

April 24, 2026

Sony Financial Group Inc.
President and CEO: Toshihide Endo
Security Code: 8729, TSE Prime Market

Sony Life's Initiatives for the Prevention and Early Detection of Misconduct

We hereby announce that Sony Life Insurance Co., Ltd. (President and CEO: Hiroyuki Tsubota; Head Office: Chiyoda-ku, Tokyo), a consolidated subsidiary of our company, has today posted an important notice on its website regarding its initiatives for the prevention and early detection of misconduct, as detailed in the attachment.

Please note that, at this time, the impact on our consolidated financial results is still undetermined. Should any matters requiring disclosure arise based on the results of our ongoing investigation, we will promptly disclose them.

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Our Initiatives to Prevent and Detect Misconduct Early

Sony Life Insurance Co., Ltd. (hereinafter “the Company”), has confirmed an instance of misconduct by an insurance agent (hereinafter “the agent in question”) affiliated with one of our exclusive agencies (Premier Agency, hereinafter “the agency in question”). Furthermore, following media reports of misconduct within the life insurance industry, including the Company, we have received reports from approximately 30 customers alleging inappropriate conduct involving financial matters.

We have decided to abolish the exclusive agency system and are currently verifying the details of the reports we have received. Taking this situation very seriously, we have decided to conduct a review of all contracts and financial matters involving customers for whom our exclusive agencies and employees are responsible, to ensure there are no suspicious issues. We plan to announce the progress of this review by the end of May of this year and will continue to provide updates as appropriate thereafter.

We deeply apologize for the significant inconvenience and concern this has caused to our customers and stakeholders who have placed their trust in us.

The exclusive agency system was introduced in 2007 with the aim of enabling Lifeplanner sales specialists who have gained sufficient professional experience to become independent, thereby responding to a wide range of specialized customer needs beyond the scope of life insurance.

However, as we have been required to strengthen the organizational structure of our sales agencies and in light of control-related challenges, we have continuously discussed the future of this system. Following the decision to abolish the exclusive agency system, exclusive agencies will transition to general agencies. To ensure that customers can continue to visit these agencies with peace of mind, we will thoroughly verify whether similar incidents have occurred and proceed with appropriate measures.

Furthermore, regarding the cases involving exclusive agency in question, we have already begun contacting customers for whom the agent in question was previously responsible via mail, telephone, and other means to confirm whether similar incidents have occurred.

Following the discovery of financial misconduct incidents within the Company and other cases of misconduct in the life insurance industry, we have received inquiries from approximately 30 customers alleging inappropriate financial conduct. We are currently verifying the facts on a case-by-case basis submitted by these customers. In light of our social responsibility as a financial institution, we will handle these matters with the utmost sincerity.

[Ongoing Efforts to Prevent and Detect Misconduct Early]

To prevent and detect misconduct early on, the Company has been continuously implementing the following measures 1. through 5. Currently, in light of these developments, we are re-evaluating the effectiveness of the measures we have implemented to date. Taking into account the perspectives of various stakeholders—including customers, shareholders, and society—we have been reviewing and improving our various initiatives from a multifaceted perspective.

1. Changes to procedures prone to being exploited for fraudulent purposes (FY2017 onward)

- As a general rule, we have implemented paperless application procedures using dedicated sales terminals and discontinued application procedures using paper forms.
- For procedures involving disbursements, we have implemented various measures, including strengthened identity verification, prohibiting the designation of third-party accounts, and lowering the maximum policy loan amount.
- If a customer wishes to cancel a policy after applying due to changed circumstances, the customer's signature is required.

2. Revision of Various Systems for Sales Personnel (FY2018 onward)

- We have revised the compensation and qualification systems for sales personnel and sales managers to incorporate factors such as recruitment quality and internal management status.
- In the recruitment of sales personnel, we have strengthened each screening process, including more rigorous verification of loan status prior to hiring, third-party verification of the accuracy of employment history declarations, and interviews conducted by specialized head office interviewers for all candidates.
- We have made it possible for sales personnel to choose from multiple career paths (including conversion to a fixed salary) suited to their aptitudes, such as transfers between systems from sales personnel to head office employees, or transfers to branches with different compensation systems, such as Consulting Follow branches.

3. Strengthening of Internal Control Systems (FY2018 onward)

- Based on the "three-line management structure" concept for internal control, we have clarified that the branch manager, as the head of the sales office, serves as the risk owner and is responsible for internal control at the sales office. Additionally, we have introduced a regional headquarters system to enable detailed management of branches. Furthermore, we have established a "Management Headquarters" within the Sales Headquarters of head office to strengthen internal controls and have appointed a Management Headquarters Director.
- By assigning compliance officers (headquarters employees) from the Management Headquarters to branch offices and agency locations nationwide, we have strengthened our monitoring and guidance capabilities regarding the implementation of internal controls at these locations.
- We have assigned quality control personnel to work alongside sales managers in implementing internal controls.

4. Strengthening Governance / Fostering Organizational Culture (FY2017 onward)

- We have appointed outside directors with specialized expertise in compliance to the Company.
- We have revised our employee work rules to explicitly prohibit acts such as the exchange of money between customers and employees, and to clearly state that strict disciplinary action will be taken for violations.
- We have established a booklet titled "Fundamental Principles of Compliance and Risk Management" that summarizes our approach to compliance and risk management. We have disseminated this to all employees and continue our efforts to foster a risk-aware culture by incorporating discussions on compliance into various training programs.

5. Avoiding “Closed-Door Relationships” Between Customers and Sales personnel (FY2024 onward)

- We require a “disclosure of authority” process at the time of application, in which sales personnel explain the products and services they are authorized to offer to customers, clearly state which products and services are not available, and which activities are not performed, thereby alerting customers to these limitations.
- Once every three years, a specialized department at headquarters contacts customers to confirm the details of their contracts and directly convey precautions regarding the handling of funds.
- We are further promoting the “Joint Maintenance” system—which we have implemented for some time—where multiple sales representatives share information about a customer’s situation and work as a team to safeguard the customer.

Since its founding, Sony Life has upheld its fundamental mission: “To ensure our customers’ financial security and stability by providing reasonable life insurance and high-quality services.” Through a business model centered on consulting by Lifeplanner sales specialists—one that remains with customers throughout their lives—we have earned the support of many customers, backed by high levels of customer satisfaction. Furthermore, guided by the principle of “customer-centric business operations,” we have worked to foster an organizational culture where the entire company shares our philosophy and values, including through mutual learning among Life Planners.

Against this backdrop, we are deeply ashamed of the incidents of misconduct involving our exclusive agency and the inquiries we have received from customers. shareholders we will further strengthen customer protection and devote our full efforts to building a system that is truly customer-centric—not only to eradicate misconduct but also to live up to and earn the trust and support of our customers, shareholders, society, and various other stakeholders.

Note: "Lifeplanner" is a trademark of Sony Life Insurance Co., Ltd.

Regarding Our Compliance Framework

From the perspective of securing customer trust and protecting our customers, we regard compliance as one of the key priorities of our business operations and are working to strengthen our compliance framework.

Please see below for details. (Japanese only)

<https://www.sonylife.co.jp/company/corporate/management/compliance/>

Basic Policy on Compliance and Code of Conduct

To fulfill our social responsibilities and public mission as a life insurance company, we have established the “Basic Compliance Policy” and the “Sony Life Code of Conduct.”

Please see below for details. (Japanese only)

<https://www.sonylife.co.jp/company/corporate/management/compliance/>

Our Solicitation Policy (MCC Guidelines)

The MCC (Market Conduct Compliance) Guidelines (Sales Activity Policy) constitute our "Solicitation Policy" in compliance with the "Act on the Improvement of the Environment for the Provision and Use of Financial Services."

Please see the link below for details. (Japanese only)

<https://www.sonylife.co.jp/company/corporate/management/guideline/>

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