

September 28, 2021

Sompo Holdings Asia Makes Strategic Investment in Global Insurtech Cover Genius

Sompo Holdings, Inc. (Group CEO & President: Kengo Sakurada), hereby announced that Sompo Holdings (Asia) Pte. Ltd (Sompo Asia), a wholly owned subsidiary of Sompo Holdings, will make US\$50M (~AU\$68M) strategic investment in Cover Genius, the leading insurtech firm and embedded insurance^{*1} specialist that enables the world's largest digital companies to offer any line of insurance or warranty directly to global customers with a single API call.

※1 Embedded insurance is the integration of end-to-end insurance products within a broader technology ecosystem or ecommerce platform. It allows a non-insurance company to offer insurance products directly through its platform, enhancing its value propositions and creating new revenue streams.

1. Background of the strategic investment and the strategic rationale

- The ~AU\$100M Series C round will bolster Cover Genius' global expansion and further Sompo Group's digital distribution channel in the embedded insurance market, enabling the company to offer tailored solutions to its customers by leveraging XCover^{*2}.

※2 Cover Genius' award-winning global digital platform to distribute personalized insurance products and optimize insurance purchase process.

- The round comprised primary and secondary capital, and was supported by globally distinguished fintech investor, G Squared, as well as Cover Genius' early backers, King River Capital, Marinya Capital and Regal Funds Management.
- Cover Genius partners with the world's largest digital companies including Booking Holdings, Skyscanner, Ola, Intuit, Shopee and several other leading brands to distribute personalized insurance in any country, language and currency with a single API call. In addition, with licenses in all 50 US states and in more than 60 countries, Cover Genius is able to offer global capabilities to multiple industries, including property insurance for renters, landlords, homeowners and corporates, fintech and bank insurance programs, solutions for retailers, gig contractors, logistics platforms, cyber security companies and online travel agencies, rental car aggregator and airlines.
- Through existing projects, Sompo Asia has seen vast potential in Cover Genius' global capabilities, backed by its BrightWrite data analytics framework that helps partners optimize toward any goal. Cover

Genius' global distribution platform and its API for end-to-end claims management, XClaim, allows partners to tap into digital distribution at a scalable global level.

- Combining SOMPO's underwriting capabilities with Cover Genius' licensing and technology will create a compelling leadership position in the fast-growing embedded insurance market. The partnership will kick off in Sompo Group's 14 markets across Asia before expanding to its global network, advancing the Group's digital transformation and agility.
- The Sompo Group has a global mission to promote a "Theme Park for Security, Health and Wellbeing" for their customers. This strategic investment will propel the Sompo Retail business to be even more sustainable and competitive, offering customized solutions that cater to the wellbeing of all stakeholders, beyond insurance.

2. Comments from management

- Mr. Daniel Neo, Chief Executive Officer of Sompo Asia, commented, "We had worked with Cover Genius on some projects and were very impressed by the organization and their global capabilities. In addition, we are very excited about the future of embedded insurance. I believe the company is uniquely positioned to excel in this fast-developing market. At Sompo Group, we share common values with Cover Genius. We hope that through this investment, we can work together to realize digital innovations and bring delight to our customers."
- Mr. Angus McDonald, CEO and Co-founder of Cover Genius, added, "We are eager to collaborate with a global partner, like the Sompo Group, that believes in the power of embedded insurance and its ability to offer new lines of protection to customers around the world. This funding will enable us to scale our current offerings and continue our rapid growth as we enter into new markets with innovative solutions for embedded protection."

3. Overview of Cover Genius

(1)	Year of establishment	2014
(2)	Headquarters	Australia, Sydney
(3)	Nature of business	A digital MGA player to provide customized insurance products, partnering with global e-commerce merchants.
(4)	Major insurance products	Mobility related insurance, travel insurance, warranty, pet insurance, etc.

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