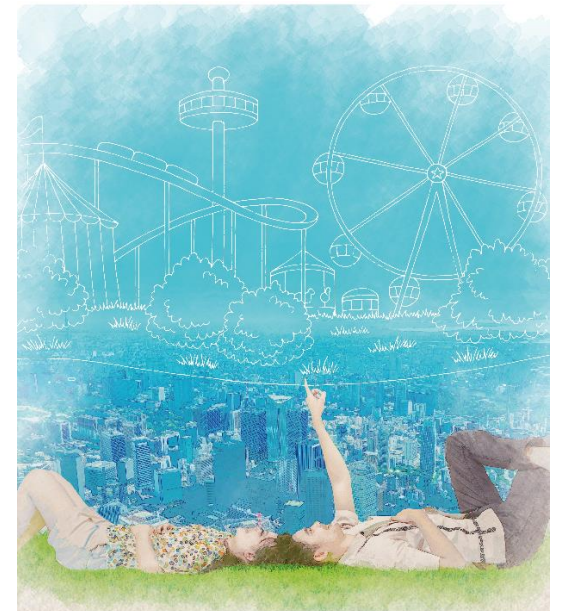


Progress of Mid-Term Management Plan

May 27, 2022
Sompo Holdings, Inc.



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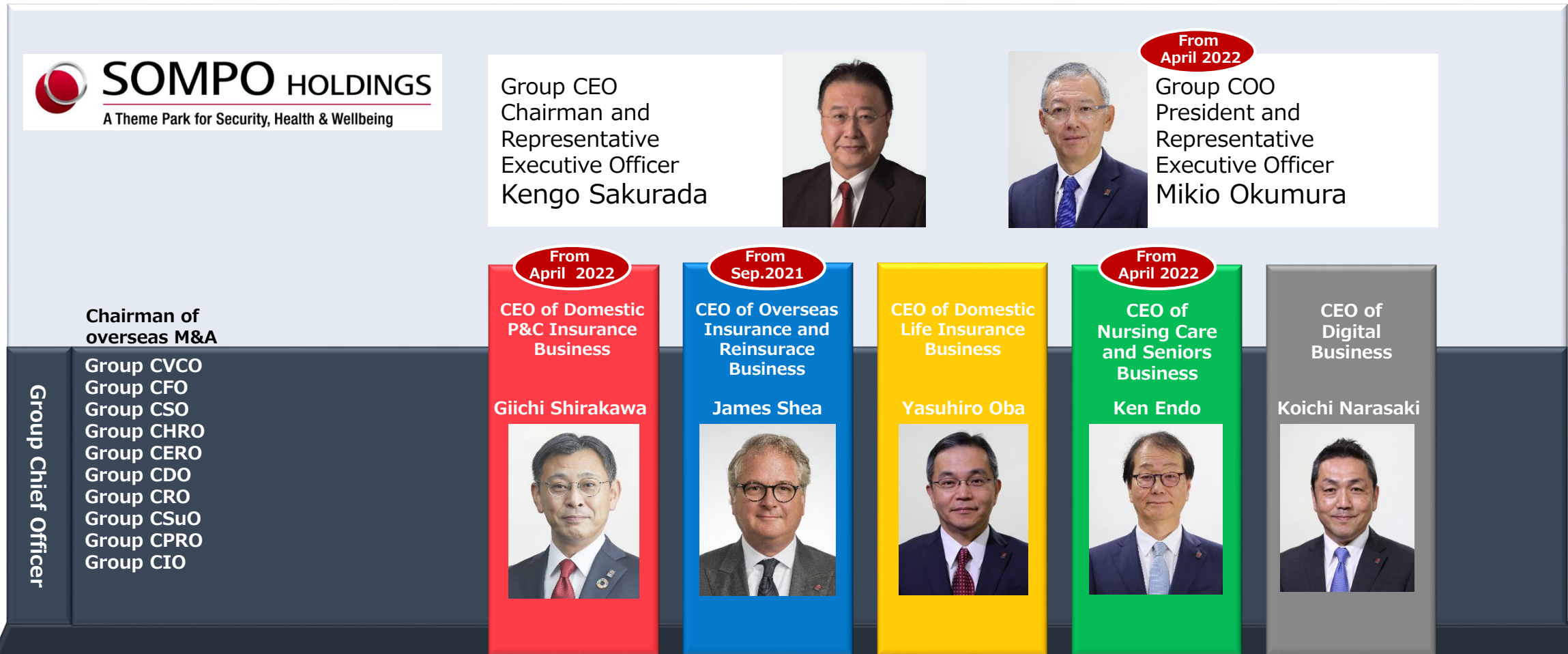
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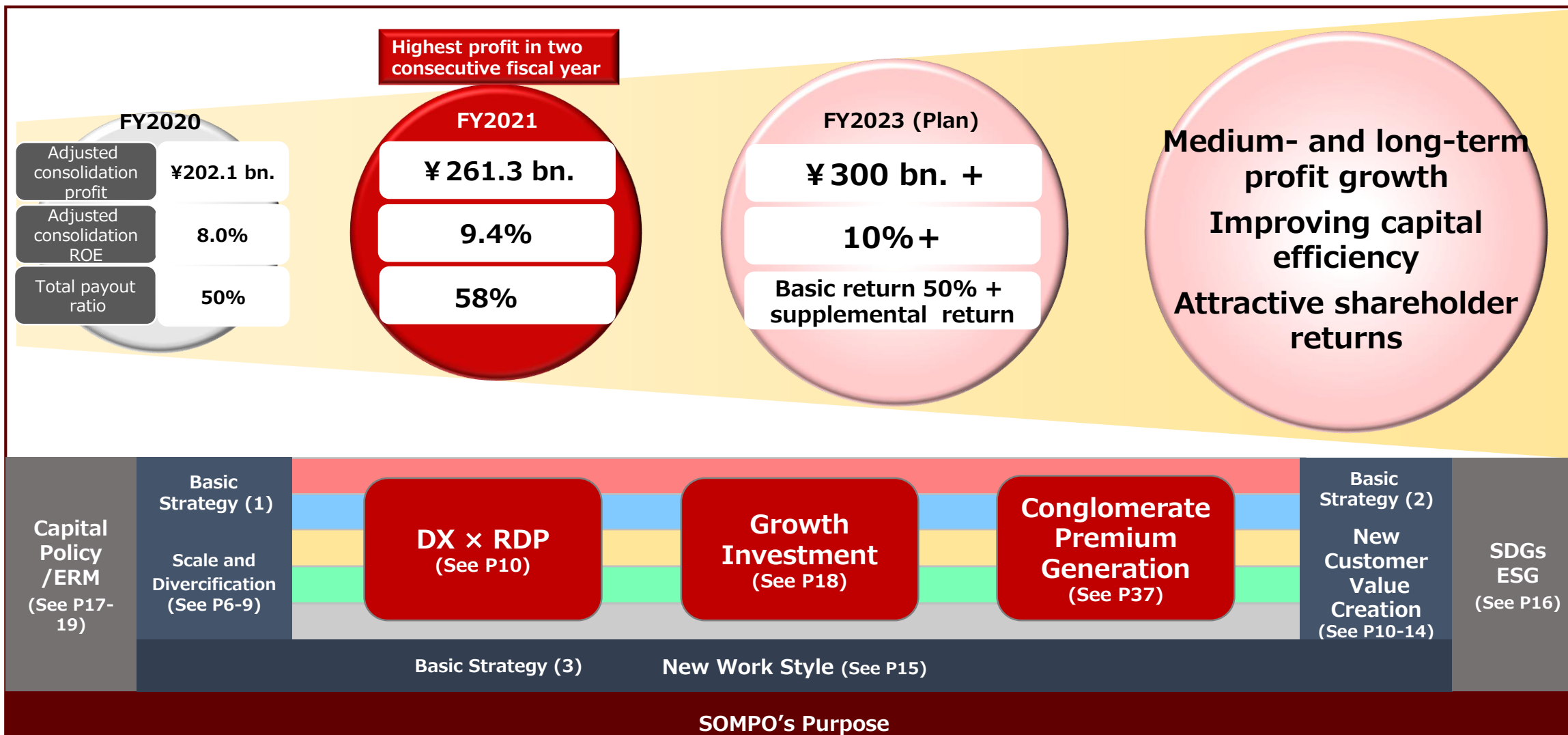
Start of New Executive Structure

- Launched a new executive structure to accelerate the transformation of the Sompo Group toward the achievement of FY2023 targets



Overview of the Presentation

- In fiscal 2021, we achieved results in excess of the planned values. Mid-Term Management Plan on track to achieve adjusted consolidated profit target for FY2023
- Achieve medium- to long-term profit growth while responding to changing customer needs, and thoroughly improve capital efficiency through appropriate capital allocation



I. Group Strategy



Basic Strategy (1) Scale and Diversification -Group Management Targets-

- Steadily achieved KPIs and made a good start in FY2021, the first year of the Mid-Term Management Plan
- Aiming to achieve FY2023 plan and attractive return to shareholders while increasing the contribution from already profitable Overseas Businesses with improving margins

Management numerical targets

	FY2020 Actual	FY2021 Actual	FY2022 Forecast	FY2023 Plan
Adjusted consolidated profit	¥ 202.1 bn.	¥ 261.3 bn.	¥ 260.0 bn.	¥ 300 bn.+
Adjusted consolidated ROE	8.0%	9.4%	9.2%	10% or more
Diversification effect	Risk diversification ratio	39.4%	41.1%	Improvement compared to FY 2020
	Overseas business ratio	14.9%	23.7%	30%+

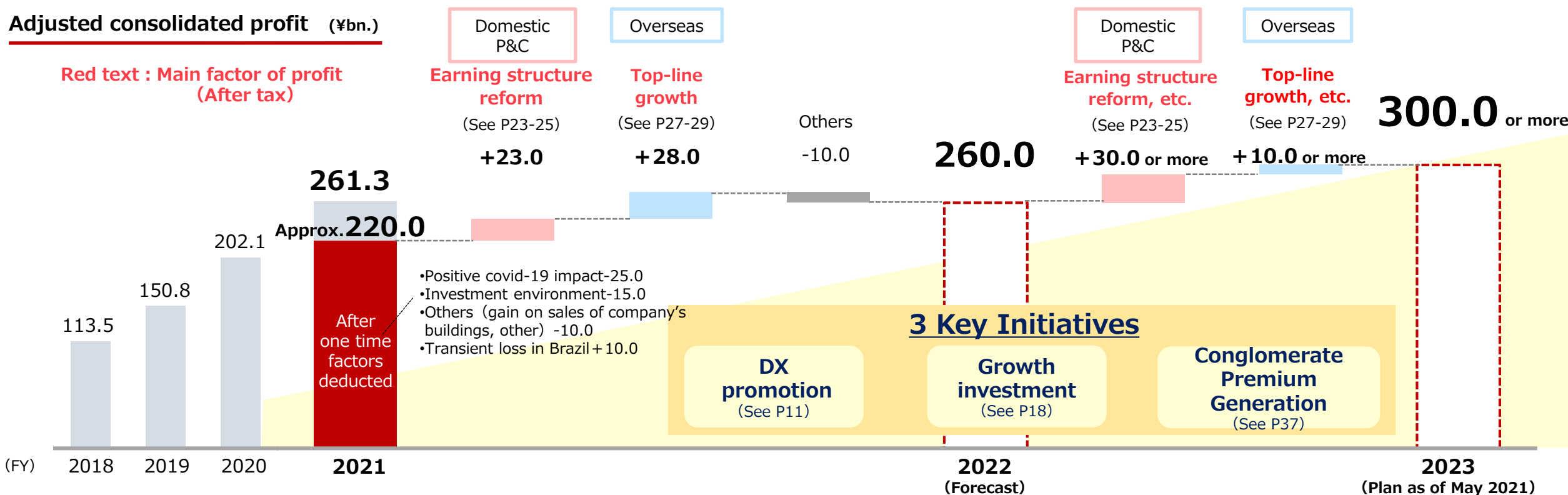
(Reference) Shareholder Returns

Return to shareholders (Dividends + share buyback)	¥ 101.1 bn.	¥ 150.7 bn.	Refer to Shareholder Return Policy (See P19)
Total payout ratio	50%	58%	

Basic Strategy (1) Scale and Diversification - Roadmap to Achieve Adjusted Consolidated Profit Objectives -

- Excluding one-time factors, adjusted consolidated profit for FY2021 is estimated to be around ¥220.0 billion, a steady improvement
- In addition to the Overseas Insurance & Reinsurance and Domestic P&C Insurance Business, the addition of three Key initiatives increases the probability of achieving the FY2023 adjusted consolidated profit target

Adjusted consolidated profit (¥bn.)



- Positive covid-19 impact-25.0
- Investment environment-15.0
- Others (gain on sales of company's buildings, other) -10.0
- Transient loss in Brazil +10.0

(Actual breakdown)

Domestic P&C	157.4
Overseas	61.8
Life Insurance	33.6
Nursing Care	5.9
Others	2.4

(Forecast breakdown)

Domestic P&C	120.0
Overseas	100.0
Life Insurance	35.0
Nursing Care	6.0
Others	1.0

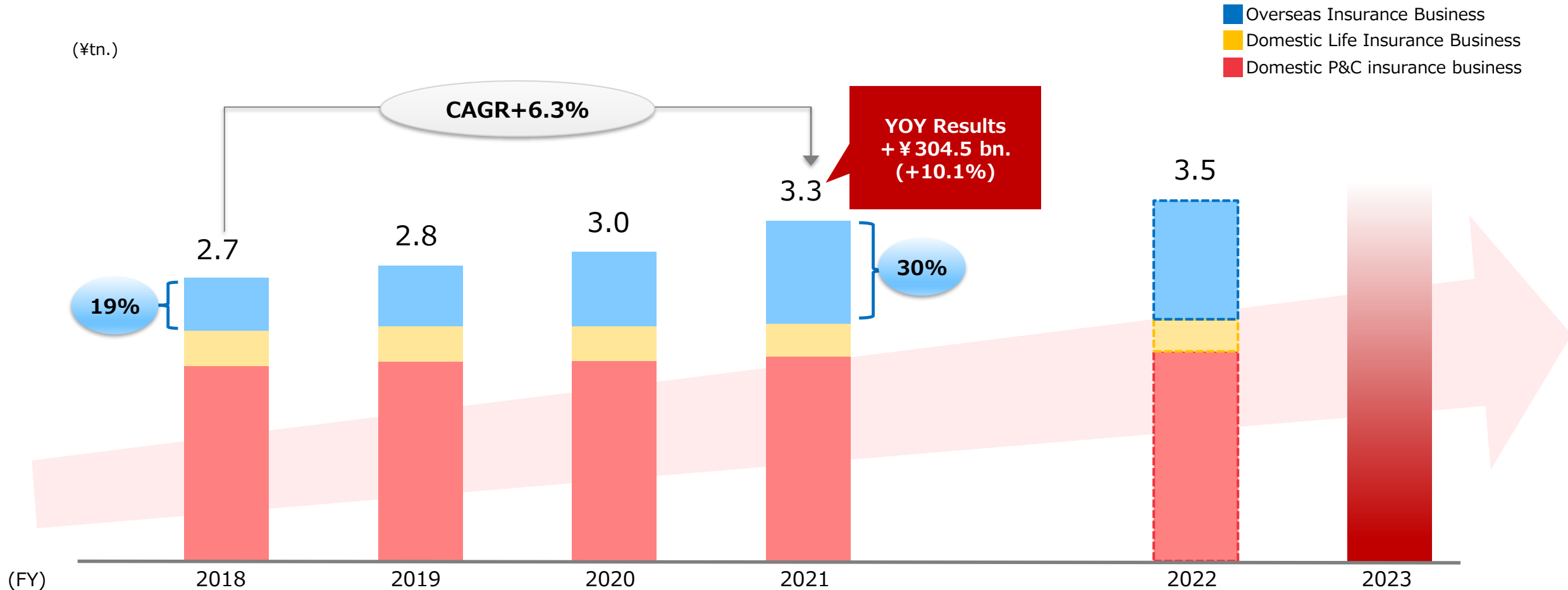
(Plan breakdown)

Domestic P&C	150.0+
Overseas	110.0+
Life Insurance	40.0+
Nursing Care	8.0+
Others	2.0+

Basic Strategy (1) Scale and Decentralization -Scale Expansion-

- Overseas insurance business has expanded significantly based on favorable pricing and disciplined underwriting. Sompo Group pursues further growth

Trend of net premiums written* and life insurance premium

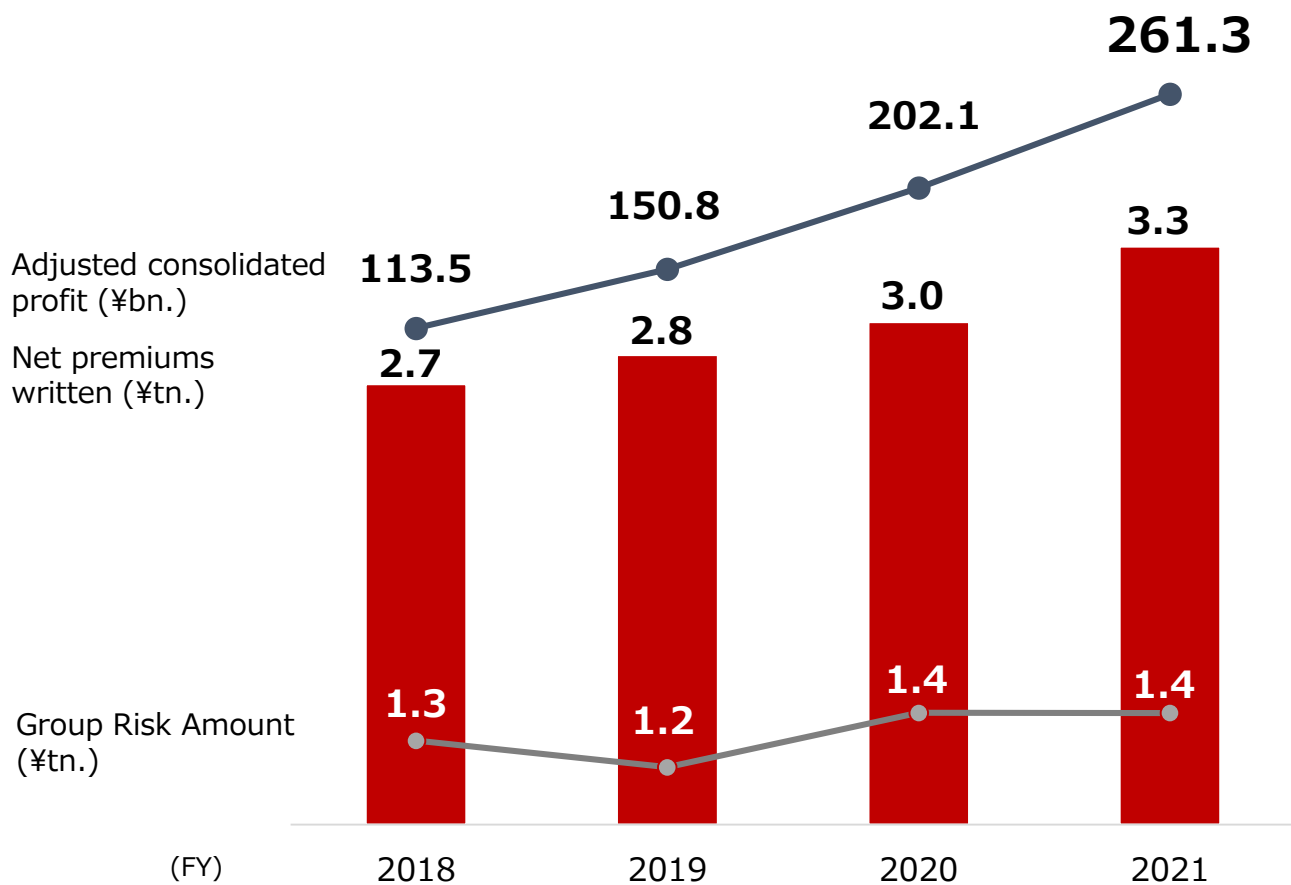


*Net premiums written (excluding CALI, household earthquakes)

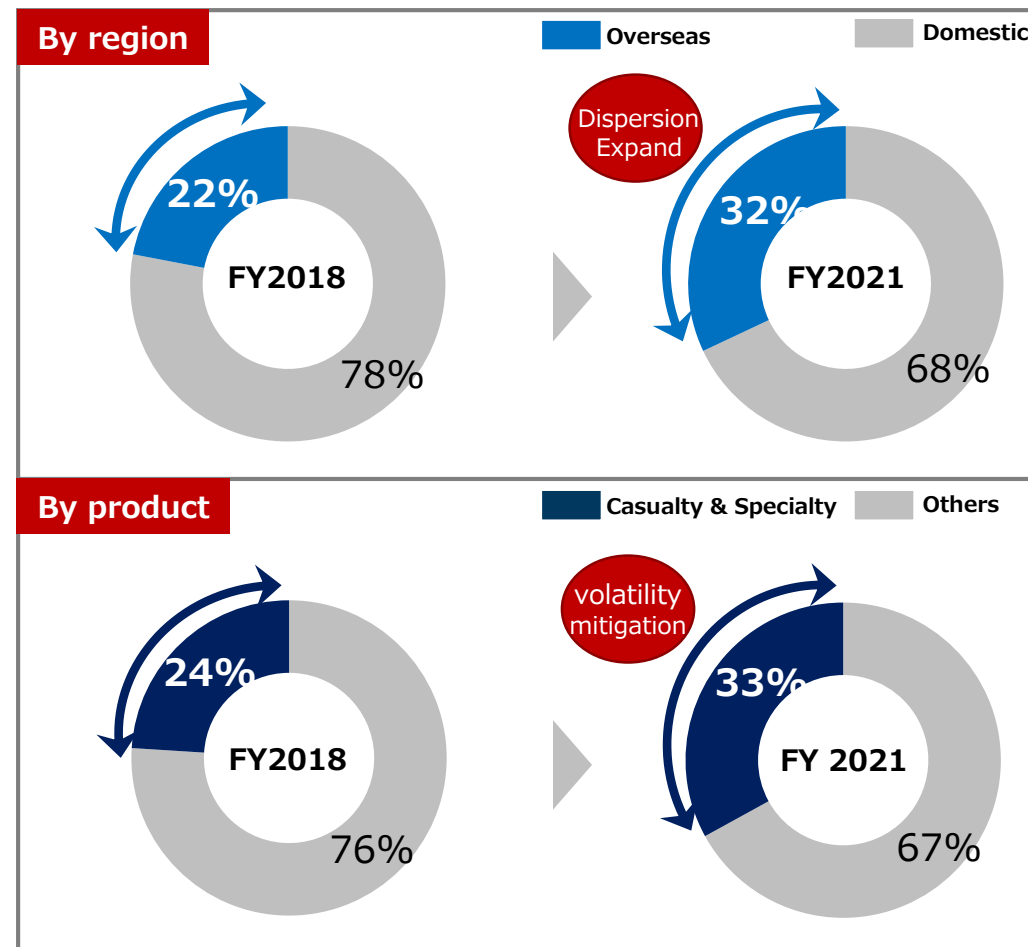
Basic Strategy (1) Scale and Diversification -Diversification of Business Portfolio-

- Strict control of risk on a group basis, top-line growth in Overseas Business, and diversification of insurance lines (expansion of casualty and specialty lines) led to greater risk diversification than planned
- Portfolio of reduced volatility provides stable profit growth

Changes in adjusted consolidated profit, net premiums written and group risk amount*1



(Reference) Changes in the composition ratio of net premiums written*2



*1 Risk amount measured with a holding period of one year and 99.5% VaR ,after deducting diversification effect and tax effect

*2 Target: Sompo Japan (excluding CALI and household earthquakes) + SI

Basic Strategy (2) New Customer Value Creation -SOMPO Group DX × RDP Strategy-

- We will thoroughly implement DX in the insurance and nursing care businesses, which are the pillars of the group, to enhance corporate value through differentiation
- RDP must meet certain conditions: uniqueness, differentiation factors such as difficulty of imitation, and growing social needs for the creation of an ecosystem
- Accelerate transformation into a platformer in the nursing care/healthcare domain, the first of the five domains we have focused on, that meet these conditions

SOMPO Group
DX × RDP Strategy

Focus
on five
RDP
domain

Disaster prevention / mitigation

Mobility

Agriculture

Healthy Aging

Nursing care

Differentiation through DX

of each business (See P11)

Profit Increase	<ul style="list-style-type: none"> ➤ Optimize underwriting through analysis of accident and claims data ➤ Improving the supply of nursing care services
Improving operational efficiency	<ul style="list-style-type: none"> ➤ Improving efficiency of business processes (insurance sales and claims, nursing care operations, etc.)
The Best CX	<ul style="list-style-type: none"> ➤ Creating the new business models, including services that contribute to accident prevention and unwellness ➤ Increasing the value of Insurhealth

Add Value to existing businesses through
DX

Realize SOMPO's unique RDP business in the nursing care/healthcare field,
where social needs are high

Transformation into Platformer

(See P12-14)

- Develop and provide innovative SaaS solutions in the nursing care and healthcare fields to significantly improve the quality and productivity of nursing care providers.
- Launching the challenge of RDP's overseas expansion, including family caregiver support in the US
- Invest in resources (Palantir, AIST, etc.) and evolve into a provider of solutions to social issues as a platformer.

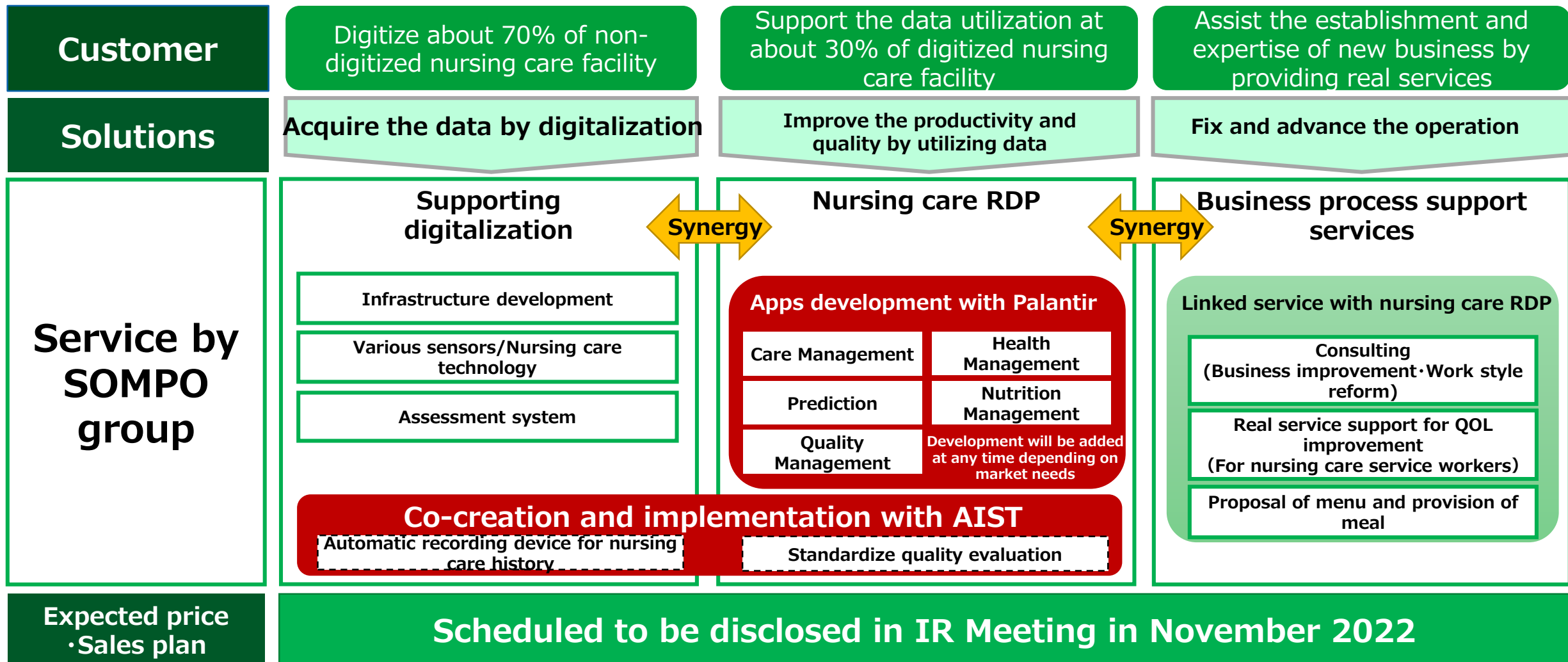
Basic Strategy (2) New Customer Value Creation -SOMPO Group DX-

- Position DX as the center of a growth strategy for each business line and aim to increase profit

Business Line	What we aim to achieve with DX	Mid-term Goals	Bottom Impact(Before Tax)																
Domestic P&C	<ul style="list-style-type: none"> ◆ Transforming organizations and business processes through digital initiatives(Defensive DX) ◆ Creating a new digital business model to improve CX/UX(Offensive DX) 	<ul style="list-style-type: none"> ➢ About 15 billion yen in UW L/R improvement and personnel cost reductions*1 by FY2023 ➢ Aim to achieve Combined Ratio 91% <p><small>*1Difference between actual personnel expenses (planned) for FY21 and FY23</small></p>	<p>¥bn.</p> <div style="border: 1px dashed black; padding: 2px; display: inline-block; margin-bottom: 5px;">Challenging to add more by accomplishing Offensive DX</div> <table border="1"> <caption>Domestic P&C Bottom Impact (¥bn.)</caption> <thead> <tr> <th>FY</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Insurance UW Improvement</td> <td>1.6</td> <td>6.2</td> <td>15.1</td> </tr> <tr> <td>Operational Efficiency</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	FY	2021	2022	2023	Insurance UW Improvement	1.6	6.2	15.1	Operational Efficiency	0	0	0				
FY	2021	2022	2023																
Insurance UW Improvement	1.6	6.2	15.1																
Operational Efficiency	0	0	0																
Overseas	<ul style="list-style-type: none"> ◆ Differentiating us from our competitors with leapfrog technologies and services ◆ Transforming/automating business process with digital ◆ Powering the digital transformation of Loss Prevention ◆ Empowering organizations to make quick and right decisions by integrating data 	<ul style="list-style-type: none"> ➢ Generate \$1 billion of Operating Profit across organization in FY2023 	<p>¥bn.</p> <table border="1"> <caption>Overseas Bottom Impact (¥bn.)</caption> <thead> <tr> <th>FY</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Operational Efficiency</td> <td>0</td> <td>1.1</td> <td>1.9</td> </tr> <tr> <td>Insurance UW Improvement</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>New Business Opportunities</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	FY	2021	2022	2023	Operational Efficiency	0	1.1	1.9	Insurance UW Improvement	0	0	0	New Business Opportunities	0	0	0
FY	2021	2022	2023																
Operational Efficiency	0	1.1	1.9																
Insurance UW Improvement	0	0	0																
New Business Opportunities	0	0	0																
Domestic Life	<ul style="list-style-type: none"> ◆ Increasing “Himawari Fans” with increasing the value of Insurhealth (Insurance + Health) ◆ Ultimate the efficiency and optimization of operations 	<ul style="list-style-type: none"> ➢ Aim to increase the number of Himawari fans to 1 million and achieve operating profit of 40 billion yen or more in FY2023 ➢ Establish a virtuous cycle of Himawari fan expansion to double DX impact in FY2025 	<p>¥bn.</p> <table border="1"> <caption>Domestic Life Bottom Impact (¥bn.)</caption> <thead> <tr> <th>FY</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>New Business Opportunities</td> <td>0.6</td> <td>1.7</td> <td>4.0</td> </tr> <tr> <td>Operational Efficiency</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	FY	2021	2022	2023	New Business Opportunities	0.6	1.7	4.0	Operational Efficiency	0	0	0				
FY	2021	2022	2023																
New Business Opportunities	0.6	1.7	4.0																
Operational Efficiency	0	0	0																
Nursing Care & Senior	<ul style="list-style-type: none"> ◆ Embodying a project to create future caregiving with high quality and productivity, leveraging digital data (e.g., the evolution of assisted living homes and home care models) 	<ul style="list-style-type: none"> ➢ Completion of expansion to 270 care homes of the Future Care Project by FY2025 ➢ ¥4 billion in productivity improvement benefits*2 in FY2025 <p><small>*2 Assuming regulatory reforms related to staffing of assisted living homes in FY2024 Long-Term Care Insurance Amendments.</small></p>	<p>¥bn.</p> <table border="1"> <caption>Nursing Care & Senior Bottom Impact (¥bn.)</caption> <thead> <tr> <th>FY</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Operational Efficiency</td> <td>0</td> <td>0</td> <td>0.9</td> </tr> </tbody> </table>	FY	2021	2022	2023	Operational Efficiency	0	0	0.9								
FY	2021	2022	2023																
Operational Efficiency	0	0	0.9																

Basic Strategy (2) New Customer Value Creation -Business Model of Nursing Care RDP-

- Industry-leading SOMPO care operation capability, Palantir’s big data analytical capacity for nursing care RDP and intellectual property strategy/standardization which collaborated with AIST resulted in a contribution to building a sustainable nursing care model
- Initial target is about 7,000 companies (about 14,000 facilities). Quantitative aspects such as expected price and sales plan will be disclosed in the next IR meeting in November 2022
- Support for DX at nursing care facilities through detailed arrangements tailored to the needs of nursing care facilities from a wide range of service lineup



Basic Strategy (2) New Customer Value Creation -Status of Care RDP/Product Development-

- Started to improve UI/UX and generalize the product with partner companies, and plan to sell the first product in FY2022, which is designed to solve issues at nursing care facilities
- Develop the "Predictive Care" application, a model for predicting future deterioration of physical condition, and plan to sell additional products in FY2023
- We are also looking at solutions for caregivers (including family caregivers) by leveraging our knowledge and experience with nursing care facility operators and users

Visible Nursing care Systematization of expertise(know-how)

Collaboration with partner companies from June 2022 for product generalization. Full-scale sales start within the year at SOMPO Care.

Predictable Nursing care

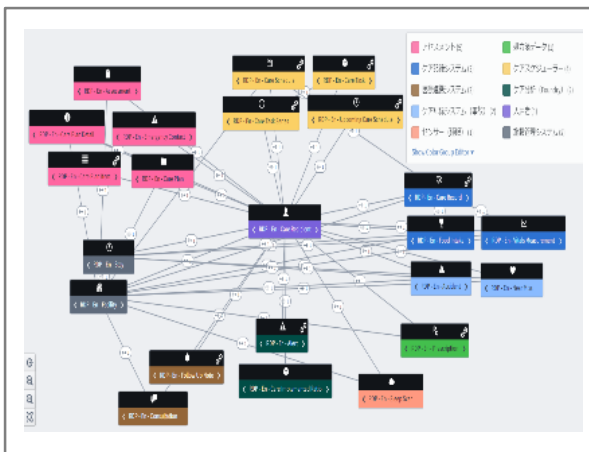
Currently operating at two of our own facilities. Scheduled to be sold by FY2023.

Visualization

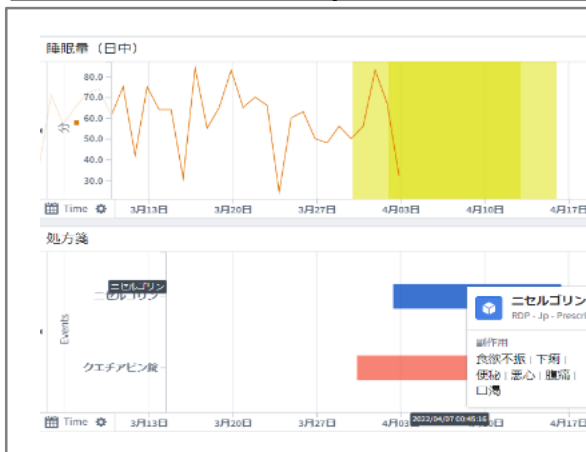
Reduce variation in quality and productivity

Implement care DX using big data, predictive models, etc.

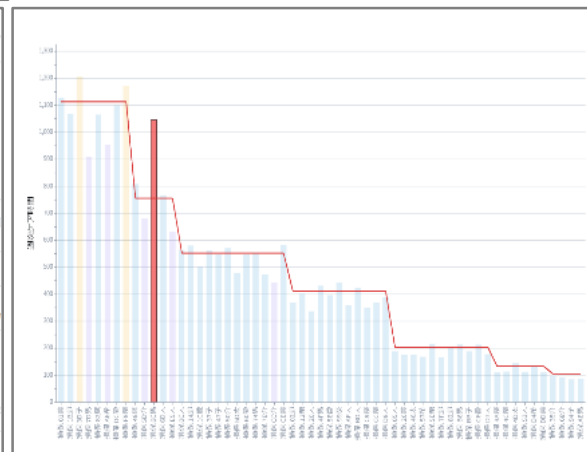
Data integration for "visualization"



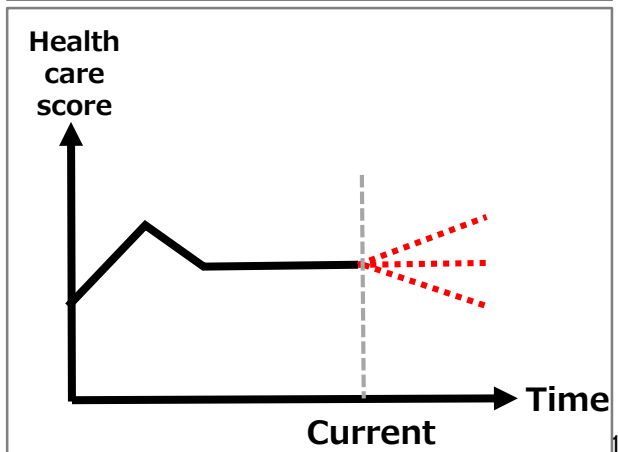
Health Management (e.g., coordinate with physician for medication)



Care Management (e.g., level of care required, care plan review)



Independence Support (e.g., prediction of future health deterioration, suggestions for effective interventions)



Basic Strategy (2) New Customer Value Creation -Nursing Care RDP Initiatives and Future Prospects-

- Begin market-specific initiatives to expand business, not only by providing solutions to nursing care facility operators, but also by evolving into a business model through the realization of a sustainable nursing care insurance system in cooperation with the national and local governments, collaborating with peripheral businesses, and, in the future, expanding overseas

Nursing care RDP business expansion image

Market

Target

Expand from nursing homes to domestic and international business

Overseas	From FY2023 onwards	<ul style="list-style-type: none"> Overseas expansion of SaaS solutions and other services Family caregiver support in North America Expansion utilizing network of partners such as Palantir
Peripheral providers	From FY2023 onwards	<ul style="list-style-type: none"> Consider collaboration with nursing care service providers (ex: welfare equipment) to improve added value by utilizing data
Country/municipality Home care		<ul style="list-style-type: none"> Advocate and implement a pay-for-performance model in collaboration with local governments Collaboration with local governments to develop a three-pronged home care model that leverages nursing, medical, and administrative data. A home care model that utilizes caregiving, medical care, and administrative data in collaboration with local governments
Nursing home	Measures to be developed and initiated in FY2022	<ul style="list-style-type: none"> Provide SaaS solutions to external parties Product evolution (Predictable Nursing care) Combination with business process support services and digitalization support Participate in national demonstration project to show a model of compatibility between productivity and quality SaaS development linked to LIFE (scientific caregiving) promoted by the government

Standardization efforts with AIST

- Tech Assessment
- Psychosomatic state evaluation
- Care Quality

Measures to be developed and initiated in FY2022 | From FY2023 onwards | Time

Basic Strategy (3) New Work Style

- While utilizing DX, new work style is progressing very smoothly. Employee engagement is improving and benefiting corporate performance



Main Initiatives

- (1) Town Hall Meetings with Group CEO
- (2) MY Purpose 1 on 1 Training
- (3) Job-based personnel system
- (4) Development of digital talent
- (5) Each entity's initiatives such as inhouse university

Achievements

- Cost reduction based on new work style**
FY2020/2021 Group Total

Cost reduction effect	-¥6 bn./year
-----------------------	---------------------
- Efforts to re-stack bases (FY2023 and FY2024 effects)**
Effects of office space reduction and relocation

Cost reduction effect	-¥2 bn./year*1
-----------------------	-----------------------
- Employee engagement *2**

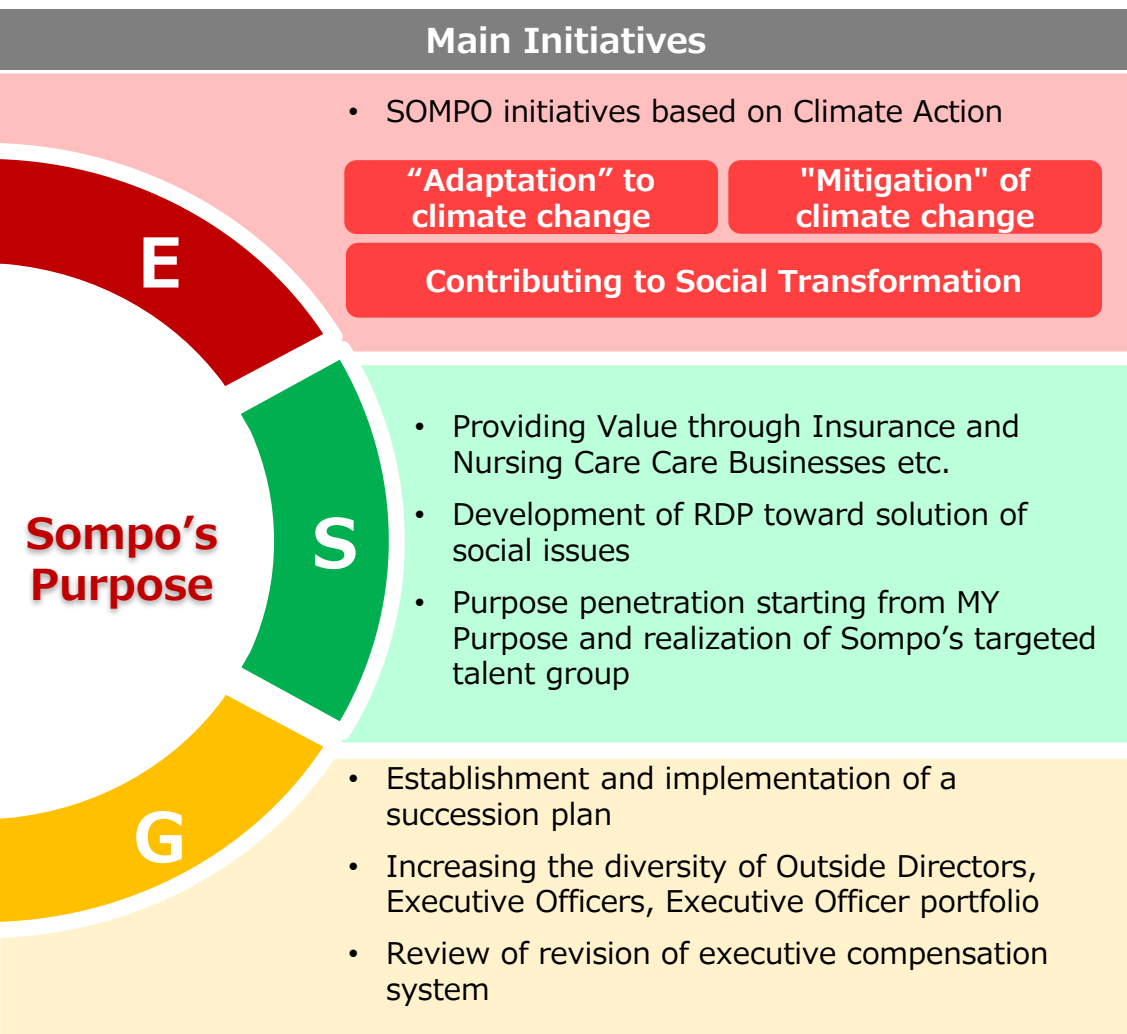
(FY)	2018	2019	2020	2021
Domestic	3.29	3.27	3.34	3.46
Overseas	3.78	3.81	4.02	4.02

*1 Sompo Japan Insurance Inc. (-¥1.3 bn. /year since FY2023), Himawari Life Insurance Inc. (-¥0.8 bn. /year since FY2024)

*2 Gallup Engagement Survey

Aiming for Sustainable Growth

- Contributing to the realization of a sustainable society by solving social issues and pursuing SOMPO's sustainable growth



Purpose Realization

Our company's Sustainability: [Click](#)

Strengthening Efforts on Climate Change Details P43-45

- Setting new GHG reduction targets

Scope 3 Category15 (Investments)

25% reduction by 2025*

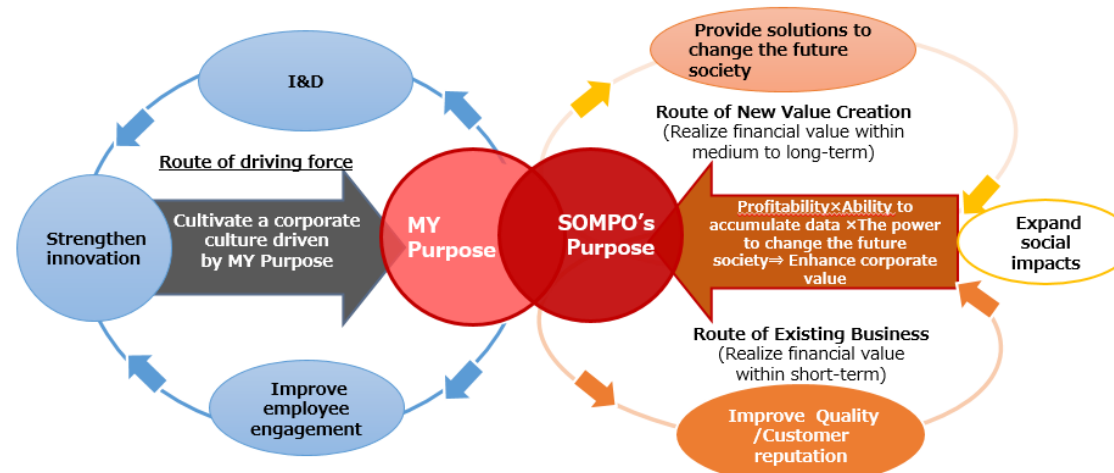
- Strengthening underwriting restrictions on coal, oil and gas project insurance
- Participation in international initiatives, etc.



*Target for March 2025, compared to fiscal 2019. Based on total GHG emissions from stocks and corporate bonds.

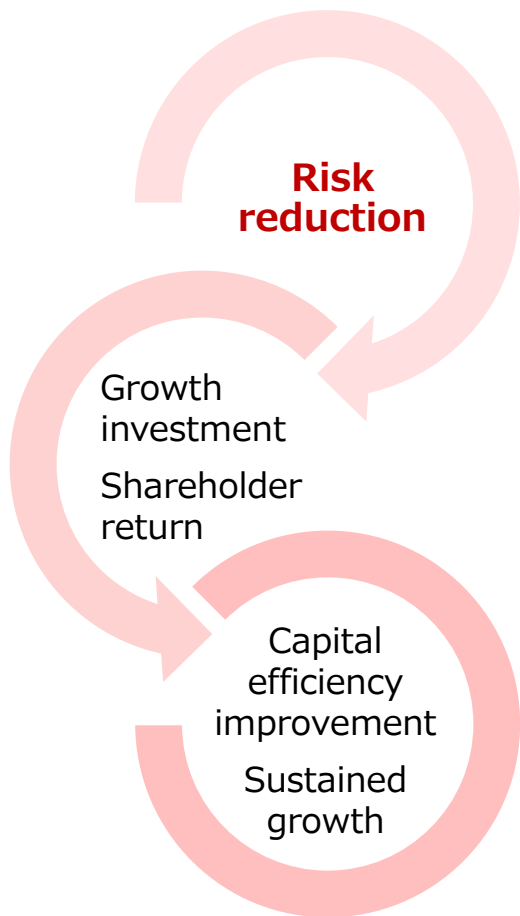
Efforts to Increase Unrealized Financial Value

- Reinforcing Efforts to Increase Unrealized Financial Value Driven by MY Purpose to realize sustainable growth and SOMPO's Purpose



ERM and Capital Policy -Risk Mitigation and Capital Cycle-

- Risk reduction (reduction of cross-shareholdings and reduction of domestic interest rate risk) has been steady
- Further allocate resources to areas where growth is expected and capital efficiency is high to improve capital efficiency and achieve sustainable growth



Reduction of cross-shareholdings*1

FY 2021 Actual		Planned Value
¥ 50.1 bn.	Achievement of the plan	¥ 50.0 bn. / year

Risk amount – ¥ 22.2 bn. (-3.3% YoY)

*1 market value basis

Reduction of domestic interest rate risk

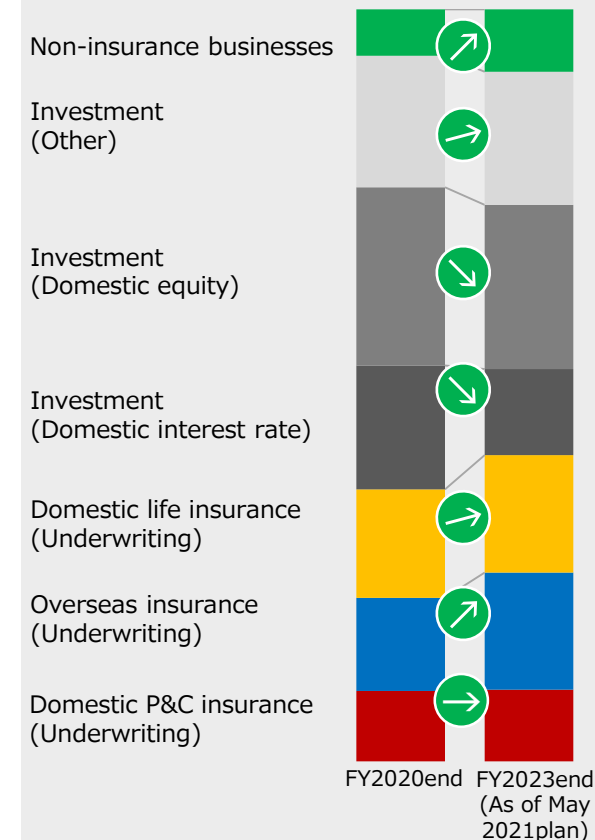
■ Amount of super long-term bonds*2 purchased by Himawari Life

FY 2021 Actual		Planned Value
¥ 329.4 bn.	Against the plan +9.8%	¥ 300.0 bn./year

Risk amount – ¥ 41.5 bn (-7.9% YoY)

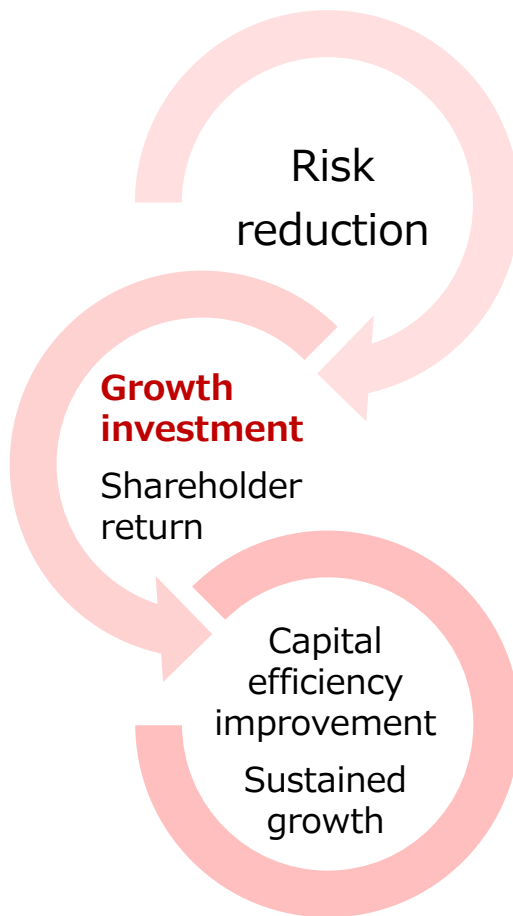
*2 Conversion to 30 year bonds

Direction of risk



ERM and Capital Policy -Growth Investment-

- Maintaining a strong appetite for growth investment toward the transformation of SOMPO Group
- Continuously pursue optimal portfolio construction with discipline and awareness of the capital cycle



Growth investment (in-organic M&A) stance

Focus on discipline while investing for future growth

insurance

- Large M&A deals
- Bolt-on M&A
- Others

non-insurance

- Nursing care RDP-related
- Digital Business-related

Current use of growth investment limits

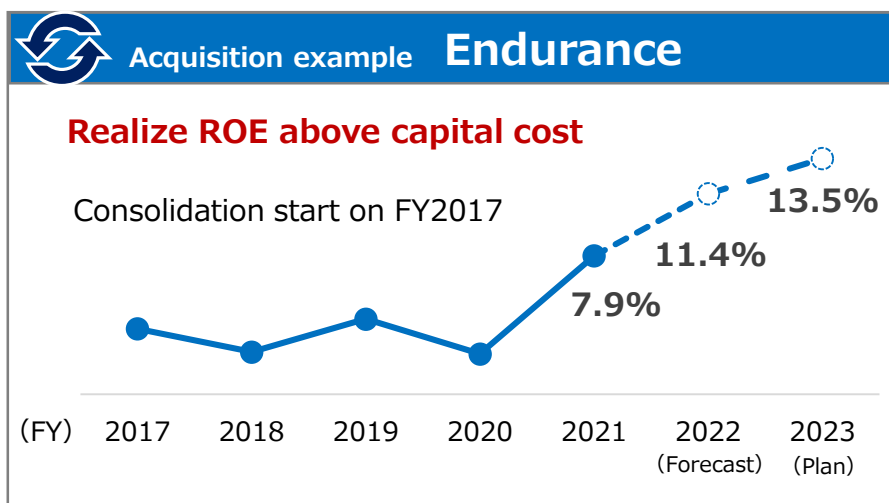
Capital used*1: ¥ 75.0bn.

Allocated capital: ¥ 600.0 bn.

< Major M&A deals in FY2021 >
 Overseas Insurance business: Cover Genius, ARA
 Nursing Care business : Nexus Care

(Ref.) Digital Investment*2 (ex. Palantir)
 Total Investment approx. ¥43bn. Current equity value approx. ¥73bn.

Continuously seeking to build an optimal portfolio for sustainable growth



Sale example Consumer business in Brazil

Disclosed May 24th 2022

Focus and Concentration

Commercial	Consumer
Middle/Large Corporate Marine 1 st position*3 Focus on specialty with Sompoco International	Individual, SME Motor, Fire, Accident Insurance, etc (Health Insurance was sold Separately to another)

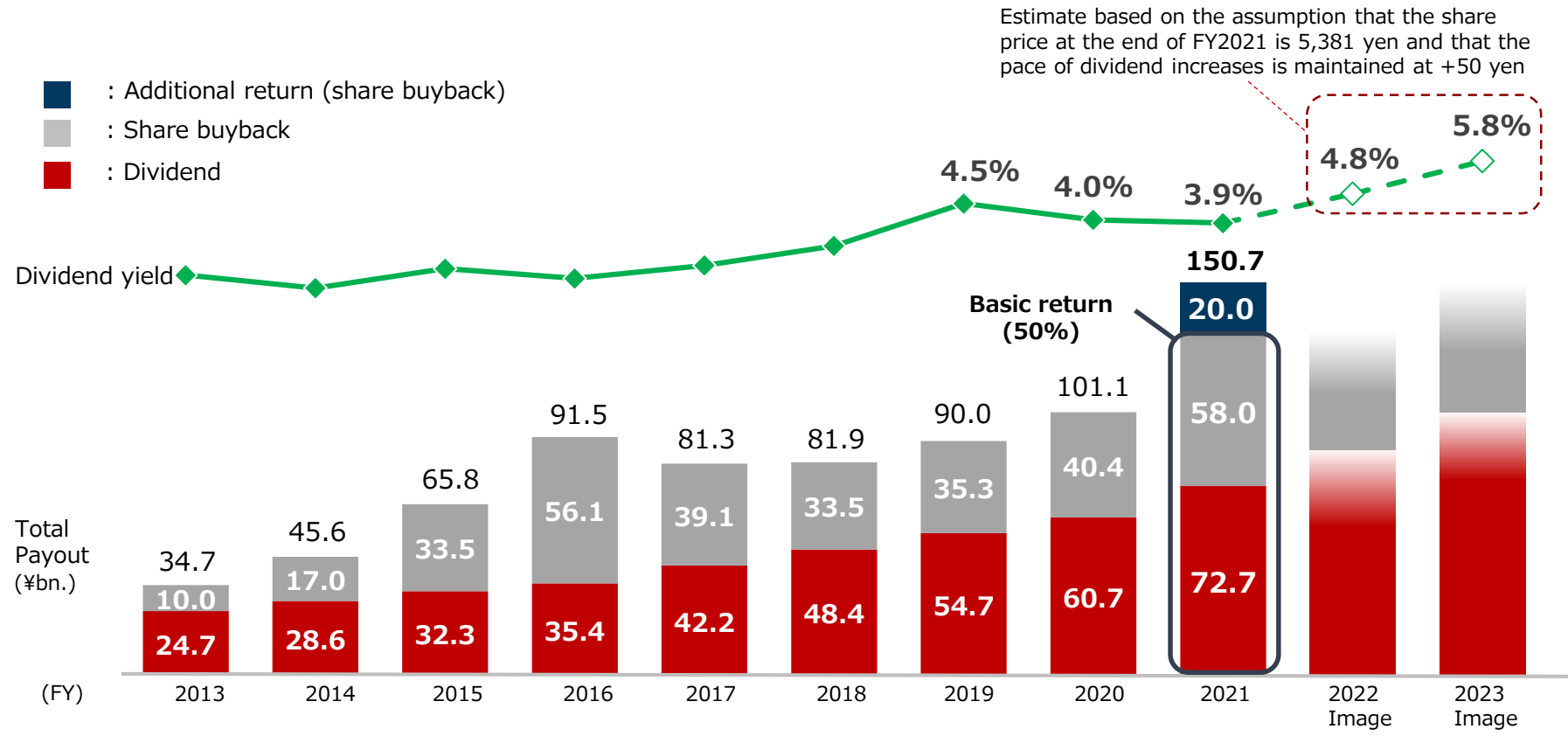
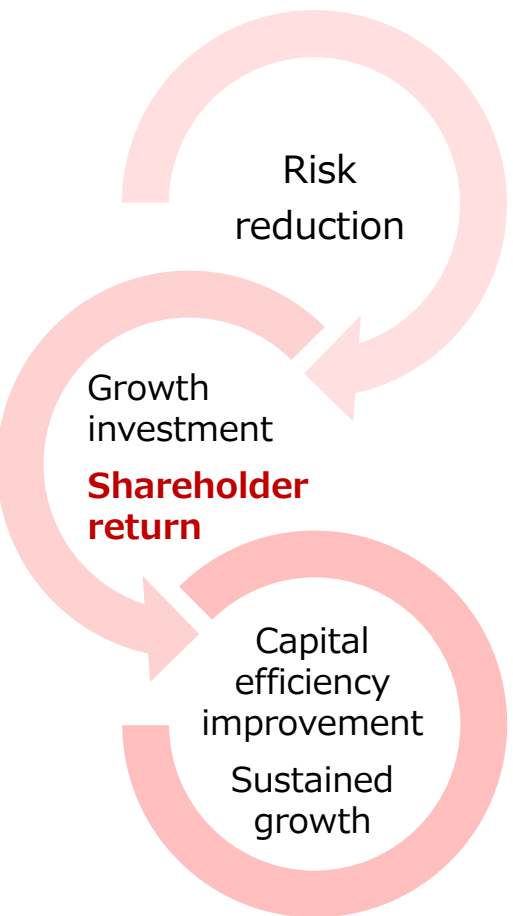
Spin-off → **Agreed to sell**

*1 Include investments in digital-related VC funds

*2 For direct investments, estimate the equity value based on the valuation at the time of the most recent capital increase. For VC investments, estimate the total amount of recovery and residual market value. *3 Market share based on GWP as of End of Dec.2021

ERM and Capital Policy -Shareholder Return-

- Declared a record-high shareholder return of ¥ 150.7 bn. [dividend increase for 9 consecutive years including FY2022 dividend forecast], including the additional return of ¥ 20.0 bn. disclosed in the interim period (share buyback)



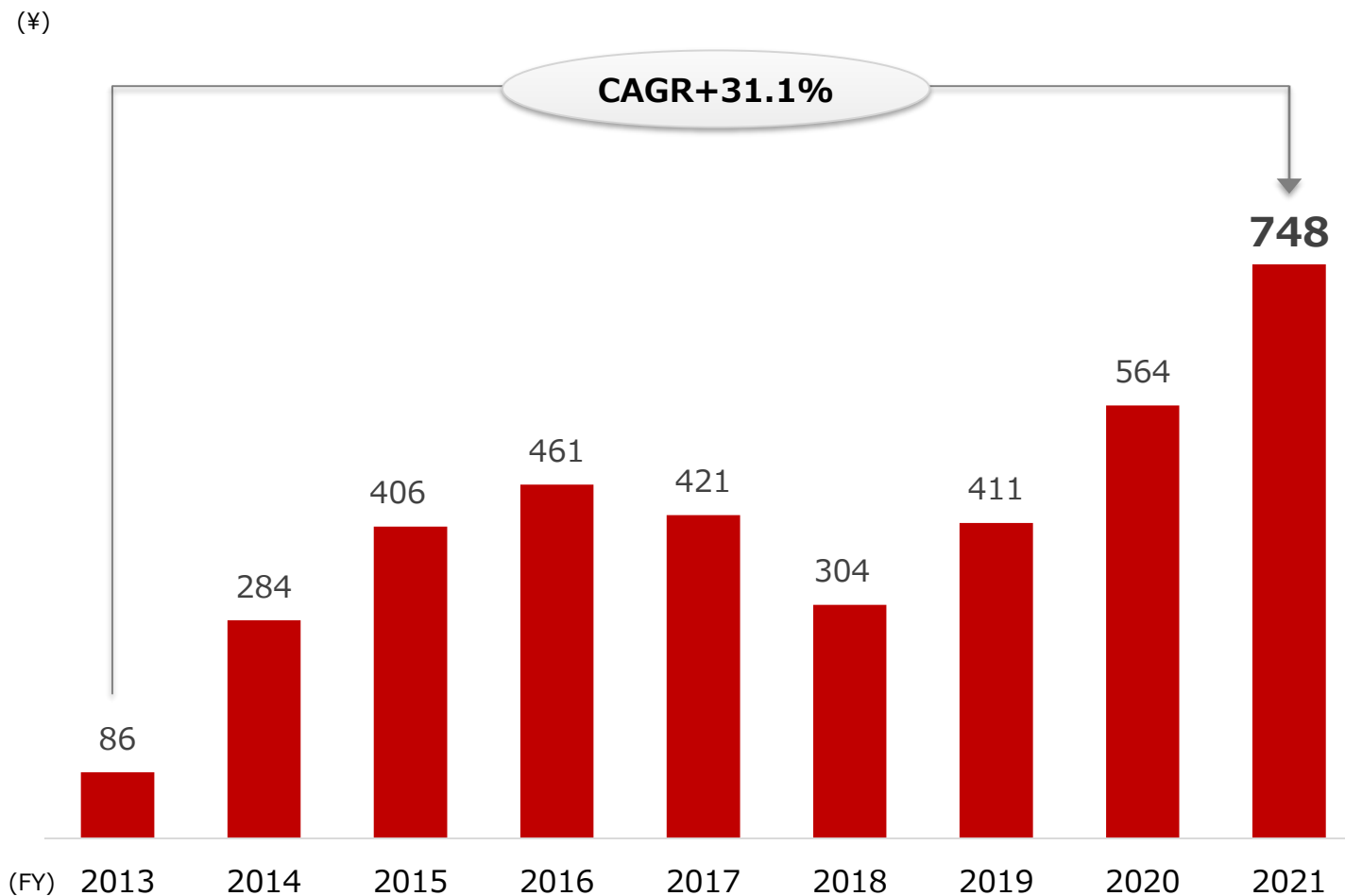
DPS	¥60	¥70	¥80	¥90	¥110	¥130	¥150	¥170	¥210	¥260 (Forecast)	-
Total payout ratio	220%	50%	50%	50%	50%	72%	60%	50%	58%	-	-

< No change > Current medium-term management plan return policy = Basic return 50% (dividend + share buyback) + Supplemental return

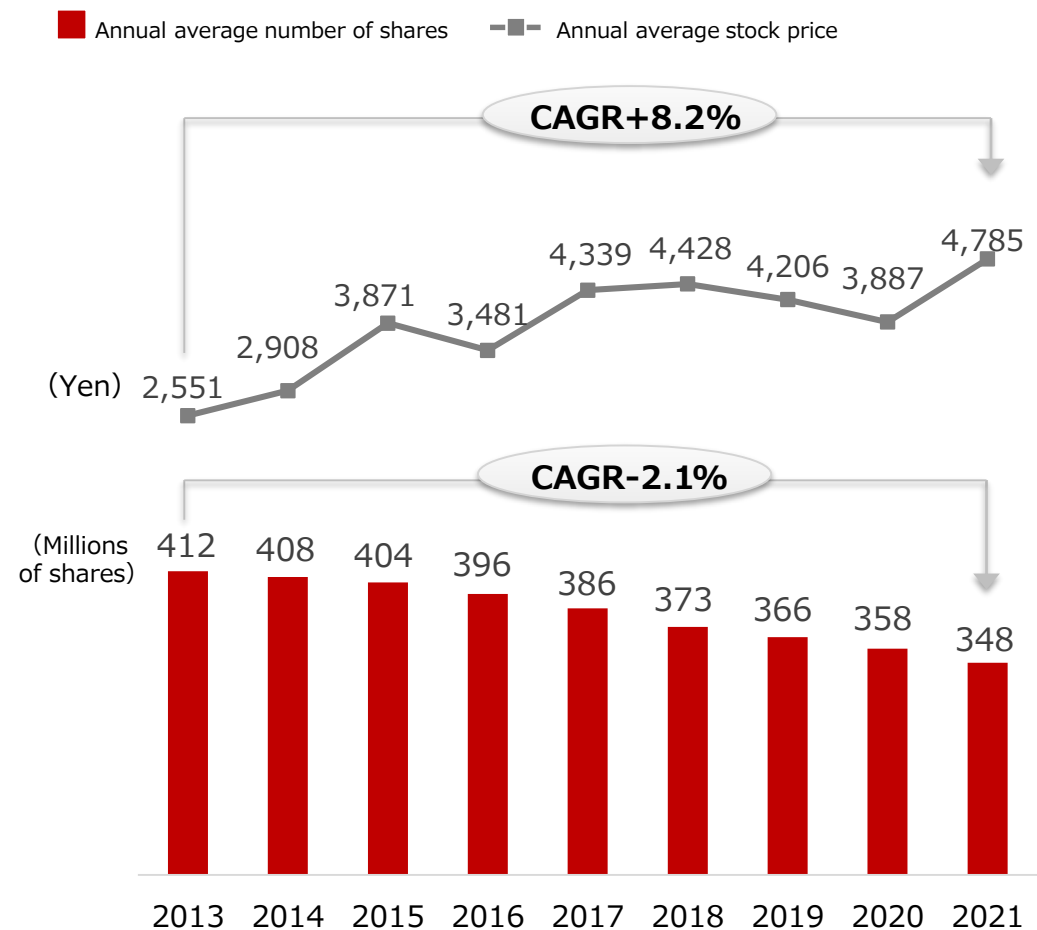
EPS Track Records

- Through the steady implementation of the Mid-Term Management Plan, we will continue to increase profitability while improving capital efficiency, and continue to achieve sustained growth in EPS

EPS Trend (Adjusted EPS *)



(Reference) Average number of shares during the period



*The numerator is adjusted consolidated profit (figures before FY 2015 are estimates based on the adjusted profit definition for FY 2016).

II . Business Strategy

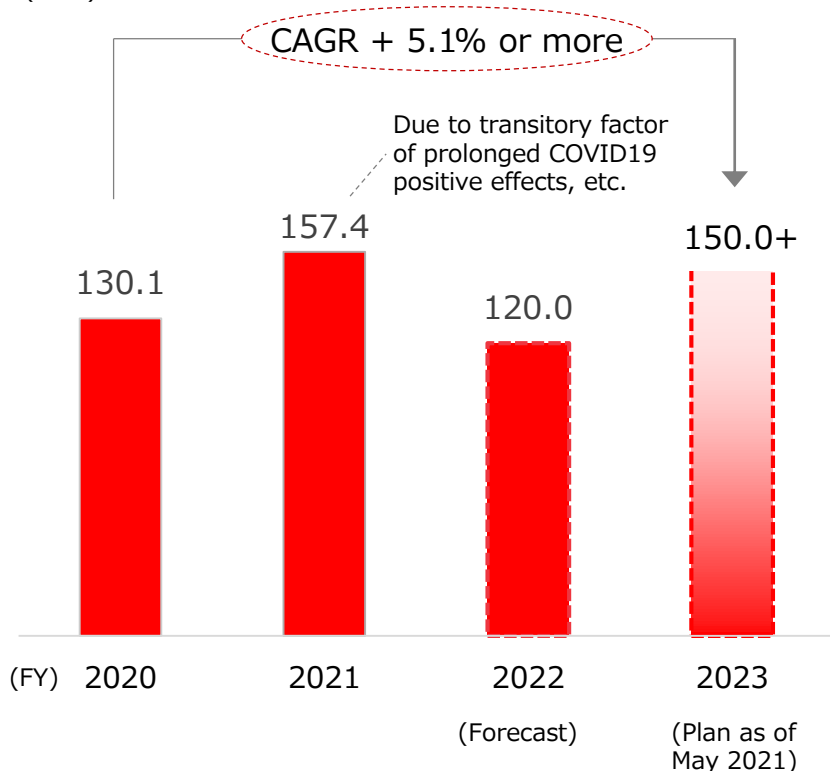


Domestic P&C Insurance Business (1) –Progress of Each KPI-

- Steady expansion in both fire & allied and casualty & specialty insurance accelerates further growth
- The Earnings Structure Reform has been effective and visible, and the business is on track to achieve an adjusted profit of ¥150 bn. or more in FY2023.

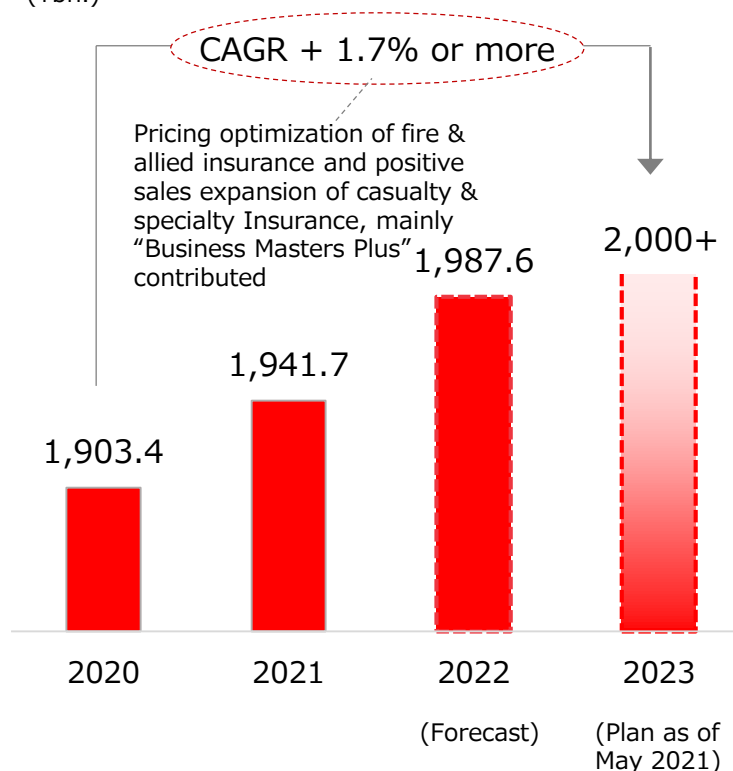
Adjusted profit

(¥bn.)



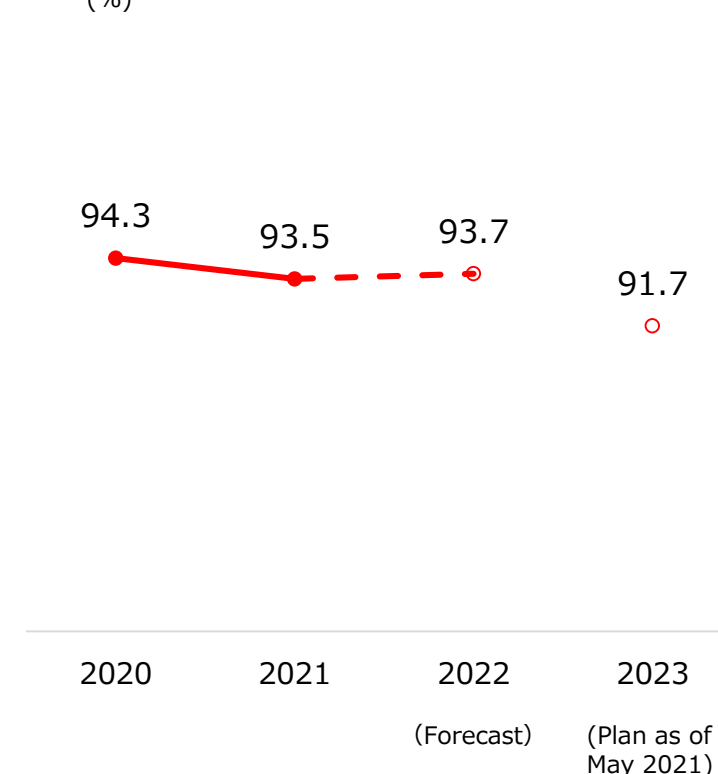
Net premiums written*

(¥bn.)



E/I Combined Ratio*

(%)

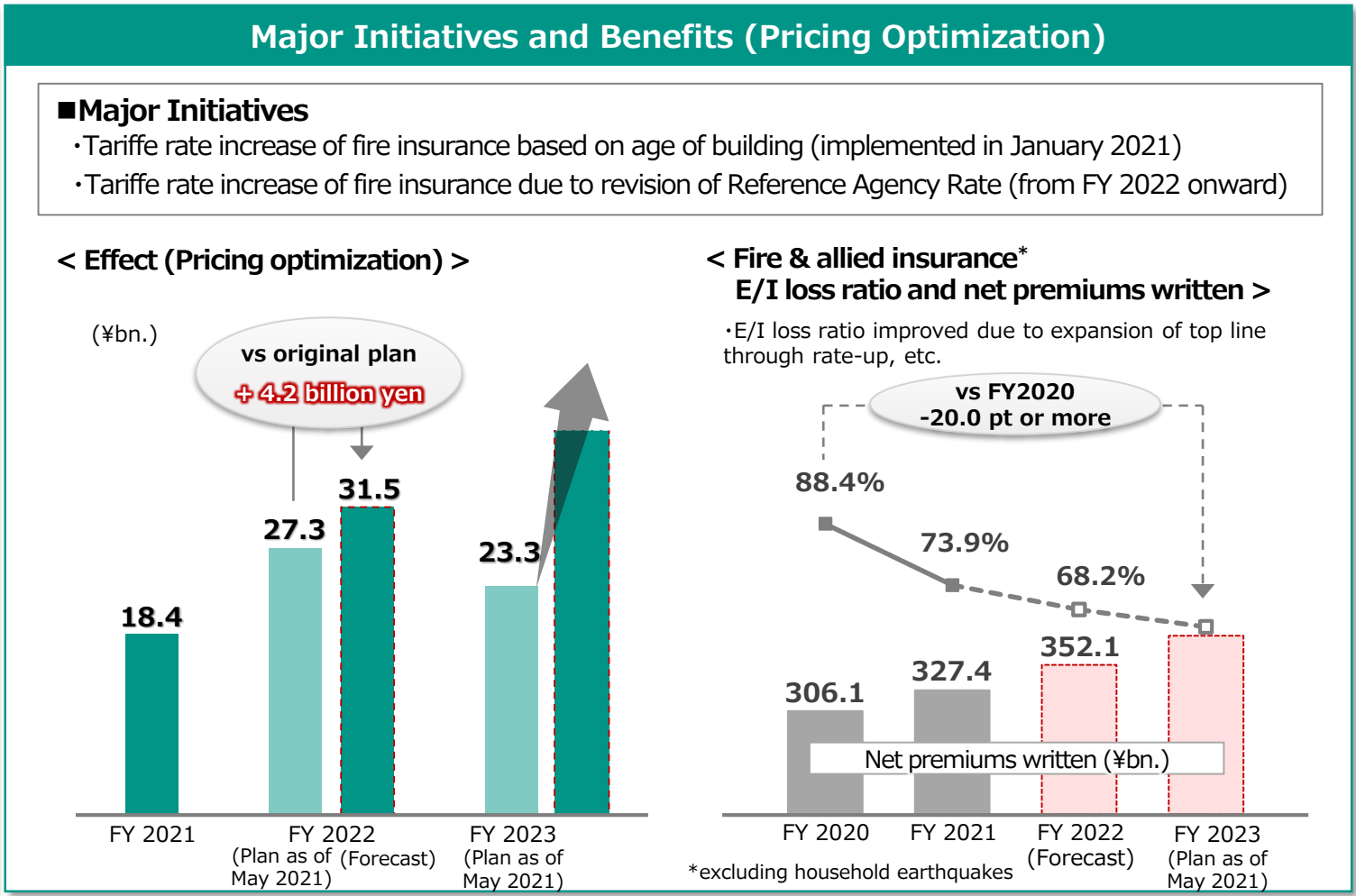
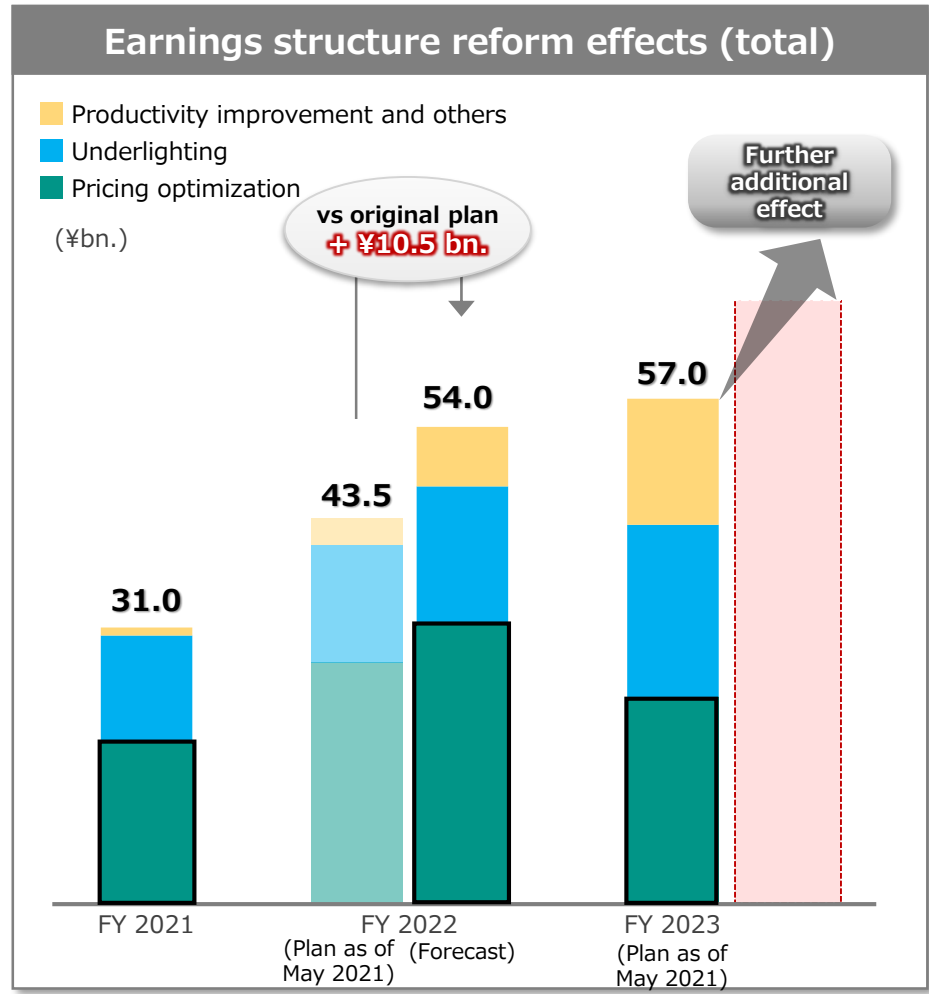


*Sompo Japan Insurance Inc. (excluding CALI and household earthquakes)

Domestic P&C Insurance Business (2) -Earnings Structure Reform (Pricing Optimization)-

- The pricing optimization has been steadily realized and the contributing amount is revised upward in FY2022 due to the rate increase to further improve the profitability of fire & allied insurance.
- Further contribution is expected in FY2023

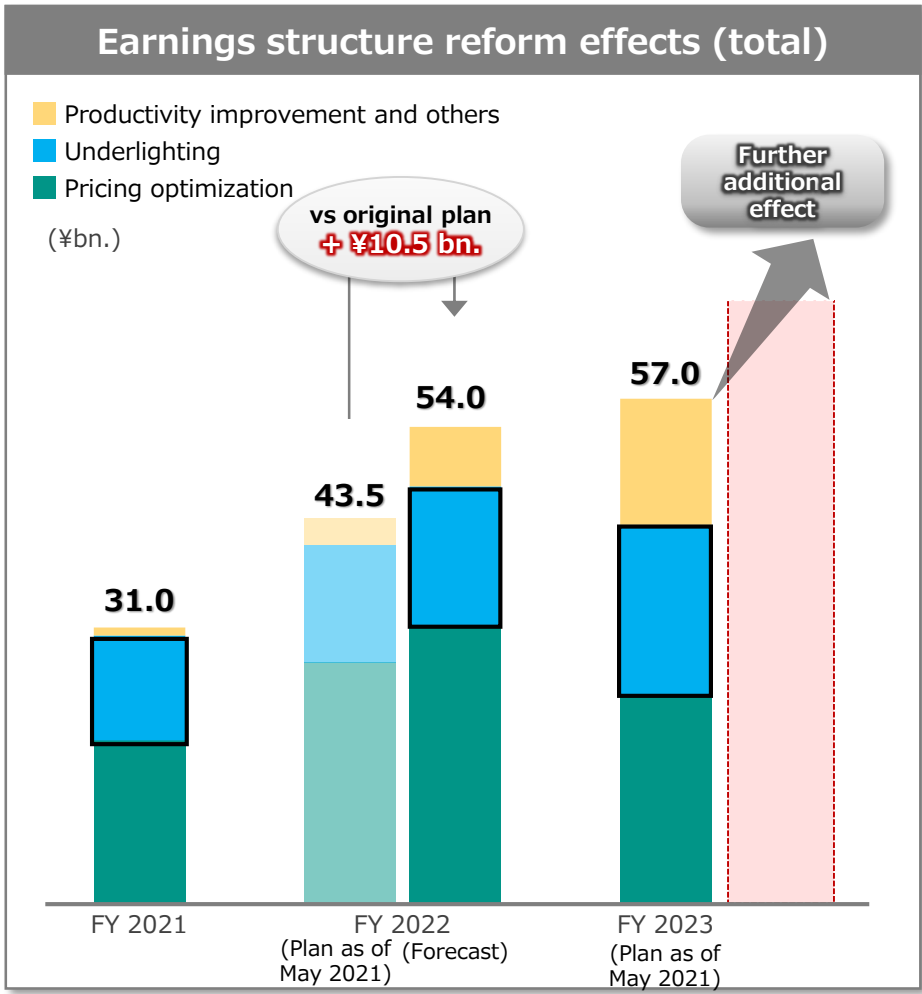
Earnings Structure Reform Effect (Results of FY 2020 Post-Tax Estimates)



Domestic P&C Insurance Business (3) -Earnings Structure Reform (Underwriting)-

- Contribution from Enhancement of underwriting by utilizing technology, etc., outperformed the planned level in FY2022
- Aim to increase effectiveness by implementing measures at customer relationship divisions

Earnings Structure Reform Benefits (Results of FY 2020 Post-Tax Estimates)



Major Initiatives and Effects (Underwriting)

Offensive and Defensive DX

■ **Main Initiatives**

- Expand “result underwriting” which utilizes Palantir to high loss ratio casualty & specialty insurance policies of small & medium sized policies in FY2022
- Aim to strengthen initiatives by developing an AI underwriting platform at marketing divisions

< Amount of effect (underwriting) >

(¥bn.)

Fiscal Year	Amount of Effect (¥bn.)
FY 2021	11.8
FY 2022 (Plan as of May 2021)	15.7
FY 2023 (Plan as of May 2021)	19.4

vs original plan + 2.5 billion yen

< Deployment of platform to marketing divisions >

Integration of Marketing and U/W functions
 ||
 Marketing Person (Front U/Wer) with high-skilled U/W

Marketing Person (Front U/Wer) + AI U/W

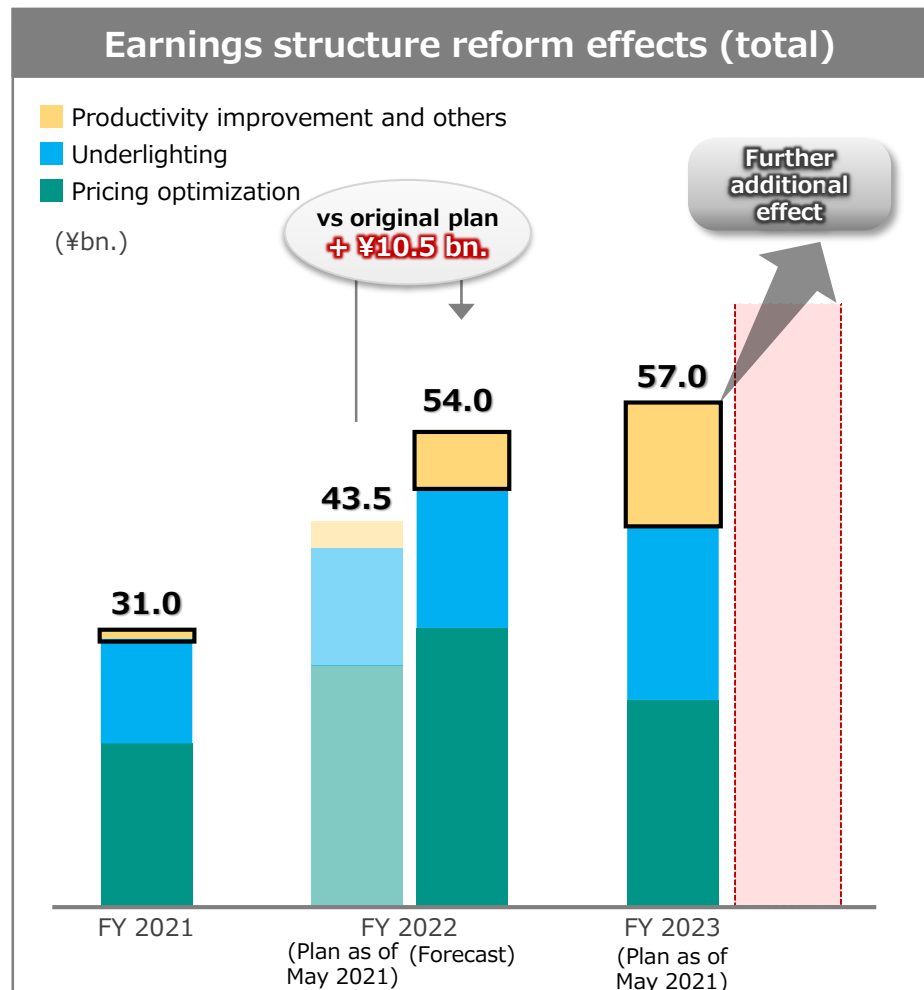
With speedy and optimal proposals
Aim to further improve profitability

Customers

Domestic P&C Insurance Business(4) -Earnings Structure Reform (Productivity Improvement, Others)-

- Promote initiatives to optimize personnel by improving productivity through the use of digital technology
- Outcome of personnel optimization will be further visible in the final year of the mid-term plan

Earnings Structure Reform Benefits (Results of FY 2020 Post-Tax Estimates)



Major Initiatives and Benefits (Productivity Improvement, Others)

Defensive DX

■ Main Initiatives

- Reforming business processes and reducing back-office operations through the use of digital technologies
- Workforce Optimization through Productivity Enhancements

▶ The end of FY 2023 approximately -2,600 persons (realized by natural attrition compared to the end of FY 2020)

< Amount of effect (productivity improvement, others) >
(¥bn.)

Year	Amount of Effect (¥bn.)
FY 2021	0.9
FY 2022 (Plan as of May 2021)	3.0
FY 2023 (Plan as of May 2021)	6.8

vs original plan + 3.8 billion yen

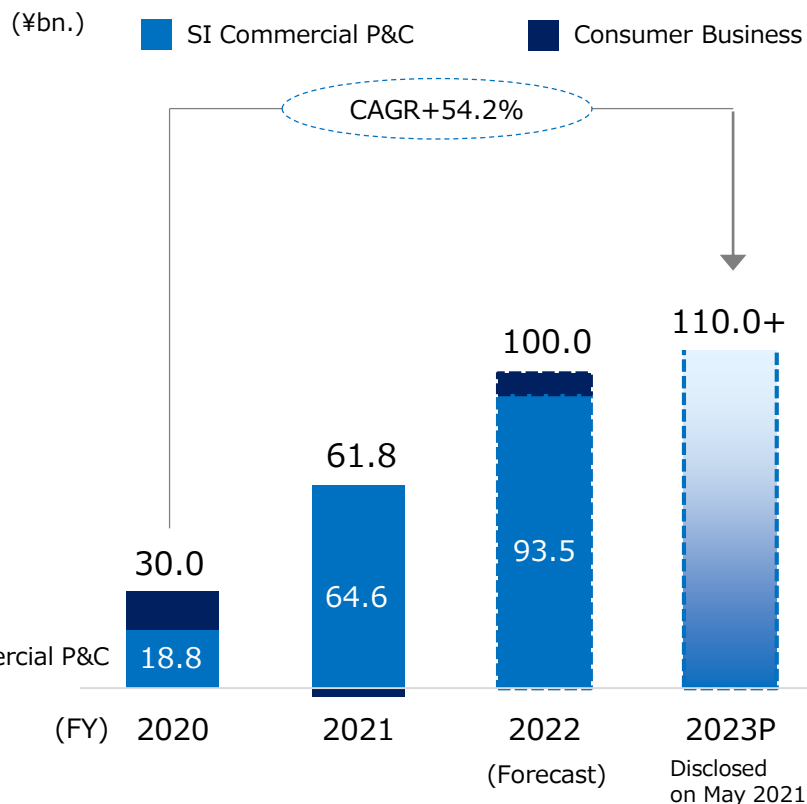
< AI Utilization in Response to Accidents >
(Scheduled for release in November 2022)

- Calculating repair cost automatically and checking repair quotes at claim handling and improve productivity

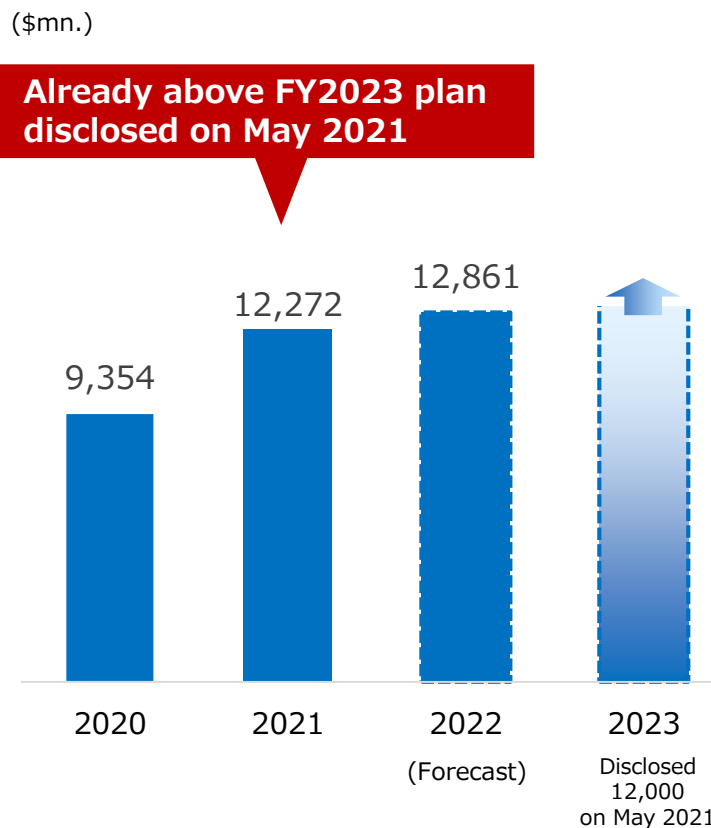
Overseas Insurance Business (1) -Progress of Each KPI-

- Well Positioned to Achieve Our Adjusted Profit Targets Established in the Mid Term Plan Based on Continued Profitable Growth and Improving Underwriting Margins

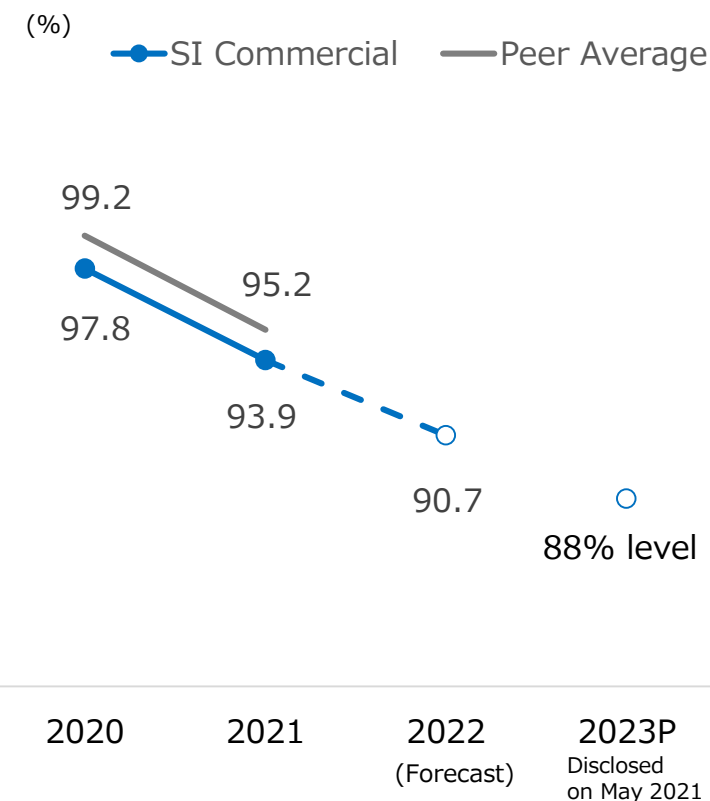
Overseas Adjusted Profit



Gross Premiums Written * 1



Combined Ratio * 1, 2



*1 SI Commercial P&C

*2 Peer Average includes Alleghany Corporation, Allianz SE, American International Group, Inc., Arch Capital Group Ltd., Agro Group International Holdings, Ltd., Assicurazioni Generali S.p.A., AXA SA, AXIS Capital Holdings Limited, Chubb Limited, Everest Re Group, LTD., Hannover Ruck SE, Markel Corporation, RenaissanceRe Holdings Ltd., SCOR SE, Swiss Re AG, The Hartford Financial Services Group, Inc., The Progressive Corporation, The Travelers Companies, Inc., W.R. Berkley Corporation, and Zurich Insurance Group AG. Data provided by S&P Cap IQ Pro.

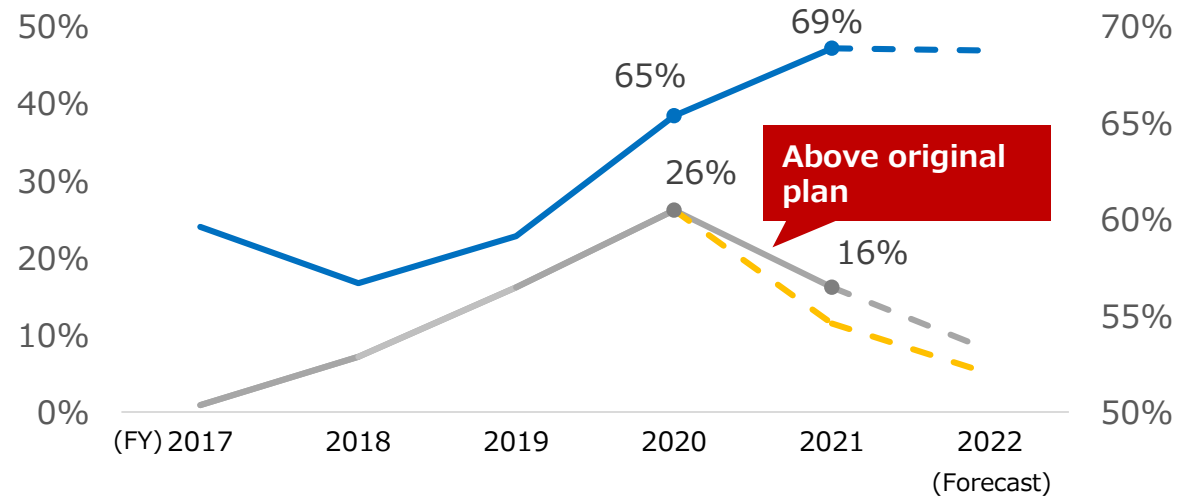
Overseas Insurance Business (2) -Net premiums written benefitting from improved pricing-

- Significant growth in net written premiums supported by organic growth, improved market pricing, bolt on acquisitions and a higher retention of premiums

Overseas Commercial P&C Insurance Pricing and Retention*1

Price Increases

Retention Rate

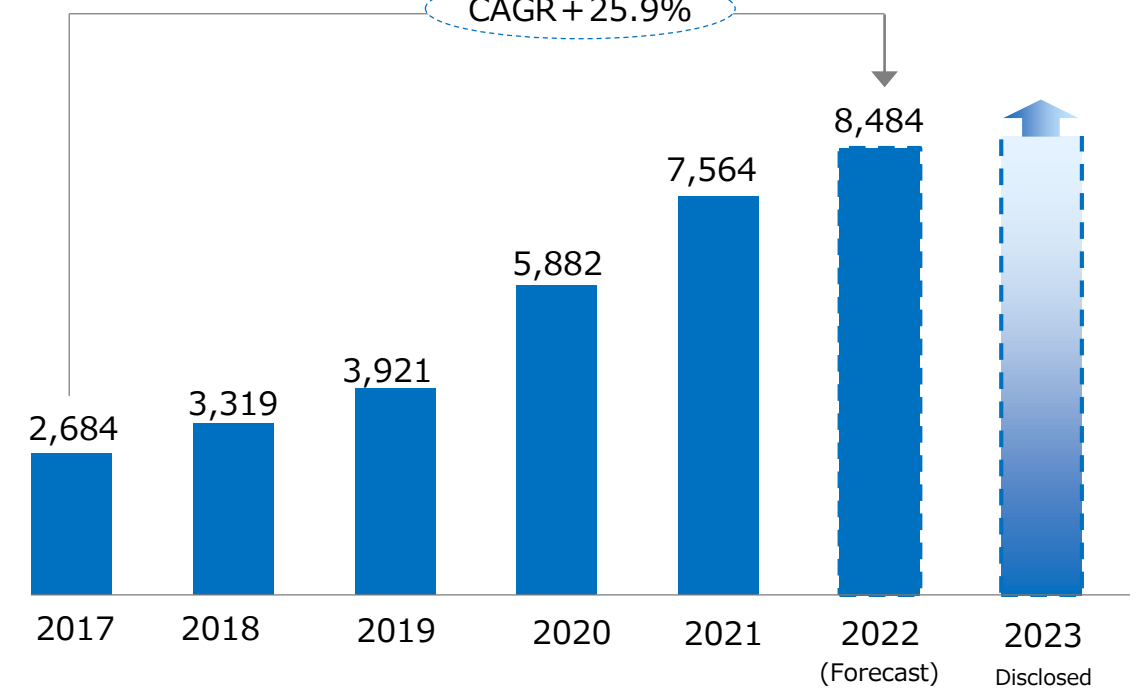


— Actual Insurance Pricing and Assumed Price Increases (Current)
 — Price Increases Included in the Mid-Term Plan (Original)
 — Retention Rates (NPW/GPW)

* Excludes AgriSompo Insurance's pricing and retention

Overseas Commercial P&C Net Premiums Written

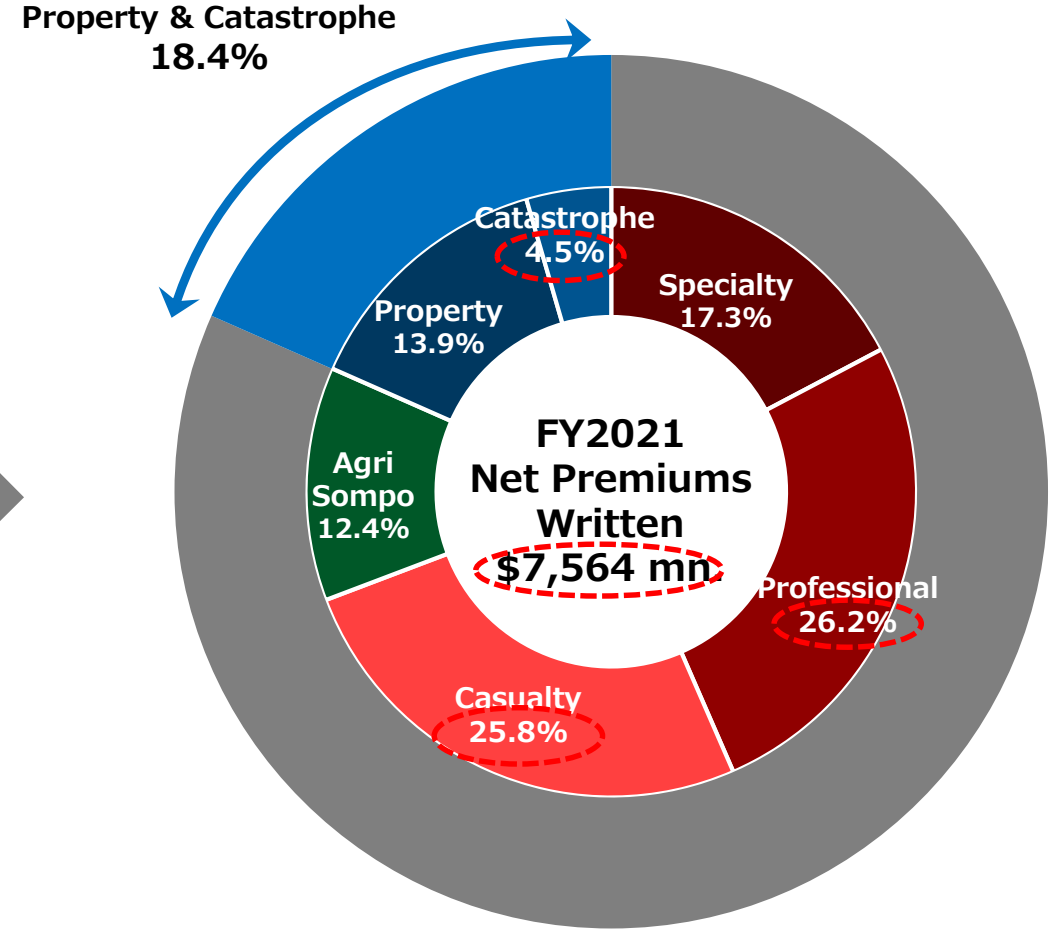
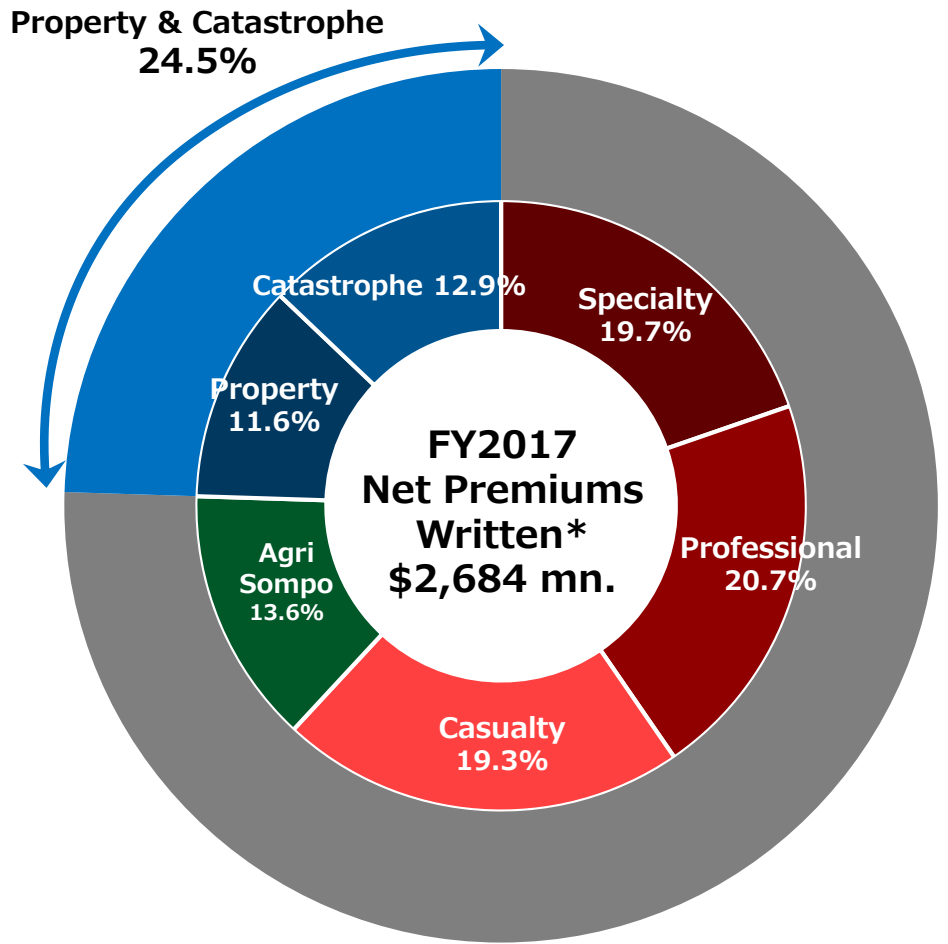
(\$ million)



Above FY2023 plan disclosed on May 2021

(Reference) Overseas Commercial P&C Achieving Significant Growth And Product Diversification

- Increasing scale and build a stable portfolio with reduced volatility from natural disasters

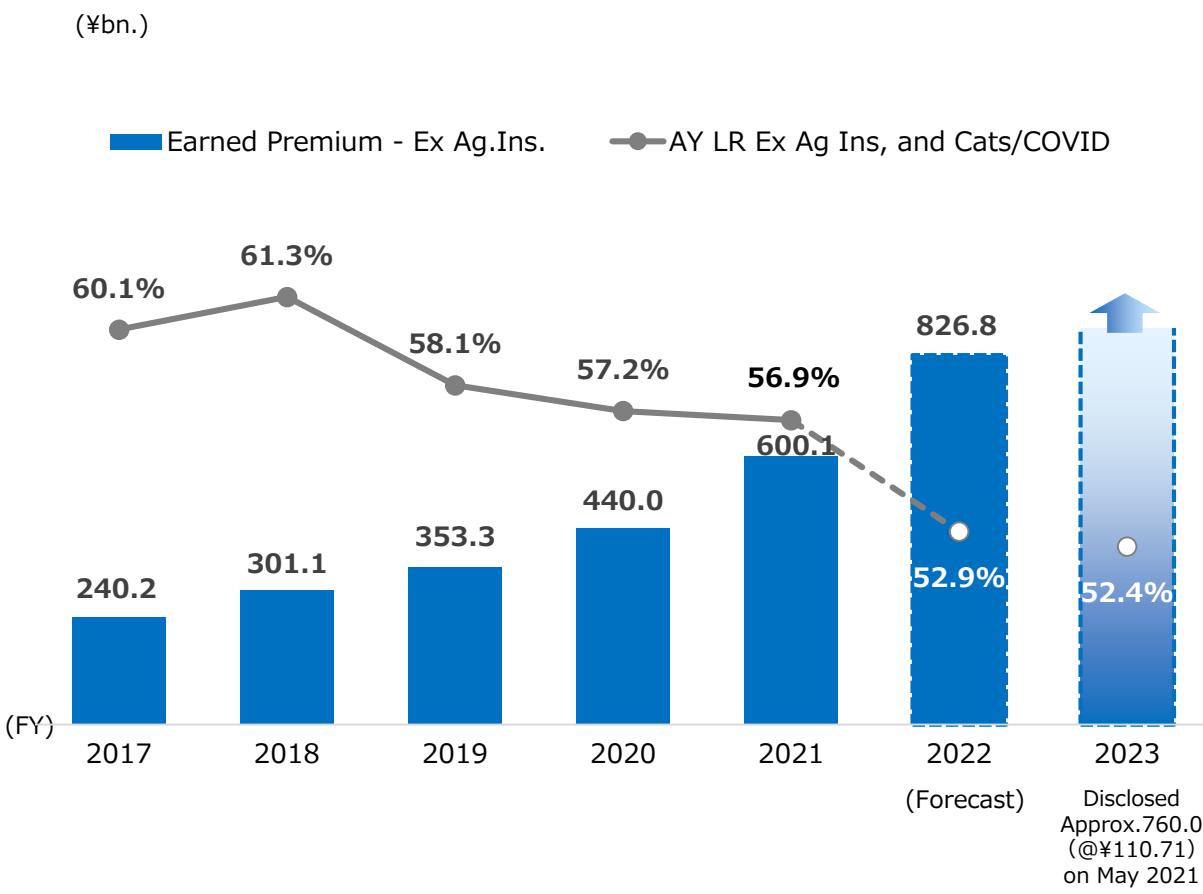


*Exclude Somo America etc.

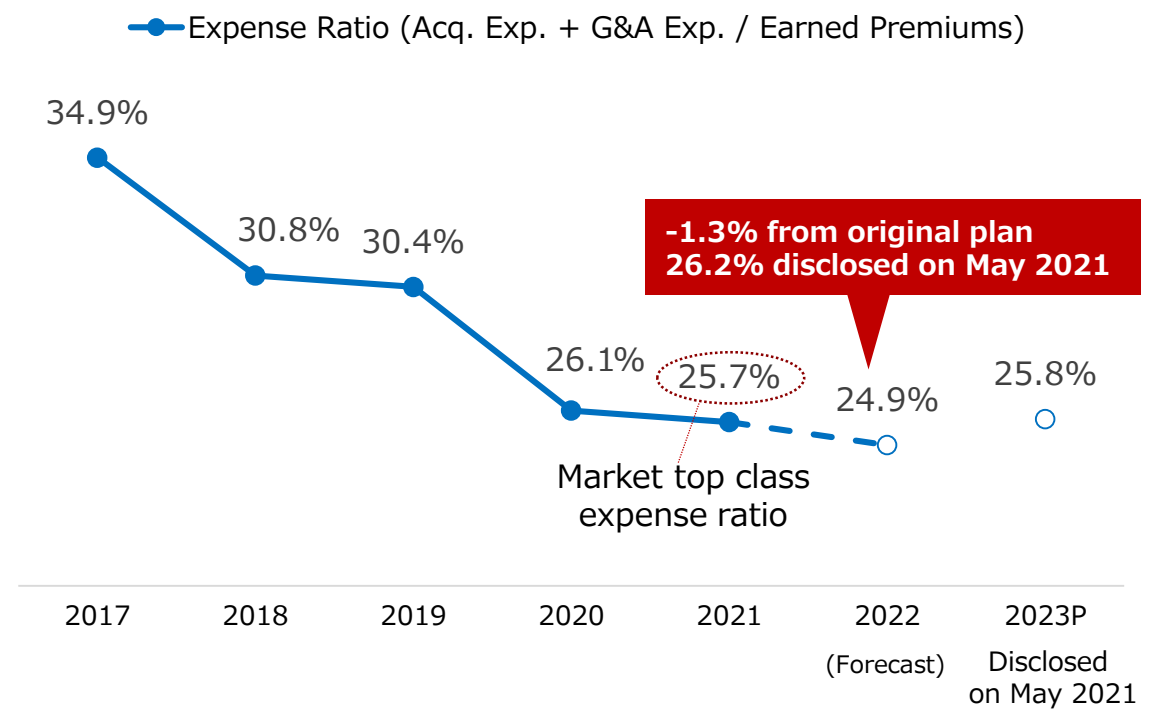
Overseas Insurance Business(3) – Improvement of Loss Ratio and Expense Ratio -

- Growth in earned premiums and improved market pricing has generated improved margins

Improved Pricing Has Led to Loss Ratio Improvements (Overseas Commercial P&C)

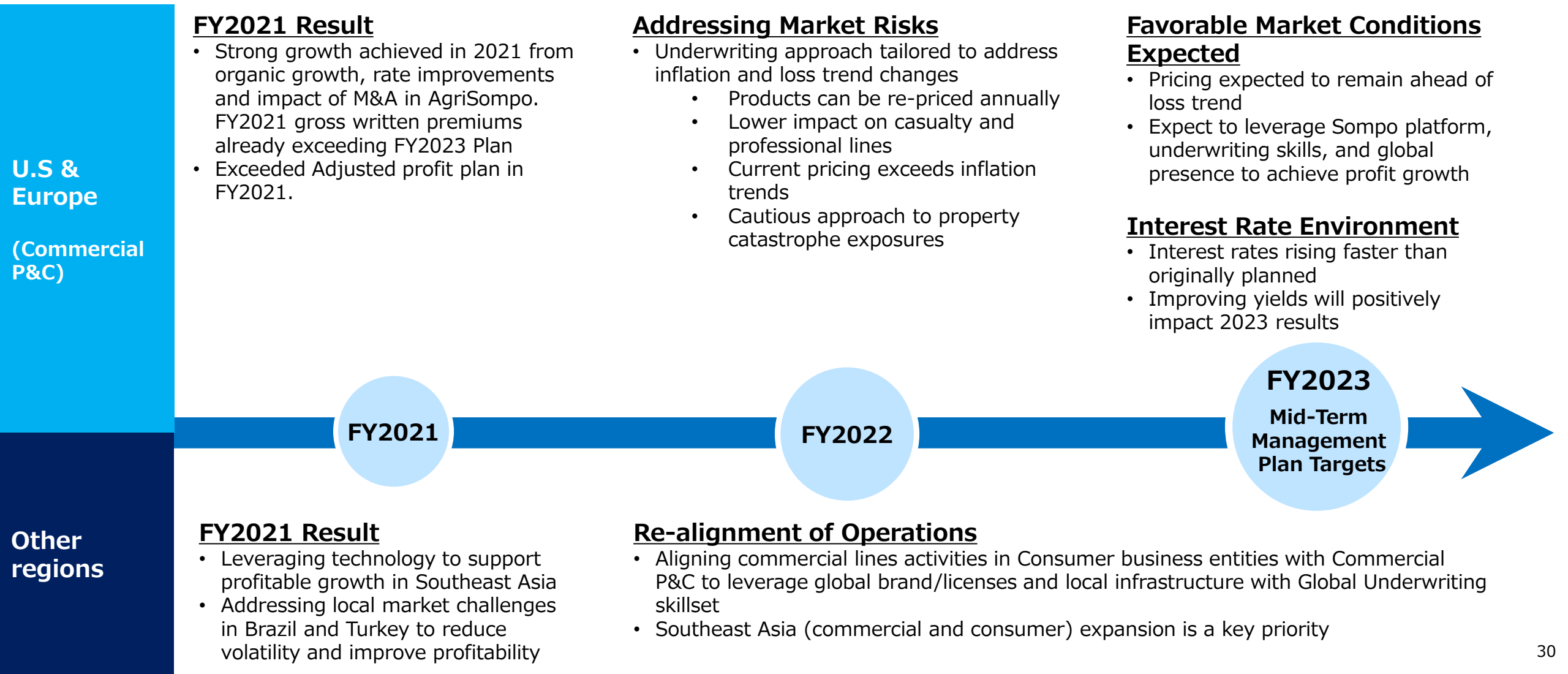


Earned Premium Growth Has Led to Expense Ratio Improvements (Overseas Commercial P&C)



Overseas Insurance Business(4) – Mid-Term Plan Progress

- Significant strategic and financial progress was made in the first year of the medium-term plan
- Overall environmental factors remain supportive for our successfully achieving the medium-term plan targets

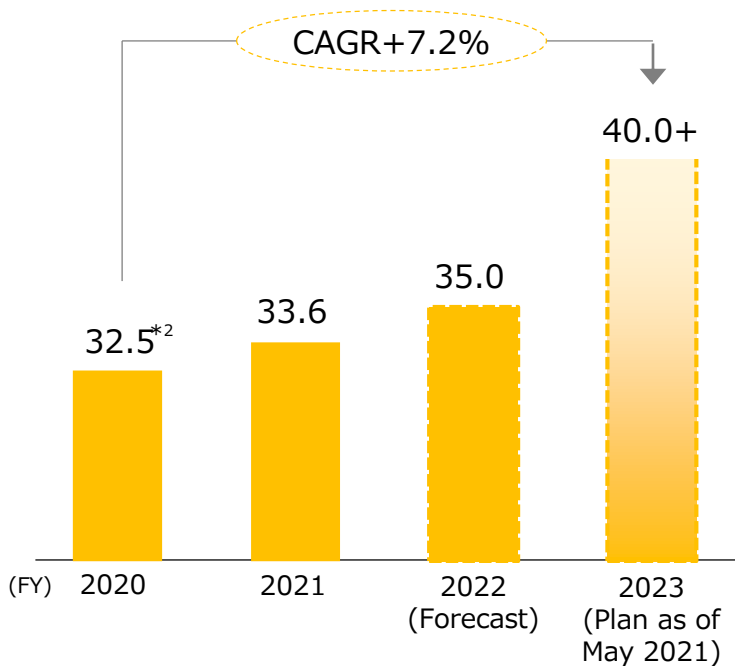


Domestic Life Insurance Business (1) -Progress of Each KPI-

- Centered on Insurhealth®*1, adjusted profit is expected to grow as planned driven by expansion of sales scale and number of customers (Number of Contracts in Force)

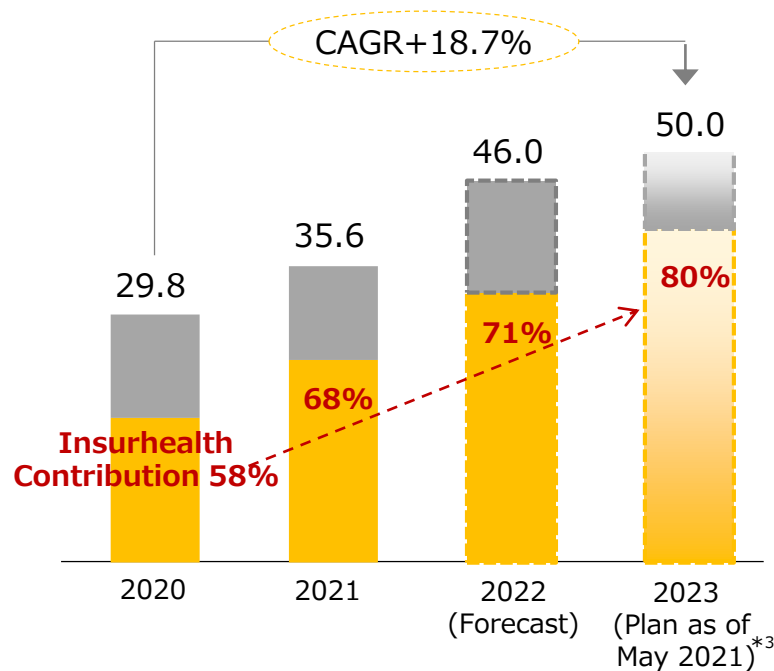
Adjusted profit

(¥bn.)



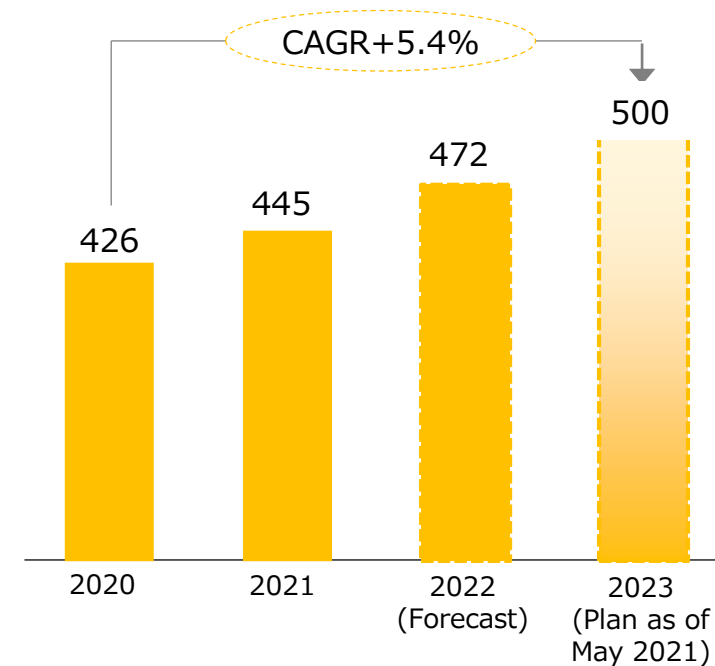
Annualized premiums of new policies (sales performance basis)

(¥bn.)



Number of policies in force

(10,000)



*1 New value combining the insurance function (insurance) with the health support function (healthcare)

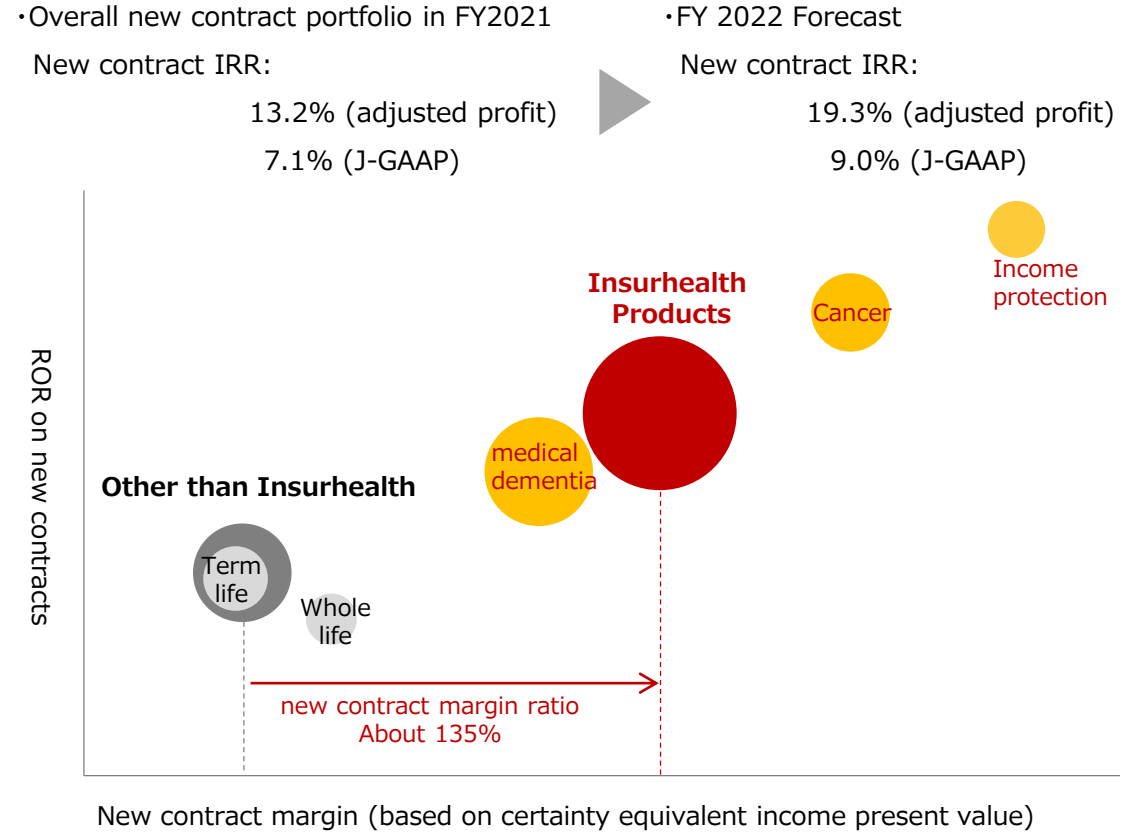
*2 Recalculate FY2020 adjusted profit at Current Definition

*3 Plan of Insurhealth contribution is as of May 2022

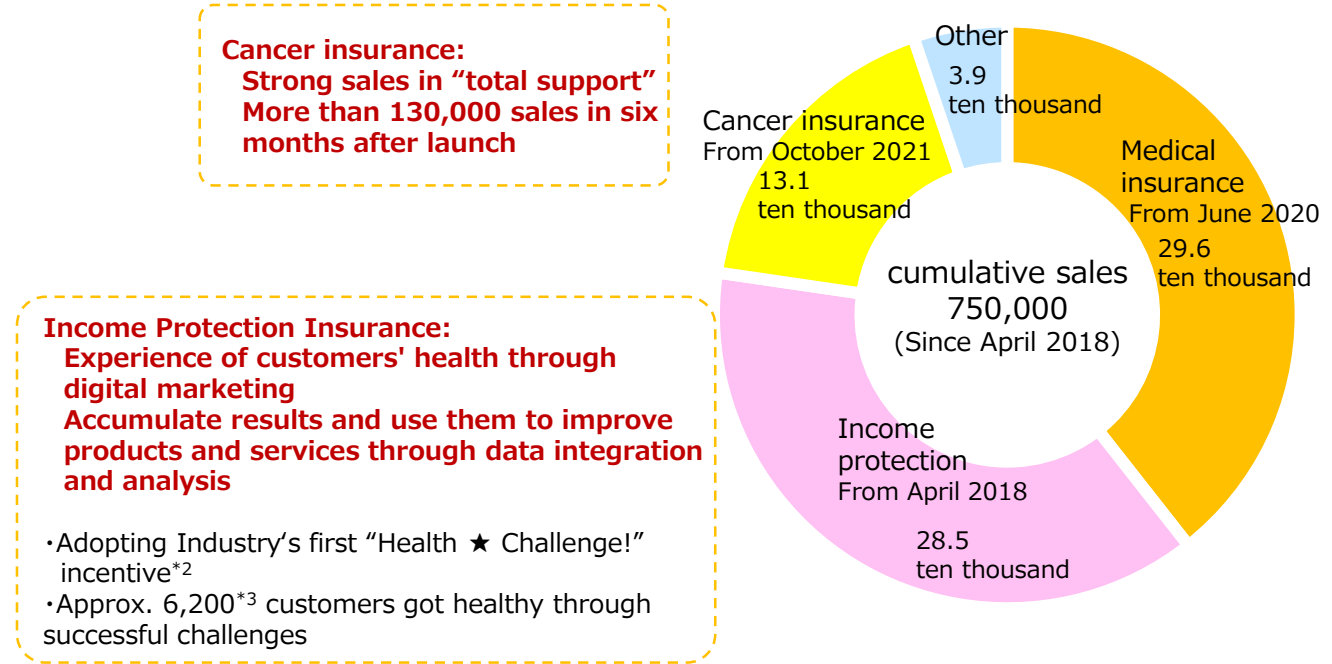
Domestic Life Insurance Business (2) -Growth Model Using Insurhealth® as Leverage-

- Increase profitability and IRR by expanding the number of new Insurhealth® contracts, which focus on protection type products, and by accumulating existing contracts
- Taking full advantage of the actual data on customers staying healthy with the “Health Support CX”^{*1}, we will leverage DX to increase value and accelerate scale expansion.

Profitability management by new contract margin and new contract ROR



Track record of Insurhealth



*1 Communication activities to improve the health of customers through providing value through Insurhealth

*2 An incentive that provides cash back and insurance premium discounts based on improvements in BMI, blood pressure and success in quitting smoking two years after enrollment

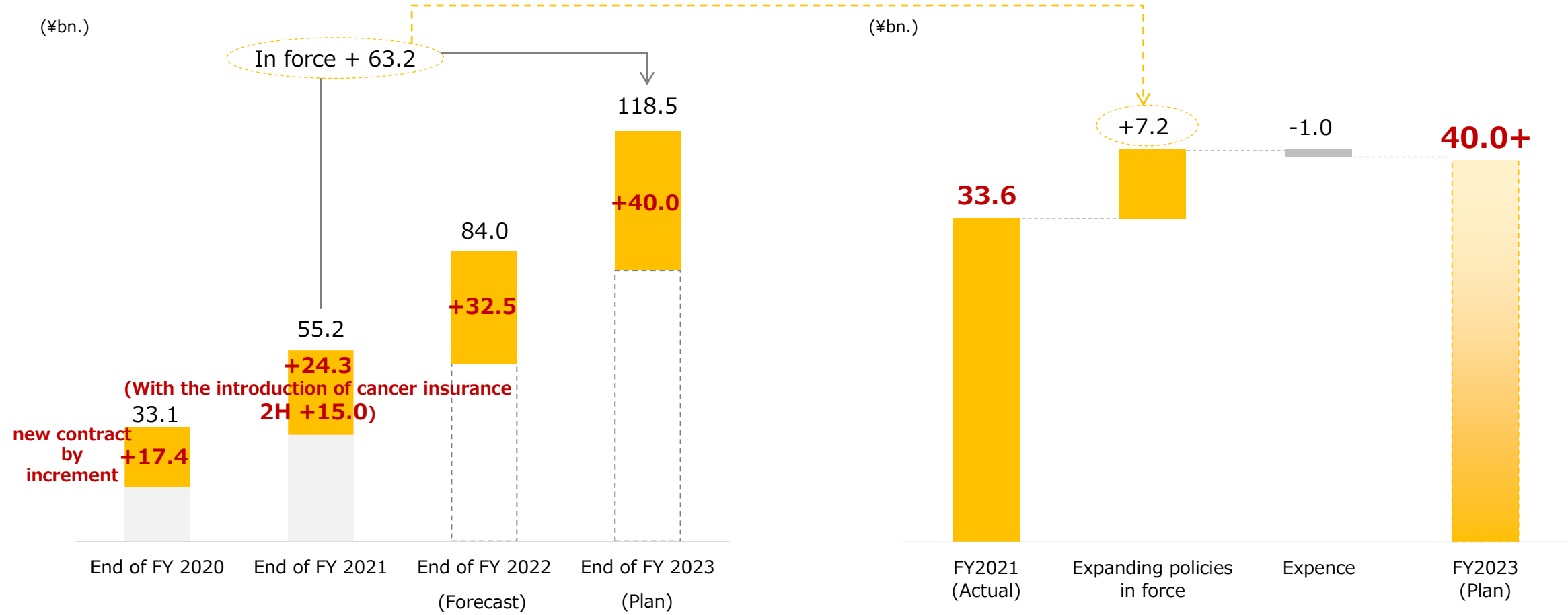
*3. Results from May 2020 to April 2022

Domestic Life Insurance Business (3) -Prospects for achieving FY 2023 target-

- Insurhealth®, protection type products, is a growth driver with high new contract margins
- Aim to achieve the FY2023 adjusted profit plan by steadily increasing the number of Insurhealth® policies in force, including new cancer insurance with strong sales

Annualized Insurhealth premiums in force

Adjusted profit

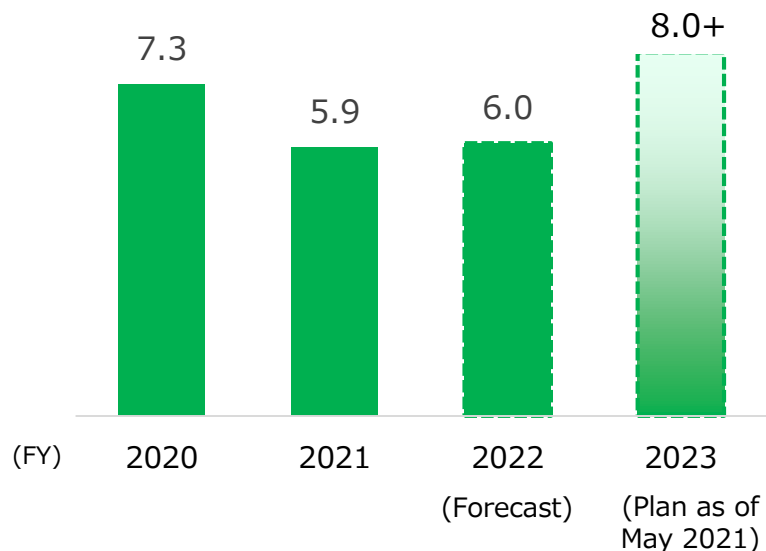


Nursing Care & Seniors Business (1) -Progress of each KPI-

- Launched a new building in April FY2022 for the first time since entering the nursing care business. The number of facilities and home-based service are projected to expand in FY2022 and FY2023
- Also challenge to improve productivity and quality by exercising DX toward FY2023 and aim to achieve our initial plan

Adjusted profit

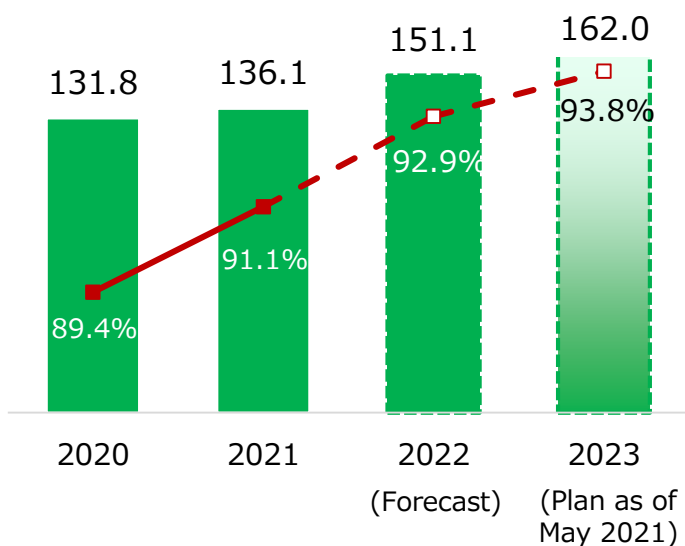
(¥bn.)



Sales

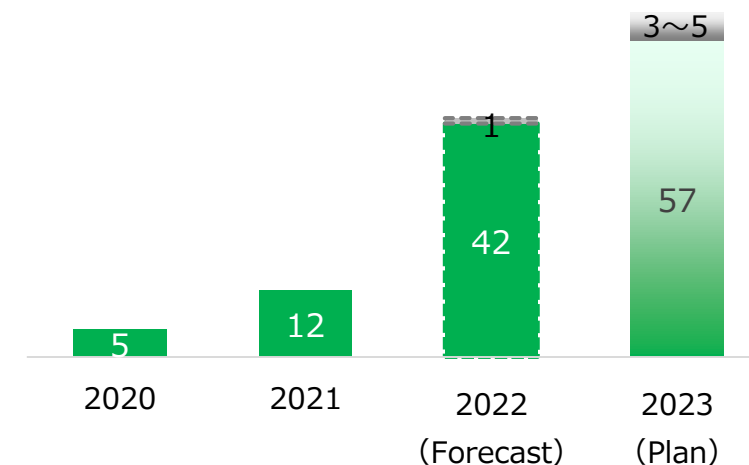
(¥bn.)

■ occupancy rate



(Reference) Number of newly opened facilities and service office

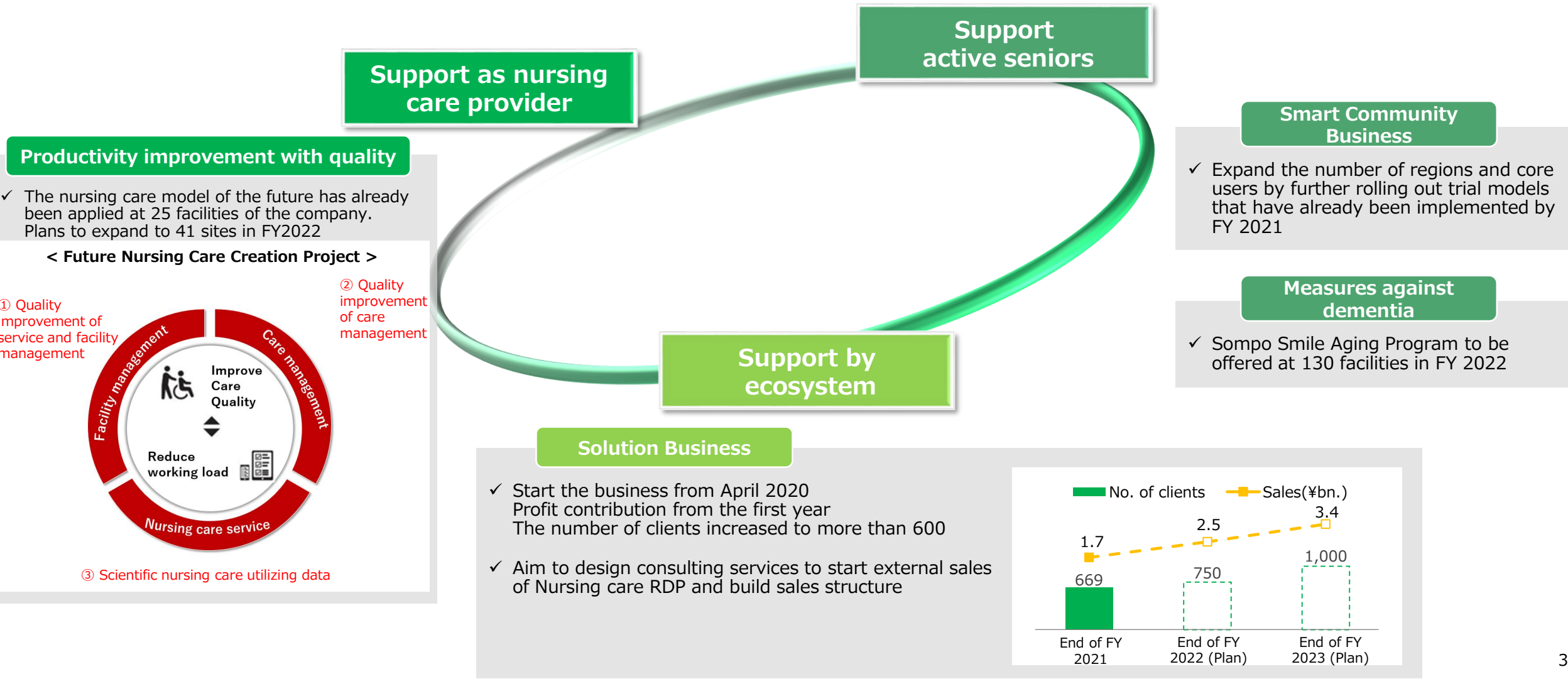
■ Residential service office
■ Home-based service facility



In addition to the construction of a new facility, we will also utilize M&A to continuously expand the number of users
(We purchased "Nexus Care" which became a subsidiary in April 2022)

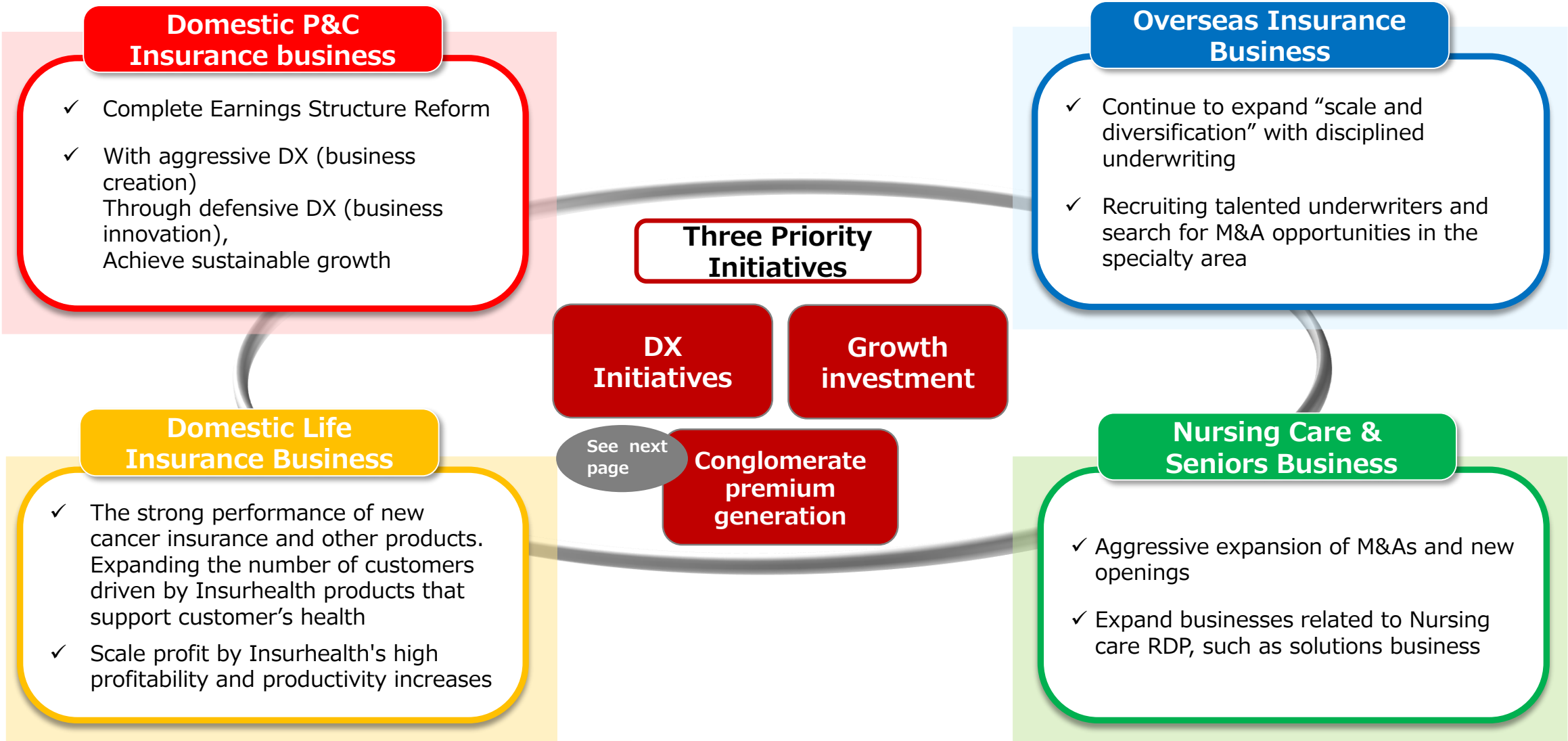
Nursing Care & Seniors Business (2) -Initiatives in 3 Basic Strategies-

- 3 basic strategies progress steadily in spite of the COVID-19 pandemic, aiming for further early development toward FY2023, the final year of the Medium-Term Management Plan



Toward Achieving FY2023 Plan (Summary)

- Our initiatives to achieve sustainable growth in each business has been on track
- Achievability of FY2023 business plan has been reinforced by the Group’s three priority initiatives.

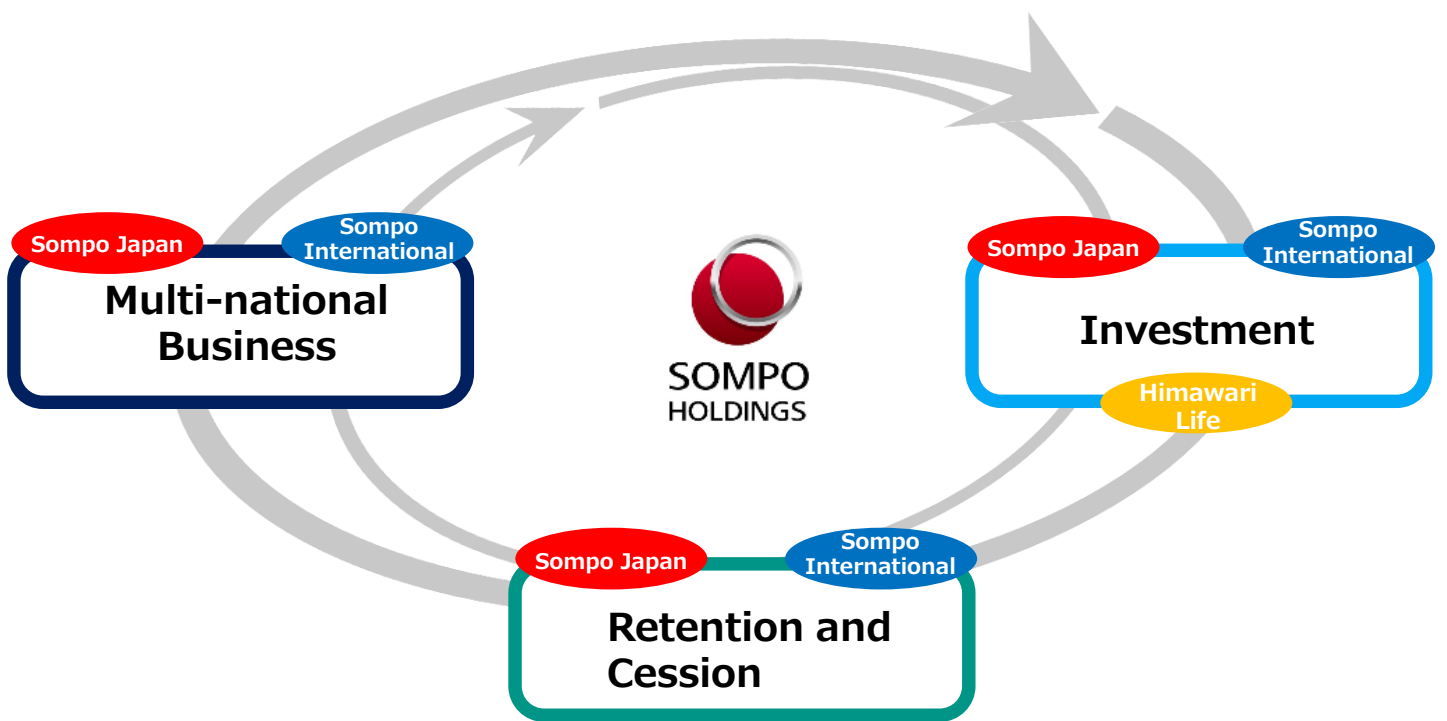


Generation of conglomerate premium

- The Group initiates a project to intensively pursue the Group’s best leveraging the holding company’s centripetal force
- As first step, deliverables are sought in the areas of reinsurance, investment, and multi-national business to enforce the achievability of the FY 2023 business target

Project Overview

The Steering Committee headed by Group COO and three working groups thereunder thoroughly pursue the Group’s best



Retention and Cession	<ul style="list-style-type: none"> ✓ Optimization of holdings on a group basis ✓ Review of reinsurance cover
------------------------------	--



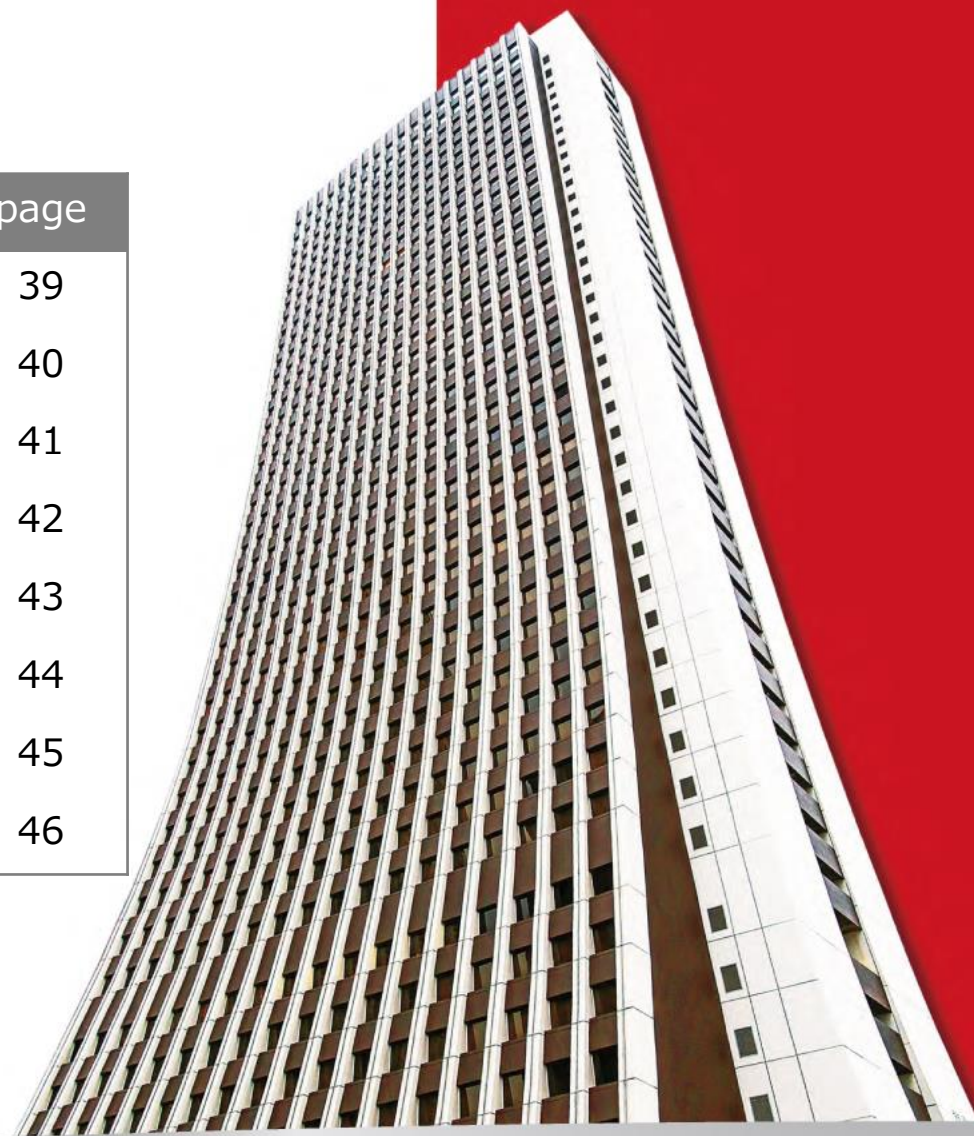
Investment	<ul style="list-style-type: none"> ✓ Further risk-taking ✓ Utilization of group surplus capital
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Multi National Business	<ul style="list-style-type: none"> ✓ Establishment of a multi-national platform ✓ Joint use of systems and digital technologies and expansion of cross-selling
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III . Reference

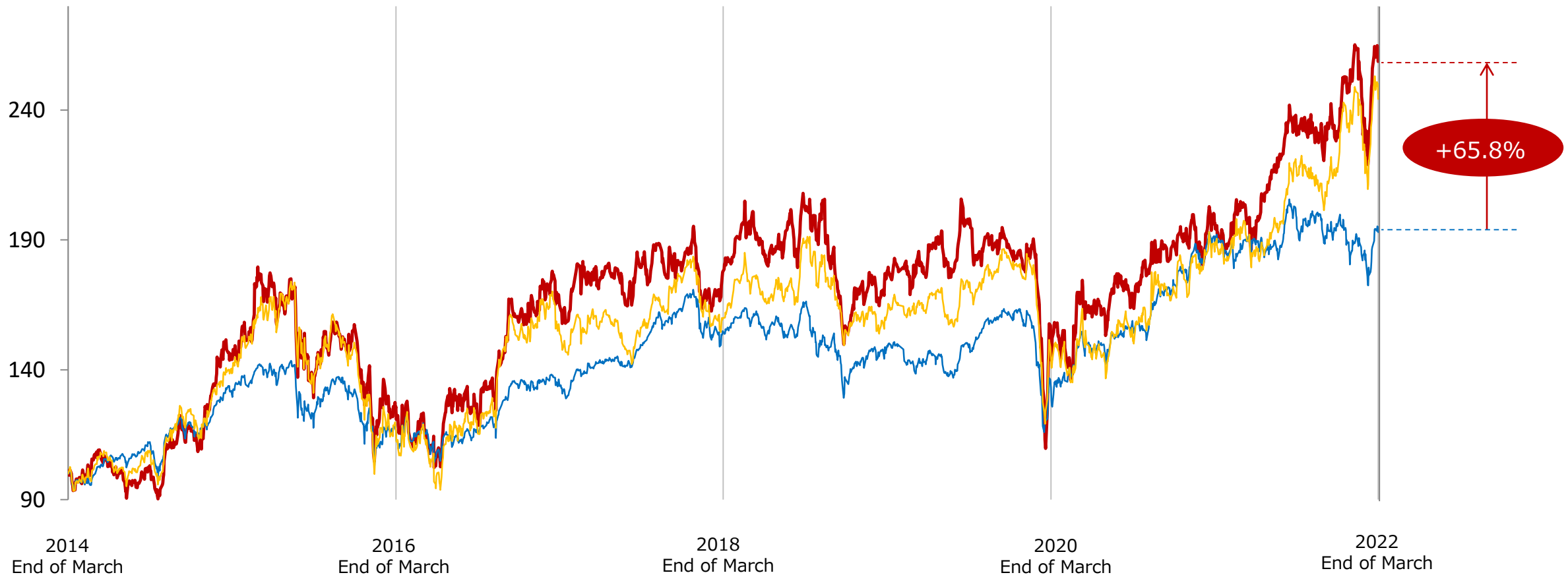
Title	page
TSR	39
Asset Portfolio -Group Consolidated-	40
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TSR

Total Shareholder Returns (March 31, 2014 to March 31, 2022)

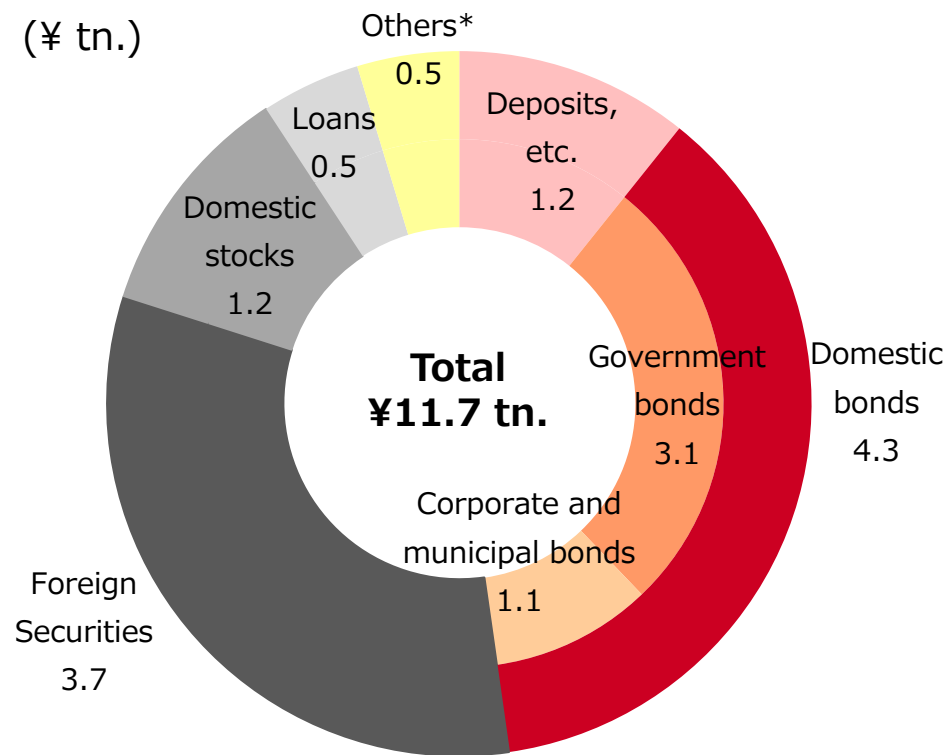
SOMPO — TOPIX — Tokyo Stock Price Index (Insurance) — Index with March 31, 2014 as 100



Asset Portfolio -Group Consolidated-

- Stable portfolio has been developed mainly consisting of bonds, with liability, liquidity, credit and other risk factors focused.
- Flexibly review and adjust hedging strategies and asset allocation in light of interest rate and foreign exchange trends

Amount of investment assets (as of the end of March 2022, group consolidated basis)



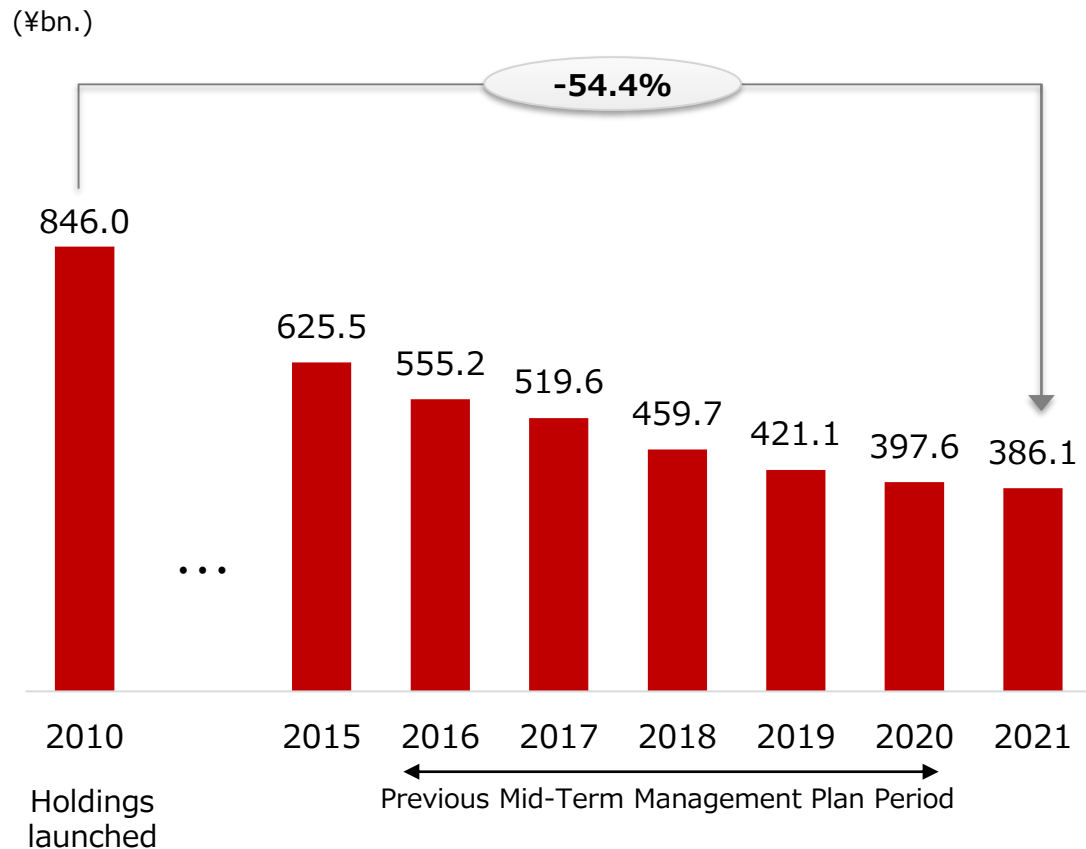
Investment assets by company

(¥bn.)	Amount of investment assets	Composition
Sompo Japan	5,552.8	47%
Overseas subsidiaries	1,995.4	17%
Himawari Life (General account)	3,800.8	32%
Saison Automobile & Fire	67.7	1%
Other domestic subsidiaries	338.7	3%
Total	11,755.6	100%

* Others include lands, buildings and stocks of non-consolidated subsidiaries, etc.

Asset Portfolio -Strategic Holding Stocks Reduction Initiatives-

Change in strategic-holding stocks book value of Sompo Japan



Strategic-holding stocks Reduction Plan and Results * 1

Reduction result in Previous Medium-Term Management Plan Period (FY 2016 to FY 2020)	¥542.7 bn.
Reduction plan in Current Medium-Term Management Plan (FY 2021 to FY 2023)	¥150.0 bn.
FY2021 Reduction Results	¥50.1 bn.

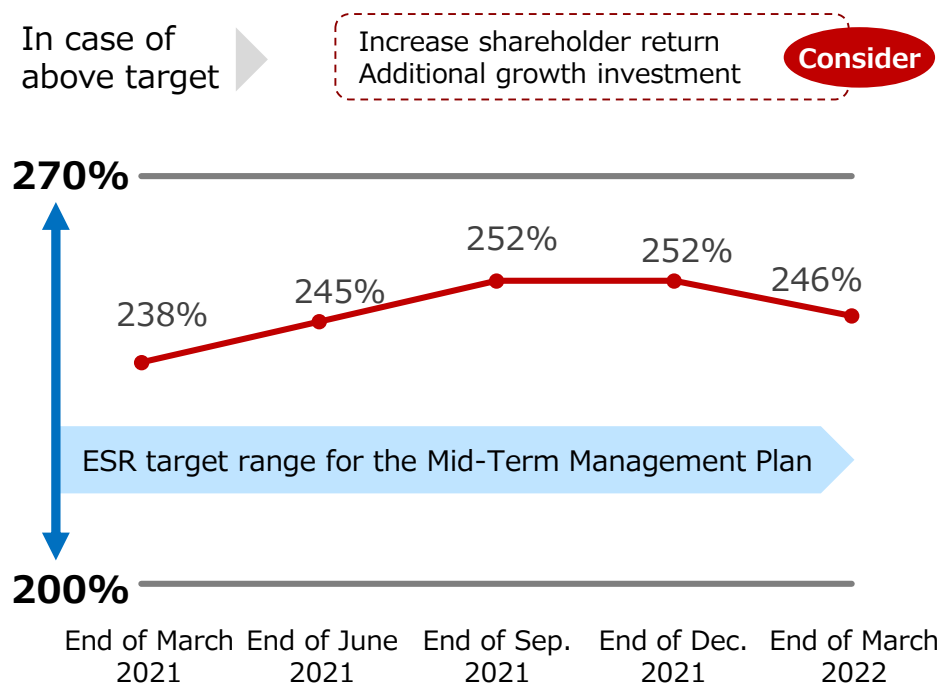
(Reference)

Five-year average ROR from the companies stocks we hold *2 **10.0%**

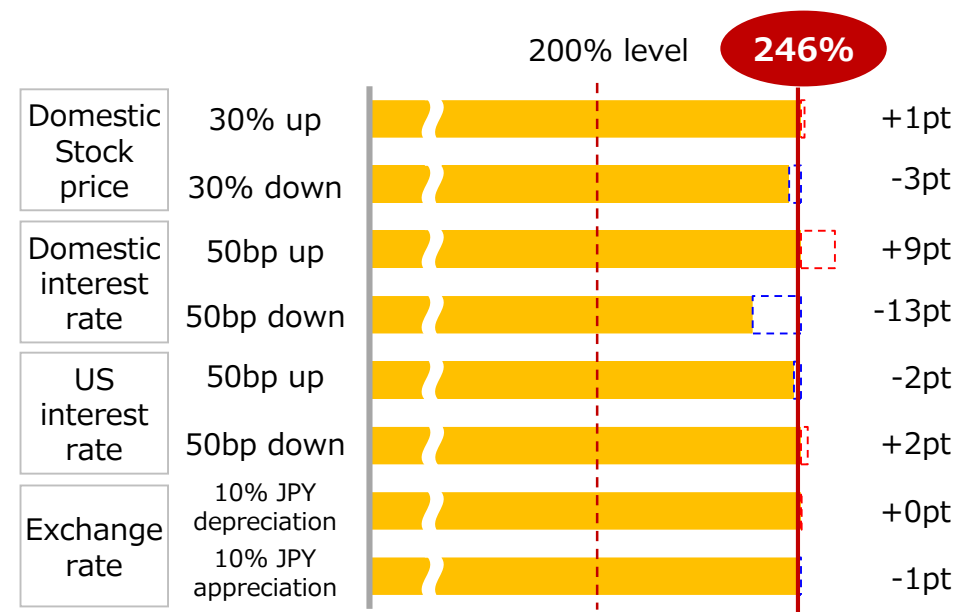
*1 market value basis *2 FY 2016 – FY 2020

ESR

ESR trend and target range



Sensitivity analysis of ESR (99.5%VaR)



(Reference) Market indicators	End of Mar.2022	(Variance*)
Domestic stock price (Nikkei 225)	¥27,821	-4.7%
Domestic interest rate (30y JGB)	0.94%	+27bp
US interest rate (10y Treasury)	2.34%	+60bp
Exchange rate (JPY/USD)	¥122.39	+10.6%

*Against end of Mar.2021

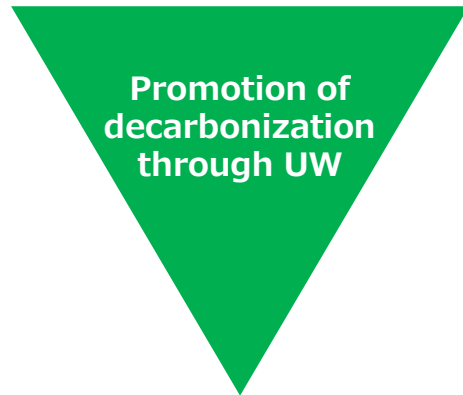
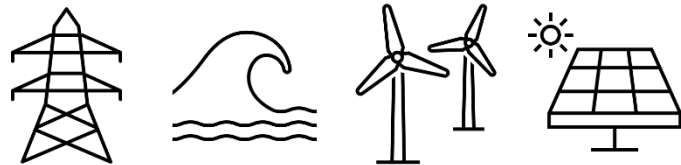
SOMPO Climate Action -Underwriting-

- Insurance for virtual power plants (VPP)
 - Comprehensive insurance for tidal power generation
 - Insurance for onshore/offshore wind power generation
 - Solar panel reuse and recycle service
-
- Contribution to transformation of society

Supporting renewable energy

Participation in international initiatives

First P&C insurer in Japan to join **PCAF**, an organization which creates international standards for formulating GHG emissions



Strengthen underwriting policies of high emitting sectors

New

SOMPO Group will not underwrite any new insurance policy and stop investments and financing for new and **existing coal-fired power plants and coal mine.**¹

In addition, SOMPO will also stop underwriting new policy or investment for tar sands and energy exploration projects in Arctic National Wildlife Refuge (ANWR).

¹ However, if the integrated greenhouse gas reduction efforts are expected to align with the Paris Agreement, we may consider to insure or invest in projects with innovative technologies and techniques such as carbon dioxide capture, utilization and storage technology (CCS, CCUS), and ammonia co-firing, with a careful thought.

SOMPO Climate Action -Asset Management-

- **ESG questionnaires** are conducted annually for approximately **1,700 investees of corporate equity**, including unlisted companies, to **promote decarbonization**
- Provide **climate risk analysis services** in collaboration with NIED*¹ to support **TCFD disclosure**



Strengthen dialogue with around **top 20 GHG emitters** in investment portfolio by 2025

Strengthening engagement with clients

Participation in international initiatives

Reduction of GHG emissions of assets

Reduction of Sompo Group GHG emissions

Domestic P&C **Overseas** **Domestic Life**

Scope 1-3 (Excluding Category 15)

60% reduction by 2030*²

In addition

Scope 3 Category 15 (Investments)

25% reduction by 2025*³

First P&C insurer in Japan to join NZAOA
SOMPO Asset Management joins NZAM



*1 National Research Institute for Earth Science and Disaster Prevention; *2 Relative to FY 2017; *3 Target for March 2025, compared to fiscal 2019.

SOMPO Climate Action -Achievements-

Insurance Products

Other Actions

Adapt

- ✓ **Expansion of AgriSompo** (2nd in North America Agricultural insurance market share)
 - ✓ Weather Index Insurance (Thailand)

- ✓ **【First in Japan】 Disaster prevention and mitigation using AI**
 - ✓ Partnership with One Concern and Weathernews
- ✓ Issuance of Nat Cat bond “Sakura Re 2021-1”
- ✓ “Nobody left behind” POC (Kochi)

Mitigate

- ✓ **“ONE SOMPO WIND SERVICE”** for offshore wind power operators
- ✓ Tidal power generation
- ✓ Virtual power plants (VPP)
- ✓ Municipal renewable energy supply

- ✓ Zero Carbon Consulting [Collaboration with Kansai Electric]
- ✓ Service to promote the reuse & recycle of solar panels

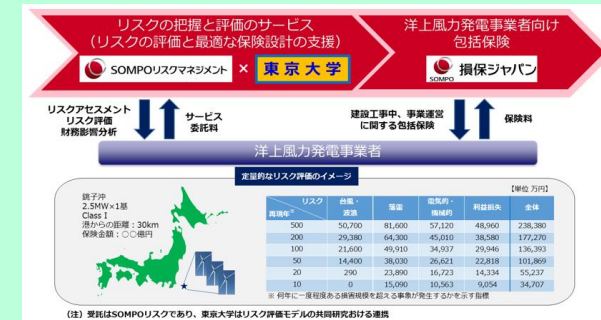
Transform

- ✓ **【First in Japan】 Ammonia Transportation**

- ✓ Climate risk analysis service in collaboration with NIED¹
- ✓ Investment into Tokyo Green Bond
- ✓ Energy conversion of organic office waste POC (Shinjuku, Tokyo)



Expansion of AgriSompo



“ONE SOMPO WIND SERVICE”

Numerical Management Targets, etc.

Numerical management targets for plan

(¥ bn.)	FY2021			FY2022		FY2023	
	(Actual)	(Variance)	(Segment ROE)* ⁵	(Forecast)	(Segment ROE)	(Plan)	(Segment ROE)
Domestic P&C insurance	157.4	+27.3	11.7%	120.0	8.7%	150.0+	11.4%
Overseas insurance	61.8	+31.8	7.1%	100.0	10.3%	100.0+	11.6%
Domestic life insurance	33.6	-0.2	4.5%	35.0	4.8%	40.0+	5.7%
Nursing care & seniors* ³	5.9	-2.2	10.7%	6.0	10.3%	8.0+	14.3%
Digital, etc.	2.4	+2.4	-	1.0	-	2.0+	-
Total (Adjusted consolidated profit)	261.3	+59.1	-	260.0	-	300.0+	-
Adjusted consolidated ROE*⁴	9.4%	+1.4pt	-	9.2%	-	10%+	-
ROE (J-GAAP)	11.1%	+3.2pt	-	7.9%	-	-	-

Definition of adjusted profit*¹

Domestic P&C insurance	Net income + Provisions for catastrophic loss reserve, etc. (after tax) + Provisions for reserve for price fluctuation (after tax) - Gains/losses on sales of securities and impairment losses on securities (after tax)
Overseas insurance	Operating Income* ² Equity-method affiliates are in principle included as net income
Domestic life insurance	Net income + Provision of contingency reserve (after tax) + Provision of reserve for price fluctuation (after tax) + Adjustment of underwriting reserve (after tax) + Deferral of acquisition costs (after tax) - Depreciation of acquisition costs (after tax) - Gains/losses on sales of securities and impairment losses on securities (after tax)
Nursing care/seniors	Net income
Others	Net income
Digital	Net income - Gains/losses and impairment losses on investment (after tax)

*1 Adjusted profit for each business excludes one-time factors and special factors such as subsidiary dividends, etc.

*2 Operating income excluding one-time factors (= Net income - Net foreign exchange gains/losses - Net realized and unrealized gains/losses - Net impairment losses recognized in earnings, etc.)

*3 FY2020 nursing care & healthcare, etc., adjusted profit = Net income (excluding one-time factors)

*4 Adjusted consolidated ROE = Adjusted consolidated profit / Adjusted consolidated net assets (The denominator is the average balance at the end/start of each fiscal year.)

Adjusted consolidated net assets = Consolidated net assets (excluding life insurance subsidiary's net assets) + Catastrophic loss reserve, etc., in domestic P&C insurance (after tax) + Reserve for price fluctuation in domestic P&C insurance (after tax) + Domestic life insurance adjusted net assets

Domestic life insurance adjusted net assets = Net assets (J-GAAP) + Contingency reserve (after tax) + Reserve for price fluctuation (after tax) + Adjustment of underwriting reserve (after tax) + Non-depreciated acquisition cost (after tax)

*5 ROE for each business = Adjusted profit for each business / Allocated capital for each business (Total consolidated net assets of the companies of each business or the required capital based on risk model. Average at the end/start of each fiscal year.)

Regarding the ROE for each business, it is not suitable to use for comparison between businesses since each business is defined differently based on its characteristics. The introduction of this aims to increase the probability of achieving the adjusted consolidated ROE and ROE targets for each business by monitoring the progress of each business.

Note Regarding Forward-looking Statements

The forecasts included in this document are based on the currently available information and certain assumptions that we believe reasonable. Accordingly, the actual results may differ materially from those projected herein depending on various factors.

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