

# Directors

## Kazuhiro Higashi

Director (Outside Director)  
Member of the Nomination Committee  
Member of the Compensation Committee

## Hideyo Uchiyama

Director (Outside Director)  
Member of the Audit Committee

## Scott Trevor Davis

Director (Outside Director)  
Chair of the Nomination Committee  
Member of the Compensation Committee



## Misuzu Shibata

Director (Outside Director)  
Member of the Nomination Committee  
Member of the Compensation Committee

## Naoki Yanagida

Director (Outside Director)  
Chair of the Audit Committee

## Shinji Tsuji

Group COO and Group CBO  
Director, Deputy President and  
Representative Executive Officer

Realizing “A Theme Park for

**Kengo Sakurada**  
Group CEO  
Director, President and  
Representative Executive Officer

**Isao Endo**  
Director (Outside Director)  
Member of the Audit Committee

**Takashi Nawa**  
Director (Outside Director)  
Member of the Nomination Committee  
Member of the Compensation Committee



**Sawako Nohara**  
Director (Outside Director)  
Chair of the Compensation Committee  
Member of the Nomination Committee

**Atsuko Muraki**  
Director (Outside Director)  
Member of the Audit Committee

**Hidenori Hanada**  
Director  
Member of the Audit Committee

Security, Health & Wellbeing”

# Management Members

## Directors

(As of July 1, 2020)



Director  
**Kengo Sakurada**  
(DOB: Feb. 11, 1956)

### Attendance at Board of Directors meetings (fiscal 2019)

All 10 Board of Directors meetings

### Summarized resume

Joined The Yasuda Fire & Marine Insurance Co., Ltd., in April 1978. In addition to his experience in business integration, business alliances, corporate planning, sales, and systems in the P&C insurance business, he has experience working at international financial institutions. He became representative director and president of Sampo Japan Insurance Inc. in 2010 and assumed the position of representative director and president of the Company in 2012. He was appointed chairman of Keizai Doyukai (Japan Association of Corporate Executives) in 2019. He has served in his current position since June 2019 (Group CEO, director, president and representative executive officer).



Director  
**Shinji Tsuji**  
(DOB: Dec. 10, 1956)

### Attendance at Board of Directors meetings (fiscal 2019)

All 10 Board of Directors meetings

### Summarized resume

Joined The Yasuda Fire & Marine Insurance Co., Ltd., in April 1979. Thanks to his experience in accounting, public relations, CSR, and sales in the P&C insurance business, he was responsible for the corporate management of Group companies as well as accounting and finance at the Company. He became representative director of the Company in 2014. He became Group CFO (Chief Financial Officer) in 2017, and then Group COO (Chief Operating Officer) in January 2019. He has concurrently served as Group CBO (Chief Brand Officer) since April 2019. He has been in his current position since June 2019 (Group COO, Group CBO, director, deputy president and representative executive officer).



Director  
Member of the Audit Committee  
**Hidenori Hanada**  
(DOB: Aug. 15, 1958)

### Attendance at Board of Directors meetings, etc. (fiscal 2019)

All 10 Board of Directors meetings, all 11 Audit Committee meetings, all three Audit & Supervisory Board meetings

### Summarized resume

Joined The Nippon Fire & Marine Insurance Co., Ltd., in April 1981. He has deep insight with respect to the fields of finance and accounting as a result of many years of experience in the accounting section of the domestic P&C insurance business. He became an executive officer of the Company and Sampo Japan Nipponkoa Insurance Inc. in 2016. He became a full-time Audit & Supervisory Board member of the Company in June 2018. He has held his current position since June 2019.



Director (Outside Director)  
Chair of the Compensation Committee  
Member of the Nomination Committee  
**Sawako Nohara**  
(DOB: Jan. 16, 1958)

### Attendance at Board of Directors meetings, etc. (fiscal 2019)

All 10 Board of Directors meetings, all 10 Nomination Committee meetings, all nine Compensation Committee meetings

### Significant positions concurrently held

President of IPSe Marketing, Inc.  
Auditor of Tokyo Gas Co., Ltd., (Outside Auditor)  
Member of the Board (Outside) of DAICHI SANKYO COMPANY, LIMITED  
Project Professor of the Graduate School of Media and Governance, Keio University

### Reasons for appointment

With her abundant experience as a company manager and broad knowledge of the IT industry, as well as deep insight gained through participation in policymaking during her term as an officer in government-related committees, including as a private-sector member of the Industrial Competitiveness Council, she is expected to provide appropriate advice on the management of the Company from diversified and professional perspectives. Further, she is expected to provide valuable advice on the initiative on women's empowerment in the workplace, which is one of the most important strategies of the Company. She has been in her current position since June 2013.



Director (Outside Director)  
Chair of the Nomination Committee  
Member of the Compensation Committee  
**Scott Trevor Davis**  
(DOB: Dec. 26, 1960)

### Attendance at Board of Directors meetings, etc. (fiscal 2019)

All 10 Board of Directors meetings, all 10 Nomination Committee meetings, all nine Compensation Committee meetings

### Significant positions concurrently held

Professor of the Department of Global Business, College of Business, Rikkyo University  
Member of the Board of Bridgestone Corporation (Outside Director)

### Reasons for appointment

With his broad knowledge as an erudite scholar, he is expected to provide appropriate advice on the management of the Company, especially through his research on strategic management and CSR at the university. Moreover, he is expected to provide diversified advice from global perspectives. He has been in his current position since June 2014.



Director (Outside Director)  
Member of the Nomination Committee  
Member of the Compensation Committee  
**Kazuhiro Higashi**  
(DOB: Apr. 25, 1957)  
New appointment

### Significant positions concurrently held

Vice Chairman of The Osaka Chamber of Commerce and Industry  
Chairman and Director of Resona Holdings, Inc.  
Chairman and Director of Resona Bank, Limited

### Reasons for appointment

Having experience in finance, corporate management, and other areas in the banking business, he took office as director, president and representative executive officer of Resona Holdings, Inc., and representative director, president, and executive officer of Resona Bank, Limited, in 2013. Further, he has served in numerous key positions in the business community, including chairman of Osaka Bankers Association and vice chairman of The Osaka Chamber of Commerce and Industry. With his abundant knowledge and experience as a senior executive in major corporations, he is expected to reinforce the supervisory and decision-making functions of the Board of Directors. He has been in his current position since June 2020.

# Directors

(As of July 1, 2020)



Director (Outside Director)  
Member of the Nomination Committee  
Member of the Compensation Committee

## Takashi Nawa

(DOB: Jun. 8, 1957)

New appointment

### Significant positions concurrently held

Professor of School of International Corporate Strategy, Hitotsubashi University Business School  
President of Genesys Partners, Inc.  
Member of the Board of NEC Capital Solutions Limited (Outside Director)  
Director of FAST RETAILING CO., LTD. (Outside Director)  
Member of the Board of Ajinomoto Co., Inc. (Outside Director)

### Reasons for appointment

Having practical experience in a major Japanese trading company and global consulting firms, he was appointed professor of the Graduate School of International Corporate Strategy at Hitotsubashi University in 2010. With his abundant business experience as a management consultant, combined with his profound academic knowledge based on a global perspective, he is expected to reinforce the supervisory and decision-making functions of the Board of Directors. He has been in his current position since June 2020.



Director (Outside Director)  
Member of the Nomination Committee  
Member of the Compensation Committee

## Misuzu Shibata

(DOB: Jul. 25, 1974)

New appointment

Note: Misuzu Shibata's registered name is Misuzu Koyama.

### Significant positions concurrently held

Attorney at Law  
Director of DELICA FOODS HOLDINGS CO., LTD. (Outside Director)  
Director of SPACE VALUE HOLDINGS CO., LTD. (Outside Director)

### Reasons for appointment

She has abundant knowledge and experience as a legal expert, including experience working at the Financial Services Agency. With her professional knowledge and experience, she is expected to reinforce the supervisory and decision-making functions of the Board of Directors. She has been in her current position since June 2020.



Director (Outside Director)  
Chair of the Audit Committee

## Naoki Yanagida

(DOB: Feb. 27, 1960)

### Attendance at Board of Directors meetings, etc. (fiscal 2019)

All 10 Board of Directors meetings, all 11 Audit Committee meetings, all three Audit & Supervisory Board meetings

### Significant positions concurrently held

Attorney at Law  
Audit & Supervisory Board Member of YKK CORPORATION (Outside Audit & Supervisory Board Member)  
Director of Kusuri No Aoki Holdings Co., Ltd. (Outside Director)

### Reasons for appointment

He has abundant knowledge and experience as a legal expert. He became an outside Audit & Supervisory Board member of the Company in 2014. His expert knowledge and experience will help improve the supervisory and decision-making functions of the Board of Directors. He has been in his current position since June 2019.



Director (Outside Director)  
Member of the Audit Committee

## Hideyo Uchiyama

(DOB: Mar. 30, 1953)

### Attendance at Board of Directors meetings, etc. (fiscal 2019)

All 10 Board of Directors meetings, all 11 Audit Committee meetings, all three Audit & Supervisory Board meetings

### Significant positions concurrently held

Certified Public Accountant  
Executive Advisor of ASAHI Tax Corporation  
Audit & Supervisory Board Member of OMRON Corporation (Outside Auditor)  
Director of Eisai Co., Ltd. (Outside Director)

### Reasons for appointment

He has abundant experience as a manager at one of Japan's leading auditing corporations and at a global consulting firm, in addition to his professional knowledge and experience as a certified public accountant. He was appointed an outside Audit & Supervisory Board member of the Company in 2017. His abundant knowledge and experience is expected to augment the supervisory and decision-making functions of the Board of Directors. He has been in his current position since June 2019.



Director (Outside Director)  
Member of the Audit Committee

## Atsuko Muraki

(DOB: Dec. 28, 1955)

### Attendance at Board of Directors meetings, etc. (fiscal 2019)

All 10 Board of Directors meetings, all 11 Audit Committee meetings, all three Audit & Supervisory Board meetings

### Significant positions concurrently held

Member of the Board of ITOCHU Corporation (Outside Director)  
Director of Sumitomo Chemical Co., Ltd. (Outside Director)

### Reasons for appointment

She has held important posts such as vice-minister, deputy director-general, and director-general of the Equal Employment, Children and Families Bureau in the Ministry of Health, Labour and Welfare as well as director-general for Policies of the Cabinet Office. She became an outside Audit & Supervisory Board member of the Company in 2017. Her sharp insight and abundant experience are expected to benefit the auditing and decision-making functions of the Board of Directors. She has been in her current position since June 2019.



Director (Outside Director)  
Member of the Audit Committee

## Isao Endo

(DOB: May 8, 1956)

### Attendance at Board of Directors meetings, etc. (fiscal 2019)

All 10 Board of Directors meetings, all 10 Nomination Committee meetings, all nine Compensation Committee meetings

### Significant positions concurrently held

Director of Ryohin Keikaku Co., Ltd. (Outside Director)

### Reasons for appointment

With his broad insight based on practical experience at a global consulting firm and academic knowledge as a graduate school professor as well as abundant experience as a company manager, he provides appropriate advice on the management of the Company, especially based on deep and diversified perspectives gained through his practical research on *Gemba Power*. Thus, he is expected to provide management advice in light of broad perspectives. He has been in his current position since June 2014.

Note: Hidenori Hanada, Naoki Yanagida, Hideyo Uchiyama, and Atsuko Muraki served as Audit & Supervisory Board members until the end of the 9th General Meeting of Shareholders held on June 24, 2019. Therefore, the number of meetings of the Board of Directors each of them attended includes three attendances as Audit & Supervisory Board members. In addition, the combined total of the number of meetings of the Audit & Supervisory Board each of them attended when the Company had a Company with an Audit & Supervisory Board structure and the number of meetings of the Audit Committee they attended after the Company's transition to a Company with Committees structure has been included.

# Management Members

## Executive Officers

(As of July 1, 2020)



Group Chief Executive Officer  
President and Representative Executive Officer

**Kengo Sakurada**  
(DOB: Feb. 11, 1956)



Group Chief Operating Officer and  
Group Chief Brand Officer  
Deputy President and Representative  
Executive Officer

**Shinji Tsuji**  
(DOB: Dec. 10, 1956)



CEO of Domestic P&C Insurance Business  
Executive Officer  
(President and Chief Executive Officer,  
Sompo Japan Insurance Inc.)

**Keiji Nishizawa**  
(DOB: Feb. 11, 1958)



CEO of Overseas Insurance and  
Reinsurance Business  
Executive Officer  
(Executive Chairman of the Board of Directors,  
Sompo International Holdings Ltd.)

**John R. Charman**  
(DOB: Oct. 22, 1952)



CEO of Domestic Life Insurance Business  
Executive Officer  
(President and Chief Executive Officer,  
Sompo Himawari Life Insurance Inc.)

**Yasuhiro Oba**  
(DOB: Sep. 30, 1965)



CEO of Nursing Care & Healthcare Business  
Executive Officer  
(Chief Executive Officer, Sompo Care Inc.)

**Satoshi Kasai**  
(DOB: Dec. 22, 1962)



Senior Executive Vice President and  
Executive Officer  
Chairman of Overseas M&A  
(Special Advisor to Group CEO)

**Nigel Frudd**  
(DOB: Oct. 4, 1958)



Group Chief Financial Officer and  
Group Co-Chief Strategy Officer  
Executive Vice President and  
Executive Officer

**Masahiro Hamada**  
(DOB: Dec. 18, 1964)



Group Co-Chief Strategy Officer  
Executive Vice President and  
Executive Officer  
(Chief Executive Officer,  
Sompo International Holdings Ltd.)

**Mikio Okumura**  
(DOB: Nov. 23, 1965)



Group Chief Digital Officer  
Executive Vice President and Executive Officer

**Koichi Narasaki**  
(DOB: Jan. 4, 1958)



Group Co-Chief Digital Officer and  
Group Chief Information Officer  
Executive Vice President and  
Executive Officer

**Hiroshi Omata**  
(DOB: Oct. 6, 1963)



Group Chief Risk Officer  
Senior Vice President and Executive Officer

**Takashi Izuhara**  
(DOB: Mar. 23, 1964)

## Executive Officers

(As of July 1, 2020)



Group Chief Human Resource Officer  
Executive Vice President and Executive Officer

**Shinichi Hara**

(DOB: Apr. 14, 1965)



Executive Vice President and Executive Officer  
(General Manager, Global Business  
Planning Department)

**Yuji Kawauchi**

(DOB: Dec. 24, 1965)



Senior Vice President and Executive Officer  
(General Manager, Accounting Department)

**Yasunori Kuroda**

(DOB: Aug. 17, 1963)



Senior Vice President and Executive Officer  
(General Manager, Innovation for Aging &  
Wellness Department)

**Takuto Kobayashi**

(DOB: Nov. 22, 1965)



Senior Vice President and Executive Officer  
(Retail Platform in Istanbul)

**Katsuyuki Tajiri**

(DOB: Oct. 8, 1967)



Senior Vice President and Executive Officer  
(General Manager, Internal Audit Department)

**Takato Udo**

(DOB: Aug. 4, 1962)



Senior Vice President and Executive Officer  
(General Manager, Secretarial Department)

**Koji Ishikawa**

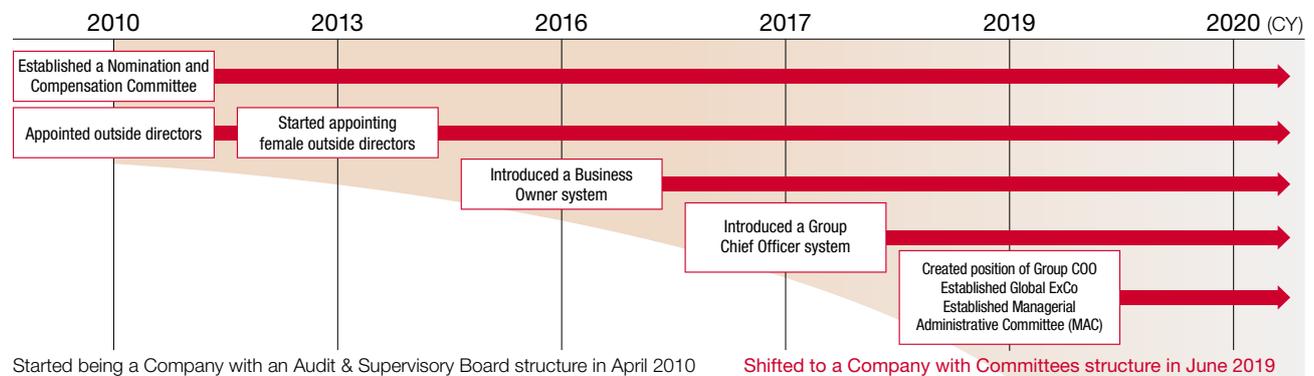
(DOB: Dec. 22, 1968)

# Sompo Holdings' Unique Corporate Governance

The Sompo Group places great importance on strengthening relationships of trust with all stakeholders by constantly improving transparency and fairness of corporate governance and fulfilling its corporate social responsibility. The Board of Directors of Sompo Holdings formulated the Corporate Governance Policy to clarify basic policies regarding the formation of the overall vision for the Company's governance structure and governance framework. We continue to improve our corporate governance and aim to establish optimal systems.

The Company has made solid progress in reinforcing the management structure of the Group, adopting a Business Owner system in fiscal 2016 and a Group Chief Officer (CxO) system in fiscal 2017. With its eye on the next stage, in June 2019 Sompo Holdings changed from a Company with an Audit & Supervisory Board structure to a Company with Committees structure, enabling it to more swiftly and proactively make decisions pertaining to business execution and realize the vision of the Group.

## Corporate Governance Reforms to Date



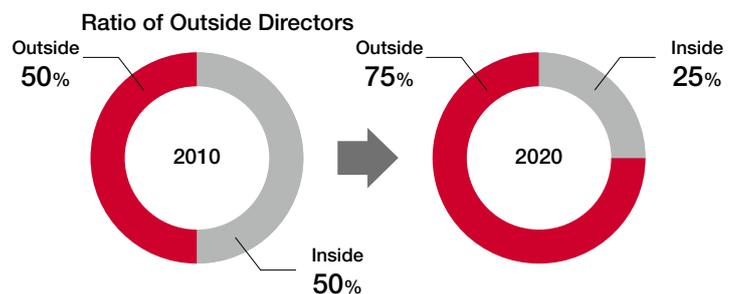
## Composition of the Board of Directors

Sompo Holdings swiftly makes decisions and actively implements them toward realizing the Group's vision, taking advantage of diverse personnel located around the world to move forward with changes to its business portfolio and reforms to its corporate culture.

### Ratio of Outside Directors

- As of July 2020, the number of outside directors was increased by one from the previous year, for a total of nine out of 12 directors (75%).

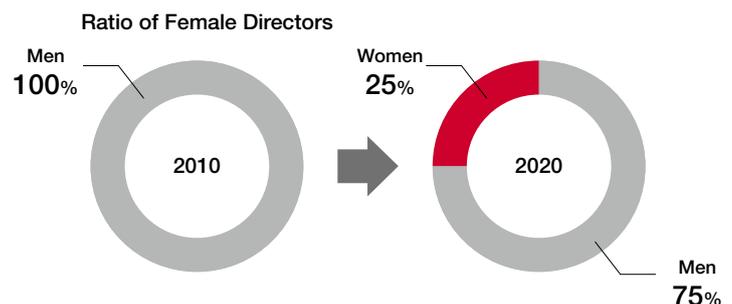
Note: The number and ratio of outside directors has increased from six out of 12 directors since the Company was established (April 2010).



### Ratio of Female Directors

- As of July 2020, the number of female directors was three out of 12 directors (25%).

Note: There were zero female directors when the Company was established, representing an increase in the number and ratio since then.

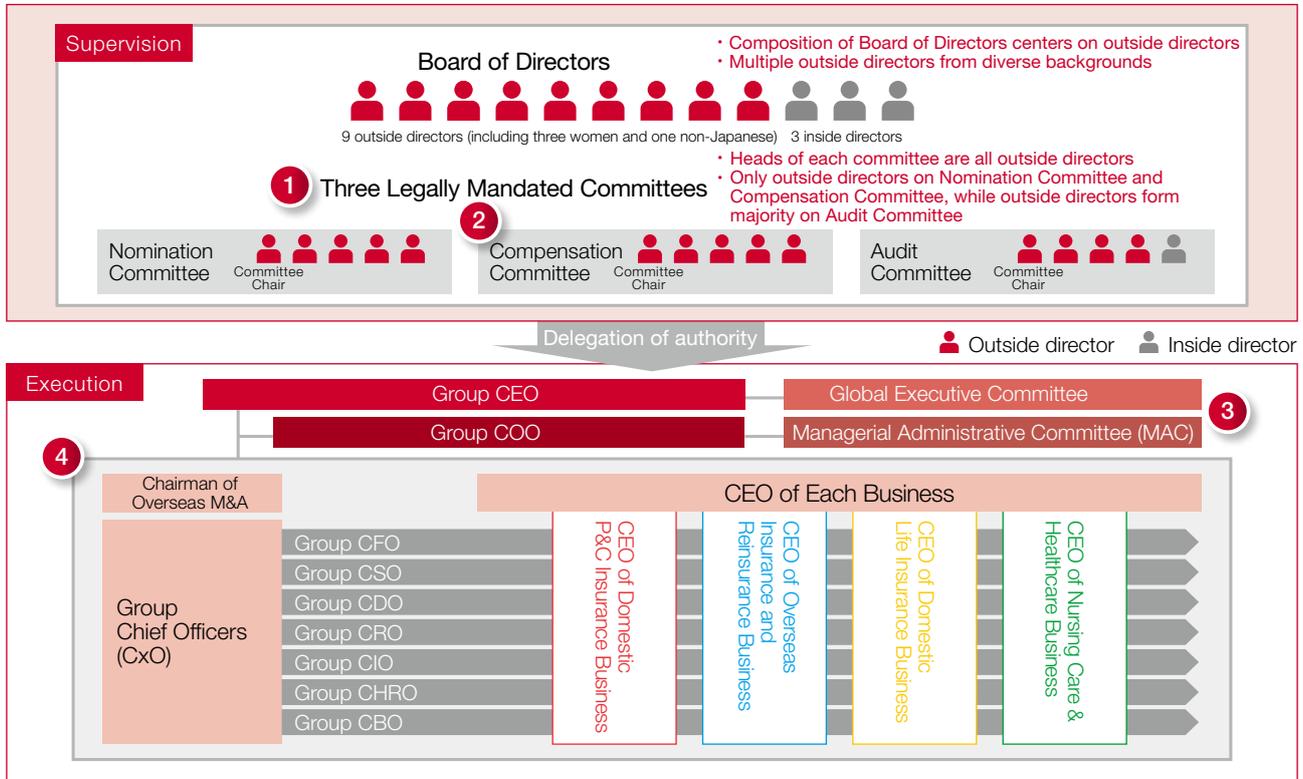


### Ratio of Non-Japanese Directors

- As of July 2020, the number of non-Japanese directors was one out of 12 directors (8%).

Note: There was one non-Japanese director when the Company was established, for no change in the number or ratio since then.

# Highlights of Corporate Governance Structure



Group CEO and other abbreviated titles represent the following positions.

Group CEO: Group Chief Executive Officer / Group COO: Group Chief Operating Officer / Group CFO: Group Chief Financial Officer / Group CSO: Group Chief Strategy Officer / Group CDO: Group Chief Digital Officer / Group CRO: Group Chief Risk Officer / Group CIO: Group Chief Information Officer / Group CHRO: Group Chief Human Resource Officer / Group CBO: Group Chief Brand Officer

<p><b>1</b> Company with Committees Structure</p>	<p>Sompo Holdings transitioned to a Company with Committees Structure in June 2019. Separating management supervision from business execution allows the Company to reinforce the supervisory function of the Board of Directors and delegate significant authority to executive divisions for swifter business execution. The Company also established three legally mandated committees: the Nomination Committee, the Audit Committee, and the Compensation Committee. Such measures have formed a governance structure that achieves greater transparency and fairness.</p>
<p><b>2</b> Executive Compensation Structure Designed to Increase Corporate Value and Align Interests with Shareholders</p>	<p>The Company regards its executive compensation structure as an important aspect of corporate governance. Based on the Basic Policies on Executive Compensation, the executive compensation structure was designed from an objective perspective by the Compensation Committee, which is headed by an outside director.</p> <p>The Company's Policies on Decisions Pertaining to Executive Compensation describe the Basic Policies on Executive Compensation, the composition of compensation and how it is determined for each position, and the details of each type of compensation.</p>
<p><b>3</b> Global ExCo and MAC</p>	<p>Global ExCo, an advisory body to the Group CEO, discusses subjects that have a significant impact on management, such as Group-wide management strategies and business operation policies based on high-level insight and wide-ranging views from a global perspective. The decisions by the Global ExCo are promptly reflected in strategies at the individual business level and then translated into specific business decisions and actions to speed up the entire process.</p> <p>Important matters related to operational management are discussed in detail by the MAC, an advisory body to the Group COO, and then implemented in operations.</p> <p>By utilizing the functions of these two deliberative bodies to their utmost, we will build a robust executive system that supports the growth of the entire Group.</p>
<p><b>4</b> Matrix-Style Management with Business Owner System and Group Chief Officer (CxO) System</p>	<p>Within the business execution framework, under the overall supervision of the Group CEO and Group COO, executives are delegated authority by the Board of Directors to make business decisions and execute business. The Business Owner system and the Group Chief Officer (CxO) system have been adopted to clarify authorities and responsibilities, and to facilitate dynamic and flexible decision-making and business execution.</p>

## Supervisory Framework

The Company elected to adopt a Company with Committees structure in June 2019 as part of efforts to strengthen corporate governance by separating management supervision from business execution, in order to reinforce the supervisory function of the Board of Directors and to accelerate business execution by delegating substantial authority to executive officers. The Company also established three committees: the Nomination Committee, the Audit Committee, and the Compensation Committee. This has put into place a governance system with improved transparency and fairness.

### Board of Directors

The Board of Directors performs its duties as stipulated by law or the Articles of Incorporation, establishes important items for management defined in the Rules of Board of Directors, and serves a supervisory function overseeing the state of business execution. The chairman of the Board of Directors, who is appointed by the Board as stipulated in the Articles of Incorporation, also serves as a director and the Group CEO.

As of the conclusion of the 10th General Meeting of Shareholders, nine of the 12 directors are outside directors (a majority), consisting of 11 Japanese people and one non-Japanese person, of whom nine are men and three are women. The average length of service (including time served as an Audit & Supervisory Board member) is 4.3 years.



### Nomination Committee

The Nomination Committee defines policy and standards for the appointment of directors and executive officers, determines the list of candidates, and is involved in the appointment of directors and executive officers at subsidiaries, depending on their business type and scale. In addition, the committee deliberates on the appointment and dismissal of the Group CEO based on a personal performance evaluation for the purpose of enhancing transparency and corporate governance.

The Nomination Committee consists of at least three directors, a majority of whom are from among the outside directors. The chair of the Nomination Committee is chosen from among the outside directors on the committee. As of July 2020, the committee comprises five outside directors.

### Compensation Committee

The Compensation Committee determines the evaluation, compensation scheme, and compensation amounts of directors and executive officers, and is involved in deciding the compensation scheme of directors and executive officers at subsidiaries, depending on their business type and scale. In addition, the committee conducts a personal performance evaluation of the Group CEO to enhance transparency and objectivity in the compensation-deciding process, and to improve corporate governance.

The Compensation Committee consists of at least three directors, a majority of whom are from among the outside directors. The chair of the Compensation Committee is chosen from among the outside directors on the committee. As of July 2020, the committee comprises five outside directors.

### Audit Committee

The Audit Committee audits—from a legal compliance and appropriateness perspective—the performance of duties by directors and executive officers, produces audit reports, and determines proposals regarding the appointment, dismissal, and non-reappointment of independent accounting auditors. It also exercises right of consent to decisions on auditor compensation and the like, formulates audit standards, basic policies for audits, and auditing plans, and conducts organization-wide audits.

The Audit Committee consists of at least three members selected from among directors who do not have any executive roles, and the majority of members are outside directors. In principle, the committee chair is an outside director, selected from among its members, and the committee has at least one full-time Audit Committee member and at least one Audit Committee member who has expert knowledge of finance and accounting. As of July 2020, there are five members on the committee, four of whom are outside directors.

## Business Execution Framework

In this time of heightened volatility, uncertainty, complexity, and ambiguity (VUCA), a flexible and responsive management system is of utmost importance. To achieve such a management system, the Sampo Group has built a matrix-style management system comprising vertical and horizontal axes under the overall supervision of the Group CEO and Group COO. On the vertical axis, Business CEOs, who are heads of business segments, are delegated substantial authority to allow them to perform swift decision-making and business execution. On the horizontal axis, Group Chief Officers, who are the highest authority in their respective functional areas, oversee their area of responsibility on a Group-wide basis to ensure decision-making that is best for the Group and exercise functions laterally across the Group.

### Business Owner System

Business CEOs are responsible for advancing plans for the entirety of their respective business segments while also helping build “A Theme Park for Security, Health & Wellbeing,” in order to contribute to the realization of the Group Management Philosophy and implement the Group’s management plans. Accordingly, Business CEOs are endowed with significant authority, related to areas such as business strategy formulation, investment decision-making, and human resource assignment, as required, to accomplish those objectives.

Since the introduction of the Business Owner system in April 2016, Business CEOs have been leading their business segments in implementing dynamic growth strategies and in taking flexible and responsive action to address issues through swift decision-making and business execution.

### Group CxO System

Under the Group CxO system, Group Chief Officers act as the highest authority for the Group in their respective functional areas. In this capacity, they exercise their functions in the Group’s best interests, acting laterally across the Group based on the Group’s strategies and on their roles and responsibilities.

The Group CxO system was introduced in April 2017 to serve as a framework designed to promote strong, mission-driven leadership. The roles and functions as well as the skills and experience required of each Group Chief Officer are defined in the Group’s function portfolio. The roles and functions of Group Chief Officers as well as the number of officers and the fields for which officer positions exist are not set but will rather be flexibly revised as the operating environment of the Group or the management issues it faces change.

### Executive Officers (Appointed by the Board of Directors)

**Representative Executive Officers**

 Group CEO, Director, President and Representative Executive Officer Kengo Sakurada (Concurrently serving as a director)	 Group COO, Group CBO, Director, Deputy President and Representative Executive Officer Shinji Tsuji (Concurrently serving as a director)
	

### CEOs of Businesses

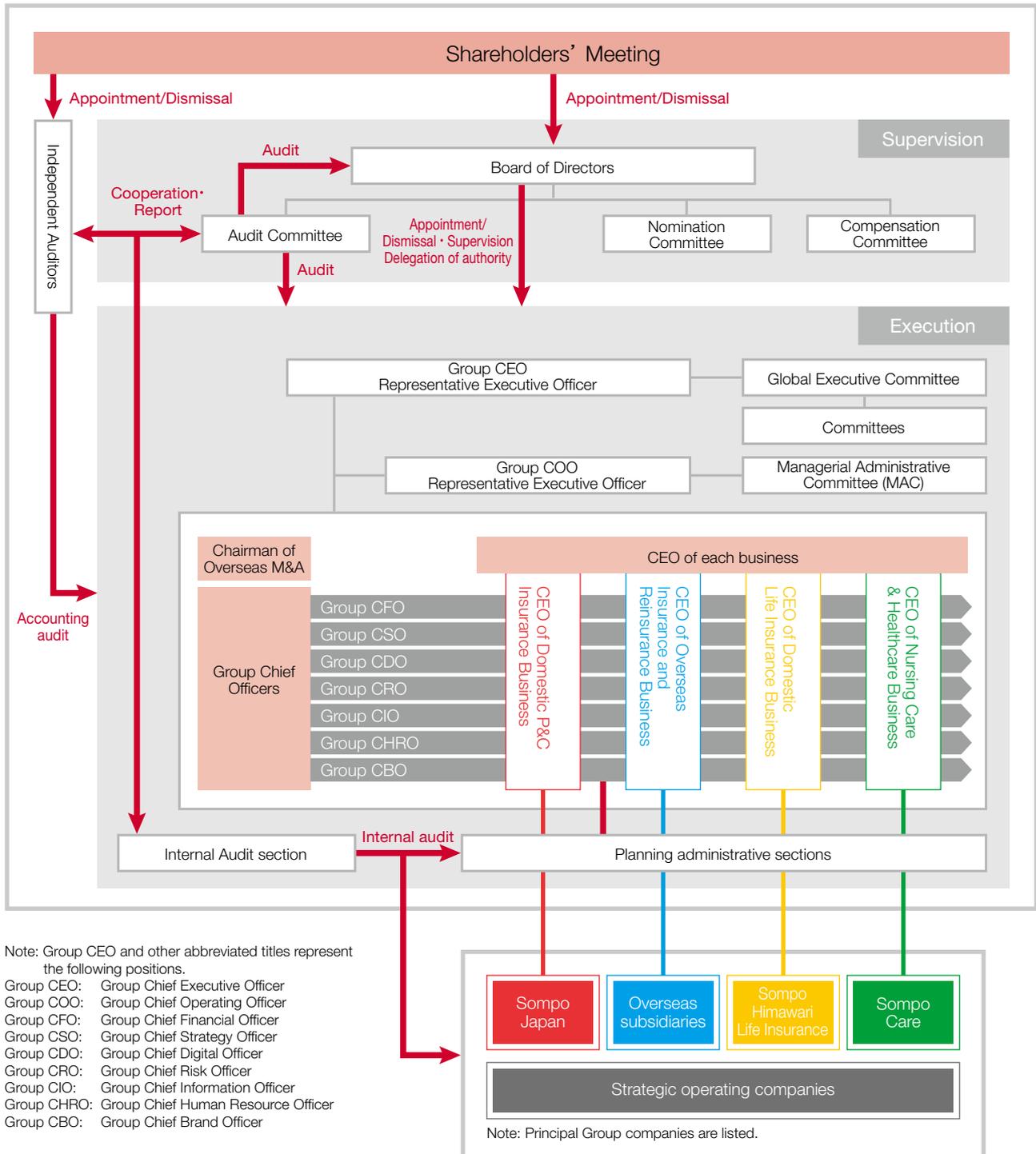
 CEO of Domestic P&C Insurance Business Executive Officer Keiji Nishizawa (Sampo Japan Insurance Inc. President and Chief Executive Officer)	 CEO of Overseas Insurance and Reinsurance Business Executive Officer John R. Charman (Sampo International Holdings Ltd. Executive Chairman of the Board of Directors)
 CEO of Domestic Life Insurance Business Executive Officer Yasuhiro Oba (Sampo Himawari Life Insurance Inc. President and Chief Executive Officer)	 CEO of Nursing Care & Healthcare Business Executive Officer Satoshi Kasai (Sampo Care Inc. Chief Executive Officer)

### Executive Officers and Group Chief Officers

 Senior Executive Vice President and Executive Officer Chairman of Overseas M&A, Special Advisor to Group CEO Nigel Frudd	 Group CFO, Group Co-CSO Executive Vice President and Executive Officer Masahiro Hamada
 Group Co-CSO Executive Vice President and Executive Officer Mikio Okumura (Sampo International Holdings Ltd. Chief Executive Officer)	 Group CDO Executive Vice President and Executive Officer Koichi Narasaki
 Group Co-CDO, Group CIO Executive Vice President and Executive Officer Hiroshi Omata	 Group CFO Senior Vice President and Executive Officer Takashi Izuhara
 Group CHRO Executive Vice President and Executive Officer Shinichi Hara	

## Management Structure of Corporate Governance

(As of July 1, 2020)



## ● Evaluation of Effectiveness of the Board of Directors

All directors are keenly aware of the need for efforts to increase the effectiveness of the Board of Directors and have established a cycle for transitioning to execution following debates held throughout the year.

To facilitate constructive and adequate discussions by the Board of Directors, preliminary briefings are given to all outside directors for each meeting, and the opinions, questions and answers, and other topics discussed at these briefings are referred to in discussions by the Board of Directors. Thanks to the coordination of these preliminary briefings and Board of

Directors meetings, highly condensed discussions can take place, and the insight of outside directors can be directly reflected in meetings of the Board of Directors.

This framework consistently ensures the means to perceive underlying conditions in the executive divisions from an oversight perspective. In addition, a survey that includes a self-evaluation of each director is conducted once a year, creating an opportunity to analyze and evaluate the overall effectiveness of the Board of Directors as well as incorporate the opinions of directors into corporate governance.

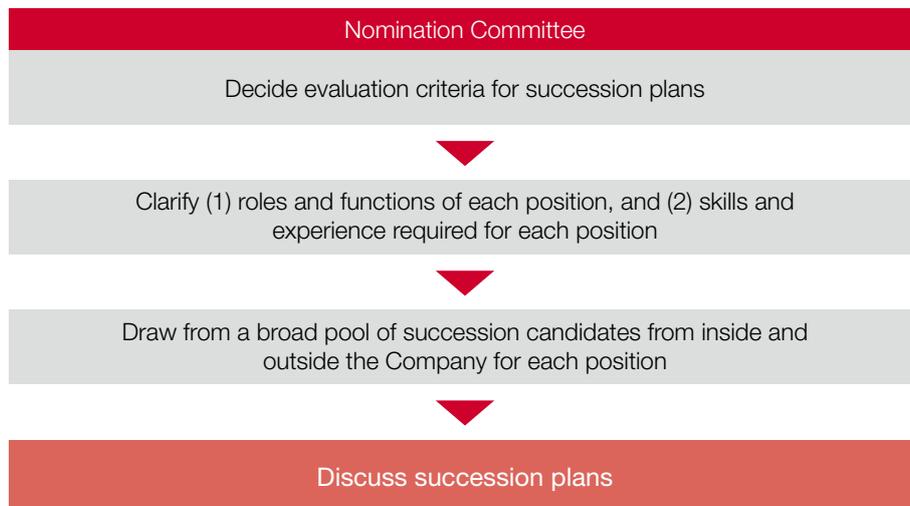


## ● Succession Planning

To realize growth in each business within the Group, Sampo Holdings draws up succession plans as part of a system to reliably and effectively promote high-quality personnel to key posts within the Group, such as Group CEO.

Succession plans are based on evaluation criteria decided beforehand by the Nomination Committee. Succession candidates for each position are selected broadly from incumbents

within the Company based on clearly stated skills and experience required for the role and function of the position. The succession plans are drawn up using the diverse and deep insight of the members on the Nomination Committee, which also engages in proactive and constructive discussions about building up a pool of qualified and diverse candidates.



## ○ Policies for the Appointment of Directors and Executive Officers

The appointment of officers at the Company is conducted in accordance with the following policies for the appointment of officers. Director candidates selected by the Nomination Committee are elected by resolution of the General Meeting of Shareholders, and executive officer candidates selected by the Nomination Committee are appointed by the Board of Directors.

### (1) Policies for the Appointment of Directors

The Company supervises and guides its subsidiaries, formulating management strategies for subsidiaries engaged mainly in the P&C insurance business, as well as comprehensive management strategies for the entire Group. The Company is responsible for the execution and realization of these strategies. From this perspective, to facilitate objective decision-making with respect to management issues from a diverse and independent focus and perspective, the Board of Directors elects outside directors, who form a majority on the Board, with due consideration paid to diversity, including gender and nationality, who have a wide range of knowledge and

experience thanks to their backgrounds in corporate management, academia, and the legal profession, and who have specialized knowledge in finance and accounting.

Additionally, the appointment of directors is conducted based on the selection criteria that incorporate the Comprehensive Guidelines for Supervision of Insurance Companies. The Company formulated outside director independence criteria as a standard for the appointment of outside directors.

For the purpose of carrying out substantive discussions, the number of directors is limited to 15 in accordance with the Articles of Incorporation.

### (2) Policies for the Appointment of Executive Officers

The Company has formulated a “desired image for executive officers” and “policies for the appointment of executive officers” to define required basic skills and qualifications as well as the balance between experience and achievements, as criteria and policies for the appointment of executive officers.

## ○ Standards Regarding the Independence of Outside Directors

The Company has defined “Outside Director Independence Criteria” based on standards required by financial instruments exchanges, and discloses these standards in its Corporate Governance Report and other materials.

Under the “Outside Director Independence Criteria,” the Company determines the independence of outside directors based on the matters set forth below:

1. Personal relationships: A kinship between the candidate and any officer or employee of the Group, status of mutual appointments of officers between the Company and the company that the candidate is originally from.
2. Capital relationships: The holding of shares in the Company by the candidate and the status of shareholding by the Group.
3. Business relationships: Business transactions or donations between the Group and the candidate.
4. Significant interests other than the above.

When an outside director is appointed, the Nomination Committee examines his or her independence, submits a proposal for the appointment of the director in question to the General Meeting of Shareholders, and files a notification that said director is an independent director as prescribed by each financial instruments exchange.

To facilitate worthwhile discussions on the Group’s business strategies and management issues from an independent and multifaceted focus and perspective, the Company elects a diverse range of independent outside directors, with due consideration paid to diversity, including gender and nationality, who have extensive knowledge and experience in corporate management, academia, and the legal profession, and who have specialized knowledge in finance and accounting. As a result, these outside directors are able to candidly, dynamically, and constructively contribute to deliberations and discussions at meetings of the Board of Directors, Nomination Committee, Audit Committee, and Compensation Committee.

## ○ Support System for Outside Directors

Prior to meetings of the Board of Directors, the Corporate Legal Department of the secretariat of the Board of Directors and the administrative departments behind each proposal meet to brief outside directors. The Human Capital Department acts as the secretariat for the Nomination Committee and the Compensation Committee, and the Audit

Committee Office acts as the secretariat for the Audit Committee in support of outside directors.

All outside directors receive a variety of documents for reference, including the Group Journal, Integrated Annual Report, Customer Feedback White Paper, CSR Communication Report, and IR briefing materials.

# Executive Compensation Structure

The Company regards its executive compensation structure as an important aspect of corporate governance. The executive compensation structure has been configured with the aim of increasing corporate value and sharing interests with shareholders. The aforementioned structure is based on the basic policies outlined below and has been designed from an objective perspective by the Compensation Committee, which

is chaired by an outside director.

The Company's Policies on Decisions Pertaining to Executive Compensation describe the Basic Policies on Executive Compensation, the composition of compensation and how it is determined for each position, and the details of each type of compensation

## Basic Policies on Executive Compensation (Common to Group Companies)

- (1) The composition and level of executive compensation shall enable the recruitment and retention of superior executive human resources as members of management of the Group.
- (2) The compensation structure shall be consistent with business strategies and promote incentives for executives to improve performance for the sake of the Group's growth.
- (3) Compensation shall reflect medium-to-long-term results and initiatives by executives as well as single-year results.
- (4) Compensation shall also be determined based on the magnitude of challenging missions undertaken for the future and their outcomes. Consideration may also be made for fixed factors according to roles and positions of executives.
- (5) Objectiveness, transparency, and fairness that can fulfill accountability to stakeholders shall be achieved in the compensation structure for the Company and major subsidiaries through a review process in the Compensation Committee inside the Group.

## 1. Overview of Executive Compensation Structure

The Company considers the current Mid-Term Management Plan as an opportunity for transforming each business and the entire Group. Initiatives and the magnitude of missions aimed at realizing transformation as well as executive compensation linked to the Company's performance are recognized as important facets of corporate governance underpinning this transformation initiative.

The Company, based on the principle of being mission-driven and results-oriented, is of the opinion that each executive

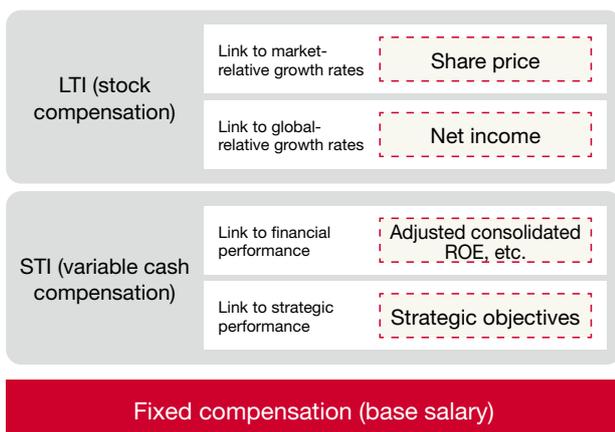
officer should demonstrate and act in accordance with their own duties and mission. Compensation for these executive officers is not a fixed amount based on their duties or position but decided in accordance with the magnitude of the missions they are undertaking for the future and the outcome of their efforts. The structure for executive compensation was designed with this philosophy in mind.

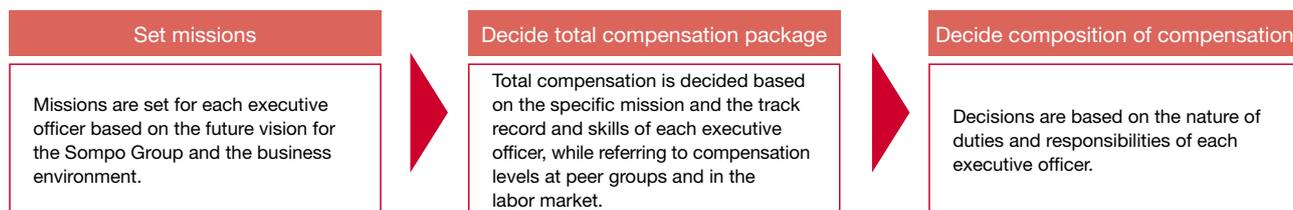
To realize this, the Company determines standard amounts for total compensation packages based on a post-grading system that sets grades for each post, with the Group CEO at the top grade, in accordance with the duties of each executive officer post. The magnitude of the mission assigned to each post is mirrored in the standard amount of the total compensation package for each executive officer, which is decided for each fiscal year.

Further, with respect to the compensation of all of the Company's directors and executive officers, the Compensation Committee deliberates and determines the amounts and breakdown of the compensation of each director and executive officer based on the decision-making process and calculation methods stated below.

**a. Decision-making process for total compensation packages**  
The Company sets compensation levels on an individual basis with consideration made to the magnitude of the mission assigned to each executive officer and their own personal performance. For this reason, the Company does not use an approach whereby compensation is determined according to a traditional compensation table for each executive rank.

Motivate executive officers with a compensation structure that is linked to performance indicators in the Mid-Term Management Plan





## b. Composition of executive compensation

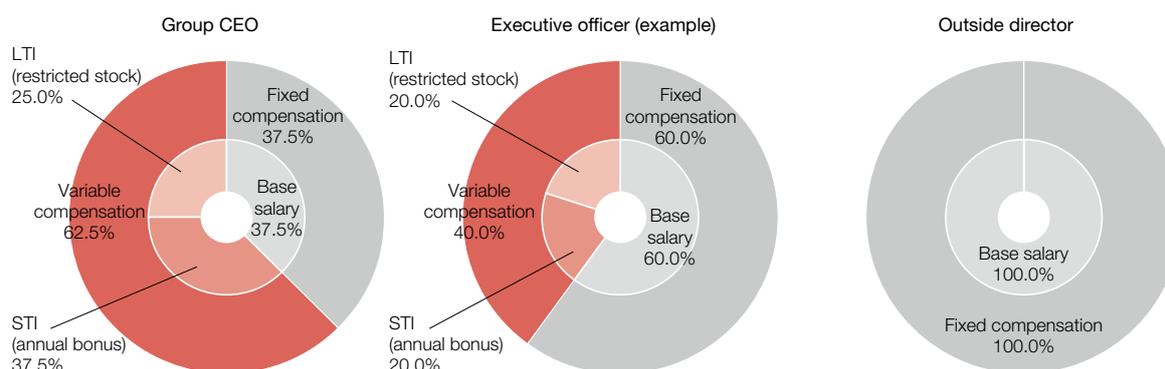
Executive officer compensation consists of a fixed component (base salary) based on the duties and responsibilities of each executive officer and a variable component linked to performance. Variable compensation comprises an annual bonus, which is compensation linked to short-term performance paid out on a fiscal-year basis in accordance with performance

during each year, and restricted stock, which is compensation linked to long-term performance in order to increase the association between compensation and growth in corporate value over the medium-to-long term. This composition is designed to motivate executive officers to make decisions based on longer-term earnings with a greater awareness of the share price, instead of focusing solely on a single fiscal year.

### Outline of Executive Compensation Structure at Sampo Holdings

	Type of compensation	% of total		Remarks
		CEO	Other executive officers	
Fixed compensation	Base salary	37.5%	50.0–70.0%	<ul style="list-style-type: none"> <li>Set for each individual in accordance with the responsibilities and duties of their assigned post</li> <li>Cash compensation paid monthly</li> </ul>
Variable compensation	STI (annual bonus)	37.5%	15.0–25.0%	<ul style="list-style-type: none"> <li>In addition to a set standard amount, payment amount is decided based on annual performance and achievements</li> <li>Assessment of each executive officer's achievement of financial targets and strategic targets</li> <li>Paid in cash in June after the conclusion of the fiscal year</li> </ul>
	LTI (restricted stock)	25.0%	15.0–25.0%	<ul style="list-style-type: none"> <li>Number of shares granted based on medium-to-long-term performance in order to align management with the interests of shareholders and facilitate the longer-term growth of the Group</li> <li>Reference is made to the profit growth rates of peer companies and share price performance relative to TOPIX over the past three fiscal years</li> <li>Points based on a trust agreement are awarded in September after the conclusion of the fiscal year; Stock is granted after retirement</li> </ul>
	Subtotal	62.5%	30.0–50.0%	
<b>Total</b>		<b>100.0%</b>	<b>100.0%</b>	

### Example of Compensation Composition by Position



## c. Approaches and calculation methods for respective types of compensation

### ■ Fixed Compensation (Base Salary)

The Company sets fixed compensation (base salary) that is in accordance with the responsibilities of the post assigned to each executive officer and which is paid in equal amounts each month, in principle.

The amount of fixed compensation (base salary) is set at a level deemed fair in light of prevailing compensation levels on

the market, referring to a survey of executive compensation conducted by a third-party compensation consulting firm, with a standard amount for the total compensation package based on the post-grading system, as well as a base amount that depends on the nature of the duties and responsibilities of each executive officer while considering the mission of each post.

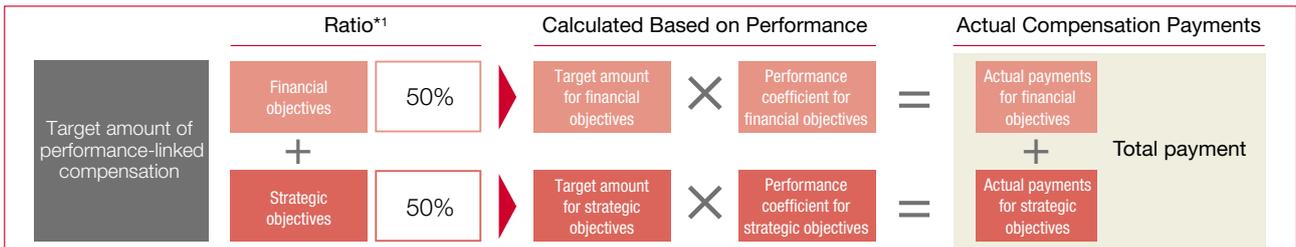
**STI (Annual Bonus)**

The Company has put in place a performance-linked compensation structure that rewards executive officers based on the business contributions they made in a single fiscal year, as well as establishing a framework that incentivizes executive officers to improve performance for the sake of the Group’s growth, while aligning the executive compensation structure to business strategies. A summary is as follows. In 2019, the Company introduced a new system for annual bonuses. To ensure that compensation reflects degrees of achievement in relation to both financial performance and strategic performance targets associated with management plans in a balanced manner, the Company revised annual bonuses so that they comprise financial performance-linked compensation and strategic performance-linked compensation. Moreover, to provide stronger incentives the Company revised the range of variation of the coefficient that is applied based on the degree of achievement of strategic objectives, which are set in accordance with the mission of each executive, from 50%–125% to 0%–200%.

- The annual bonus is determined by reflecting the degree of achievement toward financial targets and strategic targets

in a single fiscal year in the base amount of performance-linked compensation.

- The target amount of performance-linked compensation is defined as the amount to be paid when financial targets and strategic targets are achieved. This base amount is determined for each executive officer individually.
- The annual bonus consists of financial performance-linked compensation and strategic performance-linked compensation. The ratio of the two components is determined by the Compensation Committee in accordance with the nature of the mission assigned to each executive officer.
- The performance metrics for financial targets include adjusted consolidated ROE in the fiscal year, and the coefficient is determined as a ratio of actual performance to target performance (numerical targets in the business plan).
- The performance metrics for strategic targets are those agreed upon by the Group CEO, or other senior executives (such as Business CEOs in charge of evaluating performance, in accordance with the mission assigned to the executive officer in question, and the coefficient is set according to the degree of achievement.

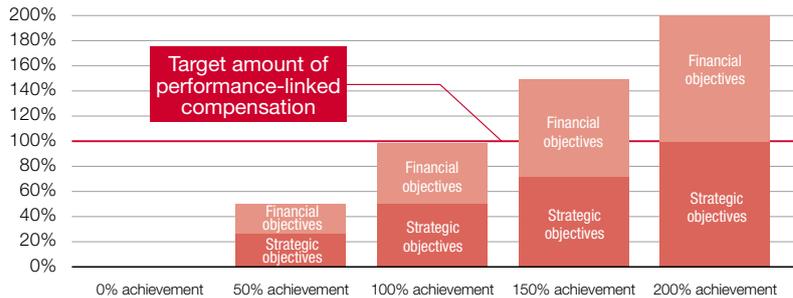


\*1 The ratio of financial objectives to strategic objectives starts at 50:50 and is then adjusted for each executive officer in accordance with their duties.

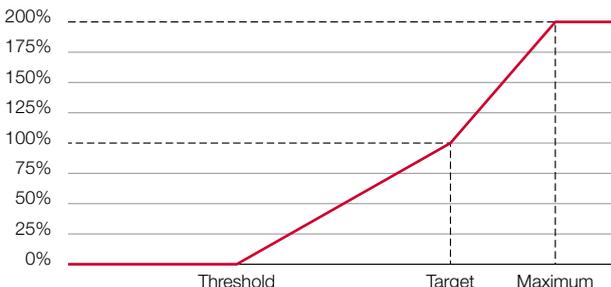
**Examples of Performance-Linked Compensation Payment Level by Achievement Percentage\*2**

The actual payment for STI fluctuates between 0% and 200% of the target amount for STI depending on the level of achievement of financial targets and strategic targets by each executive officer.

\*2 The chart on the right shows a ratio of 50:50 for financial objectives to strategic objectives, with achievement percentages equally distributed between both for illustration purposes.



**Financial Objectives**



**Strategic Objectives**

Level	Achievement
Results better than expected	200%
	175%
	150%
Results as expected	125%
Results worse than expected	100%
	75%
	50%
	25%
	0%

- Notes: 1. If the targeted financial performance is achieved, the financial target coefficient is 100% in the calculation of the target amount of compensation. The payment amount scales to the achievement of financial targets, proportionally ranging from 0% to 100%, and from 100% to 200%.
2. The graph above is an example of the relationship between target achievement and actual payment.

Note: A coefficient is applied based on the achievement of strategic targets set for each executive officer. This coefficient is 100% if the strategic target is achieved, and scales from 0% for minimum to 200% for maximum achievement.

## ■ Indicators Used for Performance-Linked Compensation

The table on the right shows a summary of financial targets used to determine performance-linked compensation. Financial targets are set for each business that is overseen by an executive officer. Strategic objectives are set for each executive officer.

\* ROR = Return on risk. The aim is to continuously improve the quality of capital, advance a capital policy that enables the proactive generation of returns, and maximize corporate value.

Business domain	Financial indicators (fiscal 2020)
Entire Group	Adjusted consolidated ROE
Domestic P&C insurance business	Net premiums written, adjusted profit, ROR,* net income, combined ratio
Overseas insurance business	Net premiums written, adjusted profit, ROR*
Domestic life insurance business	Increase in adjusted EV, adjusted profit, ROR*
Nursing care & healthcare business	Sales, ordinary profit

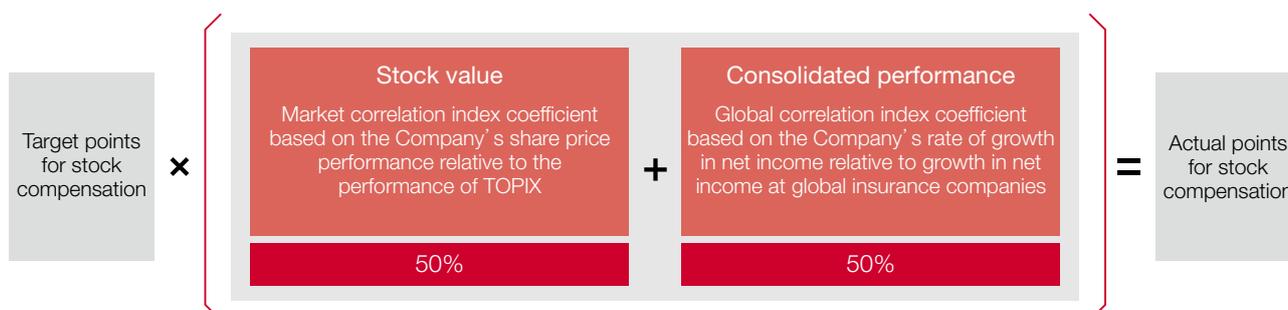
## ■ LTI (Restricted Stock)

The Company believes that the long-term, sustained growth of the Group as a whole is important. At the General Meeting of Shareholders held in June 2016, the Company introduced a performance-linked stock compensation system to further clarify the link between the compensation of executives and the Group's performance and share value. The aim of this compensation system is to encourage executives to contribute to the improvement of medium-to-long-term business performance and to the growth of corporate value, by having executives share not only the benefits of higher stock prices but also the risks of lower stock prices with shareholders.

Performance-linked stock compensation mirrors the Company's medium-to-long-term performance. This stock-based compensation depends on the Company's share price performance relative to TOPIX (stock value), as well as on the Company's rate of growth in consolidated net income compared with the rates of growth in consolidated net income

at global peers with operations centered on the insurance business (consolidated performance).

- Performance-linked stock compensation is determined using market comparisons for medium-to-long-term stock value and consolidated performance, expressed as a number of standard points for performance-linked stock compensation.
- The coefficient for stock value is determined by referring to the Company's share price performance relative to TOPIX over the past three fiscal years.
- The coefficient for consolidated performance is determined by comparing the Company's growth rate in consolidated net income over the past three fiscal years with the growth rates in consolidated net income over the same period of global peers with operations centered on the insurance business.
- With respect to the coefficient for performance-linked stock compensation, the average value over the past three fiscal years is divided by the figure of the base year and then reflected in the number of points granted.



## 2. For Each Officer Classification—Total Compensation, Total Compensation by Type, and the Number of Eligible Executives

In the fiscal year ended March 31, 2020, for each officer classification, total compensation, total compensation by type, and the number of eligible executives were as follows.

Officer classification		Total compensation (¥ million)	Total compensation by type (¥ million)				No. of eligible executives
			Fixed compensation (base salary)	STI (annual bonus)	LTI (restricted stock)	Retirement benefits, etc.	
Directors	Directors (excluding outside directors)	126	120	5	—	—	8
	Outside directors	104	104	—	—	—	7
Audit & Supervisory Board members	Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	15	15	—	—	—	2
	Outside Audit & Supervisory Board members	10	10	—	—	—	3
Executive officers		1,197	482	510	204	—	16
Total		1,454	733	516	204	—	36

- Notes: 1. The Company transitioned from a Company with an Audit & Supervisory Board structure to a Company with Committees structure at the end of the 9th General Meeting of Shareholders held on June 24, 2019. In accordance with this transition, for Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members) and outside Audit & Supervisory Board members, total compensation, total compensation by type, and the number of eligible executives include the total compensation for duties performed by Audit & Supervisory Board members as well as the number of Audit & Supervisory Board members who were incumbent between April 1, 2019, and June 24, 2019.
2. For directors (excluding outside directors), total compensation, total compensation by type, and the number of eligible executives include two directors who resigned on March 31, 2019, and four directors who resigned at the end of the 9th General Meeting of Shareholders held on June 24, 2019.
3. For directors (excluding outside directors), total compensation includes directors' compensation and executive officers' compensation received by directors who concurrently served as executive officers between April 1, 2019, and June 24, 2019, as well as compensation received by directors who did not concurrently serve as executive officers between the end of the 9th General Meeting of Shareholders held on June 24, 2019, and March 31, 2020. Further, directors who concurrently served as executive officers received executive officers' compensation of ¥73 million (fixed compensation (base salary): ¥67 million, annual bonus: ¥6 million). Six executives were eligible to receive executive officers' compensation.
4. For executive officers, total compensation includes directors' compensation received by executive officers who concurrently served as directors between the end of the 9th General Meeting of Shareholders held on June 24, 2019, and March 31, 2020. Further, two executive officers were eligible to receive directors' compensation.
5. Fixed compensation (base salary) is paid in cash.
6. An annual bonus is paid in cash and is the total of compensation based on performance in the fiscal year ended March 31, 2019, and provisions to reserves for compensation based on performance in the fiscal year ended March 31, 2020. (However, this excludes provisions to reserves for the fiscal year ended March 31, 2019.)
7. Restricted stock is the amount of provisions to reserves for stock benefits recognized as the portion for the fiscal year ended March 31, 2020, based on performance in the fiscal year ended March 31, 2019.
8. All compensation of directors, Audit & Supervisory Board members, and executive officers is from the insurance holding company. There is no compensation from the parent company of the insurance holding company.

### 3. Total Consolidated Compensation of Individual Executives

Executives who received compensation totaling not less than ¥100 million from the Company and its consolidated subsidiaries were as follows.

Name	Total compensation from the Company and its consolidated subsidiaries (¥ million)	Officer classification	Company category	Total compensation by type from the Company and its consolidated subsidiaries (¥ million)			
				Fixed compensation (base salary)	STI (annual bonus)	LTI (restricted stock)	Retirement benefits, etc.
Kengo Sakurada	326	Director	The Company	37	82	—	—
		Executive Officer		112	—	94	—
		Director	Sompo Japan Nipponkoa Insurance Inc.	—	—	—	—
Shinji Tsuji	100	Director	The Company	16	13	—	—
		Executive Officer		49	—	20	—
		Director	Sompo Himawari Life Insurance Inc.	—	—	—	—
Keiji Nishizawa	151	Director	The Company	—	—	—	—
		Executive Officer		—	—	—	—
		Director	Sompo Japan Nipponkoa Insurance Inc.	78	35	37	—
John R. Charman	107	Executive Officer	The Company	107	—	—	—
		Director	Sompo International Holdings Ltd.	0	—	—	—
Nigel Frudd	839	Executive Officer	The Company	0	—	—	—
		Director	Sompo International Holdings Ltd.	90	598	—	149

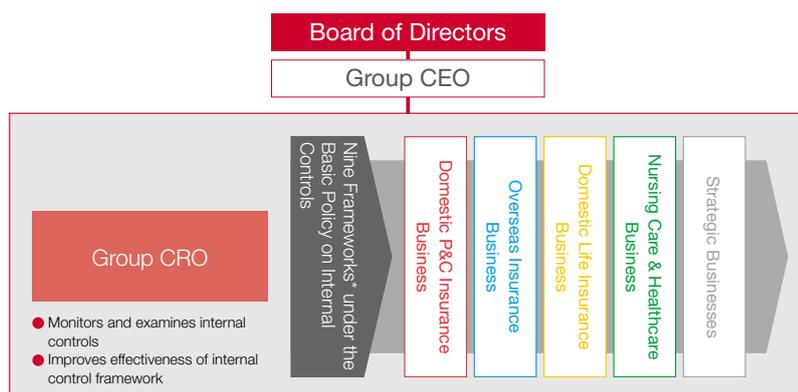
- Notes: 1. Regarding annual bonuses, with the exception of Nigel Frudd, compensation paid based on performance in the fiscal year ended March 31, 2019, has been included. Provisions to reserves in the fiscal year ended March 31, 2020, have not been included.
2. With respect to Kengo Sakurada and Shinji Tsuji, their directors' compensation from the Company and its consolidated subsidiaries includes executive officers' compensation received by directors who concurrently served as executive officers between April 1, 2019, and June 24, 2019, and their executive officers' compensation from the Company and its consolidated subsidiaries includes directors' compensation received by executive officers who concurrently served as directors between the end of the 9th General Meeting of Shareholders held on June 24, 2019, and March 31, 2020.
3. The compensation of John R. Charman and Nigel Frudd is paid in U.S. dollars. For John R. Charman, the foreign exchange rate at the time of the remittance of fixed compensation (base salary) is used. For Nigel Frudd, a foreign exchange rate of \$1 = ¥108.83, which was the prescribed in-house foreign exchange rate on March 31, 2020, has been used.
4. Assuming the degree of achievement for performance-linked compensation was 100%, John R. Charman's total compensation for the fiscal year ended March 31, 2020, is ¥380 million (fixed compensation: ¥141 million, annual bonus: ¥239 million, foreign exchange rate: \$1 = ¥108.83). Further, the amount stated in the table is the amount of compensation paid since his appointment as an executive officer.
5. Nigel Frudd resigned as CEO of Sompo International Holdings Ltd. on January 1, 2020. Accordingly, in relation to said company a portion of performance-linked compensation for the fiscal year ended March 31, 2020, was paid in that period. Further, an amount equivalent to one-fourth of the base amount of performance-linked compensation for the fiscal year ended March 31, 2020, was paid as position-retirement compensation.
6. Assuming the degree of achievement for performance-linked compensation was 100%, Nigel Frudd's total compensation for the fiscal year ended March 31, 2020, is ¥707 million (fixed compensation: ¥109 million, annual bonus: ¥598 million). Further, the amounts stated in the table are the amounts of compensation paid since his appointment as an executive officer.

## Group Internal Controls Supporting Corporate Governance

The Sampo Group has established the Basic Policy on Internal Controls to guide the development and ongoing improvement of the Group-level internal control framework and form business foundations for ensuring appropriate Group operations and improving corporate value. To ensure that the nine frameworks

described under the Basic Policy on Internal Controls can function efficiently and effectively, the Board of Directors appropriately monitors and reviews the status and issues of the Group's internal controls, with the aim of enhancing the framework.

### The Sampo Group Internal Control Framework



#### \* Nine Frameworks

1. Framework for ensuring proper conduct of operations of the Group
2. Framework for ensuring execution of duties of directors, executive officers, and employees in compliance with applicable laws and the Company's Articles of Incorporation
3. Enterprise Risk Management (ERM) framework
4. Framework to ensure effective and accurate execution of duties
5. Framework for ensuring financial soundness
6. Framework for ensuring appropriate information disclosure
7. Framework for retention and management of information related to executive officers' performance of their duties
8. Framework to ensure internal audits' effectiveness
9. Framework related to Audit Committee's audits

## Commitment to Compliance

The Group has formulated various policies, such as the Group Basic Policy on Compliance as well as the Group Compliance Code of Conduct, and is raising awareness of these policies among Group officers. We also anticipate various compliance-related risks and work to prevent such risks from manifesting themselves so that each Group company can increase the effectiveness of compliance initiatives based on these policies.

For example, in regions where overseas countries' laws (laws and regulations other than those of Japan or the country in which we do business) apply, we use the Group's internal and external networks to gather information regarding revisions to laws and regulations in countries and regions around the world, and then confirm categories requiring responses. We provide this information to Group companies in Japan and overseas, supporting their readiness in terms of compliance.

In addition, we are working to introduce data analytics to identify potential risks of inappropriate actions by employees.

While the Group has positioned the insurance business at its core, it has been expanding into such new business areas as nursing care and healthcare. The Company has also been carrying out initiatives to create new businesses and transform existing businesses through partnerships and the use of new digital technologies and data. When developing frameworks, it is necessary to consider not only the relevant laws but also the characteristics, scale, and operating conditions of each Group company as well as the potential risks they face. As such, in addition to requiring reports from each Group company, our members participate in Group companies' meetings, and vice versa. We work to understand the conditions at each Group company and share information via company visits, helping us support the development of frameworks at Group companies.

## Developing the Group's Internal Audit Framework

Sampo Holdings has established the Sampo Group Basic Policy on Internal Audits, which defines internal audits as processes for assessing the internal control framework and providing recommendations on methods for its improvement. Accordingly, the Company endeavors to develop an efficient and effective internal audit framework that spans the entire Group. Moreover, the Company makes efforts to enhance corporate value and meet the expectations of stakeholders by

conducting risk-based internal audits that take into account business characteristics and management strategies.

Specifically, the Company enhances its monitoring functions and takes a flexible approach to the auditing of changing risks. In conjunction with these efforts, the Company supports Group companies in developing their own internal audit frameworks by evaluating the quality of internal audits and recommending ways of rectifying issues identified.

## IT Governance

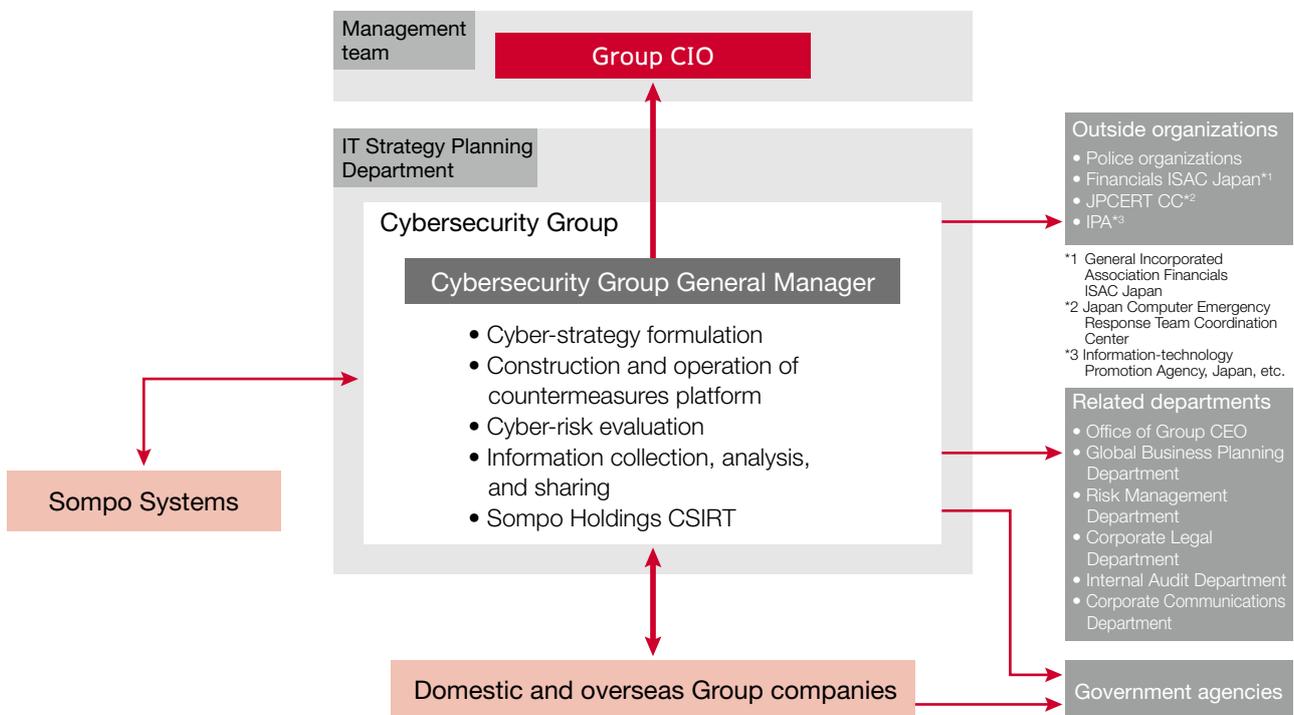
Evolving the IT systems of Group companies requires processes based on the regulations of each country and industry in which we operate. Other management processes are also kept in line with international standards. Group synergies are also being pursued by reducing system costs and risks by

standardizing systems and appropriately assigning and training IT personnel. By upgrading our IT architecture to reflect present and future digital trends, we will update system infrastructure in order to execute strategic digital projects.

## Responses to Cyber Risks

As cyber risks increase in step with the evolution of technologies and changes in environments, the Sampo Group is further strengthening its ability to respond to cyber risks. As part of such efforts, the Group has set up the Cybersecurity Group as a specialized organization tasked with systematically and comprehensively responding to cyber risks Group-wide. This team of experts has assumed the existing capabilities of the Sampo Holdings CSIRT (Computer Security Incident Response Team) and works with the cybersecurity managers of Group companies to manage security risks on a day-to-day basis and in emergencies. One of the new team's main missions is to increase the level of maturity in the management of security risks throughout the Group. We view a transformation of cybersecurity that is focused on reforming security culture

under the new organization as underpinning the digital transformation of businesses, which we are proceeding with in tandem with the latest advances in technologies, and as a critical factor for our success. For this reason, we will continue strengthening and moving forward with cybersecurity initiatives decisively. Furthermore, cybersecurity is a company's social responsibility. The Cybersecurity Group will proactively embed security in domestic and overseas business strategies and in IT strategies. The transformation of security into a source of competitive superiority in each of its businesses will enable the Sampo Group to realize its management philosophy by providing security and safety to customers, business partners, and shareholders.



## Information Disclosure

The Group has established a basic disclosure policy and strives to disclose information in an appropriate and timely manner to ensure that its various stakeholders, including customers, shareholders, and other investors, understand the Group's management and other initiatives.

### Corporate Website / Integrated Annual Report

The Company's corporate website is a source of corporate data as well as information on Group businesses, topics of interest to shareholders and other investors, and CSR activities. We also post timely news releases on this website. The English version of the website provides a variety of information for people overseas.

<URL>

<https://www.sompo-hd.com/en/>

In addition to the corporate website, the Company publishes its integrated annual report (in Japanese and English), which provides easy-to-understand explanations of the Group's profile, management policies, and operating performance.



### Regular Briefings for Investors and Analysts

The Company holds regular briefings for investors and analysts. Presentation materials used in these briefings are made available to all interested parties on the Company's corporate website.

IR meetings are held twice annually with the Group CEO and other members of senior management in attendance, in principle, and include presentations and question-and-answer sessions. The Company also arranges for members of senior management, including the Group CEO, to take part

in discussions with domestic and overseas investors on an individual basis.

Through such discussions, the Company is able to explain its management policies and other topics in an appropriate manner to investors, while also providing the Board of Directors and members of senior management with timely feedback on investor interests and concerns, which contributes to the formulation of management strategies and the execution of operations.

### <Briefings, etc., Held in Fiscal 2019>

Business strategy explanation meetings for institutional investors and analysts (IR meetings)	2 times
Financial results conference calls for institutional investors and analysts	2 times
Conferences sponsored by securities companies	3 times
One-on-one meetings with institutional investors	274 times
Information sessions for individual investors	8 times

Note: In February and March 2020, conferences sponsored by securities companies were canceled due to the spread of COVID-19.