN BANK, N.A. LONDON SECS LENDING OMNIBUS ACCOUNT	8,027	1.27
MELLON BANK, N.A. AS AGENT FOR ITS CLIENT MELLON OMNIBUS US PENSION	7,674	1.21
Total	214,923	33.94

Note: Shares Held are shown as rounded down; Percentages to Shares Issued are shown as rounded to the nearest hundredth percent. Apart from the shares shown above, the company holds 11,379 thousand shares (1.80%) as treasury shares.

Advancing with you

MS&AD MS&AD Holdings

Dividends

▶ Japanese

Dividend Policy

Based on the “Capital Management Policy”, the Company aims to maintain an increasing trend of dividends by enhancing profitability over the medium term, while maintaining a stable level of dividend per share.

Capital Management Policy

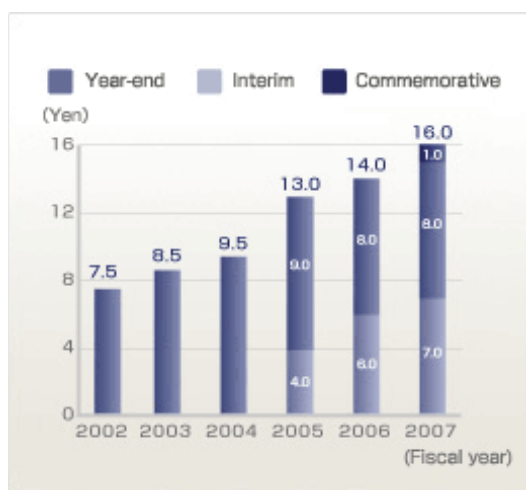
- Allocate resources to high-growth areas both in Japan and overseas, aiming to become a global insurance and financial services group, while seeking to enhance the growth and business diversification of the Group.
- Enhance the risk/capital management structure to secure financial soundness of the Group, while going on with further reduction of risk-weighted assets and good use of capital, with a view to improving the capital efficiency of the Group.
- Return to shareholders approximately 50% of Group Core Profit over the medium-term through dividends and share buyback.

(Extract from the [Master Integration Plan \(PDF file 329KB/22pages\)](#))

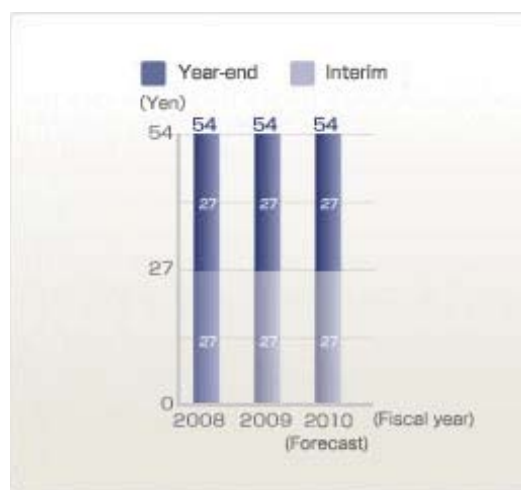
Track Record of Dividends (ref.)

The charts below show the track record of the Company in dividends per share.

As of September 30, 2010, dividends for FY2010 (Year- interim and year-end) represents the forecast by the Company.



<MSI>



<MS&AD (from FY2010)>

<MSIG (FY2008 & FY2009)>

* The FY2007 dividend per share of ¥16.0 is equivalent to ¥53.3 on an MSIG basis.

[Track record of dividends \(Aioi insurance FY2005 to FY2009\) \(Excel File 14KB\)](#)

[Track record of dividends \(Nissay Dowa General Insurance FY2005 to FY2009\) \(Excel File 14KB\)](#)

Advancing with you

MS&AD MS&AD Holdings

Responsibility in Transactions

We endeavor to engage in fair and equitable transactions, and to achieve on-going advancement and fulfillment of social responsibilities together with our business partners.

Basic perspective and policy

When companies engage in transactions, they must not only observe the related laws and regulations as well as social norms but also be fair and equitable.

MSI determined the Mitsui Sumitomo Insurance Transaction Policy (on May 27, 2005) to lay down minimum requisite basic rules for transactions in areas such as outsourcing and purchase of supplies. The company is striving for on-going advancement and fulfillment of social responsibilities with its business partners.

Basic Policy

1. We shall select business partners (contractors, suppliers, etc.) without being bound by past transaction records and with comprehensive consideration of factors including transaction terms, business status, technical capabilities, and concern for the environment.
2. We shall properly manage and protect all information received through transactions.
3. We shall ask all business partners (contractors, suppliers, etc.) to observe all related laws, regulations, and social norms.
4. We shall ask all business partners (contractors, suppliers, etc.) to constantly provide optimal quality, prices, delivery terms and service.

Advancing with you

MS&AD MS&AD Holdings

Growth with Our Employees

The element supporting improvement of quality at points of contact with customers is the growth of each and every employee.

We believe creating a working environment that helps employees feel their own growth and gives them a sense of fulfillment will lead to the growth of the MS&AD Insurance Group.

The MS&AD Insurance Group provides measures of nurturing and support through a full assortment of training and other provisions so that each employees can work professionally with a sense of pride and fulfillment.

MS&AD New Frontier 2013, the Group's medium-term management plan, positions employee growth as one of its basic strategies.

- ▣ Foster a corporate culture under which every single employee tackle challenges as a professional.
- ▣ Create a group that its members are proud of and want to work for and in which employees and agents can grow with the Group.

Excerpt from MS&AD New Frontier 2013, the Group's medium-term management plan

Employment Situation

The hiring practices of the MS&AD Insurance Group are transparent, fair, and people-centered.

[Detailed information](#)

Human Assets Development

We strive to heighten the professionalism of each and every employee, and to maximize the total power of the organization.

[Detailed information](#)

Communication with employees

We respect one another's individuality and opinions, endeavor to achieve mutual growth with employees.

[Detailed information](#)

Approaches to Human Rights

Through education about human rights, we develop conscientious employees who respect fundamental human rights and take action with a keen awareness of them.

[Detailed information](#)

Building a Friendly Working Environment

We strive to realize a good work-life balance for employees to be able to work with pride and fulfillment.

[Detailed information](#)

Advancing with you

MS&AD **MS&AD Holdings**

Growth with Our Employees

Employment Situation

▼ Hiring of New Graduates

▼ Rehiring Program

▼ Employment of the Challenged

The number of employees (March, 31, 2011) Unit: persons	
MSI	14,919
Aioi Nissay Dowa	13,371
Mitsui Direct	490
MSI Kirameki Life	1,420
Aioi Life	511
MS Primary Life	444

Hiring of New Graduates

The hiring practices of the MS&AD Insurance Group are transparent, fair, and people-centered.

MSI engages in transparent, fair, and people-centered hiring practices under the watchwords “tough spirits, big heart”. The company aims to secure human assets* endowed with an international perspective, good powers of independent thought and action, and an ability to help pioneer the new age.

Aioi Nissay Dowa bases its hiring practices on the recognition that talented human assets are the most important factor in building a company that places customer-satisfaction level-No.1 focused, and improving the quality of our services. The company is committed to hiring diverse human assets with individuality regardless of nationality, gender.

* Human assets: The MS&AD Insurance Group uses this term instead of “human resources”, in keeping with its intention of cherishing each and every employee.

The number of newly-hired employees (new graduates)			Unit: persons
	April, 2009	April, 2010	April, 2011
MSI	720	490	433
Aioi Nissay Dowa	-	-	248
The former Aioi	406	216	-
The former Nissay Dowa	238	110	-
Mitsui Direct	10	0	8
MSI Kirameki Life	23	50	42
Aioi Life	0	1	9
MS Primary Life	0	0	0

Internship

MSI implements a one-day internship program in which students can learn about the non-life insurance business and get firsthand experience of the social worth of such insurance. In fiscal 2011, the program drew the participation of about 3,000 students from across Japan. About 630 students took part in an overnight (one night and two days) internship program that brings interns closer to the actual work of sales and claims handling.

From fiscal 2011, Aioi Nissay Dowa will implement a five-day internship program for university students with a goal of improving the understanding the appeal and meaning of non-life insurance through the experience of the work at sales department.

Company information on dedicated employment opportunities website

Aioi Nissay Dowa is committed to hiring diverse human assets with individuality. The company publishes company information on a dedicated employment opportunities website, expanding and enhancing its seminars and opportunities for employee visits, and enhancing partnerships with career counseling departments of universities.

Round table seminars with employees

MSI and Aioi Nissay Dowa hold seminars at which small groups of potential hires can hold a dialogue with its employees. The goal of these seminars is to improve university students' understanding of insurance-related jobs. About 30,000 students have participated in the seminars at MSI and 27,000 students at Aioi Nissay Dowa.

Employee visits by web

About 1,100 of the MSI employees post profiles of themselves on the hiring page of the company website. The company has prepared a system under which students can freely select employees they would like to meet and pay visits to them during a five-month period (from November 2010 to March 2011). In fiscal 2010, about 3,500 students made use of this system, which many said was extremely helpful for learning about the nature of the work and the corporate culture.

Support for growth after making preliminary provisional job offers

With the goal of supporting the growth of students until they enter the company, Aioi Nissay Dowa holds seminars in October for university students to which it has made preliminary provisional job offers, and in October it holds a ceremony for those who have received provisional job offers and a seminar for those individuals on the same day. Distance training and other programs are used to improve the knowledge, awareness, and skills of provisional hires before entering the company.

Rehiring Program

The program for rehiring employees who have reached retirement age allows employees who so desire to continue exercising their talents by applying the experience and skills they have accumulated in their past work.

MSI and Aioi Nissay Dowa have a program to rehire employees after they have reached retirement age. Employment contracts can be renewed in accordance with such factors as the company's operating needs and the nature of the job, enabling employees to work until a maximum age of 65.

Actual data for use of the rehiring program of retired employees				Unit: persons
	Additional cases of rehiring in April 2010	Continued rehiring in April 2010	Additional cases of rehiring in April 2011	Continued rehiring in April 2011
MSI	62	163	102	163
Aioi Nissay Dowa	-	-	66	108
The former Aioi	58	75	-	-
The former Nissay Dowa	19	48	-	-
Mitsui Direct	6	24	4	32
MSI Kirameki Life	1	1	0	2
Aioi Life	4	6	6	9
MS Primary Life	0	0	0	0

Employment of the Challenged

The MS&AD Insurance Group companies continue to engage in hiring activities to expand and anchor places of employment for the challenged. They are also conditioning workplaces and developing duties to facilitate work by challenged persons.

In fiscal 2009, the employment rate(monthly average) of the challenged was 1.90% (number 202) at MSI and 1.94% (number 171) at the former Aioi.

In fiscal 2010, the employment rate(monthly average) of the challenged was 1.79% (number 223) at MSI and 1.91% (number 242) at Aioi Nissay Dowa.

Advancing with you

MS&AD **MS&AD Holdings**

Growth with Our Employees

Human Assets Development

We endeavor to develop human assets toward the goals of heightening levels of professionalism among each and every employee, pursuing betterment as opposed to remaining complacent with the status quo, and maximizing the total power on the organizational level as the aggregate of individual capabilities.

Education and Training

MS&AD Insurance Group set its target vision, Employees who learn and think by themselves, take up challenges, and continue to grow. Domestic insurance companies in the Group have full assortment of education and supports through the measures such as Training, OJT (On the Job Training), Self-education so that employees can work professionally with a sense of pride and fulfillment.



MSI, MSI Kirameki Life, Mitsui Direct, MS Primary Life provide trainings for unit heads for reinforcement of management skills, communication skills in workplace that sustain the human resources development. And OJT program was constructed to help newly hired employees for smooth familiarization with the workplace utilizing the experience of the work and acquisition of the requisite knowledge and skills. And trainings with the goal of development of managerial talent and making other arrangement for nurturing the proper awareness of female employees.

Aioi Nissay Dowa provides group seminars of layer-specific or specific theme such as Master program for all employees, Challenge academy, those help to breed the environment of learning by themselves. And FT(Family Training) program, company-wide approaches of guidance and training, is being implemented for the purpose of education and build up of new employees who have been with the company one to three years. And training to groom female employees for management positions, and human resource assessment program aimed at developing candidates for next-generation executive positions are being conducted.

JMA HRD Excellence Award

Aioi Nissay Dowa became the first financial institution to be awarded the Main prize of fiscal 2010 (23rd) JMA HRD Excellence Award hosted by Japan Management Association (JMA). This prize was established in 1988, this award is presented to the company or office as the excellent model in which the company quality has been improved through the activities of human resource development. Striving for being closest to customers and approaches to create the organizational climate in which employees continue learning in customers standpoint contributed to win the prize.



能力開発優秀企業賞

Sharing our mission, vision, and values

MS&AD Insurance Group aspire to share our mission, vision, and values among each employee and take it into our heart. To manifest those in our behavior we hold workplace meeting once a year. In fiscal 2010, we took up the theme “honesty” for the purpose of carrying out of sharing our values. In fiscal 2011, we will focus on the theme “Practice of values”.



Tools for workplace meeting

Support taking up the challenge

Program to support taking up the challenge

Trainee systems

MSI, MSI Kirameki Life, Mitsui Direct, MS Primary Life have the In-house Trainee System that enables employees to have short time experience in which they have not engaged so far and workplaces they have interest. Through this system, employee can experience the work of company that he or she belong and other company which implement this system and the work of overseas offices. It also enables local employees in overseas office can experience the work in office in other districts including Japan. It contributes to deepen mutual exchange between domestic and overseas employees.

Trainees numbered 645 in the In-house Trainee System at MSI and 18 in the Global Trainee System.

Marie Yamaguchi
Senior staff, Tokyo Service Center.4th
Loss adjustment Dept. Mitsui Direct

I attended the training for 3 days at MSI, Automobile Service Center. Although there is difference between the roles, an educational system as well as the products, company environment, the claims service we provide is the same, so I learned them with sympathy. Although it was a short period, I could learn many points to follow through the experience and remind the value of my company. I would like to continue to strive for keeping good relationship with people.



In-house application system

MSI, Aioi Nissay Dowa, MSI Kirameki Life provide In-house application system. This system contributes for the support of career-building of employees who have a strong challenging spirit and have recorded a certain amount of achievement in their current position.

Number of applicants and transferees under the In-house application system			Unit: persons
* figures in parentheses indicate number of transferred persons			
■ MSI			
	Fiscal 2008	Fiscal 2009	Fiscal 2010
All-area employees/ Area-specific employees (Type I)	118 (15)	130 (16)	111 (18)
Area-specific employees (Type II)	82 (15)	68 (14)	70 (14)
■ Aioi Nissay Dowa			
	Fiscal 2008	Fiscal 2009	Fiscal 2010
All-area employees	80(11)	61(6)	79(18)
Area-specific employees	24(5)	16(2)	7(3)
■ MSI Kirameki Life			
	Fiscal 2008	Fiscal 2009	Fiscal 2010
All-area employees/ Area-specific employees (Type I)	5(1)	5(1)	-
Area-specific employees (Type II)	-	1(0)	1(0)

Goal challenge program

MSI and MSI Kirameki Life's Goal Challenge Program is a setup for helping each employee to take up challenge new work and realize their growth and feel more fulfilled on the job. Aioi Nissay Dowa offers the similar program, "goal dialogue". the employee and his or her superior engage in direct dialogue several times a year. The objective is to make the screening decisions more convincing and fair in the eyes of the employees by sharing the target, task, achievements of him or her and his or her company.

In addition to the daily communication with superiors, we arrange opportunities for direct dialogue between the two. These dialogues offer support for employees who want to work in new domains or play bigger roles, strengthen their motivations, and help them to feel more fulfilled on the job.

Program for Overseas Training

To produce specialists in each field equipped with an abundance of cosmopolitan sense and expertise, MSI has established Global human resources class and MS Business University, training programs for sending all-area employees to in-house and external sites in Japan and other countries.

Aioi Nissay Dowa, too, has a program for overseas training under which it sends employees to the United States and China, for example to develop human resources with challenging spirits. Under the program those employees get language skills, survey and research the host-country society, and acquire knowledge about insurance in them. Aioi Nissay Dowa's MBA Study Program sends employees who have passed the in-house screening to universities to earn MBA degree (two-year course).

Advancing with you



Growth with Our Employees

Communication with employees

Communication with employees

We are striving to establish the company which respects one another's individuality and opinions and grow with employees.

Employees questionnaire

Each year, MSI conducts the Survey of Staff Hatz-ratz Spirit with all employees. In fiscal 2010, the survey focused on the questions of whether values that ought to be treasured are being shared and whether employees are working energetically (hatz-ratz) and with a sense of purpose. It reaffirmed that the employees generally worked with a sense of purpose and they felt they could grow through their work.

As reflecting these results, the company will check the effectiveness of various programs and measures, and reinforce those approaches so that employees would be able to work with more Hatz-ratz.

At Aioi Nissay Dowa, Our Aioi Nissay Dowa employees questionnaire with all employees is being implemented, In fiscal 2010, we organized the new company in October. We conducted a survey mainly of the expectation to the new company and each consciousness of working style.

It found that many employees feel they could broaden the sphere of activity since workplace environment became good, and their self-growth is being carried out through work.

In fiscal 2011, we provided service to deal with the Great East Japan Earthquake. We will conduct the questionnaire to confirm that how employee's conscious and their behavior were affected and how it led to their growth.

Exchange opinions with board members

At MSI, the assigned corporate executives from the head office divisions have made visits to sites across Japan to hold the Management Meetings for exchange of views with employees to reflect their views in the management. In fiscal 2010, there were 23 such meetings.

At Aioi Nissay Dowa, from the idea of "Respect the voice of field site", the dialogs between top-management-group and employees have been carried out. Younger employee's views are being reflected to the management mainly through the dialogs with practice managers.

Advancing with you



Growth with Our Employees

Approaches to Human Rights

Education about Human Rights

Human rights seminars

As a company that respects human rights, the MS&AD Insurance Group takes on-going and organizational approaches by holding seminars to educate employees about them and takes other action to see that its employees respect basic human rights and act conscientiously and with an awareness of them.

MSI held seminar on the theme of "human rights problems as viewed from the standpoint of familiar issues" and "problems of power harassment".

Aioi Nissay Dowa held an e-learning seminar on the theme of "human rights problems surrounding us".

Sexual harassment and power harassment consultation

At MSI, the Staff Consultation Office serves as the channel for consultation about and handling of sexual harassment and power harassment cases. Matters are arranged so that employees who feel victimized can consult staff there with peace of mind. Preparations are made for swift performance of fact-finding investigations. The company is also making efforts for prevention. The layer-specific seminars educate the employees about prevention of harassment.

At Aioi Nissay Dowa, we have a desk especially for consultation about sexual and power harassment within the Personnel Department, and have taken steps enabling the employees to use consultation service without any reluctance by placing counseling desk in an external organ. As for issues taken up, we verify the report immediately, we internally punish those involved severely.

Advancing with you

MS&AD MS&AD Holdings

Growth with Our Employees

Building a Friendly Working Environment

Approaches for Work-life Balance

Respect the diversity

Safeguard employees' safety and health

We endeavor to get the good work-life balance so that employees are proud of and want to work.

The MS&AD Insurance Group accepts diverse employee outlooks on value and has made arrangements for striking a good work-life balance. We give all employees so motivated the opportunity to grow and exercise their talents through the job.

Approaches for Work-life Balance

We are conditioning work environments and augmenting measures of support so that employees will be able to work energetically while striking a good balance with their private-life activities.

Support for diverse work styles(support of employees raising children)

Approaches as a company supporting the development of the next generation

MSI and Aioi Nissay Dowa and MSI Kirameki Life provide various supporting systems for the employees raising children as a company supporting the development of the next generation.



Accreditation mark "KURUMINN"
for a company actively striving to support
the development of the next generation

Building a Working Environment while raising children

Aioi Nissay Dowa provides Job Return Support Program with a view to erasing all sorts of worries and assisting a smooth return to work by employees who take childcare leave. The Program provides a guidebook setting forth what employees on childcare leave can do and what assistance is available from the company (i.e., superiors and workplaces). It also encompasses discussion with superiors and provision of information on activities in the company during leave. The idea is to assist the smooth return to the workplace.

The nursery school named Kids Club established in Tokyo to allow employees to raise children without quitting their jobs and help them to work as energetically as always.



The nursery school operated by Aioi Nissay Dowa

Posting of substitutes for employees on childcare leave and provisions for shorter hours

To make it easier for female employees who are going to give birth to take childcare leave, MSI has their substitutes work with them starting three months before the maternity leave, to get fully accustomed to the duties.

The provisions for shorter hours give employees a choice of six patterns. MSI has taken steps enabling employees on leave for childcare to access the intranet at home, in order to allay their apprehensions about returning to the workplace.

MSI Kirameki Life, Mitsui Direct, MS Primary Life provide "Posting of substitutes for employees on childcare leave".

Handbook on work-life balance prepared by MSI for the employees introduces the system to balance work, childcare, and nursing and to support his or her carrier.



Handbook on work-life balance

Papa Preparation Leave / Ikumen leave

To assist employees who prize a good work-life balance and want to be actively involved in childcare, Aioi Nissay Dowa instated Papa Preparation Leave, a provision for leave so husbands can prepare for impending childbirth by their wives. The husband is given one day of the week before the scheduled day of birth off with pay, to allow him to support the family as the father beginning before the birth of his child.

MSI instated Ikumen leave, a provision to support male employees who positively take part in childcare. The husband is given a total of three days before or after scheduled day of birth off with pay and the leave could be acquired during the period of 6 months after the birth.

Support for diverse work styles(Leave for nursing)

Leave for nursing, Temporary retirement for nursing

MSI and MSI Kirameki Life provide Leave for nursing and Temporary retirement for nursing. Leave for nursing allows employees to leave up to 5 days (in case one in the family requires nursing care) every fiscal year to take care of his or her family who are in need of attendant to go hospital etc. Temporary retirement for nursing allows employees to leave up to 365 days with tenure of office, encourage those motivated employees to work after the nursing.

Aioi Nissay Dowa and Aioi Life instated provision of shorter hours for nursing and leave for nursing with limit of a year and rehiring of employees for those who retired for nursing.

Actual use of child-support program, care support program						Unit: persons
	Fiscal 2009			Fiscal 2010		
	Leave for childcare	Provisions for shorter hours	Leave for nursing	Leave for childcare	Provisions for shorter hours	Leave for nursing
MSI	137	80	5	183	89	3
Aioi Nissay Dowa*	155	144	9	144	167	10
MSI Kirameki Life	9	3	0	16	5	0
Aioi Life	5	6	0	8	12	0

* Breakdown of the actual use in fiscal 2009 at Aioi Nissay Dowa

	Leave for childcare	Provisions for shorter hours	Leave for nursing
The former Aioi	127	127	8
The former Nissay Dowa	28	17	1

Support for diverse work styles(change of place of employment)

Provisions for change of place of employment

Aioi Nissay Dowa offers provisions for a change of place of employment entitled "Ai Move". The provisions enable area-specific employees* to move and continue working for the company instead of quitting when they are compelled to move for reasons such as the transfer of their spouse or care for aged parents. The new provisions are helping to support employees' work-life balance as well as to stem the efflux of first-rate personnel.

* Area-specific employees: employees who are not subject to transfer entailing a change of residence

In fiscal 2006, MSI introduced provisions for a change of place of employment. The provisions enable area-specific employees* to move and continue working for the company instead of quitting when they are compelled to move for reasons such as the transfer of their spouse or the marriage.

* Area-specific employees: employees who are not subject to transfer entailing a change of residence

Respect the diversity

Support for activity by female employees

The MS&AD Insurance Group thinks it is important that female employees can challenge the works and roles in larger fields of activities with utilizing their advantage and characteristic. That leads to the growth of employees and growth of company.

MSI, Aioi Nissay Dowa, MSI Kirameki Life established a professional team and it assists the career development, good work-life balance of female employees and breed workplace environments to support.

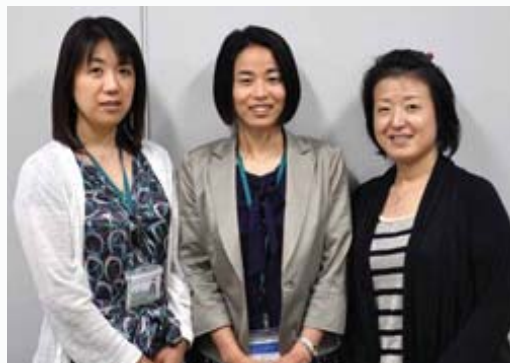
MSI is engaging in the Role innovation which promotes the innovation of existing way of work and challenges. Also in personnel system which is the basic support for the roles and way of work of employees, it abolished categorizing by their roles. If the role innovation is established, it would be a large step for promoting the success of female employees by helping to open the way of promotion as well as increasing the fields female employees can be active.

MSI, Aioi Nissay Dowa created a tool for promoting a wider role for female employees as previous year. In fiscal 2011, on the theme of Understanding of the roles in human resources development, it carries interviews between 10 female employees and 10 superiors of them who have given the courage at the turning point.



Fujino Fukuoka
Manager, Diversity Promotion Office, Human Resources Department
Aioi Nissay Dowa

In order that female employees demonstrate capability and expand the place of activity, we have been supporting and promoting the activity at the "female activity promotion desk". As a result, in March, 2011 we were awarded by "diversity management award" conducted by Toyo Keizai. From fiscal 2011, the desk name was changed to "diversity promotion desk" and we will be strengthening female activity further as a center of the diversity of our company, and striving to create the workplace where all employees can work energetically and with a sense of purpose.



from the left, Ms. Yoshida, Ms. Fukuoka,
 Ms. Chinda

Share of all employees and management positions occupied by women (as of 1 April 2011)
 (figures in parentheses indicate number of persons)

	Share of all employees occupied by women		Share of all management positions occupied by women	
	Fiscal 2009	Fiscal 2010	Fiscal 2009	Fiscal 2010
MSI	48.3%	59.6%	1.3% (55)	1.5% (64)
Aioi Nissay Dowa	The former Aioi 47.5%	47.8%	The former Aioi 3.0% (80)	2.9% (101)
	The former NissayDowa 47.0%		The former NissayDowa 1.5% (13)	
MSI Kirameki Life	34.9%	39.7%	1.5% (6)	1.1% (6)
Aioi Life	35.1%	35.1%	7.2% (5)	6.9% (5)

Support of education for physically challenged employees

MSI established a team called Team WITH for workplace assimilation of physically challenged to give support of education and build the support system.

The members of Team WITH engage in dialogue with superiors and the challenged themselves in the workplace, and take action such as preparation of a manual for workplace assimilation. Once a year, they conduct training for employees with hearing impairments. In fiscal 2010, they provided training on the themes of "Lecture of successful experience by employee having hearing difficulties" and "seminar of insurance products".

Safeguard employees' safety and health

Approaches for creating comfort

We think performance of expected roles and achievement of results during limited hours and improvement of work-life balance heightens the employee's sense of fulfillment and their growth. MSI and MSI Kirameki Life encourage its employees to go home early in August, November, and February, which it has designated as months for creation of margin, and treats Wednesdays and Fridays throughout the year as no-overtime days.

Each company also hold meeting twice a year for creation of margin.

Aioi Nissay Dowa conducts "Eco-revolution(ER campaign)" which enables the compatibility between innovation of work and work styles, improvement of productivity. In ER campaign, the whole company and each workplace engage in the "innovation of business operation", and promotes going-home-early and acquiring the consecutive leave, which contributes to the Innovation of work styles for the employee's refreshment and improvement in work-life balance.

Taking time off with pay

Number of days off with pay taken by employees in each category (Fiscal 2010) MSI

Employee category*1	Average number of days taken off		
	Carry-over and ordinary total	Accumulated	Special days off*2
All-area employees	1.57	0.12	9.70
Area-specific employees (Type I)	3.74	0.28	11.06
Area-specific employees (Type II)	6.92	0.38	11.60
Sales and claims support	7.24	1.17	10.71
Exclusive duty I	7.57	0.11	11.54
Average number of days of above categories	4.84	0.26	10.82
Average number of days of all employees	6.38	0.19	10.83

*1 Indication of only categories with at least 100 employees. However, average number of days of all employees consists of all categories.

*2 Figures for special days off are totals for summer vacation and other days off.

Number of days off with pay taken by employees in each category (April 2010 - March 2011) Aioi Nissay Dowa

Employee category*1	Average number of days taken off		
	Carry-over and ordinary total	Accumulated	Special days off*2
All-area employees	2.00	0.32	7.67
Area-specific employees	4.96	0.39	10.18
MI employees	5.31	0.42	9.63
Career employees	11.81	0.14	7.78
Contact-base employees (Type I)	7.77	0.04	3.60
Contacted employees (Type II)	6.24	0.14	6.49
Managers	3.82	0.25	5.41
Premium collection staff	5.53	0.00	0.62
Part-time staff	6.83	0.23	6.68
Full-time claim service employee (Type I)	4.46	0.38	8.13
Total of above categories	4.56	0.28	7.64
Total of all employees	4.48	0.27	7.48

*1 Indication of only categories with at least 100 employees. However, average number of days of all employees consists of all categories.

*2 Figures for special days off are totals for summer vacation and other days off.

Health management of employees

The MS&AD Insurance Group strives to breed workplace environments facilitating energetic work by all employees in good physical and mental health.

Medical Checkup

MSI conducts medical checkup by dividing employees into two categories(*) by age, and the consultation rate has become 99.5% at MSI. It supports employee's health care with emphasis on follow-up, such as a secondary inspection (reexamination / progress inspection and the thorough examination), health guidance, medical treatment recommendation, etc. based on these results of a medical checkup.

And it conducts consultation investigation to the employees beyond a certain period of operating time of computer, and is carrying out medical interviews by a doctor to the required employee.

* (General Medical Checkup) for employees below the age of 35

(Total Medical Checkup) for employees over the age of 35 (complete medical checkup)

Aioi Nissay Dowa conducts medical checkup by dividing employees into three categories(*) by age. Industrial physician checks the result of medical checkup and it is carrying out medical follow up from the health-care-administration center to the required employee.

And it conducts meeting with Industrial physician to the employees beyond a certain period of operating time of computer, and is carrying out medical follow up from the health-care-administration center to the required employee.

* (complete medical checkup) for employees over the age of 35

(complete or general medical checkup) for employees between the age of 30 and 34

(general medical checkup) for employees below the age of 35

Support for Mental health care of employees

The MS&AD Insurance Group strives to breed workplace environments facilitating energetic work by all employees in good physical and mental health.

Mental health care program

We have established health management centers and employee consultation offices (or officers). Whole group is making efforts to see that employees throughout the Group have access to mental health care of uniform quality. The health management centers are staffed with full- and part-time industrial physicians and industrial nurses, and stay with the employee over the entire process from initial consultation to reinstatement in the workplace.

Although they are ready for consultation on any matters, the employee consultation offices emphasize support for reinstatement in the workplace, and work in collaboration with the health management centers.

Activities to prevent mental illness

MSI provides separate training in mental health care led by full-time industrial physicians and nurses as well as the head of the employee consultation office in each layer, division, and region.

In addition to the training, the company added a mental health manual to its website and started e-learning system using this manual. Its website displays a stress checking system employees can use to easily ascertain their own stress level and take steps for their own care. The full-time industrial physicians and nurses regularly make the rounds of workplaces to learn of the employee health status and workplace environment. If necessary, they also offer guidance and advice for improvement.

In its e-learning system, Aioi Nissay Dowa has incorporated issues related to mental health and is implementing them. The Personnel Department provides training about mental health in the context of programs for newly appointed line section heads and line department managers. In addition, the company has constructed a setup for ready consultation by employees about mental health, by intranet display of contact information for the in-house consultation center and outsourced consultation organ.

Health management and follow-up services for employees with mental health problems

In MSI's setup for health management and follow-up services, employees experiencing difficulties are instructed to get a proper diagnosis of their condition by the physician in charge, and industrial nurses regularly check their condition during their rehabilitation. In the period of recovery, it also furnishes follow-up services for reinstatement in the workplace based on cooperation between the health management center and the employee consultation office.

In Aioi Nissay Dowa, in order to assist to maintain the routine of life style during the leave and follow up for reinstatement in the workplace, employees on medical leave are asked to submit records of daily life to consultation center and through the meeting between consultation center and the employee's superior is held once in 2 months. It checks their condition and furnishes follow up service for reinstatement in the workplace.

Safety of employees(safe driving and number of worker injuries)

Number of claims of work related injuries (fiscal 2010) MSI	
■Number of claims of work related injuries	71
<breakdown>	
Work related disaster	25
During commuting disaster	46
Workplace fatality accident	0

Number of claims of work related injuries (fiscal 2010) Aioi Nissay Dowa	
■Number of claims of work related injuries	44
<breakdown>	
Work related disaster	26
During commuting disaster	18
Workplace fatality accident	0

Advancing with you



Contribution to Local and International Communities

As a member of local communities and the international community, the MS&AD Insurance Group assists their sustainable growth through activities of social contribution it leads. The Group also has made various provisions to support activities of social contribution by its employees.

Social Contribution through Our Core Business

The MS&AD Insurance Group makes efforts for contribution to customers and local communities with full application of its technology and know-how.

[Detailed information](#) 

Support for the Social Contribution Activities of Employees

Various provisions are in place to support activities of social contribution by employees.

[Detailed information](#) 

Social Contribution Activities in the culture, sports and welfare fields

We support various activities in the fields of culture, sports and public welfare.

[Detailed information](#) 

Advancing with you

MS&AD MS&AD Holdings

Contribution to Local and International Communities

Social Contribution through Our Core Business

Approaches Related to Traffic Safety

Approaches Related to Life and Medical Services

Activities of community contribution and education

Activities of social contribution overseas

As a member of local communities and the international community, the MS&AD Insurance Group assists their sustainable growth through activities of social contribution it leads. The Group also has made various provisions to support activities of social contribution by its employees.

Approaches Related to Traffic Safety

◆ Provision of automobile risk management services to corporate customers

For companies, reduction of automobile accidents is linked to a decrease in the cost of insurance premiums and other items as well as economic loss. MSI and Aioi Nissay Dowa provide various services in automobile risk management to corporate customers. Besides collaborating with the InterRisk Research Institute & Consulting, Inc., a member of the Group, in various consulting services with the aim of preventing and reducing traffic accidents, the companies send instructors to seminars and makes assessments of driving aptitude.

◆ Campaign for education in safe driving for customers

The MS&AD Insurance Group is deploying a campaign to enhance awareness of traffic safety and support activities to prevent automobile accidents among customers and companies.

MSI is conducting a campaign for education in safe driving. Since fiscal 2010, it is conducting driving assessment service, "Driving Dock" provided by agents with using the driving data recorder which is the industry's first service for the customers. It also provides supportive measures for "safe eco-driving" to promote the improvement of fuel efficiency and prevention of traffic accidents, and prepares promoting tools and free leaflet for drivers and corporate customers.

Driving-diagnosis service for personal customers

In fiscal 2010, MSI launched driving-diagnosis service utilizing of a simple type of drive recorder, provided to personal customers through agents.



Driving-diagnosis service for personal customers

Since fiscal 2005, Aioi Nissay Dowa has been conducting nationwide campaign for the prevention of traffic accidents, furnishes all sorts of know-how and tools such as “3 months traffic safety promotion calendar” for the purpose of publicity and education about accident-free driving promotion and safe driving. In the campaign of zero-accident promotion, it interweaves elements of “safe eco-driving” based on measures to preserve the global environment, in fiscal 2010, more than 16,000 companies and organizations participated in the campaign.



Supporting tool “calendar”

◆ Presents of Yellow pennants

During Traffic Safety Week in spring and fall, Aioi Nissay Dowa presents “yellow pennants” to nursery schools, kindergartens, primary schools, police stations, and neighborhood association across the country in the activity of traffic safety, prevention of traffic accidents which are fundamental work of insurance company, and for social contribution activity which closely tied to the community. This activity began in 1971, and was therefore in its 40th year in 2010, we have presented 4.3 million “yellow pennants” so far. We hope that they will promote traffic safety nationwide.



Yellow pennants

◆ Promoting activity of driving manner, “MUJICOLOGY! Project”

Mitsui Direct deploys the approach to expand the hope, “accident-free society, zero-accident Japan”. We created the word, “MUJICOLOGY!” which is the combined word of “accident-free” and “environmental consciousness”. This word “visualizes” the thought of no-accident, entrust it to the “senses” and made it “resonate”. The messages for the improvement of driving manner, smooth communication among drivers are sent from the website of “MUJICOLOGY! laboratory”.

In this website, it exercise its ingenuity to send the rigid theme “aiming for no-accident” in a soft way.

“MUJICOLOGY! laboratory” (Japanese only)



MUJICOLOGY!

◆ Activities conveying the advanced medical technology

MSI Kirameki Life is actively taking approaches to information provision and publicity activities related to leading-edge medical services. As a part of these activities, it distributes, free of charge, a guidebook for knowledge of advanced medical technology (a pamphlet describing mainly care with the latest medical technology) and a visual DVD on the same subject.

The company also provides information on advanced medical treatment through "Advanced Medical Technology.net", an IP-oriented dedicated website offering information in the form of in-depth reports and columns by medical institutions performing such treatment, and "Advanced Medical Technology Navi", a search-oriented dedicated website allowing visitors to find basic knowledge about advanced medical treatment and medical institutions where it is available. In addition, the company holds nationwide seminars on particle beam treatment for cancer, which provide simple explanations of this form of advanced medical care. As of 31 December 2010, these seminars have been held 119 times since December 2006 and attended by over 17,000 people.

◆ Kirameki Stroke Project

MSI Kirameki Life takes a proactive stance for the campaign of prevention of strokes activity as part of the activities of publicity about prevention of strokes. Upon marketing this policy, the company has concluded a joint project agreement with the Japan Stroke Association and is conducting this campaign, which is called "Kirameki Stroke Project".

The company also held seminars on strokes for the general public together with the chapters established by the Association in all prefectures of Japan. These seminars have been held 54 times and attended by 6,000 people so far.



Seminar for stroke

☞ [Stroke Project \(Japanese only\)](#)

◆ Campaign for the diffusion of and publicity about tests for cervical cancer

Out of its desire to promote the health and happiness of customers and communities, MSI Kirameki Life is conducting a campaign for the diffusion of and publicity about physical examinations for cervical cancer. As a part of this campaign, it distributes "Cervix—Choosing not to Get Cervical Cancer", an information magazine prepared for the spread of the testing.

☞ [Campaign for the diffusion of and publicity about tests for cervical cancer \(Japanese only\)](#)

◆ Heart Life Project

Aioi Life launched "Heart Life Project" for social contribution in fields bound up with life and medical care. Under the project, it began a campaign for donation of sums corresponding with the number of contracts of target insurance products, to defray the cost of purchase of vaccine and other materials. Thus far, it has donated enough money to purchase vaccine for 300,000 people to the Japan Committee Vaccines for the World's Children (JCV), a certified non-profit organization (NPO). It has also made donations corresponding with the number of new contracts for the same to the NPO Cancer Ribbons, to support women undergoing treatment for cancer.

Chisako Ohashi
Deputy Manager, Human Resources Section
Human Resources and General Affairs Dept. Aioi Life

JCV is carrying out activities to save even one person more across the border on the fact "4,000 persons more will be save if there is a "vaccine", Cancer Ribbons is carrying out activities to support cancer patients' uneasy feeling in an age when one per 2 or 3 persons develop cancer. These activities are supported by tie-up of insurance products. Under "Heart Life project", employees are cooperating for the activities in daily life such as recovery of cap pull tabs etc. I feel the fulfillment by engaging in the activities social contribution as a secretariat.



from the left, Ms. Yoshida, Ms. Ohashi

Activities of community contribution and education

The Regional AD Club

The Regional AD Club has been started up at Aioi Nissay Dowa. The club is engaged in provision of services and information closely tied to the community, programs of interchange among participating companies, and activities of community contribution. Through these activities, it hopes to be of service to all in the community. More specifically, it plans and stages various seminars, meetings for exchange among different industries, and events for environmental protection, accident prevention, disaster prevention, and various charities, all in units of communities. In addition, it has divided Japan into 15 areas and launched its own websites in each of them. It provides information closely tied to the community and business information through these websites and e-mail newsletters.



Activity in Sapporo

In fiscal 2011, for the support of stricken area after the the Great East Japan Earthquake, the company deploys "cooperative(love), support each other(love) project". It gives the continuous support by holding "products exhibitions" in one are to another, performing "Bell Mark collection activities" under the Friendship system*.

* The system which determines the headquarters to give supports continuously with responsibility in the stricken area

Approaches by Fureai Do-Life Service

Fureai Do-Life Service Co., Ltd., an Aioi Nissay Dowa affiliate, is providing opportunities for intergenerational interchange to realize better elderly society by exchanging with neighboring elementary and junior high schools, leaning of welfare activities, and positive acceptance of volunteers through its operation of day service centers. And it is taking continuous approaches rooted in the community by opening the nursing training center (training and practical room) to local volunteer groups and local entrepreneur(161 times in fiscal 2010), holding the seminar for local citizens etc.



Event of Do-Life Ibaraki

◆ Participation in the bell mark campaign

In April 2000, Aioi Nissay Dowa became the first financial institution in Japan to participate in the bell mark campaign as a supporter, and affixes bell mark points to its products for automobile insurance, fire insurance, personal accident, and installment savings insurance. At present, more than 28,000 PTAs across Japan participate in the bell mark campaign and are assisting improvement of the education environment through it.

📄 [Bell mark \(Japanese only\)](#)

◆ Endowed lectures in the Waseda University

Aioi Nissay Dowa and the MS&AD Research Institute Company Limited have held endowed lectures in the Waseda University School of Commerce under the title "Insurance Business in the New Age—Facing Global Standards and the Low Birthrate, Aged Society" since 2007. (15 lectures in fiscal 2010)

In fiscal 2011, the lecture including the dealing measures to the Great East Japan Earthquake happened in last March. This lecture focuses on helping them understand the stance of Japan's insurance industry under the big trend of population aging and globalization. The series is coordinated by the university faculty, and the lectures were delivered by experts in the respective fields as well as the employees of the MS&AD Insurance Group by utilizing the know-how it has been cultivating and networks.



Endowed lectures in the Waseda University

◆ Donation of scholarships to the International University of Health and Welfare

To address the needs of the aged society, Aioi Nissay Dowa supports its scholarship program for students of the International University of Health and Welfare (in the city of Ohtawara, Tochigi Prefecture), which is producing human resources to support services in the medical and welfare field, in areas such as nursing care and rehabilitation for the aged to bolster its approaches to nursing services and senior business.

Students recommended by the University of Health and Welfare are given scholarship grants by the time of their graduation as a general rule. Since its creation in fiscal 1997, the program has awarded scholarships to a total of 128 students.

Activities of social contribution overseas

◆ Holding of an event for traffic safety (Thailand)

At MSI's branch in Thailand, it held events of "Anti-drunk driving charity" under the concept of prevention of traffic accident and contribution to community and "Helmet donation to elementary schools and education of accident-prevention". It jointly planned a charity event with a NPO which promotes campaign for elimination of drunk driving and posters on the theme of the prevention from drunk driving were invited from students. At the education event of the prevention from drunk driving with dual-purpose of the commendation ceremony of the application works, the excellent poster was reproduced and supplied widely to each company.



Education Poster of Anti-drunk driving

To prevent accidents involving children riding in tandem, which are common there, it donated helmets for children to 29 elementary schools in the Bangkok suburbs, and education event for the prevention from accident was held.

Approaches under the theme of Environment and Education (Indonesia)

An affiliated company of MSI, MSIG Indonesia deploys active CSR activities and is building deep relation of trust with the community in Indonesia under the theme of Environment and Education. It conducts a course of environmental lessons for local residents centering on the continuous support for reforestation and distributes eco-products. It Also holds risk management (RM) seminars regularly in order to deepen interest in and knowledge of non-life insurance and RM among university students. In the seminar held at Bogor Agricultural University in May 2011 was attended by 1,000 students and it started the internship program as well.

Bambang Sulaksono Soekarno Local corporation in Indonesia, MSI

MSIG Indonesia introduces and carries out various approaches under the theme of Environment and Education, it intends to be one of the most active companies of CSR activities in Indonesia. We would like to contribute to the community and environment in Indonesia, raise the interest in insurance and risk management, aiming to the further improvement in value of the brand of MSIG through these activities and would like to continue active and strategic CSR activities.



from the left, Mr. Kawakami, Mr. Soekarno
and Ms. Chaerani

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MS&AD MS&AD Holdings

Contribution to Local and International Communities

Support for the Social Contribution Activities of Employees

▼ Matching Gift Program for Donation in the Event of Disasters

▼ System of Volunteer leave/temporary retirement

▼ Employee-participation Social Contribution Activities

▼ Club and Donation Activities Led by Employees

▼ Activities of social contribution overseas

In our view, action by each employee as a citizen of the local community is not only linked to his or her growth but also vital for learning about the kinds of issues in the society forming the foundation of our business activities, and what is expected of us in it.

Matching Gift Program for Donation in the Event of Disasters

Under this program, the MS&AD Insurance Group matches the amount of funds collected from employees for victims of disasters.

- **Types of disaster covered** Domestic: disasters covered by the Disaster Relief Act, for which donations are collected
Overseas: large-scale disasters for which the Japan Business Federation provides information related to Assistance

- **Amount of donation** As a general rule, the same as the amount of donations collected from employees

■ Past donations

- [Past donations in fiscal 2010 \(Japanese only\)](#)
- [Past donations up to fiscal 2009 \(Japanese only\)](#)

System of Volunteer leave/temporary retirement

MSI, Aioi Nissay Dowa and MSI Kirameki Life have instituted the system of Volunteer leave/temporary retirement, and supports employees to participate in the social service activities such as welfare activity, disaster-relief activity, bone-marrow donation.

Employee-participation Social Contribution Activities

◆ Attendance of seminars on AED

Employees of MSI and Aioi Nissay Dowa attend seminars to learn about first-aid techniques and handling of automatic external defibrillators (AEDs). The seminars are held at fire departments or other such sites nationwide, and enable those attending to learn how to deal with emergency situations and people requiring emergency care.

◆ One Activity a Year at Each Office-activities for contribution to the global environment and community

At MSI, social activity supporters appointed at each office throughout Japan act as promoters of activities rooted in the community.



"Clean-up activity in Oze"

◆ Support for greening and flower-bed planting in Zoorasia Yokoham

At MSI Kirameki Life, employees engage in volunteer activities for protection of the environment and community contribution, in forms such as the planting of flower beds and green areas on the grounds of Zoorasia Yokohama Zoological Gardens. This activity has been undertaken twice a year (spring and autumn) since fiscal 2006, with the participation of an extended total of 786 volunteers including employees and their families. In fiscal 2010, as the winter activity, raking up fallen leaves event was held in the nature experience wood.



Support for greening and flower-bed planting in Zoorasia Yokoham

◆ Activities for contribution to the local communities by all employees

At Aioi Nissay Dowa and its affiliate companies, employees, we strive to realize the safe, healthy and affluent society, and as one of activities to contribute to local community and society, to the protection of global environment, we are implementing the activities "Month of gratitude (thanks to community)" in each domestic area. In 2010, which saw the eighth year of this program, some 6,700 employees, agents and their families participated in a total of 110 projects. We were awarded "Second Make a CHANGE Day" of Executive committee Special Prize in its recognition of these activities.



Activity for contribution to the local community in Shizuoka

Club and Donation Activities Led by Employees

◆ MS&AD Unison Smile Club

In April 2011, the former MS&AD Smile Heart Club and the former Unison Donation Program were united to MS&AD Unison Smile Club and proceeding the communalizing the activities.

At the MS&AD Insurance Group, employees who agree with the activity donate 100 yen apiece from the employee's salary to contribute to donation activity and social contribution activities. The number of the members in the whole Group is about 9,400. The main activities performed by each business company are as follows.

(Main activities of the Group)

- Donation to NPOs matched by the company
- Support program of world's children through charity Christmas cards
- Let's present knitted goods to children around the world Project
- Child line Support Program (supporting activities across the country)

④ Activities of MS&AD Unison Smile Club



Let's present knitted goods to children
around the world project



Charity Christmas card

Main donation activities of Aioi Nissay Dowa

- Donation of 92 wheelchairs to all prefectures, 5 welfare vehicles, 196 school bags for new students of 32 orphan homes.
- Continuous donation to supporting groups of environmental preservation, medical welfare and nurturing assistance of assistant dogs.



Assistant dog, Hikari
(Donation to Guide Dog & Service Dogs Association of
Japan)



Donation of wheelchairs

Activities of social contribution overseas

Continuous contribution to local community

MSI Local corporation, MSI Seguros(Brazil) is deploying the social contribution activities by employees' donation and volunteers, such as support of handicapped children, donation of winter clothes to needy persons, contribution of food, clothes, sanitary goods for the victims of the flood in the southeastern Brazil happened in January 2011.

Especially for the support of handicapped children, in cooperation with the charity groups, it held events such as Easter, Mother's day, cheers of world cup football, Children's Day, and Christmas by visiting 4 facilities. As a result of the continuous measure, bonds with children are generated and increasing the consciousness to social contribution in the whole company. Most employees participate in this activities , we will continue these activities.



Event at welfare facility

At Aioi Nissay Dowa overseas office, DTRIC in Hawaii, it has been engaging in the cleaning/beautification as part of activities of “Adopt-A-Highway program” conducted by Ministry of Transport in Hawaii for more than 10 years. A large number of employees and their families and friends participate in the activity every year and contribute for maintaining the safe and beautiful roads and also for the contribution of prevention of natural water in Hawaii.



Participation to road cleaning
/beautification activity in Hawaii

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Contribution to Local and International Communities

Social Contribution Activities in the Culture, Sports and Welfare Fields

▼ Support activity in traffic safety and welfare services for the aged

▼ Support for Sport

▼ Support of sports for the physically challenged

▼ Promotion of Culture

▼ Social Contribution Activities overseas

Each company in the MS&AD Group performs local and social contribution activities in the field of culture, sports and welfare.

Support activity in traffic safety and welfare services for the aged

Mitsui Sumitomo Insurance Welfare Foundation

The Mitsui Sumitomo Insurance Welfare Foundation* funds to provide assistance for research and other activities in the two fields of traffic safety and welfare services for the aged. It also presents the MSI Welfare Foundation Prize to the authors of excellent publications and papers. In fiscal 2007, it began a program of aid for overseas research targeting Southeast Asia. By the end of fiscal 2010, it had furnished 2,053.7 million yen in aid for 1,686 projects (cumulative totals since its establishment).

 [Mitsui Sumitomo Insurance Welfare Foundation \(Japanese only\)](#)

* Mitsui Sumitomo Insurance Welfare Foundation: Established in 1975; change of status to a public welfare corporation in December 2009

Support for Sport

MSI's woman judo club and woman's track-and-field club have taken part in sports promotion, they have produced players who play at forefront of sporting world such as Olympic athletes, participating in various competitions, Not only participating in those competitions but they are active in social contribution activities such as parent-and-child judo class for local residents held by woman judo club and participation of NY charity run by woman's track-and-field club.

 [MSI's Support for Sport \(Japanese only\)](#)

Support of sports for the physically challenged

Aioi Nissay Dowa wants to help people who have incurred disabilities due to traffic accidents or other such causes to lead self-supporting lives and to return to and participate in society and participation. Out of this desire, the company supports all sorts of tournaments such as becoming an official sponsor for the Japanese national wheelchair basketball team, cooperating with wheelchair twin basketball national convention and employees do volunteer work for tournaments.

MSI Kirameki Life is working for the diffusion and reinforcement of sports for the physically challenged. It supports the activities of the Japan Sports Association for the Disabled, the Japan Judo Association for the Visually Handicapped, and the Japan Association of Athletics Federations for the Disabled. The company also helps the challenged to get back into the community life and find fulfillment. It is committed to continued support for improvement of the quality of life. In fiscal 2010, All Japan visually impaired person judo convention was webcast and was watched by many of within and outside of the company.



Cheer for the Japanese national wheelchair basketball team

 [Cheer for the Japanese national wheelchair basketball team \(Japanese only\)](#)

- Support of sports for the physically challenged
(Japanese only)



Support for Judo match of visually handicapped

Promotion of Culture

Mitsui Sumitomo Insurance Shirakawa Hall

MSI Shirakawa Hall was opened in Nagoya in 1994, as the concert hall equipped with the highest level sound system in the world.

It holds various events, "Premium series" performed by the first-class artists in the world, and supporting program of local orchestra and original exhibition such as Nagoya Philharmonic Orchestra and Central Aichi Philharmonic Orchestra, children education project etc. It is playing the positive role as music cultural facility in keeping with its mission of helping music do what it can for a better society.

- Mitsui Sumitomo Insurance Shirakawa Hall (Japanese only)

The Phoenix Hall

Aioi Nissay Dowa has positioned the Phoenix Hall as a site for mecenat activities in support of the arts and culture. The Hall continues to provide quality musical programs with a focus on classical music performed by artists in Japan and overseas through concerts of its own planning. In fiscal 2011, at the first half own planning concert it will hold "the Great East Japan Earthquake reconstruction charity concert", and the sale of tickets will be utilized in the reconstruction of stricken area of the earthquake. And it has contributed to the development of music and culture in local community by utilizing for about 200 concerts. We will make the hall in which people feel familiar with music and proceed the contribution to local community through elaborate music activities.

- The Phoenix Hall (Japanese only)

Mitsui Sumitomo Insurance Cultural Foundation

The Mitsui Sumitomo Insurance Cultural Foundation* engages in activities aimed at supporting efforts to promote culture on the local level, and provides assistance in the fields of music and folk arts. Its main activities are concerts for local residents held in civic halls in various areas and assistance for programs of international cultural interchange. At the end of fiscal 2010, it staged a total of 588 concerts for local residents in 523 cities, towns, and villages, and furnished a total of 256.5 million yen in aid for programs of international cultural interchange. Since July 2011, it has been holding admission-free concerts in stricken area.

- Mitsui Sumitomo Insurance Cultural Foundation (Japanese only)

* Mitsui Sumitomo Insurance Cultural Foundation: Established in 1988, change of status to a public welfare corporation in December 2009

Exhibition of owned arts, "Tsubaki"

Aioi Nissay Dowa shows its owned arts, "Tsubaki" in public at museums all around the country. In the past 23 years after 1988, it exhibited those arts at about 50 art shows, many visitors saw them. In fiscal 2010, 61 arts were exhibited at Chigasaki Museum (Kanagawa).



Okumura Togyu, "Benitsubaki"

◆ Exchange of international cultures with local community

At MSI's branch in Korea, it acted as the director of the Seoul Japan club (made up with Japan Chamber of Commerce and Industry and Japan club; SJC) for the purpose of building the relation with international society and cultural exchanges. And as the chairman of cultural literacy of SJC, it has held and supported various events such as 'Cultural Literacy seminar', 'Historical sites visiting tour', 'Korean class', 'S.Korea-Japan Karaoke match', 'Christmas charity concert', 'S.Korea- Japan exchanges festival', 'Korean, Japanese speech contest' etc. and promoted the cultural exchange, and enhanced mutual understandings.

As the duty of the company of developing a business all over the world, we would like to play a role as the bridge of the exchange of different cultures actively, building the good relationships with overseas local communities that will lead to the mutual development.



S.Korea - Japan exchanges festival

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Approaches to the Global Environment

Viewing approaches to all types of environmental problems as part of our social mission, we promote them through a concerted effort by all of our employees.

Environmental Policy

We shall strive for the preservation and improvement of the global environment through our corporate activities.

[Detailed information](#)

Contribution to the Global Environmental Protection through Insurance and Financial Products and Services

Through our core business, we are mounting approaches to prepare for natural disasters and mitigate global warming, even if only a little.

[Detailed information](#)

Reduction of Environmental Burden from Business Activities

The MS&AD Insurance Group operates group-wide environmental management systems to reduce the environmental burden of its business activities.

[Detailed information](#)

Coexistence with Society through Environmental Awareness Activities

We provide all stakeholders with opportunities to deepen their understanding of the environment, and lead network activities to address global environmental problems.

[Detailed information](#)

Approaches to Preservation of Biodiversity

We are promoting approaches to preservation of biodiversity throughout the Group while also building corporate networks and conducting awareness-enhancing activities in this area.

[Detailed information](#)

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Approaches to the Global Environment

Environmental Policy

Our Mission Statement expresses "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." Based on this mission, we determined the MS&AD Basic Environmental Policy for action on global environmental problems by the entire Group on 1 April 2010.

The action plans contained in this policy make clear stipulations in areas such as preservation of biodiversity. We regard approaches to all types of environmental problems as part of our social mission to be promoted by all Group employees.

MS&AD Insurance Group Basic Environmental Policy

April 1, 2010

Basic policy

MS&AD Insurance Group Holdings, Inc. ("MS&AD") will continue to make efforts to preserve and improve the global environment through business activities in line with the 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 Group will also promote stable and sustainable activities based on its action policy summarized below.

Action plan

1. Contribute to global environmental protection through our insurance and financial service businesses
2. Reduce the environmental burden incurred in conjunction with our business activities and preserve biodiversity
3. Improve our environmental management system (EMS)
4. Coexistence with society through environmental awareness activities

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MS&AD MS&AD Holdings

Approaches to the Global Environment

Contribution to the Global Environmental Protection through Insurance and Financial Products and Services

If global warming continues at the current pace, the world will reportedly be at risk of higher rainfall intensity in the event of torrential rains and stronger typhoons. As a provider of insurance and financial services, it is a vital part of our role to convey the risks of climate change accurately to customers and offer products to prepare for related damage, including insurance products for natural disasters, and climate derivative products for abnormal and unfavorable weather. As we see it, however, our role is not limited to preparing for damage; we consider the discharge of our responsibility to mitigate the worsening of global warming, even if only a little, to be one of our most important tasks for contribution to the building of sustainable societies.

Toward the end of mitigating global warming through our core business, the MS&AD Insurance Group is working to devise and develop new products and services not bound by conventional frameworks.

Environment-friendly products and services

◆ The provision of web policy clauses

As part of environmental protection activities, MSI introduced web policy clauses since January, 2010 and Aioi Nissay Dowa since October, 2010, that promote paperless and saving paper resources. And corresponding with the number of cases of web policy clauses, MSI is engaging in a program under which it makes donation to global environmental protection activities.

■ [MSI: Green Power Supporter program / Web policy clauses \(Japanese only\)](#)

■ [Aioi Nissay Dowa: Donation program under cases of Web policy clauses \(Japanese only\)](#)

◆ Acquisition of Eco-Mark certification

MSI and Aioi Nissay Dowa obtained Eco-Mark certification through the promotion of web policy clauses, provision of information for safe driving and approaches to reduce environmental burden such as encouraging the use of recycled automobile parts.

Eco-Mark: Eco-label program which is governed by Japan Environment Association and it certifies the products which contribute protecting the environment or reducing the environmental burden. Certification criteria for Automobile Insurance was newly established in November, 2010.



Eco-Mark

◆ Green Power Supporter program

MSI has constructed Green Power Supporter program under which MSI engage in the global environment protection with customers through Insurance.

Corresponding with the number of cases of the 4 approaches; Web policy clauses which help to reduce levels of paper consumption, Electronic contracting procedures, Eco-maintenance and eco-inspection which helps to reduce CO2 emissions and toxic gas, Use of recycled automobile parts which helps repairing automobiles with environment-friendly part, MSI donates to environment protection activities MSI donated 23 million yen during a year from February, 2010 under its Green Power Supporter program.

■ [Green Power Supporter program \(Japanese only\)](#)



Green Power Supporter program

Weather Derivative

MSI develops in response to the needs of customers and sells the products of weather derivatives and Earthquake Derivatives which have positive effects for hedging or mitigating the loss caused by abnormal and unfavorable weather or earthquakes. Also in United States, it provides hedging scheme of weather risks through affiliate company. Its worldwide active works of Weather Derivatives and numbers of weather-related transactions intended for not only temperatures but various weather elements were awarded the prize in the “No.1 Asian Weather Derivatives Dealer 2010” award held by “Environmental Finance”, UK monthly magazine.

Provision of various products linked to reduction of environmental burden (Aioi Nissay Dowa)

Insurance discounts for environment-friendly automobiles(ECO2 discount)

To encourage the spread of automobiles making a higher environmental contribution, Aioi Nissay Dowa offers insurance discounts for environment-friendly automobiles such as hybrid vehicles and electric vehicles.

Insurance discounts for the accident-vulnerability and repair, “Dohn! to Omakase”

Automobiles that reflect improvements to make them less liable to breakdown and easier to repair not only lower repair costs in the event of accidents but also contribute to reduction of the parts to be replaced (= decrease in parts scrapped) because of limitation of the scope of damage. As such, they are also environment-friendly, as they save resources, reduce the burden of work in repair shops, and decrease emissions of paints, solvents, and other environment-burdening substances. We offer discounts on environment-friendly automobiles.

PAYD, automobile insurance linked to driving distance

Aioi Nissay Dowa developed and is selling a landmark type of automobile insurance in which premiums are linked to the driving distance. In PAYD policies, drivers pay premiums only for the distance actually driven, as determined by vehicle-mounted terminals. The premiums are lower for customers who drive less monthly distance. The insurance is therefore environment-friendly, in that it encourages less use of gasoline and consequently reduction of CO2 emissions.



PAYD, automobile insurance linked to driving distance

Heartful Recycling

Aioi Nissay Dowa developed and is selling special contracts for use of recycled parts in conformance with the Act on Recycling, etc. of End-of-Life Vehicles, to help build the recycling-oriented society. In April 2002, the company launched sales of Heartful Recycling, an automotive insurance policy with an optional policy for use of recycled parts. The policy offers a 5% discount on the automobile physical damage insurance premiums.



Pamphlet of Heartful Recycling

Since July 2007, Aioi Nissay Dowa has been offering corporate customers which have been certified under the environmental management system the ISO/HACCP discounts on premiums for (ToughBiz comprehensive general) liability insurance.

* HACCP: Hazard Analysis and Critical Control Point, one of the systems for food sanitation management

Use of recycled automobile parts

MS&AD Insurance Group suggests customers whose automobiles must be repaired because of accidents to use recycled parts in doing repairs for promoting recycling-oriented society and reducing environmental burden.

MSI gives repair shops and customers explanations about recycled parts in an easy-to-understand manner and encourage to make extensive use of recycled parts in line with the wishes and requests of customers.

[Green Power Supporter / Recycled parts \(Japanese only\)](#)

Aioi Nissay Dowa developed a wreck network auction system together with an NGP group*1 to promote use of recycled automobile parts. The system, which is the first of its kind in the non-life insurance industry, is operated to encourage use of recycled parts and proposal of the same to repair shops, toward the ends of lawful disposal of wrecked automobiles and commercialization of recycled parts. In fiscal 2010, the auction drew about 18,000 vehicles and about 1,400 participating businesses. In June 2009, "eco action points*2" started to be given to customers holding automobile physical damage insurance policies who had repairs done with recycled parts. Such customers all get 500 points (equivalent to 500 yen) per accident.

*1 NGP group: a nationwide network of dismantling businesses

*2 Eco action points: a program promoted by the Ministry of the Environment, under which points are awarded for purchase of environment-friendly goods and services and energy-saving acts. The accumulated points can be exchanged for goods and services.

Eco-maintenance and eco-inspection

Through the Advance Club, an organization of service and repair shop agents, MSI is promoting the spread of eco-maintenance and eco-inspection. Eco-maintenance and eco-inspection consist mainly of engine washing; the interiors of combustion chambers in automobile engines are washed by a special procedure. Besides curtailing emissions of toxic gas, the removal of residue of carbon and other substances in the chambers helps to reduce CO2 emissions because it improves fuel efficiency and thereby decreases fuel use. As of March 31, 2011, the number of repair shops performing engine washing reached 442.

[Green Power Supporter / Eco-maintenance and eco-inspection \(Japanese only\)](#)

Support for certification under Eco Action 21

MS&AD Insurance Group supports to obtain certification under Eco Action 21 for environmental management systems of the kind recommended by the Ministry of the Environment.

MSI participates in Partner companies greening program in which auditors in each areas hold seminars and make follow up for the members of Advance Club who engage in the Eco-maintenance. As of March 31, 2011, over 300 firms were certified under Eco Action 21.

Aioi Nissay Dowa also participate in the Program with The Nationwide Professional Group* and promoted the suggesting campaign to domestic small and medium-sized enterprise as well as to the agents. About 750 agents and firms has obtain the certification so far, they are working together for the prevention of global warming.

* An organization of dedicated agents of Aioi Nissay Dowa and Aioi Life. Its members are persons qualified for business in non-life and life insurance.

Solar loans

Photovoltaic (PV) power generation systems are the system that converts the energy of solar light into electricity. An environment-friendly energy source free of CO₂ emissions, they are indispensable for building the low-carbon society. Because they can also be installed in ordinary homes, the systems meet the needs of consumers who want to use green power and have heightened conscious of energy saving. MSI and Aioi Nissay Dowa offer loans to meet the needs of those consumers and contribute to promote the spread of those system.

Support for eco safe driving

The MS&AD Insurance Group has prepared tools to assist promotion of eco safe driving, a term referring to practices that are gentle to the environment, help to reduce fuel costs, and also decrease accidents. We are actively advocating these practices to corporate customers.

 Social contribution through our core business “Customer education in safe driving” to our customers.

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MS&AD **MS&AD Holdings**

Approaches to the Global Environment

Reduction of Environmental Burden from Business Activities

The MS&AD Insurance Group operates group-wide environmental management systems to reduce the environmental burden of its business activities.

Medium- and long-term reduction goal of CO₂

The MS&AD Insurance Group set up medium- and long-term reduction goal of CO₂ in September, 2010

Fiscal year		Reduction target of CO ₂ (compare to base year)	CO ₂ emissions*	Crude oil equivalent
[Base year]	Fiscal 2009	—	145,658t	51,881kl
[Medium-term reduction goal]	Fiscal 2012	4%	139,832t	49,806kl
[Long-term reduction goal]	Fiscal 2020	30%	101,960t	36,317kl

Based on this reduction target of CO₂, the domestic insurance companies in the Group (MSI, Aioi Nissay Dowa, Mitsui Direct, MS Primary Life) set up Medium- and long-term reduction goal with concrete measures respectively.

* CO₂ emissions in this plan

- All energy usage at all of locations in Japan of the MS&AD Insurance Group (Calculation based on revised Rationalization in Energy Use Law)
- Gasoline consumption of domestic company-owned cars of MS&AD Insurance Group
- As for CO₂ emission volume, defined by emission factor used for GHG Accounting, Reporting and Publication System under Law Concerning the Promotion of the Measures to Cope with Global Warming.

Reduction status of Environmental Burden

◆ Status of energy use in MS&AD Insurance Group

In the MS&AD Insurance Group, all employees are involved in activities of energy and resource conservation and recycling. Especially for the prevention of global warming, the whole group is striving to minimize the energy use to attain the medium- to long-term reduction goal of CO₂.

Fiscal 2010	142,073 t-CO ₂ (year-on-year basis -2.5%)
Fiscal 2009	145,658 t-CO ₂

◆ Approaches of mitigation of environmental burden

[MSI \(Japanese only\)](#)

[Aioi Nissay Dowa \(Japanese only\)](#)

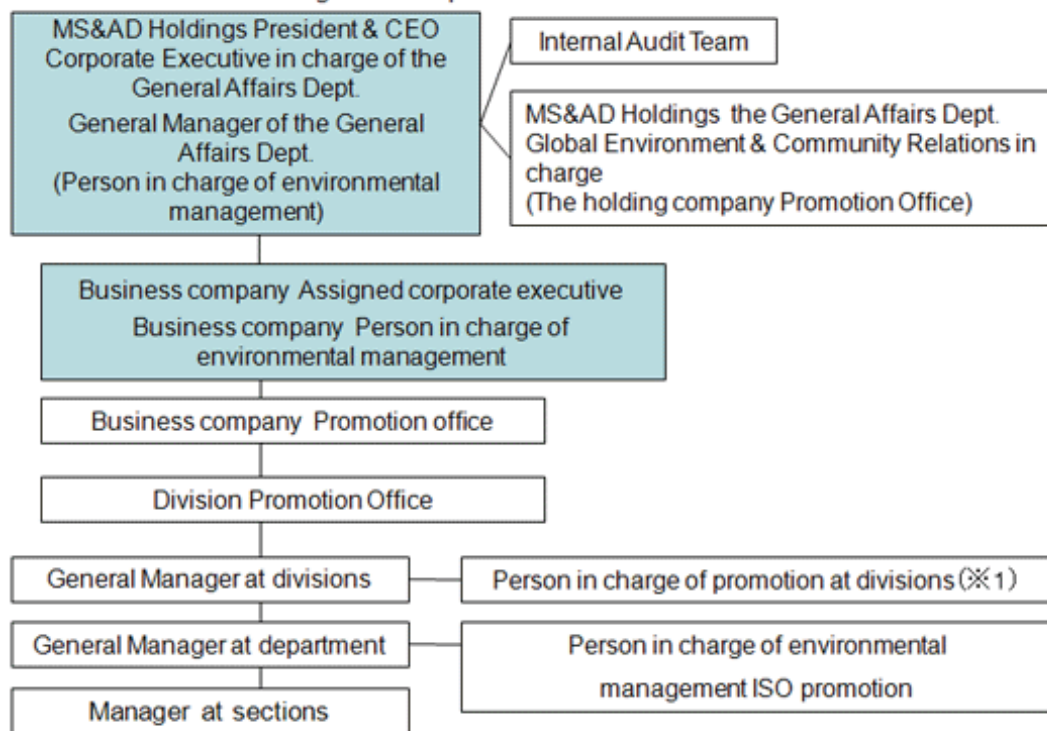
Environmental Management

To attain the medium- and long-term plan of CO₂ reduction that MS&AD Insurance Group formulated in September, 2010, the Group will promote the measures by improving environmental management systems continually.

◆ Approach for acquisition and maintenance of ISO 14001 certification

For on-going promotion of environmental approaches, the MS&AD Insurance Group is promoting the acquisition and maintenance of certification under ISO 14001, the international standard for environmental management systems. In December 2000, the former MSIG became the first financial institution doing business nationwide to obtain the certification, and has been expanding the range of application. In fiscal 2010, our Group formed the environmental policy management manual and since fiscal 2011, MS Primary Life Insurance adopted ISO14001, engaging in to obtain the certification in order that all member company of the Group attain the certification.

2011 Environmental management setup



Business company	Business company Person in charge of environmental management	Business company Promotion office
MSI	General Manager of the General Affairs Dept.	Global Environment & Community Relations Section, General Administration Dept.
Aioi Nissay Dowa	General Manager, Corporate Communications Dept.	Corporate Social Responsibility Section, Corporate Communications Dept.
Mitsui Direct	General Manager of the General Affairs Dept.	General Affairs Dept.
MSI Kirameki Life	General Manager, Human Resources and General Affairs Dept.	General Affairs Section, Human Resources and General Affairs Dept.
MSI Primary Life(※2)	General Manager, Corporate Planning and General Affairs Dept.	Corporate Planning and General Affairs Dept.
InterRisk Research Institute&Consulting	General Manager, Corporate Planning Dept.	Corporate Planning Dept.

※1 Assisting the General Manager at divisions, promoting approaches in the head office (MSI)

※2 MSI Primary Life will register at the end of fiscal 2011

Environmental statement of Aioi Nissay Dowa

To promote concrete practice of our Environmental Policy, Aioi Nissay Dowa released the Aioi Nissay Dowa Statement (the former IOI Environmental Statement) in April 2009. The dedicated agents group likewise released an environmental statement at the same time. The company is therefore promoting the Eco Challenge Campaign and the Eco Smile Campaign for preservation of the global environment by its executives, employees, and agents.

 [Aioi Nissay Dowa \(Japanese only\)](#)

Purchasing Green Power Certification

MSI has used electricity generated from natural energies for all electricity consumed in Surugadai Building since October, 2010, which is 7.6million kilowatts per year, by utilizing Green Power Certification system.

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Approaches to the Global Environment

Coexistence with Society through Environmental Awareness Activities

Global environmental problems cannot be resolved by the efforts of a single business working alone. As a first step, the MS&AD Insurance Group is furnishing all of the various stakeholders, including our employees, their families, agents, and local communities, with opportunities to deepen their environmental understanding.

Awareness-enhancement among Employees, Families, and Agents

◆ Environmental education and questionnaire surveys

The MS&AD Insurance Group is conducting a campaign of environmental education and social contribution for all employees under the banner "MS&AD Eco smile". In it, employees check and score their own activities with reference to items including "eco life" practices, waterside biodiversity, human- and environment-friendly shopping, and volunteer work. The scores of all participating employees are added up and converted to a monetary amount that we donate to groups working for environmental protection in the following fiscal year. In fiscal 2010, the campaign garnered the participation of an extended total of 85,870 employees.



Eco smile logo

◆ Awareness-enhancement among employees

Once a year, Aioi Nissay Dowa (including its affiliated companies) holds a course in environmental education based on e-learning to maintain and raise the environmental awareness of all employees. In departments in the Head Office, which has been certified under ISO 14001, it holds seminars as necessary for new hires and transferees.



Environmental seminar

◆ Implementation of MS&AD Family Environmental Classes

To bring environmental problems in their midst to the attention of our employees and their families, we hold MS&AD Family Environmental Classes at locations across the country. In fiscal 2010, the classes were held at four locations and a total of 216 participated in the classes.



Planting in Family Environmental Classes

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Approaches to the Global Environment

Approaches to Preservation of Biodiversity

Non-life insurance businesses consume paper in large quantities while managing the contracts with our customers and during the sure procedure of the payment of insurance. The MS&AD Insurance Group is involved in a tropical reforestation project as a part of its efforts to discharge its responsibility as a big paper consumer and endeavor the reduction of consumption.

Through this project, we awakened to the importance of preserving biodiversity. This is why the action plans in the MS&AD Basic Environmental Policy formulated in April 1, 2010 explicitly include approaches to preservation of biodiversity.

We also realized that risks related to biodiversity could possibly become customer risks in the future. For this reason, we also set about constructing a corporate network for joint research on preservation of biodiversity. Besides stepping up Group approaches in this area, we are engaged in activities to deepen understanding of the need for preservation of biodiversity among companies and in research regarding mitigation of risks.

Specific Approaches to Preservation of Biodiversity

Ramsar Supporters

We promote MS&AD Ramsar Supporters to conserve the biodiversity of waterfront areas, particularly focusing on the wetlands registered under the Ramsar Convention. In fiscal 2010, employees and their families conducted activities to protect ecosystems, clean up and survey at 7 locations in Japan.

Takuya Kanno
Manager, Compliance Group
Compliance Dept. MSI Primary Life

To broaden kid's field of vision and for environmental education, I have participated in MS&AD Family Environmental Classes, activities for preservation of waterside environment from 2 years ago. Through the reports and craft training after receiving explanation at those events, he is now able to think about eco activities and environment as immediate issue from his viewpoint. I want him to think about environment issues in an enjoyable way and in a serious way. We can promote communication and join those events with a fun.



Project for tropical reforestation

Since April 2005, MSI has been working for the rehabilitation and regeneration of the Paliyan Wildlife Sanctuary (in Java, Indonesia). The project is aimed at restoration of lost plant and animal wildlife and economic contribution to the local area. At the end of March, 2011, the first step has completed and from April, 2011 MSI will conduct the second step program which aims to the economic contribution to the local area. This project has been highly valued by Indonesian government, the visitors have been increasing.

 Indonesia reforestation project (Japanese only)



Special class for elementary school students in Paliyan

Expansion of green area at the Surugadai Building

The green area at the Surugadai Building became the first building green area in downtown Tokyo that was certified as Superlative Stage, which is the highest rank in Social and Environmental Green Evaluation System (SEGES) managed by Fund for Greening in Cities. Since the green area was firstly certified as Excellent Stage 3 in 2005, the activities such as structuring a project team including outside experts and formulating Green area management system to maintain the green area have been evaluated, the certification was given to the green area 3 consecutive times, and the green area obtained the highest rank this time. In July, 2013, after completion of new annex, greening of 7,154 square meters of total area of 17,387 square meters (greening rate: 41.1%) is planned.

For the consideration of biodiversity, through the bioassessment by experts, making autochthon area of deciduous broad-leaved trees for the purpose of attracting various species of birds and insects is planned.

 [Green area of Surugadai Building](#)

Approaches through the JBIB

April 2008 saw the establishment of the Japan Business Initiative for Conservation and Sustainable Use of Biodiversity (JBIB), which serves as a network for joint research by firms concerned about preserving biodiversity and making sustainable use of biological resources. Ever since its establishment, MSI has been supporting the JBIB's activities as the chair company. (As of May 2011, the JBIB had a membership of 51 companies.)

In fiscal 2008, the JBIB developed an interrelationship diagram as a tool for visual representation of the impact of corporate activities on biodiversity and is producing a steady stream of output to lead approaches by domestic companies. In fiscal 2010, it is preparing the proposal provided to domestic companies such as Guidelines for use of company-owned land.

 [Activities for preservation of biodiversity](#)

The Story of Biology Told by Corporations-Part 4

In February 2011, MSI held "The Story of Biology Told by Corporations-Part 4", a symposium on biodiversity held for concerned corporate personnel, to enlighten them about avenues of corporate action on biodiversity. The event was backed by the national Ministry of the Environment and received special support from JBIB. In a program mixing keynote addresses and panel discussions, it presented the examples of advanced efforts by firms, the explanation of Aichi Target adopted at COP10, which was held in Nagoya in October 2010. It was given high marks by the 215 participants.

 [Symposium "The Story of Biology Told by Corporations"](#)

Provision of consulting services in the areas of corporate greening and biodiversity

InterRisk Research Institute and Consulting, a member of the Group, provides services in simple diagnosis of use of land associated with business establishments, factories, and company-owned forests from the perspective of preserving biodiversity.

In May 2010, it developed Japan's first tool for assessment of the biodiversity potential of business establishments, together with Regional Environmental Planning Inc. and Sumitomo Forestry Landscaping Co., Ltd. This tool enables quantitative assessment of local ecosystem networks around the factories and it provides one-stop service such as supporting the formulation of action plan of land use that contributes the development of the network, coordination for enhancement of partnership with local stakeholders.

 [InterRisk Research Institute & Consulting's website \(Japanese only\)](#)

Third-party Opinion

Mr. Eiichiro Adachi

Research Chief, Japan Research Institute, Limited

- After working in the Management Strategy Research department, Technology Research Department, now, head of the ESG Research Center.
- He provides corporate information to financial institutions for the purpose of socially responsible investment.
- He mainly conducts industrial surveys and corporate evaluations from the perspective of environmental management and CSR.
- He served as a Japan expert on the ISO26000 from March 2005 to May 2009.



This is the second CSR report after MS&AD Insurance Group Holdings was established. I believe it improved from previous Report since it lists approaches in CSR Report 2011 which are conscious of readers and Keyword Index etc. that enables readers could overview the whole Group.

However, Subject Scope includes many companies in the Group, that still causes confusion. Generally, there exists difficulties in editing when holding company issues the report, but investors (Stakeholders) have keen interest in the strategies and advantages of corporate integration of the holding company as the stock issuance body as well as each approaches of member companies. I propose following three suggestions to realize more easily comprehensible information disclosure.

◆ 1. Introduction of the perspective in business field into the vision of approaches and disclosing process

The perspective in business field such as Domestic non-life insurance, Domestic life insurance, Overseas, Financial/Risk related services could be introduced in the process of creation of concepts, carrying out, and disclosing the achievement in "Approaches to Products, Customers, and the Environment".

International standard regarding social responsibility, ISO26000, which introduced in November 2010, defines Social Responsibility as "Responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behavior" and lists following actions; "It contributes to sustainable development including health and the welfare of society", "It takes into account the needs and expectations of stakeholders", "It is compliant with applicable laws and consistent with international norms", "It is integrated and implemented throughout the organization".

It is clear that the influence non-life insurance business gives to society and environment is different from that of life insurance business. Therefore, what influence the company is giving and could give to society and environment should be explored.

◆ 2. Creating individuality in CSR management of MS&AD Insurance Group

Above 1. must have sure linkage with "Creation of individuality in CSR management of MS&AD Insurance Group". For example, there should be potentiality in the fields of Activity by female employees, Approaches of preservation of biodiversity, but the present information disclosure covers the completeness of the approaches but it lacks the individuality and characteristic of the Group.

◆ 3. Introduction of approaches, goal settings and achievement report could be linked together in pairs

I would like to request that introduction of approaches, goal settings and achievement report should be disclosed by linking each together in pairs. This report indicates "We have formulated key performance indicators(KPIs) for promoting these approaches" and "KPIs will enable the effective approaches by visualizing the progress of main approaches with objective indicators in line with the PDCA cycle in line with the PDCA cycle". I expect these measures are established as early as possible.

At the end, at the round table of United Nations Environment Programme Finance Initiative that will be held in Washington DC in October, principles for sustainable insurance for insurance industry are to be announced as the draft proposal. The discussion regarding “the roles that financial institutions should play in view of the 2012 earth summit in Rio de Janeiro” is getting vigorous. There is plenty of scope for insurance companies to contribute for mitigation and solution for the issues of climate change, low birthrate and longevity, and urban disasters. I expect MS&AD Insurance Group would exercise leaderships and initiatives in this field as well since it sets up the Our Vision, “To create a world-leading insurance and financial services group”.

This Third-party Opinion was prepared to suggest how MS&AD Insurance Group’s approaches and information for social and environmental aspects mentioned in this report should be disclosed from the stand point of providing financial institutions the corporate information for the social responsibility investment. This comments are not the conclusion on the base of accurate measurement, calculations, and whether it contains every single important items that should be contained with reference to the generally-accepted standard for environment reports.

Response to Third-party Opinion

Since the corporate integration in MS&AD Insurance Group in last April, it has been aiming for a world-leading insurance and financial services group, and tackled in various approaches for producing good effect of integration in line with its medium-term management plan, “MS&AD New Frontier 2013”. Last October, Aioi Insurance and Nissay Dowa were merged, and it acquired 100% ownership of MSI Primary Life (the former MSI MetLife) in April, and MSI Kirameki Life and Aioi Life will be merged in October.

In this situation, the whole Group has been engaging in the CSR approaches in consideration of the characteristics of domestic insurance companies in the Group, and prepared CSR report in the view of conveying the entire picture as plain as possible.

Taking the opinions of Mr. Adachi seriously, we will proceed our approaches further and disclose information including KPI that we are now considering intelligibly and carefully. And we will participate in activities as industry and the global approaches actively that are expected to be one of our social roles of MS&AD Group.

Takashi Kubota
General Manager, Corporate Planning Dept.
MS&AD Insurance Group Holdings, Inc.