

We will transform our business model to earn trust and empathy from stakeholders and realize the well-being of all and a sustainable society.

President and Representative Director
(CEO)
Dai-ichi Life Holdings, Inc.

Seiji Inagaki

Changes in the business environment and the role of life insurance

Environmental changes during COVID-19 and discoveries

Let me start with a review of fiscal 2021. The spread of COVID-19 continued throughout the period, and the Russia-Ukraine conflict began in the second half. It was a year in which a global social divide emerged that significantly affected our lives. The Ukrainian crisis is worrying and has developed into a human rights issue. We are now seeing rising prices in our everyday lives, partly due to global supply chain disruptions.

During the spread of COVID-19, we saw further progress in social media and other digital communication technologies, giving us easy access to huge amounts of information. Meanwhile, it appears that social media encourages groups of people with specific views and values to come together. I believe this has exacerbated the divides between groups with

different values. I see this as a major change in the external environment that will accelerate the diversification of people's values and lead to business challenges for our company.

However, I feel I made an important discovery during the pandemic. I discovered that our daily lives are supported by many essential workers. In the past, I had few opportunities to pay attention to their presence. Now, I have a renewed awareness that it is important for people to support each other, that society is built on such mutual support, and that it is vital for us to empathize with the weak. You might feel the same in some way. Mutual support is the origin of life insurance, and the pandemic served to reaffirm the importance of such support to us as a life insurance company.

Role and social value of life insurance

Life insurance is originally a business based on the spirit of sharing risk and mutual aid. I believe that preparing for risk is important in bridging the economic and social divides that arise when risks materialize.

To date, we have paid more than 100 billion yen of insurance benefits to policyholders in connection with COVID-19. This is only financial support. However, if these payments are of any help to the people receiving them, life

insurance is playing a role, helping people return to their normal lives and economic stability.

Amid COVID-19, our staff at different locations across the country continued to closely serve customers. These activities do not always lead directly to revenue. However, our network is rooted in the communities and that connection helps bridge social divides. Our network provides value to society that is unique to our business model.

Business model that earns trust and empathy suited to the current era

To continue our growth in the future, we need to heal the divides in society and operate a transparent business suited to the values of today's customers and society. At the same time, we must center our business on the essential role of life insurance. Our past business model of providing standard services to the entire market has been successful so far, but nowadays this approach is not always acceptable to all generations.

Today's customers have access to all the information on the Internet. The information gap between customers (consumers) and us (the supplier) is narrower than it was in the past. Consequently, customers now seek more sophisticated and diversified products and services. In particular, the young people who will play a central

role in the future are not only digital natives but also inclined to attach value connection and empathy with other people who have shared values. In such circumstances, COVID-19 accelerated the diversification of values and segmentation of risk-sharing groups.

Going forward, we must flexibly enhance our products and services to reflect today's values and become a company chosen by customers. I am convinced that our efforts to closely serve individual customers throughout their live journeys and to deliver value to earn trust and empathy will bring joy and happiness to customers. In the end, it will be economically beneficial for us as well.

First year of Re-connect 2023

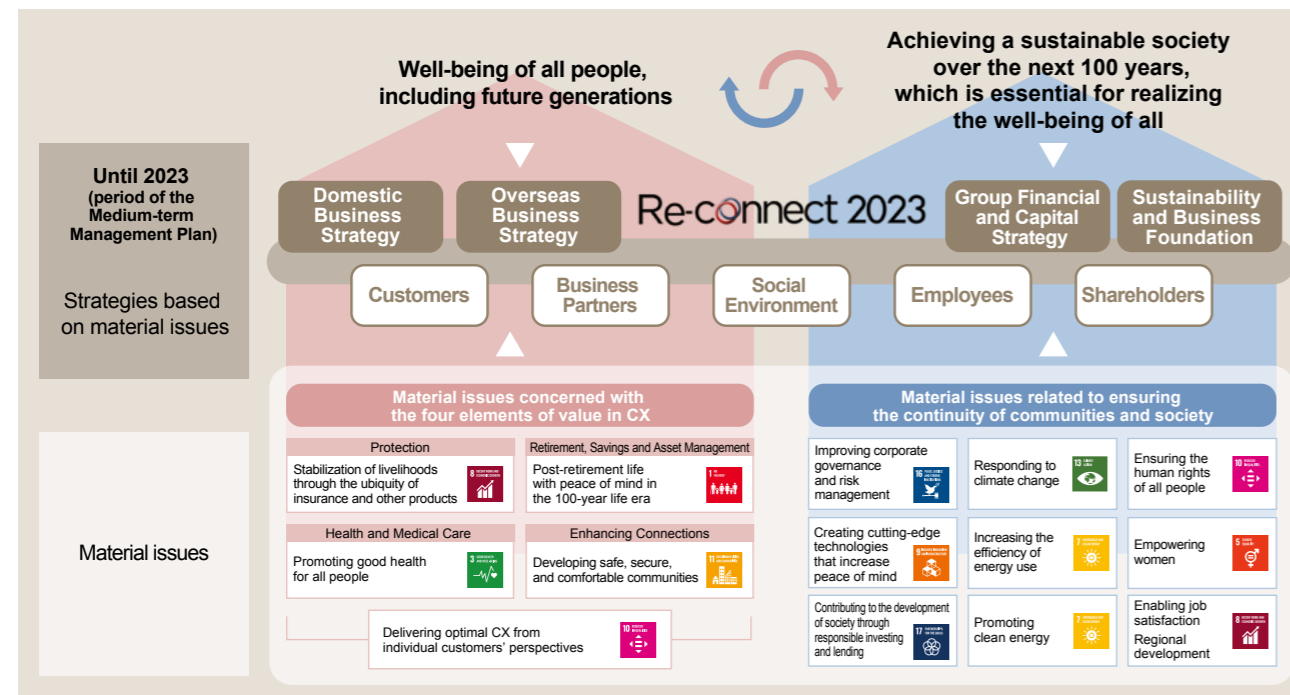
Improving the well-being of customers through four experiential values

The CX Design Strategy is the core of the Re-connect 2023 Medium-term Management Plan, which was launched in fiscal 2021. Its goal is to deliver a superior customer experience (CX). As a lifelong partner, we aim to foster customers' well-being by providing four experiential values: protection, retirement, savings and asset management, health and medical care, and enhancing connections. Analyses show that money, health, and social connections are key assets for happiness and well-being in life. We believe that life insurance is the best business for providing them in a well-balanced

manner. We provide economic support through protection and retirement, savings and asset management. We also offer our original psychological support from the perspectives of promoting health and enhancing connections. We understand that our close-knit economic and psychological services will contribute to the well-being of our customers. To be trusted and chosen by customers, we have designated this support as a major course of action. With Re-connect 2023, we aim to develop initiatives to deliver the four experiential values.

▶ P. 35: Progress of the FY2021–2023 MMP

Material issues and the Medium-term Management Plan



[Domestic Business Strategy]

Realizing OMO through the CX Design Strategy

Fiscal 2021 was a year of establishing and promoting systems that will put our domestic business back on a medium- and long-term growth track.

First, we developed "Mirashiru," a digital platform for our CX Design Strategy. Dai-ichi Life launched the Mirashiru website in December 2021 to facilitate communication with customers in the digital space. The name Mirashiru was coined

by combining *mirai* (future) and *michi-shirube* (guidepost). It represents our will to support people moving toward the future. Mirashiru offers a wide variety of information about not only protection and asset formation but also healthcare and other everyday matters of interest. It is designed to personalize web pages for individual customers and increase convenience. In addition to chatting and online discussion, the site will enable

people to connect with the individual web pages of our Total Life Plan Designers in the second half of fiscal 2022. This will pave the way for everyday online communication with more customers. We will use information on customers' interests and other data collected from the website to develop new products and services.

The fact is that COVID-19 led to advances in digital technology and a decline in face-to-face interactions with customers. However, I do not think face-to-face contact will disappear from the life insurance business. It is difficult to completely replace the human ability to understand and empathize with the difficulties that customers face with digital technologies. We are striving to realize OMO, the integration of online (digital) and offline (real-world) operations.

▶ P. 37: CX Design Strategy



We do not expect face-to-face contact points to vanish. Rather, we strive to realize our online-merges-with-offline (OMO) strategy.

Changes brought by digitalization

With digitalization, we launched the "Digi-ho" brand in April 2021. During the year, Dai-ichi Smart Small-amount and Short-term Insurance launched its first product, "Coronavirus Mini-Support Insurance (a specific infectious disease insurance policy)" covering COVID-19. It attracted more than 160,000 applications in January 2022 alone as Japan experienced the sixth wave of COVID-19. In the same month, Dai-ichi Life sold around 80,000 new policies. In other words, Dai-ichi Smart, which was just one year old, sold twice as many policies as Dai-ichi Life. While these results were supported by a rush in demand, our analyses also show that this product clearly highlighted mutual-aid relationships whereby self-employed and other people who would lose income if they became infected shared the risk with people in similar circumstances. It was a new attempt to apply dynamic pricing to insurance premiums, which vary depending on the number of new confirmed infections.

Digital technologies enable us to reduce the initial costs of such insurance products, making it possible to set the

breakeven critical mass at a low level. This is a significant change. Meanwhile, we also recognized the difficulty of risk control, and decided to stop sales of this specific infectious disease insurance policy to new customers in July 2022. From a future business strategy standpoint, however, we learned that when we release a new product that best suits customers with specific needs at the right time in the right manner, it becomes popular surprisingly quickly. This was a valuable lesson. In addition, the fact that application procedures can easily be completed on a smartphone, our contact points with the younger generation have increased. Some of our specific infectious disease insurance policyholders went on to purchase Dai-ichi Life's comprehensive insurance policies. This demonstrated that "Digi-ho" has the potential to act as a gateway to more comprehensive insurance products.

While some are still in the experimental phase, we are also engaged in other efforts to incorporate digital technologies. Leveraging our strength in face-to-face consulting, we will work to create experiential values utilizing more convenient digital solutions.

Transformation of the Total Life Plan Designers Channel

Transforming our Total Life Plan Designers channel, which supports our CX Design Strategy, is one of the significant changes in our domestic business.

In the past, our policy was to employ as many employees as possible to support customers throughout Japan. From fiscal 2021, under the head quarter leadership we shifted to a more selective recruitment controlling the number and timing of people being hired, placing greater emphasis on people's basic capabilities and aptitude. In addition, in fiscal 2022, we introduced a new training program with the establishment of the

Career College, which is dedicated to initial training. We will also improve ongoing training for existing Total Life Plan Designers. We will actively communicate online to massively improve the quality and duration of training to provide a more advanced and uniform education.

Besides, to support recruiting and the training of inexperienced staff, meanwhile, we will significantly revise our salary system in fiscal 2022. Under the former system, salaries varied significantly depending on sales performance. Under the new system, the percentage of the fixed salary portion is

much higher for the first five years after recruitment, and salary levels are also higher than in the past. Our aim here is to secure competent employees at the recruitment phase and create an environment during initial training where new hires can concentrate on developing skills and building trust-based customer relationships with peace of mind.

Since this is an important business transformation on an unprecedented scale, it will take time until its tangible effects are seen. We will work to increase the number of skilled Total Life Plan Designers to steadily expand our customer base and achieve sales results and personal efficiency that exceed pre-COVID-19 levels.

The reform of management quality to eliminate monetary fraud continues to be one of Dai-ichi Life's top priority management issues. I am bitterly regretful that a new fraud was revealed in fiscal 2021. In response, we have established a new working group to carry out more fundamental efforts. All our officers and employees will profoundly understand the

[Overseas Business Strategy]

Extensively providing four experiential values outside of Japan

Outside of Japan, there are as many as 1.7 billion people with poor access to financial services, mainly in emerging countries, and the insurance penetration rate is low as well. Given the aging population and falling birth rate in Japan, we strongly believe that we should proactively fulfill our mission outside of Japan as well. Since entering overseas markets in 2007, we have been aiming to operate businesses that suit local needs.

In fiscal 2021, our subsidiary TAL decided to acquire Westpac Life based in Australia. This solidified TAL's position as the largest market share holder in Australia's protection domain. Another subsidiary, Protective Life Corporation, also made AUL, a company based in the United States, into a subsidiary in its asset protection business. In fast-growing Vietnam, our strategy of diversifying sales channels to include agents and bancassurance produced positive results. We are now among the top three market share holders among private companies in that nation. In fiscal 2021, the adjusted profit of our overseas business reached a record-high figure, although it was partly

significance of these efforts and implement them without fail. In so doing, we will build an organization to ensure that we can earn the confidence of our customers.

In fiscal 2021, we introduced two new key performance indicators. One is NPS® (Net Promoter Score), which reflects our customers' willingness to recommend us to others. The other is the number of customers. We monitor not only the overall NPS® score of the Company but also evaluate each daily contact point with customers and incorporate our findings into our sales activities. In the process, we will improve the experiential values we provide based on the opinions of our customers. Currently, our NPS® score is at a mid-industry level. We will aim to improve this score to be in the top range and consequently increase the number of customers.

▶ **P. 17: Initiatives to Reform Management Quality at Dai-ichi Life**

▶ **P. 39: Vision for CX Design Strategy**

due to one-time items. Only 15 years after it started, the overseas business has now grown to earn at least a quarter of our group total profit.

In the overseas countries where we operate, the demographic composition is expected to remain unchanged even until 2050 in the wake of ongoing population growth. The demographic distribution in those countries will stay bell-shaped, with those in their 30s and younger occupying the center of gravity like in Japan during its economic growth. Therefore, we believe there is ample room in overseas markets to provide insurance and achieve future growth. In both Japan and overseas, we will extensively provide four experiential values—protection, retirement / savings and asset management, health and medical care, and enhancing connections—to drive future growth.

▶ **P. 48: Creation of four experiential values in the overseas business**

▶ **P. 49: Overseas Business Strategy**

[Group Financial and Capital Strategies]

Capital circulation management emphasizing stable creation and utilization of capital and cash

Our capital and financial strategies have evolved significantly into "capital circulation management." Based on dialogue with shareholders and other investors over the past year, I feel we have received positive overall feedback, including about future

expectations. In particular, Dai-ichi Life's reduction of market-related risks marked a high achievement rate against the target for the three years of the Medium-term Management Plan. We effectively used freed-up capital from such risk reduction to

make disciplined strategic investments in future growth and increase shareholder payouts.

As a result, on an accounting basis, adjusted return on equity (ROE) remained at a constant level. The beta of our shares in the stock market, which is an element of the cost of capital, was found to be trending downward. Return on embedded value (ROEV), which indicates capital efficiency as economic value, remained at a low level following changes in

financial market conditions and a revision of insurance requirements.

However, stock valuation indicators, such as the price-to-embedded value (P/EV) ratio and the price-to-book-value ratio (PBR), are still below one time. We will continue working to reduce risk to lower the cost of capital and adopt capital circulation management to quickly ensure that capital efficiency remains constantly higher than the cost of capital.

Transforming our business portfolio and risk profile

When reviewing our business portfolio from the perspective of profit composition, we foresee that the share of our profits from our growing overseas business will undoubtedly expand, surpassing 50% in the long term. In addition to developed countries, we believe that emerging nations will also make greater contributions to group profit. However, the essence of our business portfolio does not lie solely in simple share of profit. The risk profile, or the composition of the risks involved in capital investments to earn profit, is also important. Reducing market-related risks has led to steady improvements in our risk profile.

Currently, overseas interest rates are climbing sharply, and there are signs that domestic interest rates could change. Without depending too much on market outlooks, we will continue working steadily to reduce market-related risks. Also, we will proactively take insurance risks and expand fee-related businesses with limited risks in Japan and abroad. We are striving to achieve a 50:50 ratio of insurance risks to market-related risks to be comparable to other global insurance companies.

▶ **P. 51: CFO Message**

Strengthening foundations to support our financial and capital strategies

We will contribute to increase presence of Asia and Japan in realizing a net-zero society.



Strengthening sustainable foundations

Sustainability is now a value shared globally by people of every generation. Among many issues, climate change was cited as the greatest risk at the World Economic Forum held in Davos last year. The Glasgow Financial Alliance for Net Zero (GFANZ) was officially established at the COP26 UN Climate Change Conference held in November 2021. As the only member from Asia, I joined its CEO Principals Group, which consists of leaders from 18 financial institutions around the world.

Through GFANZ, I witnessed the enthusiasm of European and U.S. financial institutions, which are strongly committed to achieving net zero as a matter of social responsibility. The event gave me a firsthand look at the important roles we must play. Japan's life insurance industry holds nearly 410 trillion yen of assets under management and contributes to industrial development and economic revitalization through investing and lending. As institutional

investors, life insurers play a significant role in the Japanese economy. As a representative of the industry, I will lead efforts in cooperation with companies in each country to help increase the presence of Asia and Japan in realizing a net-zero society.

Achieving sustainability of the social environment also requires us to address recent changes in customer needs. In future business activities and the provision of goods and

services, it will be vital to ensure business ethics and transparency. In the case of life insurance, for example, this refers to the ethical aspects and transparency of how we deploy and invest the insurance premiums we collect from customers. It can be compared to respect for human rights in manufacturers' supply chains. By protecting the planet through our business activities, we can leave a sound environment for future generations, eliminate economic inequality between generations, and establish a society that recognizes people's individuality and respects their human

rights. We believe that our efforts, based on our values, will benefit our customers and serve their purposes. To date, the Group has actively pursued its cause of ESG-oriented investing and lending. Based on this cause, we will continue actively disseminating information on our actions in a wider range of areas.

- ▶ **P. 61: Addressing Climate Change: – Disclosure Based on the TCFD Recommendations –**
- ▶ **P. 69: GFANZ: Contributing to global climate change initiatives**

Increasing the diversity of our human capital and cultivating a proactive corporate culture

To survive in this era of drastic changes, we need to leverage our own strengths to ensure that our corporate management is resilient. Saying that our human capital is everything is not an exaggeration. Today, it is difficult to predict what will lead to success. A conventional homogeneous group might misjudge their course of action. Therefore, ensuring diversity is important to prevent biased management decision-making.

For instance, in our overseas business, leaders in different countries respect each other, learn from each other, and grow together through their regular discussions. Openly sharing information about their companies with others enables them to learn from practices in other regions and

share different ideas and opinions. This way, they produce synergies from learning based on diversity. No business can permanently demonstrate its significance without a corporate culture in which employees with different views and strengths respect one another and try new things, unbound by conventional practices. In addition to enhance the development of females in managerial positions, we have defined the ratio of "those who are not male, new graduates, and/or Japanese citizens" as an indicator for diversity. We will work to increase this indicator in a bid to increase the diversity of employees. We are striving to entrench an organizational culture in which members respect each other, listen to differing opinions, and always explore the best outcomes.

I believe that visionary management is the ideal form of organizational leadership with respect to increasing employee engagement and enabling employees to further demonstrate their individual attributes. French poet Antoine de Saint-Exupéry wrote, "If you want to build a ship, don't drum up the men to gather wood, divide the work, and give orders. Instead, teach them to yearn for the vast and endless sea." Adhering to this philosophy, we emphasize management that communicates vision, delegates authority, and maximizes the strengths of individuals, rather than having supervisors dictate how to cut the trees or which trees to cut. I directly share these and other thoughts with employees on our intranet site, "#せいじのつぶやき" (#Seiji'sWords). We encourage employees and motivate them to work independently, instead of giving them orders and instructions. With this approach, we hope to promote human capital management and foster an open corporate culture.

- ▶ **P. 71: Human Capital Management Strategies**



Ensuring diversity is vital to enabling unbiased management decision-making and instilling a challenge-oriented corporate culture.

Looking further ahead

Creating values in collaboration with stakeholders

Today, a new concept of stakeholder capitalism has been spreading as a reaction to the excessive financial capitalism of the past, which led eventually to human rights violations and the destruction of natural capital. In our Annual Report 2021, I used the expression "trade-on" to describe our commitment to achieving a balance of interests. This means investing in human capital while fulfilling our responsibilities to nature and giving back our investment returns to both shareholders and employees. Our duties vary depending on the stakeholder, but there is no clearly superior or inferior stakeholder. Based on strong values, we should seek a future form of capitalism in which we will create value that equally benefits all stakeholders.

As I mentioned at the beginning, life insurance is originally a business based on risk sharing and mutual aid. One of its roles is bridging economic and social divides. Our Company's foundation is based on people mutually supporting each other and our relationships with customers, local communities, and society. Our business is built on our employees who provide peace of mind in the form of life insurance, our business partners who support our operations, our shareholders who provide necessary capital, the global

environment needed for business continuity, and the connections between them all. The new stakeholder capitalism is consistent with our business model. Trust and empathy with all stakeholders will lead to collaborative new value creation.

To earn such trust and empathy, we will seek to ensure the transparency of business management. For this purpose, we must propose insurance products and services in a timely manner that best suits the diverse needs of customers. They must have easy-to-understand pricing and be transparent in the payment of claims and other benefits. We cannot earn real empathy unless we practice responsible asset management that fosters the sustainability of the global environment, community, and society while maintaining the promised interest rate. This is my impression of a sustainable form of our business. I will put it into practice so that our employees and business partners can empathize with our aspirations based on our social values. At the same time, I will strive to explain our road map for achieving both social and economic value to shareholders with a high degree of transparency.

Conclusion—Determination to transform the business model

As I have said, customers' values have been changing dramatically with the times, and COVID-19 has caused such change to accelerate. We already see disruptions in other industries, so the wave of change will surely come to the insurance industry someday.

Our founder said, "Consider whether people will be pleased with what we do or if they will find it unnecessary. A business that people find useful and convenient is bound to have its value recognized, and people will greatly develop that business. That is precisely why business is something that we do for the sake of people." These words have been passed down in our Company, and I keep them close to my

heart in today's fast-changing times. The insurance business is a stock-type business that generates stable profit from existing policies in force. Accordingly, changes in external conditions will not cause profit to decline suddenly. However, it is undeniable that in some aspects of our business we are less sensitive to changes in the environment.

In this "new normal" world caused by COVID-19, we will not adhere too closely to our past traditions or successful experiences. Rather, we will respect them and change them for the better. We at the Dai-ichi Life Group will work as one in our ongoing quest to transform ourselves in brand-new ways. I look forward to your continued support.

Initiatives to Reform Management Quality at Dai-ichi Life

Since October 2020, eight cases of monetary fraud have come to light at Dai-ichi Life, which is a breach of trust that we take extremely seriously as a life insurance company that is supposed to be close to and support the lives of our customers.

We consider it our top priority to sincerely engage with customers who were negatively affected by this, to strengthen our management and supervision systems, and to reform our corporate culture. As such, we will continue to implement and realize various drastic initiatives to eliminate fraud through the company-wide cross-sectional project, the Business Management Quality Reform Task Force, led by the President.

Review of the Business Management Quality Reform Task Force and challenges

Dai-ichi Life established the Management Quality Reform Headquarters and started the Business Management Quality Reform Task Force in December 2020. First, we sent out individual notifications and made outbound calls to verify contracts at risk of damage similar to the fraud cases. In fiscal 2021, we expanded the scope of our investigations to cover about total 1.2 million contracts. After the investigations, we conducted notifications by enclosing a notice in the Total Life Plan reports that we send out to customers about their contracts. In this way, we notified a total of 7.47 million customers to monitor their contract information carefully.

Moreover, we strengthened the rule that prohibits receiving money from customers and enhanced our supervision and checking functions, for example, by establishing the Compliance Analysis Office to detect any sign of fraud. In addition, we have revised our systems that might encourage a sense of privilege as a person with excellent sales performance and implemented concrete measures to promote education and such, for example, by reviewing the positions and titles of sales representatives, improving the working environment, conducting training programs for persons with excellent performance based on the various causes of fraud and conducting assessments from customers' perspective.

However, I am bitterly regretful that a new instance of fraud was revealed in fiscal 2021. We therefore further strengthened our investigations to check whether similar misconduct still exists. In addition, we established the Senior Customer Working Group in the task force to verify contracts with senior customers and recommended that they register for the contract information sharing system that allows us to provide their family members with contract information, thereby ensuring peace of mind for our customers. Dai-ichi Life will continue to make company-wide efforts to prevent recurrences, further ensure the effectiveness of that, and recognize stronger internal control as a task to be addressed.

Fiscal 2022 initiatives to reform management quality

1 Revising the sales representative system and management

Returning to our principle of "Customer First," Dai-ichi Life is advancing initiatives to train Total Life Plan Designers whom our customers want to choose for "By your side, for life."

Reforming recruitment management, the salary system, and training programs

Starting with the recruitment of new sales representatives in fiscal 2021, we have shifted the recruitment cycle from monthly hires to quarterly hires controlled by headquarters to manage the number of recruits and ensure adequate time for assessing new hires for further improvement of our human resources. Taking this further in fiscal 2022, we introduced quantitative assessment for basic business skills and professional suitability, thereby making our hiring criteria more stringent. For the salary system, we raised and stabilized salary levels for first five years after recruitment, started from fiscal 2022, thus allowing excellent new hires who will be responsible for the next generation to join the company and work without worries toward becoming sales representatives who generate and embody customer experience (CX) value along with learning necessary literacies and skills that contribute to customer satisfaction. Regarding training programs, the first year after recruitment is regarded as an initial training period without sales result requirements. We thoroughly implement training with a new curriculum that also emphasizes business philosophy during a sufficiently long training period.

Revising sales processes and target management

In terms of sales processes, we revised the Total Life Plan simulation that is used when consulting with customers to further improve customer satisfaction and make suitable product proposals. Providing the New Total Life Plan to customers is mandatory. In fiscal 2022, in addition to defining compliance-related indicators as the most important items in organizational evaluations, we do not set specific performance targets from the top down but rather operate from the bottom up where Total Life Plan Designers think about their career plan and set goals for themselves. We also reflect qualitative efforts that are customer-oriented in the extra pay, aiming for a condition that allows individuals and the organization to proactively and positively engage in growth and improvement.
(▶P.39 Vision for CX Design Strategy)

2 Enhancing service for senior customers

We are advancing the following initiatives so that senior customers can relievedly enter contracts and take procedures.

Recommendation to register for the contract information sharing system and enhanced after-sales follow-up

Since February 2022, we have encouraged senior customers to register in the contract information sharing system where their family members can receive information on contract contents. Moreover, we will continue to promote after-sales follow-up for customers including seniors, such as regular contract checkup for peace of mind® with the Total Life Plan Report sent out every year as well as appropriate information about the reliable receipt of insurance claims and benefits and various services.

Revising application age limits

We have already revised the sales and solicitation rules for contracts where the policyholder is 70 or older since October 2021 so that the presence of children and grandchildren is generally mandatory at the time of application. In addition, we lowered the upper age limit for some products in July 2022. By having customers consider and prepare for lifetime protection and retirement at an early stage, we aim as much as possible to eliminate the burden of procedures accompanying changes in contract contents and payment of additional insurance premiums after becoming a senior as well as situations that tend to occur when considering insurance at a senior age that lead to queries such as "I do not remember reviewing the contract" and "It is different from the contract contents that I expected," thus enabling better customer satisfaction.

3 Initiatives to improve corporate culture

Considering the cases of fraud that have occurred, we conducted a questionnaire survey for all employees and interviews for some, the results clearly showing some challenges such as "too much emphasis on results," "being too inward-facing," "tendency to let sleeping dogs lie," and "bad atmosphere between occupations and organizations." We are conducting the following initiatives to improve the corporate culture.

Holding town hall meetings (dialogue between management and employees)

From May to July 2021, we held 56 town hall meetings where Dai-ichi Life's management team, including our executives, and employees engaged in dialogue. Since then, we have continued to set up opportunities for management and employees to exchange opinions throughout the fiscal year, and we have been actively and continuously discussing how we want the company to be.

Introducing an engagement survey to reform employee awareness

In August 2021, we introduced an engagement survey to grasp the state of all employees and each organization in a more visual form, confirming the dissemination of awareness changes among employees and considering initiatives for drastic improvements. Based on the direct opinions of employees, Dai-ichi Life aims to be an organization where all employees can play an active role together with their colleagues with pride and motivation, as well as a place where employees respect and enhance each other's well-being. We set the corporate culture reform initiatives as major management evaluation indicators. We will review the target management, evaluations, remuneration, and communication structure, and promote continuous initiatives to reform business models and improve management leadership as part of the corporate culture reform.
(▶P.71 Human Capital Management Strategies)

Strengthening the governance of the Dai-ichi Life Group

The occurrence of cases of monetary fraud at Dai-ichi Life Insurance, a core subsidiary in Japan, is a serious issue that greatly undermines the social trust that the Group has cultivated over its history in Japan and overseas. The Company (Dai-ichi Life Holdings, Inc.) has been continuously monitoring the situation at Dai-ichi Life Insurance to see if there is steady progress toward establishing a system for the eradication of cases of monetary fraud and initiatives to reform its corporate culture, as well as whether the internal control system through three defensive lines (business divisions, indirect and administrative divisions, and an internal audit division) is sufficiently strengthened.

In fiscal 2021, the Company's Board of Directors received a total of seven reports and held numerous discussions, including opportunities to exchange opinions with the Audit & Supervisory Committee and the Board of Directors. We will continue to pay close attention to initiatives aimed at further ensuring effectiveness, strengthening internal controls, and implementing prerequisite reforms of the corporate culture, to strengthen our governance together with Dai-ichi Life.