

Focusing on Nurturing Talented Human Resources and Creating a Working Environment of Respect for Diversity

Approach to Human Resources, the Source of Growth

The SBI Group considers people to be the source of its creativity and the main driver of differentiation that becomes a competitive advantage. To secure human resources, in addition to recruiting experienced mid-career personnel, the Group hires new university graduates. These new university graduates play key roles in fostering and passing on the SBI corporate culture with some individuals fast-tracked to become Directors of Group companies, while others make strong contributions as mid-level employees at their respective organizations.

More than 90% of the Group's employees are mid-career hires. We strive to foster talented individuals capable of understanding and putting into practice our corporate culture, through continuous provision of training and other measures to ensure that these employees do not adopt a myopic view focused only on their own departments, and are capable of implementing initiatives with Group-wide synergies in mind.

Employee Development and Proactive Promotion

To nurture the talent who will become responsible for the future, the SBI Group has implemented various measures, and has thoroughly pursued a stance of proactively appointing and promoting superior human resources, regardless of age.

For employees who seek to become senior managers, in April 2015, the SBI Group initiated the Senior Manager Training Program, utilizing the SBI Graduate School, which was established in April 2008 with the full support of the SBI Group. Completion of this training is a requirement for promotion to senior management positions. The training curriculum, which takes about one year, consists of specified compulsory courses and

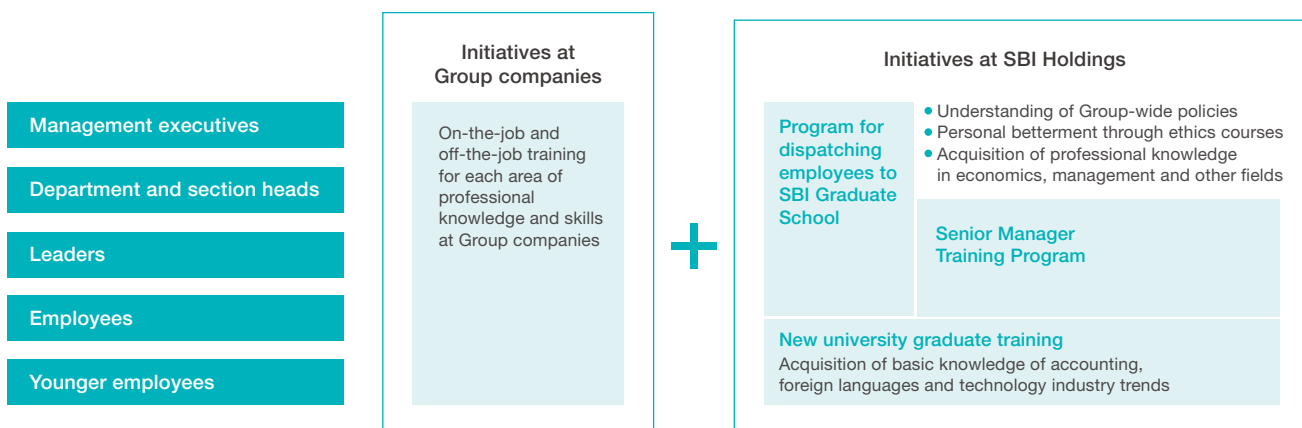


New university graduate training

elective courses from the SBI Graduate School MBA curriculum. A total of 405 employees have completed this training program as of March 31, 2019. Furthermore, a two-year or three-year program for dispatching employees to SBI Graduate School has been established for employees who wish to study a wider range of management subjects, and 86 individuals have obtained MBA degrees through this program as of March 31, 2019. The Group contributed approximately ¥78 million in education and training expenses in FY2018, mainly for these training costs.

In 2018, the Group established a system that makes it possible to offer salary and working arrangements that differ from those under the existing employment framework to further strengthen the Group's ability to respond to global management issues and contribute to the recruitment and retention of highly skilled personnel responsible for work requiring specialized

The SBI Group's Personnel Development Process



expertise in positions such as attorneys, accountants, AI development and blockchain engineers.

The Group strives for fair and impartial evaluation of employees, and utilizes comprehensive and multifaceted evaluations with input from not only superiors, but also subordinates and colleagues, by the adoption of a 360-degree feedback system.

Utilization of Diverse Human Resources

The SBI Group emphasizes the importance of individual character, professional background and skill, regardless of nationality, age, gender or the presence of a mental or physical disability, and applies this to the recruitment process. In Japan, we started recruiting new university graduates in 2006. We also recruit new graduates in Asia, as well as many other international students, and stepped up recruitment of mid-career foreign nationals with advanced technological abilities for positions including at systems departments. The Group is becoming increasingly nationally diverse, as we pursue global development to shift "from Japan's SBI to the World's SBI." Employees at overseas business offices now account for 26.2% of Group employees.

SBI Holdings continuously recruits women, and in FY2018, female employees accounted for 33.5% of all employees. The percentage of female employees across the Group is 44.3%.

Furthermore, in March 2015 the Company abolished the age limit for re-employment of those who have reached the mandatory retirement age. Through such initiatives, SBI Holdings aspires to be a company where diverse human resources can thrive.

Percentage of Employees at Overseas Business Sites (Consolidated)

FY2015	FY2016	FY2017	FY2018
13.6%	18.3%	22.1%	26.2%

Status of Employment of Women (Non-consolidated)

	FY2015	FY2016	FY2017	FY2018
Number of female employees	60	67	72	75
Ratio of female employees	34.5%	35.8%	36.5%	33.5%
Number of women hired	15	11	15	4
Ratio of women among regular employees hired*1	36.6%	22.9%	21.7%	6.9%
Number of female managers	15	21	23	27
Ratio of female managers*2	18.3%	20.4%	22.8%	22.3%

*1 Includes SBI Holdings employees and seconded employees

*2 The ratio of female managers to all managers

Efforts to Create Appealing Workplaces

The SBI Group is creating a workplace environment that plays a positive role in recruiting and retaining talented people, and is striving to increase productivity through work-style reforms.

The SBI Group considers it important for employees to be in good physical and mental health in order to always perform at their best. For this reason, in August 2018, the Group instituted the Health Management Declaration, which states that the Group will actively work to create an environment that encourages employees to maintain and promote their health.

In the area of employee career development, we provide opportunities for self-actualization, and have introduced a career opening system*3 for the purpose of energizing organizations by making effective use of human resources and putting the right people in the right place. Employees can request transfers to their desired operating companies within the Group organizations through this system, which more than 120 employees have utilized to make career changes to date.

To further increase the SBI Group's cohesion as well as employee desire and motivation to improve consolidated business performance, the Company issues paid-in stock options to Directors of the Company and its subsidiaries, and free-of-charge qualified stock options to employees of the Company and its subsidiaries. Furthermore, to help employees prepare for life post-retirement, the Group introduced a corporate defined-contribution pension plan in 2002.

To increase productivity, the SBI Group is actively proceeding with Group-wide introduction of robotic process automation (RPA)*4, pursuing improvement in business process efficiency and productivity through automation of various routine business processes. At SBI Holdings (non-consolidated), average monthly overtime is 20 hours 50 minutes per person, and the annual paid leave utilization rate is 63.2%.

*3 A job posting system within the Group companies for employees to apply for transfers

*4 The use of artificial intelligence (AI) or machine learning, a technology by which AI learns through repetition, for the purpose of performing mainly back-office, white-collar tasks

Average Years of Service and Turnover Rate (Non-consolidated)

	FY2015	FY2016	FY2017	FY2018
Average years of service (men)	6.26	6.26	6.16	5.22
Average years of service (women)	6.05	6.02	5.86	6.03
Turnover rate	8.99%	9.50%	10.70%	10.53%