

FY2015 Slavery and Human Trafficking Statement

1. Positioning of this Statement

Based on Article 54 of the Modern Slavery Act 2015 enacted by the United Kingdom in March 2015, this statement expresses the intent of MS&AD Insurance Group Holdings, Inc. to prevent slave labor and human trafficking in its business activities and those of the Group, and to work to encourage its supply chains to do the same.

This statement has been approved by the Company's Board of Directors, and has been signed by Yasuyoshi Karasawa, President and CEO.

2. Business Overview

MS&AD Insurance Group is an insurance and financial services group consisting of non-life insurance companies Mitsui Sumitomo Insurance Co., Ltd., Aioi Nissay Dowa Insurance Co., Ltd. and others, with approximately 40,000 employees conducting business in 46 countries worldwide. In addition to its core domestic non-life insurance business, the Group also deals in the domestic life insurance business, international business, financial services business, and risk-related services business, offering products and services tailored to the diversifying risks and needs of its customers. For a detailed overview of the Group's business, please visit the link below:

<http://www.ms-ad-hd.com/en/group/about/business.html>

3. Mission Statement

The Group has established a Mission, a Vision and a set of Values, and works toward sustainable enhancement of enterprise value by achieving these.

Through the establishment of the Perspective of CSR Approaches of the MS&AD Insurance Group, the Group also works toward fulfilling its responsibility to its stakeholders.

Perspective of CSR Approaches of the MS&AD Insurance Group

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

We will provide products and services with high quality and added value, contributing to a secure, safe, vibrant, and prosperous future by gaining a deeper understanding of social issues through active dialogue with our stakeholders.

4. Approach to Preventing Slave Labor and Human Trafficking

In June 2004, the Group signed onto the UN Global Compact, which sets forth 10 principles covering areas including human rights (Principle 1: Support and respect human rights; Principle 2: Non-complicity in human rights abuses); labor (Principle 3: Uphold the freedom of association and recognition of the right to collective bargaining; Principle 4: Elimination of all forms of forced labor; Principle 5: Effective abolition of child labor; Principle 6: Elimination of discrimination in respect of employment and occupation); and the environment and anti-corruption. By signing the UNGC, we indicate our support for the Universal Declaration of Human Rights stipulated in the UNGC, and based on International Labour Organization (ILO) core labor standards and the Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD), we work to advance initiatives that respect human rights.

In the MS&AD Insurance Group Basic Compliance Policy, we have set forth a code of conduct for officers and employees, including conduct concerning respect for human rights and creating a positive workplace, as noted below:

MS&AD Insurance Group Basic Compliance Policy (excerpt)

3. Code of Conduct for Officers and Employees Concerning Compliance

(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.

In June 2012, the Group also signed onto the Principles for Sustainable Insurance (PSI), part of the United Nations Environment Programme Finance Initiative (UNEP FI), which calls on the industry to encourage efforts to address environmental, social and corporate governance (ESG) issues in the insurance business, and to contribute to the sustainable development of society. Furthermore, we established the Perspective of CSR Approaches of the MS&AD Insurance Group and we are committed to conducting all of our business activities in a manner that takes into consideration the mutual impact of our business activities with the environment and society.

5. FY2015 Activities to Prevent Slave Labor and Human Trafficking

(1) Training and educational activities

Each year the Group conducts workplace training in human rights for all employees. In FY2015, that training was conducted for domestic Group companies based on a common text prepared on the subject “Why companies need to be aware of human rights.”

Each Group company also works to raise employee awareness of respect for human rights by providing self-directed e-learning, as well as human rights training during training at different rank levels including training at promotion to new positions and management training.

Details about the Group’s human rights education can be found at the link below:

http://www.ms-ad-hd.com/en/csr/employee/human_rights.html

(2) Decision-making process in investment activities

In June 2015, the Group signed the Principles for Responsible Investment (PRI), which calls for consideration of ESG issues in investment decision-making processes, and we are working to advance investment initiatives with ESG in mind.

(3) Ensuring a positive workplace for employees

i. Following “Healthy Company” practices

The Group believes that having healthy employees is vital for putting its Mission Statement into practice, and strives to create a safe, pleasant workplace environment.

Specific initiatives can be found at the link below:

<http://www.ms-ad-hd.com/en/csr/employee/health.html>

ii. Whistle blowing systems

To ensure action is taken to secure respect for the human rights of its officers and employees and a positive workplace environment, and to take the appropriate steps when necessary, the Group has established a system by which employees can report compliance-related issues to either an internal person in charge or directly to an outside specialist.

Items subject to reporting

- Compliance-related issues
- Employee mental, physical and health issues due to harassment
- Working hours, overtime and other issues related to the workplace environment

6. Other Efforts Going Forward

From the perspective of preventing slave labor and human trafficking, the Group will work to further enhance trainings, formulate its human rights policies, further raise employee awareness and continue its efforts regarding respect for human rights.

September 30, 2016



MS&AD Insurance Group Holdings, Inc.
Yasuyoshi Karasawa, President and CEO