

Business Foundation

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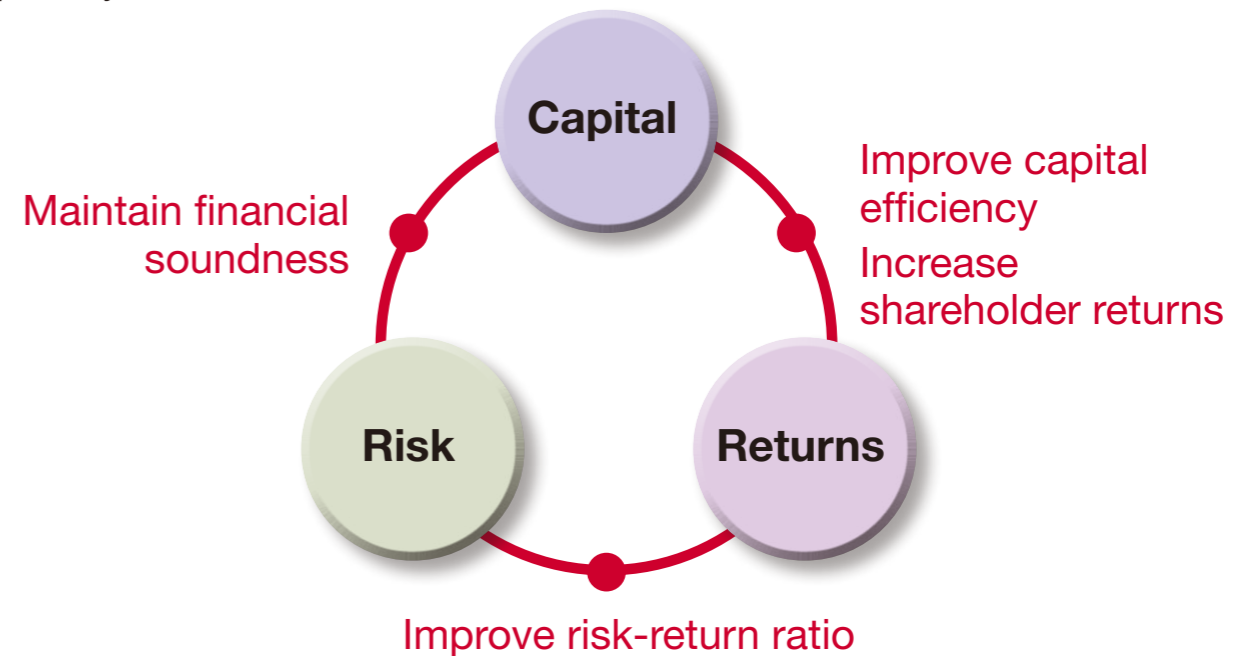
Capital Policy/ERM

Basic capital policy

The Company's capital policy is based on the enterprise risk management (ERM) framework, and its basic capital policy is to appropriately control the balance of capital, risk, and return to achieve a number of goals: maintaining robust financial health; achieving steady improvements in capital efficiency to

grow profits to a world-class level and deliver adjusted consolidated ROE of 10% or more; and ensuring attractive shareholder returns (dividends and share buybacks) commensurate with both profit and shareholder equity levels.

Capital Policy Based on ERM Framework



Improving capital efficiency

In order to improve the Group's capital efficiency in a sustained manner, we use both the stable cash flow generated from existing businesses and the capital generated by reducing risk to invest in areas of high capital efficiency, including M&As and other growth investments and digital technologies. With these measures geared towards improving capital efficiency, we aim to achieve a capital efficiency with an adjusted consolidated ROE of 10% or higher and expand Group profit levels over the medium term. We have also established ROE targets for each business and by monitoring the initiatives implemented in each business, we intend to improve capital efficiency and increase adjusted profits for the Group as a whole.

We set our target for adjusted consolidated ROE based both on our capital cost of 7% and on the average level of our global peers, as estimated by the CAPM*1.

*1 The capital asset pricing model (CAPM) is a method used to calculate expected return using the following equation: risk-free rate + beta (sensitivity of our share price to the stock market) × market risk premium

To clearly define the Group's medium-term risk-taking policy and direction, we have established a risk appetite statement (RAS) as part of the current Mid-Term Management Plan. The RAS outlines our approach to risk taking in each risk category based on return on risks (ROR). Based on the RAS, we are reducing our strategic shareholdings that have low capital efficiency and lowering our exposure to domestic interest rate risks by strengthening ALM. Our initial KPIs for the three-year period of the Mid-Term Management Plan were to sell off roughly ¥50 billion in strategic shareholdings each year and purchase super-long-term bonds to the tune of ¥300 billion annually through the Domestic Life Insurance Business. In fiscal 2021, the first year of the plan, we kept to this schedule by selling strategic shareholdings worth ¥50.1 billion and buying up super-long-term bonds to the value of ¥329.4 billion. In fiscal 2022, however, we stepped up the pace by selling ¥70.3 billion in strategic shareholdings and purchasing super-long-term bonds worth ¥489.3 billion, thus reducing risk at a pace faster than initially planned. We will continue to reduce our strategic shareholdings with the aim of trimming the level back down to less than 20% of adjusted consolidated net assets on

a market value basis by fiscal 2030.

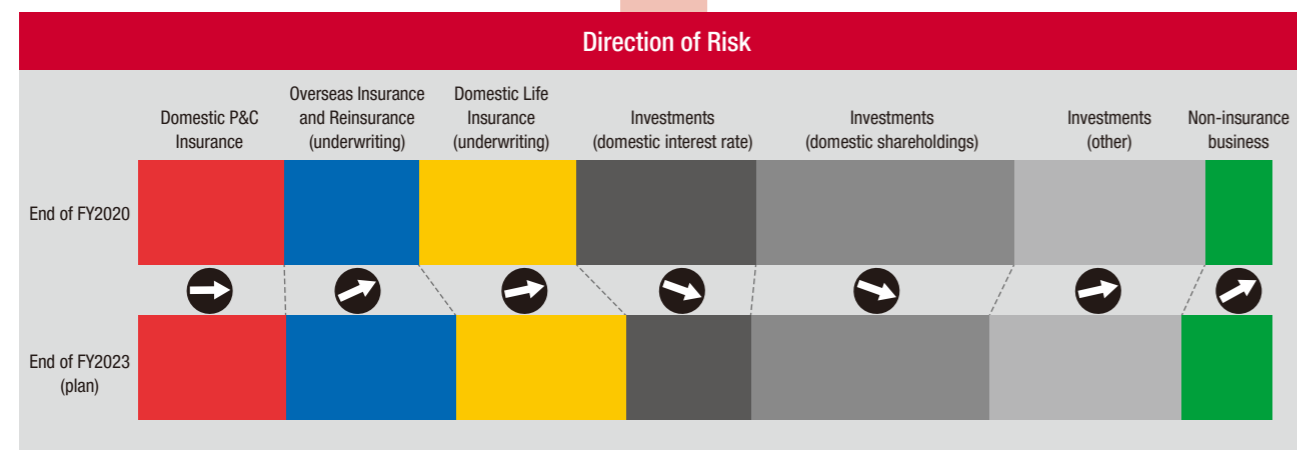
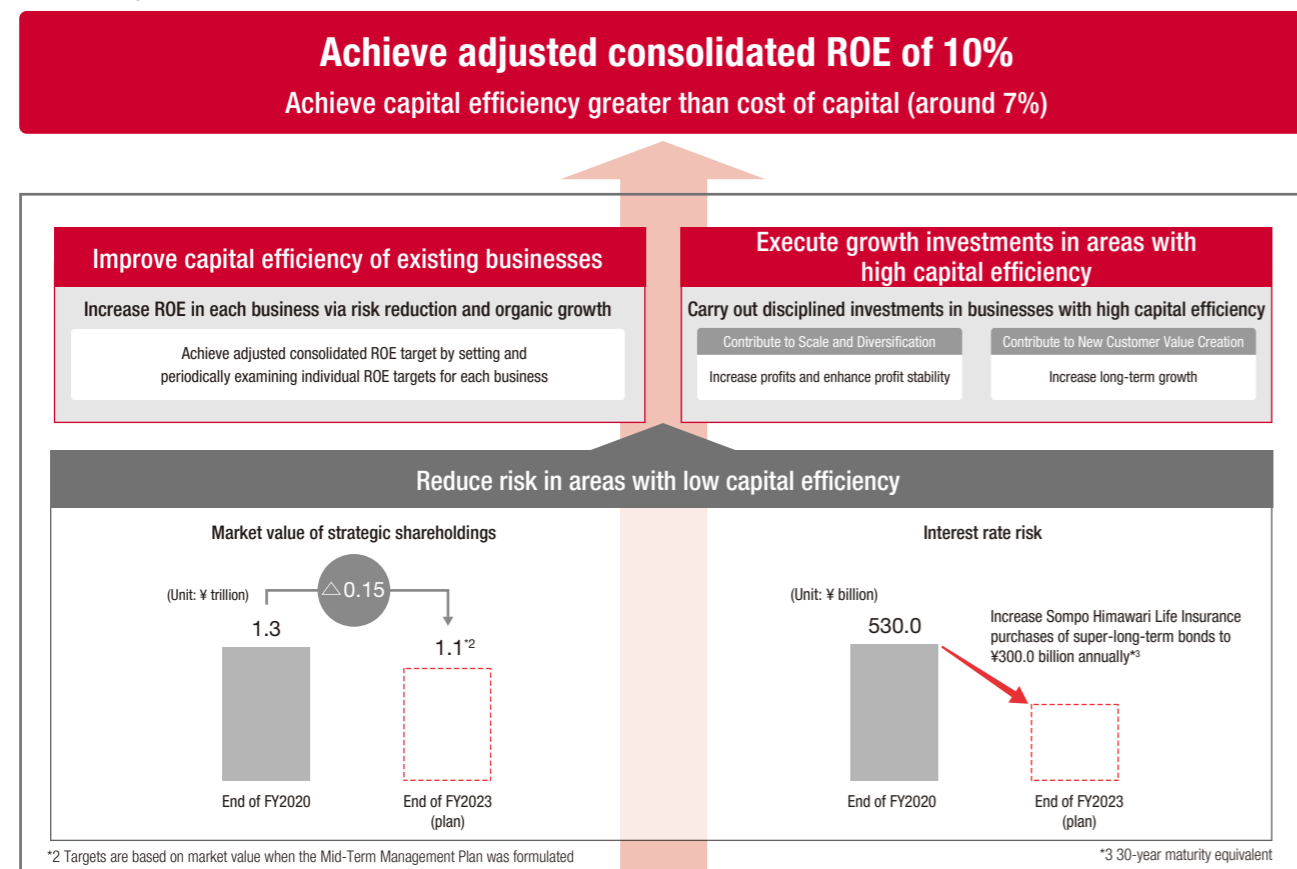
Cash flow generated by each business will be used for M&As and other growth investments. Under the current Mid-Term Management Plan, our policy is to allocate management resources worth ¥600 billion to growth investments in the areas of scale and diversification and new value creation, two of the three core strategies in the plan.

For our scale and diversification strategy, we will invest in M&As and organic growth primarily in our Overseas Insurance and Reinsurance Business, with the aim of bettering our chances of achieving our management targets. For our new customer value creation strategy,

we intend to invest in creating a Real Data Platform (RDP) and in companies that possess digital and other advanced technologies, as well as in the healthcare domain, with the twin aims of contributing to the resolution of social issues and boosting growth over the medium-to-long term.

We have established a disciplined investment framework when it comes to considering M&As: we assess the consistency of any potential deal with our business strategy, and analyze any expected synergies; we have also set a hurdle rate that takes into account the weighted average cost of capital (WACC) based on financial leverage and the industry characteristics of the acquisition target.

Improving Capital Efficiency



Maintaining financial soundness

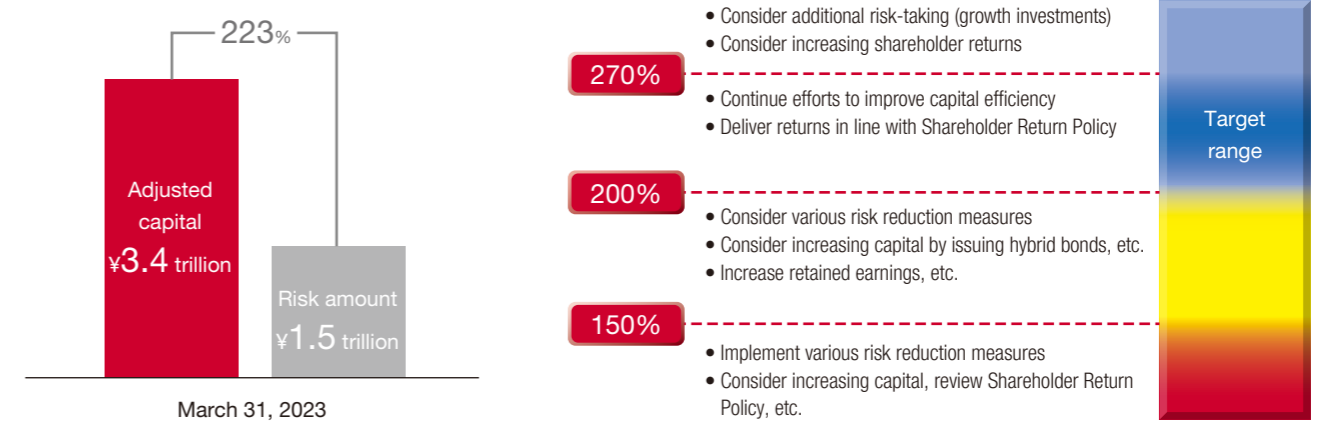
To maintain robust financial health, the Company manages capital based on the economic solvency ratio (ESR), which compares capital and risk based on economic value.

In capital management, we set a target capital level—an ESR of 200% to 270%—and risk tolerance as a guide to appropriate capital levels from the perspective of financial soundness and capital efficiency, and we implement appropriate capital policies according to these ESR target levels. In calculating ESR, we take into account recent regulatory

trends and disclosures by domestic and overseas insurance companies. Additionally, in order to enhance global comparability, we have adopted capital management methods that comply with international capital regulations and we are working to maintain financial soundness.

As of March 31, 2023, our ESR level was 223%. This falls within our target range, indicating that our financial health is satisfactory.

ESR Status



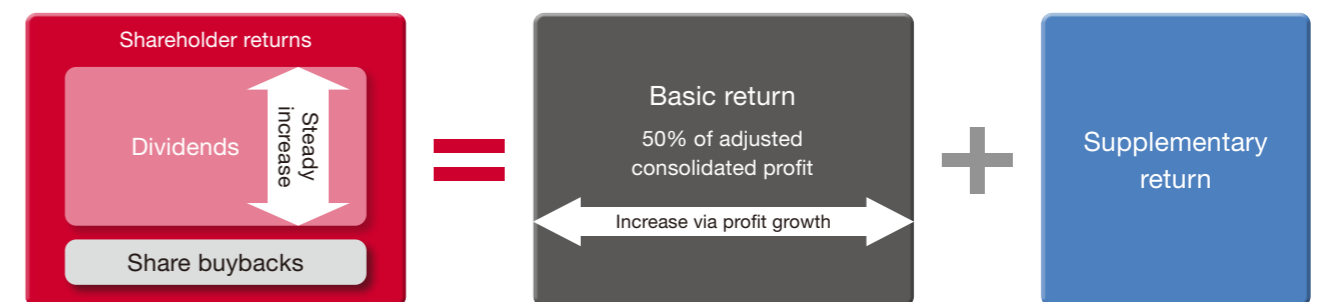
Shareholder returns

The Company aims to provide attractive shareholder returns, in line with a basic policy to continuously increase dividends through sustainable profit growth while taking both its financial soundness and the prevailing business environment into consideration. We also maintain the option of flexibly executing share buybacks depending on share prices and capital availability.

Our shareholder returns policy in the Mid-Term Management Plan is to pay 50% of adjusted consolidated profit as basic return and provide supplementary returns depending on

financial results, the financial market environment, and capital availability, among other factors. We intend to steadily increase the total amount of returns (total dividends + share buybacks) through profit growth, raise dividends in line with this growth, and increase the weighting of dividends as a percentage of returns to shareholders. In keeping with this policy, in fiscal 2023 we are forecasting an annual dividend of ¥300 per share (interim dividend of ¥150 and year-end dividend of ¥150). This represents a ¥40 hike from fiscal 2022 and will be the 10th straight year of a dividend increase.

Shareholder Return Policy



* Supplementary returns will be provided in the following circumstances, depending on risk and capital situations and the future outlook. Circumstances for supplementary returns include:
 • When ESR constantly exceeds the target range
 • When it is required to maintain the previous fiscal year's level of return, in cases where adjusted profit declines due to one-time factors such as natural disasters
 • When growth investments such as large-scale M&As are not expected
 • When improved capital efficiency, etc., is deemed necessary

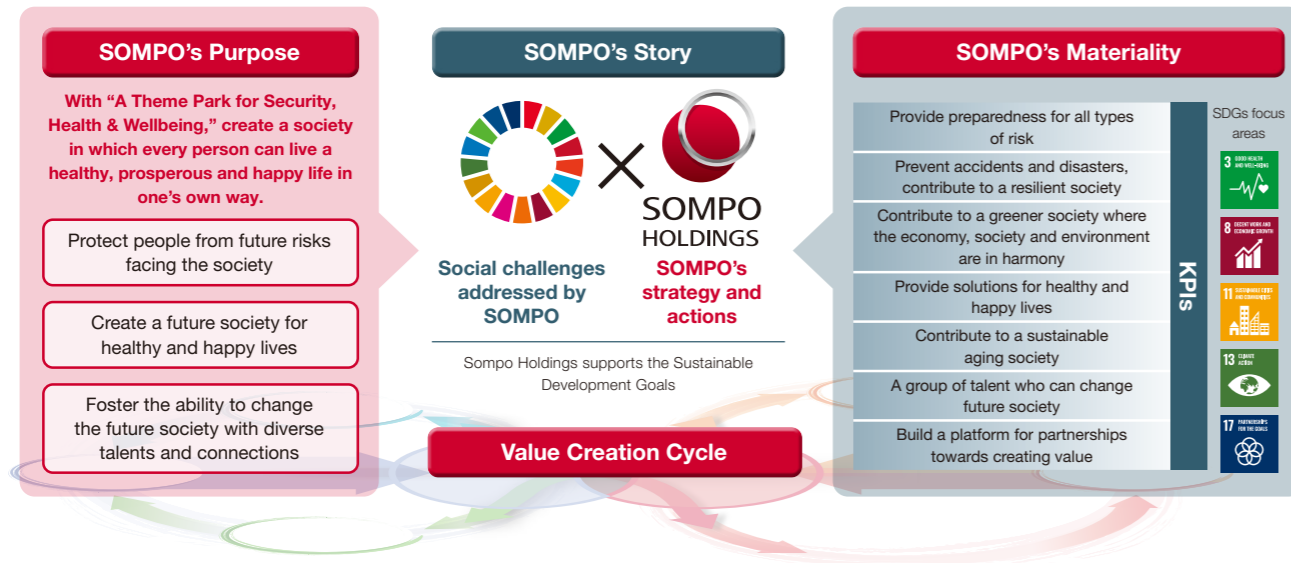
SDGs in Business Management

Sustainability promotion framework

In its current Mid-Term Management Plan, the Sompo Group has positioned “SDGs in Business Management” as one of our Group Business Foundations to create economic and social value by using its core business to resolve social challenges. To do this, we have designated seven Materialities—or priority issues—for realizing SOMPO’s Purpose. We have also

set KPIs for each Materiality to facilitate the creation of highly effective PDCA cycles, visualizing our progress and identifying issues.

By driving Value Creation Cycle through this SDGs in Business Management framework, we seek to promote Group-wide initiatives for realizing SOMPO’s Purpose.



Promotion structure

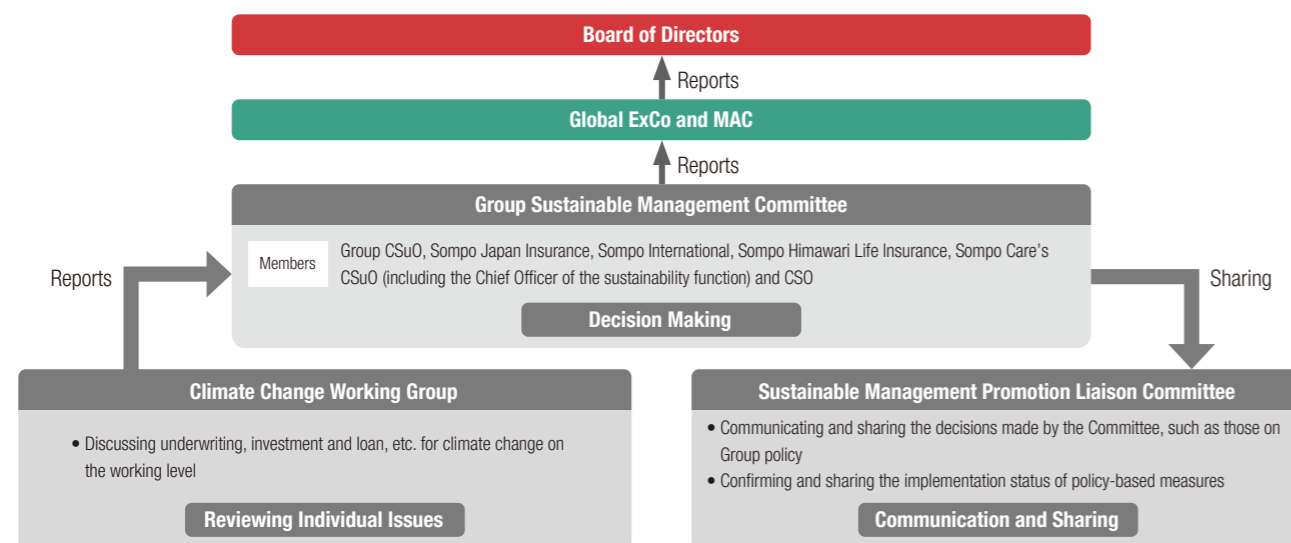
SOMPO has established a system of sustainability governance whereby Executive Officers execute measures in line with Group-wide strategies and policies aimed at realizing SOMPO’s Purpose, and the Board of Directors monitors their performance.

The Group Chief Sustainability Officer (Group CSuO) is in overall charge of sustainability at the Group, and is responsible for formulating and executing strategies related to sustainable management, and for overseeing the sustainability functions of the entire Group.

As a promotion structure, we have positioned the “Group Sustainable Management Committee” (hereinafter “Committee”) as a body to promote sustainability for the

entire Group. The Committee, whose members include the CSuO and CSO for the four main businesses in Japan and overseas, discusses and makes decisions on climate change and other ESG issues. Under the Committee are the “Climate Change Working Group” and the “Sustainable Management Promotion Liaison Committee,” whereby they have established a system to review individual issues, share information, and implement measures based on discussions by the Committee.

Discussions at the Committee are regularly reported to the Global ExCo (Global Executive Committee), which is the Group’s top executive committee body, the MAC (Managerial Administrative Committee), and the Board of Directors.



Identifying Materiality

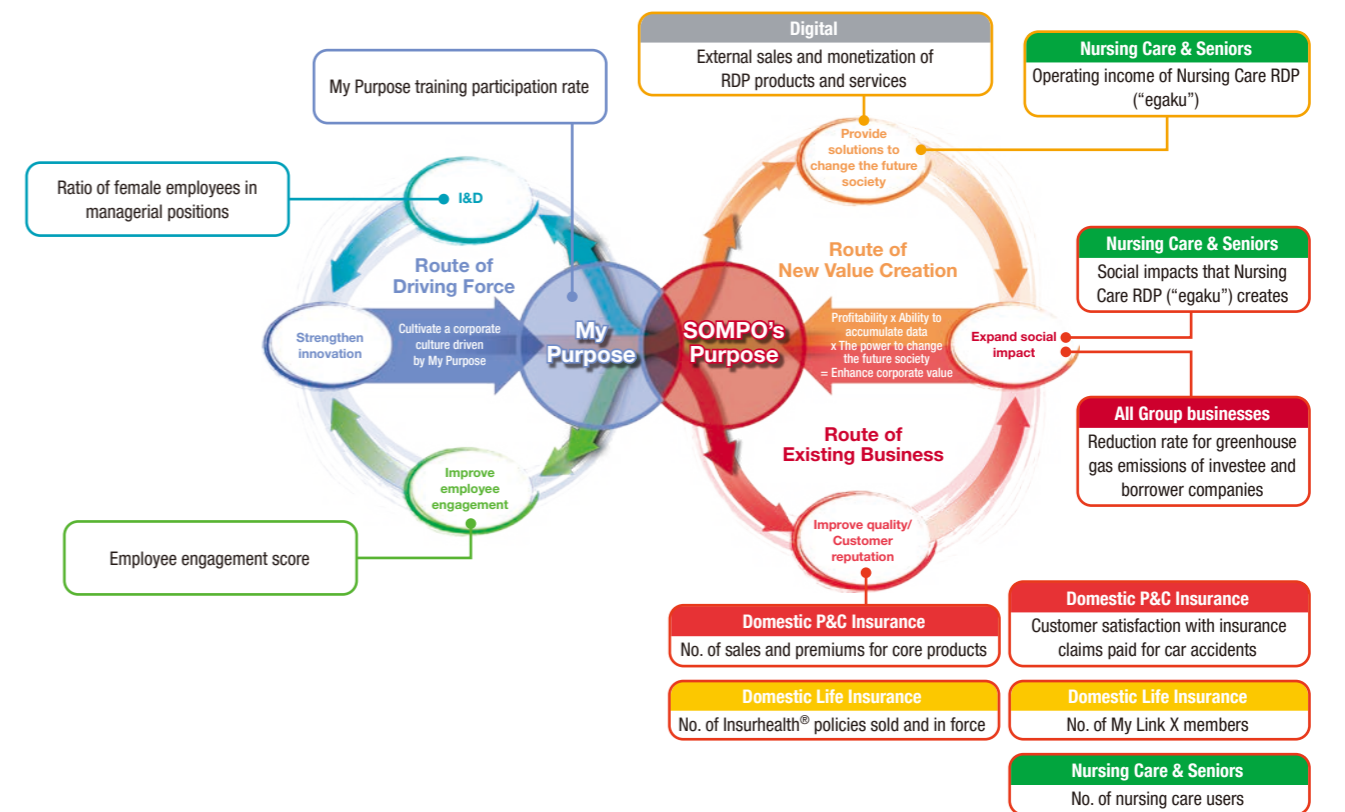
The Sompo Group has identified social challenges based both on international norms and on its mission to realize SOMPO’s Purpose. After assessing their importance according to their relevance to SDGs, we have identified priority social challenges, and organized, integrated, and systematized them as Materiality.

Materiality Identification Process



Integrating Materiality KPIs and the Value Creation Cycle

We have established Materiality KPIs to measure the progress of our efforts to achieve Materiality goals. In setting these KPIs, we structure the implementation of our Value Creation Cycle through SDGs Management by integrating the important levers for the Value Creation Cycle and its KPIs.



SDGs matrix: Social challenges and SDGs addressed by SOMPO

This matrix follows ISO 26000 frameworks to clarify the relationship between the social challenges facing SOMPO, which were identified in Process 1 of the Materiality Identification Process, and the core subjects of ESG and ISO 26000. It also indicates which of the 169 SDG Targets the Somp Group will contribute to through the provision of its products and services. In Process

2, we narrowed down Materiality candidates based on their level of importance, and identified which social challenges to prioritize through our business. Finally, in Process 3, we organized, integrated, and systematized these social challenges according to our strategies. We have termed these challenges "Materialities," or priority issues for realizing SOMPO's Purpose.



ESG Category	ISO 26000 Seven Core Subjects	Social challenges facing SOMPO	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Priority social challenges		
G	Organizational governance	Fulfilling governance functions					△ 5.5			△ 8.8	● 9.b								● 16.7	△ 17.17	☆	
		Refining ERM									△ 8.10					△ 13.1				△ 16.5		
		Strengthening cybersecurity resilience									△ 8.10	△ 9.1										
	Fair operating practices	Fair, useful, accurate, prompt, and easy-to-understand disclosure																		● 16.6		
		Strengthening resilience against increasingly uncertain international affairs																		● 16.1		
S	Human rights	Ensuring compliance								△ 8.8		△ 10.3								● 16.5		
		Preventing corruption								△ 8.8		△ 10.3								● 16.5		
	Labor practices	Incorporating ESG into the value chain													● 12.2	● 13.2	△ 14.2	△ 15.1	△ 16.2	● 17.17	☆	
		Responding appropriately to risks to human dignity and human rights	△ 1.3		● 3.4	● 4.4	△ 5.4				● 8.8		△ 10.2							● 16.1		☆
		Coexistence with infectious diseases			● 3.3						△ 8.10											
		Improving employee engagement			△ 3.4	● 4.4	△ 5.4				● 8.2	● 9.b										☆
		Improving the Group's ability to innovate					△ 4.4	△ 5.b			● 8.2	● 9.b										☆
		Promoting diversity & inclusion	△ 1.4		△ 3.4	● 4.5	● 5.5				● 8.2		● 10.2		△ 12.6							☆
	Community involvement and development	Promoting Health and Productivity Management®			● 3.4						● 8.8										△ 17.16	☆
		Investing in human resources (lifelong learning and recurrent education)				● 4.4					● 8.2	● 9.b	△ 10.2									☆
		Investing in human capital			△ 3.4	△ 4.4	△ 5.5				● 8.2	● 9.b	△ 10.2									☆
		Supporting regional development for regional revitalization												△ 11.3							● 17.16	
		Promoting culture and the arts					△ 4.7														● 17.16	
		Promoting financial inclusion and ensuring universal access to insurance	● 1.4	● 2.3	● 3.3						● 8.10	△ 9.3		● 11.b		● 13.1					● 17.16	☆
		Contributing to a society that is resilient against natural disasters	● 1.5								● 8.10			● 11.b		● 13.1					● 17.16	☆
		Contributing to a safe and secure next-generation mobility society			● 3.6						● 8.10	● 9.b		● 11.2							● 17.16	☆
		Contributing to a sustainable social security system	● 1.3		● 3.4		● 5.4				● 8.8		△ 10.2								● 17.16	☆
		Supporting people who are vulnerable to disasters	△ 1.5											△ 11.b		△ 13.3					△ 17.16	
		Co-creating with diverse stakeholders to achieve transformation	● 1.4	● 2.4	● 3.6	● 4.7	● 5.5	● 6.6	● 7.a	● 8.10	● 9.2	● 10.4	● 11.b	● 12.5	● 13.3	● 14.2	● 15.1	● 16.2	● 17.16	☆		
		Consumer issues	Responding to a data-driven society			● 3.4	△ 4.4	● 5.4				● 8.5	● 9.5									● 17.16
Improving the quality of customer services				● 3.6						● 8.10	△ 9.5				● 13.1					● 17.16	☆	
Safeguarding privacy										△ 8.8								● 16.5				
Contributing to a smart society				● 3.4								● 11.3		△ 13.1					● 17.16	☆		
Extending life expectancy	△ 1.4			● 3.4	△ 4.4	△ 5.4				● 8.10		△ 10.2								● 17.16	☆	
Providing products and services that reflect changes in people's values and behavior				● 3.4						● 8.10				△ 12.8						● 17.16		
Educating future generations (disaster prevention and traffic safety)				● 3.6	● 4.7		△ 6.6						● 11.b							● 17.16	☆	
E	Environment	Educating future generations (the environment)				● 4.7							● 11.b	● 12.3	● 13.3	● 14.1			● 17.16	☆		
		Promoting sustainable finance (underwriting and developing insurance products)			△ 3.9				● 7.a	△ 8.10	● 9.1		● 11.4		● 13.3	△ 14.1	△ 15.5			● 17.16	☆	
		Promoting sustainable finance (investment and lending)			△ 3.9					● 7.a	△ 8.3	● 9.4		● 11.4		● 13.a	△ 14.1	△ 15.5		● 17.16	☆	
		Contributing to a sustainable food supply	● 1.5	● 2.4					△ 6.6	● 8.10					● 13.1					● 17.16	☆	
		Realizing a carbon neutral society	● 1.5	● 2.4	△ 3.9	△ 4.7			△ 6.6	● 7.2		△ 9.1		△ 11.4	● 12.8	● 13.2	△ 14.1	△ 15.5		● 17.16	☆	
		Contributing to a circular society							● 6.b						● 12.5	△ 13.3	● 14.1	△ 15.4		● 17.16	☆	
		Biodiversity conservation, contributing to the realization of a society in harmony with nature							● 6.6						● 12.5	△ 13.3	● 14.1	△ 15.2		● 17.16	☆	

- Provide preparedness for all types of risk
- Prevent accidents and disasters, contribute to a resilient society
- Contribute to a greener society where the economy, society and environment are in harmony
- Provide solutions for healthy and happy lives
- Contribute to a sustainable aging society
- A group of talent who can change future society
- Build a platform for partnerships towards creating value

*1 SDG targets strongly linked to Somp Group's initiatives are marked as "●," and those moderately linked are marked as "△."
 The Somp Group will continuously review the matrix in light of developments in its problem-solving business and changes to social challenges.
 *2 This matrix was formulated under the supervision of Professor Hidemitsu Sasaya of the Chiba University of Commerce.
 * "Health and Productivity Management®" is a registered trademark of Nonprofit Organization Kenkokeiei.

Materiality KPIs

In addition to organizing key management issues in the way of realizing the Group's Purpose into seven Materialities, KPIs have been set for each materiality to define what actions need to be done and to ensure that they were penetrated in the field and that their progress is monitored.

Besides using materiality KPIs as indicators to take on day-to-day challenges in each business and field, the Group also reviews, updates, and expands them according to evolving and changing of the Group's initiatives and strategies. Changes were made in 2023, such as the creation of new KPIs related to its "egaku" business launched in April.

By defining not only financial but also non-financial indicators and promoting a common framework, the Group will work together as one to realize SOMPO's Purpose.

★Newly added KPIs in FY2023

Key KPIs to measure progress in the Value Creation Cycle

Materiality	Materiality Subcategory	Materiality KPIs				FY2022 Results		Relevant SDG Targets			SOMPO's Vision for Society and for the Group
		KPIs	Target Business	Numerical Targets	Partnership KPIs	Results	Status of single-year targets	1.4	8.10	11.b	
Provide preparedness for all types of risk	Promoting financial inclusion and ensuring universal access to insurance	Domestic net written premiums (contribution to promoting insurance)	Domestic P&C Insurance	FY2021: ¥1,988.6bn; FY2022: ¥2,055.3bn; FY2023: ¥2,079.9bn		¥2,079.3bn	Achieved	1.4	8.10	11.b	A safe and secure society, which is also protected from new risks such as climate change, infectious diseases, and cyberattacks due to the evolution of insurance
		Overseas gross written premiums (contribution to promoting insurance)	Overseas Insurance and Reinsurance	FY2021: +7.9%; FY2022: +7.1%; FY2023: +6.9% *USD base		+11.3%	Achieved	1.4	8.10	13.1	
		No. of life insurance policies in force (contribution to promoting insurance)	Domestic Life Insurance	FY2021: 4.43M; FY2022: 4.72M; FY2023: 5.00M		4.71M	Not achieved	1.4	3.4	8.10	
		No. of sales and premiums for insurance products that help people prepare for illness and injury (core products)	Domestic P&C Insurance	Increase YoY		YoY increase: +2,890 insurance product sales; +¥500mil premiums	Achieved	3.3	3.4	8.10	
Prevent accidents and disasters, contribute to a resilient society	Contributing to a sustainable food supply	Expansion of AgriSampo's agricultural insurance business to more countries	Overseas Insurance and Reinsurance	Increase number of countries by FY2023		—	No single-year target set	1.5	2.4	13.1	A society in which risks are controlled and damage is minimized by detecting and preventing warning signs
		Customer satisfaction with insurance claims paid for natural disasters	Domestic P&C Insurance	Improve YoY		YoY improvement: +1.6 points	Achieved	1.5	11.b	13.1	
		Development of products and services that help adapt to or mitigate climate change	All Group businesses	Publish and update development results		Published in various disclosures	No single-year target set	1.5	13.1	13.3	
		No. of sales and premiums for insurance products that contribute to a safe and secure next-generation mobility society (core products)	Domestic P&C Insurance	Increase YoY		YoY increase: +324,220 insurance product sales; +¥1.54bn premiums	Achieved	3.6	8.10	11.2	
Contribute to a greener society where the economy, society and environment are in harmony	Realizing a carbon neutral society	Customer satisfaction with insurance claims paid for car accidents	Domestic P&C Insurance	Improve YoY		YoY improvement: -0.8 points	Not achieved	3.6	8.10	11.2	An inclusive and resilient carbon neutral society where people and nature coexist in harmony
		No. of participants in disaster prevention and traffic safety training	All Group businesses	FY2021: 15,000; FY2022: 18,000; FY2023: 20,000		17,963	Not achieved	3.6	4.7	11.b	
		Participation and activities in sustainability-related initiatives and rule-making	All Group businesses	Publish and update activity results		Published in various disclosures	No single-year target set	9.4	11.4	13.3	
		No. of engagements with investee and borrower companies	All Group businesses	Increase YoY		Decrease YoY	Not achieved	7.a	9.4	13.a	
Provide solutions for healthy and happy lives	Extending life expectancy	Reduction rate for Group greenhouse gas emissions	All Group businesses	60% reduction by 2030 (compared to 2017 levels), net zero by 2050 *Targets include Scopes 1, 2, and 3, but exclude investee and borrower companies		239,554 tCO ₂ e	No single-year target set	7.2	12.8	13.2	A society in which people who need support can live independent, healthy, and happy lives in a way true to themselves
		Switch to renewable energy sources	All Group businesses	70% utilization rate by FY2030		5.1%	No single-year target set	7.2	12.2	13.2	
		Reduction rate for greenhouse gas emissions of investee and borrower companies	All Group businesses	25% reduction by 2025 (compared to 2019 levels), net zero by 2050 *For Scope 3, Category 15 emissions		FY2021 Equities: 931,821 tCO ₂ e Bonds: 909,893 tCO ₂ e	No single-year target set	7.a	12.8	13.2	
		No. of participants in biodiversity conservation activities and environmental education programs	All Group businesses	FY2021: 11,500; FY2022: 9,000; FY2023: 10,500		9,472	Achieved	4.7	13.3	14.1	
Contribute to a sustainable aging society	Contributing to a sustainable social security system	No. of Insurhealth® policies sold	Domestic Life Insurance	End of FY2021: 300,000; End of FY2022: 460,000; End of FY2023: 420,000	Increase in no. of partnerships 1) No. of collaborations and partnerships announced to the public 2) No. of proof-of-concept and pilot tests conducted through collaborations and partnerships 3) No. of solutions provided through collaborations and partnerships FY2022 Results: 1) 112 2) 41 3) 51	440,000	Not achieved	1.4	3.4	8.10	A hopeful society in which the burden is reduced on people tasked with supporting an aging population and a declining birthrate
		No. of Insurhealth® policies in force	Domestic Life Insurance	End of FY2021: 600,000; End of FY2022: 1,130,000; End of FY2023: 1,300,000		1,100,000	Not achieved	1.4	3.4	8.10	
		Sales share of Insurhealth® products	Domestic Life Insurance	End of FY2021: 60%; End of FY2022: 70%; End of FY2023: 80%		74%	Achieved	3.4	3.4	8.10	
		No. of My Link X members	Domestic Life Insurance	FY2022: 700,000; FY2023: 1,000,000		770,000	Achieved	1.4	3.4	8.10	
A group of talent who can change future society	Investing in human capital	Company name recognition	Domestic Life Insurance	End of FY2021: 60%; End of FY2022: 70%; End of FY2023: 70%		56.8%	Not achieved	3.4	3.a	8.10	An organization whose diverse workforce has the capacity to develop innovative solutions and transform future society
		Perception as a company that promotes health	Domestic Life Insurance	Life insurance industry ranking for Sampo Himawari Life Insurance: End of FY2021: No. 5; End of FY2022: No. 3; End of FY2023: No. 1		No.8	Not achieved	3.4	3.a	8.10	
		No. of branch offices offering dementia prevention programs	Nursing Care & Seniors	FY2021: 38; FY2022: 82; FY2023: 194		133	Achieved	3.4	5.4	10.2	
		Health guidance business revenue	Strategic business	FY2021: ¥3.519bn; FY2022: ¥3.881bn; FY2023: ¥4.039bn		¥3.693bn	Not achieved	3.4	3.5	4.7	
Build a platform for partnerships towards creating value	Promoting a data-driven society	Mental health service revenue	Strategic business	FY2021: ¥1.485bn; FY2022: ¥1.619bn; FY2023: ¥1.764bn		¥1.600bn	Not achieved	3.4	8.8	4.4	An organization that innovates based on facts and data, and that promises fulfilling lives for an aging population and for the people who support it
		No. of smart community proof of concepts, revenue in smart community business	Nursing Care & Seniors	FY2021: 10; FY2022: 10; FY2023: ¥20mil *Revenue in the first year of commercialization		9	Not achieved	3.4	11.3	3.d	
		No. of facilities introducing future nursing care model	Nursing Care & Seniors	FY2021: 28; FY2022: 73; FY2023: 180		37	Not achieved	1.3	3.4	8.8	
		Nursing care facility occupancy rate	Nursing Care & Seniors	FY2021: 90.8%; FY2022: 92.9%; FY2023: 94.8%		92.3%	Not achieved	1.3	3.4	10.2	
Build a platform for partnerships towards creating value	Promoting a data-driven society	No. of nursing care users	Nursing Care & Seniors	FY2021: 90,000; FY2022: 94,000; FY2023: 100,000		92,000	Not achieved	1.3	3.4	5.4	An organization that innovates based on facts and data, and that promises fulfilling lives for an aging population and for the people who support it
		Care provider turnover rate	Nursing Care & Seniors	FY2021: 11.4%; FY2022: 11.0%; FY2023: 11.4%		11.7%	Not achieved	1.3	3.4	8.5	
		Employee engagement	All Group businesses	Average Gallup Q12 score of 3.70 pt in Japan and 4.10 pt overseas by end of FY2023		3.50 pt in Japan, and 4.12 pt overseas	No single-year target set	4.4	8.2	9.b	
		My Purpose training participation rate	All Group businesses	End of FY2023: 100% of eligible employees *HD and group companies in Japan		90%	No single-year target set	3.4	4.4	8.2	
Build a platform for partnerships towards creating value	Promoting a data-driven society	Telework rate	All Group businesses	50% or more of whole Group *excluding frontline care givers		43%	Not achieved	4.4	5.4	9.b	An organization that innovates based on facts and data, and that promises fulfilling lives for an aging population and for the people who support it
		Health and Productivity Management® indicators (Work Limitations Questionnaire)	All Group businesses	Improve YoY at all companies		93.5%	Not achieved	3.4	4.4	8.8	
		Ratio of female managers	All Group businesses	End of FY2023: 30% *As of April 1st, 2024		28.1%	No single-year target set	5.5	8.2	10.2	
		Ratio of employees with disabilities	All Group businesses	End of FY2023: 2.5% *As of April 1st, 2024		2.36%	No single-year target set	4.4	8.2	10.2	
Build a platform for partnerships towards creating value	Promoting a data-driven society	Shift to job-based HR system	All Group businesses	Introduce job-based system at all companies by end of FY2023		At Sampo Holdings, job-based system was expanded to non-managers	No single-year target set	8.2	8.5	9.5	An organization that innovates based on facts and data, and that promises fulfilling lives for an aging population and for the people who support it
		No. of digital personnel developed and recruited	All Group businesses	End of FY2023: DX specialists: 177 DX planning personnel a) Employees who have completed basic DX training: 4,000 b) Participants in AI planning, data utilization, and CX agile design training: 3,000 DX utilization personnel: 17,100 participants in training		End of FY2023: DX specialists: 69 DX planning personnel a) Employees who have completed basic DX training: 4,173 b) Participants in AI planning, data utilization, and CX agile design training: 1,797 DX utilization personnel: 17,281 participants in training	No single-year target set	4.4	8.2	9.5	
		Group revenue generated by utilizing Real Data Platform	Digital	¥500bn (medium- to long-term target)		Commercialize "egaku" from FY2023	No single-year target set	3.4	9.5	17.16	
		External sales and monetization of Real Data Platform products and services	Digital	Two projects or more by end of FY2023		Commercialize "egaku" from FY2023	No single-year target set	3.4	9.5	17.16	
Build a platform for partnerships towards creating value	Promoting a data-driven society	★ No. of facilities introducing Nursing Care RDP "egaku"	Nursing Care & Seniors	End of FY2023: 100 facilities		—	—	3.4	8.5	9.2	An organization that innovates based on facts and data, and that promises fulfilling lives for an aging population and for the people who support it
		★ Operating income of Nursing Care RDP "egaku"	Nursing Care & Seniors	End of FY2030: ¥10bn		—	—	3.4	8.2	9.2	
		★ Social impacts that Nursing Care RDP "egaku" creates	Nursing Care & Seniors	End of FY2040: ¥3.7trillion *Close the labor supply demand gap of 220,000 people		—	—	1.3	3.4	8.5	

Climate Action

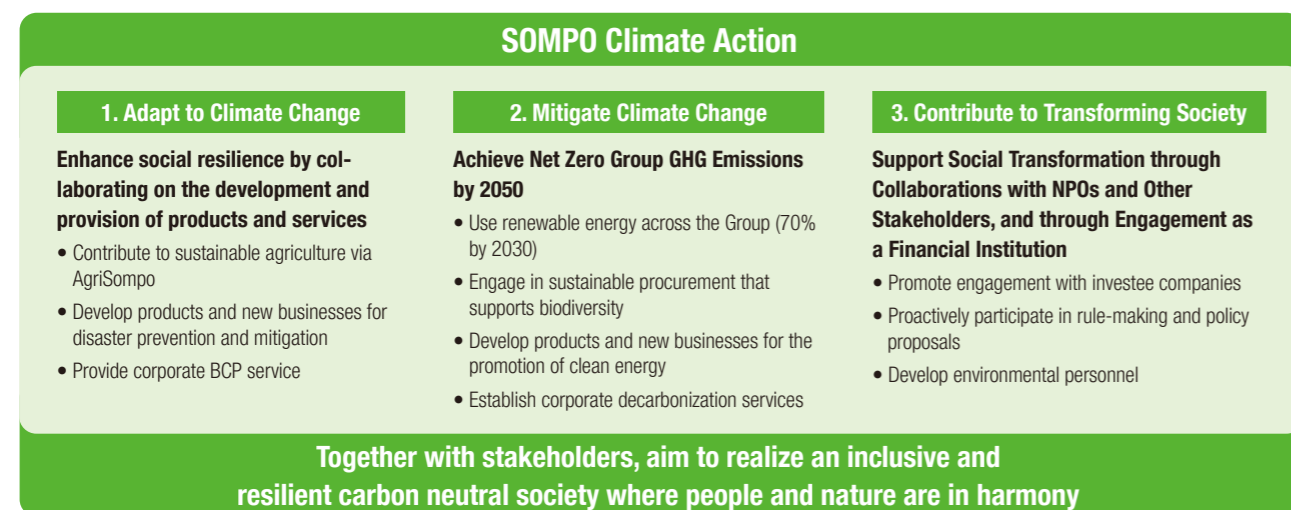
Climate change is a social issue that has wide-ranging impact at the global scale, including the intensification and increased frequency of natural disasters, droughts, and chronically rising sea levels. It threatens the security, safety, and health of people's lives, and for our Group, whose main business is P&C insurance, it is regarded as posing the risk of significantly affecting our business.

For this reason, the Sompo Group has positioned climate change as a priority challenge to address and has adopted "SOMPO Climate Action" as a principle of its Mid-Term Management Plan to strategically tackle this issue on a group-wide basis.

SOMPO Climate Action

Since the 1990s, the Group has been tackling global environmental issues in collaboration with a wide range of stakeholders. Our strength has been our pioneering environmental initiatives spanning over 30 years, and by combining these with the partnership strategies set forth in our Mid-Term

Management Plan, we will implement the three actions of adapting to climate change, mitigating climate change, and contributing to transforming society. Together with stakeholders, we aim to realize an inclusive and resilient carbon neutral society where people and nature are in harmony.



Basic Policies and Specific Initiatives for Implementing SOMPO Climate Action

Four Basic Policies	Specific Initiatives
Formulate and Execute a Green Transition Plan	<ul style="list-style-type: none"> Initiative to achieve interim greenhouse gas (GHG) reduction targets of investee and borrower companies <ul style="list-style-type: none"> Formulation of Interim Targets Toward Net-Zero by 2050 (reduction of 25% by 2025 [compared to 2019 levels]) Contributions through underwriting/investment and loan <ul style="list-style-type: none"> We will not underwrite insurance or make investments in or loans for coal power plants or thermal coal mine projects, etc. We will not insure or make investments or loans to companies that do not establish a GHG reduction plan by January 2025 and are highly dependent on coal (derive at least 30% of their revenues from coal, etc.) <p><small>* Investee and Borrower Company ESG Policies, please visit our corporate website: https://www.sompo-hd.com/en/csr/system/vision/</small></p>
Strengthen our Response Systems for Climate Strategies and Risks	<ul style="list-style-type: none"> Reorganization of the Group Sustainable Management Committee <ul style="list-style-type: none"> Reorganizing the Committee body by adding managers from Overseas Insurance and Reinsurance Business
Enhance our Climate Risk Framework	<ul style="list-style-type: none"> Building of a new climate risk framework <ul style="list-style-type: none"> Identifying, assessing, and managing the risks by taking a look at scenarios in which climate change may impact the Group through various pathways.
Respond to Climate-Related Business Opportunities	<ul style="list-style-type: none"> Promotion of autonomous initiatives for each business <ul style="list-style-type: none"> Expanding businesses that view climate change as an opportunity (agricultural insurance, offshore wind-related insurance, etc.), and developing new insurance and consulting services

Disclosure based on the TCFD recommendations

The following are the Group's governance, strategies, risk management, and indicators and targets to properly address climate-related risks and opportunities and to aim for the Group's sustainable growth and enhanced enterprise value.

For detailed disclosure based on the TCFD Recommendations, please refer to our corporate website (<https://www.sompo-hd.com/en/csr/materiality/topic2/>), Annual Securities Report, or Sustainability Report.

1. Governance

(1) Role of Board of Directors

The Sompo Group has designated "contributing to a green society where the economy, society, and environment are in harmony" as one of its priority issues (Materiality) for realizing SOMPO's Purpose.

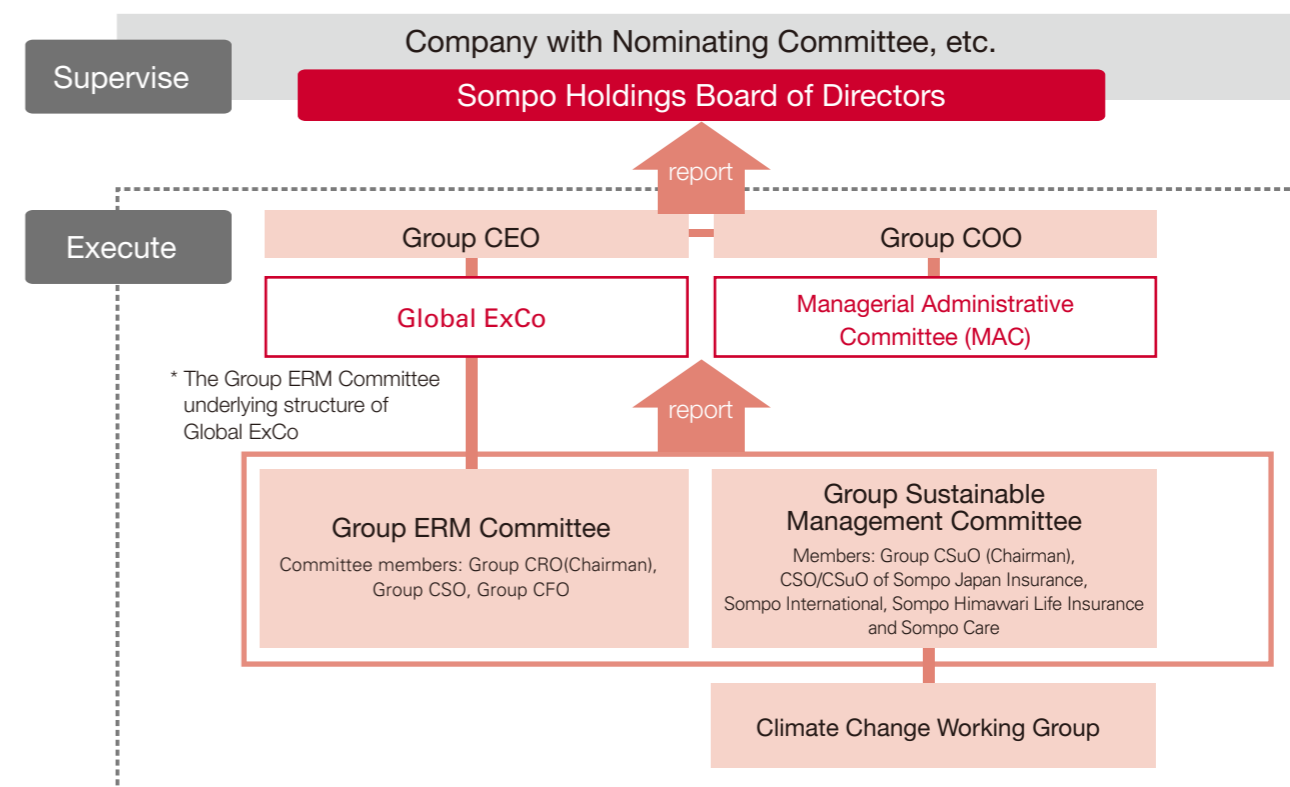
The Board of Directors is responsible for setting group-wide strategies and policies as well as supervising the execution of operations by senior vice presidents and executive officers toward the realization of SOMPO's Purpose.

(2) Role of senior vice presidents and executive officers

The Group CSuO (Chief Sustainability Officer) is responsible for formulating and implementing sustainable management strategies as the chief executive in the area of sustainability. Regarding climate change and the Group's sustainable management strategy, by discussing climate change and the Group's sustainable management strategy as well as how to respond to these issues in light of related risks and opportunities at the Group Sustainable Management Committee, which consists of the CSuO (including the

Executive Officer overseeing the sustainability function) and CSO of each Group company, we have established a group-wide sustainability promotion system to support the decision-making of the Group CSuO. In addition, the Sustainable Management Office has been established to support the execution of the Group CSuO's responsibilities.

Regarding risk management, we have developed a risk control system based on the Sompo Group Basic Policy on ERM established by the Board of Directors, and through the Group ERM Committee, which is a subordinate body of the Global Executive Committee, an advisory body to the Group CEO, the Group CRO (Chief Risk Officer) comprehensively identifies and evaluates risks in each business, designates risks that could have a significant impact on the Group as "material risks," whereby the status of risk management is periodically reported to the Board of Directors and the Managerial Administrative Committee, which is an advisory body to the Group COO, to verify the effectiveness of the measures, etc.



2. Strategy

In our Mid-Term Management Plan from FY2021, we set forth the “SOMPO Climate Action,” which implements a combined approach to climate change risks and opportunities, and are taking actions to “adapt to climate change,”

(1) Climate-related risks and opportunities

“Physical risks,” such as the intensification and increased frequency of natural disasters, droughts, and chronically rising sea levels due to the progression of climate change as well as “transition risks,” in which the strengthening of laws and regulations and the development of new technologies toward the transition to a decarbonized society that lead to changes in industrial structures and markets, may affect corporate finances and reputations in various ways and associated liability risks may materialize.

“mitigate climate change,” and “contribute to transforming society.” For more information, please refer to “SOMPO Climate Action.”

Based on the results of research conducted by external organizations such as the Intergovernmental Panel on Climate Change (IPCC) and the Network for Greening the Financial System (NGFS), we have identified the risks and opportunities posed by climate change to our business and have developed a medium-term (5 to 10 years: approx. 2030) and long-term (10 to 30 years: approx. 2050) timeline for evaluation, analysis, and response.

Environmental change		Impact on our company	Risk	Opportunities	
Physical	Acute	Frequency of typhoons and hurricanes, change in intensity, drought, and increased wildfires	●	—	
		Deterioration in the agricultural insurance balance	●	●	
	Chronic	Increased insurance payments due to flooding caused by rising sea levels	●	—	
		Sea level rise, increase in average temperature, deforestation, and biodiversity impacts	●	—	
Transition	Policy	A decline in the real estate market (a decline in asset prices)	●	—	
		Political instability and conflict	●	—	
	A new pandemic	●	—		
	Law	Promotion of policies related to renewable energy and energy conservation	Price fluctuations of stocks and bonds	●	●
		Higher energy prices	●	—	
	Reparations, changes in laws, and new a legal interpretation	Legal risks such as climate litigation	●	●	
	Technology	Energy storage, renewable energies, and other new technologies	Decarbonization through the spread of new technologies	●	●
Market	Investment in and consumer preference for environmentally friendly companies	Reputation	●	●	
		Changes in consumer behavior	●	●	

(2) Scenario analysis

A. Physical risks

P&C insurance business could be financially affected by higher-than-expected insurance payouts due to the increased severity and frequency of natural disasters, including typhoons, floods, and storm surges. In 2018, we started working with universities and other research institutions to quantitatively grasp risks based on scientific findings. Based on large-scale analysis using weather and climate big data, such as the Database for Policy Decision-making for Future Climate Change (d4PDF), we are working to understand the long-term impacts of a climate with higher average temperatures with respect to changes in the average trends for storm surges affected by typhoons, floods and sea level changes and trends in the occurrence of extreme weather events. We are also analyzing and evaluating the medium-term impact over the next five to ten years and incorporating this information into our business strategies.

We have also estimated the impact related to typhoons using a simple quantitative analysis tool based on guidance issued in January 2021 by the TCFD insurance working group of UNEP FI (United Nations Environment Programme Finance Initiative). We will continue our analysis using the scenario analysis framework being developed by the Network for Greening the Financial System (NGFS), which works on financial regulatory responses to climate change risks.

Estimate results

Frequency of typhoons	approx. -30% to +30%
Amount of damage per typhoon	approx. +10% to +50%

B. Transition risks

To understand the medium- to long-term impact of the transition to a decarbonized society on our company, we analyzed the impact on our Group’s assets using the Climate Value-at-Risk (CVaR) provided by MSCI for policy risks arising from tighter laws and regulations and global economic changes that will affect companies in the transition to a decarbonized society and technology opportunity arising from climate change mitigation and adaptation initiatives, based on the NGFS scenarios.

In addition, since it is important to encourage companies that have not yet made progress in decarbonization efforts to reduce transition risk, we use the Implied Temperature Rise (ITR) provided by MSCI to quantitatively analyze whether our portfolio companies have set GHG emission reduction targets consistent with the goal of limiting global warming to 2°C by FY2100.

* For the results of the transition risk analysis, please refer to our corporate website (<https://www.sompo-hd.com/en/csr/materiality/topic2/>), Annual Securities Report, or Sustainability Report.

(3) Resilience improvement initiatives

The following are the Group’s key initiatives to increase its resilience to climate change.

A. Responding to risks

Category	Initiatives
Initiatives and Policies for investee companies	<ul style="list-style-type: none"> Strengthening our engagement with the top 20 high greenhouse gas (GHG) emitting investee companies among our equity holdings Promoting the replacement of high GHG emitting sectors with low emitting sectors at the time of maturity
Underwriting Initiatives and Policy	<ul style="list-style-type: none"> Suspending new insurance underwriting for new and existing coal-fired power generation and coal mine development (thermal coal) <p>* Investee and Borrower Company ESG Policies, please visit our corporate website: https://www.sompo-hd.com/en/csr/system/vision/</p>
Our Own GHG Emission Reductions	<ul style="list-style-type: none"> Switching to renewable energy sources for power generation in buildings we own

B. Responding to opportunities

Category	Initiatives
Energy Sources	<ul style="list-style-type: none"> • ONE SOMPO WIND Service for offshore wind power companies • Development of insurance dedicated to hydrogen and ammonia transportation
Products and Services	<ul style="list-style-type: none"> • The global roll-out of agricultural insurance by AgriSampo • development and provision of climate risk consulting service
Markets	<ul style="list-style-type: none"> • Partnership agreement with Weathernews Inc.

3. Risk Management

Climate change can impact various aspects of the Group's business, including our non-insurance business, and the impacts are long-term and highly uncertain. To manage climate change risks, including the risks associated with natural disasters, we have developed a climate change risk framework to complement our existing risk control system and to identify, assess, and manage risks by taking an in-depth look at scenarios in which the Group is affected through various pathways in the long-term.

The climate change risk framework "identifies environmental changes," "discusses their impact on the Group," and "assesses risks and controls" to capture the complex

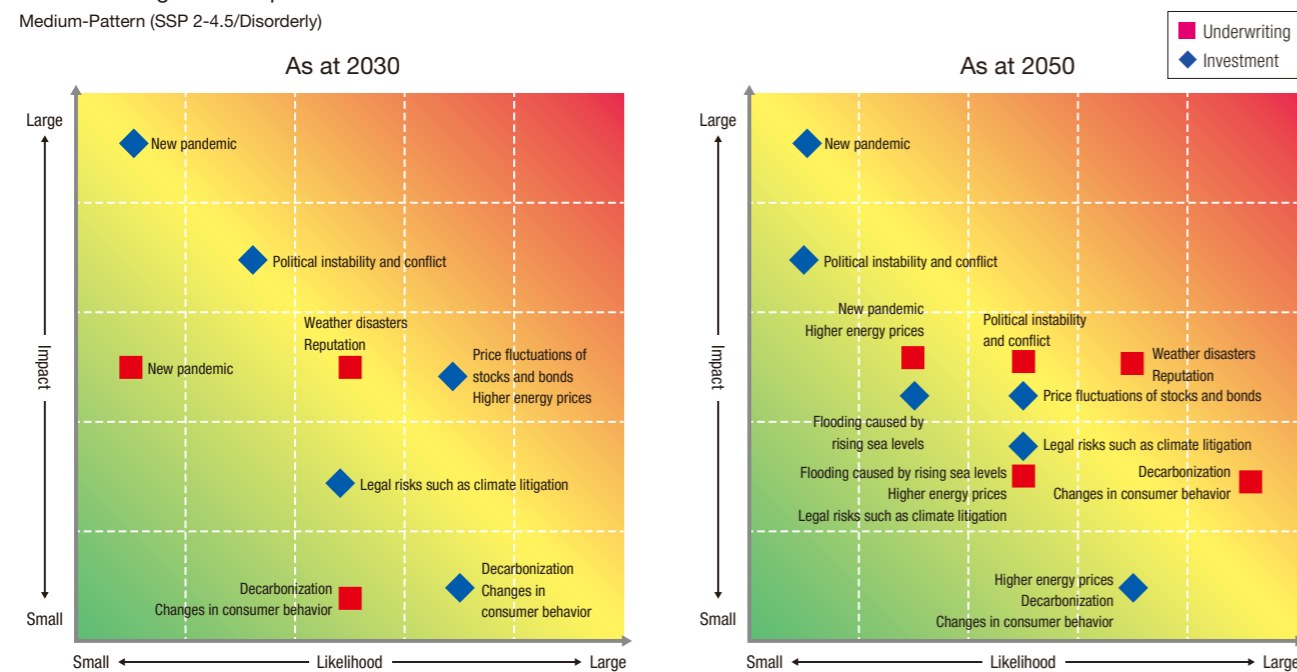
impacts of climate change.

Based on the assessment results, risks that require continuous monitoring are visualized as "Climate Change Risk Map" to provide a bird's eye view of the impact, likelihood, timing of occurrence, and trends of risks that primarily affect insurance underwriting and asset management, and thereby stimulating discussions on climate change at the Board of Directors and other executive bodies.

* For more information on the climate change risk framework, please refer to our corporate website (<https://www.sompo-hd.com/en/csr/materiality/topic2/>), Annual Securities Report, or Sustainability Report.

Climate Change Risk Map

Medium-Pattern (SSP 2-4.5/Disorderly)

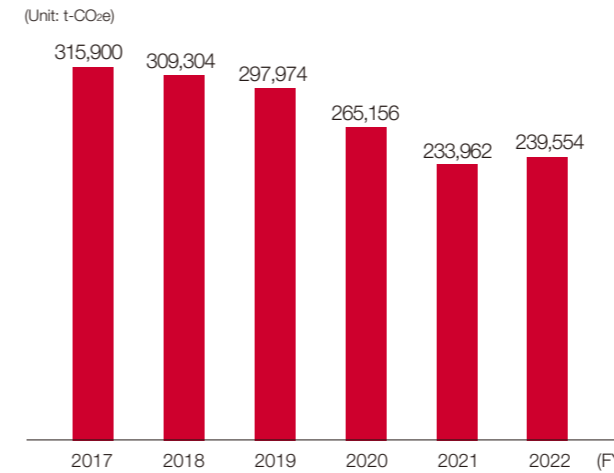


4. Metrics and Targets

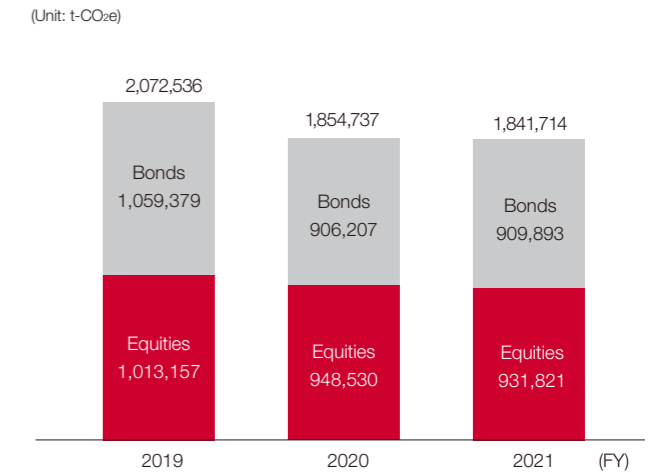
(1) Key Metrics

Total GHG emissions

Scope 1-3*1 (excluding Category 15, investments and loans)



Scope 3 (Category 15, Investment and Loan)*2



Weighted Average Carbon Intensity*2,3

Unit: t-CO₂e/\$ US million

FY	Equities	Bonds
2019	119.60	121.07
2020	100.58	133.77
2021	125.05	167.04

[Third-party verification]

To ensure the reliability of reported figures, Sompo Holdings has received third-party verification from British Standards Institution for its calculations of greenhouse gas emissions (Scope 1-3).

*1 Total Scope 1 (direct emissions from use of gasoline, etc.), Scope 2 (indirect emissions from energy sources, such as electricity), and Scope 3 (indirect emissions across the entire value chain, including transportation, business travel, etc.) GHG emissions. This total covers the emissions of the Company itself and of its key consolidated subsidiaries. Note that emissions for FY2017-FY2021 have been recalculated based on FY2022 calculation methodologies.

*2 Calculated for Scope 1 and Scope 2 in Japanese and foreign listed stocks and bond investees using data provided by MSCI ESG Research. (coverage of listed stocks is 86% and coverage of corporate bonds is 82%, with both based on market price). GHG emissions are our share of emissions based on investee's Enterprise Value Including Cash (EVIC), and WACI is the weighted average of each investee's GHG emissions per unit sales, according to the holding percentage for that investee in our portfolio. Please note that numerical data may be revised retroactively.

*3 The WACI calculation method has changed starting with FY2021 figures.

(2) Key Targets

GHG reduction targets

	Scope 1-3 (excluding Category 15, investments and loans)	Scope 3 Category 15, investments and loans
2025	60% reduction (compared to 2017 levels)	25% reduction (compared to 2019 levels)
2030		
2050	Net zero	Net zero

Governance

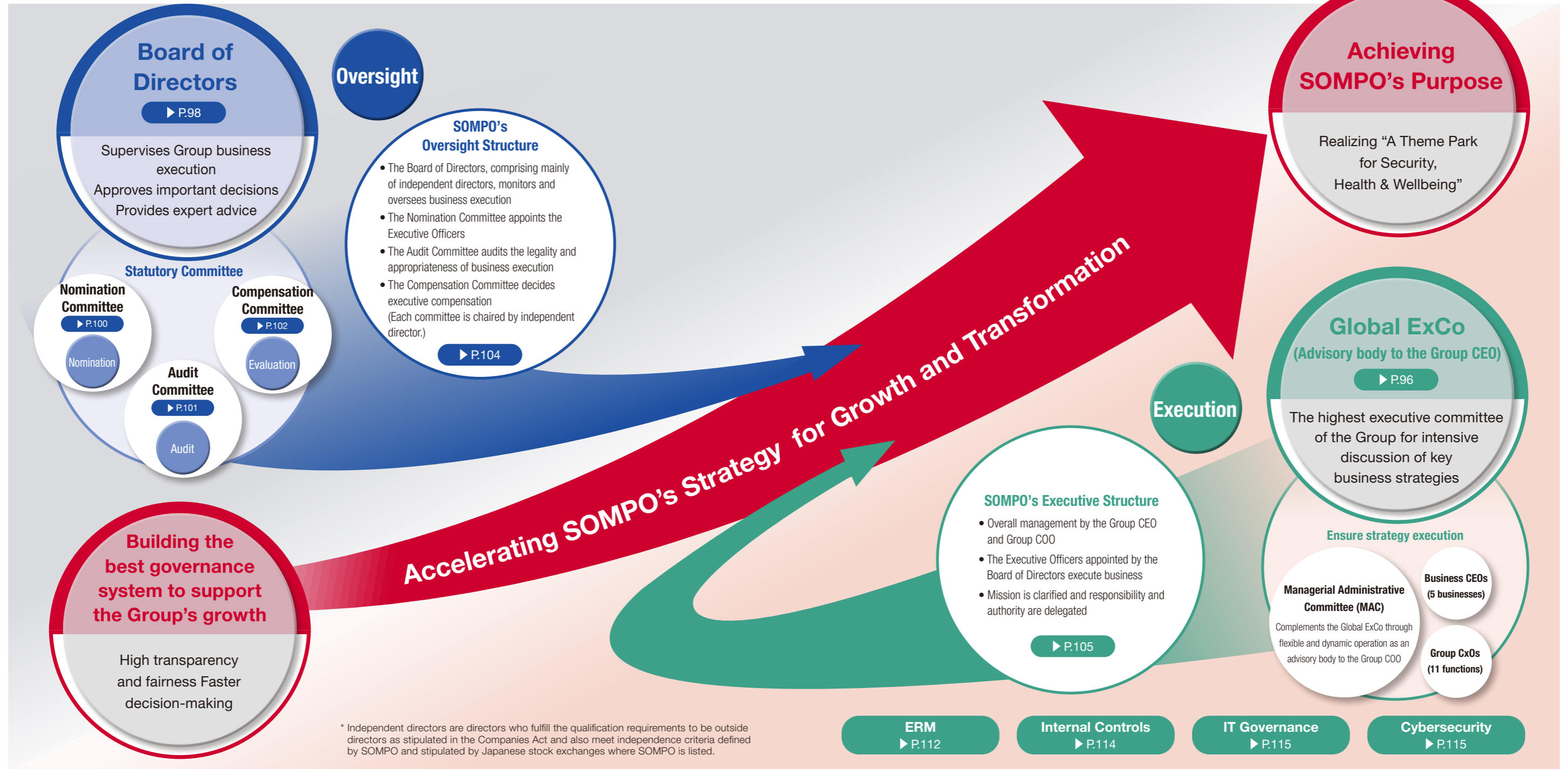
Overview of corporate governance

For the Group to remain an indispensable presence even 100 years from now, we continue to press ahead with a transformation aimed at realizing SOMPO's Purpose. Our corporate governance spearheads and supports this transformation.

Under a "company with committees" structure, we have established a system in which considerable authority is delegated to the executive divisions under the oversight of the Board of Directors, comprised by a majority of independent directors*. Also, of the statutory committees that are critical to ensuring the Board engages in effective oversight, both the Nomination Committee and Compensation Committee are comprised only of independent directors. This guarantees an appropriate tension between the Board of Directors and the executive divisions, along with a high level of transparency and fairness.

The executive divisions are based on the Business Owner and Group CxO systems, executive officers appointed by the Board work together to hone their respective expertise, and in doing so, make prompt business decisions and dynamically execute the Group's strategies with a view to achieving SOMPO's Purpose.

In addition, in order to further drive the transformation of our business lines and generate sustained growth, we are designing a succession plan and executive compensation structure that will reliably and effectively produce talented personnel from different backgrounds.



* Independent directors are directors who fulfill the qualification requirements to be outside directors as stipulated in the Companies Act and also meet independence criteria defined by SOMPO and stipulated by Japanese stock exchanges where SOMPO is listed.



Global Executive Committee (Global ExCo)

Sompo Group's highest Executive Committee

The Global ExCo meetings are attended by the Group's global executives.

The Global ExCo is an advisory body to the Group CEO that facilitates intensive discussions on key topics, such as Group growth strategies based on the future outlook and social environment, as well as the progress of business plans and how management issues are being addressed.

The most distinct feature of the Global ExCo is the sense of oneness and speed based on the three key principles set out when it was established, namely (1) Candor, (2) Group Best, and (3) Fact-based discussion of issues. During

the meetings, the Business CEOs and Group CxOs who are highly diverse with different missions and nationalities frankly exchange opinions. They engage in future-oriented discussions while sometimes gaining fresh insights and creating positive conflict. Before the meeting is concluded, all members reconfirm the agreed matters, identified challenges, etc. Each member then swiftly and reliably follows-up with appropriate actions in their own business/functional area. This way of decision-making and proactive, top-down approach is the hallmarks of SOMPO-ness.

Three Key Principles

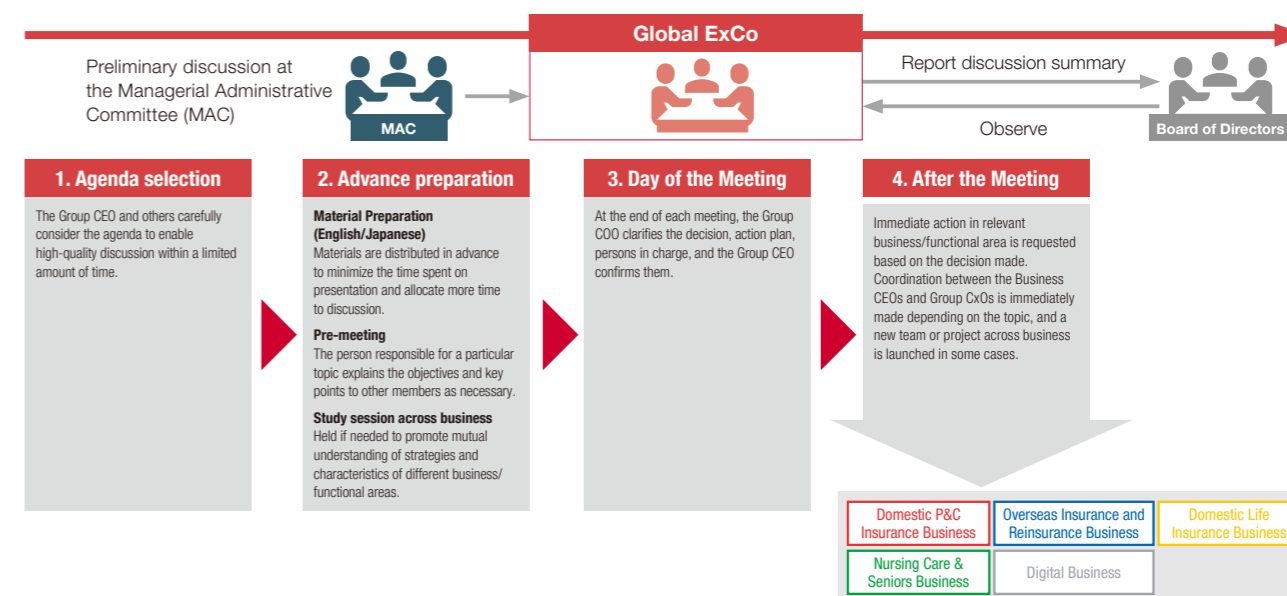
Candor	Candidly share challenges in each business/functional area and discuss to resolve them. Have in-depth discussion while sometimes playing devil's advocate and creating positive conflict.
Group Best	Have discussion taking a bird's eye view of the entire Group as the highest executive committee of the Group. Refrain from speaking only for one's own business/functional area and aim to maximize outcomes for the entire Group.
Fact Base	Focus on quantitative information and subjective facts (including qualitative information from third parties, such as investors) in the discussion.

Global ExCo Structure

Chairman	Group CEO
Members	Group CEO, Group COO, CEO of Domestic P&C Insurance Business, CEO of Overseas Insurance and Reinsurance Business, CEO of Domestic Life Insurance Business, CEO of Nursing Care & Seniors Business, CEO of Digital Business, Chairman of Overseas M&A, Group CxOs

* The Global ExCo is managed in a way to increase transparency of governance through proactive information sharing by the executives, such as reporting the summary of discussion to the Board of Directors each time and allowing the Directors to observe the meetings.

Committee management centered on the Global ExCo



The Global ExCo meets five to six times a year. The agenda items are carefully selected and the discussion points are clarified beforehand so that the necessary discussions can be completed within the limited amount of time. The active participation of all members is also required on the day.

In fiscal 2022, the Global ExCo discussed how existing businesses are working towards meeting the targets of the current Mid-Term Management Plan (FY2021–2023), the measures aimed at creating a conglomerate premium, the Real Data Platform (RDP) strategy, and the investment

projects in and outside Japan to spur further growth. In addition, the Global ExCo discussed medium- and long-term Group management strategies in light of the rapidly changing business environment and demographic change.

In fiscal 2023, the Global ExCo plans to discuss the selection of optimal business strategies toward the Group's medium- and long-term vision, how Group resources should be allocated for this, improving communication with stakeholders, and increasing enterprise value.

Main topics discussed by the Global ExCo

- Group management strategies and business plans
- Purpose-driven management
- Enhancing SOMPO's enterprise value
- RDP strategy/digital strategy
- Creating a conglomerate premium
- Growth strategies (investment projects in and outside Japan, etc.)
- Improving communication with stakeholders
- Capital allocation policy/shareholder return policy

Characteristics of the Board of Directors

Function and Role of the Board of Directors

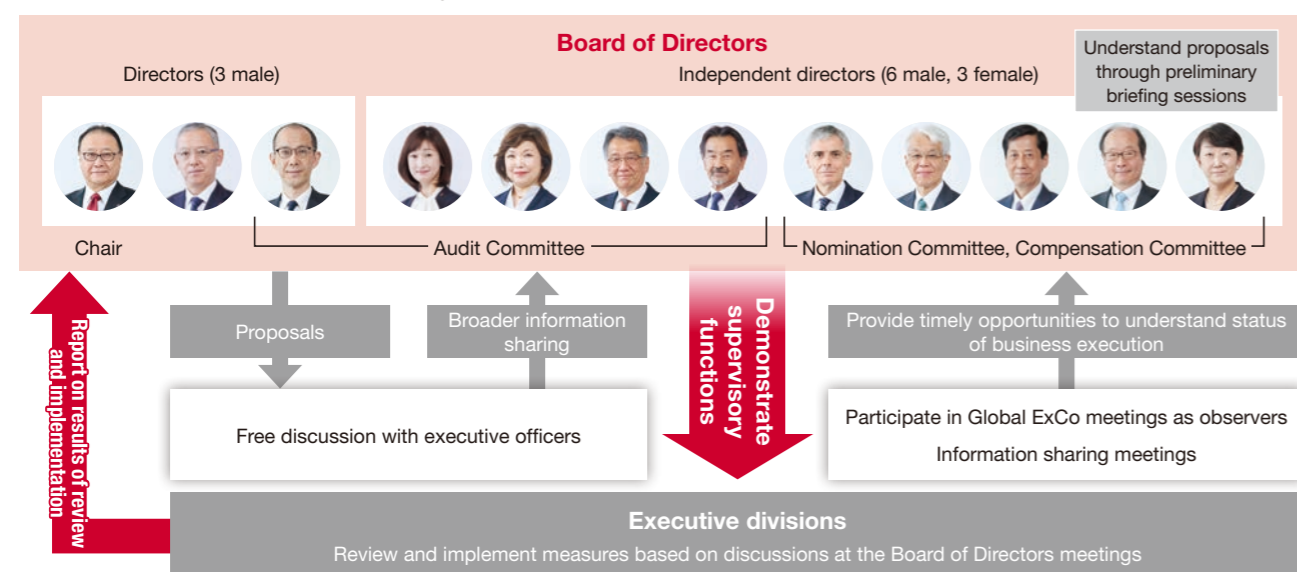
The Board of Directors fulfills its responsibilities as stipulated by laws and regulations and the Articles of Incorporation. It also makes decisions on important business matters as set forth in the Rules of Board of Directors, whilst also aiming to exercise its supervisory function regarding business execution.

To guarantee the effectiveness of oversight, the Board has a

majority of independent directors, and to ensure a considerable degree of diversity among its members, gender, nationality, and other factors are also taken into consideration. The governance structure is designed to enhance transparency and fairness by appointing company managers, academics, and those with specialized knowledge of law, finance, and accounting.

Efforts to ensure and improve the effectiveness of the Board of Directors

A virtuous cycle created by demonstrating the supervisory function of the Board of Directors



All directors, including the chairman, are acutely aware of the need to guarantee and improve the effectiveness of the Board. We have established a cycle of constantly engaging in discussions and utilizing opinions to share timely and appropriate information about the Company's business over the course of the year with the following specific initiatives.

1. Preliminary briefing sessions for the Board of Directors

In order to ensure that the discussions of the Board of Directors are constructive and productive, preliminary briefing sessions are held for all outside directors before every meeting of the Board. During the Board meetings, discussions are informed by the opinions and questions raised at these sessions. Integrating preliminary briefings and Board meetings in this way allows for discussions to be both efficient and substantial, and ensures that the knowledge and perspectives of outside directors are also directly reflected in how the Board operates.

2. Giving scope to the supervisory function of the Board of Directors

We actively undertake initiatives that help the Board demonstrate its supervisory function, such as by strengthening

information sharing so that the directors can better understand how business is being executed. This ensures sufficient communication is maintained without creating a sense of distance between the Board of Directors and the executive divisions.

Specific initiatives

- Business execution reports made by business CEOs and Group CxOs at the Board of Directors
- Providing observer access to directors to sit in on various committee meetings, such as the Global Executive Committee and the Managerial Administrative Committee
- Holding information-sharing meetings to provide timely updates to outside directors regarding items of business execution, without restricting the discussions solely to Board agenda items
- Holding free discussions about information concerning business operations
- Having outside directors and representative executive officers exchange opinions etc.

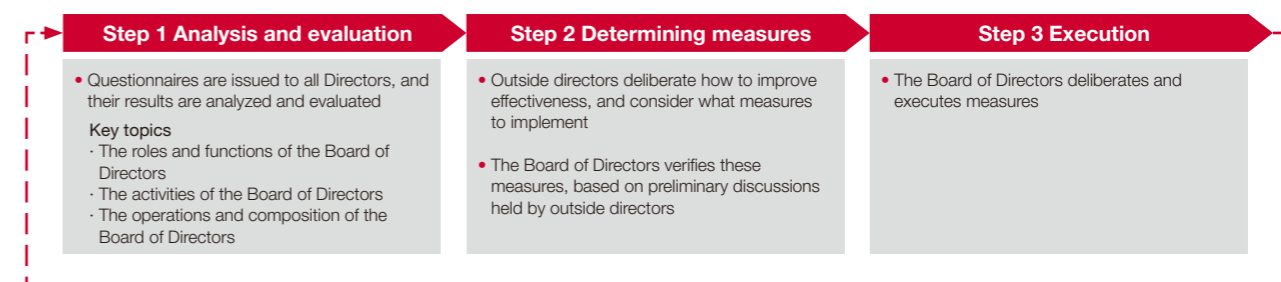
Evaluating the effectiveness of the Board of Directors

Improving the effectiveness of the Board of Directors through PDCA cycles

As part of its efforts to improve the effectiveness of the Board of Directors, every year the Company issues a questionnaire, which includes a self-evaluation section, to each Director. We use the results of these questionnaires to analyze and evaluate the effectiveness of the Board of Directors as a whole. We also work to improve the functionality of the Board

of Directors, and strengthen corporate governance. To this end, we actively incorporate the the opinions of Directors, verify measures for any identified issues and for the further evolution of the Company, and carry out PDCA cycles for the execution of concrete initiatives that enhance the functionality of the Board of Directors.

PDCA cycles to improve the effectiveness of the Board of Directors



FY2022 evaluation results and FY2023 initiatives

<p>Main assessments of FY2022 initiatives</p>	<ul style="list-style-type: none"> ● Opinions were actively exchanged during the preliminary briefings held in conjunction with Board meetings, and as such, the sessions were assessed to be extremely valuable. ● Discussions during the Board meetings were assessed to have become more substantial than before, but at the same time, there was feedback suggesting that additional information and insights from other directors who did not attend the preliminary session would have been useful and that more clarification is needed regarding which points are to be discussed during the board meeting. ● Alongside the continued practice of expanded free discussions introduced in the previous fiscal year and the executive division reports and continual Board discussions, the on-site visits to each business were assessed to be useful in better understanding how business is being carried out. ● The balance between in-person and online Board meetings in the post-COVID era, as well as efforts to go paperless, were assessed to be contributing to really effective Board management. ● To allocate enough time for discussions on important future topics, it was suggested that free discussion time be further utilized and that the timely sharing of information needs to be continued going forward.
<p>Initiatives in Fiscal 2023</p>	<p>The following are the topics that the Company's directors believe management ought to start or continue, discussing in more depth, as well as initiatives that might be effective in enabling the Board to function better. The Company will bear these items in mind and continue to take measures to enhance the Board's effectiveness.</p> <p>Topics that ought to be discussed in more depth by management:</p> <ul style="list-style-type: none"> ● Evaluating and increasing the value of non-visible assets such as branding and engagement ● Policies for handling ESG-related issues ● Policy on constructive communication with the capital markets ● New value creation through DX and RDP ● Business portfolio and policy on synergies between businesses ● Policy on measuring the benefits of purpose management ● Risk management policy, including a cybersecurity framework <p>Key initiatives to enable the Board of Directors to function better</p> <ul style="list-style-type: none"> ● Issue-driven, focused discussions dedicated to important topics ● Clarifying what matters should be deliberated at Board meetings and using preliminary briefing sessions effectively ● Establishing mechanisms to help the Board understand the Company's operations, including on-site visits ● Ensuring communication and information sharing between outside directors and statutory committees

About the Nomination Committee



We intend to create a diverse portfolio of Group officers, and contribute to realizing SOMPO's Purpose and improving corporate value.

Scott Trevor Davis
Independent Director,
Chair of the Nomination Committee

The Nomination Committee aims to improve transparency and fairness in the Group's governance by introducing a third-party perspective to deliberations concerning the appointment and dismissal of Directors and Executive Officers at all Group companies.

The Group is currently promoting transformation—or qualitative change—with the goal of achieving SOMPO's Purpose, namely to become "A Theme Park for Security, Health & Wellbeing."

Improving diversity among Group officers is critical both to realizing SOMPO's Purpose and to developing our global business—not just in insurance but in wide-ranging sectors, including Nursing Care & Seniors, and Digital. The Nomination Committee works to improve diversity among Group officers both when appointing individual directors and

executive officers and when formulating the Succession Plan.

In fiscal 2022, based on the reorganization of the composition of the Board of Directors (reducing the total number of directors by 2 and the number of outside directors by 1), we selected candidates for the Board of Directors and the head of the Sompo International Tokyo Office. In addition, for the purpose of more effectively implementing the business strategy of the entire Group, we set up opportunities for the direct exchange of opinions between the Nomination Committee and each Business CEO in appointing Directors and Executive Officers of the major Group companies.

Through its deliberations, the Nomination Committee intends to establish a diverse portfolio of Group officers, and contribute to realizing SOMPO's Purpose and to improving corporate value.

Nomination Committee Performance

The Nomination Committee met 10 times in fiscal 2022. Its main agenda items are listed below.

Topic	Details
Formulating the Succession Plan	<ul style="list-style-type: none"> Certain key positions are critical for bringing about the further transformation and growth of the Sompo Group; in the Succession Plan, the Committee has established a system that will produce high-quality individuals from diverse backgrounds in a stable and effective way. A total of 86 key positions in the Group, including the position of Group CEO, are governed by the Succession Plan. When selecting succession candidates, the Committee draws up various criteria for consideration, such as the proportion of positions held by women, to ensure a diverse pool of talented personnel.
Appointing Director candidates	<ul style="list-style-type: none"> After considering the criteria for the appointment of Directors and the balance of the Board of Directors as a whole, the Committee resolved an issue related to the appointment of Director candidates to be submitted to the Annual General Meeting of Shareholders.
Appointing Executive Officers	<ul style="list-style-type: none"> The Committee resolved an issue related to the appointment of Executive Officers.
Appointing Directors at Sompo Japan Insurance and Sompo Himawari Life Insurance	<ul style="list-style-type: none"> The Committee resolved an issue related to the appointment of Director candidates at Sompo Japan Insurance and Sompo Himawari Life Insurance.

About the Audit Committee



We contribute to the enhancement of corporate value through appropriate audits of the Group's wide range of business areas, and thereby meet the expectations of our stakeholders.

Misuzu Shibata
Independent Director,
Chair of the Audit Committee

The Audit Committee consists of five directors, four of whom are independent directors. Under our highly independent and objective structure consisting mainly of them, we conduct audit activities with the mission of protecting stakeholders' interests through information sharing and active exchange of opinions among the Audit Committee and cooperation with the Internal Audit Department.

Audits are conducted mainly through meetings with executive officers and other members of the Board of Directors. In fiscal 2022, we visited several Group companies to gain a deeper understanding of the actual business conditions through direct interviews with on-site staff members, thereby ensuring highly effective audits.

Under the Medium-Term Management Plan launched in fiscal 2021, the Company is aggressively pushing new initiatives—such as solutions that utilize real data—to achieve

its goal of becoming "A Theme Park for Security, Health & Wellbeing," and our audits have therefore become broader in scope. In this fiscal year, the final year of the Medium-Term Management Plan, I believe we can contribute to the enhancement of corporate value by drawing on the knowledge, expertise, and diverse backgrounds of each Member of the Audit Committee to conduct effective and high-level audits in a wide range of business areas in accordance with our auditing objectives in order to ensure the appropriateness of our efforts to achieve SOMPO's Purpose.

Going forward, the Audit Committee will work to improve appropriate communication with the executive divisions and streamline its auditing methods based on timely and accurate information gathering and active discussions among the committee members, and will continue its efforts to meet stakeholder expectations by conducting audits of the highest quality.

Audit Committee Performance

The Audit Committee met 13 times in fiscal 2022.

The Audit Committee formulates basic policies for audits and auditing plans, carries out audits year-round in accordance with these plans, and provides audit reports and a summary of its auditing activities at the end of each fiscal year. A report is provided to the Audit Committee following the completion of each audit activity, enabling the Committee to regularly verify the progress of the auditing plan. The Committee's year-round auditing activities include: attending important meetings and verifying important decisions; collecting information through meetings with Representative Executive Officers, through meetings with Business CEOs and Group CxOs, through meetings with general managers of departments and offices, and through site visits to Group companies in Japan and overseas; and providing feedback and suggestions regarding management operations.

Our auditing activities for fiscal 2022 are outlined below.

Topic	Details
Audit Committee Responsibility System	The Audit Committee Responsibility System, which is continuing from the preceding fiscal year, was introduced with the aim of conducting audits of greater depth. Each Business CEO and Group CxO is assigned a primary auditor from among the members of the Audit Committee. Audit Committee members other than the primary auditor also actively participate, and after the audit, the committee has a lively exchange of opinions.
Collaborating with the Internal Audit Department	In order to strengthen collaboration with the Internal Audit Department, as in the preceding fiscal year, the General Manager of the Internal Audit Department attends meetings between Audit Committee members and officers, and is present at site visits to Group companies both in Japan and overseas. The Internal Audit Department also discusses the results of internal audits with Audit Committee members and participates in the lively exchange of opinions as described above.
Collaborating with Independent Accounting Auditors	We established a plan for year-round meetings with Ernst & Young ShinNihon LLC on the Overseas Insurance and Reinsurance Business and other businesses, and we work to mutually improve audit quality by ensuring frequent communications and engaging in lively exchanges of opinion, including requesting the provision of information from the viewpoint of an independent accounting auditor.
Measures to improve audit activities	<ul style="list-style-type: none"> The Audit Committee and other meetings were held both face-to-face and using video conferencing as appropriate to increase efficiency and ensure sufficient time for discussion. We visited several Group companies to gain a deep understanding of the actual business conditions through direct interviews with on-site staff members.

About the Compensation Committee



The Compensation Committee will increase the incentivizing effects of the Sampo Group's executive compensation structure to contribute to the enhancement of corporate value.

Kazuhiro Higashi
Independent Director,
Chair of the Compensation Committee

The Compensation Committee aims to improve transparency and fairness in the Group's governance by introducing a third-party perspective to deliberations about compensation for Directors and Executive Officers at all Group companies.

It is imperative that the executive compensation structure not only imparts positive effects on governance, but also provides real incentives for Group officers to contribute to the enhancement of corporate value. From this perspective, we discussed revisions to Sampo Holdings' executive compensation system, and the following specific measures were taken effective April 2023: 1. Revision of the compensation levels; 2. A decrease in the fixed compensation ratio (increase in the variable compensation ratio); 3. Use of metrics for brand value and engagement as evaluation metrics in the strategic targets for performance-linked compensation; 4.

Revision of long-term incentive program (changed from stock trust method to phantom stock method). These revisions will be implemented in the executive compensation plans of the major Group companies in fiscal 2024.

Two of the key questions concerning our Group's executive compensation structure are: "what compensation package should we award to the Group CEO?" and "how can we properly evaluate this?" In fiscal 2022, the Compensation Committee carefully deliberated the Group CEO's strategic goals and initiatives, and assessed the Group CEO's overall compensation, fixed compensation, and performance-linked compensation.

The Committee will continue to discuss the Sampo Group's executive compensation structure, with a view to increasing its incentivizing effects to contribute to the enhancement of corporate value.

Compensation Committee Performance

The Compensation Committee met 11 times in fiscal 2022. The main agenda items of the Compensation Committee in fiscal 2022 are outlined below.

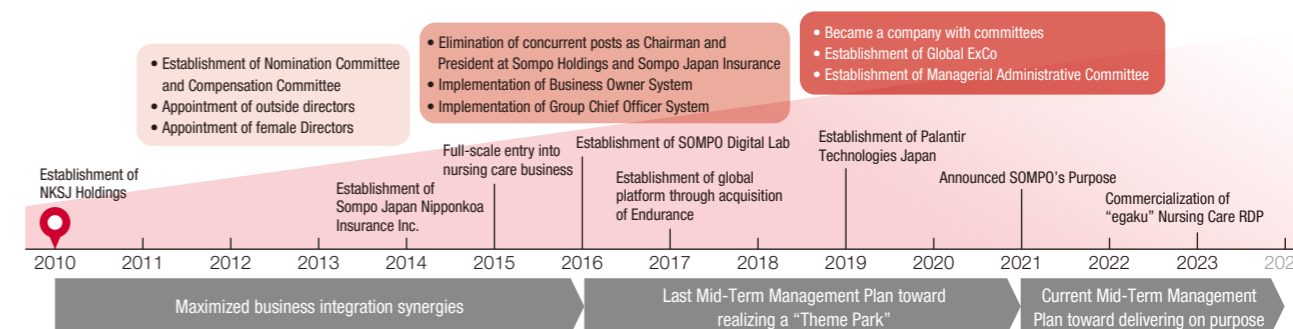
Topic	Details
Revising executive compensation structures at Sampo Holdings	<ul style="list-style-type: none"> Discussions were held to increase the incentivizing effects of the executive compensation structure of Sampo Holdings, and the following revisions were implemented as of April 2023: <ol style="list-style-type: none"> Revision of the compensation levels A decrease in the fixed compensation ratio (increase in the variable compensation ratio) Use of metrics for brand value and engagement as evaluation metrics in the strategic targets for performance-linked compensation Revision of long-term incentive program (changed from stock trust method to phantom stock method)
Policy for handling differences in executive compensation between Japan and overseas	<ul style="list-style-type: none"> Regarding differences in executive compensation between Japan and overseas, we conducted a study of our attractiveness to Directors and Executive Officers using assessments from an outside consulting firm and other sources. We confirmed that going forward, we will make efforts to raise our attractiveness to Directors and Executive Officers outside of the Group to form a more competitive Director and Executive Officer portfolio.
Performance-linked compensation of the Group CEO	<ul style="list-style-type: none"> The Committee assessed the Group CEO's initiatives in fiscal 2022, and determined the payment rates and payment amounts for performance-linked compensation.
Strategic goals and base amount of compensation of the Group CEO	<ul style="list-style-type: none"> The Committee approved the Group CEO's fiscal 2023 strategic goals of 1. Business portfolio transformation; 2. Engagement, and inclusion & diversity; and 3. Improving corporate value. <ol style="list-style-type: none"> Promote the transformation of the Sampo Group's business portfolio with the aim of realizing SOMPO's Purpose. Engagement, and inclusion and diversity: Accelerate inclusion and diversity efforts with the aim of "creating innovation" and "improving employee happiness and job satisfaction," and realize an organizational and corporate culture in which diverse employees accept each other, respect each others' "My Purpose," and are able to fully demonstrate their individual strengths. Improving corporate value: Enhance brand value by globally disseminating SOMPO's Purpose, RDP, and promotion of sustainability management, and enhance corporate value by increasing recognition amongst stakeholders. The base amount of compensation for fiscal 2023 was determined based on the above strategic goals.
Performance-linked compensation of Executive Officers	<ul style="list-style-type: none"> The Committee assessed the fiscal 2022 initiatives of Executive Officers. It determined the performance-linked compensation payment rates and payment amounts.
Strategic goals and base amount of compensation of Executive Officers	<ul style="list-style-type: none"> The Committee approved the fiscal 2023 strategic goals of all Executive Officers at Sampo Holdings and, based on these strategic goals, determined the base amount of compensation for fiscal 2023.

Governance that continues to lead and support the realization of our Purpose

Sampo Holdings was established in 2010 as a holdings company and decided to transform to realize "A Theme Park for Security, Health & Wellbeing" to address the challenge of realizing sustainable growth as a Group that conducts business mainly in Japan which faces population decline, population aging, and low economic growth. In 2021, we officially proclaimed SOMPO's Purpose: With "A Theme Park

for Security, Health & Wellbeing," create a society in which every person can live a healthy, prosperous and happy life in one's own way. Our Purpose identifies what kind of value we will provide to society.

Again and again, it is SOMPO's governance that has clearly indicated the direction in which the Group should move and has led the transformations to achieve this.



Business Execution that Combines Centrifugal and Centripetal Forces

Since the merger of P&C insurance subsidiaries in 2014, Sampo Holdings has worked to build a business foundation through a full entry into the nursing care business (2015), founding of SOMPO Digital Lab (2016), development of a global platform with the acquisition of Endurance (2017), etc. to realize "A Theme Park for Security, Health & Wellbeing."

These transformations that have shaped the framework of today's SOMPO were made possible by the matrix governance structure comprised of the Business Owner System and Group CxO System. The Business CEO, who is the chief

executive of a business, is delegated great authority to drive the Group's growth and expansion by developing business policies, accomplishing business plans, etc., while the Group CxO, who has deep expertise in his or her respective functional area, is delegated authority to exert an influence over group-wide issues across business. Building a business execution system that combines the centrifugal and centripetal forces in this way has driven transformation toward realizing a "Theme Park."

Accelerating further transformation to achieve our Purpose

Building on the business foundation which had been established, in 2019 Sampo Holdings transitioned to a company with committees and established the Global ExCo to accelerate transformation to achieve our Purpose. Through this governance reform, management oversight and business execution were separated and substantial authority was delegated to executives to establish an effective oversight and execution structure where the outside directors with expert knowledge focus on management oversight and key management policy decisions.

In terms of execution, we established Global ExCo, the highest executive committee. At Global ExCo, members with different nationalities and backgrounds discuss key

challenges for the Group from a truly diverse perspective, share best practices, and make decisions based on global information, not just about insurance. This is the driving force behind SOMPO's transformation to achieve its Purpose.

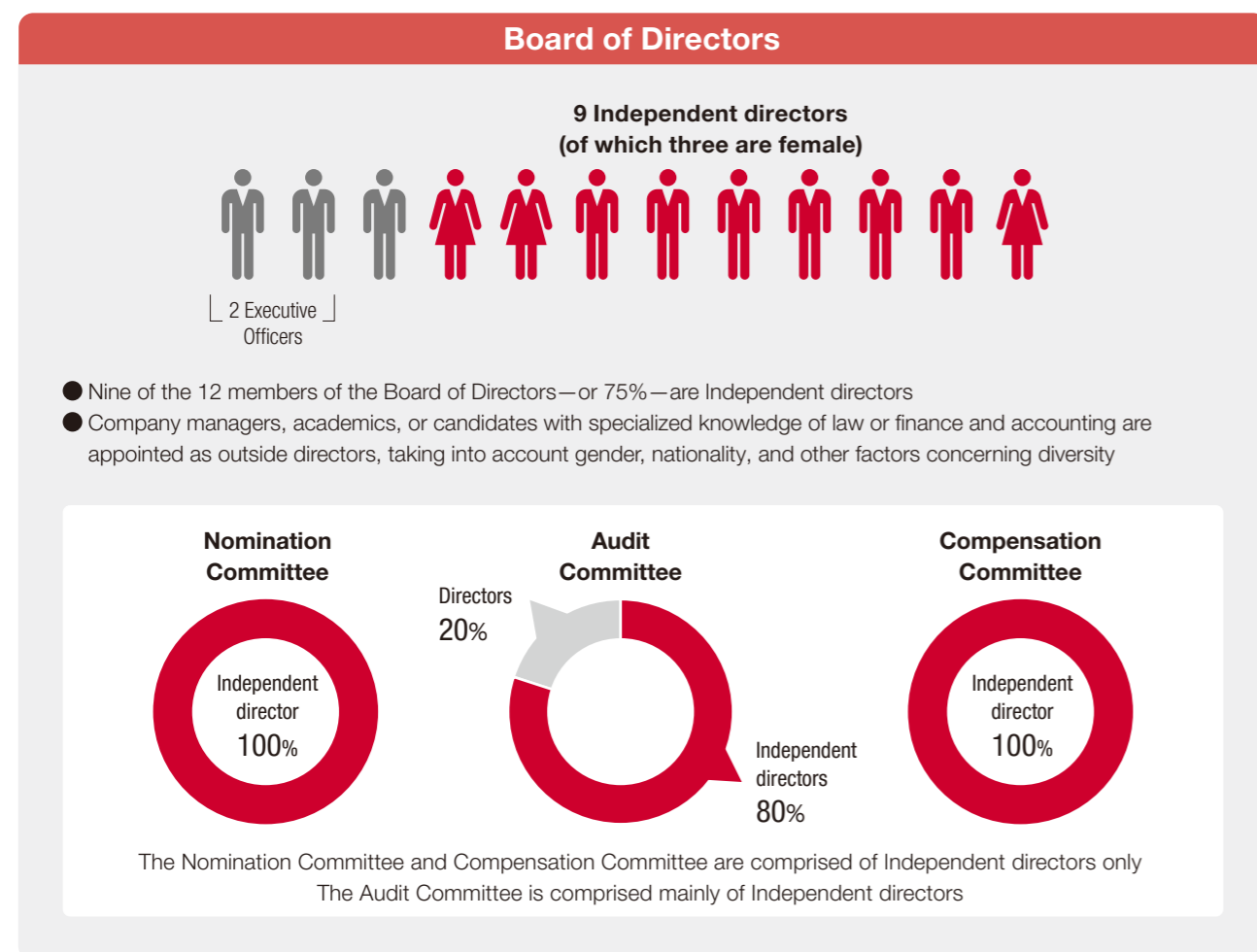
This governance structure has formed the cornerstone of SOMPO's transformation, such as the establishment of a global platform (P&C insurance) that will serve as the foundation for the Group's growth and earnings and a new company with Palantir to realize the Nursing Care RDP "egaku."

The realization of SOMPO's Purpose is a long journey. Going forward, we will continue to transform ourselves to achieve this by building on a foundation of evolving governance.

Oversight structure

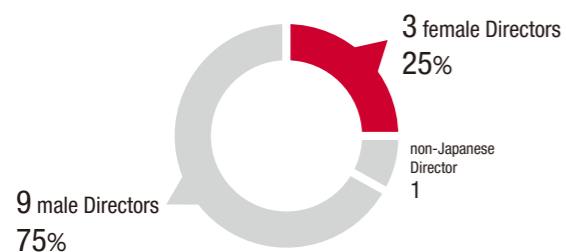
Under a “company with committees” structure, we are endeavoring to expedite business execution by strengthening the oversight of the Board of Directors, which is made up of mostly independent directors, and delegating considerable authority to the executive divisions.

In addition, an independent director serves as chair on all three statutory committees: the Nomination Committee, the Audit Committee, and the Compensation Committee. This governance structure is designed to enhance transparency and fairness.



Director Diversity

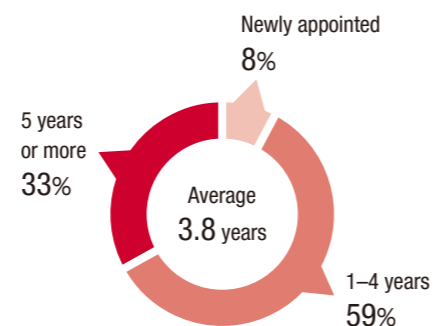
Of the 12 members of the Board of Directors, 3 are female and 9 are male; 1 of the male Directors is non-Japanese



Director tenure

The average tenure of the Directors is 3.8 years (including the tenure as the Audit & Supervisory Board member)

* When the tenure of the outside director exceeds 8 years, the existence of a strong reason for reappointment is carefully assessed and reappointment is not prevented if such reason exists.



Executive structure

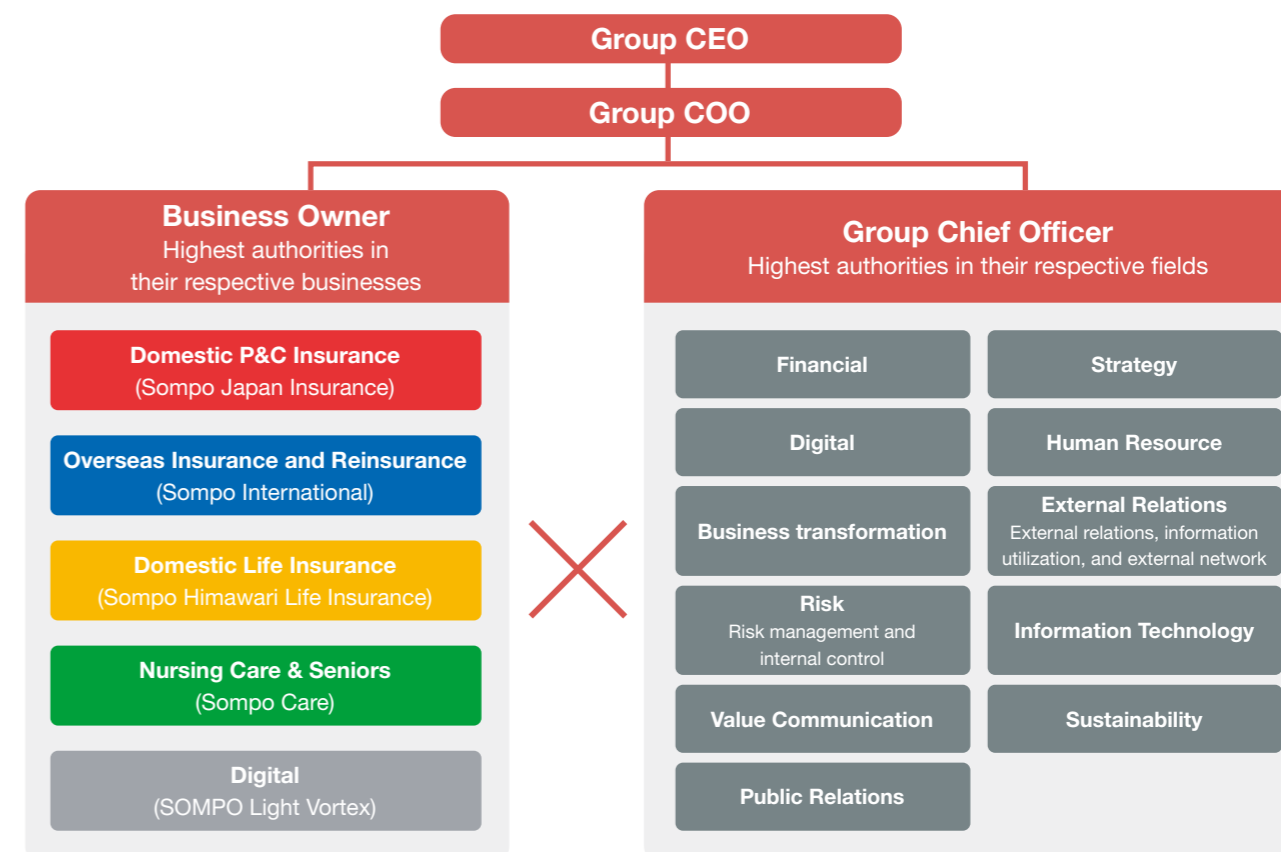
We employ a matrix-style executive framework that is a combination of the Business Owner and Group Chief Officer (CxO) systems. It enables the Company to make agile and flexible decisions and conduct business even in such rapidly changing times.

Business Owner system

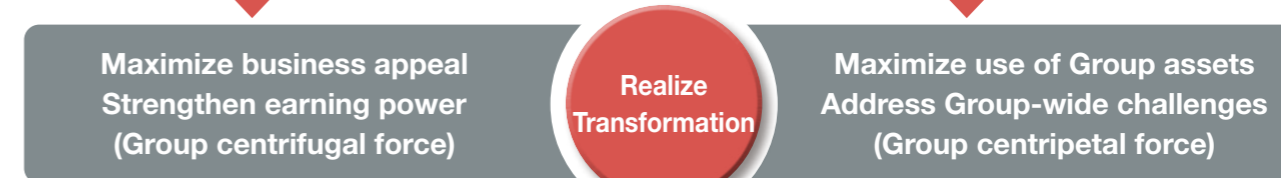
With this system, the business CEOs drive the Group's growth and expansion by formulating business policies, accomplishing business plans, and improving the quality of business operations as the managers of each business.

Group CxO system

This system enables the Group CxOs—all of whom possess a high degree of expertise in their respective business domains—to exert as much influence required throughout the Group to help realize SOMPO's Purpose and enhance corporate value.



* Main Group company in each line of business shown in parentheses.



Directors and executive officers with Diverse Array of backgrounds

The directors and executive officers hailing from diverse backgrounds keep their respective missions in mind when engaging in discussions and making high-quality decisions for the purpose of achieving the transformation of the Group. To that end, we strongly emphasize diversity in our human resources portfolio when formulating a succession plan and appointing directors and executive officers.

8 Executive Officers have previously worked for companies outside the Sompo Group



* “Directors and executive officers” refers to the Group CEO, the Group COO, business CEOs, Group CxOs, and the Chairman of Overseas M&A; there are 16 directors and executive officers in the Sompo Group.

Succession plan

1. Goals of the succession plan

The Sampo Group is seeking to become “A Theme Park for Security, Health & Wellbeing.” To this end, we are formulating a succession plan as part of our efforts to reliably and effectively produce high-quality talent from diverse backgrounds who can take up positions that are key to realizing further business reforms and growth.

2. Positions covered in the plan

The succession plan covers a total of 86 key positions in the Group, including Group CEO, Group COO, Group CxOs, business CEOs, and other important positions in domestic and overseas businesses. Positions covered by the plan are selected according to their importance both to the Group as a whole and to individual businesses, and based on the rarity of replacing talent in these positions.

3. Criteria for Selecting Candidates

Succession candidates are selected according to the categories listed below. In order to increase diversity, candidates for each position must meet certain criteria. Candidates may be selected from talent systematically nurtured within the Company, or recruited from outside of the Group.

(1) Candidate category

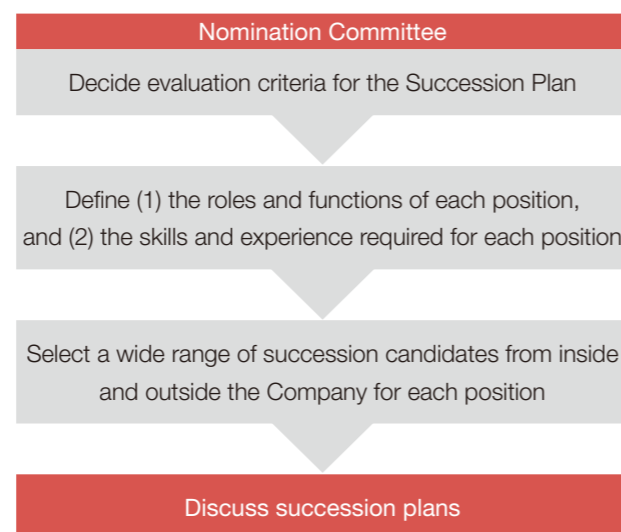
Talent who might assume key positions within 5 years	N (Next) talent
Talent who might assume key positions in 5 to 10 years	F (Future) talent

(2) Criteria for selecting candidates with the goal of increasing diversity of talent pool

- Six or more N talent candidates and five or more F talent candidates must be selected for each position.
- Women must account for 50% or more of N talent candidates and F talent candidates for each position.
- An age distribution ratio for candidates must be set for each position.

4. Procedures for Considering the Succession Plan

The Succession Plan is formulated by the Nomination Committee according to predetermined evaluation criteria. The roles, functions, and required skills and experience for each position are defined both for the present and the future. Based on these definitions, a wide range of succession candidates for each position is selected both from inside and outside the Company. The Succession Plan is drawn up using the diverse and expert insight of the members of the Nomination Committee. The Committee also engages in proactive and constructive discussions to build a stronger and more diverse pool of candidates.



5. Coordinating the Succession Plan with the Appointment, Placement, and Development of Executive Officers

The Company wishes to effectively coordinate the Succession Plan with the appointment, placement, and development of Executive Officers at the Sampo Group. We systematically nurture diverse management talent by providing selected candidates with opportunities for dispatch training and challenging assignments so that they develop the required skillsets.

Policies for appointment of Directors and Executive Officers

The Company appoints Directors and Executive Officers in accordance with the Policies for Appointment of Directors and Executive Officers outlined below. Candidates Directors are selected by the Nomination Committee and approved at the General Shareholders Meeting. Candidate Executive Officers are selected by the Nomination Committee and approved by the Board of Directors.

(1) Policies for the Appointment of Directors

The Company not only supervises and guides its subsidiaries, but also formulates a Group-wide management strategy that encompasses the business strategies of subsidiaries engaged in P&C insurance and various other businesses. The Company is responsible for ensuring the execution and realization of these strategies.

The Board of Directors is comprised primarily of outside directors, so that it can draw on diverse and independent viewpoints and carry out objective evaluations of management issues. When appointing outside directors, nationality, gender, and other forms of diversity are considered.

Additionally, Directors are appointed according to criteria outlined in the Comprehensive Guidelines for Supervision of Insurance Companies. Outside directors are appointed according to 1) “Competency Requirements,” 2) “Criteria for Independence of outside directors,” and 3) “Requirements for Terms of Office.”

For the purpose of carrying out substantive discussions, the number of Directors is limited to 15, in accordance with the Articles of Incorporation.

Note: In this policy, “gender” refers to all gender-related events, knowledge, and values, including the existence of the gendered division of labor and LGBTQ.

1) Competency Requirements

The Company appoints outside directors who have a wide range of knowledge and experience in various fields. They may include corporate executives, academic experts, and professionals who have expert knowledge of law, or of finance and accounting.

Outside directors are required to be able to devote the time and effort necessary to properly fulfill the role and responsibilities of Director.

2) Criteria for the Independence of Outside directors

The Company will assess the independence of outside directors from the Company based on the criteria below.

- a) Personal Relationships: kinship between the candidate and any officer or employee of the Group; status of mutual

appointments of Directors and Executive Officers between the Company and the company which the candidate is originally from.

- b) Capital Relationships: the holding by the candidate of shares in the Company, and the status of shareholding by the Group.
 c) Business Relationships: business transactions or donations between the Group and the candidate.
 d) Significant interests other than the above.

3) Requirements for Terms of Office

If the total terms of office as the outside director or Audit & Supervisory Board Member of the Company exceeds eight years, the Company will carefully consider whether there are any positive reasons for reappointment. Reappointment is not prevented if such reasons are found.

(2) Policies for the composition of Executive Officers and criteria for their appointment

1) Policies for the composition of Executive Officers

The Company systematically develops managerial talent based on the Succession Plan. Regarding the composition of Executive Officers as a whole, the Company places importance on the diversity—including gender, age, experience, and nationality—and the balance of the management team.

2) Criteria for appointing Executive Officers

The Company appoints Executive Officers in accordance with the following criteria:

- The candidate is able to realize transformation based on the Group Management Philosophy and purpose.
- The candidate is able to develop the next generation of leaders who will drive the Group’s transformation.
- The candidate is able to foster a Group culture that fills employees with confidence and pride, and encourages them to boldly take on challenges with high aspirations.
- The candidate is driven by their own mission and able to take action accordingly.
- The candidate has a high level of expertise and insight regarding the mission and roles they are tasked with.
- The candidate has experience and a track record regarding the mission and roles they are tasked with.
- The candidate understands the importance of diversity and is able to leverage it to create value.
- The candidate has the ability to make fair and impartial judgments and to achieve goals.
- The candidate has a fair and honest personality.

Outside director support system

Prior to meetings of the Board of Directors, outside directors are provided with explanations by the Corporate Legal Department of the Secretariat of the Board of Directors, and by the departments in charge of each agenda item. Additionally, the Human Capital Department provides assistance to outside directors as the Secretariat of the Nomination Committee and the Compensation Committee,

and the Audit Committee Office provides assistance to outside directors as the Secretariat of the Audit Committee.

The Company also makes efforts to provide outside directors with various types of information, including the Integrated Annual Report, Annual Securities Report, and IR presentation materials.

Executive compensation structure

The Company regards its executive compensation structure as an important aspect of corporate governance. The goal of the executive compensation structure is to increase corporate value and to share interests with shareholders. The executive compensation structure is formulated by the Compensation Committee, which is chaired by the independent director, and incorporates objective points of view. It is

based on the basic policies outlined below.

The Company's Policies on Decisions Pertaining to Executive Compensation describes the Basic Policies on Executive Compensation, the composition of executive compensation, how compensation is determined for each position, and the details of each type of compensation.

Basic Policies on Executive Compensation (applicable to all Group companies)

- The level and system of compensation shall ensure that top talent can be acquired and retained for the senior management of the Sampo Group.
- The executive compensation structure shall be consistent with the Group business strategy. It shall incentivize Directors and Executive Officers to improve their performance with the goal of achieving Group growth.
- Compensation shall reflect not just single-fiscal-year performance, but also reflect medium- to long-term results and the initiatives of Directors and Executive Officers.
- Compensation shall be determined in accordance with the scale of future-oriented missions undertaken by Directors and Executive Officers, and with the results of these missions. Compensation may take fixed factors associated with specific job titles or positions into consideration.
- The Company's Compensation Committee shall deliberate the compensation structures of the Company and its key subsidiaries, to ensure they have the objectivity, transparency, and fairness to fulfill accountability to stakeholders.

1. Overview of Executive Compensation Structure

The Company considers the current Mid-Term Management Plan to be a period for realizing the transformation of the entire Group and each of its businesses. The Company regards performance-linked compensation for officers, the scale of the mission for realizing this transformation, and related initiatives as important elements of corporate governance, which underpins this transformation.

The Company believes that all officers should demonstrate and act in accordance with their own duties and mission, based on the principles of being mission-driven (having a sense of mission and job satisfaction, and working with a sense of personal involvement) and of being results-oriented. The executive compensation structure is not designed to award officers a fixed compensation amount based only on their duties or position; instead, compensation is determined in accordance with the scale of the future-oriented mission they are undertaking, and with the results of these missions.

The Company assigns a grade to each position according to its responsibilities, with Group CEO being the position with the highest grade. The standard amount of total compensation

Scale of mission and approach to realizing a transformation and earnings-linked executive compensation structure

Stock price-linked compensation (phantom stock)	Shared value with shareholders
	Incentives for achieving medium- and long-term plans
	Retention of human resources
Performance-linked compensation	Reflective of financial results : Adjusted consolidated ROE
	Reflective of strategies : Strategic goals
Fixed compensation (monthly salary)	

packages for each position are determined according to these grades. The base amount of the total compensation package for each officer is determined every fiscal year, and reflects the scale of the mission assigned to the officer in question.

The Compensation Committee deliberates and determines the amount and composition of compensation for each Director and Executive Officer at the Company, in accordance with the decision-making process and calculation methods described below.

a. Decision-Making Process for Total Compensation Packages

The Company sets compensation levels for each officer on an individual basis, according to the scale of the mission assigned to each officer and their own personal performance. The Company

does not adopt the conventional approach of determining compensation according to a table that assigns different amounts of compensation for each officer rank.



b. Composition of compensation for officers

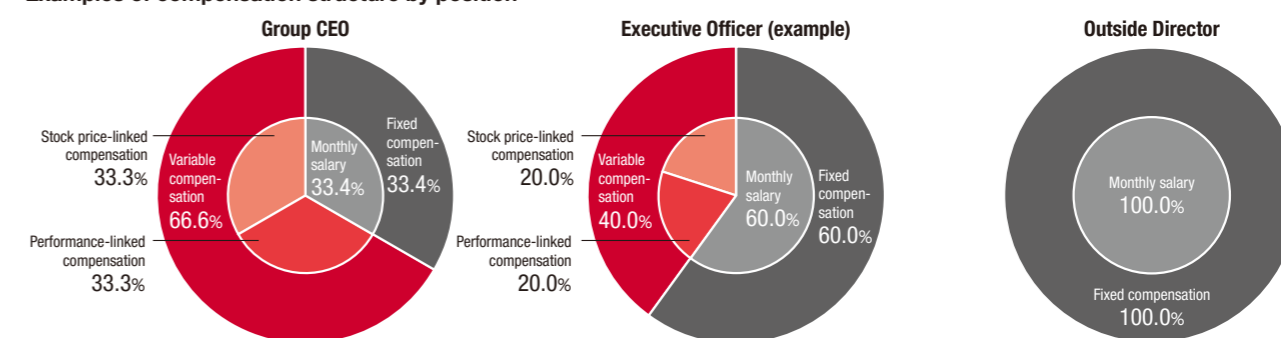
Compensation for officers consists of: fixed compensation (monthly salary), which is based on the duties and responsibilities of each officer; and variable compensation, which is linked to performance. Variable compensation comprises: performance-linked cash compensation, which is compensation linked to short-term performance paid out every fiscal year in accordance with fiscal-year performance; and performance-linked stock

compensation, which is compensation linked to long-term performance, and whose goal is to increase the association between compensation and medium- to long-term growth in corporate value. The composition of compensation is designed to incentivize officers to make decisions based not only from a single-fiscal-year perspective but from medium- and long-term perspectives, and to take Company performance and share price into consideration.

Overview of Executive Compensation System

	Type of compensation	% of total		Comments
		Group CEO	Other officers	
Fixed compensation	Monthly salary	33.4%	50-70%	<ul style="list-style-type: none"> Set for each officer in accordance with the roles and duties of their position Cash compensation paid monthly
Variable compensation	Performance-linked cash compensation	33.3%	15-25%	<ul style="list-style-type: none"> A base amount is set; actual payment is determined based on annual performance Based on an assessment of each officer's level of achievement for financial and strategic goals Paid in cash in June after the conclusion of the fiscal year
	Stock price-linked compensation	33.3%	15-25%	<ul style="list-style-type: none"> Payment amount is determined in accordance with the share price in order to share value with shareholders and promote medium- and long-term growth of the Group Payment in cash at any time after a certain period has elapsed since the granting of units up until retirement and also upon retirement
Subtotal		66.6%	30%-50%	
Total		100%	100%	

Examples of compensation structure by position



c. Approaches and calculation methods for each of type of compensation

(1) Fixed compensation (monthly salary)

The Company sets fixed compensation (monthly salary) in accordance with the responsibilities of each officer's position. In principle, an equal amount is paid each month.

An appropriate level of fixed compensation (monthly salary) is set according to the following parameters: the standard amount of fixed compensation is based on the total compensation package for the grade assigned to the officer's position; the base amount takes into consideration the mission of the individual officer, and the nature of the officer's roles and responsibilities. Reference is also made to market compensation levels, as quantified by officer compensation surveys conducted by third-party compensation consulting firms.

(2) Performance-linked compensation

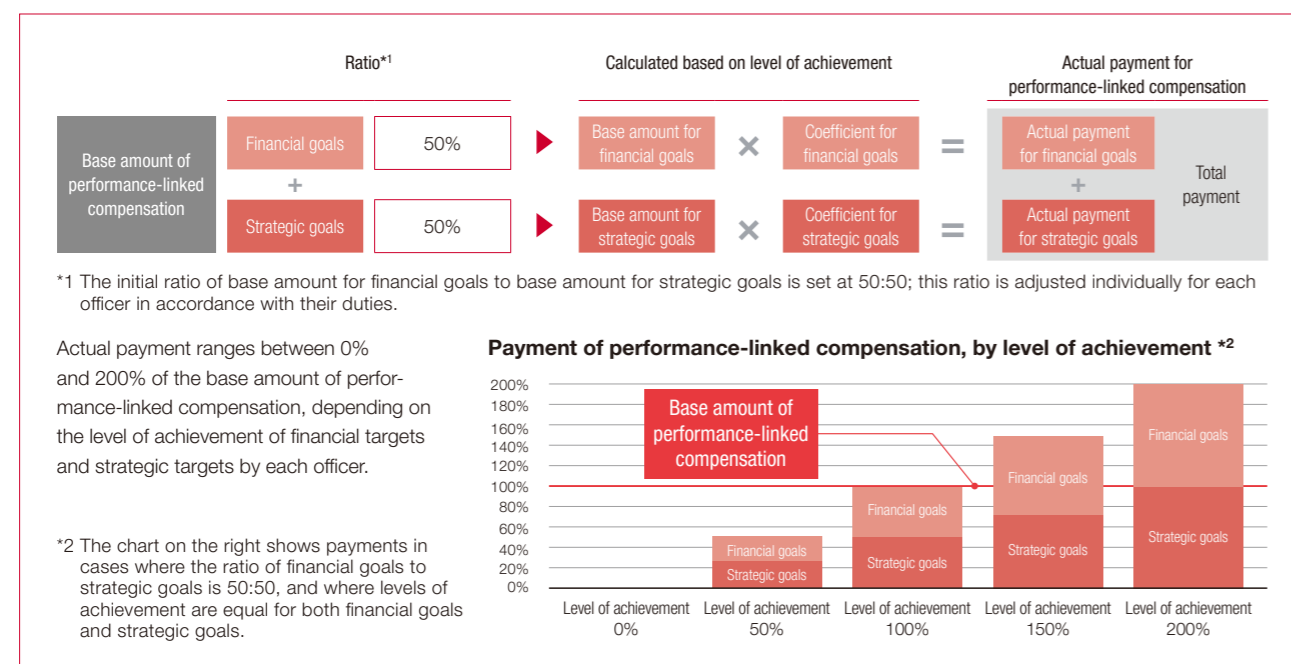
The Company operates a performance-linked compensation system that rewards officers for the contributions they made to each business's single-fiscal-year performance. In order to ensure that performance-linked compensation reflects both the financial performance and the strategic performance goals associated with management plans in a balanced manner, the Company adopts a performance-linked compensation system that comprises "financial performance-linked compensation" and "strategic performance-linked compensation." To provide stronger incentives, the Company applies a coefficient to the base amounts of performance-linked compensation. This coefficient varies according to the level of achievement of strategic goals set for the mission assigned to each officer, ranging from 0% to 200%.

- To determine performance-linked compensation, the Company

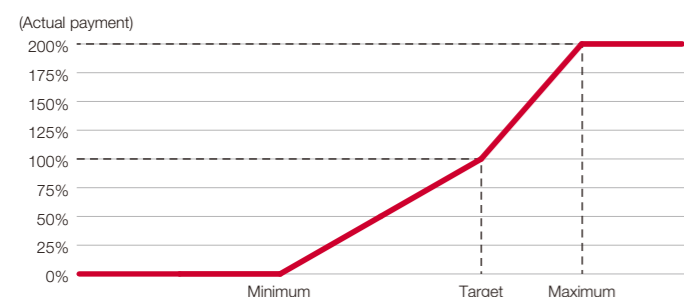
first sets a base amount of performance-linked compensation. This base amount is then multiplied by a coefficient that reflects the level of achievement of single-fiscal-year financial goals and strategic goals.

- The base amount of performance-linked compensation is defined as the amount to be paid if financial goals and strategic goals are fully achieved. The base amount is determined individually for each officer.
- Performance-linked compensation comprises financial performance-linked compensation and strategic performance-linked compensation. The allocation ratio of these two compensations is determined by the Compensation Committee in accordance with the nature of the mission assigned to each officer.
- The performance indicators adopted as the financial goals include adjusted consolidated ROE, among others, for the fiscal year, and the coefficient is determined according to the actual results versus the targets in the business plan.
- The performance indicators adopted as the strategic goals are the metrics agreed on by the Group CEO, business CEO, or other director or executive officer responsible for their evaluation in accordance with the mission of each director and executive officer, and the coefficient is determined according to the level of achievement.
- Of the performance indicators adopted as the strategic goals, an engagement indicator for all directors and executive officers and a brand value indicator for some directors and executive officers have been set as mandatory components for measuring Unrealized Financial Value.

Executive compensation structure



Financial goals



The financial goal coefficient is 100% when the targeted financial performance is achieved; in this case, the base amount of compensation will be paid. Depending on the level of achievement of financial goals, actual payment will range from 0% to 200% of the base amount. Note: The graph above indicates the relationship between level of achievement and actual payment.

Indicators used for performance-linked compensation

The table on the right summarizes the financial indicators used to determine performance-linked compensation. Financial indicators are set for each business; strategic goals are set for each officer.

*1 Net income for the Domestic P&C Insurance Business is the standalone figure for Sampo Japan Insurance.
 *2 In the Nursing Care & Seniors Business, the financial indicator adopted for the president of Sampo Care is adjusted profit at Sampo Care (standalone basis).
 *3 Adjusted profit and sales in the digital business are for Palantir Technologies Japan (standalone basis).

Strategic goals

Description	Level of achievement
Results better than expected	200%
	175%
	150%
	125%
Results as expected	100%
	75%
Results worse than expected	50%
	25%
	0%

The coefficient is determined in accordance with the level of achievement of strategic goals established for each officer; this coefficient is then multiplied with the base amount. A coefficient of 100% is used when strategic targets have been fully met; 200% is the maximum and 0% the minimum.

Business domain	Financial indicators for FY2023
Entire Group	Adjusted profit, Adjusted consolidated ROE
Domestic P&C Insurance Business	Adjusted profit, Net income
Overseas Insurance and Reinsurance Business	Adjusted profit
Domestic Life Insurance Business	Adjusted profit, Increase in adjusted EV
Nursing Care & Seniors Business	Adjusted profit
Digital Business	Adjusted profit, Revenue

(3) Stock price-linked compensation

The Company believes it is vital that the Group as a whole grows sustainably over the long term. For the purpose of maintaining the link between compensation for directors and executive officers and stock value, as well as further raising the awareness and talent retention that contributes to stronger earnings and greater corporate value over the medium-to-long term, we discontinued the previous performance-linked stock compensation plan and introduced a new stock price-linked compensation (phantom stock, or PS), effective from April 1, 2023. For this compensation, PS offering the same economic value as cash stock is issued to the directors and executive officers. An overview of this system is as follows.

The number of units granted is determined by multiplying the stock price-linked compensation base amount, which varies depending on the magnitude of the mission of each director and executive officer, by the previous year's strategic goal evaluation coefficient and dividing it by the Company's share price.

$$\left[\text{Stock price-linked compensation base amount} \times \text{Strategic goal evaluation coefficient from previous FY} \right] \div \left[\text{Company's closing share price on the grant date} \right] = \text{Number of units granted}$$

- The units granted will vest at the end of the fiscal year three years after the grant date. Once vested, they will be categorized into PS 1 and PS 2. If the director or executive officer resigns voluntarily before the vesting date, the units will not be eligible for vesting.
- PS 1 and PS 2 units will be divided evenly (50% each) and be subject to the following.
 - PS 1: After vesting, an amount based on the current share price at any time up until retirement, along with an equivalent cumulative dividend amount, will be paid in cash.
 - PS 2: Upon retirement, an amount based on the share price calculated with a prescribed method, along with an equivalent cumulative dividend amount, will be paid in cash.
- The payment amount will be determined as follows.

Payment based on the exercise of rights for PS 1 at any time

$$\left[\text{Number of PS 1 units designated by the director or executive officer} \times \text{Closing share price on the day the director or executive officer indicated their intention to receive PS 1} \right] + \text{Equivalent cumulative dividend amount}$$

Payment based on the exercise of rights for PS 1 and PS 2 upon retirement

$$\left[\text{Number of unexercised PS 1 and PS 2 units up until the day of retirement} \times \text{Share price at the time of retirement (calculated based on a prescribed method)} \right] + \text{Equivalent cumulative dividend amount}$$

2. Total compensation, total compensation by type, and number of eligible officers for each officer category, in FY2022

The total compensation, total compensation by type, and the number of eligible officers for each officer classification in the current fiscal year are outlined below.

Officer category	Total compensation (million yen)	Fixed compensation (monthly compensation)	Retirement benefits, etc.	Compensation by type (million yen)		No. of eligible executives
				Performance-linked compensation		
				Cash compensation	Non-cash compensation	
Directors (excluding outside directors)	78	73	—	2	2	5
Outside directors	187	187	—	—	—	10
Executive Officers	1,725	779	—	642	302	19
Total	1,990	1,040	—	645	305	31

*1 The amounts for total compensation, total compensation by type, and the number of eligible directors and executive officers include: one executive officer who resigned on March 31, 2021; six executive officers who resigned on March 31, 2022, and one director who resigned at the end of the 12th Annual General Meeting of Shareholders held on June 27, 2022.
 *2 Compensation for the two directors who concurrently serve as executive officers and the one director who concurrently served as executive officer up until March 31, 2022, is separated into director compensation and executive officer compensation; the compensation for each position is included in the applicable total compensation amount. For this reason, the total number of eligible directors and executive officers differs from the combined number for each classification.
 *3 Performance-linked cash compensation is paid in cash, and is the total of: compensation based on performance in the previous fiscal year and provisions to reserves for compensation based on performance in the current fiscal year. It excludes provisions to reserves for the previous fiscal year. Performance-linked stock compensation prior to revisions to the Company's Policies on Decisions Pertaining to Executive Compensation is non-cash compensation, and is the total of: the amount of provisions to reserves for stock benefits recorded for the current fiscal year, based on performance in the previous fiscal year.
 *4 All compensation for Directors and Executive Officers is compensation from the insurance holding company. There is no compensation from the parent of the insurance holding company.

3. Total consolidated compensation for each officer in FY2022

Executives who received compensation totaling 100 million yen or more are listed below.

Name	Total compensation from the Company and its consolidated subsidiaries (million yen)	Officer category	Company category	Total compensation by type from the Company and its consolidated subsidiaries (million yen)			
				Fixed compensation (monthly compensation)	Retirement benefits, etc.	Performance-linked compensation	
						Cash compensation	Non-cash compensation
Kengo Sakurada	477	Director	Sompo Holdings, Inc.	6	—	2	1
		Executive Officer	Sompo Holdings, Inc.	127	—	209	130
Mikio Okumura	308	Director	Sompo Japan Insurance Inc.	—	—	—	—
		Executive Officer	Sompo Holdings, Inc.	4	—	—	1
James Shea	721	Director	Sompo International Holdings Ltd.	99	—	127	75
		Executive Officer	Sompo Holdings, Inc.	267	—	—	—
John R. Charman	915	Director	Sompo International Holdings Ltd.	160	—	293	—
		Executive Officer	Sompo Holdings, Inc.	—	—	278	—
		Director	Sompo International Holdings Ltd.	—	—	636	—

*1 The amounts of performance-linked compensation show compensation paid in the current fiscal year; provisions to reserves in the current fiscal year are not included.
 *2 For compensation paid in foreign currencies, the amounts show yen equivalents.
 *3 James Shea resigned as Executive Officer on March 31, 2023 and was appointed Senior Vice President on April 1, 2023.
 *4 John R. Charman resigned as Executive Officer on March 31, 2022.

Enterprise Risk Management (ERM)

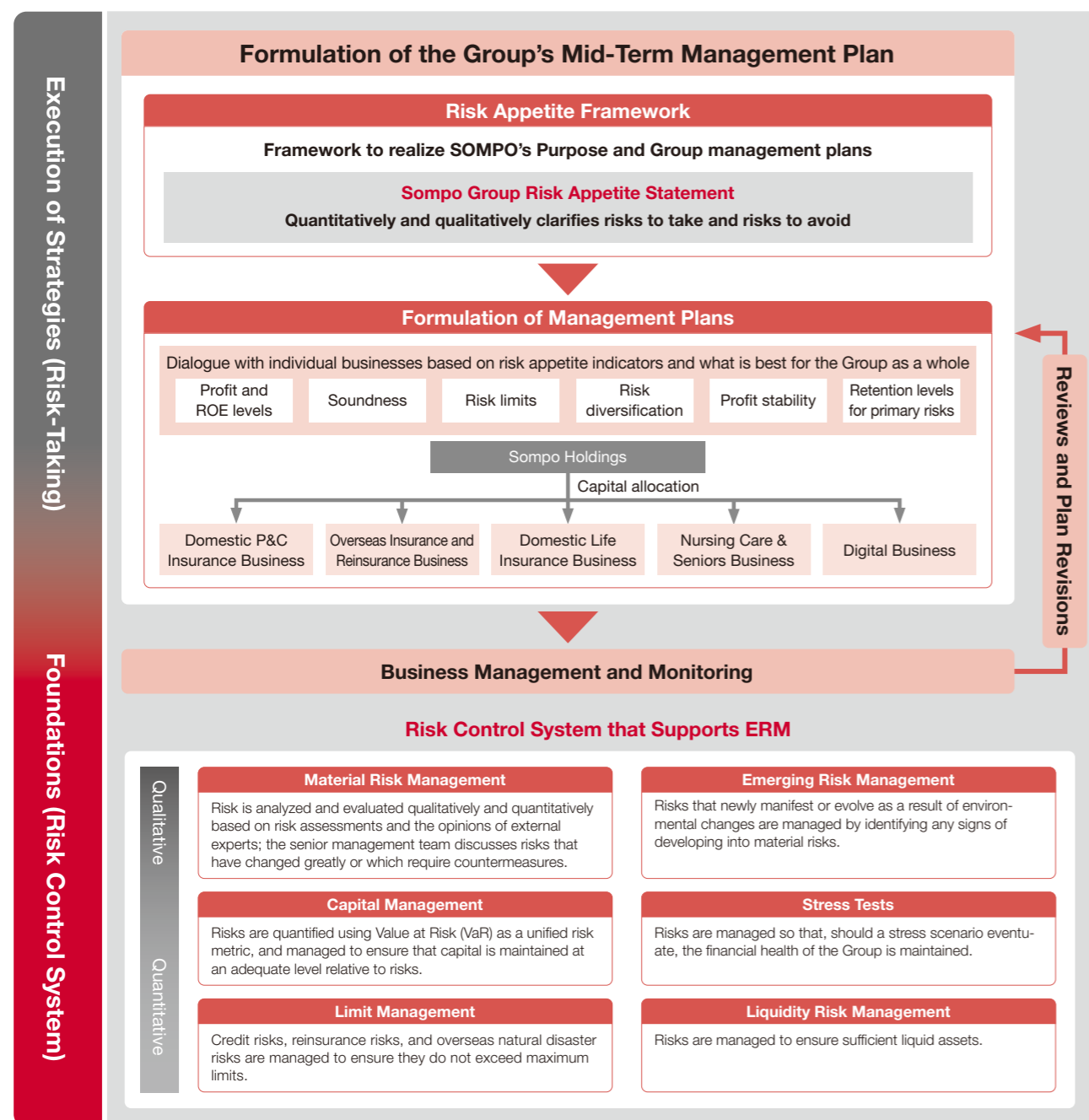
ERM as the “Compass of Management”

The increased severity and frequency of natural disasters caused by climate change, heightened geopolitical risks, the threat of cyberattacks, and the rapid advancement of AI and other digital technologies, among other factors, are increasing uncertainty in our business environment.

As we accelerate scale and diversification initiatives centering on the insurance business, we are also committed to creating new customer value in order to contribute to addressing issues in society and improving prospects for profit growth over the long-term. To achieve this, we make use of the ERM

framework, also known as the “compass of management,” to guide the Group in the best direction by not only avoiding losses before they happen, but by reducing opportunity losses, such as missed investments in new businesses. We make sure of this by (1) accurately analyzing and grasping the Group’s current position (multifaceted analysis), (2) sensitively detecting potential future risks (accurately understanding and addressing key risks), and (3) clearly indicating which course the Group ought to take (recommendation of an optimal business portfolio).

Overview of the Sampo Group’s Enterprise Risk Management



Pursuing resilience from two aspects

The COVID-19 pandemic that emerged in 2019 served as a valuable lesson for companies about the importance of resilience in the face of operational disruptions and interruptions. Even in the wake of the pandemic, with geopolitical divisions widening and cyberattacks becoming more sophisticated due to emerging technologies, our ERM will require “resilience” from two aspects: risk portfolio and operations.

The first aspect involves the building of a resilient portfolio that is supportive of management discussions to continually review risks that should be taken and the risks to be avoided

by quantifying the impacts on financial soundness, profitability, and capital efficiency, taking into account the rapidly changing internal and external business environment.

The second aspect is the establishment of resilient operations, which involves visualizing how increasingly diverse and complex risks will affect the Group and establishing operations to ensure that our businesses and services can continue even when risks materialize.

Pursuing these two aspects of resilience in our ERM will contribute to the sustained growth of the Group.

ERM of the Sampo Group

The Group ERM framework aims to maximize corporate value while balancing capital, risk, and return. To effect this, it has two main components: the “Risk Appetite Framework,” which supports conscious risk-taking in pursuit of strategic objectives, and the “Risk Control System,” which contributes to stabilizing the foundations of our business.

1. Risk Appetite Framework

The “Risk Appetite Framework” is a system for increasing the certainty of achieving the Group’s strategic goals – as set forth in the Management Philosophy, SOMPO’s Purpose, and the Group’s Management Plan – by taking risks based on the Sampo Group Risk Appetite Statement. This clearly states the risks the Group will take and the risks it will avoid. We formulate a Group’s Management Plan and allocate capital to each business, after dialogue with the respective management teams, based on risk appetite indicators and the perspective of overall Group optimization.

For further details, please visit the corporate website: <https://www.sampo-hd.com/en/company/risk/>

2. Risk Control System

For effective risk control, Sampo Group uses a “Risk Control

System” that identifies, analyzes, and evaluates the various risks surrounding the Group.

We define risks that could have a significant impact on business as “material risks” and we comprehensively identify and evaluate these risks based on risk assessments and the insights of experts. We use concrete scenarios to form assumptions of how we might be impacted by a material risk, evaluate the probability of occurrence and the degree of impact (in three categories: economic loss, business continuity, and reputational damage) from both qualitative and quantitative points of view, and then discuss the adequacy of our countermeasures.

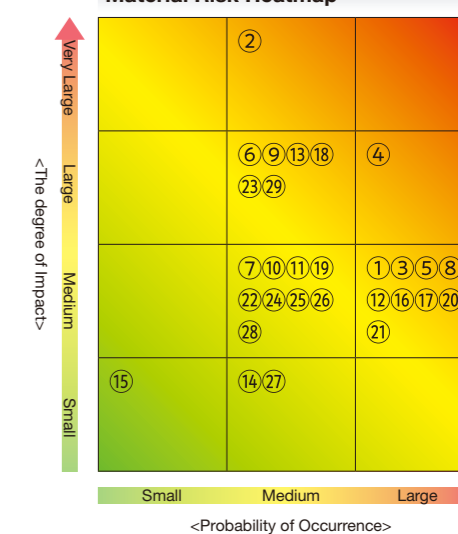
Additionally, the Group defines “emerging risks” as risks that have the potential to emerge or change, through changes in the environment or other factors, such that they would have a significant impact on the Group in the future. We manage emerging risks appropriately by monitoring any signs that they may develop into material risks.

Through Capital Adequacy Management, Stress Testing, Risk Limit Management, and Liquidity Risk Management, we strive to minimize unexpected losses and stabilize profits. <https://www.sampo-hd.com/en/ir/financial/risk/>

List of Material Risks

Category	No.	Material Risks	Category	No.	Material Risks	
Strategic risk	①	Deterioration of or change of competitive environment	Operational and compliance risk	⑯	Failure of third-party (outsourced contractors) management	
	②	Great Recession		⑰	IT failures	
	③	Geopolitical Risk		⑱	Cybersecurity	
	④	Pandemic		⑲	Labor risk	
	⑤	Changes in regulatory systems		⑳	Leakage of customer information (Excluding cyberattack)	
	⑥	Poor governance		㉑	Misconduct and leakage of confidential information	
	⑦	Ill-informed risk taking related to new businesses		㉒	Conduct risk	
	⑧	IT strategy		Business risk	㉓	Large-scale earthquake in Japan
	⑨	Climate Change (Physical risks, Transition risks)			㉔	Huge wind and flood disaster in Japan
	⑩	Sustainability Risk			㉕	Large-scale natural disasters overseas
	⑪	Reputational Risk			㉖	Cyber-accumulation risk
	⑫	Insufficient human resources			㉗	Misjudging the nursing care business environment
⑬	Major market downturn and economic crisis	㉘	Serious misconduct in the nursing care business			
⑭	Reinsurance and investment credit risk	Other risks	㉙		Business interruption risk	
⑮	Liquidity in the event of a major disaster					

Material Risk Heatmap

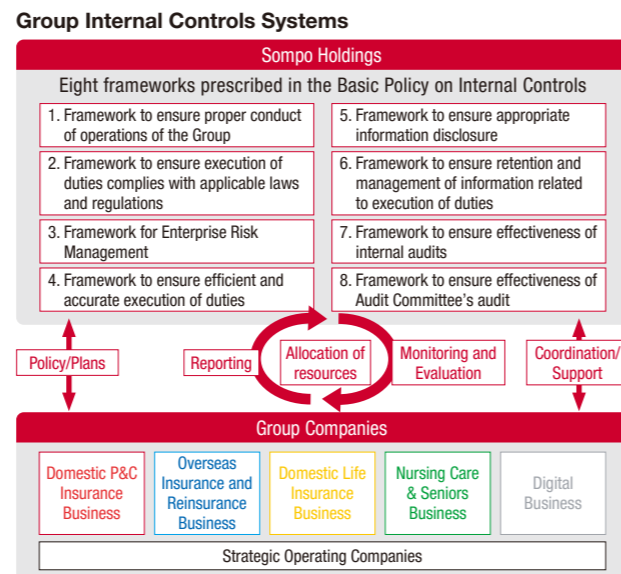


Group internal controls to support corporate governance

The Board of Directors has established eight frameworks in the Basic Policy on Internal Controls as a foundation for improving corporate value and for ensuring the proper conduct of operations within the Group.

For further details, please visit the corporate website: <https://www.sompo-hd.com/en/company/governance/policy/>

In addition, to ensure that the Group's controls function both effectively and efficiently, the Company enters into management contracts with each Group company, properly understands and checks the situation at each company, and continuously works to enhance and strengthen internal control systems at a Group level.



Compliance initiatives

As part of our commitment to compliance, we have formulated various policies and codes of conduct, such as the Sompo Group Basic Policy on Compliance, and established compliance systems and raised awareness of these policies among Group officers and employees. We are a company that seeks to maintain a healthy social presence; to this end, rather than viewing compliance simply as the abidance of laws and regulations, we have been working to develop a culture that encourages each and every employee to independently and autonomously behave in a way that conforms to corporate ethics and social norms.

We coordinate with Group companies so they can increase the effectiveness of their compliance initiatives, and we have been working to evolve our compliance framework based on Group strategies and external environments. In response to the increased awareness of data protection in society, for example, we are adopting measures to address evolving privacy risks. We are also working to identify potential conduct risks to improve our ability to detect early warning signs.

In addition, we are offering a greater level of protection to reporters that use our whistle-blowing system, which is an important mechanism for the early detection of issues. We are also ensuring strict confidentiality and establishing systems based on the relevant laws and regulations in each country.

Developing the Group's internal audit framework

We have established the Sompo Group Basic Policy on Internal Audits, which defines internal audits as processes for assessing the internal control framework and providing recommendations on methods for its improvement. Accordingly, we endeavor to enhance corporate value and meet the expectations of stakeholders by developing an efficient and effective Group-wide internal audit framework, and by conducting risk-based internal audits that take into account the

As a result, we now have in place a whistle-blowing system that can be readily utilized by employees if a workplace issue arises that cannot be easily resolved.

In fiscal 2022 there were 261 whistle-blowing cases and we are working hard to revamp the system so that users can feel comfortable when utilizing it.

While the Group has the insurance business at its core, we have expanded into new business areas such as the Nursing Care & Seniors Business and the Digital Business. We have also been working to create new businesses and transform existing businesses through partnerships and the use of new digital technologies and data. When developing compliance frameworks, we must consider not only relevant laws, but also the business characteristics, scale, and operating conditions of each Group company, as well as the potential risks they face. As such, we participate in Group company meetings, and vice-versa; we also hold Chief Compliance Officer meetings in each business. This is a forum to share examples of effective initiatives undertaken by each business, and to exchange opinions on the issues we face. In this way, through our efforts to understand conditions throughout the Group and share information, we are supporting the development of compliance frameworks at each Group company.

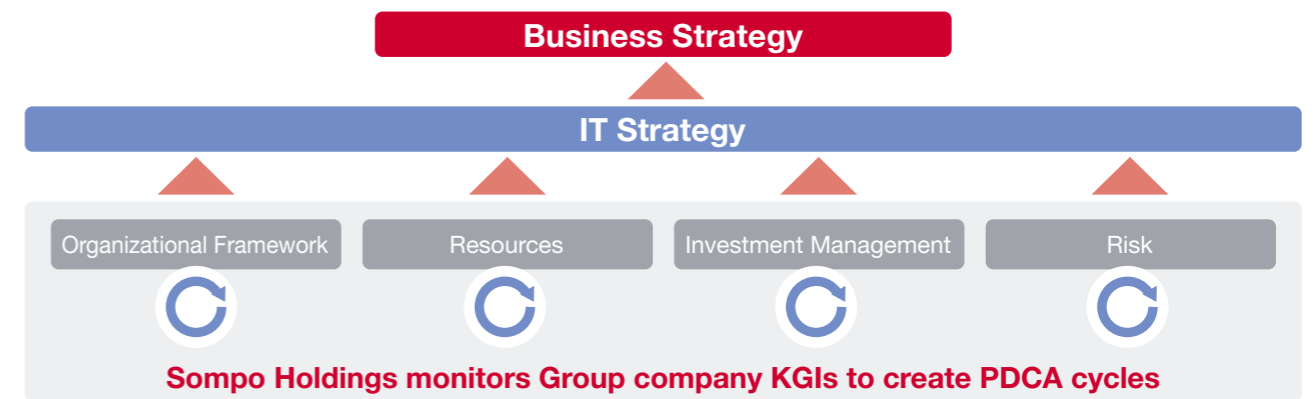
characteristics and strategies of our businesses.

Specifically, we have expanded our monitoring functions and adopted a flexible approach to the auditing of evolving risks. In conjunction with these efforts, we help Group companies develop their own internal audit frameworks mainly by evaluating the quality of their internal audits, including verification by external evaluation agencies, and by recommending ways to rectify any issues they have identified.

IT governance

Each entity's system implementation, operation processes are aligned in accordance with each country and industry regulations. By continuously improving the PDCA cycle via

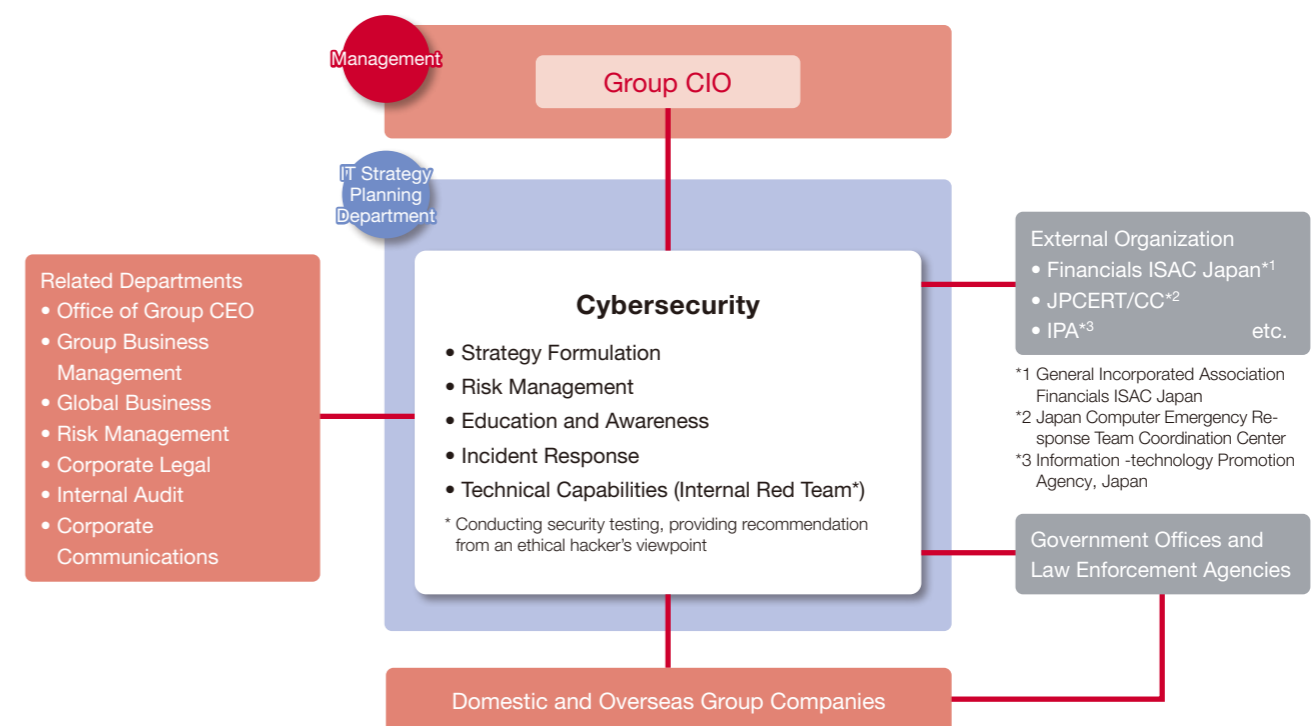
KGI monitoring and aligning to international standards, we strive to optimize the IT processes to support the Group-wide business and IT strategy.



Responses to cyber risks

The company takes cybersecurity as a social responsibility. In response to cyber risks, we established "Sompo Group Basic Policy on Cyber Security" as the cornerstone to continuously improve the efficiency and effectiveness of the cyber risk management. A specialized team of cybersecurity professionals within IT Strategy Planning Department is formed to formulate strategies and strengthen cybersecurity

capabilities across the group. The team has a shared responsibility model with the entity in managing cyber risk and increase group maturity on both day-to-day operation and during emergency. Cybersecurity is prioritized and closely knitted with the business and IT strategy to help the company gain a competitive edge and deliver a safe, secured digital transformation.



Directors



Kengo SAKURADA Mikio OKUMURA Scott Trevor DAVIS Kazuhiro HIGASHI Isao ENDO Takashi NAWA Meyumi YAMADA Misuzu SHIBATA Kumi ITO Masayuki WAGA Toru KAJIKAWA Satoshi KASAI

Name	Kengo SAKURADA	Mikio OKUMURA	Scott Trevor DAVIS	Kazuhiro HIGASHI	Isao ENDO	Takashi NAWA	Meyumi YAMADA	Misuzu SHIBATA	Kumi ITO	Masayuki WAGA	Toru KAJIKAWA	Satoshi KASAI	Board Diversity
Reappointment/new appointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	Reappointment	New appointment	Reappointment	Other Directors 25% All Directors Independent Directors 75%
Positions	Director	Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	Director	Other Directors 3 Independent Directors 9
			Nomination Committee Compensation Committee	Nomination Committee Compensation Committee	Nomination Committee Compensation Committee	Nomination Committee Compensation Committee	Nomination Committee Compensation Committee	Nomination Committee Compensation Committee	Audit Committee	Audit Committee	Audit Committee	Audit Committee	Audit Committee
Expected roles, skills and areas of expertise for directors													Male 9 Female 3
1) Business strategy	●	●	●	●	●	●	●	●	●	●	●	●	Nominations Committee Independent Directors 100%
2) Global management	●	●	●	●	●	●	●	●	●	●	●	●	
3) ESG, SDGs	●	●	●	●	●	●	●	●	●	●	●	●	Other Directors 0 Independent Directors 5
4) Transformation strategies	●	●	●	●	●	●	●	●	●	●	●	●	
5) Digital	●	●			●	●	●	●	●	●			Other Directors 20% Audit Committee Independent Directors 80%
6) HR strategy	●	●	●	●	●	●			●	●	●	●	
7) Finance, accounting	●	●		●	●		●		●	●	●	●	Other Directors 1 Independent Directors 4
8) Corporate governance	●	●	●	●		●	●	●		●	●	●	
9) Legal, risk management	●	●		●				●		●	●		Other Directors 0 Independent Directors 5

* Details of each skill and area of expertise are as follows.
 Items 1) and 2): Skills and areas of expertise where all Directors are expected to provide useful advice and supervision to the executive sector
 Items 3) through 9): Skills and areas of expertise where each Director is expected to provide useful advice and supervision to the executive sector based on professional knowledge gained through his or her specific insight and experience
 The above tables show skills and areas of expertise particularly expected for each director and do not indicate all of the skills and areas of expertise possessed by each director.

Directors and Executive Officers

(As of July 1, 2023)

Directors



Kengo Sakurada
Director
(Born February 11, 1956)

Attendance at Board of Directors meetings and other official meetings (Fiscal 2022)
Attended 14 out of 14 Board of Directors meetings

Career Summary

Joined Yasuda Fire & Marine Insurance Co., Ltd. in April 1978. Gained experience in P&C Insurance Business integration, alliances, planning, sales, and systems, as well as having enjoyed a global career in international financial institutions before being appointed Director and Managing Executive Officer of Sampo Japan Insurance Inc. in 2010. In 2012, he took over as the Company's Representative Director, President, and Executive Officer, and currently oversees management of the entire Group as Group CEO. Previously Chairman of Japan Association of Corporate Executives (Keizai Doyukai) from 2019 to 2023. Appointed to current position at the Company in April 2022 (as Group CEO, Director, and Chairman and Representative Executive Officer).



Mikio Okumura
Director
(Born November 23, 1965)

Attendance at Board of Directors meetings and other official meetings (Fiscal 2022)
Attended 11 out of 11 Board of Directors meetings

Career Summary

Joined Yasuda Fire & Marine Insurance Co., Ltd. in April 1989. Has worked in the management of the Domestic P&C Insurance, Overseas Insurance and Reinsurance, and the Nursing Care & Seniors Business, and in 2019 was appointed to the position of Group CSO. Currently oversees management of the entire Group as COO. Appointed to current position at the Company in June 2022 (as Group COO, Director, and President and Representative Executive Officer).



Scott Trevor Davis
Director (Independent)
Chair of the Nomination Committee and Member of the Compensation Committee
(Born December 26, 1960)

Attendance at Board of Directors meetings and other official meetings (Fiscal 2022)
Attended 14 out of 14 Board of Directors meetings, 10 out of 10 Nomination Committee meetings, and 11 out of 11 Compensation Committee meetings

Important Concurrent Positions

Professor of the Department of Global Business, College of Business, Rikkyo University
Member of the Board of Bridgestone Corporation (Outside)
Director of Ajinomoto Co., Inc. (Outside)

Reason for Appointment

Has broad knowledge as an erudite scholar and provide appropriate advice to the company's management, especially through his research on strategic management, ESG and CSR at the university. He can also be expected to provide multifaceted advice from a global perspective. Appointed to current position at the Company in June 2014.



Isao Endo
Director (Independent)
Member of the Nomination Committee and the Compensation Committee
(Born May 8, 1956)

Attendance at Board of Directors meetings and other official meetings (Fiscal 2022)
Attended 14 out of 14 Board of Directors meetings, and 12 out of 13 Audit Committee meetings

Important Concurrent Positions

Director of NEXTAG Co., Ltd. (Outside)
Director of TANAKA Holdings Co., Ltd. (Outside)

Reason for Appointment

In addition to practical experience at a global consulting firm, has a broad range of academic insight as a graduate school professor and abundant managerial experience. Particularly through his practical research into "on-site abilities," is able to provide appropriate management advice to the Company from a deep, multifaceted perspective. Appointed to current position at the Company in June 2014.



Kazuhiro HIGASHI
Director (Independent)
Chair of the Compensation Committee and Member of the Nomination Committee
(Born April 25, 1957)

Attendance at Board of Directors meetings and other official meetings (Fiscal 2022)
Attended 14 out of 14 Board of Directors meetings, 10 out of 10 Nomination Committee meetings, and 11 out of 11 Compensation Committee meetings

Important Concurrent Positions

Vice-Chair, Osaka Chamber of Commerce and Industry
Director of Honda Motor Co., Ltd. (Outside)

Reason for Appointment

Has experience in finance and management in the banking business, and in 2013, was appointed Director, President, and Representative Executive Officer of Resona Holdings, and Representative Director and President of Resona Bank, Limited. Has held numerous other important posts in the business world, including Chairperson of the Osaka Bankers Association and Vice-Chair of the Osaka Chamber of Commerce and Industry. Is expected to fortify the supervisory and decision-making functions of the Board of Directors with his wealth of knowledge and experience in upper management of major companies. Appointed to current position at the Company in June 2020.



Takashi Nawa
Director (Independent)
Member of the Nomination Committee and the Compensation Committee
(Born June 8, 1957)

Attendance at Board of Directors meetings and other official meetings (Fiscal 2022)
Attended 14 out of 14 Board of Directors meetings, 10 out of 10 Nomination Committee meetings, and 11 out of 11 Compensation Committee meetings

Important Concurrent Positions

President of Genesys Partners, Inc.
Member of the Board of NEC Capital Solutions Limited (Outside)
Guest Professor of School of International Corporate Strategy, Hitotsubashi University Business School
Advisor of Sumitomo Mitsui Trust Bank, Limited
Professor, Division of Business Administration, Graduate School of Business Administration, Kyoto University of Advanced Science
Audit & Supervisory Board Member of The Asahi Shimbun Company (Outside Auditor)

Reason for Appointment

Has practical experience at major Japanese trading companies and global consulting firms and was appointed Professor of the Graduate School of International Corporate Strategy, Hitotsubashi University, in 2010. Currently serving as a Visiting Professor at the university. Uses his abundant business experience as a management consultant and extensive academic knowledge from a global perspective to enhance supervision and decision-making on the Board of Directors at the Company. Appointed to current position at the Company in June 2020.

Directors



Misuzu Shibata
Director (Independent)
Chair of the Audit Committee
(Born July 25, 1974)
*Registered as Misuzu Koyama on family register.

Attendance at Board of Directors meetings and other official meetings (Fiscal 2022)
Attended 14 out of 14 Board of Directors meetings, 2 out of 2 Nomination Committee meetings, 9 out of 10 Audit Committee meetings, and 2 out of 2 Compensation Committee meetings

Important Concurrent Positions

Attorney-at-law
Director of DELICA FOODS HOLDINGS CO., LTD. (Outside)
Director of PILOT CORPORATION (Outside)

Reason for Appointment

Has extensive knowledge and experience as a lawyer and work experience at the Financial Services Agency. She is expected to leverage her expert knowledge and experience to provide valuable advice about corporate governance from the viewpoint of the Board of Directors' oversight and decision-making functions, and with regard to diversity & inclusion. Appointed to current position at the Company in June 2020.



Kumi Ito
Director (Independent)
Member of the Audit Committee
(Born December 20, 1964)

Attendance at Board of Directors meetings and other official meetings (Fiscal 2022)
Attended 14 out of 14 Board of Directors meetings, and 13 out of 13 Audit Committee meetings

Important Concurrent Positions

Managing Partner of Office KITO
Director of True Data Inc. (Outside)
Director of FUJII FURUKAWA ENGINEERING & CONSTRUCTION CO.LTD (Outside)
Director of Ryohin Keikaku Co., Ltd. (Outside)

Reason for Appointment

Has experience in operational strategy at electronics manufacturers and other companies, has served as Chief Marketing Officer (CMO) at a healthcare company, and has extensive knowledge of IT and other digital technologies, and marketing. Participated in the launch of a non-profit organization that promotes the participation of women in the workplace, and is expected to provide valuable advice on issues connected to diversity and inclusion. Appointed to current position at the Company in June 2021.



Toru Kajikawa
Director (Independent)
Member of the Audit Committee
(Born September 24, 1951)

Newly appointed

Important Concurrent Positions

Chairman and Representative Employee of Grant Thornton Taiyo LLC
Audit & Supervisory Board Member of Kakiyasu Honten Co., Ltd. (Outside Auditor)
Audit & Supervisory Board Member of Kikkoman Corporation (Outside Auditor)
Audit & Supervisory Board Member of MITSUBISHI PENCIL CO., LTD. (Outside Auditor)

Reason for Appointment

Has professional knowledge and experience as a certified public accountant and a wealth of experience as a manager. He is expected to provide valuable advice concerning corporate governance in particular by leveraging his experience in offering audit and management advice to companies of all sizes in various sectors, as well as his plentiful knowledge and experience as a manager of an audit firm. Appointed to current position at the Company in June 2023.



Meyumi Yamada
Director (Independent)
Member of the Nomination Committee and the Compensation Committee
(Born August 30, 1972)

Attendance at Board of Directors meetings and other official meetings (Fiscal 2022)
Attended 14 out of 14 Board of Directors meetings, 10 out of 10 Nomination Committee meetings, and 11 out of 11 Compensation Committee meetings

Important Concurrent Positions

Director of istyle Inc.
Director of SEINO HOLDINGS CO., LTD (Outside)
Director of Seven & i Holdings Co., Ltd. (Outside)

Reason for Appointment

In addition to entrepreneurial and management experience in executive positions, has a wealth of practical experience in digital and other forms of marketing, has served as a member of committees connected to government bodies such as the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry, and has extensive knowledge accumulated from working in policy development. In addition, is actively working to promote the participation of women in the workplace, and is expected to provide valuable advice on issues connected to diversity and inclusion. Appointed to current position at the Company in June 2021.



Masayuki Waga
Director (Independent)
Member of the Audit Committee
(Born April 10, 1958)

Attendance at Board of Directors meetings and other official meetings (Fiscal 2022)
Attended 11 out of 11 Board of Directors meetings, 8 out of 8 Nomination Committee meetings, and 9 out of 9 Compensation Committee meetings

Important Concurrent Positions

None

Reason for Appointment

After holding various important posts at Mitsubishi Chemical Corporation headquarters and business departments both in Japan and overseas, was appointed President and Chief Executive Officer in 2018. Has management experience in global organizations and in driving change in personnel system and corporate culture. Due to his experience and achievements in top management at such major corporation, he is expected to provide valuable advice regarding the Group's business strategy, global management, and transformational strategies. Appointed to current position at the Company in June 2022.



Satoshi Kasai
Director
Member of Audit Committee
(Born December 22, 1962)

Attendance at Board of Directors meetings and other official meetings (Fiscal 2022)
Attended 11 out of 11 Board of Directors meetings, and 10 out of 10 Audit Committee meetings

Career Summary

Joined Yasuda Fire & Marine Insurance Co., Ltd. in April 1985. Has experience in planning, human resources, and systems departments in the Domestic P&C Insurance Business, and in 2017, was appointed the Group's Chief Human Resource Officer (CHRO) and Director and Managing Executive Officer of Sampo Japan Nipponkoa Insurance Inc. In 2019, was appointed CEO of the Group's Nursing & Healthcare Business, and was made Group Advisor in April 2022. Appointed to current position at the Company in June 2022.

Directors and Executive Officers

(As of August 1, 2023)

Executive Officers



Kengo Sakurada
Group CEO (Group Chief Executive Officer)
Chairman and Representative Executive Officer
(Born February 11, 1956)



Mikio Okumura
Group COO (Group Chief Operating Officer)
President and Representative Executive Officer
(Born November 23, 1965)



Giichi Shirakawa
CEO of Domestic P&C Insurance Business,
Senior Vice President and Executive Officer
(Director, President and Chief Executive Officer
of Sompo Japan Insurance Inc.)
(Born August 19, 1970)



James Shea
CEO of Overseas Insurance and Reinsurance
Business, Senior Vice President
(Executive Chairman of the Board of Directors
and Chief Executive Officer of Sompo
International Holdings Ltd.)
(Born November 18, 1965)



Yasuhiro Oba
CEO of Domestic Life Insurance Business,
Senior Vice President and Executive Officer
(Director, President and Chief Executive Officer
of Sompo Himawari Life Insurance Inc.)
(Born September 30, 1965)



Ken Endo
CEO of Nursing Care & Seniors Business,
Senior Vice President and Executive Officer
(Director, Chairman and Chief Executive Officer
of Sompo Care Inc.)
(Born March 3, 1954)



Koichi Narasaki
CEO of Digital Business, Senior Executive Vice
President and Executive Officer
(Chief Executive Officer of Palantir
Technologies Japan and Director,
Chairman and Chief Executive Officer of
SOMPO Light Vortex, Inc)
(Born January 4, 1958)



Nigel Frudd
Chairman of Overseas M&A,
Senior Executive Vice President
(Born October 4, 1958)



Masahiro Hamada
Group CFO (Group Chief Financial Officer)
Group CSO (Group Chief Strategy Officer)
Senior Executive Vice President and
Executive Officer
(Born December 18, 1964)



Shinichi Hara
Group CHRO
(Group Chief Human Resource Officer)
Senior Executive Vice President and
Executive Officer
(Born April 14, 1965)



Kazufumi Watanabe
Group CXO
(Group Chief Transformation Officer)
Executive Vice President and Executive Officer
(Born January 23, 1963)



Koji Ishikawa
Group CERO
(Group Chief External Relations Officer)
Executive Vice President and Executive Officer
(Born December 22, 1968)

Executive Officers



Yoshihiro Uotani
Group CRO (Group Chief Risk Officer)
Group CIO (Group Chief Information Officer)
Executive Vice President and Executive Officer
(Born October 8, 1965)



Albert Chu
Group CDO (Group Chief Digital Officer)
Senior Vice President
(Born July 31, 1960)



Ryoko Shimokawa
Group CSuO
(Group Chief Sustainability Officer)
Senior Vice President and Executive Officer
(Born August 15, 1971)



Hirofumi Shinjin
Group CPRO
(Group Chief Public Relations Officer)
Senior Vice President and Executive Officer
(Born January 25, 1969)



Kenneth Reilly
Executive Vice President
(General Manager, Global Business
Department)
(Born August 29, 1973)



Yuji Kawauchi
Executive Vice President
(Head of New Business in Asia etc. (excluding
P&C Insurance))
(Born December 24, 1965)



Katsuyuki Tajiri
Executive Vice President
(General Manager, Office of Group CEO and
General Manager, Global Strategy Office)
(Born October 8, 1967)



Emiko Maki
Executive Vice President
Deputy General Manager, Office of Group CEO
(Born June 29, 1965)



Yasuki Kume
Deputy CEO of Nursing Care & Seniors Business
Senior Vice President
(Born January 14, 1972)



Takamitsu Washimi
Senior Vice President
(Director, President and Representative COO of
Sompo Care Inc.)
(Born September 19, 1972)



Tsutomu Yamaguchi
Senior Vice President
Group Deputy CFO
(General Manager, Office of Group CFO)
(Born October 6, 1966)