

October 20, 2022

Mitsui Sumitomo Insurance Co., Ltd.

MS Amlin Underwriting Limited's Settlement Agreement with UK Prudential Regulation Authority

The MS Amlin Underwriting Limited (hereinafter "MS AUL"), a subsidiary of Mitsui Sumitomo Insurance Co., Ltd. (CEO Shinichiro Funabiki, hereinafter "MSI", a subsidiary of MS&AD Insurance Group Holdings, Inc.), has reached a settlement agreement with the Prudential Regulation Authority (hereinafter "PRA") and agreed to pay a financial penalty of GBP 9,695,000.

The financial penalty covers historic issues that began under the previous management structure, prior to MSI's acquisition of Amlin plc in February 2016. The PRA indicated that the corporate governance and controls of MS AUL, a subsidiary of Amlin plc, was not adequate in the period covered by the Final Notice, which triggered subsequent enforcement action and financial penalty.

MSI, together with MS AUL, takes PRA indication seriously and has responded sincerely to the investigation.

To date, MSI and MS AUL have proactively engaged with PRA to resolve the issues. A programme of remediation was successfully concluded, which was recognized by PRA in the Final Notice.

MSI supports MS AUL and its management team, in its continued transformation and modernisation of the business, which has demonstrated a return to profitable growth.

MSI is committed to developing and expanding its international operation, while ensuring effective corporate governance and controls of its overseas subsidiaries.