

Launch of Overseas Integrated HR Information System

Sompo Holdings, Inc. (Kengo Sakurada, Group CEO and President; hereinafter “Sompo Holdings”) is pleased to announce the implementation of the Integrated Overseas HR Information System (the “System”). The System went live in July at nine major Group companies overseas with approximately 4,200 employees. This initiative aimed at enhancing our global competitiveness through an optimum group-wide talent assignment process, “the right person for the right place at the right time.” The System is SAP® SuccessFactors®, provided by SAP Japan Co., Ltd. (headquartered in Chiyoda Ward, Tokyo; Yuzuru Fukuda, CEO; hereinafter “SAP Japan”).

The implementation of the System enables Sompo Holdings to (i) centrally manage the information on personnel (e.g., competency, skills and experience) who take on the role of overseas business and (ii) strategically facilitate group-wide talent assignment and talent development.

1. Background and Objectives

- ◆ With an eye towards three key factors “Diversity,” “Specialty,” and “Market Value,” Sompo Holdings is pushing ahead with a variety of initiatives to support the Group’s growth, from a human resources perspective, by maximizing the value of human capital.
- ◆ Our Overseas Insurance Business has been pursuing business expansion through mergers and acquisitions, resulting in inconsistent personnel systems and different implementation levels of HR information system. It was therefore difficult to accurately grasp each employee’s skills and proficiencies, hindering effective human capital utilization.
- ◆ The objectives of the implementation of the System
 - (1) Build a shared HR platform across the Group and standardize HR procedures (e.g., performance management system and succession planning) and personnel information. This enables Sompo Holdings to (i) visualize in real time human capital in the Group and (ii) strategically facilitate talent assignments and development procedures across the Group.
 - (2) Sompo Holdings has taken advantage of economies of scale, and implemented this

state-of-the-art HR system. Implementation of the System will make it possible to strengthen and increase efficiency of human resources functions.

- (3) The System will give greater opportunities to attract competent employees, which, at the same time, will assist employees in their career planning.

2. Outline of the System

Name of the System:	SAP® SuccessFactors® (SAP Japan Co., Ltd.) ¹
Functions:	<ul style="list-style-type: none">- Employee management- Organizational management- Goal management / Performance management- Succession planning etc
Countries:	<ul style="list-style-type: none">- United States (Sompo America)
(Nine overseas companies with 4,200 employees)	<ul style="list-style-type: none">- UK (SJNK Europe)- Singapore- Indonesia- Thailand- Brazil- Turkey- China- Hong Kong

3. Looking ahead

- ◆ Sompo Holdings will be promoting HR initiatives step by step, including (i) the initiatives to centrally manage personnel information about domestic employees (approximately 80% of the entire Group) and employees at other overseas Group companies and (ii) development of the group-wide competency standards for domestic companies.
- ◆ Sompo Holdings will strive to further boost competitiveness and promote growth of business segments by (i) utilizing the established HR platform and (ii) accelerating Group-based talent management.

(Reference)Concurrent global HR initiatives

- ◆ Sompo Holdings built a common performance management structure to evaluate and develop employees based on the group-wide standards, which will be introduced to the major overseas Group companies in January 2018.
- ◆ Sompo Holdings has implemented post evaluations of approximately 850 positions at home and abroad, and identified important positions across the Group. Based on the

¹ SAP, SAP logo, all SAP products and service names mentioned herein are trademarks or registered trademarks in SAP SE in Germany and other countries worldwide.

information, succession planning and talent development plans will be developed in cooperation with each company.

- ◆ Sampo Holdings are working on personnel training programs across the Group. In addition to the ongoing "Sampo Global University," targeting young proficient employees, we will (i) identify different layers of talented employees across the Group and (ii) newly establish leadership workshops for manager-class and the management members.