# About Aioi Nissay Dowa Insurance

<table>
<thead>
<tr>
<th>Name</th>
<th>Aioi Nissay Dowa Insurance Co., Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation</td>
<td>30 June 1918</td>
</tr>
<tr>
<td>Location</td>
<td>Tokyo, Japan</td>
</tr>
<tr>
<td>Employees</td>
<td>13,287</td>
</tr>
<tr>
<td>Main business</td>
<td>Non-life insurance</td>
</tr>
<tr>
<td>Net premium income</td>
<td>11.5 billion USD (Motor insurance 69.7%)</td>
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※Motor insurance comprises around 60% of Japan’s non-life insurance market

- Aioi is the core company of insurance and financial group MS&AD Insurance Group.
- MS&AD Insurance Group enjoys the top share of domestic non-life insurance premiums.
- Aioi has a historical partnership with Toyota Motor Corporation.
Motor insurance – Past, present, and future

**Past**
- Analog
- Existing cars
- Traditional motor insurance

**Present**
- Digital (Big Data)
- Connected cars
- Pay As You Drive telematics motor insurance (2004)
- Pay How You Drive telematics motor insurance (2018)
- Insurance for mobility services

**Future**
- Automated cars
- New mobility services (carsharing, ridesharing, mobility as a service <MaaS>)

**Initiatives**
- Compensation > Services
- Compensation / Services
- Compensation < Services

**Background**
- New mobility services (carsharing, ridesharing, mobility as a service <MaaS>)
Japan’s first insurance product that reflects customer’s driving behavior data (from 4/2018)

<table>
<thead>
<tr>
<th>Safety driving score (per trip)</th>
<th>Save money (by safe driving)</th>
<th>Proactive claims service (collision call)</th>
</tr>
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</table>
| Driving behavior-based premiums (variable) | *Safe driving reduces driving-based premium amount! | • Safety confirmation call  
• 24/365 support |
| Basic premiums (fixed) | |  |
Present: Aim for higher profit

Profit structure

Traditional motor insurance

Now

Company costs

Fees

Insurance payouts

Profit

Telematics motor insurance

Higher costs? Lower unit price?

Our aim

Higher company costs

→ Lower profit

Company costs

Fees

Reduction in payouts goes toward profit

Promoting safe driving reduces accidents and payouts

Insurance payouts

Premiums

Premiums

Premiums

Premiums

4
2018 Motor insurance accident frequency (\( \frac{\text{number of accidents}}{\text{number of policies}} \) )

- Pay How You Drive telematics: 8.2%
- Non-telematics: 12.4%
Future : Eyeing beyond telematics...

**Present**
- Environmental changes

**Future**
- Automated driving
- New mobility services

**Initiatives**
- Developing databases and pursuing advances in data acquisition technology
  - Expand Big Data business including automated driving
  - Take initiatives in emerging new markets

**Our goal**
- Safe and secure car society