

Message from the President

We are dedicated to raising
quality of life for all,
realizing our mission,
“By your side, for life.”

Seiji Inagaki

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



Where We Are

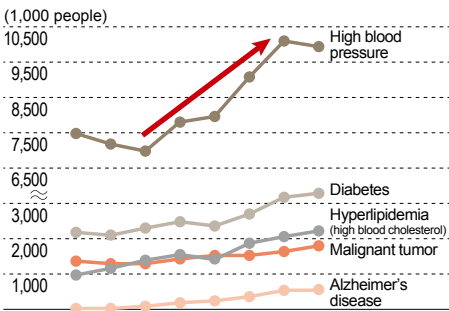
The Challenges of a 100-Year Life Society

It is said that we are entering a 100-year life society. When Japan's Act on Social Welfare for the Elderly was enacted in 1963, we had just 153 people aged 100 or more but over the years this figure has grown to around 70,000 in 2018.

Various issues have become apparent with this change. As the population is aging, more and more people are suffering from dementia and chronic conditions, such as high blood pressure and diabetes. As more people suffer from such health conditions, the gap between average life expectancy and healthy lifespan has been widening. Specifically, a person is likely to spend an average of 10 years in an unhealthy state.

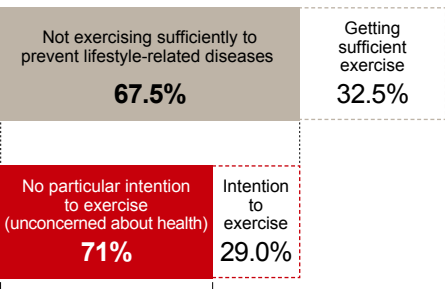
Given this situation, some people advocate the necessity of health promotion and illness prevention at an early stage and measures to stop the progression of diseases, but it seems that this message is not sufficiently influencing people. A survey revealed that roughly 70% of the population is not getting the necessary amount of exercise to prevent chronic diseases, and about 70% of this group were not concerned about their health, meaning they had no particular intention to exercise. It makes it very obvious that there is much room for improvement in spreading awareness on the necessity of maintaining and improving health.

People Suspected to be Affected by Chronic Diseases



(Source) Ministry of Health, Labour, and Welfare "Summary of Patient Survey, 2017"

About 50% of Japanese Not Concerned about Health



About 50% of the total
(Source) Survey by Tsukuba University's Kuno Research Lab (2010)

Another issue is the rising concern about not having enough money for later life. According to a survey by the Japan Institute of Life Insurance, about 70% of people in Japan are worried about supporting themselves financially in later life, and this percentage exceeds 80% of respondents under the age of 50.

Despite such concerns, a recent financial literacy survey revealed that only a little more than 30% of people had plans to save for later life, and less than half were aware of how much money they would need to support themselves in later life.

Percentage of People Worried About Later Life

| Overall | Under 50 |
|-------------|-------------|
| Approx. 70% | Approx. 82% |

(Source) Japan Institute of Life Insurance 2018 Survey on the State of Life Insurance in Japan

Awareness Regarding Financial Needs in Later Life

| People with plans to secure money to support themselves in later life | People aware of the money amount required to support themselves in later life |
|---|---|
| 34.9% | 47.8% |

(Source) Central Council for Financial Services Information Financial Literacy Survey (2019)

As a life insurer, we need to take these facts very seriously. The Dai-ichi Life Group has been carrying out activities to raise awareness about health and preparing for later life, and we have been providing people with information and services. However, this data suggests our efforts are not effective enough.

It is necessary to make an even greater effort to communicate to people the importance of being proactive and making proper provisions for building assets and improving their health and also we should continuously encourage them to act. This will get us even more involved in raising awareness and changing behavior, and will enable us to make a bigger contribution. Or in other words, our function is to provide a "nudge" in behavioral economics terms. I believe this is our role going forward. In this way, it is our responsibility to complement social security through our life insurance business and I recognize that expectations for us in this regard will grow in the future.

Diversifying Lifestyles

The diversification of lifestyles is being recognized more than ever before and the process seems to have accelerated since the rise of the generation born between 1980 and 2000, also known as "millennials." Millennials have lived in a digital society since their birth and have a set of values that differs completely from those of previous generations, namely sharing rather than owning, owning only what is needed, and connecting with one another through social media.

Millennials will become the core of society and have a strong influence. As this happens, the composition of society will change significantly, led by their values.

There are also other factors that will drive the diversification of lifestyles, such as an increase in single households, the spread of freelancing as a work-style, and increase of foreign residents as a result of globalization.



Such diversification also reflects the facts that individual customers have different values, and their expectations and aspirations are truly diverse. Therefore, there is a steadily growing demand for companies to provide products and services that meet these diverse needs. Also, if a company does not respond to such diversity, it will not win the support of its customers.

Life insurance is not an exception. Previously, the primary need of our core customer segment was standard death coverage. However, now insurance products cater to diverse needs, such as healthcare, nursing care, and savings for people with diverse lifestyles and values. Also, in line with customer preferences, insurance distribution channels have expanded from traditional face-to-face sales to include walk-in insurance shops, the internet, and other options.

In response to these environmental changes, we have served our customers by diversifying our products and channels. This includes adopting a multi-brand structure with three different companies in Japan and introducing non-life insurance and cancer insurance products from our business alliance partners. However, customer needs will continue to diversify and become more specific, in other words, it is not difficult to imagine a further increase in the demand for more personalized insurance and services.

In this way, if the Dai-ichi Life Group would adhere strictly to the traditional life insurance business model, we would not be able to fulfill the role demanded by society and our customers. In addition, the future of our business would also be at great risk. To solve the issues faced in a 100-year life society and to respond to the accelerating changes in the lifestyles of our customers, I think we need to respond to changes with even greater speed and agility.

Continuing to Embrace “By your side, for life,”
An Eternal Value Unaffected by Change

Pp. 5, 7
→ Group Mission
→ Our History

We have a commitment to respond to the changes in the environment and provide new value our customers and society expects from us. By meeting these expectations, we can grow even more.

Since our founding in 1902, while contributing to solving social issues we have provided a peace of mind to embrace each of our customers through the life insurance business. We have always adapted ourselves to changes among our customers and in society. Tackling the social issues of each era could be simply summarized as the Dai-ichi Life Group’s history.

The Dai-ichi Life Group’s mission, “By your side, for life,” expresses the pride and commitment of the employees who have inherited this history. This continues unchanged even within the current structure of the Group’s business foundation, comprising of 10 life insurance companies and two asset management companies in Japan and around the world.

The driving forces behind “By your side, for life” are “pursue what’s best” and “spirit of innovation,” values passed down from our founder Tsuneta Yano. “Pursue what’s best” is a pledge to always work hard with integrity to ensure the value we provide is the best it could



possibly be and will earn us maximum support in order to contribute to the happiness of people and the progress of society. “Spirit of innovation” reflects the philosophy of having the agility to do whatever is required to realize “pursue what’s best” and without fear to boldly change business practices when the occasion demands.

Since becoming president, I have used a quote from the founder to share my thoughts with employees about how we should approach work to reflect “By your side, for life.” Our founder used to say “Think about whether what we are doing will delight people around us, or will it be dismissed as something they can live without. People will recognize the value when a product or service is beneficial and convenient, and society will appreciate what we do and grow it larger. Therefore, ultimately we engage in our business for the sake of society.”

This is the essence that allows us to continue being “By your side, for life,” the eternal value that enables us to grow and continue to be chosen by customers and society.

Going forward, we must never lose sight of this essence, and create and provide value that responds to new customer needs and social issues with integrity and agility. I would like the Group’s 70,000 employees to share this ideal so that we can come together and strive for new growth.

New Value Creation We Pursue: Improving Quality of Life

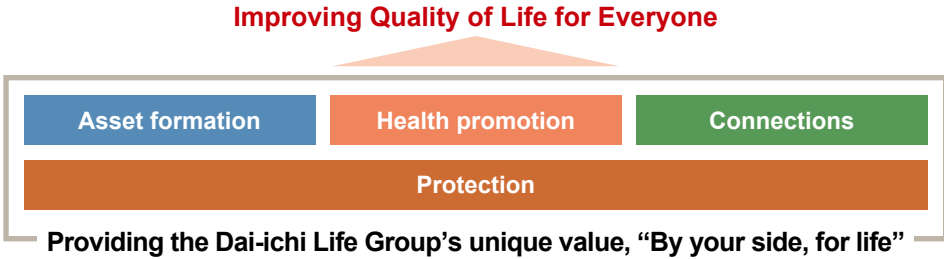
As we face new challenges accompanying diversifying lifestyles and entry into an age of a 100-year life society, the Dai-ichi Life Group has decided to pursue new value creation by contributing to the improvement of quality.

We see improving quality of life as “enabling the lives and lifestyles each and every person aspires to.” The upcoming era will demand not only quantitative abundance, but also qualitative abundance, and we assume what people will desire most is to improve their quality of life. Naturally, what could improve the quality of life will vary from person to person, as the value provided by companies would also likely be diverse.

In this sense, how can the Dai-ichi Life Group contribute to improving quality of life? In order to continue fulfilling our mission “By your side, for life,” what are the areas in which we can provide unique value that will lead to the improvement of people’s quality of life and in which our customers and society are expecting from us? We have reconsidered these questions based on our awareness of the environment around us, the characteristics of our business, our strengths, etc.

P. 23
→ Value Creation Process

As a result, the Dai-ichi Life Group is earnestly expanding into areas in which it can provide value through our business in asset-building, health promotion, and enhancing connections, which will be crucial for everyone in order to realize better quality of life, in addition to our traditional role of providing protection. We will also leverage advances in technology to further improve this value aiming to contribute to customers and society. In this way the Dai-ichi Life Group is helping to improve quality of life.



In order to engage in this new value creation, we will go beyond our traditional role of an insurance company, to take on the challenge of evolving the Dai-ichi Life Group's business model. When taking on this challenge, we will leverage all our advantages, such as our strong business foundations in Japan and overseas (customer bases and channels), the brand power we have cultivated, the exceptional and diverse personnel and know-how at our Group companies in Japan and overseas, and the resources offered by business partners outside the Group.

Let us share here the four values we will provide going forward and how our efforts regarding each of these will lead to quality of life improvement.

Four Values Offered: 1. Protection

In Japan, we will contribute to improving people's quality of life by catering more closely to the diversifying protection needs that accompany lifestyles.

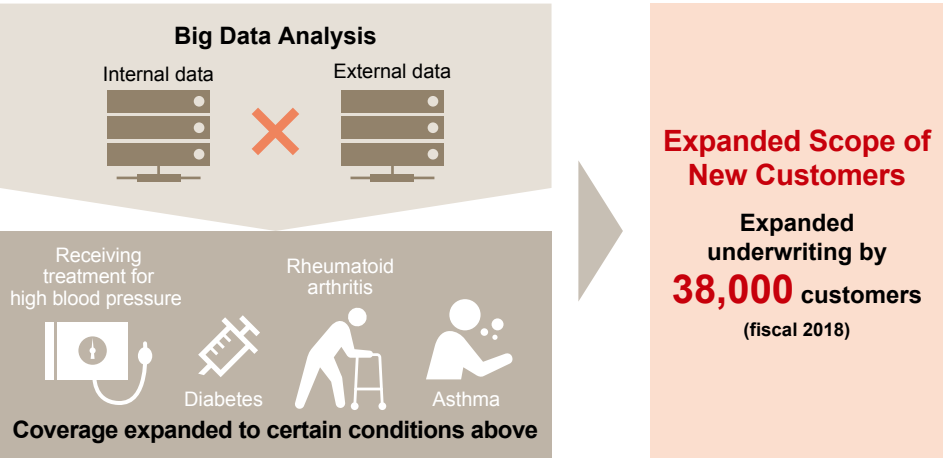
Dai-ichi Life's "Just," which was launched in 2018, is a highly versatile product that, in addition to death coverage, enables customers to prepare in great detail for various healthcare, illness, and nursing care needs. This has resulted in "Just" being popular among customers from a wide range of age groups and, as of April 2019, we had sold more than 1.3 million policies. Furthermore, we have been employing a multi-brand strategy in Japan. As a result of catering to customer needs in detail through a range of products from three Group companies, in fiscal 2018 we sold 1.43 million new policies, an increase over the previous fiscal year.

In overseas markets, our Group companies have been providing protection customized to the needs of each country and in particular, recently we are also expanding our business into the Mekong region. We have begun operations in Cambodia and have acquired provisional approval to begin business in Myanmar.

In this way, we are responding to the needs of many customers in Japan and other countries to contribute to improvement of quality of life by reducing the burden on household finances in case of emergency or when they become ill or injured, by enabling them to live with a peace of mind.

Furthermore, by utilizing technology, one of our strengths, we are expanding the scope of the protection we can provide. The Group refers to initiatives for fostering unique innovation by combining the insurance business with technology as "InsTech," and promotes it as a top priority strategic initiative. As part of InsTech, medical big data analysis and analysis of specific illnesses and hospitalizations allowed us to expand underwriting by 38,000 policies for patients with conditions such as high blood pressure and diabetes (equivalent to about 3% of Dai-ichi Life's annual new policies).

Expanding Underwriting Through Big Data Analysis



Naturally these achievements have meaning in directly leading to sales increase, but the provision of protection to even just one extra person is groundbreaking because it contributes to the improvement of quality of life and the stability of the lives of a greater number of customers, and going forward, we will further advance the expansion of underwriting through our data analysis.

Also, as the result of providing a line-up of products that flexibly cater to medical advances and increasingly segmented needs, the payment of claims related to healthcare and nursing care are increasing annually, and in fiscal 2018, a total of about 1.2 million claim payments were made by Dai-ichi Life and Neo First Life combined. Each year we are increasing the degree to which we contribute to providing stability in people's lives through not only death protection, but also paying claims and benefits that support longer lives.

Four Values Offered: 2. Asset Formation

The Dai-ichi Life Group offers a wide range of products that help customers with their asset-building needs primarily through Dai-ichi Frontier Life. In fiscal 2018 we recognized the increasing needs for inheritance and transferring assets and responded by timely introducing new products. We also expanded the sales channels to include over 180 financial institutions across Japan, as well as Dai-ichi Life's Total Life Plan Designers, which is a face-to-face channel. In this way we are solving one of the issues being faced in the age of a 100-year life society by helping a broad range of customers to "save, use, and transfer," or in other words, extend the longevity of assets.

P. 45
→ Fostering Innovation

P. 33
→ Domestic Life Insurance Business

Pp. 27, 37
→ Feature: Protection—Expansion of Business into the Mekong Region
→ Overseas Life Insurance Business

P. 33
→ Domestic Life Insurance Business

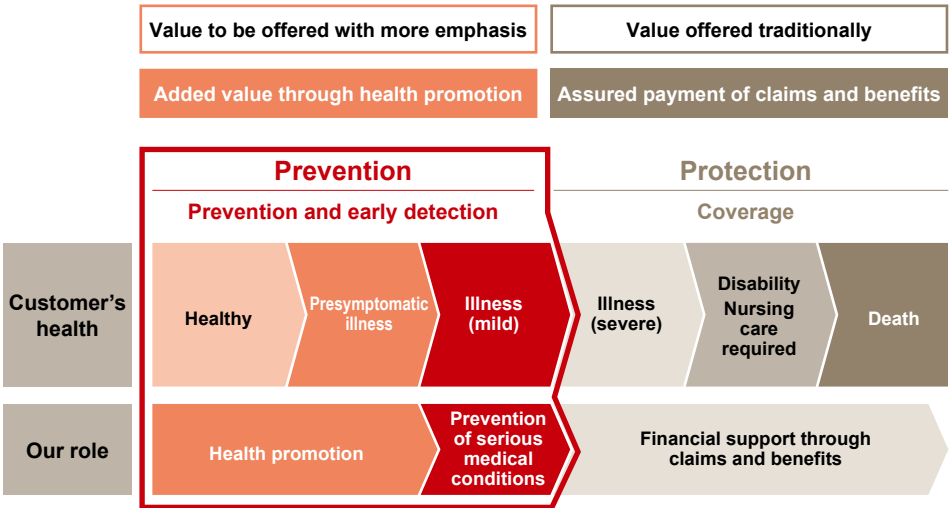
In the 11 years since it started business, Dai-ichi Frontier Life's in-force policy amount, an indicator of our contribution to customers' asset-building, has risen to 8.9 trillion yen and the amount of annuities Dai-ichi Frontier Life pays each year has risen to 261.3 billion yen. This way it is playing a role in complementing the social security pension system.

Also, Dai-ichi Life, is offering Tontine Pension, a product designed to increase the amount paid as a future pension by lowering the amount paid in the event of death before the customer reaches a pensionable age. This provides a new option for securing needed funds for later life as society ages.

Four Values Offered: 3. Health Promotion

In health promotion, we aim to contribute to quality of life improvement considering expected increase in chronic conditions and dementia in the age of a 100-year life society. To achieve this, we will expand the value we provide to prevention and early detection, in addition to protection.

With traditional protection we offer financial support in case a customer suffers from an unexpected death or serious disease. Going beyond protection, the Dai-ichi Life Group is adding products and services that promote health and prevent serious medical conditions in everyday life, contributing to prevention and early detection.



For example, Dai-ichi Life's "Health Checkup Discount" is a system that offers a discount for submitted health checkup results when buying a life insurance policy. Our aim here is not just to appeal to the customer through a discount, but also to contribute to their health. Dai-ichi Life's analysis suggests that people who get regular health checkups have a significantly lower ratio of suffering from the three major diseases (cancer, strokes, and heart attacks) and untimely death. Therefore, we think that offering the "Health Checkup Discount" will encourage people to get health checkups, thereby promoting health and preventing future illnesses.

Also, in 2018 we launched dementia insurance. As there are currently no conclusive treatments or drugs for dementia, preventing its inception or stopping its progress is seen as the most effective way of tackling. Therefore, Dai-ichi Life's dementia insurance not only provides dementia coverage, but also it is enhanced with unique ancillary services which focus on preventing dementia and improving cognitive functions. This is a new value we are providing to improve quality of life by enabling customers to have longer, healthier lives.

It is my perception that introducing these products and services could have a significant impact on society. In fiscal 2018, Dai-ichi Life sold 500,000 new policies with discounts for submitted health checkup results, a 2.5 x increase over the previous fiscal year, and just in four months since the launch of dementia insurance, 100,000 new policies had been sold.



This is in part attributable to a high level of product development capability, enhanced with technology by InsTech initiatives and also attributable to the encouragement or "nudge" carried out by the Total Life Plan Designers, a face-to-face channel, on a daily basis.

Till now, Dai-ichi Life's about 40,000 Total Life Plan Designers in collaboration with municipalities have verified and included the status of having health checkups for approximately 3.6 million people across Japan. At every possible opportunity they have been communicating the importance of having health checkups and making preparations for coping with dementia. These activities toward raising health awareness and the "nudge" for changing behavior is impacting people and society, by making many more people, including those who are "unconcerned about health," to be more health conscious. The strength that our 40,000 face-to-face channel representatives demonstrated when fulfilling their role of giving a "nudge" and the success of initiatives, including this one, leading to an increase in new policies can be seen as a response to the Group's business direction.

Going forward, we want to raise efforts to provide value that leads to health promotion in every possible way, including our products and services themselves as well as these kinds of initiatives, in order to solve social issues such as extending healthy lifespans and reducing medical expenses.

P. 33
→ Domestic Life Insurance Business

Four Values Offered: 4. Connections

The Dai-ichi Life Group is leveraging its strengths in the life insurance business all over Japan and helping improve quality of life by building communities that are easy to live and work in through the provision of various “connections” and “opportunities to connect” in each region. By utilizing our strength of being the only Japanese life insurance provider that has established collaboration agreements with all 47 prefectures in Japan, we are launching initiatives that tackle various issues affecting each region, such as taking care of the elderly, supporting child raising, and vitalizing business and industry, by working with local authorities.

We are also using our real estate around Japan to encourage the creation of childcare facilities, enabling us to collect an income from real estate while at the same time helping to promote the participation of women in the workplace and supporting child raising. We have successively expanded facilities with the aim of providing places for 2,500 children, about 10% of the number who were on waiting lists for childcare facilities in 2011, and currently we are able to accept 1,615 children.

Improving Quality of Life by Solving Social Issues and Realizing Group Sustainable Growth

P. 23
→ Value Creation Process

In this way, the Dai-ichi Life Group is raising its efforts to provide these four values to improve quality of life for diverse lifestyles of our customers. In addition to playing our conventional role in complementing social security systems, we will also contribute to solving social issues, including ensuring stability in the lives of citizens, extending healthy lifespans and asset longevity, and ensuring the sustainability of communities.

As a life insurance company we will manage the premiums from policyholders by engaging in ESG investment more actively so that it contributes to innovation, regional vitalization, and mitigating climate change.

In fiscal 2018, we took the first step toward realizing these initiatives and going forward we aim to further improve the value we provide through our business. As a result, we hope to further increase the support we receive from our customers and society, and expand our business foundation by reaching more customers in every country, leading to sustainable profit growth for the Group.

Also, all the values we aim to provide are based on the goals and targets of the UN's Sustainable Development Goals (SDGs), so we think that our business activities will contribute to realizing the SDGs.

And in order to continue being recognized by customers and societies as a company with our mission of “By your side, for life” and contributing to improving quality of life, we need to further improve every aspect of our customer-first business operations. However, there are some challenges in this aspect as well. Namely, we have received reports from some customers that foreign exchange risk was not sufficiently explained when they purchased foreign-currency denominated savings-type products, and requests to treat our elderly customers with greater care when they sign up for policies.

The Dai-ichi Life Group is taking this situation seriously and we are advancing with improvement measures, such as enhancing our explanations from customer's perspective and verifying whether our explanations are effective. However, there are no end goals to our customer-first initiatives. Going forward, we will strive continuously to consider customer's perspective and ensure that the Group's value creation serves for “pursuing what's best” for each individual customer.

Pp. 29, 41
→ Feature: Securing of Regional and Social Sustainability— ESG investments
→ Asset Management Business

Medium-Term Management Plan, CONNECT 2020: Progress in Fiscal 2018

Our current medium-term management plan, CONNECT 2020, is focused on improving quality of life. We will increase connections with a greater number of customers and communities and realize growth for the Group by strengthening connections with Group companies in Japan and overseas and with outside business partners, while at the same time increasing the value of our products, services, and channels.

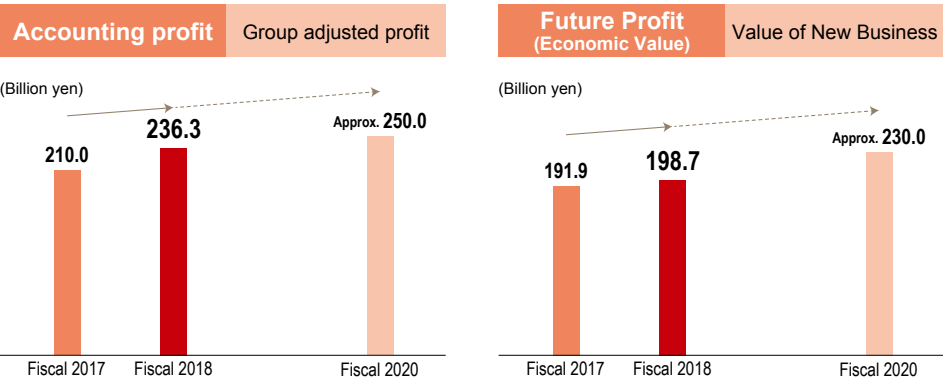
In Japan, we further developed our multi-brand, multi-channel approach by enhancing the mutual distribution of products within the Group and expanding the agent channel. Also, new products introduced in 2018 are contributing to improved business results.

In emerging markets overseas, as a result of concentrating on business growth focused on the top line in each country, we have expanded our contribution to providing stability in our customers' lives through life insurance. For example, Dai-ichi Life Vietnam has grown to become the top foreign-affiliated life insurance company based on first year premiums. Also, Protective in the U.S. and TAL in Australia have expanded their business foundations through M&A, and we can expect them to make greater contributions to profits going forward.

As a result of these initiatives, in fiscal 2018, the first year of the medium-term management plan, progress was generally smooth.

In addition to exceeding the Group's adjusted profit forecast of 236.3 billion yen, we also increased the value of new business, an indicator for future profits, year on year to 198.7 billion yen. We will continue to hone our ability to create value by contributing to quality of life in Japan and overseas and aim to achieve our targets in fiscal 2020.

P. 31
→ Progress in Fiscal 2018–2020 Medium-term Management Plan



In Closing

Heading toward a rapidly changing future, each Dai-ichi Life Group employee, both in Japan and overseas, must demonstrate their spirit of innovation so we can apply our collective strengths to “pursue what's best.” We will aim to realize sustainable growth by being “By your side, for life” to improve customers' quality of life and contribute to solving social issues.

Last but not least, I would like to thank everyone sincerely for your continued support for the Dai-ichi Life Group.

Value Creation Process

Fulfilling our mission “By your side, for life,” the Dai-ichi Life Group will keep on resolving new social issues through improvement of quality of life of people. By mobilizing our Group’s capabilities and spreading globally the value creation based on our philosophy, we will expand our growth potential and sustainability.

Awareness of Our Environment

Diversification of lifestyles

Diverse Values

More free time

Joy of convenient lifestyles

Globalization
Increase of digital natives
Technological advancement (medical/information/science)

In a 100-year Life Society

Surfacing aging population issues

Increase of **chronic diseases and dementia cases**
Life spent in poor health
(Gap between healthy lifespan and average life expectancy)

Approx. 10 years¹

| | Average Life Expectancy | Healthy Lifespan | Difference |
|--------|-------------------------|------------------|------------|
| Male | 81.0 | 72.1 | 8.8 |
| Female | 87.1 | 74.8 | 12.4 |

Concerns of **insufficient funds in later life**
Percentage of people feeling uneasy about financial readiness for old age

Approx. 70%²

Customer Value Creation that the Dai-ichi Life Group Seeks to Achieve

Improving Quality of Life as We Stand “By your side, for life”

As lifestyles continue to diversify, the Dai-ichi Life Group sees the improvement of quality of life as enabling the desired lifestyle and way of living of each individual. We believe that in addition to conventional protection, it is essential to provide value that contributes to asset-building, health promotion and enhancing connections.

Customers

Protection

- Insurance that meticulously covers increasingly diversified protection needs due to changes in lifestyles
- Insurance tailored to circumstances in emerging and other countries

Provision of protection that covers a wide range of needs
Number of New Policies (Japan)
1.34 million (Fiscal 2017) → 1.43 million (Fiscal 2018)

Asset-Building

- Insurance for building assets that further enrich lifestyle
- Insurance for increasing and transferring assets to remaining family

Contribution to asset-building through savings-type products
Policy amount in force³
7.6 trillion yen (End of Fiscal 2017) → 8.9 trillion yen (End of Fiscal 2018)

Health Promotion

- Insurance and services that broadly support people's efforts to improve their health
- Insurance and services that contribute to prevention and early detection of illness

Encouraging health checkups through Health Checkup discount
Number of health checkup certificates submitted⁴
205 thousand (Fiscal 2017) → 509 thousand (Fiscal 2018)

Enhancing Connections

- Connections among customers in communities (taking care of the elderly through cooperation with municipalities, etc.)
- Connections with customers and society (attracting daycare centers to Group-held properties, etc.)

Reinforced connections with communities and initiated efforts to resolve regional issues
Number of prefectures with which agreements have been concluded
All 47

Empowerment of women by attracting daycare centers to Group-held properties
Intake Capacity
1,615⁵

Society

Stability of lifestyles

Livelihood stability through insurance

Extending asset longevity

Sense of security at later life in the 100-year Life Society

Extension of healthy lifespan

Promote health for all

Measures addressing the declining birthrate and population aging

Building a safe and secure community

ESG investment aimed at creating innovation, vitalizing communities, and mitigating climate change

Securing regional and social sustainability

Creation of job satisfaction

Empowerment of women

Development of cutting-edge technology

Contributions to society through responsible loans and investments

Solving Social Issues by Improving Each Customer's Quality of Life

Improvement of Quality of Life by Resolving Social Issues

Sources of Value Creation

Group Strengths

- Strong brand
- Diverse talent/ Know-how
- Robust financial base

Business Foundation

Domestic Life Insurance Business

Overseas Life Insurance Business

Asset Management Business

Initiatives that Support Our Business Foundation

- Fostering Innovation
- ERM
- Diversity and Inclusion

Corporate Philosophy of “By your side, for life” as Our Mission

Group Growth

Sustained Growth of Our Businesses through Value Creation for Customers and Society

Group In-Force Annualized Net Premiums

2,425.7 billion yen (End of Fiscal 2012) → 3,955.8 billion yen (End of Fiscal 2018)

Image Representation of Growth in Group Profit⁶

100.0 billion yen (Fiscal 2012) → 236.3 billion yen (Fiscal 2018)

CAGR 5-7% (estimate)

By growing its business, the Dai-ichi Life Group aims to achieve Group adjusted profit of around 250 billion yen during the term of the current Medium-term Management Plan, and a further increase to the level of approximately 300 billion yen during the next Medium-term Management Plan.

We will further reinforce our business foundation to enhance the quantitative and qualitative value that we provide to our customers and society.

1. “Abridged Life Tables”/“Materials from 11th Meeting of the Expert Committee on Promotion of Healthy Japan 21 (Second Term),” Ministry of Health, Labour and Welfare (2016).
2. 2018 “Nationwide Field Survey on Life Insurance,” JILL.
3. Amount of in-force policies for Dai-ichi Frontier Life.
4. Number of health checkup results received by Dai-ichi Life.
5. Ongoing initiative towards intake of 2,500 children, an equivalent of approximately 10% of the children waiting to enter daycare centers across Japan (as of April 2011).
6. Amounts for fiscal 2014 and fiscal 2017 excluding one-time factors.



| Feature | Improvement of Quality of Life | Health Promotion —Initiatives Geared towards Prevention |
|---------|--------------------------------|---|
|---------|--------------------------------|---|

Expanding Role of Prevention in Addition to Protection

In addition to insurance’s conventional role of financial protection, the Dai-ichi Life Group will continue to support improvement of each customer’s quality of life through initiatives that go beyond existing insurance models such as health promotion and prevention of developing severe or chronic conditions.

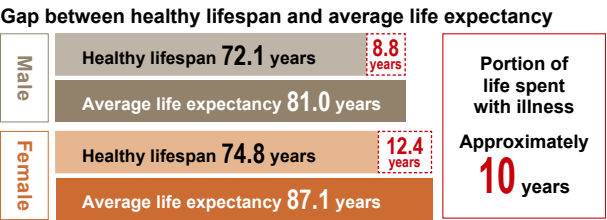
Issue Awareness

Having entered the 100-year Life Society, an increasing number of individuals suffer from chronic diseases and dementia due to old age. People spend approximately 10 years (the gap between healthy lifespan and average life expectancy)



(Source) “Summary of patient survey 2018,” Ministry of Health, Labour and Welfare.
(Source) “Overall strategy for promoting measures for dementia (July 5, 2017),” Ministry of Health, Labour and Welfare

receiving medical care, which is presenting a considerable challenge due to the burden of high medical expenses. It is said that in the future, this will not only be a concern for Japan and other developed countries but also for all other countries.

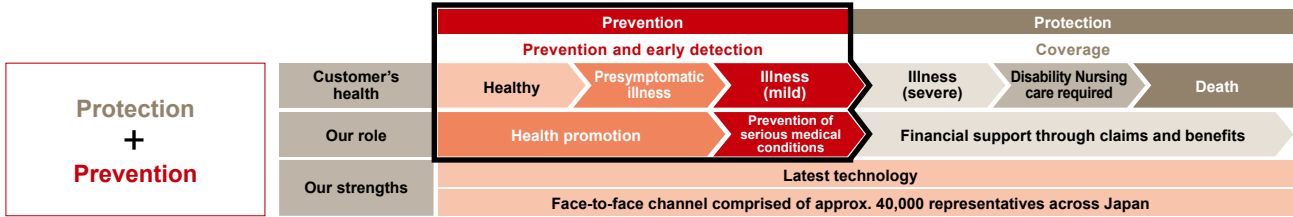


(Source) “Abridged Life Tables”/Materials from 11th Meeting of Expert Committee of Promotion of Healthy Japan 21 (Second Term),” Ministry of Health, Labour and Welfare (2016)

The Roles to be Fulfilled by the Dai-ichi Life Group: Expand into the Field of Prevention

Based on the above understanding, in addition to insurance’s conventional role of offering financial protection from such risks as illnesses, need for family care, and death, the Dai-ichi Life Group will also contribute to promoting health and prevention of developing severe or chronic illnesses. In taking on these roles, we will fully leverage our advantages in the form of fine-tuned

support that encourages changes in awareness and behavior toward health promotion through our 40,000 Total Life Plan Designers in Japan who communicate face-to-face with customers, as well as our expertise in product and service development that takes advantage of the latest technology.



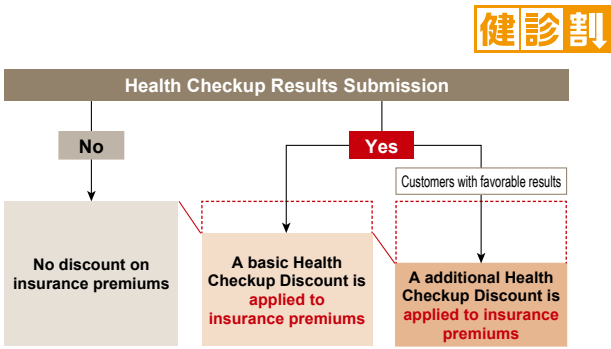
New Products and Services that Contribute to Prevention

Health Checkup Discount

The Health Checkup Discount offered by Dai-ichi Life is a life insurance industry-first* system that offer customers with favorable health checkup results a further discount on their insurance premiums on top of the discount on their premiums that they receive by simply submitting those results upon signing an insurance policy.

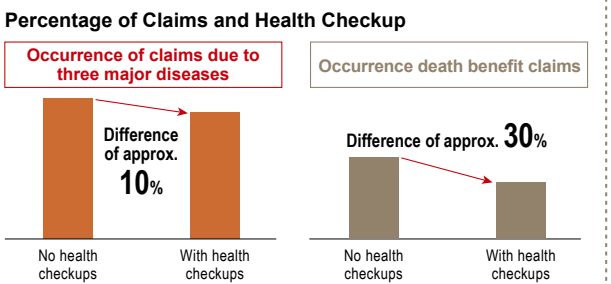
Through this system, about 40,000 Total Life Plan Designers reach out to customers and encourage them to have a health checkup, which translates into a greater number of customers promoting their health.

* As researched by Dai-ichi Life in February 2018



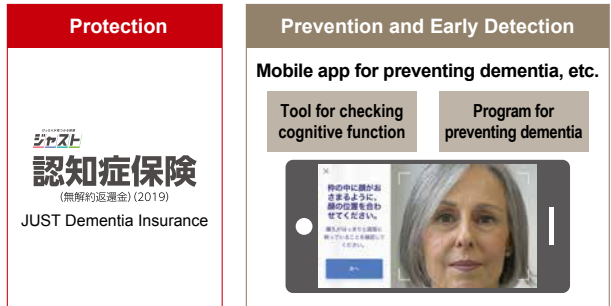
Approach behind the Health Checkup Discount

Behind the Health Checkup Discount is our idea that undergoing a health checkup is the first step toward good health. In fact, data shows that relative to people who do not undergo health checkups, those who do are 10% less likely to require payments due to the three major diseases (cancer, acute myocardial infarctions, and strokes) and 30% less likely to require payments due to death. This data was derived following an analysis of big data on over 10 million insurance policies of Dai-ichi Life using the latest technology.



Just Dementia Insurance and Dementia Prevention Services

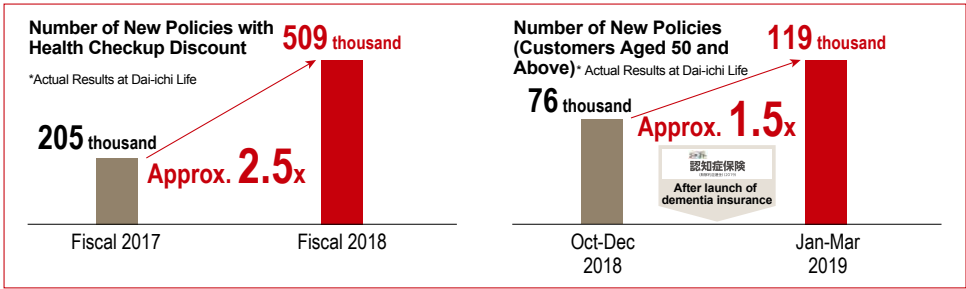
In addition to lump sum payment to cover the financial burden of nursing care due to dementia, Dai-ichi Life’s Just Dementia Insurance offers prevention-related services that include a tool to check a cognitive function based on an eye movement analysis and a mobile app with a brain training function to prevent dementia. Through prevention and early detection of dementia, we are working toward extending healthy lifespan.



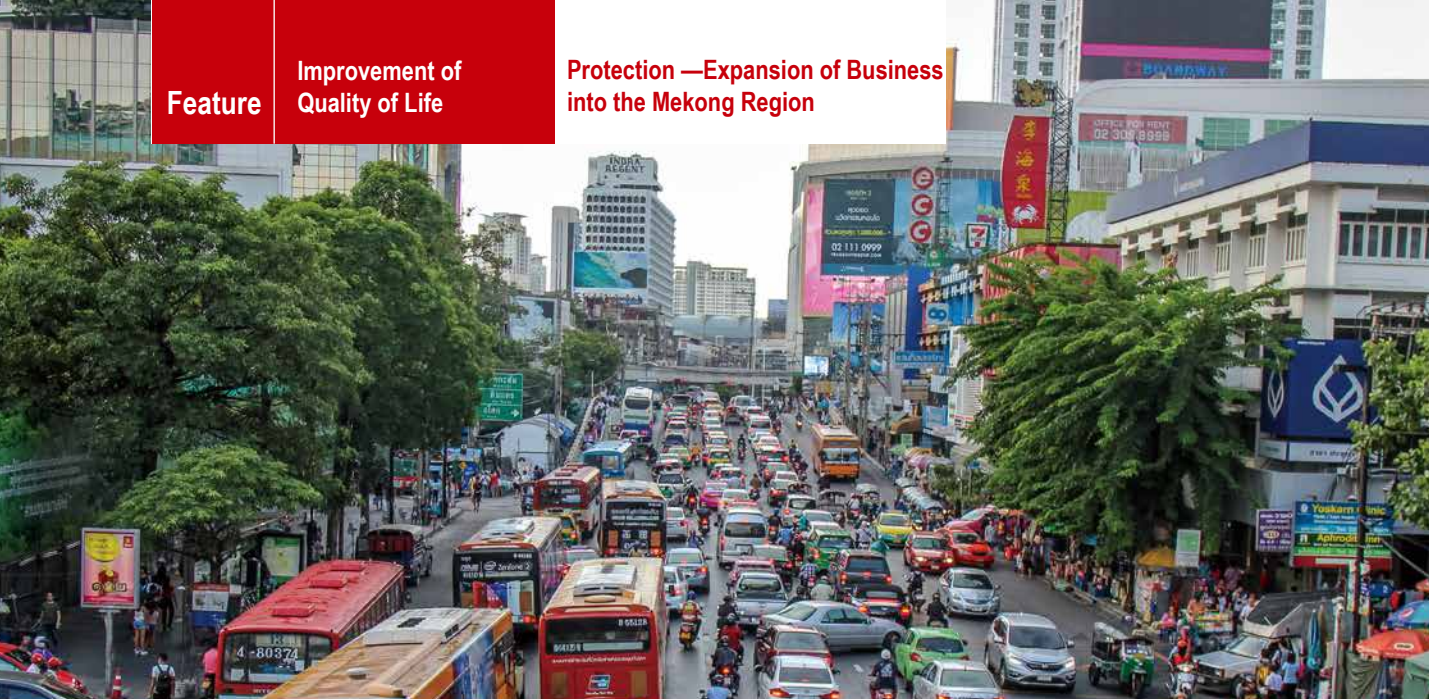
Accomplishments in Fiscal 2018

As a result of such initiatives, in fiscal 2018, the year we introduced Health Checkup Discount, the number of new insurance policies with submitting health checkup results exceeded 500,000. This was about 2.5 times the number of new policies sold in fiscal 2017. Moreover, in the three months since Dai-ichi Life launched dementia insurance the number of new insurances policies for customers aged 50 or higher

increased 1.5 times compared to new sales before the launch. By providing such products and services that promote health and prevent developing chronic or more severe conditions, we at the Dai-ichi Life Group will contribute to the improvement of our customers’ quality of life and aim to address social issues such as extending healthy lifespan and mitigating the burden of medical expenses.



Contribution to Improving Quality of Life



Contributing to the Stability of Lifestyles in Emerging Asian Countries by Spreading Insurance

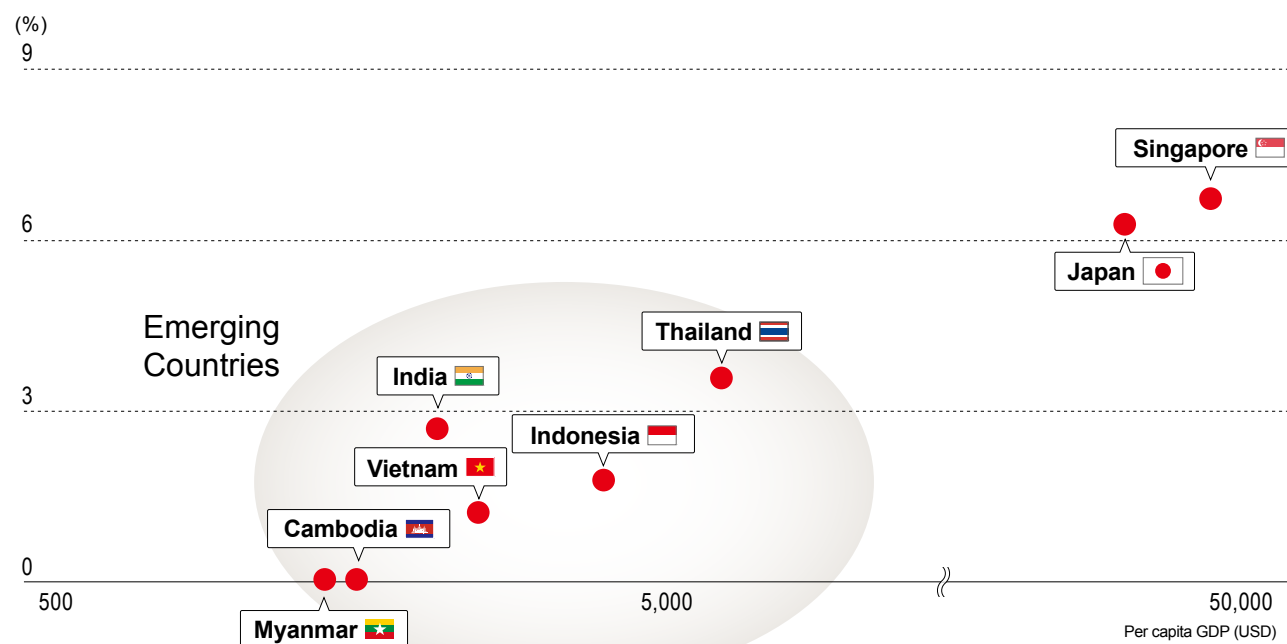
Since commencing operations in Vietnam in 2007, the Dai-ichi Life Group has proactively expanded its business into emerging Asian countries. Going forward, we will promote proactive initiatives in Cambodia and Myanmar, expecting the full-fledged spread of insurance due to the high percentage of young people and their potential for contributing to economic growth. With the spread of insurance, we will contribute to the stability of people's well-being.

Issue Awareness

In Asian emerging countries, social security systems are yet to be developed. As such, comparing to developed countries, people's lives in Asian emerging countries are vulnerable to emergencies. In this sense, life insurance complements social security systems and has gradually spread as a means of

financial protection against unexpected risks as well as a means of asset-building. At the same time, insurance penetration rate in these countries is still relatively low and preparation for emergencies is insufficient.

Insurance Penetration (Premium Revenue/GDP)



(Source) Swiss Re "sigma No.3/2018" and "Market analysis 2019 - Brunei, Cambodia, Laos and Myanmar"

Expected Role of Dai-ichi Life Group: Providing Long-Term Peace of Mind through Life Insurance

Proactively expanding its business into emerging Asian countries and providing ideal products in each market using optimal channels based on specifics of each country, the Dai-ichi Life Group believes that it can deliver long-term peace of mind to those markets through life insurance. In addition,

considering the need for total life plan design and health promotion, we believe that by spreading and penetrating that in each country, we can contribute to the stability of people's lifestyles at an unprecedented level.

Fully Leveraging Group Experience and Capabilities

As one of our initiatives in the Mekong region, in March 2018, we became the first Japanese life insurance company to establish a subsidiary in Cambodia, and it commenced operations in April 2019.

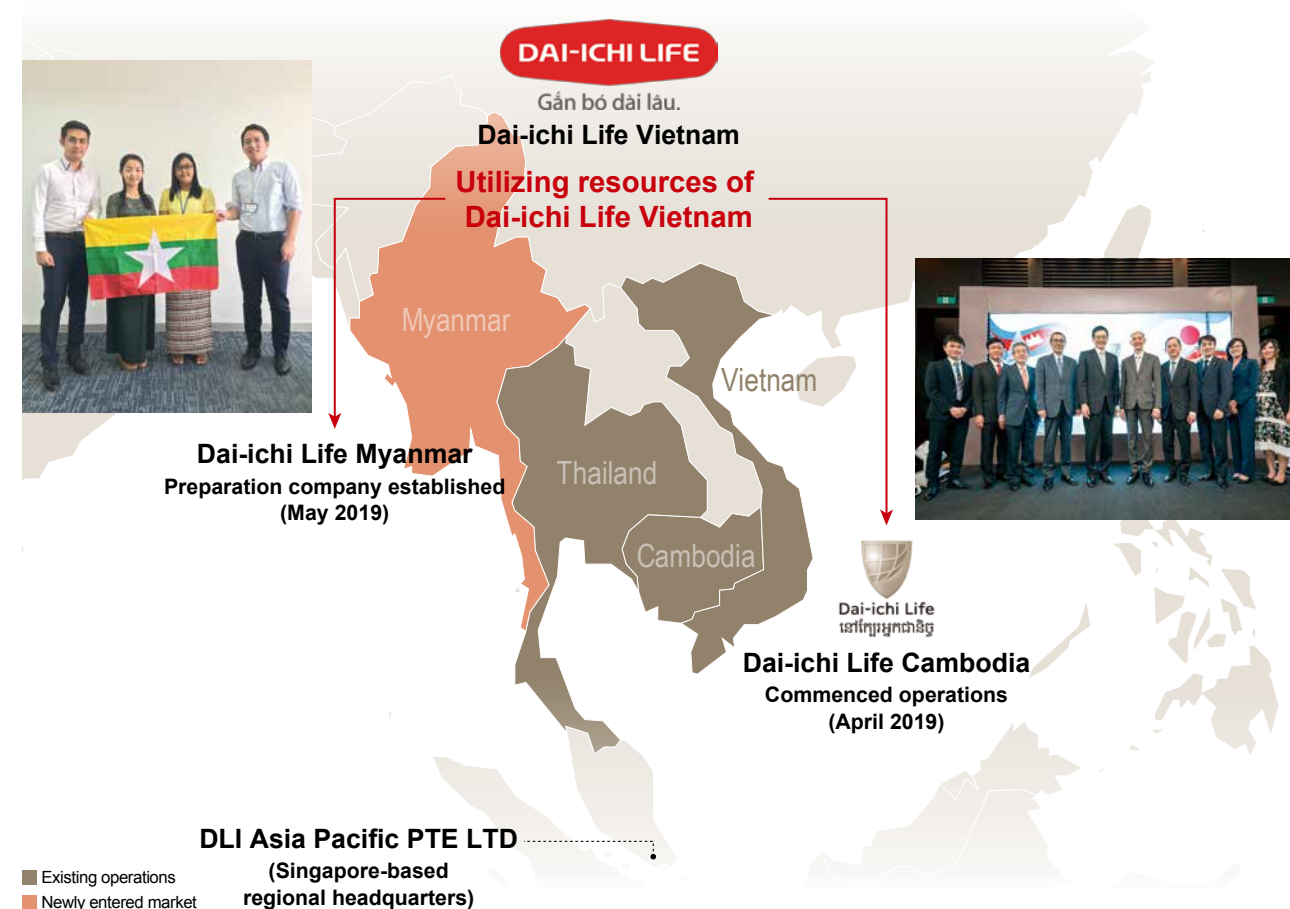
In Myanmar, in April 2019, we became the only Japanese life insurance company to acquire a provisional business permit for a wholly-owned subsidiary, after which we established a preparation company in May. Today, we are moving forward to start business in Myanmar.

To proceed with full-fledged business operation in these countries, in addition to Dai-ichi Life Vietnam providing expertise that it has cultivated over time in the Mekong region, it is essential to fully leverage regional headquarters in

Singapore, which oversees operations for the Group's insurance companies in the Asia region.

Specific examples of such support include providing marketing know-how and expertise on actuarial and risk management functions, as well as assistance with establishing infrastructure systems.

Going forward, by fully leveraging the experience and expertise we have gained in emerging Asian countries so far, we aim to contribute to further stabilize the lives of the people in the Mekong region and other countries by promoting life insurance. We also intend to contribute to the economic growth in these countries through the development of the life insurance industry.



Securing Regional and Social Sustainability and Enhancing Corporate Value through ESG investment

By making investments into assets that help to resolve global social issues based on the main themes of “quality of life improvement,” “regional vitalization” and “climate change,” the Dai-ichi Life Group will continue to contribute to building a sustainable society.

Making ESG Investments the Dai-ichi Life Way Quality of Life Improvement, Regional Vitalization, and Climate Change

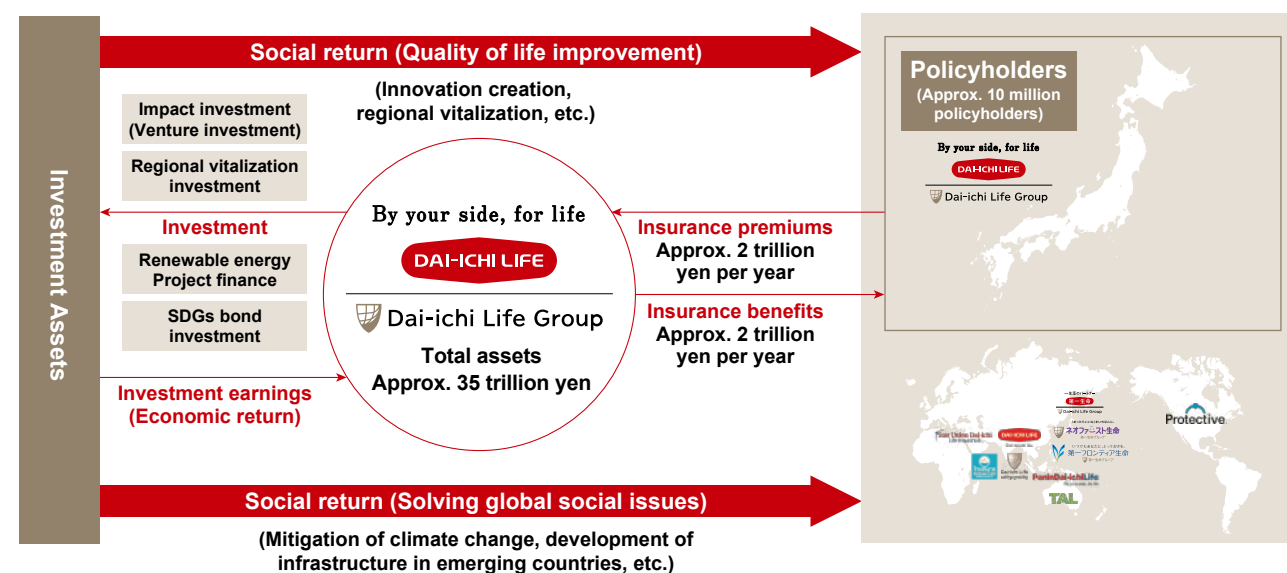
Dai-ichi Life recognizes being a “universal owner” with broadly managed funds in the amount of approximately 35 trillion yen, entrusted by roughly 10 million insurance policy holders across Japan. Accordingly, it is our mission to do our part to secure regional and social sustainability and manage assets considering a variety of stakeholders. For this reason, we have continued to proactively promote ESG investment.

In its ESG investment efforts, Dai-ichi Life has adopted three priority themes around “quality of life improvement,”

“regional vitalization” and “climate change.” More specifically, we are investing in start-up companies creating innovation in sectors such as healthcare and operations related to renewable energy generation, among others.

We will continue to pursue ESG investments in-line with the Dai-ichi Life way that help to resolve such social issues and contribute to securing regional and social sustainability.

▶ p. 53 Climate Change Initiatives



Impact Investment: Investment in Start-Up Companies that Could Improve Quality of Life

“Impact investment” refers to a type of ESG investment that is made in the kind of businesses and companies that bring about positive structural change (social impact) in society. The Dai-ichi Life Group proactively engages in such investment.

When making impact investments, we are responsible for not only investment earnings, but also to help resolving social issues by verifying whether the expected social impact is being created after such investments.

Examples of Impact Investment

| CureApp | SUSMED | Neurotrack |
|--|---|--|
| | | |
| <ul style="list-style-type: none"> Development of mobile app to treat nicotine addiction, etc. Invested 1 billion yen (Feb. 2018/Jul. 2019) | <ul style="list-style-type: none"> Development of mobile app to treat insomnia, etc. Invested 100 million yen (Jun. 2018) | <ul style="list-style-type: none"> Development efforts including “cognitive function test” capable of checking cognitive functions based on eye movements Invested 800 million yen (Jul. 2019) |
| Social impact: <ul style="list-style-type: none"> Extended healthy lifespan through improved treatment effects Reduced medical expenses | Social impact: <ul style="list-style-type: none"> Reduced risk of side-effects from treatment of insomnia Reduced medical expenses | Social impact: <ul style="list-style-type: none"> Extended healthy lifespan through prevention of dementia Reduced medical expenses |

Investment in SDG Bonds: Contribution to Solving Global Social Issues

The Dai-ichi Life Group has been proactively investing in SDG bonds (green bonds, social bonds, etc.) issued by multilateral development banks and other entities as part of its ESG

investment efforts since fiscal 2014. In doing so, we take part in solving global social issues.

| | | | |
|---|--|--|--|
| Development of electric power infrastructure in Africa Light Up and Power Africa Bonds Development of cutting-edge technology | | Promotion of women's empowerment in the Asia-Pacific region Gender Bonds Empowerment of women | |
| Assistance with public health and hygiene in the Asia-Pacific region Health Bonds Promote health for all | | Assistance with agriculture in Africa Feed Africa Bonds Sense of security at later life in the 100-year Life Society | |

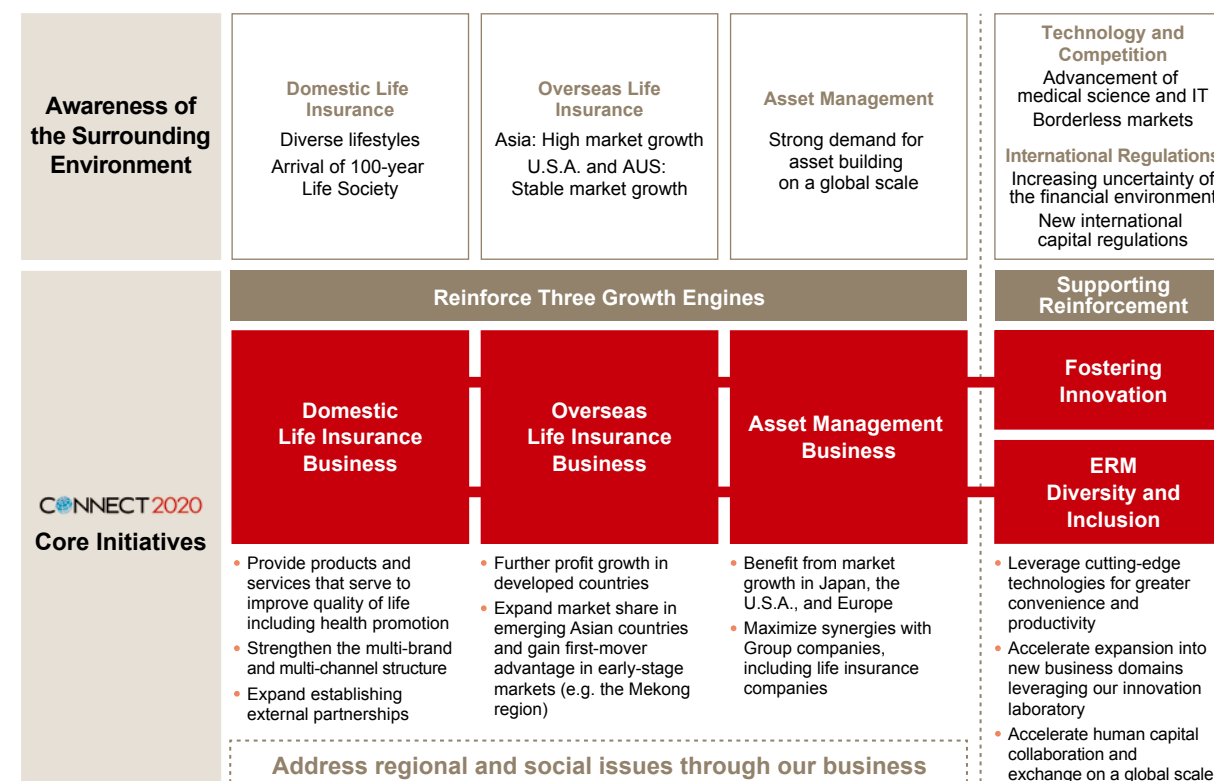
Progress in Fiscal 2018–2020 Medium-Term Management Plan

While our surrounding environment continues to change and competition intensifies, we seek to reinforce each of our businesses from the perspective of the “CONNECT” concept while leveraging the strengths of the Group to realize growth through value creation in-line with our mission “By your side, for life,” and contribute to the improvement of quality of life during the *CONNECT 2020* Medium-term Management Plan, which commenced in fiscal 2018.



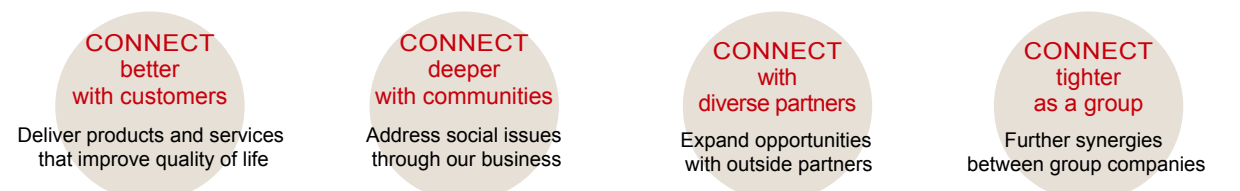
Reinforcing the Three Growth Engines that Underpin Value Creation

Under *CONNECT 2020* Medium-term Management Plan we will further reinforce the three growth engines that constitute the strengths of the Dai-ichi Life Group through the following core initiatives based on awareness of our surrounding environment. In doing so, we will stick to our mission, “By your side, for life” and contribute to the improvement of quality of life.



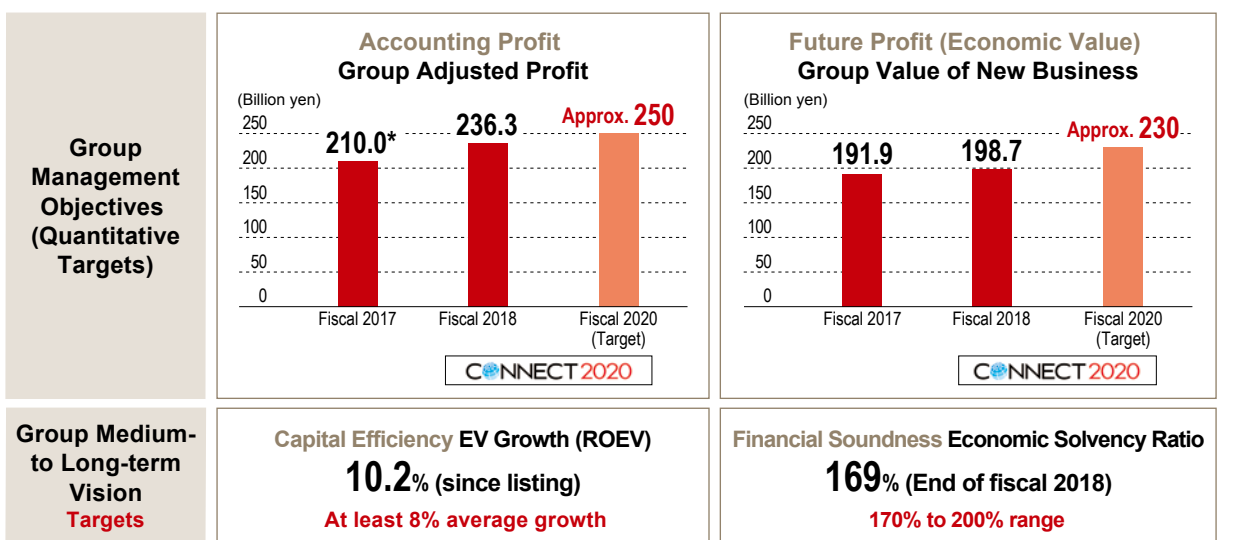
Four “CONNECT” Concepts for Further Enhancing Dai-ichi Life Group Strengths

Under our *CONNECT 2020* Medium-Term Management Plan, we have set forth four “CONNECT” concepts to further enhance Dai-ichi Life Group the strengths. By promoting initiatives in-line with these concepts for each of our business strategies, we endeavor to enhance the value we provide to our customers and society.

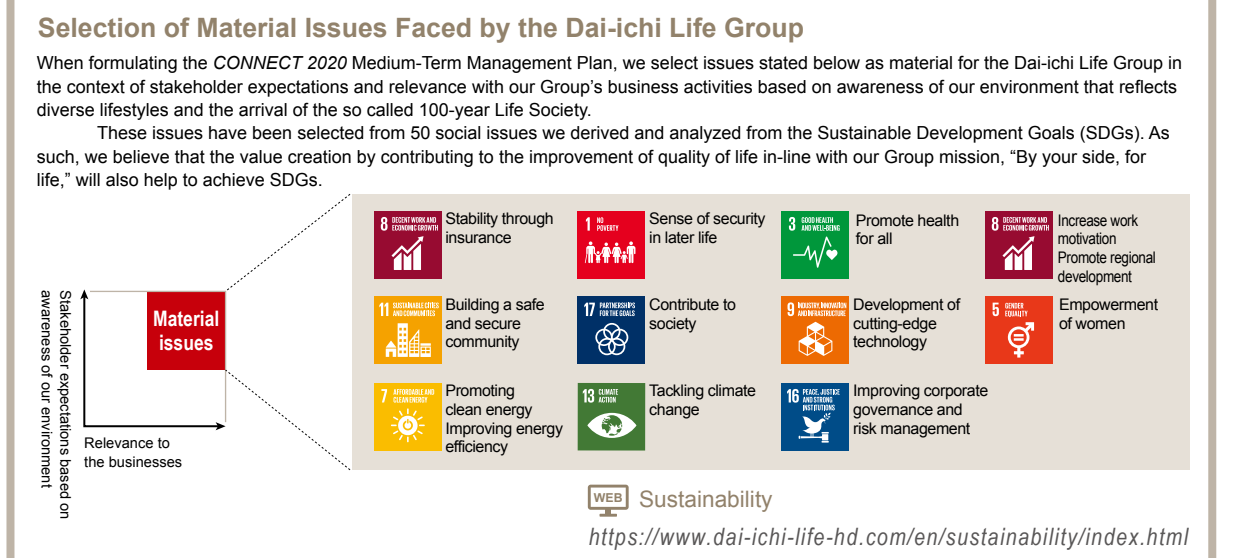


Progress of the Medium-Term Management Plan

As each of our businesses reinforcing their individual initiatives based on four “CONNECT” concepts, the first year of *CONNECT 2020* progressed smoothly. As we move forward, we will continue to refine our efforts to create value that leads to the improvement of quality of life, and proceed to achieve our medium-term management plan objectives for fiscal 2020 as well as achieving sustainable business growth and medium- to long-term improvements in our corporate value.



* Excluding one-time factors



Domestic Life Insurance Business



Where We Are and Our Strategy in the Market

The environment surrounding the life insurance industry is changing dramatically due to such factors as the diversification of customers' lifestyles, the decline in the working age population, the arrival of a super-aging society, and technological innovation.

In-line with our mission "By your side, for life," we have established a multi-brand, multi-channel structure to deliver products and services developed by our three domestic companies, Dai-ichi Life, Dai-ichi Frontier Life, and Neo First Life, through optimal channel (Total Life Plan Designers, independent agents, bancassurance, walk-in insurance shops, etc.) to respond quickly and accurately to the changing social

environment and customer needs.

Moreover, in order to provide customers with high-value-added products and services and to build an efficient administrative system, we are making Group-wide efforts to promote our highest priority management strategy, InsTech, which leverages cutting-edge technology.

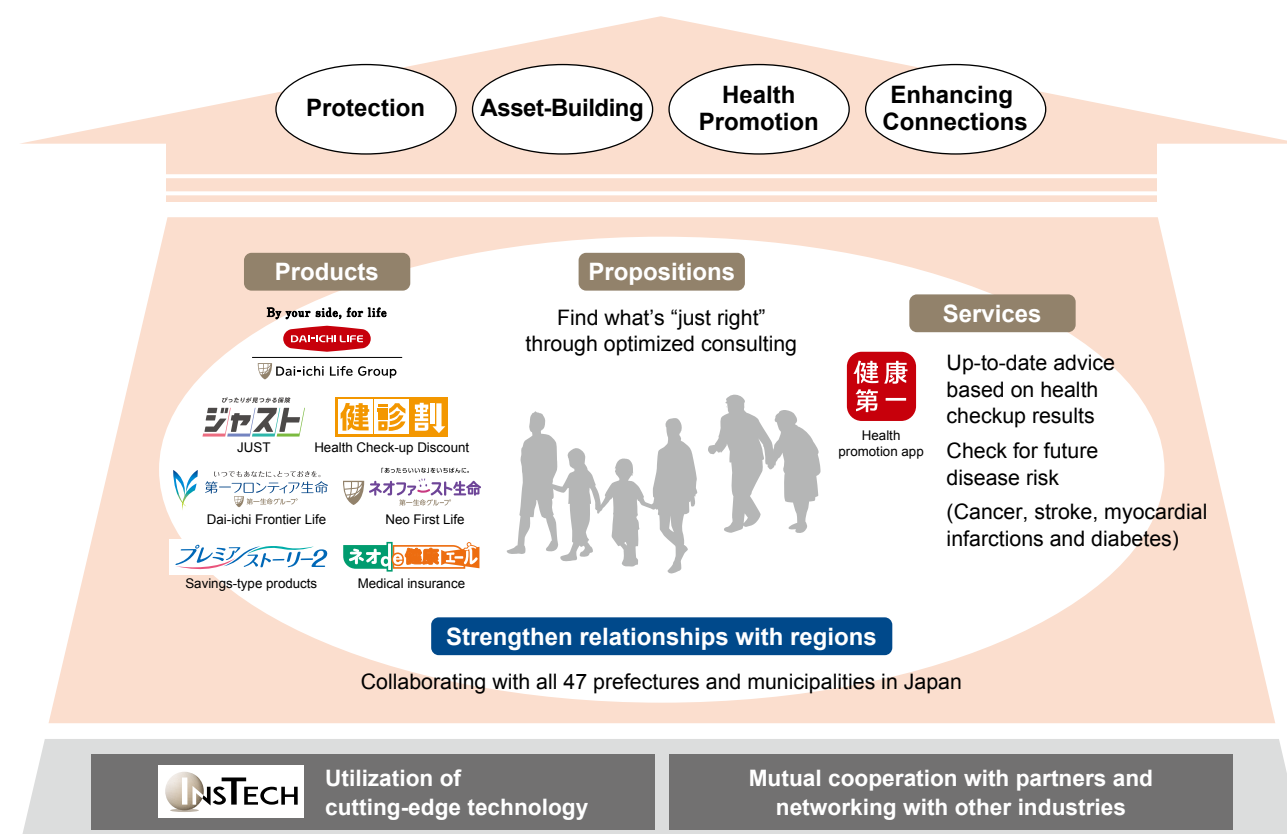
The Dai-ichi Life Group will continue to offer the four values ("protection," "asset-building," "health promotion," and "enhancing connections") that contribute to the improvement of people's quality of life through products, propositions and services that suit each individual customer.

Initiatives to Improve Quality of Life for All

More secure, in your own way.

By your side for life, "Just Right" for your lifestyle

Contribute to the improvement in quality of life for all people throughout Japan



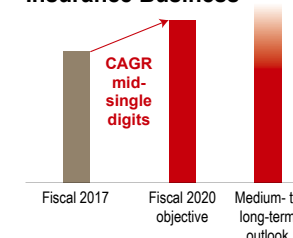
Progress of Connect 2020

CONNECT 2020 Strategy

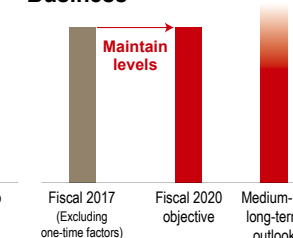
Based on the three-domestic-brand structure, in addition to mutual distribution of products and services, the Group will accelerate the multi-channel strategy by further improving the consulting capabilities of Total Life Designers and proactively expanding the agency channel. Moreover, we will implement a product strategy that promotes improvement in quality of life

while we expand cross-industry collaboration in anticipation of changes in social and customer needs. Through these efforts, we aim to increase the value of new business and maintain profit levels.

Value of New Business in the Domestic Life Insurance Business



Adjusted Profit in the Domestic Life Insurance Business

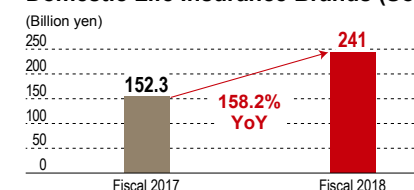


Reflecting on the First Year of CONNECT 2020

• Dai-ichi Life

Dai-ichi Life has promoted customer-first consulting for its multi-brand, multi-channel strategy to accommodate the diverse needs of its customers. As a product and service that contributes to the improvement of our customers' quality of life we released Just (March 2018) and dementia insurance (December 2018). They have been well received by a majority of our customers. In addition, as a result of promoting products across our three domestic brands (Dai-ichi Life, Dai-ichi Frontier Life, and Neo First Life), annualized net premiums of new business for Dai-ichi Life Group products sold through Dai-ichi Life's channels increased by 58.2% year on year.

Annualized Net Premiums of New Business for Three Domestic Life Insurance Brands (Sold by Dai-ichi Life)

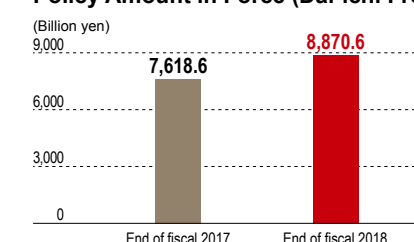


• Dai-ichi Frontier Life

In releasing Premier Story 2, a new product that accommodates inheritance needs and longevity risk, we further enhanced our product lineup that serves to improve our customers' quality of life primarily through asset-building and wealth succession in this 100-year Life Society.

Moreover, we enhanced support to financial institution agencies and expanded sales channels and agency training. As a result of these efforts, policy amount in force steadily increased, and Dai-ichi Frontier Life firmly maintained its position as a top runner in the bancassurance channel single-premium market.

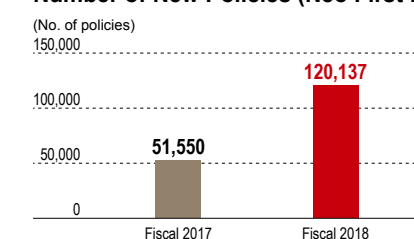
Policy Amount in Force (Dai-ichi Frontier Life)



• Neo First Life

With Neo First Life having steadily achieved growth largely through the enhancement of protection under its flagship medical insurance products and the expansion of its commissioned agents, in addition to the increase of new policies its policies in-force topped 200,000.

Number of New Policies (Neo First Life)



Initiatives Under Connect 2020

-
- Sense of security in later life
-
- Promote health for all
-
- Stability through insurance
-
- Building a safe and secure community



Product Strategies Contributing to Improvement of Quality of Life

In addition to improving quality of life for all customers with products and services that provide new added value, we continue to take on the challenges facing Japan, such as extending healthy lifespans, by providing support for health promotion.

| | | | |
|------------------|------------------------|---|---|
| Protection | Dai-ichi Life | JUST | <ul style="list-style-type: none">■ Notable improvement in flexibility of combining various insurance coverage through a drastic review of product design to provide protection that perfectly fits each customer needs■ Introduction of new benefits for complications of diabetes, which can lead to many diseases |
| | | Non-life insurance products are provided through a comprehensive business alliance with Sampo Japan Nipponkoa Insurance Inc., cancer insurance through a business alliance with Aflac Life Insurance Japan Ltd., and pet insurance products through a business alliance with ipet Insurance Co., Ltd. | |
| Health Promotion | Dai-ichi Life | 1st in the Industry ¹ 健康診断割引 Health Check-up Discount | <ul style="list-style-type: none">■ Provides extensive support for healthy customers as well as those who are trying to improve their health■ Promotes improvement in lifestyle habits and prevention of serious medical conditions through early detection and treatment by encouraging health checkup (as a result, also contributes to curbing social security benefit expenses)■ Kenko Daiichi (health first) app provides information on one's health condition and future risks based on health checkup results |
| | Neo First Life | ネオだいりよう Health Promotion App | <ul style="list-style-type: none">■ Health insurance premium rates are applicable when certain health condition criteria are met, such as smoking habits■ Premiums calculated based on "Kenko Nenrei"®² |
| Asset-Building | Dai-ichi Frontier Life | プレミアカレンシー・プラス2 プレミアプレゼント プレミアストーリー2 Savings-type products | <ul style="list-style-type: none">■ Asset-building geared toward sense of security for the future and well-being, and family inheritance |

¹ Based on research by Dai-ichi Life as of February 2018. The first product in the life insurance industry to provide a discount for submitting health checkup results.
² Kenko Nenrei ® (Health Age) is a registered trademark of JMDC Inc.



Connecting and Bonding

The Dai-ichi Life Group strives to create prosperous and secure lives, while seeking sustainable development together with local communities as a good corporate citizen. We continue to contribute solving various local issues through our approximately 40,000 Total Life Plan Designers and around 1,300 offices throughout Japan.

Contribution to resolving Local Issues

Partnerships with all 47 prefectures (agreements concluded)
Expanding initiatives in local communities

- Children/Education
- Support for the Elderly
- Health Promotion
- Empowering Women
- Safety/Disaster Prevention
- Sports Promotion
- Vitalize Communities

Support for the Elderly
To resolve various issues that local communities in Japan are facing, we have concluded agreements with municipalities across Japan in a wide range of fields that include taking care of the elderly, and promote the development of improved local communities through partnerships.

Training Course for Dementia supporters

Empowering Women
We attract daycare centers by utilizing real estate that we own across Japan to solve the issue of waiting children for entering daycare centers.

Uchu Daycare Center Kamakura

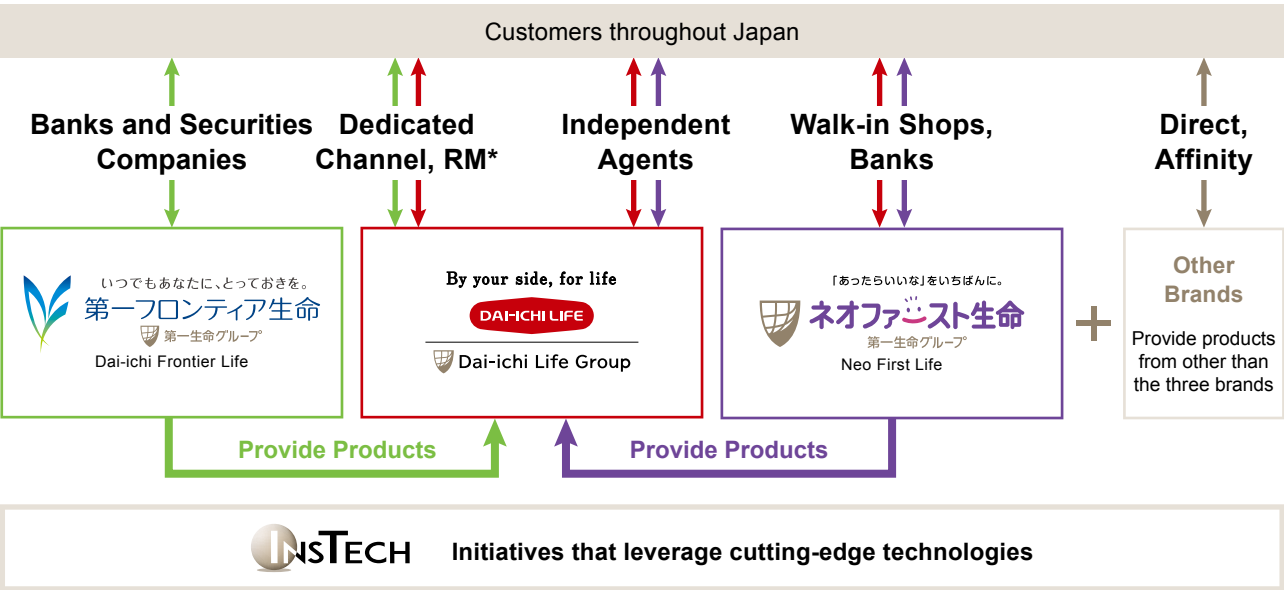
Sponsorship project for public marathons nationwide
Run with You



Further Development of a Multi-Brand and Multi-Channel Structure

By identifying changes in the social environment and prevailing needs, the Group strives to offer optimal products and services to every customer using the most convenient channel. In this sense, in addition to enhancing the Total Life Plan Designers' consulting capabilities, the Group will work to improve convenience for customers by evolving its multi-channel structure, including proactive expansion of agency channels and collaboration with affinity groups. Examples of that evolution include making Alpha Consulting Co., Ltd. a subsidiary and enhancing new commissioned agents. Moreover, the Group will expand mutual distribution of products and services across Dai-ichi Life, Dai-ichi Frontier Life, and Neo First Life while working to further expand and evolve the multi-brand structure by also providing products from its partners Sampo Japan Nipponkoa Insurance Inc., Aflac Life Insurance Japan Ltd., and ipet Insurance Co., Ltd.

Multi-Brand and Multi-Channel Structure



* Relationship manager (sales representative for corporate customers)



Partnerships Expansion

Based on the diversification of lifestyles, we are proactively working to expand our partnerships with companies in other industries and with various organizations to further diversify channels to reach customers and enhance the value leading to quality of life improvement. As part of such efforts, we have concluded information enlightenment agreements with all national centers, and have established an information-communications network that is capable of providing accurate information on diseases that seriously impact health.

Cross-Industry Collaboration

日本調剤
Nihon Chouzai Co.

Rakuten 楽天生命
Rakuten Life Insurance Co.

日本相撲協会
Nihon Sumo Kyokai

Information Networks with Six National Institutions



Overseas Life Insurance Business



Where We Are and Our Strategy in the Market

In developed markets, such as North America, stable growth is expected through economic growth and other factors. Growth is expected to continue for emerging markets in Asia and other regions due to the remarkable economic growth and increases in insurance penetration rates.

The Dai-ichi Life Group is building a portfolio in its overseas life insurance business that strikes a balance between stable contribution to profits in developed markets and positive

impact of growth over the medium- to long-term in emerging Asian markets. The Group also strikes a balance between its growth strategy and capital policy through its efforts in ERM* that take into account the balance between growth stage and capital level of each company while aiming for profit growth over the medium- to long-term.

* Enterprise risk management (ERM) is an effort to increase capital efficiency and corporate value by formulating strategies based on profit, capital, and risks while taking into account the types and characteristics of those risks.

Overseas Life Insurance Business Strategy

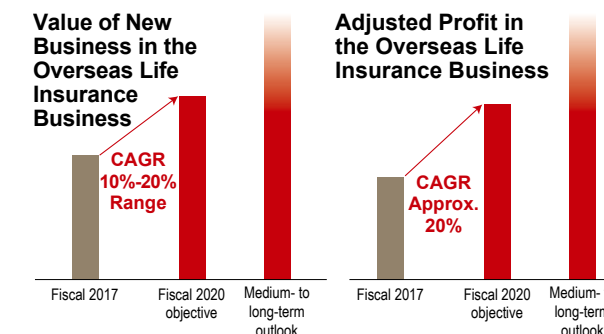
| | Emerging Countries | | Developed Countries |
|-------------------------|---|---|--|
| | Early Stage | Developing Markets | Developed Markets |
| | <p>Cambodia</p> <p>Myanmar</p> <p>Established preparation company in May 2019</p> | <p>India</p> <p>Vietnam</p> <p>Gần bờ đại lâu.</p> <p>Indonesia</p> <p>By your side, for life</p> <p>Thailand</p> | <p>Australia</p> <p>U.S.A.</p> |
| Growth Strategy | Gain pioneer advantage for growth in the future | Expand market share and reinforce existing sales channels focusing on topline growth | Maintain sustainable growth while driving profit growth in overseas life insurance business/ Pursue new growth opportunities |
| Capital Strategy | Invest limited capital | Invest capital to support growth | Generate cash flows and invest capital to seize opportunities for growth |

Progress of CONNECT 2020

CONNECT 2020 Strategy

In its overseas life insurance business, the Group is aiming to resolve the social challenges each country faces and contribute to the stability of peoples' lives through its life insurance business.

In developed markets where Protective and TAL operate, the Group will pursue diversification of channels and new growth opportunities leading to stable contribution to profit, while in emerging markets in Asia, we will focus on the topline and aim to expand market share through enhancement of existing sales channels and collaboration with new business partners. Furthermore, the Group is promoting efficient business development utilizing the knowledge and resources of Group companies in the region for new growth opportunities in the Asian markets.



Dai-ichi Life Cambodia commences business



Reflecting on the First Year of Connect 2020

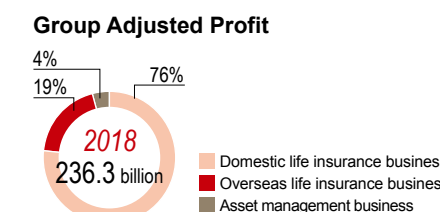
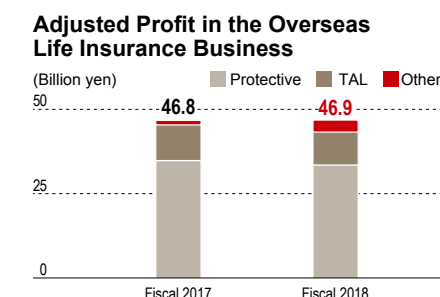
The Group's overseas life insurance business has continued to grow steadily since the Group expanded its business into Vietnam in 2007. The business has grown to the extent that it posted 46.9 billion yen in Group adjusted profit for fiscal 2018, or approximately 20% of the Group total.

In developed markets, in addition to efforts such as reinforcing our existing channels, Protective acquired in-force blocks from Liberty Life in May 2018 and from Great-West in June 2019. In February 2019, TAL acquired the life insurance business of the Suncorp Group and has been steadily contributing to Group profit.

In emerging Asian markets, we concentrated on business growth in each country while focusing on our topline by reinforcing various channels, such as individual insurance agents at Dai-ichi Life Vietnam, etc.

In the early-stage Mekong region, Dai-ichi Life Cambodia commenced life insurance operations. Moreover, in Myanmar, we became the only Japanese life insurance company to acquire a provisional life insurance business permit for a wholly owned subsidiary, and established a preparation company in May

2019, demonstrating that we have proceeded with endeavors to commence operations in the region on a full scale.



CONNECT 2020 Initiatives

Protective

Steady profit contribution driven by retail and acquisitions



For retail operations (life insurance and individual annuities), we enhanced cross-sales with major financial institutions to promote organic growth, in addition to reinforcing our existing sales channels. For acquisition operations, following the acquisition of in-force blocks from Liberty Life in May 2018, Protective acquired in-force blocks of individual insurance and annuities from Great-West, marking the fourth acquisition since Protective became a part of the Dai-ichi Life Group.

Going forward, while focusing on integration of these large-scale acquisitions, we will continue to aim for further profit growth through new acquisitions.

| | |
|---------------------------------------|--|
| Country of Location | U.S.A. |
| Major Sales Channels | Independent agents, securities companies, bancassurance and direct sales |
| Premium and other income ¹ | 627.6 billion yen |
| Number of employees | 2,936 |

TAL

Top position for six years and Suncorp life acquisition



TAL has held the top position* in terms of annualized net premiums from in-force in Australia's protection-type insurance market for six straight years since 2013 by reinforcing the foundation of existing channels.

Going forward, in addition to diversifying sales channels, products, and services, TAL will continue to steadily carry out the integration of the life insurance business acquired from Suncorp Group, which was completed in February 2019, as well as promote

cross-sales with the Suncorp Group to realize steady growth.

* Based on the annualized net premiums from in-force as of December-end, 2018

| | |
|---------------------------------------|------------------------------------|
| Country of Location | Australia |
| Major Sales Channels | Independent advisors, direct sales |
| Premium and other income ¹ | 287.5 billion yen |
| Number of employees | 2,014 |

Dai-ichi Life Vietnam

Continuous topline growth to become top foreign life insurer



Dai-ichi Life Vietnam expanded market share by strengthening the individual insurance agent channel through extensive training and expansion of sales networks, while developing alternative channels. It acquired the top market share among foreign life insurers in terms of first year premium for 2018.

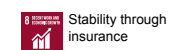
Going forward, we will continue to aim for sustainable growth by expanding sales and improving quality.

| | |
|---------------------------------------|---|
| Country of Location | Vietnam |
| Major Sales Channels | Individual insurance agents and bancassurance |
| Premium and other income ¹ | 57.1 billion yen |
| Number of employees | 1,382 |

1: Based on the exchange rate as of fiscal year end for each company
2: Including deposit replacement products

Dai-ichi Life Cambodia

First subsidiary of Japanese life insurance company



In Cambodia, Dai-ichi Life Cambodia was established in March 2018 as the country's first subsidiary of a Japanese life insurance company and commenced operations in April 2019. Going forward, Dai-ichi Life Cambodia will strive to expand market share by developing distribution channels.

| | |
|---------------------------------------|---|
| Country of Location | Cambodia |
| Major Sales Channels | Individual insurance agents and bancassurance |
| Premium and other income ¹ | — |
| Number of employees | 41 |

Star Union Dai-ichi Life

Promotion of growth in earnings through reinforcing bancassurance channels



Star Union Dai-ichi Life aims to boost its topline and earning capability through greater collaboration with joint venture partners, strengthening of wholesalers, and the training of highly efficient staff in sales representative (fixed salary) channels.

| | |
|---------------------------------------|---|
| Country of Location | India |
| Major Sales Channels | Bancassurance and individual insurance agents |
| Premium and other income ¹ | 32.1 billion yen |
| Number of employees | 2,810 |

Panin Dai-ichi Life

Sustainable growth by reinforcing sales channels



Panin Dai-ichi Life aims to improve the topline and profitability by recruiting and developing more individual insurance agents, and enhancing sales promotion structure for bancassurance channels.

| | |
|---|---|
| Country of Location | Indonesia |
| Major Sales Channels | Individual insurance agents and bancassurance |
| Premium and other income ^{1,2} | 30.1 billion yen |
| Number of employees | 348 |

OCEAN LIFE

Positive growth through individual insurance agent channels development



OCEAN LIFE aims for sustainable growth through reinforcing the foundation for future growth that involves continuous recruitment and training of new personnel for the individual agency channel, expanding capabilities of leaders, and workplace development.

| | |
|---------------------------------------|-----------------------------|
| Country of Location | Thailand |
| Major Sales Channels | Individual insurance agents |
| Premium and other income ¹ | 44.7 billion yen |
| Number of employees | 1,870 |

Asset Management Business

Dai-ichi Life's Asset Management

Securing Stable Investment Returns

Dai-ichi Life conducts asset management with a focus on ALM that is based on the nature of its insurance policies (insurance liabilities), mainly investing in fixed-income assets in order to fulfill its obligation to pay out claims and benefits over a long term in a stable manner. We also strive to increase profitability by flexibly allocating capital to risk assets while taking market trends into account and most importantly ensuring overall financial soundness.

In addition, we are also focused on responsible investment as an institutional investor based on our social responsibilities. As part of these efforts, we carry out stewardship activities that aim to enhance the corporate value of investees and ESG investment* that balances social responsibilities and profitability.

* ESG investment: An approach to investment that considers environmental, social and corporate governance (ESG) criteria

▶ p. 29 ESG Investment

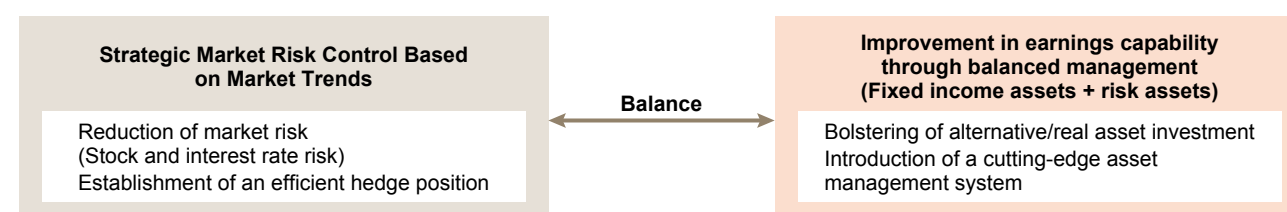
Progress of CONNECT 2020

CONNECT 2020 Strategies

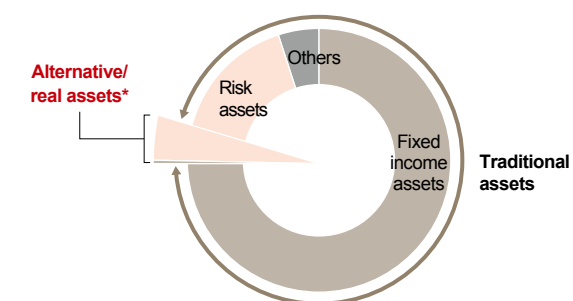
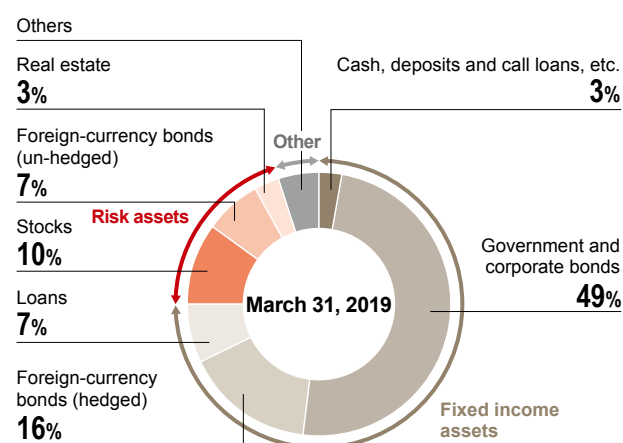
Under the current low-interest rate environment, which will likely continue for a while, we have adopted a basic policy of simultaneously controlling market risk and elevating our earnings capability through balanced asset management.

More specifically, we will shift some of our traditional assets in the form of stocks and bonds to alternative and real assets to further diversify our asset portfolio and boost our earnings capability under a low-interest rate environment.

Through these initiatives, we will continue to meet the expectations of stakeholders by ensuring stable earnings power and soundness while contributing to resolving social issues.



Asset Composition (General Accounts) * In terms of book value

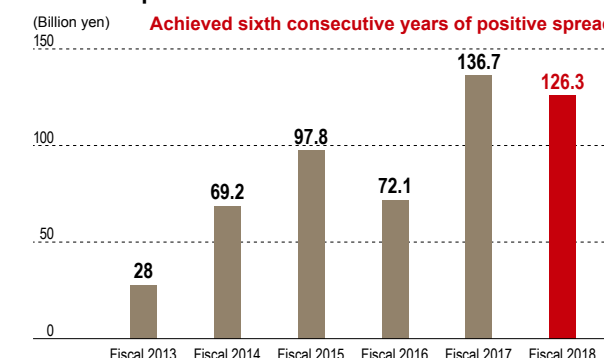


* Assets that exhibit different price movements compared to traditional assets and have relatively high expected returns. Improvement in profitability and stability can be expected when incorporating such assets into the portfolio.

Reflecting on the First Year of CONNECT 2020

While interest rates remain low in Japan, markets have become more volatile with the impact of US interest rates policy change and trade wars between the US and China. In such an environment, we worked to bolster earnings capability and diversify risk through such means as flexibly allocating funds to risk assets in accordance with market trends and expanding investment to project finance and other new and growing sectors. Through these initiatives, we marked the sixth consecutive year of positive spread.

Positive Spread



CONNECT 2020 Initiatives



Reorganization Aimed at Reinforcing Alternative and Real Asset Investment

In April 2019, Dai-ichi Life established the Alternative Investment Department and the Corporate and Structured Finance Department. We are bolstering our investments in alternative and real assets for diversification to secure stable earnings.

We will take a more proactive approach toward investing in hedge funds, private equity funds, and venture funds in terms of alternative assets and in project finance and real estate in terms of real assets.

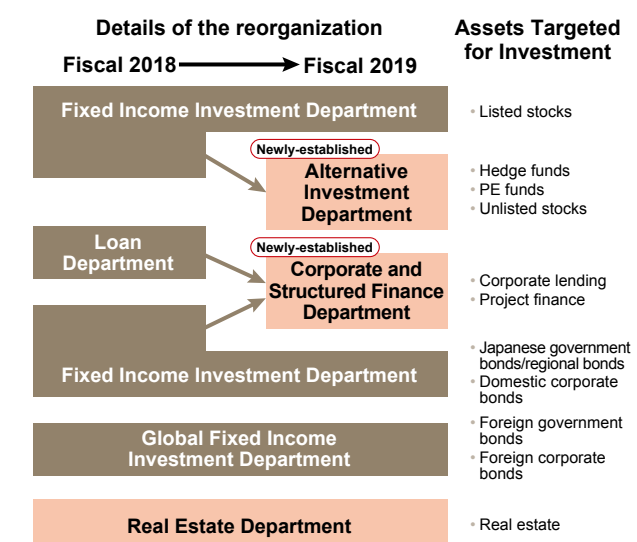


Investment in real estate (Toranomon 2-Chome Area Category 1 Urban Redevelopment Project)



Loans and investments for project finance (Renewable energy-related projects)

Reorganization of the departments handling investments



Sophistication of Asset Management through Introduction of a Cutting-Edge Management System

Dai-ichi Life is the first Japanese life insurance company to make the decision to implement a cutting-edge asset management system known as BlackRock Aladdin. By

introducing this new system, we will step up our portfolio analysis and flexibility in our investment judgments to pursue greater returns.

Asset Management Business

Asset Management Business



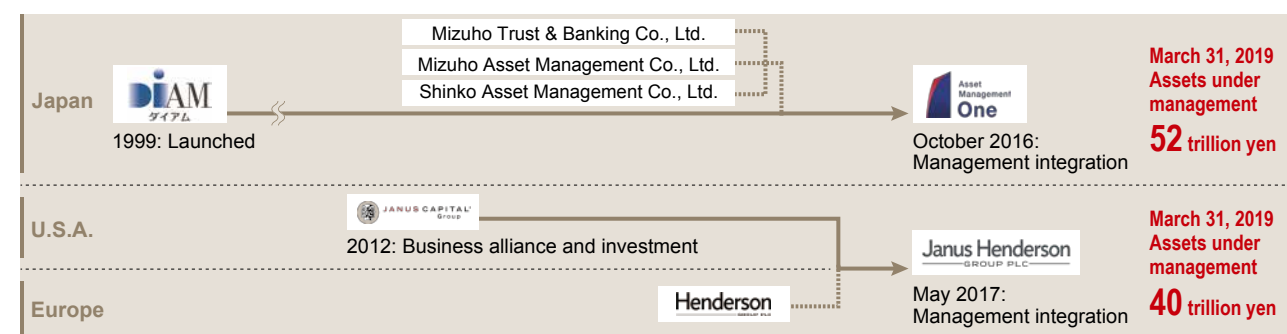
Where We Are and Our Strategy in the Market

The asset management business at the Dai-ichi Life Group is carried out by Asset Management One, a joint venture with Mizuho Financial Group in Japan, and Janus Henderson Group (Janus Henderson) in global markets, primarily the U.S.A. and the U.K.

The global asset management market is a huge market exceeding 9,000 trillion yen, and high growth in this market is expected to continue due to rising retirement needs in developed countries and economic growth in emerging countries.

Entering into the asset management business, the Dai-ichi Life Group aims to benefit from the high market growth prospects and high profitability of asset management companies. In addition, we are pursuing unique Group synergy effects by providing expertise and advanced asset management capabilities of asset management companies to Group life insurance companies in Japan and overseas, accepting funds for management, co-developing products and other efforts.

History of the Asset Management Business



* Total assets under management translated into yen using the exchange rate as of March 31, 2019

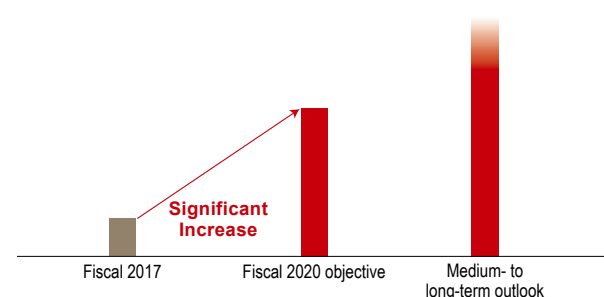
Progress of CONNECT 2020

CONNECT 2020 Strategies

Going forward, the Dai-ichi Life Group aims to expand profit, benefitting from considerable profit growth at both Asset Management One and Janus Henderson.

In addition, we will further reinforce joint product development within the Group and other forms of collaboration. In addition, we will increase the provision of competitive asset management capabilities and solutions to Group life insurance companies in Japan and overseas as we continue further accelerating initiatives aimed at creating Group synergy effects.

Asset Management Business Adjusted Profit



Reflecting on the First Year of CONNECT 2020

At both Asset Management One and Janus Henderson, we moved forward with initiatives aimed at growing profit and expanding Group synergy. In addition to supplying greater asset management capability to our domestic Group life insurance companies, competitive asset management products were offered to Protective in the U.S.A. and TAL in Australia,

expanding synergies within the Group.

Moreover, for the first time, Dai-ichi Life and Janus Henderson jointly developed a solution provision-type product for Japanese corporate pensions. Since the release of this product (Balance Fund Three) in April 2019, we have seen steady growth in assets under management.



CONNECT 2020 Initiatives

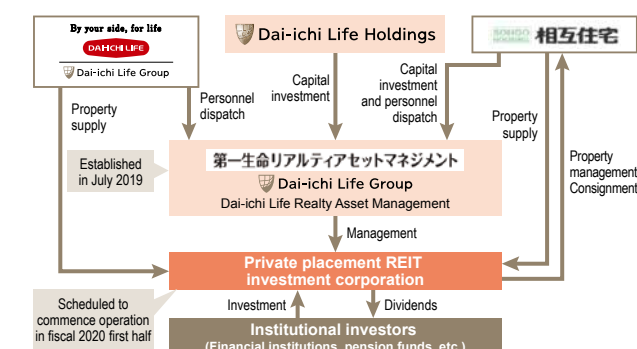


Participation in Real Estate Asset Management Projects

To leverage the real estate resources of the Dai-ichi Life Group and further expand its Asset Management Business, the Group and Sohgo Housing Co., Ltd. jointly established a new company called Dai-ichi Life Realty Asset Management Co., Ltd. in July 2019.

By the first half of fiscal 2020, this company seeks to form private-placement REITs whose investment targets will be real estate that contributes to the improvement of quality of life at the residences and for the people who inhabit them. Taking advantage of the real estate investment expertise of the Dai-ichi Life Group, Dai-ichi Life Realty Asset Management will offer high-quality investment opportunities to institutional investors in Japan.

Group Collaboration within the Real Estate Asset Management Business

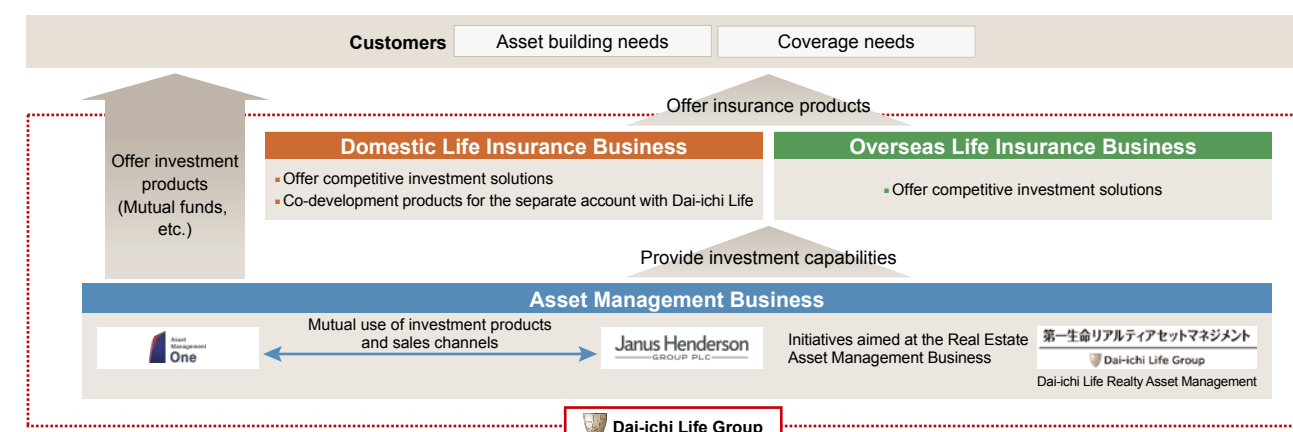


Social Value Creation through Improving Quality of Life

We will aim to increase the social value we create by meeting the needs of even more customers for asset building, and contributing to improving quality of life by creating a stronger

connection between our asset management business and Group companies in our life insurance business in Japan and overseas.

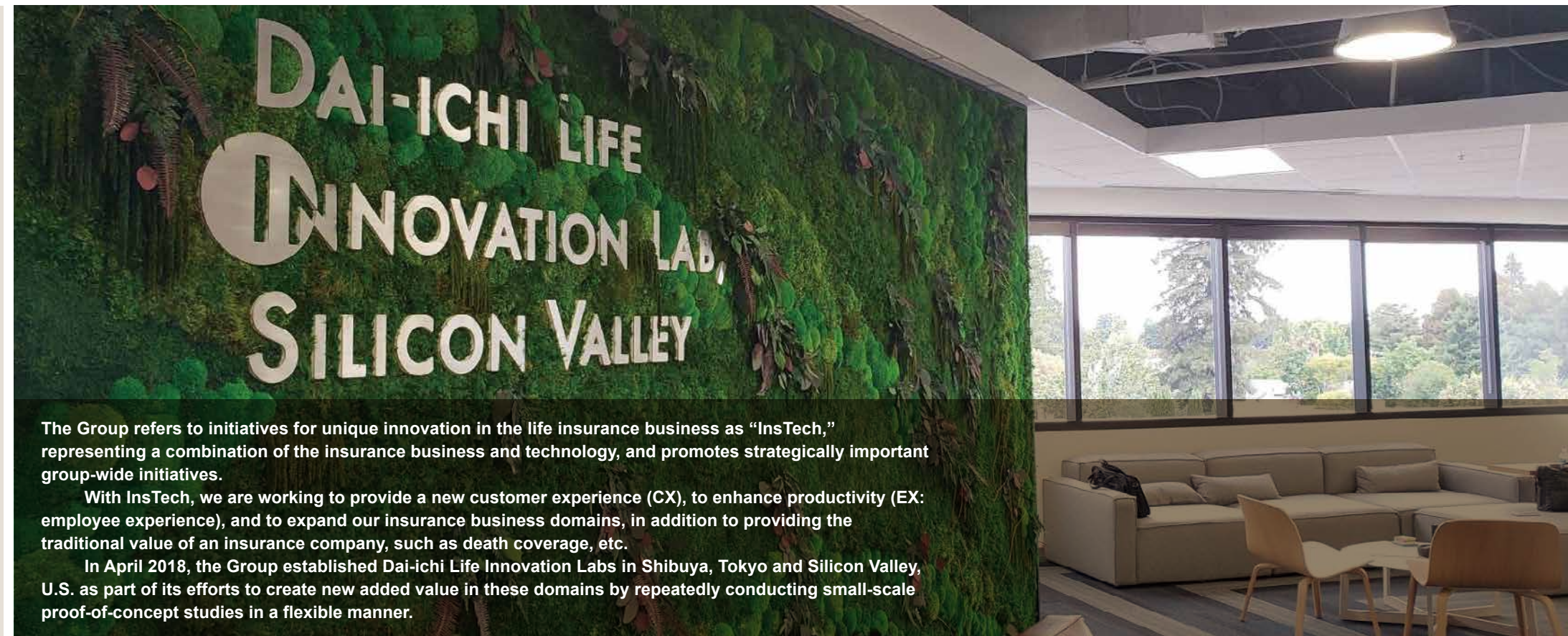
Role of Asset Management Business



Fostering Innovation

Insurance × Technology **INS TECH**

3 Promote health for all 8 Stability through insurance 9 Development of cutting-edge technology



The Group refers to initiatives for unique innovation in the life insurance business as “InsTech,” representing a combination of the insurance business and technology, and promotes strategically important group-wide initiatives.

With InsTech, we are working to provide a new customer experience (CX), to enhance productivity (EX: employee experience), and to expand our insurance business domains, in addition to providing the traditional value of an insurance company, such as death coverage, etc.

In April 2018, the Group established Dai-ichi Life Innovation Labs in Shibuya, Tokyo and Silicon Valley, U.S. as part of its efforts to create new added value in these domains by repeatedly conducting small-scale proof-of-concept studies in a flexible manner.

Providing a New Customer Experience (CX)

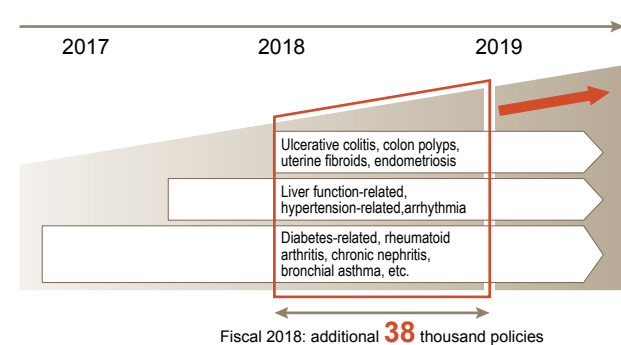
Analysis and Utilization of Medical Big Data

The Group has reviewed underwriting standards based on analysis of medical big data from internal and external sources. As a result, it now underwrites approximately 38,000 additional policies a year, which is approximately 3%* of all Dai-ichi Life's new policies. In addition, the Group has developed new products and services based on the results of analysis of medical big data. Examples of such products are Health Age® (using health age) and Health Checkup Discount.

Going forward, the Dai-ichi Life Group aims to contribute to improving quality of life and promoting extension of a healthy lifespan using big data analysis.

* People covered by multiple insurance policies are counted as one policy for products from April 2018.

Expanding Insurance Coverage through the Analysis of Big Data



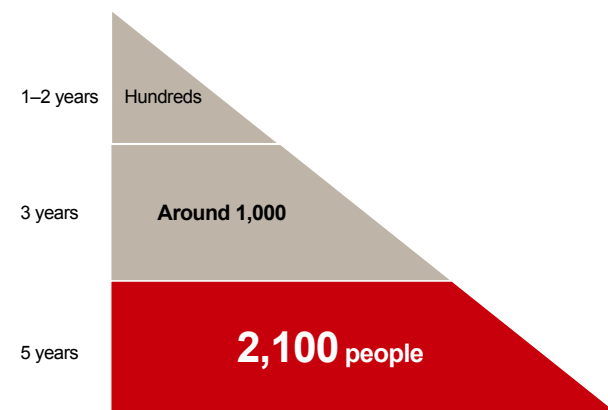
Enhancing Productivity (EX)

More User Friendly and Higher Productivity Through Innovation

The Group is working to increase convenience for customers by digitalization of various administrative processes and to raise productivity by introducing robotic process automation (RPA) and AI technologies. Already, RPA and AI are handling 460 tasks and at least 132,000 hours of work (as of March 31, 2019).

Through these initiatives and related measures such as work-style reform, the Group will shift an equivalent of 2,100 people to growth areas over the coming five years including the term of the current medium-term management plan.

Productivity Improvement (Including Work-style Reform)



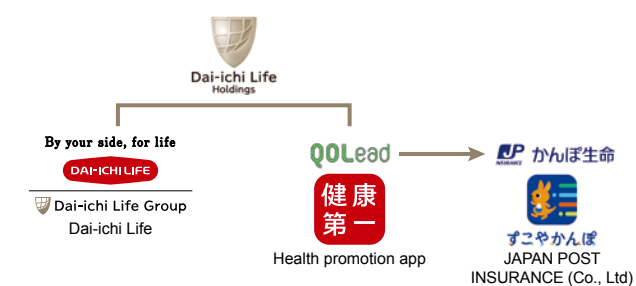
Expanding Business Domains

Providing Health Promotion Services Outside the Group

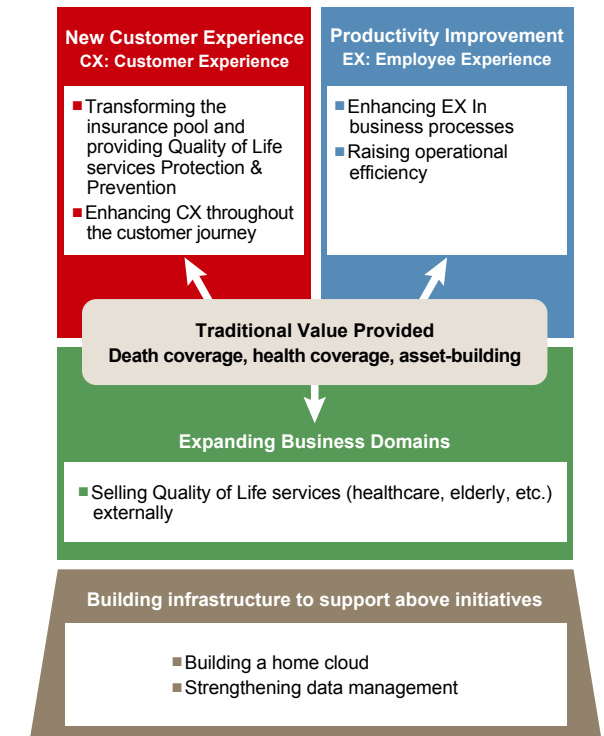
In June 2018, QOLeaf, Limited was established as a wholly owned subsidiary of Dai-ichi Life Holdings. In addition to transferring health promotion services, such as Dai-ichi Life's *Kenko Daiichi* (health first) app to QOLeaf, we have also been providing health promotion services to JAPAN POST INSURANCE Co., Ltd. through QOLeaf since January 2019. Moreover, in October 2019, as an add-on to Dai-ichi Life group insurance, we will launch a service targeting corporate clients to support health management.

Going forward, we will continue developing and considering a variety of health promotion services in collaboration with other companies to expand our customer reach.

Providing Health Promotion Services to JAPAN POST INSURANCE through QOLeaf



Our Vision for InsTech



Accelerating Open Innovation

Promoting Human Capital Development and Expanding Industry-Academia Collaboration

In addition to the Group's internal resources, we are actively collaborating with other companies, research institutions, and start-ups that have knowledge and ideas from other fields to accelerate the creation of groundbreaking innovation.

Moreover, we are also striving to develop human capital to drive future innovation through discovering talent by holding contests and expanding industry-academia collaboration.



- Universities that have concluded collaboration agreements or are engaging in joint research (as of July 2019)
 - Kyoto University • Fujita Health University • Shiga University
 - Institute for Advanced Biosciences, Keio University
 - Tokyo University of Science
- Main objectives
 - Training data scientists • Discovery of cutting-edge technologies
 - Joint research in health and medical fields, etc.

Capital Policies and ERM

By ensuring financial soundness and improving capital efficiency through the optimal allocation of capital, we aim for sustainable enhancement of corporate value and further improvement of shareholder returns.

Tatsusaburo Yamamoto
Managing Executive Officer
Corporate Planning Unit



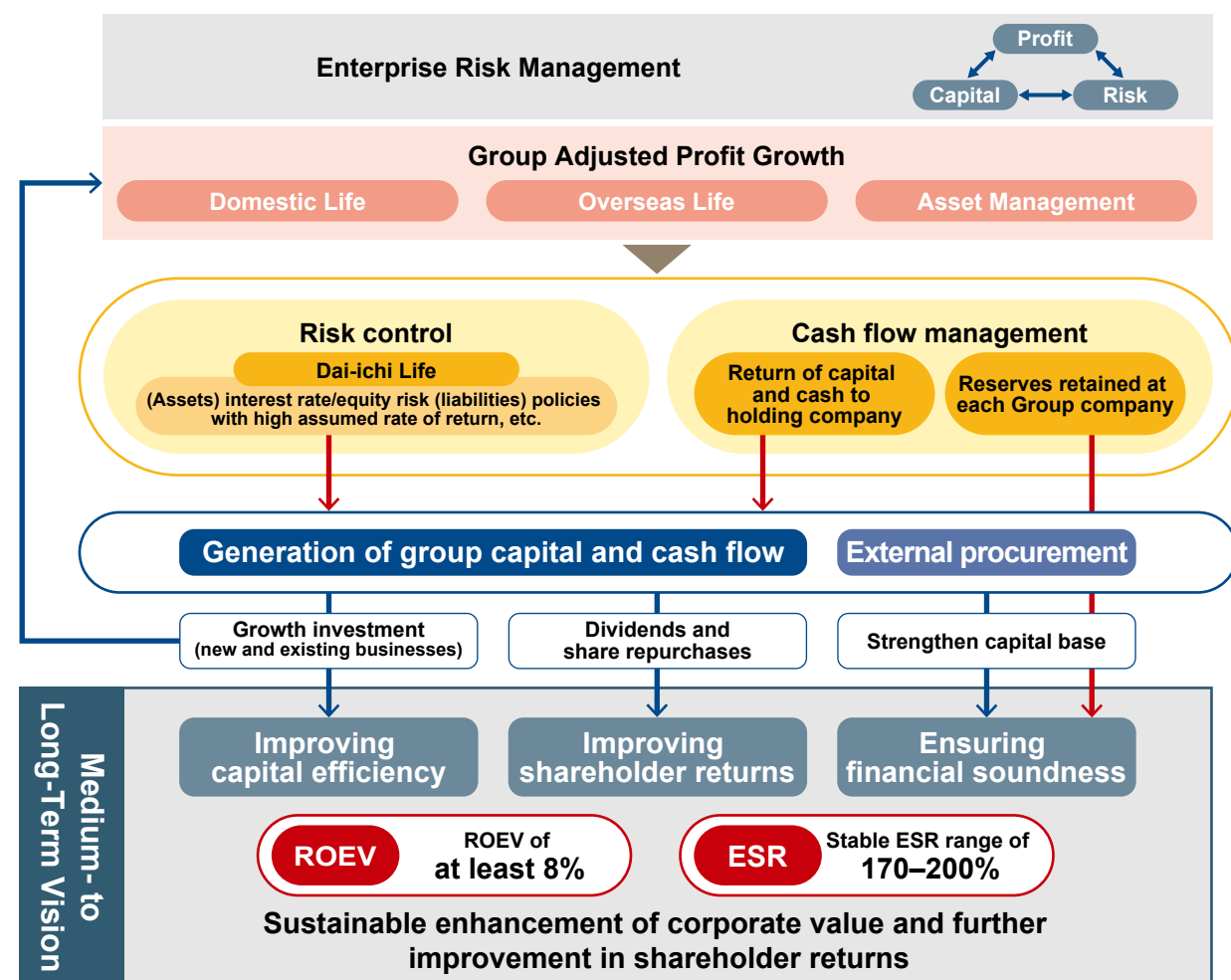
Basic Approach to Capital Policies

The Dai-ichi Life Group bases its capital policy on the enterprise risk management (ERM) framework, aiming for sustainable enhancement of corporate value and further improvement of shareholder returns.

Along with adequate control of risks surrounding the

Group's business, we promote profit growth by ensuring financial soundness and improving capital efficiency through provision of returns to the holding company and internal reserves that are in line with the growth stage of each Group company. We also implement investment aimed at the growth of the Group, utilizing external procurement as necessary and balanced allocation of capital to strengthen the capital base.

Our Capital Policies and Medium- to Long-Term Vision



Improving Capital Efficiency by Controlling Risk and Growth Investment

The main business risks for the Dai-ichi Life Group are insurance risk and financial market risk associated with long-term life insurance policies. In view of recent changes in the surrounding environment, the Group is working to improve capital efficiency by generating new capital by controlling risk and utilizing this capital for growth investment.

In terms of controlling risk, the Group has been working to curb financial market risk. This includes maintaining the durations of bonds held by Dai-ichi Life and continual sales of shares amid the prolonged low interest rate environment in Japan. In fiscal 2018, Dai-ichi Life ceded in-force policy blocks with high historical assumed interest rates to a reinsurance company for the first time, strengthening risk control on both the asset and liability fronts.

In terms of growth investment, conditional upon ensuring stable financial soundness, the Group utilizes a portion of internal reserves to engage in investment that strengthens the competitiveness of existing business and expands and diversifies the business portfolio. In fiscal 2018, the Group made two acquisitions in the overseas life insurance business, one in the U.S. and one in Australia (total investment of approximately 185.0 billion yen) that will lead to the future growth of Group profit.

In terms of capital efficiency, we aim for a rate of growth in EV (ROEV), an indicator of corporate value for life insurance companies, of 8% over the medium- to long-term, and we have achieved annualized average change of 10.2% over the nine-year period from demutualization up to March 31, 2019. Going forward, we aim to improve further capital efficiency through appropriate risk control and growth investment that effectively utilizes generated capital and cash flow.

Ensuring Stable Financial Soundness

Given the trends in international capital regulations, in addition to the solvency regulations, which are the current standard of soundness for domestic insurance companies, the Dai-ichi Life Group is appropriately controlling soundness by adopting the economic solvency ratio (ESR), a soundness indicator based on economic value that evaluates the market value of assets and liabilities. The Group aims for an economic solvency ratio that is stable in the 170–200% range over the medium- to long-term, which is the same level as major global insurance companies. As of March 31, 2019, our economic solvency ratio was 169%.

In addition, in fiscal 2018, the Company issued 85.0 billion yen in publicly offered perpetual subordinated notes to enhance the level and quality of the Group's capital structure. This was the first such issuance by any domestic life insurance company group.

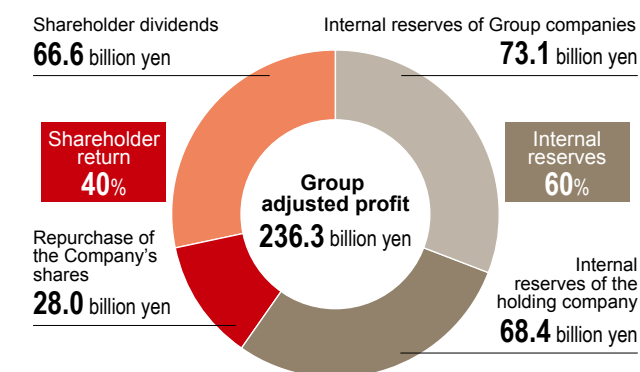
Aiming for Attractive Shareholder Return

Under the current medium-term management plan, the Dai-ichi Life Group has a basic policy of providing shareholder returns that matches profit growth with a target total payout ratio of 40% of Group adjusted profit through stable shareholder dividends and repurchase of the Company's shares.

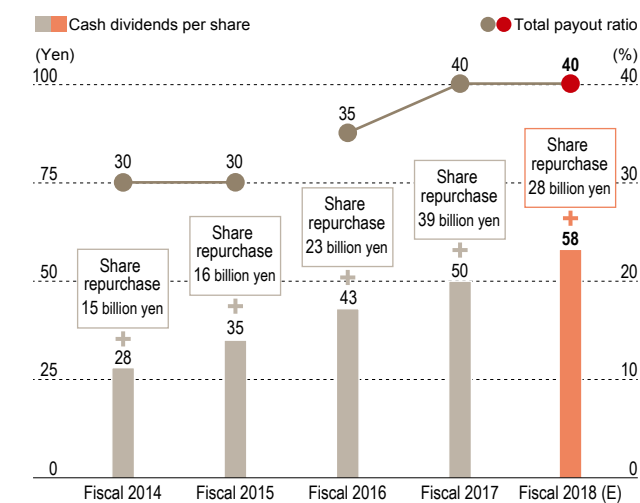
In terms of shareholder returns for fiscal 2018, given that the initial fiscal year of the medium-term management plan progressed steadily, shareholder dividends, which are the more direct form of returns, were increased from the initial forecast to 58 yen per share, an increase of 8 yen from the previous fiscal year. Together with the repurchase of the Company's shares (up to 28.0 billion yen announced on May 15, 2019), we expect to achieve a total payout ratio of 40%.

Going forward, we aim to further improve shareholder returns as we get the business base in Japan and overseas, which we have been expanding and diversifying up until now, onto a growth trajectory, thereby strengthening the sustainable growth of Group profit and capital and cash flow generation capabilities.

Cash Flow of the Dai-ichi Life Group (Fiscal 2018)



Shareholder Return History



* Total payout ratio = (total dividends to shareholders + total amount of the Company's share repurchase) / Group adjusted profit (consolidated adjusted net income up to Fiscal 2015)

Risk Management / Compliance

We will engage in forward-looking risk management that is integrated with management strategies to improve financial soundness and enhance corporate value.

Ichiro Okamoto
Managing Executive Officer
Risk Management Unit, Legal and Compliance Unit



Promotion of ERM and Risk Management

The Dai-ichi Life Group practices enterprise risk management (ERM), which is an approach to improve financial soundness and enhance corporate value simultaneously. While appropriate risk management is essential to achieve steady enhancement of corporate value, improvement in financial soundness of the Group cannot be achieved without steady enhancement of corporate value.

The Group engages in risk management focused on its goal of achieving steady enhancement of the Group's corporate value and always keeps in mind that resolving social issues from a customer perspective will lead to sustainable enhancement in the Dai-ichi Life Group's corporate value and ultimately lead to improvement of the financial soundness of the Group.

Risk Management Integrated with Management Strategies

The Dai-ichi Life Group promotes development and upgrading of risk management systems that are integrated with management strategies in close collaboration with Group companies so as to facilitate the appropriate identification and control of Group-wide risks. For example, in important projects with a material impact on the Group, such as M&A or development of new products, we cooperate with the department that is responsible for the project and take a risk management approach from the planning stage. We manage risk in parallel with the consideration and progress of the project.

Furthermore, in the rapidly changing environment surrounding the insurance business and ever higher customer expectations and intensified social demands, we strive for forward-looking, proactive awareness and control of risk to facilitate an appropriate response to the changes in the business environment and intensified social demands based on the recognition that failure to do so will result in a damage to the Group's corporate value.

Identifying Material Risks

The Dai-ichi Life Group engages in appropriate risk management that begins from early signs of risks by identifying foreseeable risks that could have a major impact on our business and formulating business plans that take these risks into account.

Material Risks for the Dai-ichi Life Group

1. Significant deterioration in financial markets (large fall in interest rates, etc.)
2. Major disaster, etc. (major earthquakes, pandemics, etc.)
3. Inability to adjust to changes in the environment (population decline, changes in customer needs, etc.)
4. Brand damage arising from cyber-attacks, system failures, etc.
5. Inadequate regulatory capital and decline in competitiveness associated with regulatory changes

Promotion of Compliance

With increasing globalization and significant changes in regulatory trends and social demands, it is increasingly important to ensure appropriate legal compliance in expanding businesses in Japan and overseas.

To respond to changing customer expectations and social demands premised on complying with laws and regulations and the Articles of Incorporation, and observing social norms and market rules, the Dai-ichi Life Group strives to identify potential conduct risks, and promotes forward-looking risk-based compliance. The Legal and Compliance Unit identifies material risks related to compliance, and provides monitoring and guidance for Group companies. Important matters related to compliance are reported to the Board of Directors, the president, the Executive Management Board, and the Audit & Supervisory Committee following deliberation at the Group Compliance Committee.

In addition, we have established internal whistleblowing desks which is independent from management (with an outside law firm), through which officers and employees of Group companies can directly report and consult on compliance, and necessary systems are in place for reporting to the Board of Directors, the president, the Executive Management Board, and the Audit & Supervisory Committee depending on the severity of such matters.

Diversity and Inclusion

By respecting each other, learning from each other, and growing together, we will innovate and create new value through the efforts of 70,000 employees.

Sumie Watanabe
Executive Officer
Human Resources Unit



The Dai-ichi Life Group must also have diverse talents and capable organization to anticipate diversifying customer values and needs as well as various local challenges in order to deliver products and services that truly delight customers and contribute to local communities. In this sense, the Group promotes diversity and inclusion with the objective to improve job satisfaction of each employee. Thus, implementing systems and work-style reforms that enable diverse work styles to be integrated with corporate culture and working environment to allow every single employee to leverage his/her uniqueness and to contribute in his/her own way in a good health and vitality.

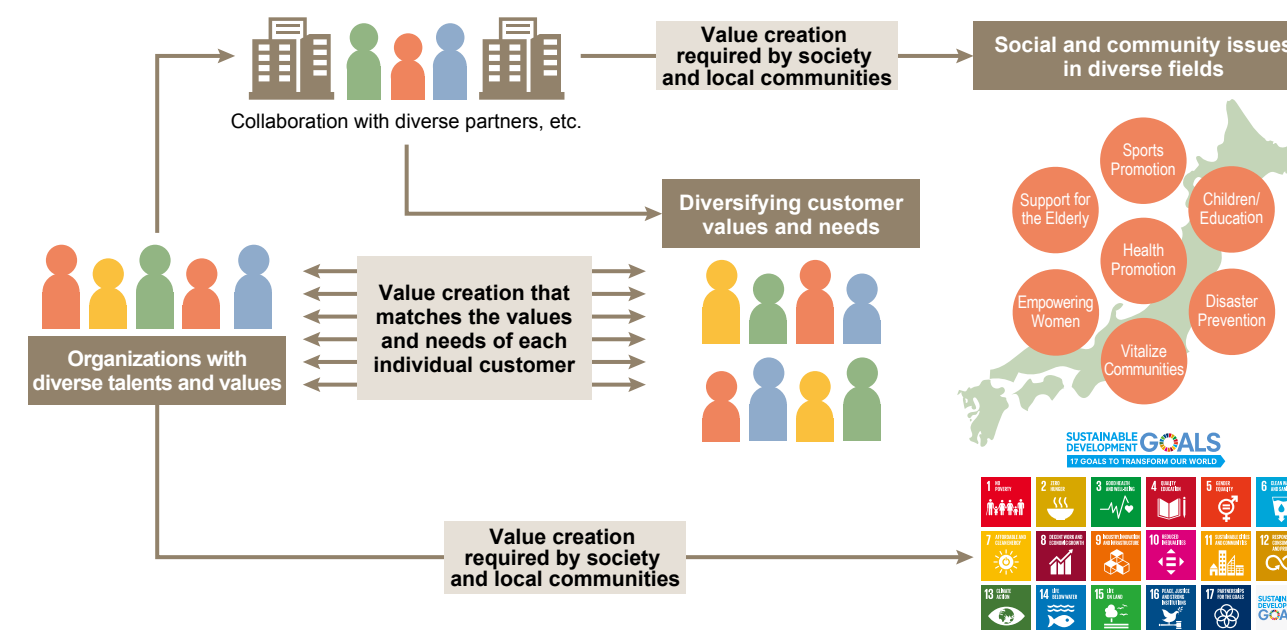
Every employee will benefit from work-style reform,

human capital development, and promotion of diversity and inclusion and make them part of their daily work with respect for others. A single step of progress of an individual employee could be relatively small, but the steps forward of 70,000 employees can create an impact that leads to innovation and new value creation.

Respecting each other, learning from each other, growing together—We will aim to be a global insurance group that continues to be chosen in Japan and globally while growing into a corporate group with value-creating synergies and where diverse individualities shine.

Value Created by Diversity & Inclusion

We aim to nurture talent and organizations full of diversity in order to provide products and services that match the ever-changing business environment and the diversifying values and needs of individual customers.



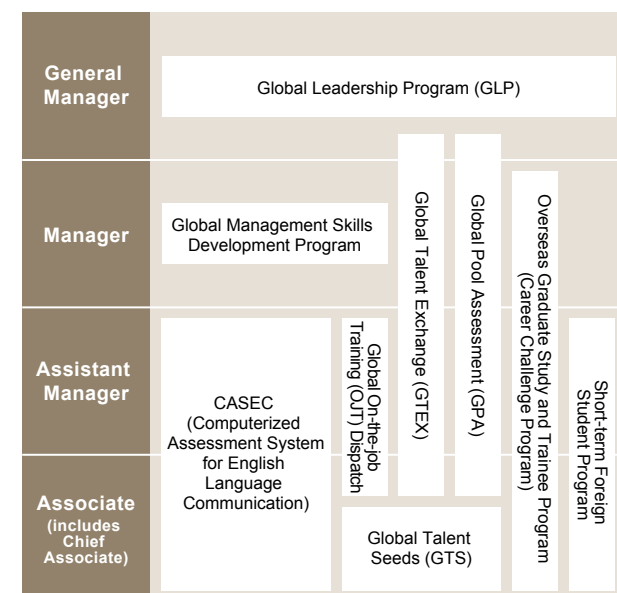
Global Diversity

Developing Global Human Capital and Accelerating Group Synergies



The Group has strengthened the development of global human capital with various initiatives, including capacity development through the Global Human Capital Development Programs and the intake of foreign students to secure and develop highly competitive human capital from a global perspective. In addition, we regularly hold conferences and training where overseas Group companies come together to engage in level- and function-specific networking and share best practices with the aim to create Group-wide synergies.

Global Human Capital Development Programs



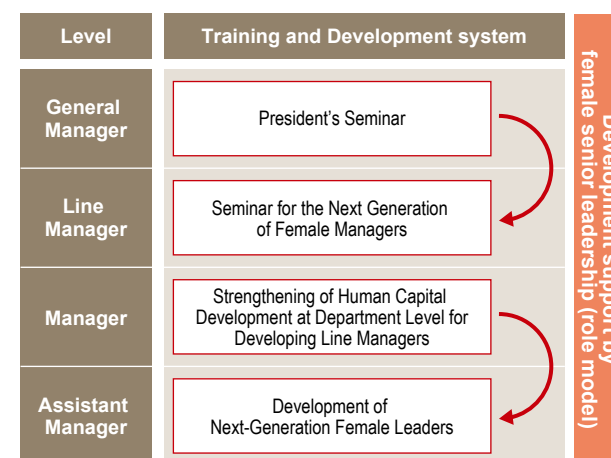
Promoting the Achievements of Female Employees

Creating a Workplace Environment and Developing Human Capital to Allow Employees to Achieve their Full Potential

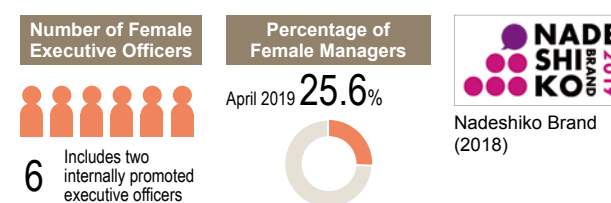


The Group promotes initiatives based on three main themes, which are “transforming awareness and culture,” “enhancing skill development,” and “promoting work-life management.” The Group makes particular efforts to develop next-generation female leaders and strives to transform the awareness of female management candidates through directly involving executives in development and providing female role models who are in senior positions. Going forward, we have established a target to increase the percentage of female employees in managerial positions to “more than 25% of all managerial positions during the term of the medium-term management plan” and to “30% by the 2020s,” and we will continue to promote development and establishment of female leaders.

Training and Development System for Next-Generation Female Leaders



Commitments by Executives



* Total for the Company, including three domestic life insurance companies (Dai-ichi Life, Dai-ichi Frontier Life, and Neo First Life)

Promoting Active Participation of Employees with Disabilities

Achieving Normalization



The Group proactively employs people with disabilities and create a comfortable working environment for them. The Group employs 967 people with disabilities nationwide. (As of June 2019, employees with disabilities make up 2.22% of our total workforce.)



Promoting LGBT Understanding

LGBT Friendly



In addition to clearly laying out respect for basic human rights in the Dai-ichi Life Human Rights Declaration, we push forward initiatives aimed at becoming an LGBT-friendly company, including promoting employee understanding through training and seminars and expanding eligibility for benefits like paid leaves and accommodation allowance.



Promoting Active Participation of Veteran Employees

Long-Standing Experience and Skills as Company Assets



The Group has created systems targeting employees after retirement age to allow motivated and capable human capital with experience and skills developed over many years to actively contribute. As part of our career support system for middle-aged and older employees and assistance with post-retirement re-employment, the Group has also established a support program (Master Challenge Program) to enhance experience and skills prior to retirement age leading to smooth re-employment following retirement.

Improving Employees' Quality of Life

Promoting Work-Life Management



At the Dai-ichi Life Group, the two main pillars to promote initiatives are our Family-Friendly System (measures to support work-life balance) and work-style reform. In addition to encouraging strategic utilization of measures to support the balance between work and private affairs and promoting teleworking, we are striving to enhance awareness of diverse work styles through training programs such as unconscious bias training as well as other measures.



Climate Change Initiatives— Response to TCFD



Issue Awareness

The awareness that environmental concerns, climate change in particular, are issues for the international community as a whole has increased with the Paris Agreement going into effect in 2016. The Dai-ichi Life Group, which operates life insurance and asset management businesses globally, also recognizes climate change as an important management issue that could significantly affect the lives and health of its customers, corporate activities, and social sustainability.

Based on such awareness, we positioned tackling climate change as one of the areas we will continually strengthen in CONNECT 2020¹, our medium-term management plan, and we are working on a variety of initiatives. Moreover, in addition to boosting management resilience through an assessment of the risks and opportunities posed by climate change, we announced our endorsement of the TCFD² Recommendations in September 2018 in order to enhance corporate value through sound dialogue with stakeholders based on such disclosure.

¹ Determined by the Board of Directors of Dai-ichi Life Holdings in March 2018
² Task Force on Climate-related Financial Disclosures

Stance on Governance/Risk Management

The Dai-ichi Life Group practices ERM with the aim of enhancing capital efficiency and corporate value based on strategies that are in accordance with the status of profit, capital, and risk. As a part of this, we identify foreseeable risks that could have a major impact on our business, formulate business plans that take these risks into account, and engage in risk management that responds appropriately to early signs of risk. We treat climate-related risk as a risk with the potential to have a serious impact on the Group in the future due to changes in the environment. The Group ERM Committee, which is composed of the officers responsible for the Risk Management Department and the Corporate Planning Department among others, conducts analysis and assessments, and then reports to the Executive Management Board and the Board of Directors periodically and monitors.³

In addition, Dai-ichi Life undergoes an annual assessment based on PRI⁴, which is the global standard for ESG investment. The initiative policy based on the results of this assessment is discussed at the Responsible Investment Committee, by majority comprised from external experts, and reported to the Executive Management Board to continually upgrade ESG investment.⁵

Stance on Governance/Risk Management



³ For details on risk management, see https://www.dai-ichi-life-hd.com/en/about/control/in_control/administer.html
⁴ Principles for Responsible Investment published by the United Nations in 2005
⁵ For details on the stance on promoting responsible investment, see <https://www.dai-ichi-life.co.jp/english/dsr/investment/ri.html>

Strategies

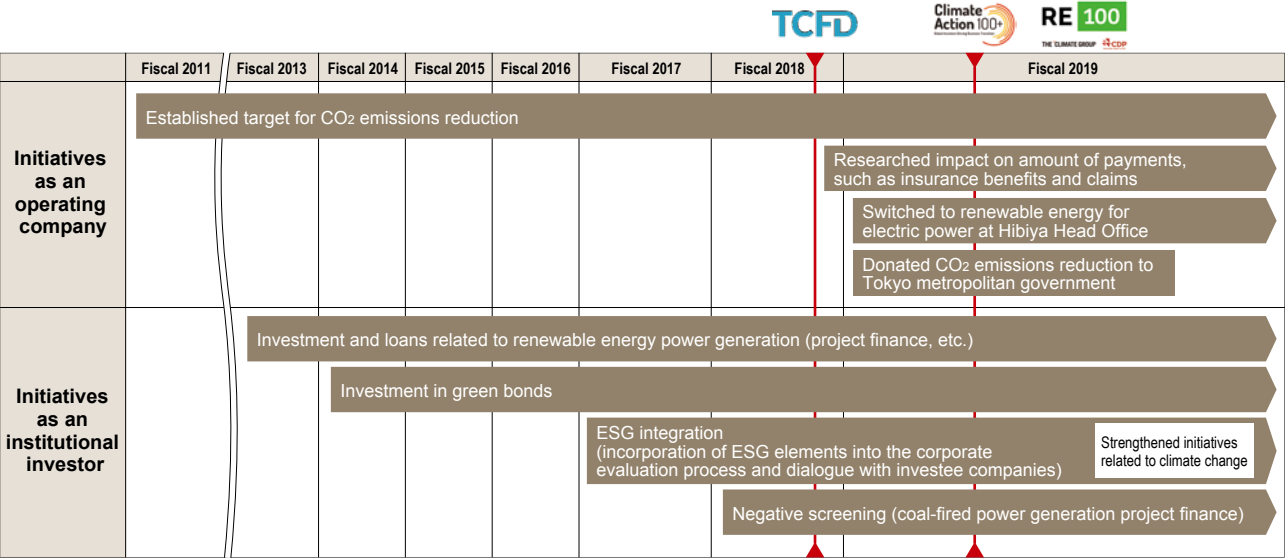
(1) Climate-Related Risks and Opportunities and the Impact on Our Business (Results of Trial Scenario Analysis at Dai-ichi Life, a core Group company)

Main Risks and Opportunities Affecting Business and Impact (Dai-ichi Life)

| Climate-related risks and opportunities | | | Main impacts on business |
|---|---|---|--|
| Risks | Physical risks | <ul style="list-style-type: none">• Risks that consist of chronic physical risks (rise in average temperatures and sea levels, etc.) and acute physical risks (increase in abnormal weather, such as typhoons and flooding, etc.) which are associated with physical changes due to climate change→Impacts could increase under the scenario of significant long-term increase in temperatures due to inadequate climate change countermeasures by each country | <ul style="list-style-type: none">• Increase in insurance claims and benefits paid due to increase in heat strokes and infectious diseases associated with warming• Increase in insurance claims and benefits paid associated with increase in flooding due to typhoons, etc. |
| | Transition risks | <ul style="list-style-type: none">• Risks that consist of market and technology risks (changes in consumption behavior, failure of investments in new technologies, etc.), policy and regulatory system risks (tightening of regulations on greenhouse gas emissions, etc.), and reputational risks (criticism of industry, changes in consumer choices, etc.), which are associated with the transition to a low carbon society→Impacts could increase under the scenario of reductions in long-term increase in temperatures due to adequate climate change countermeasures, such as the development of new technologies and utilization of carbon recovery and storage technology | <ul style="list-style-type: none">• Decrease in value of investment in, and loans to companies with inadequate responses to environmental change, including the introduction of carbon taxes, damage to assets due to market and social environment changes, development of new technologies, and response to changes in consumer behavior |
| Opportunities | Resource efficiency, products and services, Markets, etc. | <ul style="list-style-type: none">• Corporate revenue opportunities associated with climate change, such as an expansion of the market contributing to solving climate change problems | <ul style="list-style-type: none">• Increase in investment and loan opportunities in businesses and companies that contribute to solving the climate change problem, such as renewable energy businesses• Reduction in business costs due to the introduction of business infrastructure with high resource efficiency |

(2) Specific Initiatives

As an operating company and an institutional investor, Dai-ichi Life is boosting the resilience of its business against climate change as well as encouraging the enhancement of overall social resilience, which includes financial markets.



Initiatives as an Operating Company

Dai-ichi Life will strengthen resilience in the life insurance business through measures such as researching the impact of climate change on the life insurance business. Moreover, in addition to initiatives to reduce CO2 emissions, Dai-ichi Life will contribute to enhancing overall social resilience through initiatives such as environmental protection.

| | |
|---|---|
| Resilience of the Life Insurance Business | <ul style="list-style-type: none">Provisional estimates of increase in payments, including insurance claims, due to heat strokes and infectious diseases in JapanGoing forward, continue to research other impacts in regions outside of Japan |
| Overall Social Resilience (CO2 reduction, etc.) | <ul style="list-style-type: none">Established a CO2 emission reduction target in 2011. Promoting reductions in energy consumption associated with business site activities through introduction of energy-saving equipment, etc. to achieve targetIntroduced renewable energy (switched all electricity for the Hibiya Head Office building in Tokyo to renewable energy derived from hydro-electricity in April 2019 with an expected annual reduction in CO2 emissions of approximately 3,600t)Donated a 41,966t credit for excess CO2 emission reductions to Tokyo Metropolitan Government under the Cap-and-Trade Program to help with Tokyo Metropolitan Government efforts aiming for a Zero Emission Tokyo, a sustainable city with no CO2 emissions |

Initiatives as an Institutional Investor

Based on the awareness that climate change could have a medium- to long-term impact on investment performance, Dai-ichi Life is upgrading its climate-related risk analysis and promoting initiatives to reduce that impact, obtain opportunities for profit, and boost overall social resilience.

| | |
|-----------------------------|---|
| Asset Management Resilience | <ul style="list-style-type: none">As a general rule, we have a policy of not investing in, or loaning to, coal-fired power generation project financing given the risk that the asset value of investee companies will decline due to the transition to a low carbon society (no record of investment in, or loans to, such projects to date)Introduced climate change factors into corporate evaluation processes to increase resilience of owned assets against climate change |
| Overall Social Resilience | <ul style="list-style-type: none">Proactively investing in assets, etc. that help solve the climate change problemPromoting disclosure of information based TCFD Recommendations through dialogue with investee companies |

• **Renewable energy project financing**

Since fiscal 2013, Dai-ichi Life has been investing proactively in solar, wind, and biomass power generation projects in Japan and overseas, and our investment to date exceeds 100.0 billion yen.



• **Investment in green bonds, etc. of international development financial institutions**

In June 2019, Dai-ichi Life invested approximately 10.8 billion yen in both green bonds issued by the International Bank for Reconstruction and Development (IBRD), part of the World Bank Group, and environmental conservation bonds issued by the European Bank for Reconstruction and Development (EBRD).



• **First Japanese life insurance company to participate in Climate Action 100+**

Dai-ichi Life joined a global initiative by institutional investors to engage in constructive dialogue on emissions reductions efforts and disclosure of information about those efforts with companies that have high levels of greenhouse gas emissions.


Indicators and Targets

Dai-ichi Life, which operates a large-scale business, has established medium- to long-term CO2 emission reduction targets of 40% by fiscal 2030 and 70% by fiscal 2050 (both compared to fiscal 2013). The Dai-ichi Life Group is also working toward a target of 1% year-on-year reductions in CO2 emissions. Performance in fiscal 2018 was approximately 155,300t (Scope 1: 12,500t and Scope 2: 142,800t), maintaining the target pace of a 1% year-on-year reduction.

• **First Japanese Insurance Company to Join RE100***

Dai-ichi Life joined an international initiative that has set a goal of switching to 100% renewable energy from the perspective of promoting increased use of renewable energy to prevent global warming.

* RE100 (Renewable Energy 100%) was launched in 2014 under the leadership of The Climate Group, an international NGO. It operates in collaboration with CDP (a not-for-profit charity that collects information about action on climate change from businesses and provides it to investors). The target is to procure 100% of the electricity consumed in business activities through renewable energy, and more than 190 of the world's leading companies have joined as of August 2019.



Topics

Examples of Environmental Protection Initiatives

Supporting Three Urban Greening Awards

In 1990, Dai-ichi Life established the Green Environmental Plans Award to support urban greening initiatives. Dai-ichi Life now supports three awards, by adding the Green Cities Award and the Competition for Specialized Greening Technology for Rooftops and Wall Facings. Approximately 200 green spaces have been subsidized up until to 2018. As a result of this initiative, Dai-ichi Life received the Minister of Land, Infrastructure, Transport and Tourism's Award for Service in Urban Greening in 2000 and 2014.



Planting Mangroves

Panin Dai-ichi Life (Indonesia) engages in activities to plant mangroves, which absorb large volumes of CO2 and act to protect the coastline from erosion. The company also puts efforts into activities to protect the natural environment, including sponsoring groups that carry out afforestation.



Forest Conservation

Protective (U.S.) works with natural environment protection groups carrying out activities to conserve the aquatic environment and ecosystems and preserve the beauty of nature in Alabama.

