

Evolution to SOMPO P&C

~ Progress in the Performance of Overseas Business ~



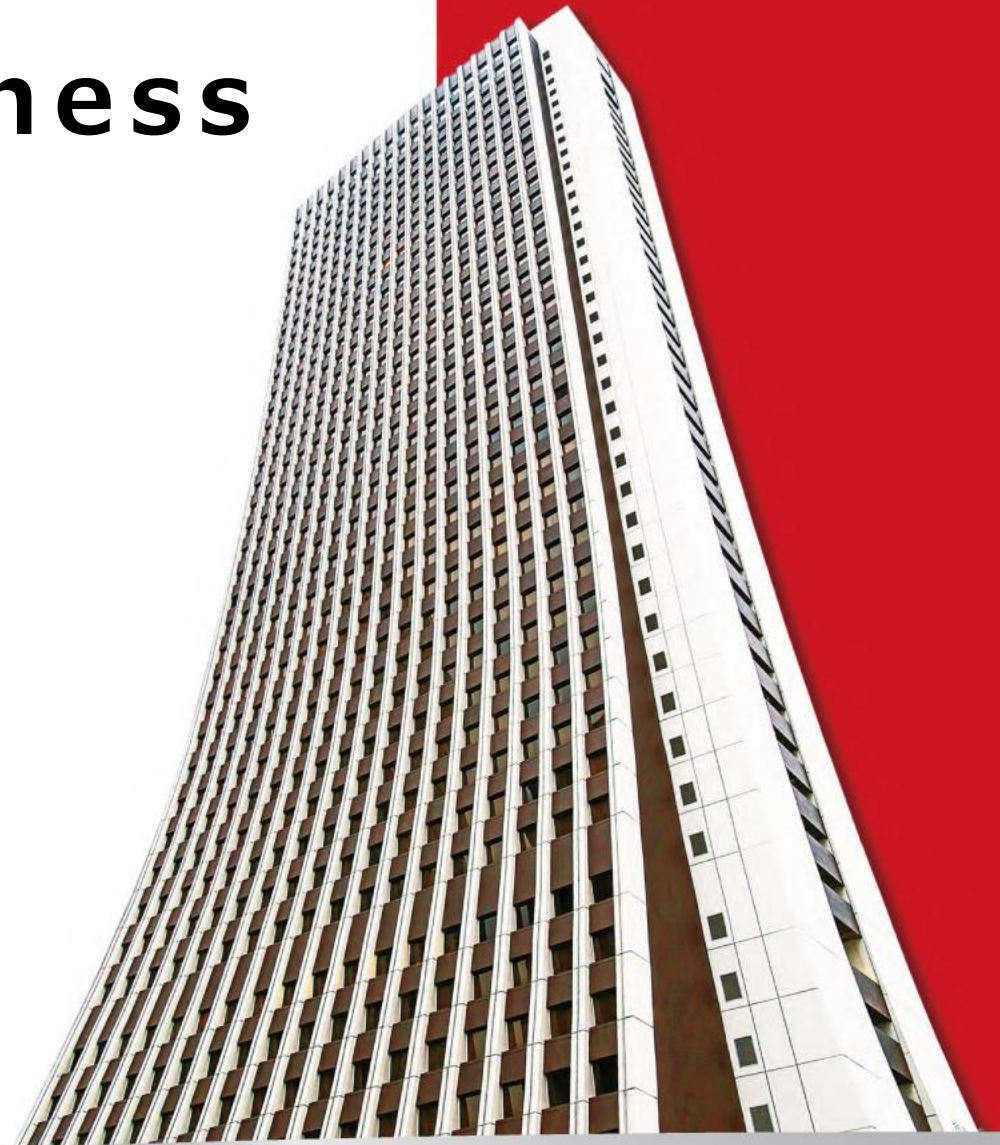
March 11, 2025

Sompo Holdings, Inc.

Table of Contents

I . Performance in Overseas Business		II . Evolution to SOMPO P&C	
Key Messages	4	Growth Story of SOMPO Group (FY2030: To-Be State without Strategic Shareholding)	14
FY2024 - 2026 Mid-term Management Plan Financial Targets	5	Growth Opportunities with SOMPO P&C	15
Sompo Overseas FY2024 Performance and FY2025 Plan Outlook	6	Towards the Commercial Business Transformation of Sompo Japan	16
Growth Strategies	7	(Reference) Sompo P&C Overview	17
Combined Ratio Improvement Driven by Underwriting Improvement	8		
SI Commercial Natural Disasters	9		
SI Commercial FY2024 Performance	10		
Consumer FY2024 Performance	11		
Key Messages (repost)	12		

I . Performance in Overseas Business



Key Messages



Strong FY2024 performance



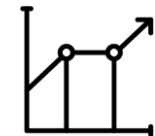
Mid-term financial targets remain on track



FY2024 adjusted profit above target



Good progress on strategic growth initiatives; delivered on FY2024 target

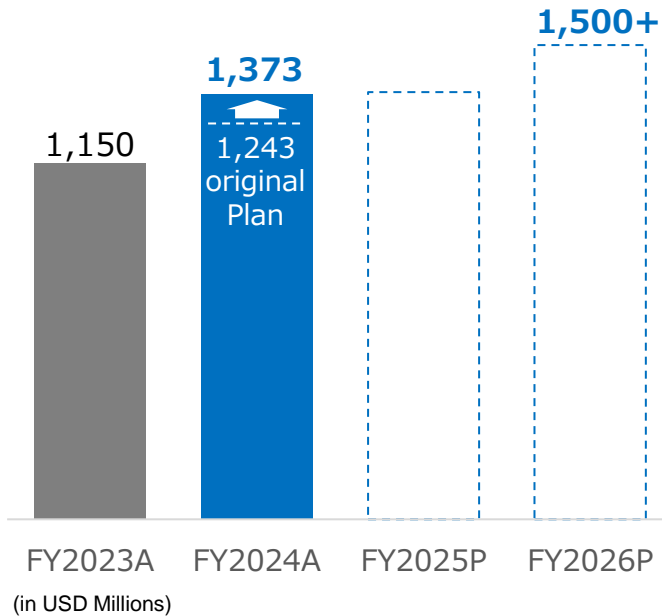


Stable underwriting performance driven by market opportunities

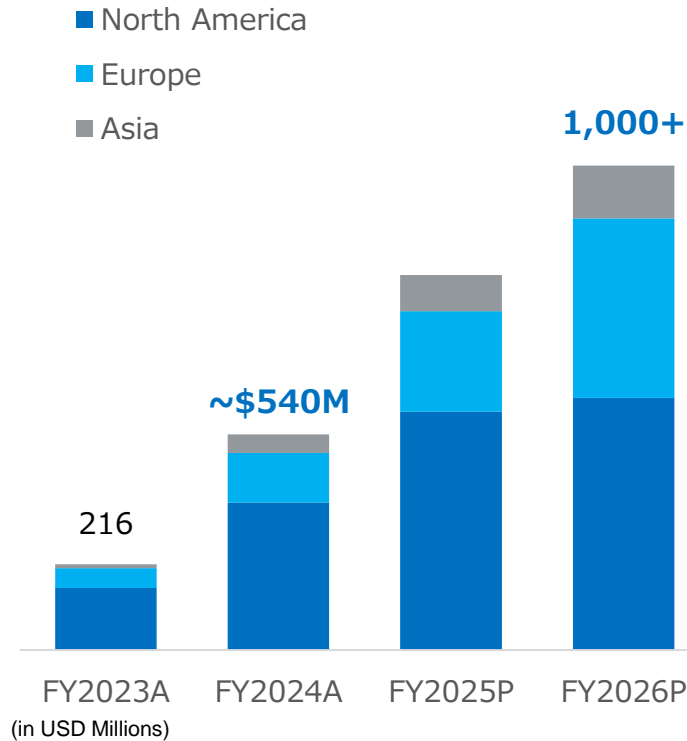
FY2024 - 2026 Mid-term Management Plan Financial Targets

- Mid-term financial targets remain on track
- FY2024 surpassed 2024 original plan targets across all three metrics

Overseas Adjusted Profit

Target**CAGR +10%**

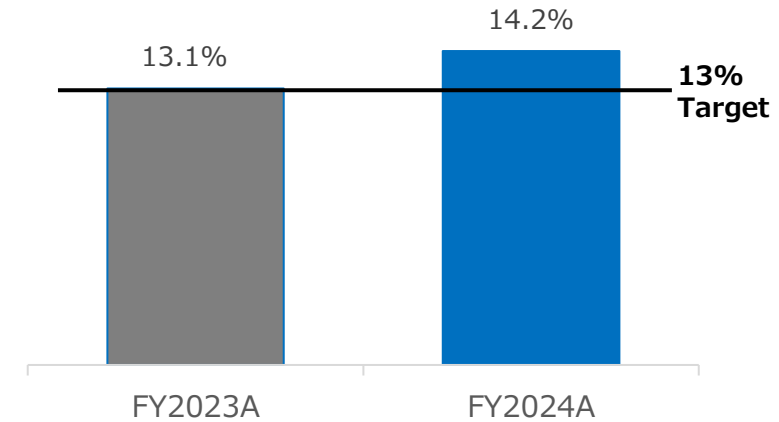
GWP for Growth Strategies

Target**GWP \$1.0B+**

Operating Return on Equity for SI

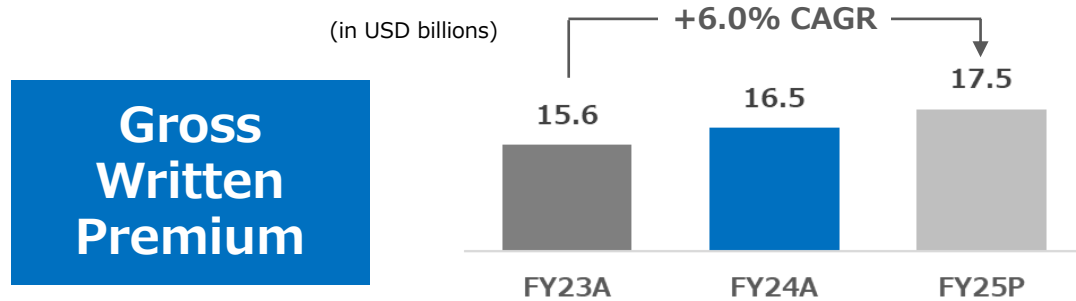
Target**13%**

- Remitted \$1B of dividends in FY2024
- Expect to meet / exceed target through the cycle

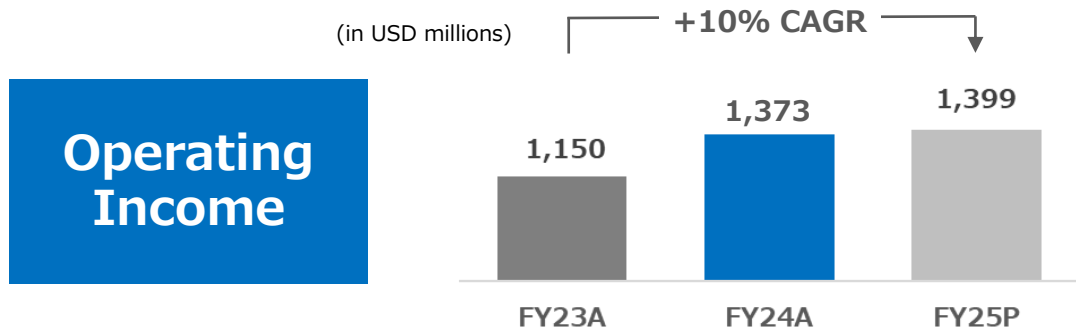


Sompo Overseas FY2024 Performance and FY2025 Plan Outlook

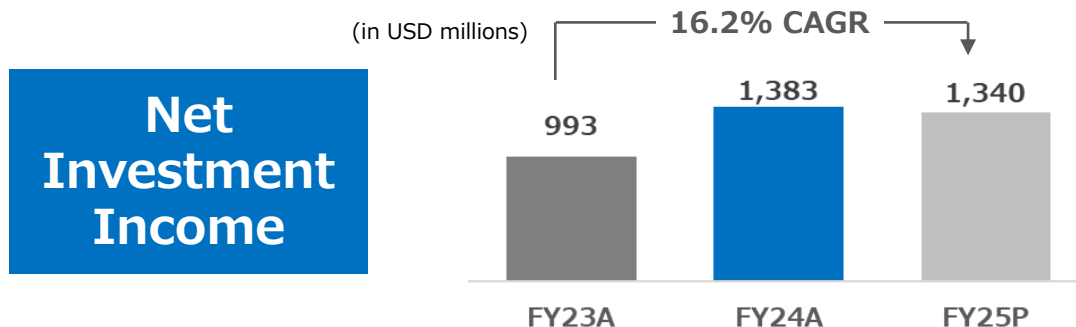
- FY2024 performance was strong across gross written premium, operating income, and net investment income



- FY2024 grew 9.3% excluding AgriSompo
- ~\$540M from growth initiatives in FY2024
- ~6% planned YoY growth in FY2025



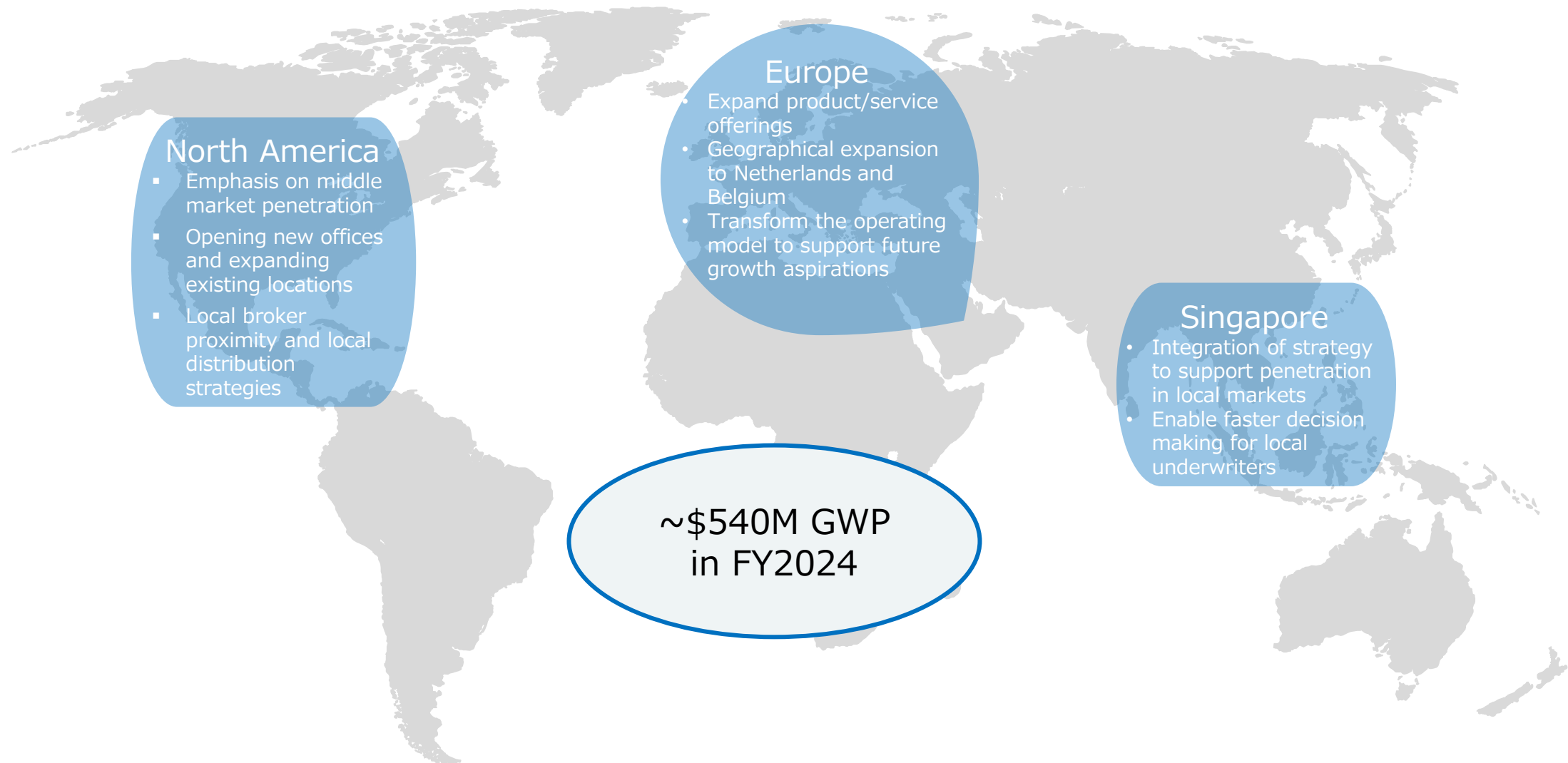
- FY2024 Underwriting Income increased \$314M year-over-year
- FY2024 Loss Ratio decreased ~5.1ppt year-over-year
- Growth in FY2025 primarily driven by continued underwriting discipline



- Net Investment Income increased \$390M or 39.3% in FY2024
- FY2024 SIH portfolio total return was 4.78%
- FY2025 growth is expected to moderate as book and market yields converge

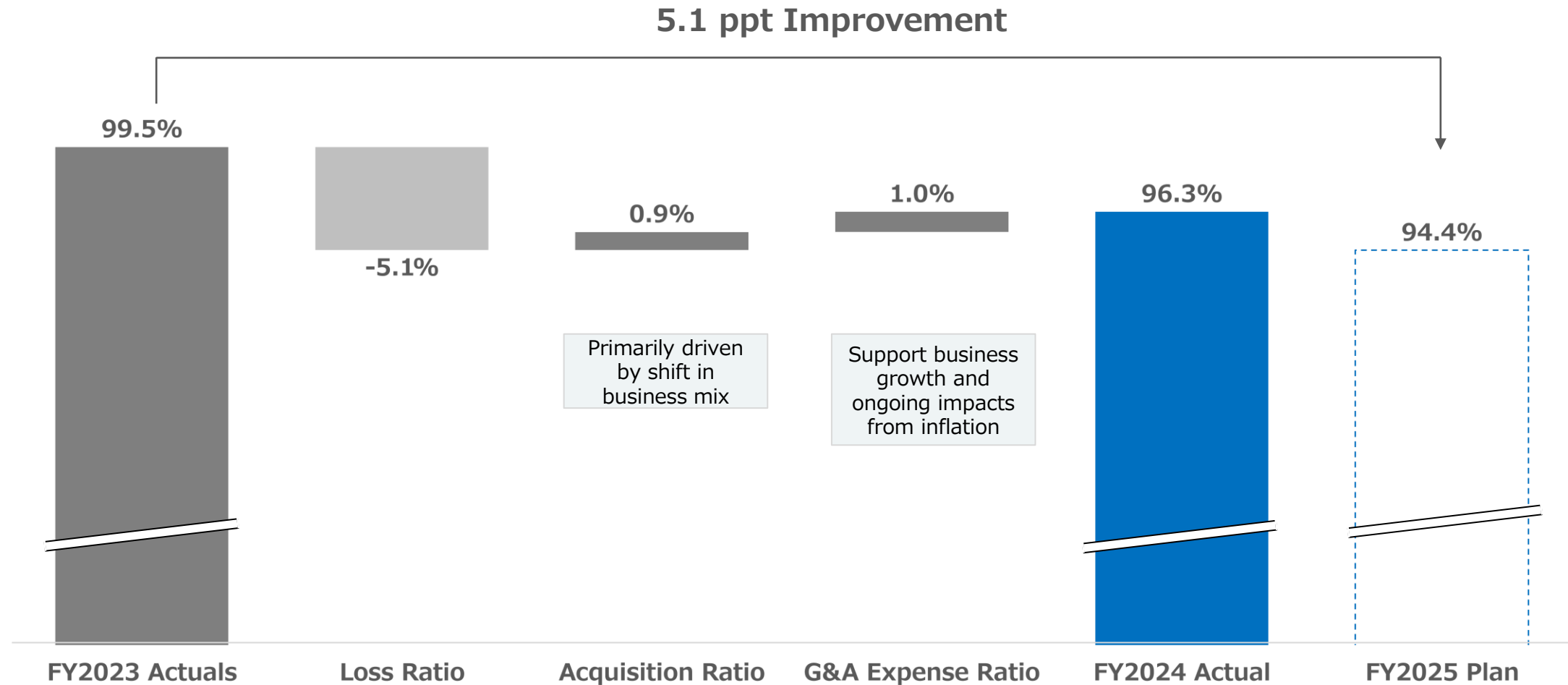
Growth Strategies

- Strategic growth initiatives are expected to increase gross written premiums by over \$1 billion by FY2026 through organic growth opportunities in the US, Continental Europe (including UK), Canada and Singapore
- Delivered ~\$540M of GWP in FY2024



Combined Ratio Improvement Driven by Underwriting Improvement

- Combined ratio in line with expectations; catastrophe loss experience modestly offset by mix shift
- FY2024 Sompo Overseas combined ratio 3.2 ppt lower than FY2023 reflecting stable underwriting results



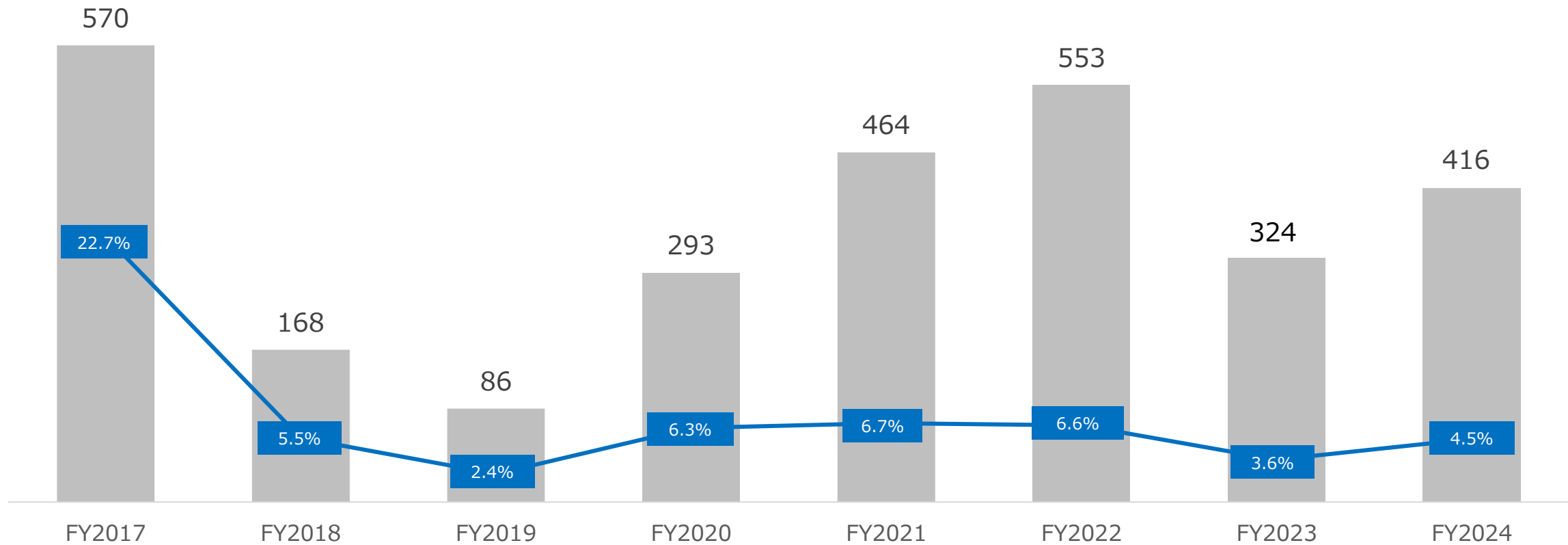
* Note FY2023 included one-time prior year reserve strengthening of \$575m

SI Commercial Natural Disasters

Net incurred losses related to overseas natural disasters* (accident year)

(\$ mn.)

Loss ratio impact
(vs. Net premiums earned)



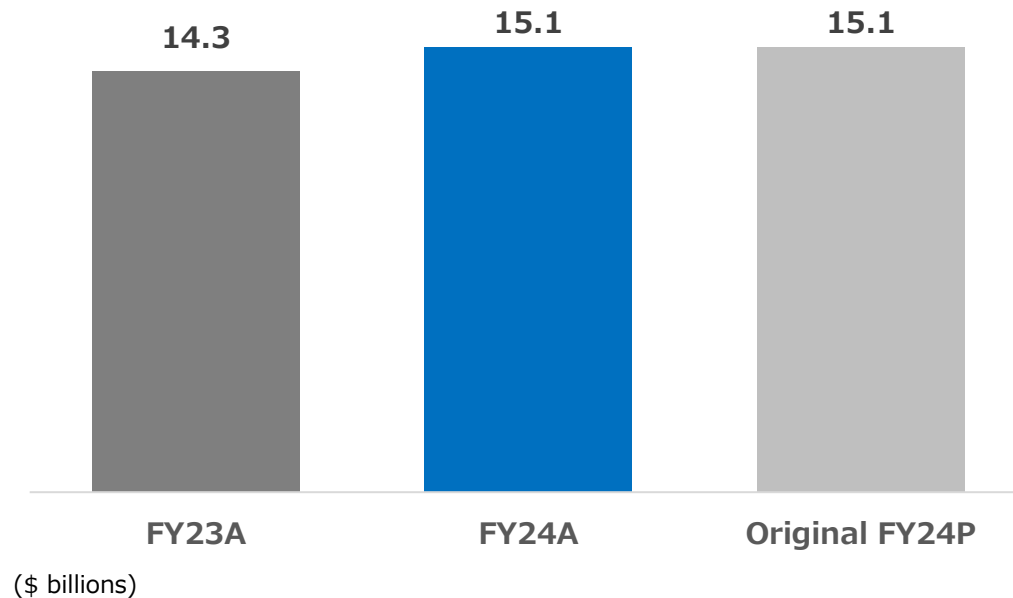
* Losses related to natural disasters includes the impact of reinstatement premiums

SI Commercial FY2024 Performance

- Gross Written Premium increased 5.4% year-over-year in FY2024 and flat to original Plan
- Combined Ratio improved 3.7% year-over-year and was modestly higher than Plan primarily driven by reserve strengthening and business mix

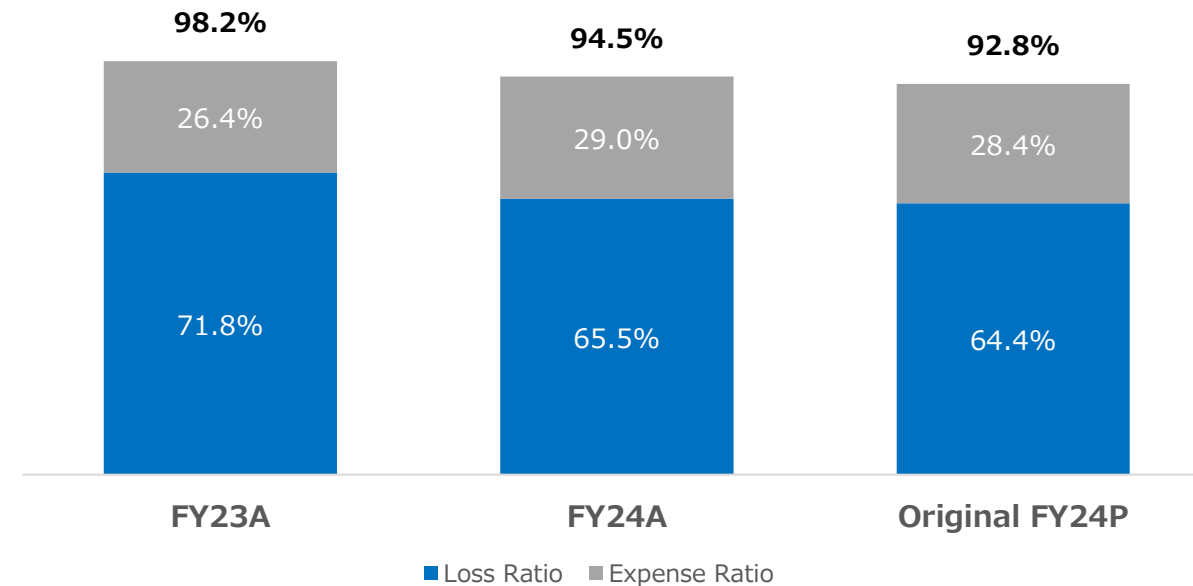
Gross Written Premiums

- Strong year-over-year growth across Global Markets, Reinsurance and North America
- AgriSompo was lower year-over-year primarily due to lower commodity prices



Combined Ratio

- Lower combined ratio year-over-year driven by lower loss ratio from FY2023 adverse development
- Expense ratio was higher year-over-year primarily to support business growth and from changes in business mix

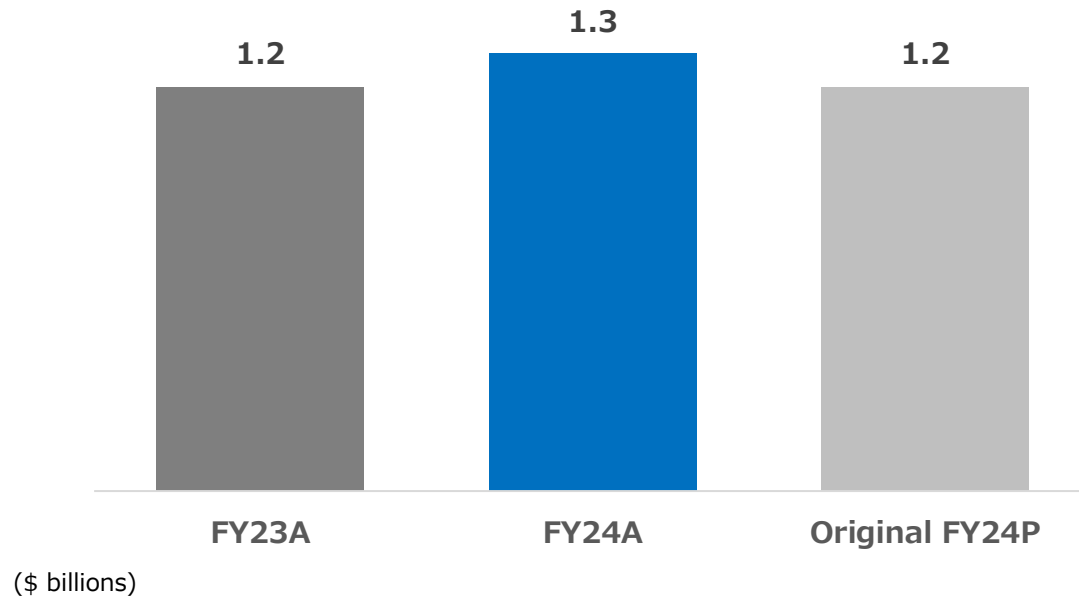


Consumer FY2024 Performance

- Gross Written Premium increased 13% year-over-year and exceeded original Plan
- Combined Ratio increased 3 ppt year-over-year and was ~6 ppt higher than Plan primarily due to ongoing inflationary impact in Turkey and strategic reinsurance

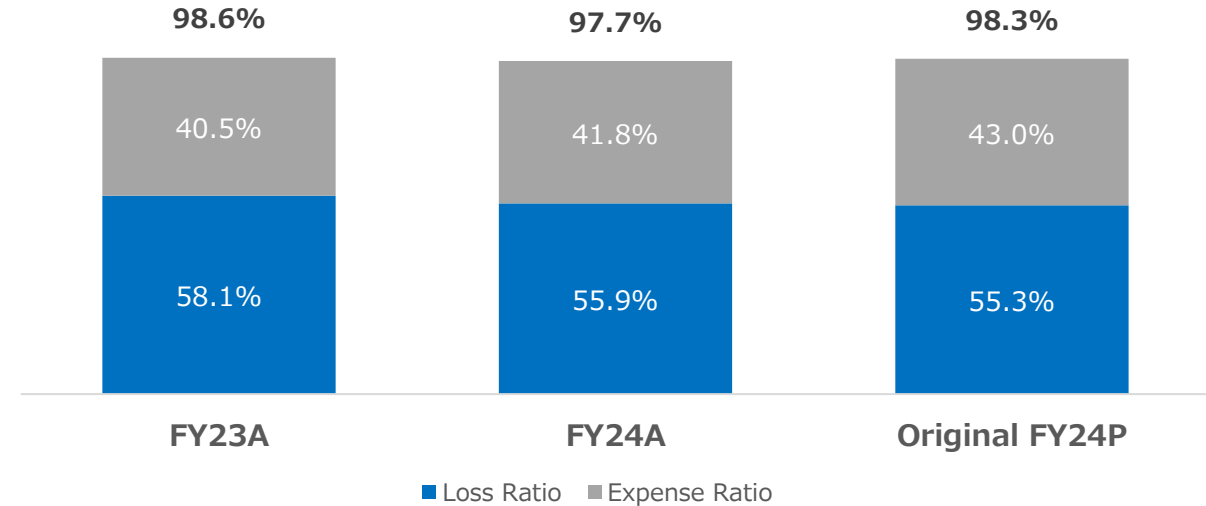
Gross Written Premiums

- Year-over-year growth driven by Turkey partially offset by exit of the Brazil market in FY2023
- Excluding Brazil, GWP increased 33% year-over-year
- Improvement vs Plan primarily driven by Turkey



Combined Ratio (APAC)

- Combined ratio was 0.9ppt lower than prior year and 0.6ppt lower than Plan



Turkey

- Overall Turkey adjusted profit increased 47% versus prior year and 38% versus Plan as inflationary impacts to losses were more than offset by higher net investment income

Key Messages (Repost)



Strong FY2024 performance



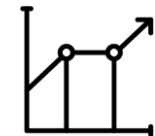
Mid-term financial targets remain on track



FY2024 adjusted profit above target



Good progress on strategic growth initiatives; delivered on FY2024 target



Stable underwriting performance driven by market opportunities

II. Evolution to SOMPO P&C



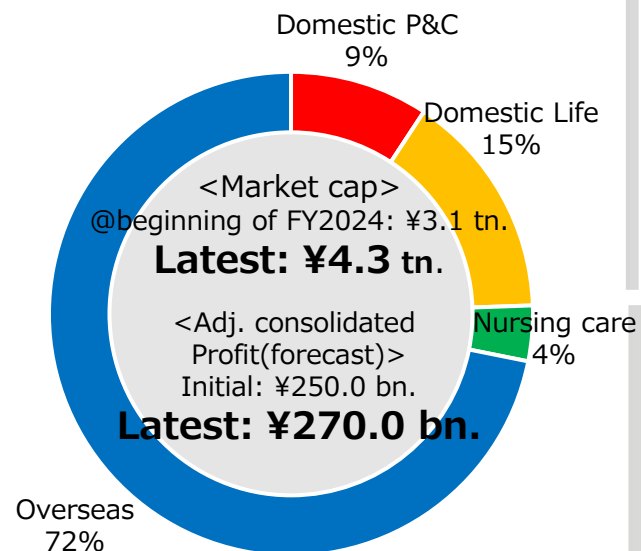
Growth Story of SOMPO Group (FY2030: To-Be State without Strategic Shareholding)

- Recognizing changes in the external environment as an opportunity to achieve sustainable growth, the SOMPO Group is promoting "Increase resilience" and "Connect and be connected"
- From FY2025, the business domain will be consolidated into "SOMPO P&C" and "SOMPO Wellbeing", which will strengthen cooperation across business and regional boundaries

FY2024

FY2025-2026

To-Be (FY2030)



SOMPO P&C

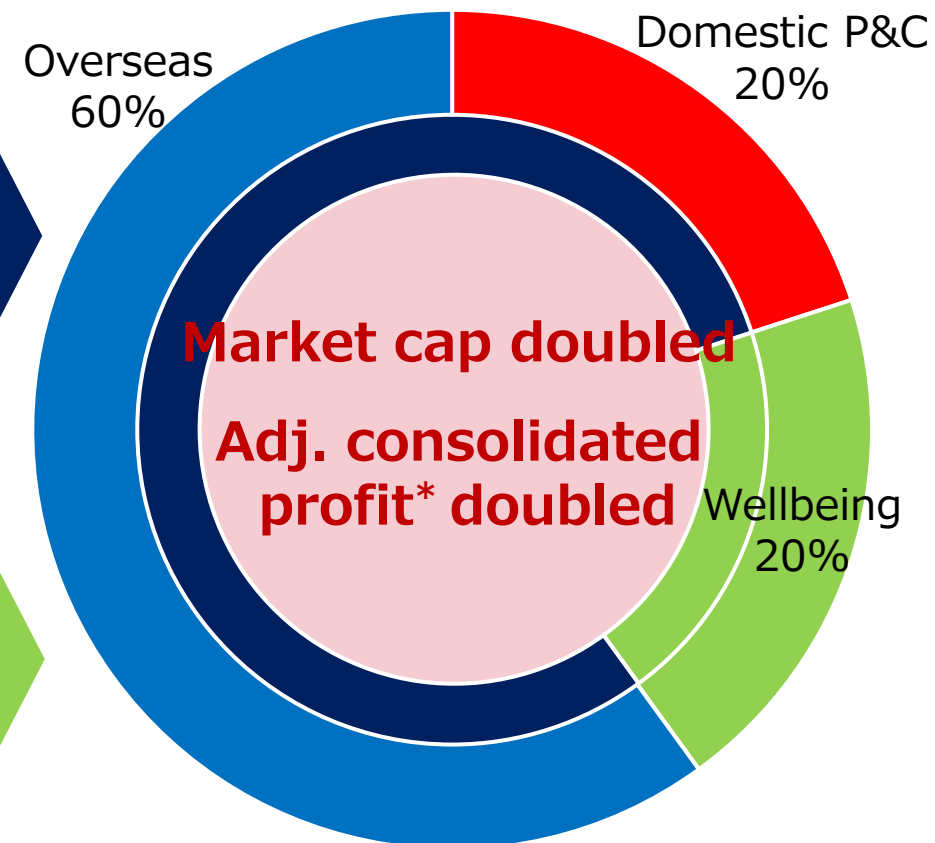
A strong integrated balance sheet/
Center of excellence

Increase resilience

Connect and
be connected

SOMPO Wellbeing

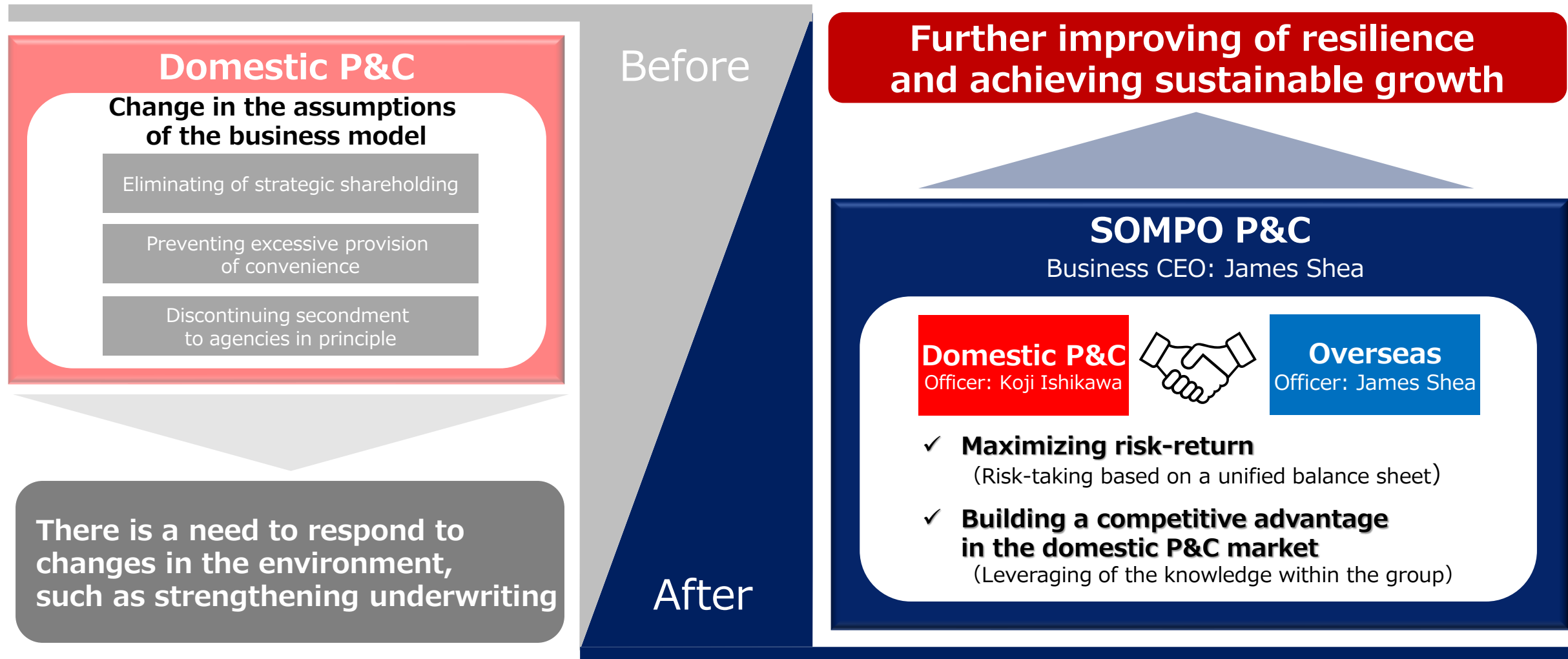
At your side at all times/
Extending of health



*Compared to the beginning of FY2024. Adjusted consolidated profit for FY2024 is based on the current definition, profit weight is based on the forecast announced in Nov. 2024.
Adjusted consolidated profit for FY2030 is IFRS-based

Growth Opportunities with SOMPO P&C

- In an environment of increasing uncertainty, Domestic P&C Business and Overseas Business will work together to maximize risk-adjusted returns and further improve resilience
- SOMPO P&C management board has already begun preliminary meetings, and will address medium to long-term issues in addition to areas where early results are expected



Towards the Commercial Business Transformation of Sompo Japan

- Sompo Japan's commercial business is in the process of transforming itself into a company that provides comprehensive solutions based on expertise in SJ-R
- Under the platform of SOMPO P&C, we will not only reform sales, but also achieve a transformation of the entire commercial business, aiming to improve profitability and resilience

Improving profitability and resilience

SOMPO P&C in charge (Commercial business owner at Sompo Japan) : Kenneth Reilly

Utilizing SI's expertise of commercial underwriting

SJ-R

Commercial sales reform

- ✓ Aim to become a partner that provides risk assessment and solutions to businesses without relying on strategic shareholdings, etc.
- ✓ Increase solution lineup through further expertise by expediting division of duties

Products & services

「SOMPO Commercial Solutions」

Develop a new structure to deliver risk solutions, including insurance, under one brand at one stop

Improvement in sales capabilities

New business developments by field underwriters

Improvement in sales capabilities by accelerating specialization mainly in liability and specialty

Developing and strengthening specialists

- Provide highly specialized training by using external consultant as well as enhancing the internal learning platform (Improve talent capabilities + increase specialization)
- Division of duties and specialization of sales

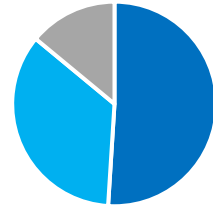
(Reference) Sompo P&C Overview



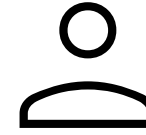
Gross Written
Premium

+\$30B

Premium by Line of Business



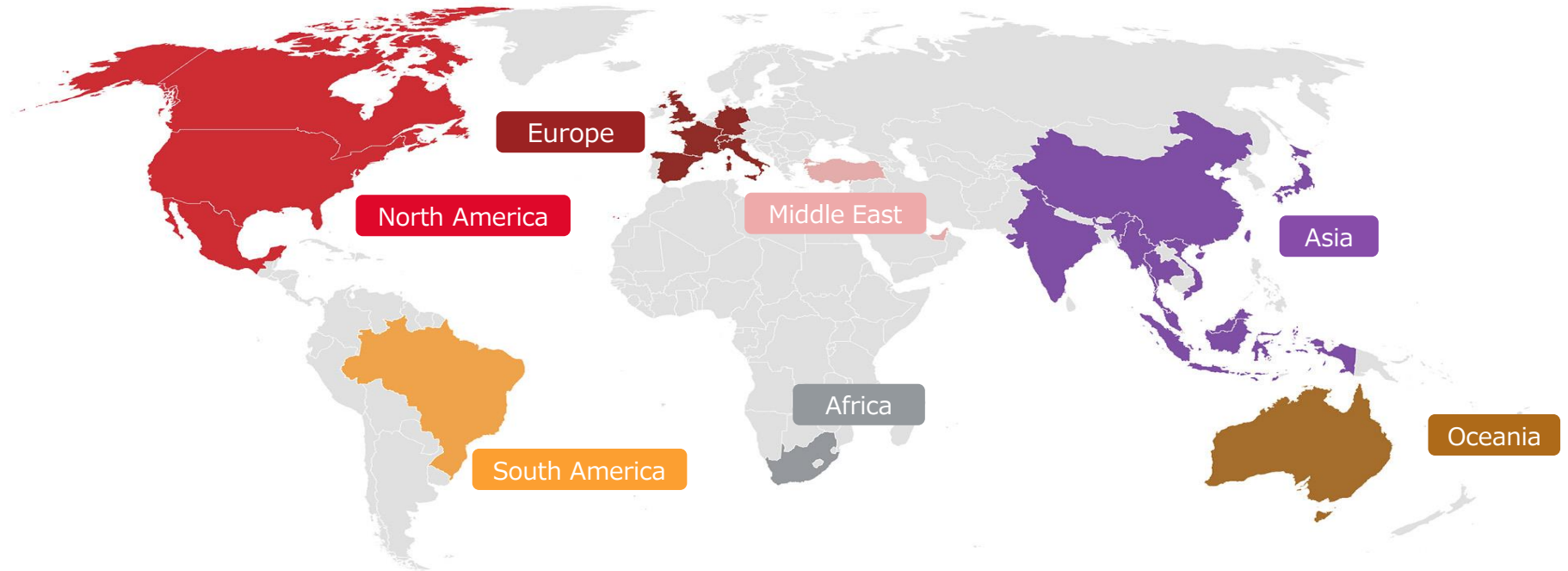
- Commercial
- Consumer
- Reinsurance



Employees
Worldwide

40,000+

Sompo Group operates in 28 countries and regions, including North America, Europe, Middle East, Africa, Latin America, Asia and Oceania



Note Regarding Forward-looking Statements

Forecasts included in this document are based on currently available information and certain assumptions that we consider reasonable at this point in time. Actual results may differ materially from those projected herein depending on various factors.

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