

Financial Analyst Conference Call for the Fiscal Year Ended March 31, 2021

May 21, 2021

Dai-ichi Life Holdings, Inc.



Dai-ichi Life
Holdings

Topics	Presenter	Title
Review of Previous Mid-term Management Plan New Mid-term Management Plan "Re-connect 2023" <ul style="list-style-type: none">Financial & Capital Strategy	Toshiaki Sumino	Managing Executive Officer, Dai-ichi Life Holdings, Inc. Corporate Planning Unit
New Mid-term Management Plan "Re-connect 2023" <ul style="list-style-type: none">Recognition of External Environment & KPI UpdateDai-ichi Life Group Initiatives for SustainabilityDomestic Life Business Strategy	Seiji Inagaki	President and Representative Director, Dai-ichi Life Holdings, Inc. The Dai-ichi Life Insurance Company, Limited
Q&A		

Review of Previous MMP

New MMP "Re-Connect 2023" Financial & Capital Strategy



Sales Performance (New Business ANP • Value of New Business(VNB))

- In light of the significant change of external environment including extraordinary situation of the COVID-19, sales performance had been under pressure and Group VNB target set for previous MMP was not achieved.
- Although VNB for this fiscal year is expected to be favorable YoY, Group will make every effort for returning back to sustainable growth.

New Sales ANP

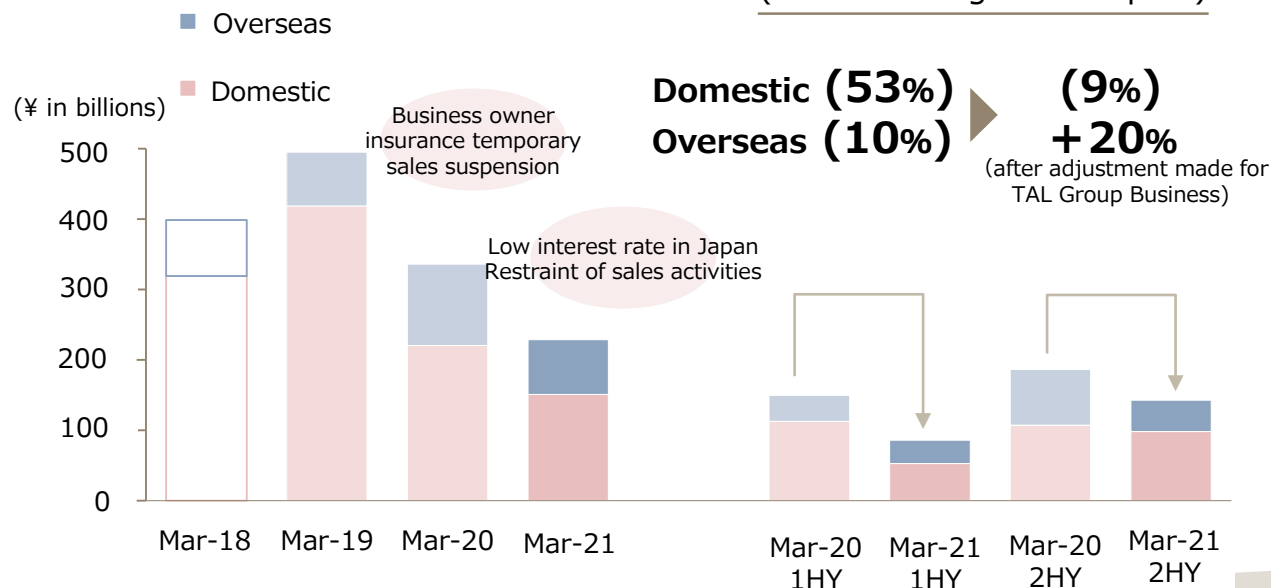
FY2020

¥228.8bn

(32%)YoY
excl. exchange rate impact

Decreased significantly due to restraining sales activities in domestic life. As full-scale sales activities resumed in 2HY, domestic life sales recovered with only 9% decrease vs. 2HY of FY2019.

FY2020 1HY/2HY YoY comparison
(after exchange rate impact)



Group VNB (before measurement standard change)

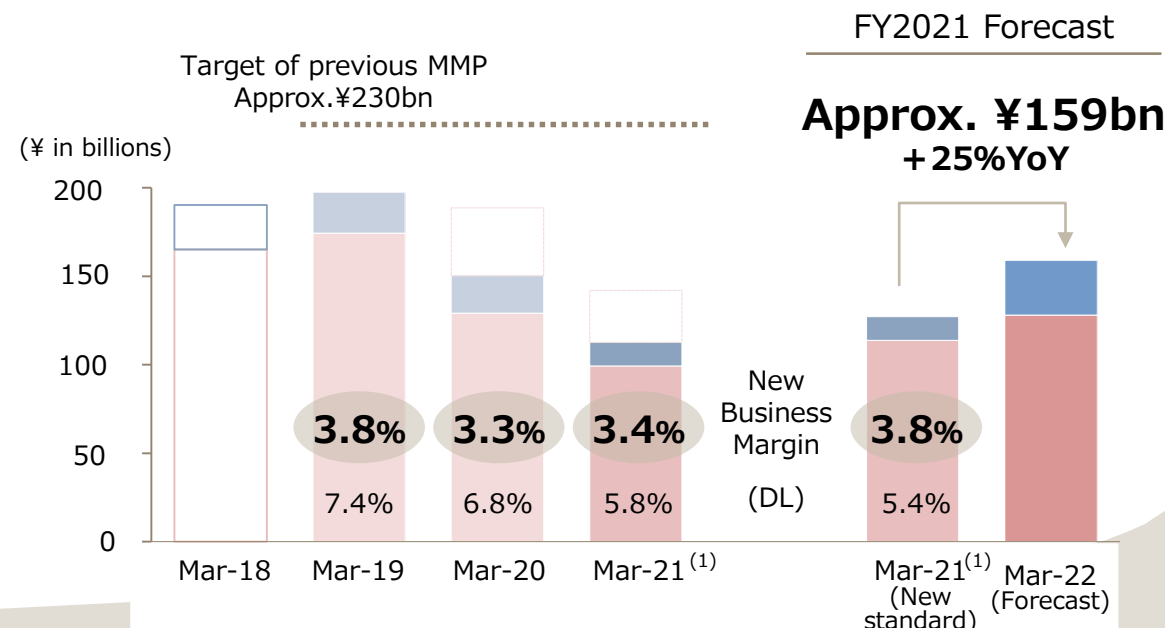
FY2020⁽¹⁾

¥127.1bn

(25%)YoY
before measurement
standard change

Group total including 3 affiliated companies in Asia: ¥129.2bn

Decreased by 25% YoY, but it exceeded the forecast announced in last August. For FY2021 Group VNB is forecasted to be ¥159bn due to improvement of sales environment and interest rates.



(1) In light of the extraordinary circumstances of the COVID-19, the guaranteed life plan designers' salary compensation (approx. ¥17 billion) and a portion of sales operation related fixed expenses (approx. ¥40 billion) was excluded from VNB calculation and deducted directly from EEV adjusted net worth.



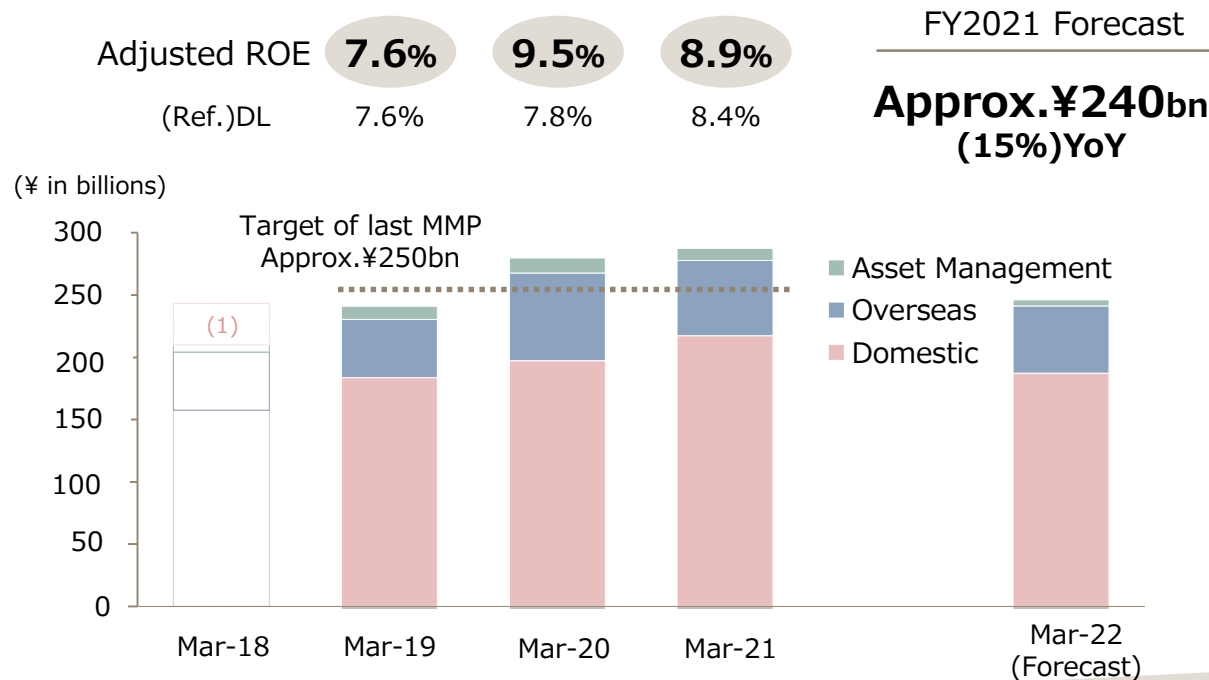
Accounting Profit (Group Adjusted Profit • Net Income)

- Group adjusted profit achieved the target set in the previous MMP due to favorable profit impacted by financial market as well as one-time items in both domestic and overseas life.
- New MMP focuses not only on initiatives for profit growth but also on improvement of qualitative KPI such as capital efficiency.

Group Adjusted Profit

FY2020 **¥282.8bn** (YoY) +3%

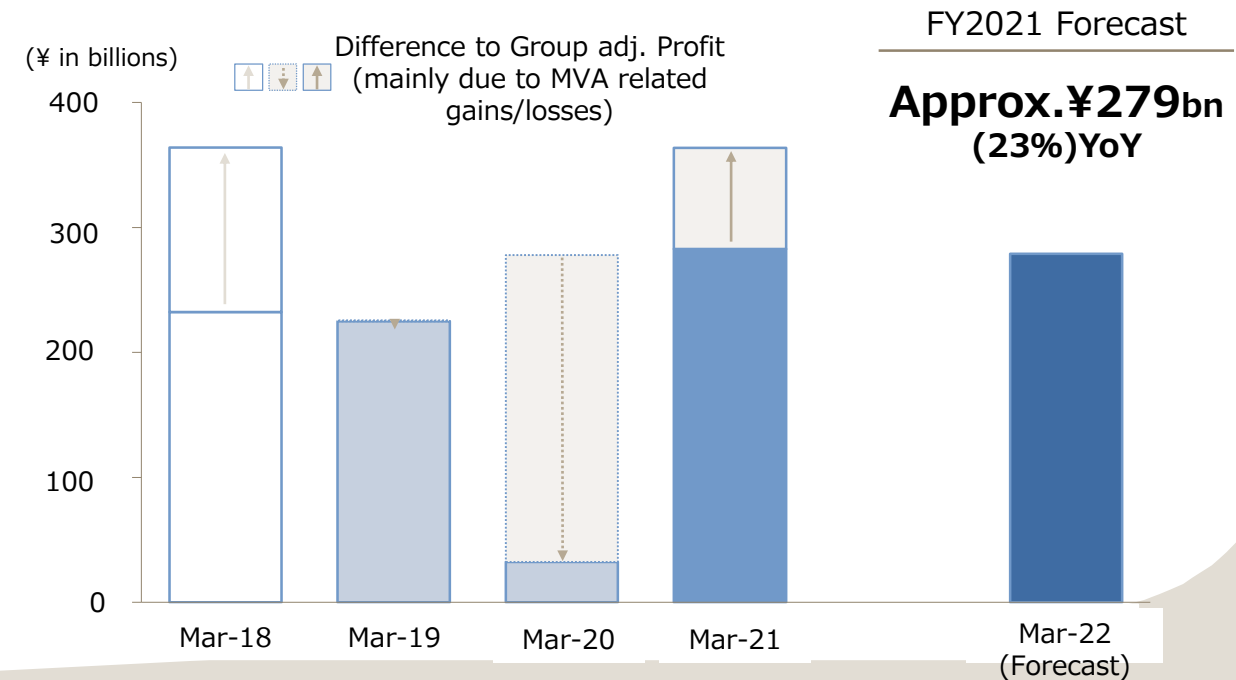
Due to financial market recovery & one-time items Group adjusted profit exceeded the forecast. Considering the reactionary decline in absence of one-time items for FY2021 forecasts is approx.¥240bn.



Group Net Income

FY2020 **¥363.7bn** (YoY) +1,022%

Net income significantly increased due to improvement of MVA related gains/losses. Same as group adjusted profit, considering reactionary decline, forecast for FY2021 is ¥279bn.





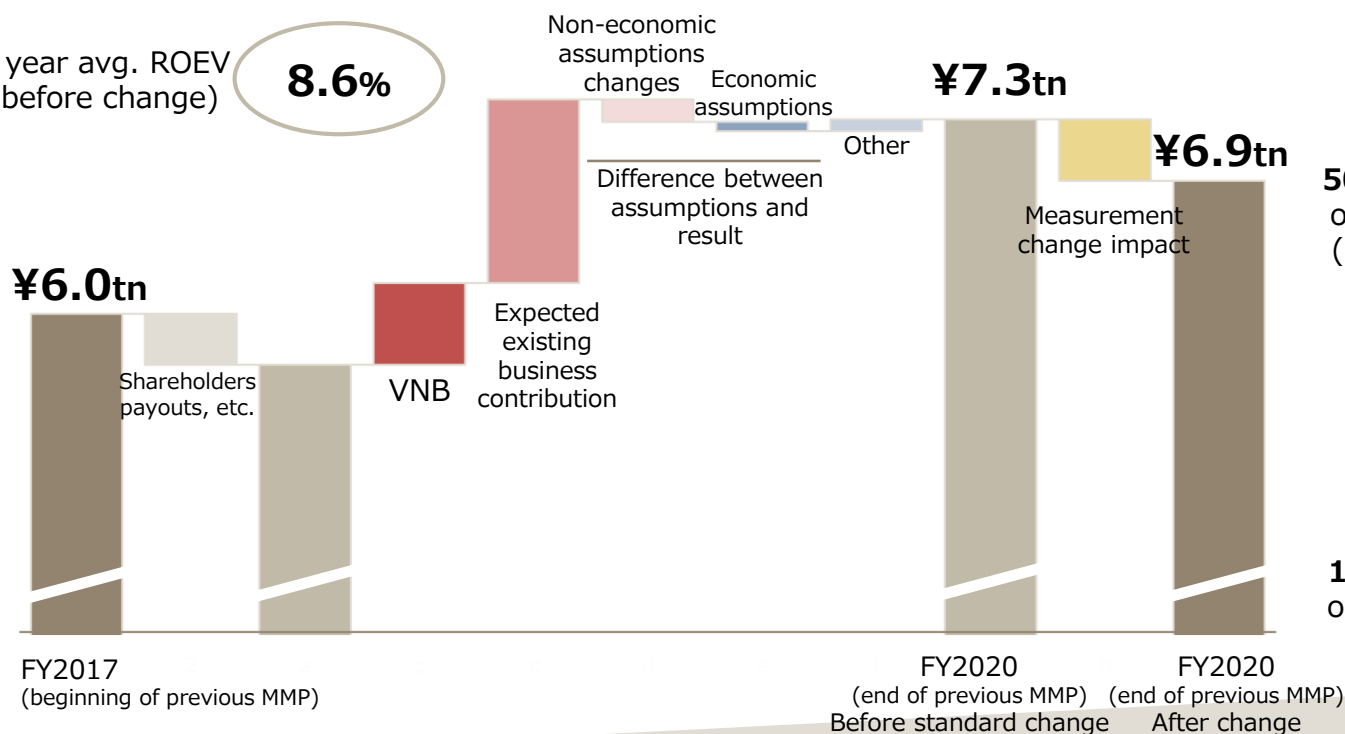
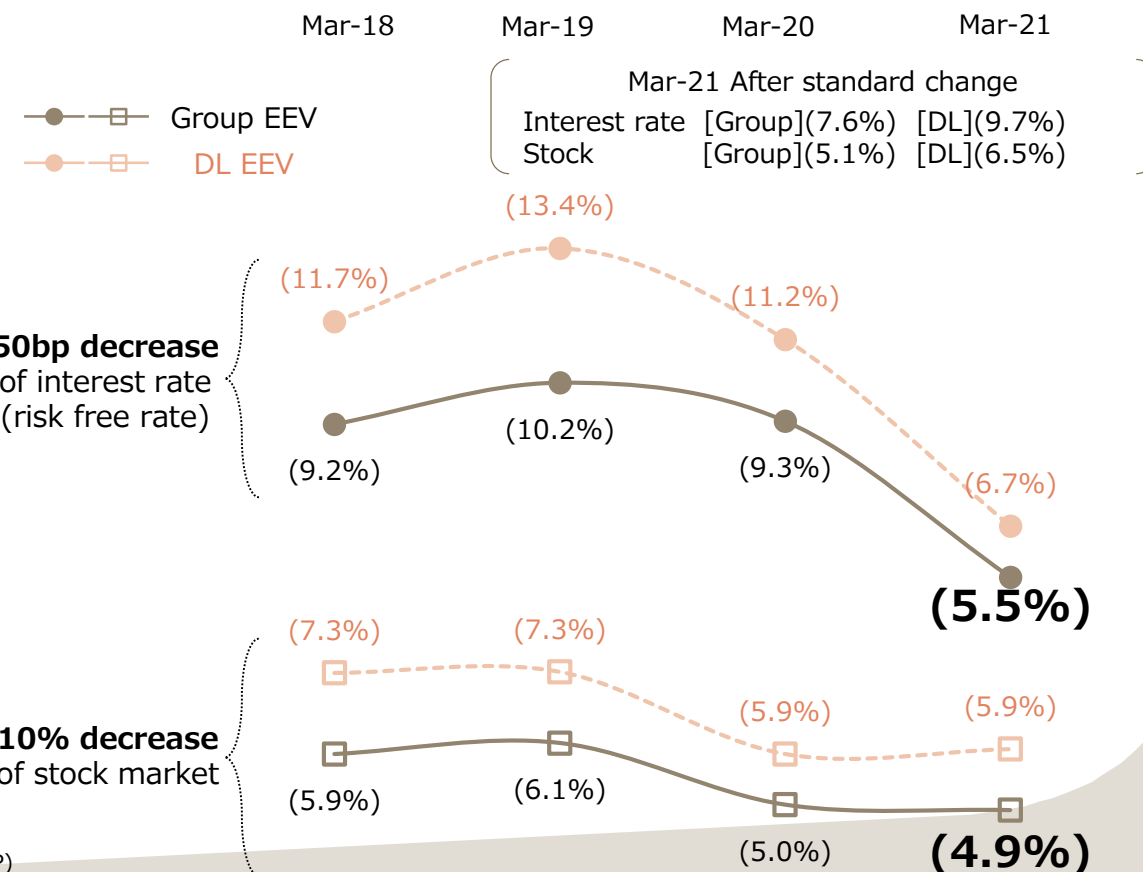
Economic Value based Capital Efficiency (Group EEV · ROEV · EV market sensitivity)

- Though EEV and ESR declined due to stricter change of measurement standards such as UFR, ROEV was secured at 8.6% level.
- Contribution from market related risks reduction in addition to the rise of domestic interest rates, significantly reduced sensitivity of EEV to financial market fluctuations.

As of end of March 2021 **Group EEV** **¥6,971.1bn** +33% YoY before measurement standard change

3 year average ROEV increased due to improvement of financial markets
EV sensitivity steadily declined thanks to market related risk reduction

EV Sensitivity to Financial Market Fluctuations (before measurement standard change)





Economic Value and Financial Soundness (ESR • Risk Profile)

- Even under stricter internal measures such as lower UFR, ESR rose due to the recovery of financial market and risk reduction initiatives.
- Market risk still accounts for a large portion of risk profile and focus continues to be on reducing interest rate and equity risks.

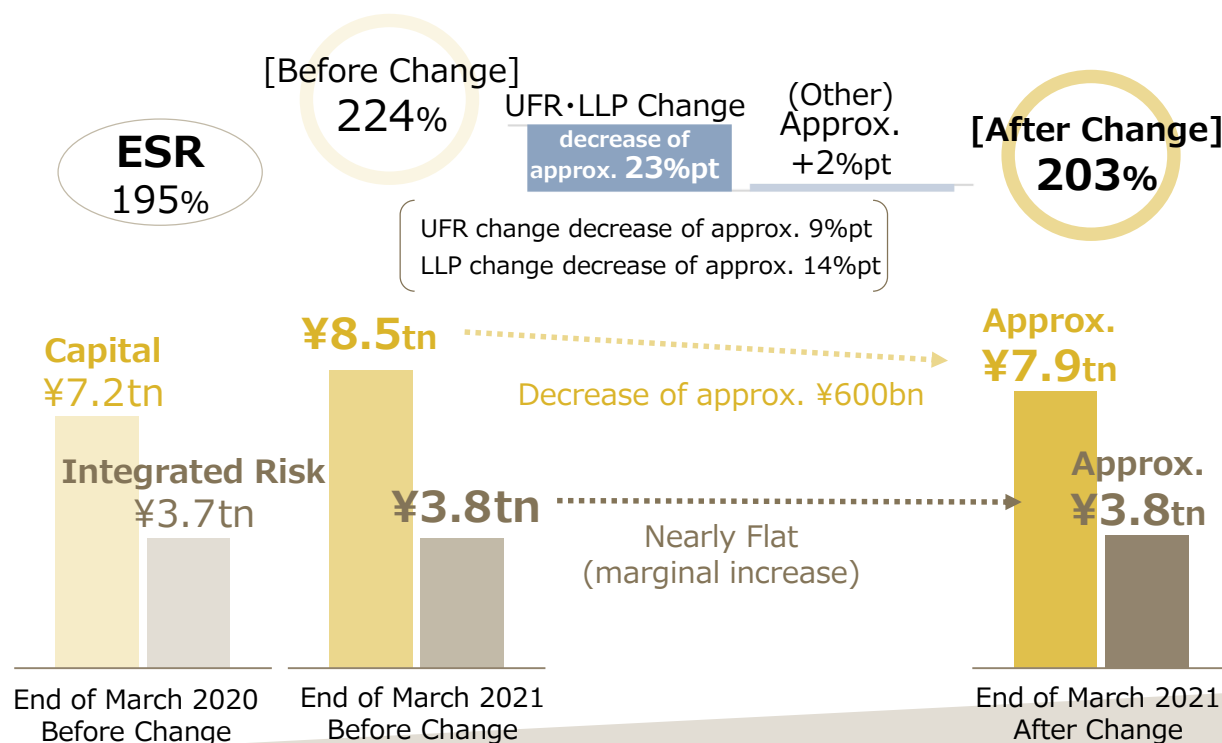
Economic Solvency Ratio (ESR)

As of end of
March 2021

203%

+ 29%pt YoY
before measurement
standard change

ESR rose sharply due to risk reduction and recovery of financial market
ESR after measurement standard change (UFR, etc.) is 203%

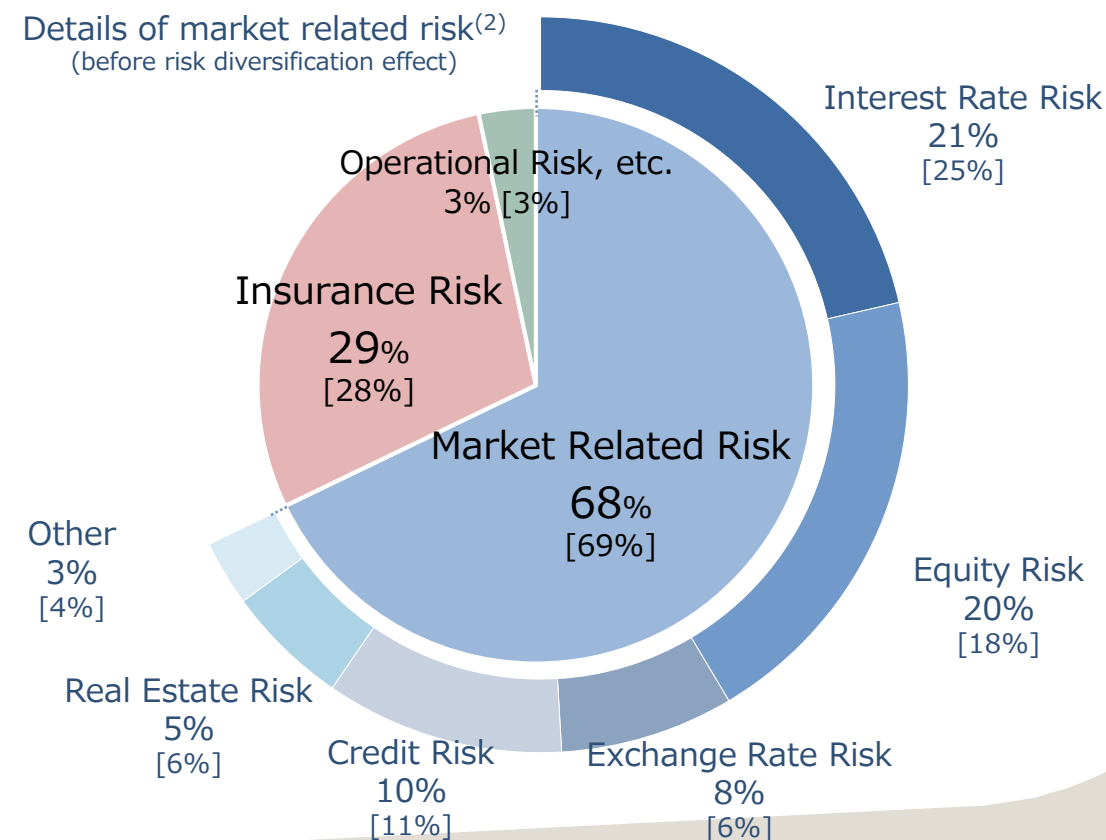


Group Integrated Risk Breakdown⁽¹⁾

(As of end of March 2021, before risk diversification effect between insurance and market risk)

[Figure in parentheses :
as of the end of March 2020 (before change)]

Details of market related risk⁽²⁾
(before risk diversification effect)

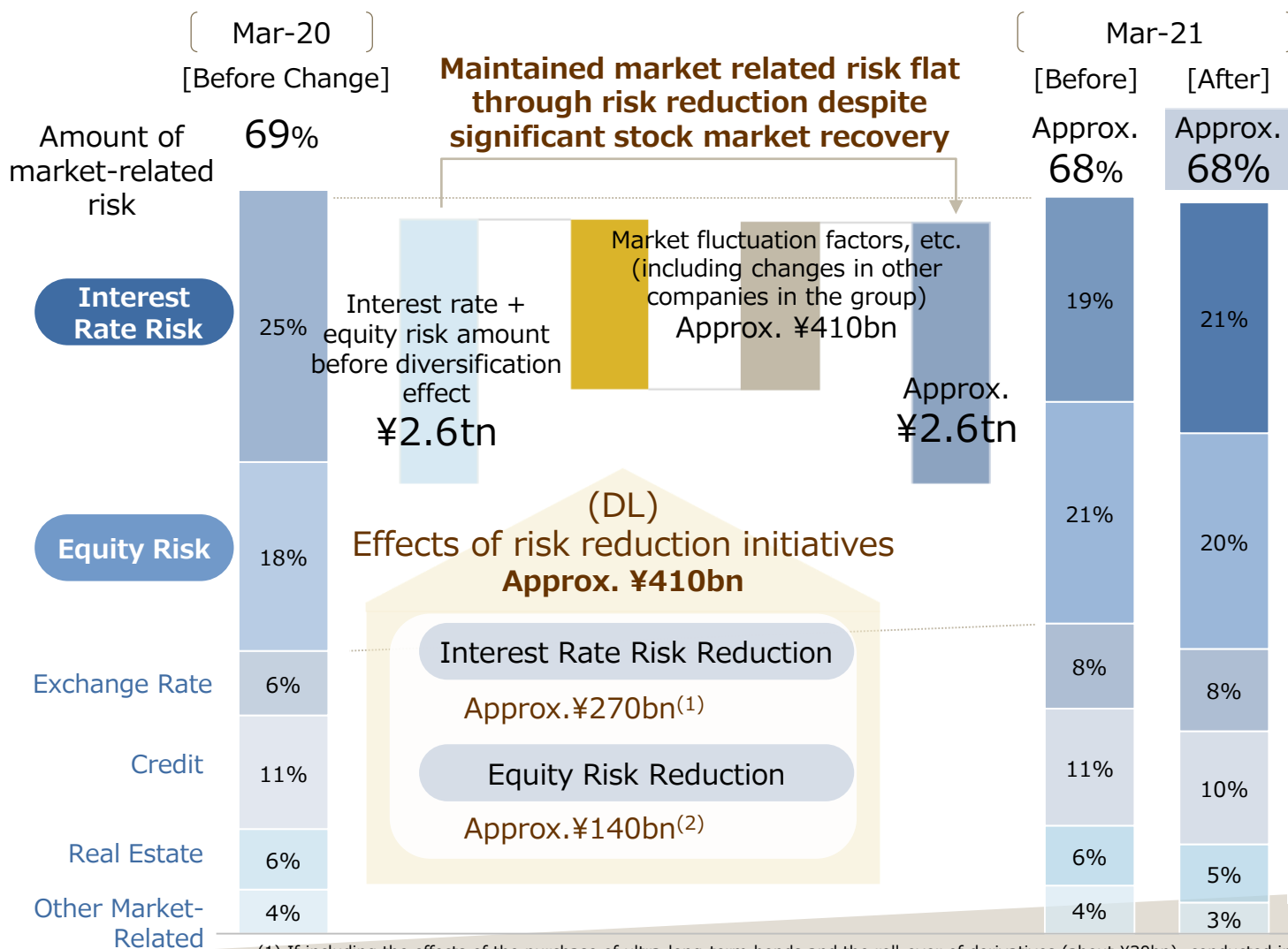


(1) Breakdown excludes the exchange rate risk against yen, associated with the Group Consolidation
(2) Percentage of each risk in the details are proportional to the amount of each risk in market risk, before taking into account the diversification effects.

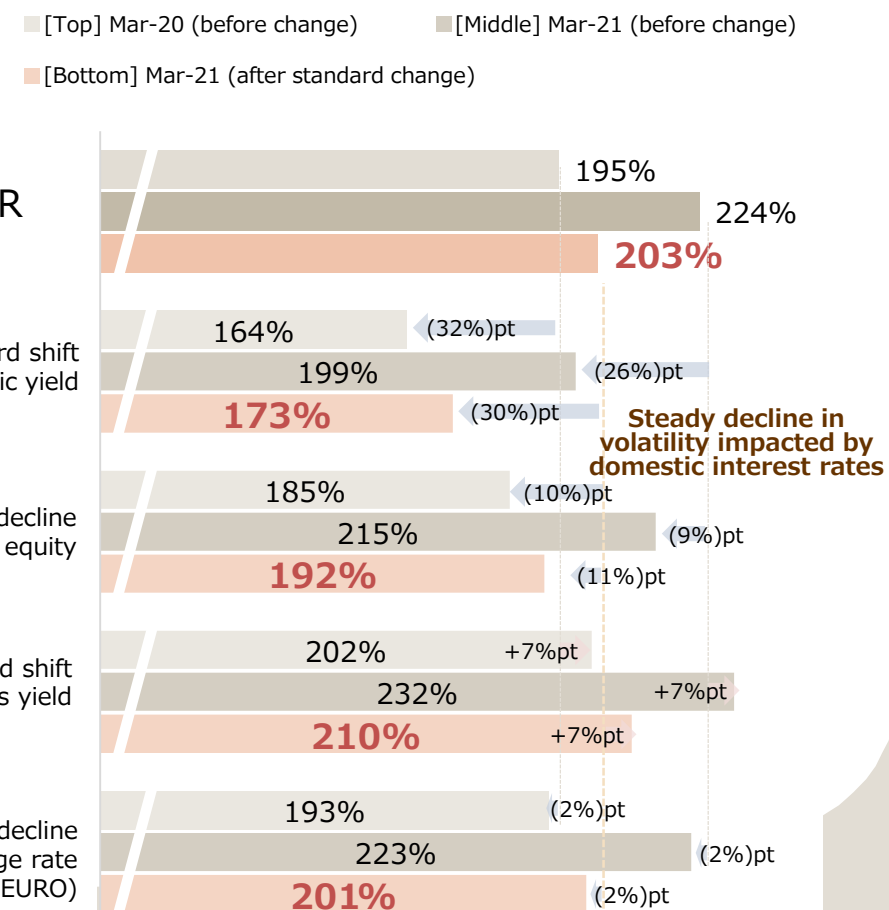


FY2020 Status of Market Risk Reduction and ESR Financial Market Sensitivity

- Increase in market risk derived from the significant stock market improvement was well managed through accelerating interest rate risk reduction and advancement of equity risk hedging.
- The financial market sensitivity of ESR decreased YoY, even after the change in measurement standard.



Financial Market Sensitivity of ESR



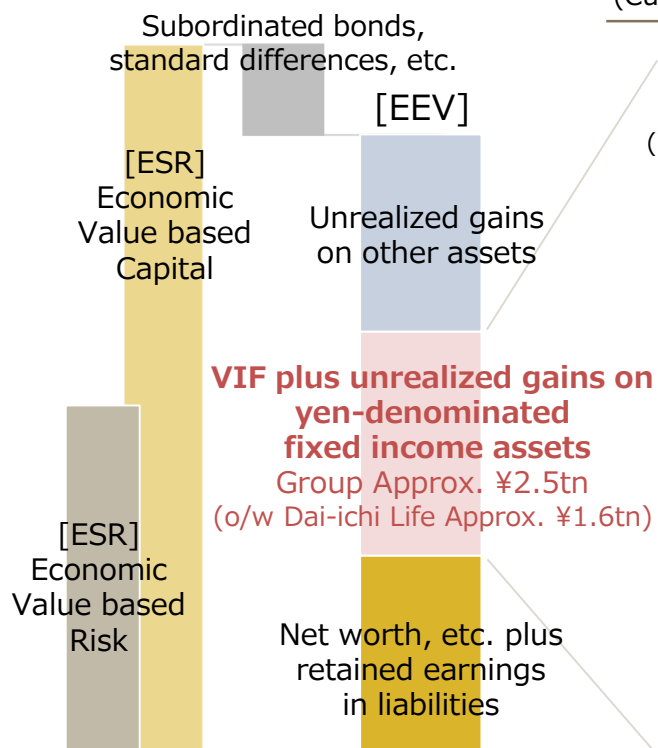
(1) If including the effects of the purchase of ultra-long-term bonds and the roll-over of derivatives (about ¥30bn), conducted in FY2019 as an advancement of the risk reduction efforts planned for FY2020, is about ¥300bn.
(2) Including ¥90bn in advance constructed hedge position, an initiative of new MMP.



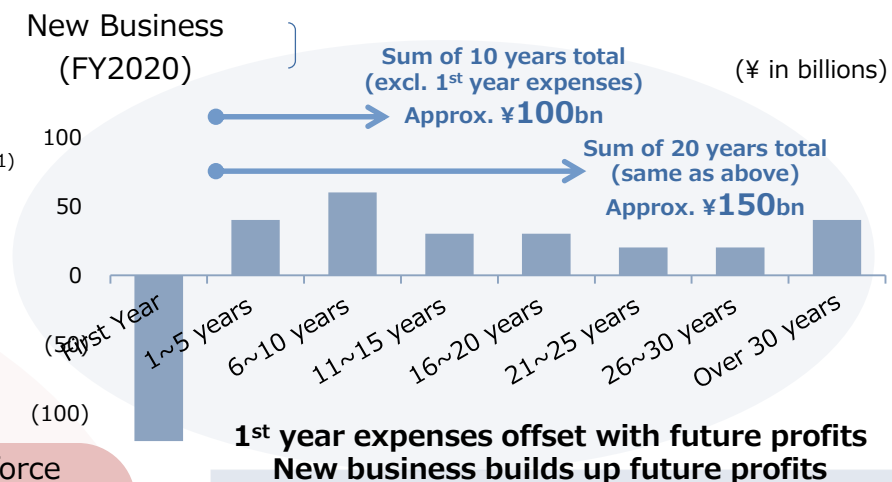
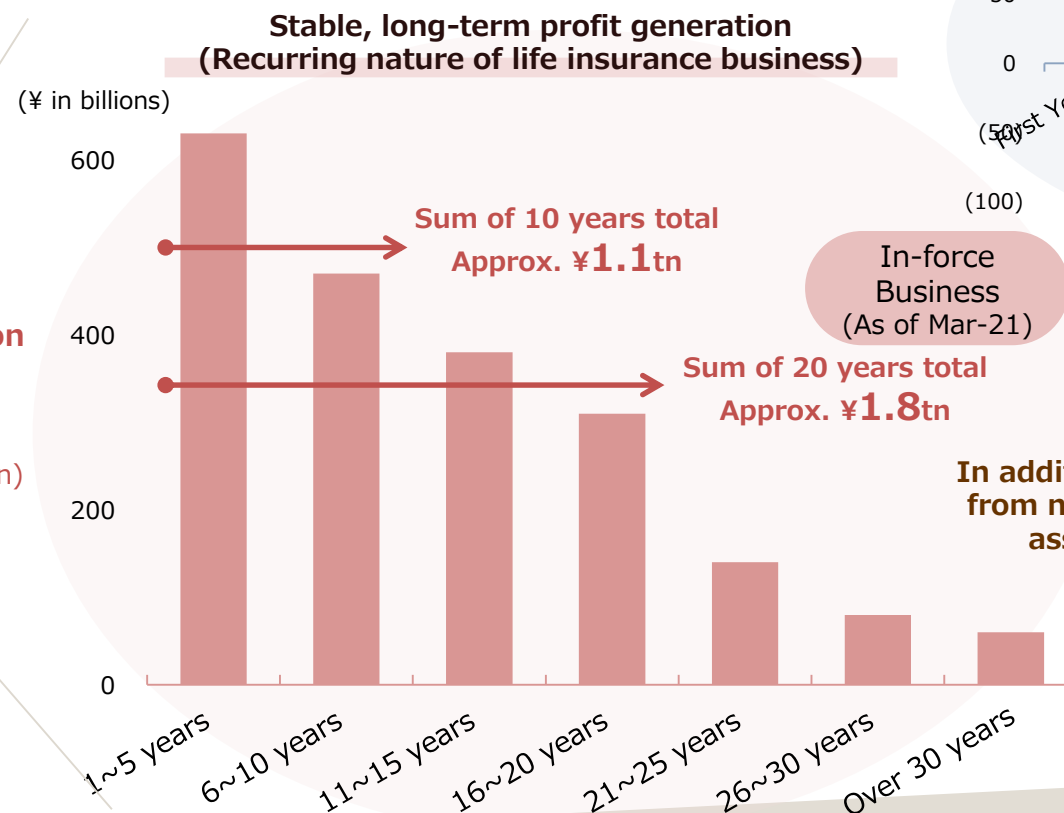
Economic Value Capital and Life Insurance Business Earnings Structure

- Major part of economic value based capital in ESR is comprised of EEV value of in-force business, generating profit over the long term.
- Life insurance business have a high recurring potential due generating very stable future profits from in-force business and accumulating future profits through new business acquisition.

Economic Value based Capital and EEV



In-force Business Value Expected Future Profits Distribution (Cumulative for every 5 years, Dai-ichi Life Non-Consolidated, estimate)⁽¹⁾



In addition to stable profits from in-force business, profits from new business acquired and gains/losses from other assets make up the annual profit of Dai-ichi Life.

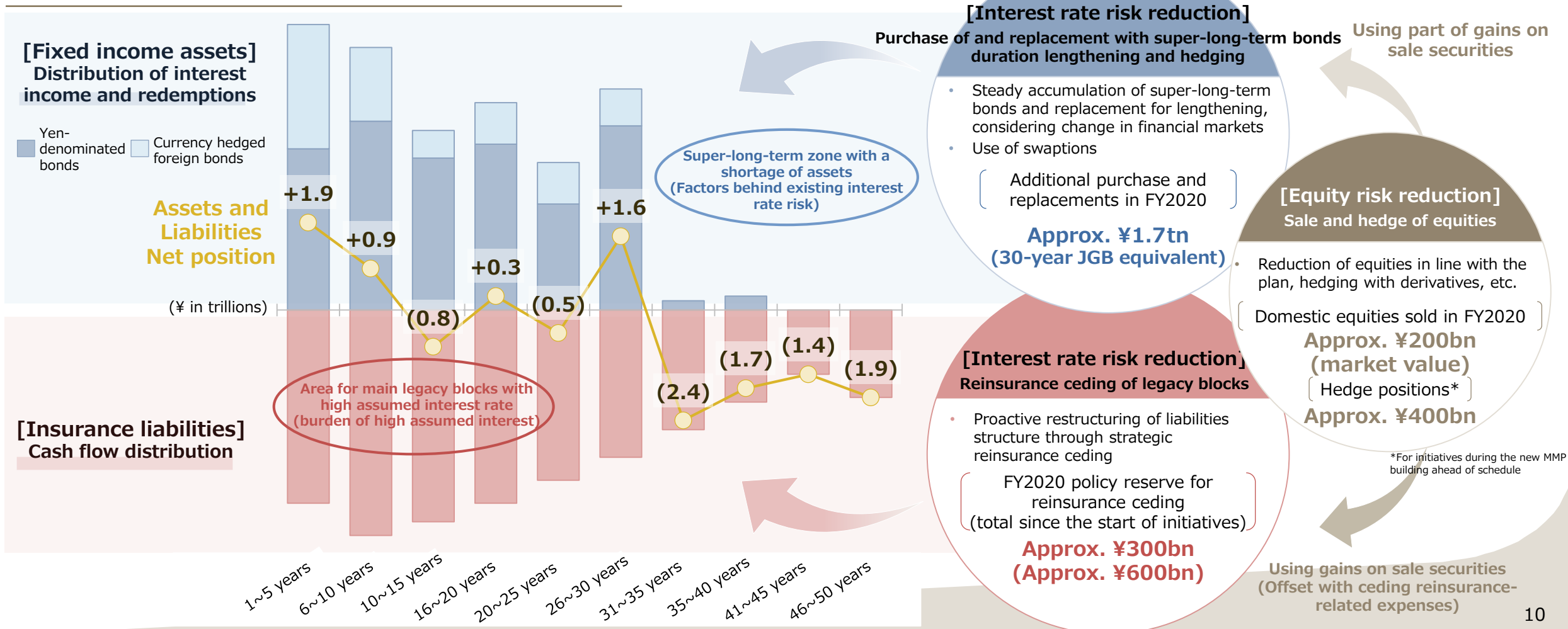
(1) Approximate value assuming fixed income assets held until maturity and adjustment for future interest income.



DL Asset/Liability Cash Flow Structure and Market Risk Reduction

- Reduce interest rate risk arising from super-long-term insurance liabilities by proactively accumulating super-long-term bonds and lengthening asset duration.
- Decrease legacy liabilities with high assumed interest rate through reinsurance ceding, while reducing equity risk by selling equity holding.

Fixed income assets/insurance liabilities cash flow⁽¹⁾



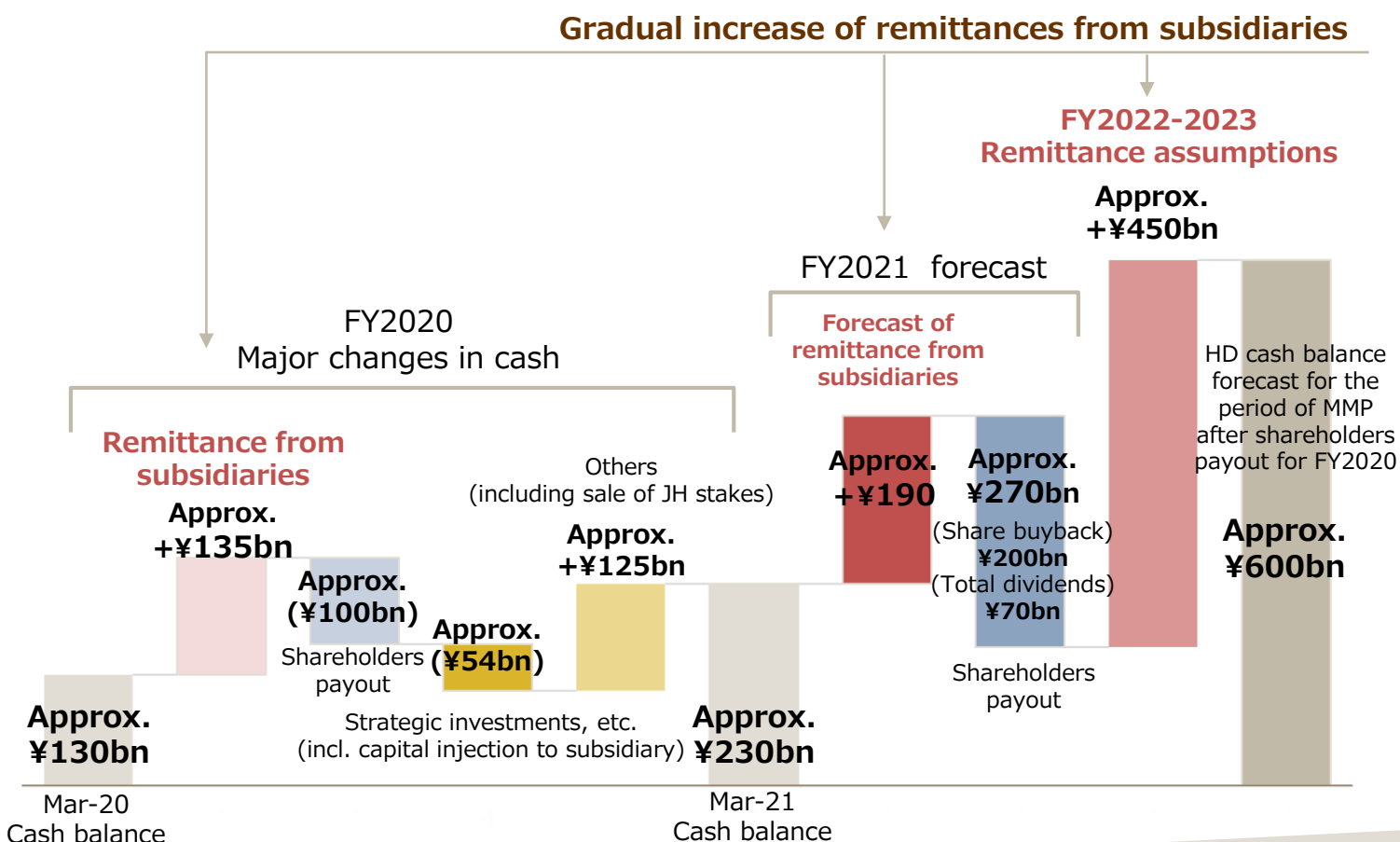
(1) Cash flows from bond assets and insurance liabilities for internal management at the end of March 21



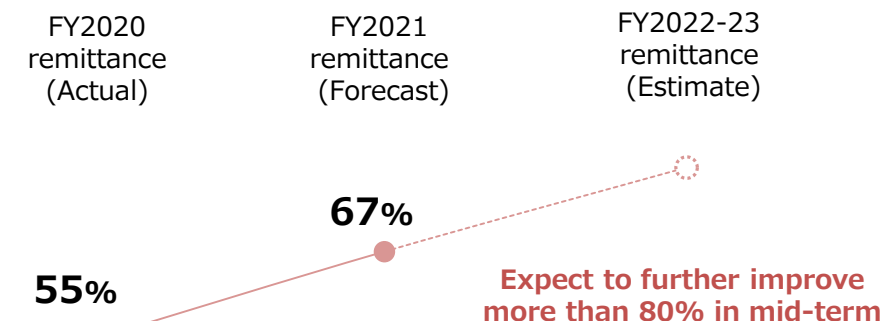
Cash Position of Holding Company (HD)

- Including funds for the sale of Janus Henderson shares, the cash balance at the end of March 2021 was approximately ¥230 billion.
- Expect cash positions of approx. ¥600 billion after shareholder dividends and present share repurchases due to expansion of phased remittance, etc.

Change in Holding Company Cash Position⁽¹⁾⁽²⁾



Outlook for remittances from subsidiaries



*Adjusted Profit basis

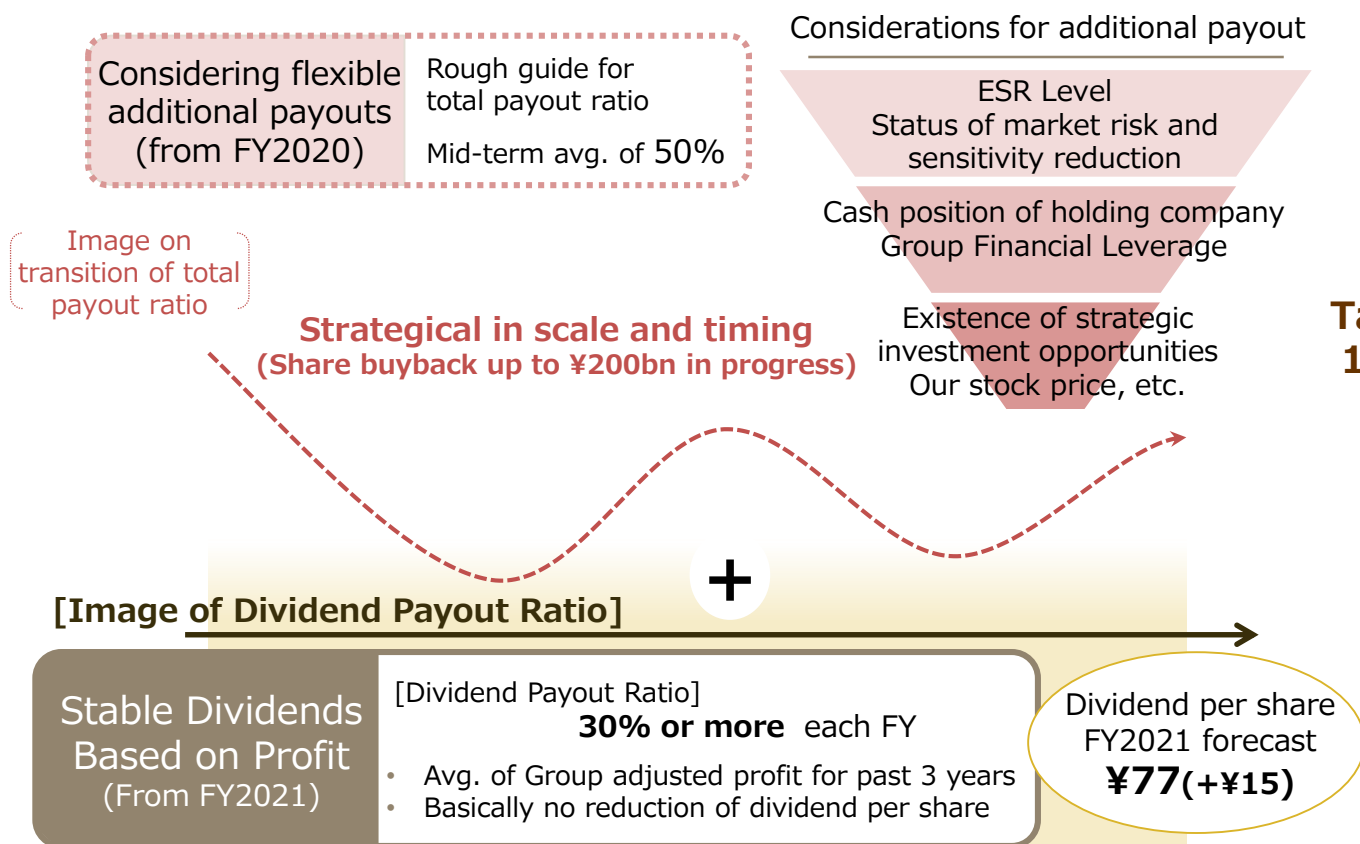
FY2021 remittance	FY2020 Adjusted Profit ⁽³⁾	Remittance Amount to HD	Remittance Rate ⁽⁴⁾	(Previous FY)
Dai-ichi Life	¥174.4bn	¥158.7bn	91%	80%
Protective ⁽²⁾	US\$362m	US\$181m	50%	50%
TAL	AU\$171m	AU\$70m	41%	0%
Group	¥282.8bn	Approx. ¥190bn	Approx. 67%	53%

(1) Includes the balance and change in cash at the intermediate holding company, as well as cash held to secure liquidity at the holding company. (2) Remittances from overseas subsidiaries such as Protective are accounted as if they are deposited in the next fiscal year of the holding company similarly to domestic subsidiaries in this chart. (3) For TAL net income is given. (4) For the remittance rate the denominator is the group adjusted profit, and the numerator is the remittance amount from each group company to HD based on adjusted profit (excluding TAL).

Consider Stable Dividends in Line with Profits and Flexible Additional Payouts

- Implementing a share buyback of up to ¥200bn, in order to realize an attractive shareholder payout.
- Due to the large-scale share buyback, dividend per share for FY2021 is expected to increase by ¥15 yen YoY to ¥77.

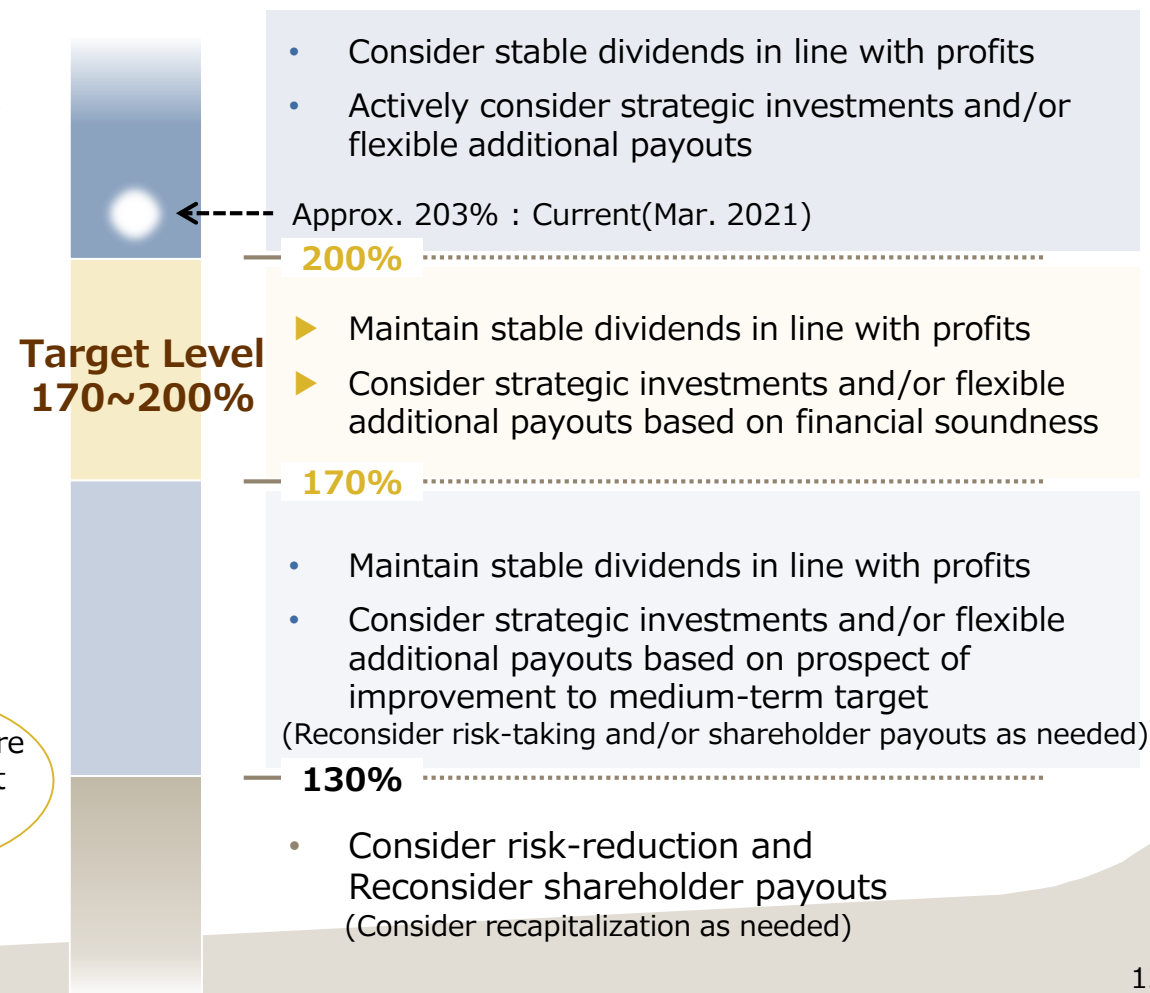
Shareholder Payout Policy



[Policy on cancellation of treasury stock]

The treasury stock is expected to be cancelled at an appropriate timing unless it is held for any specific reason.

ESR Level and Capital Policy Concept



New Medium-Term Management Plan "Re-connect 2023"

External Environment and KPIs

Environment Recognition and Objectives of New MMP “Re-connect2023”

Changes in Business Environment

COVID-19

Global low interest rate environment

Slowdown of economy

Rapid advancement of digital technology

Diversification of people’s values

Our Response to Changes

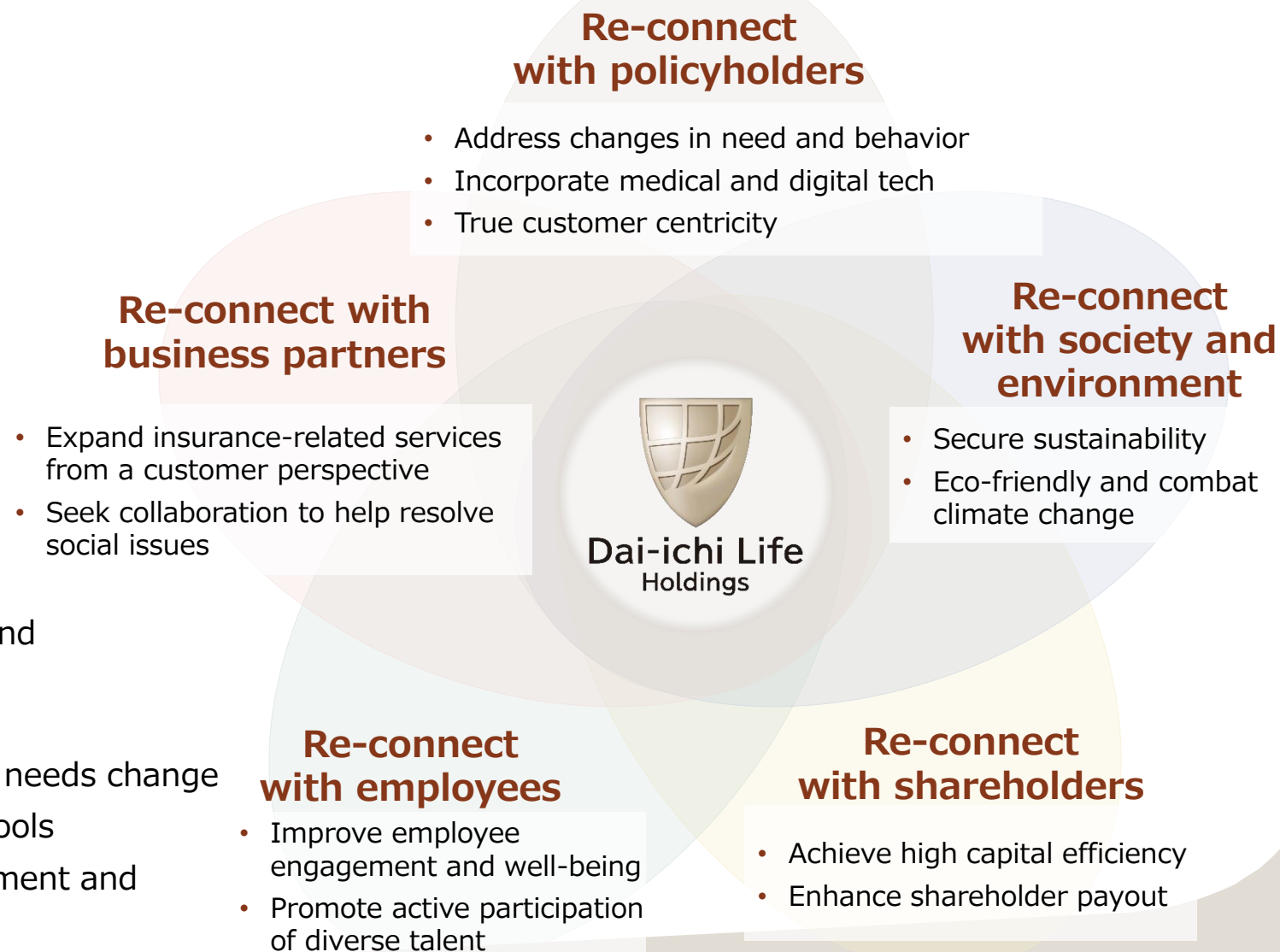
Business operations considering customer and employee’s health

Prompt payment of insurance benefits

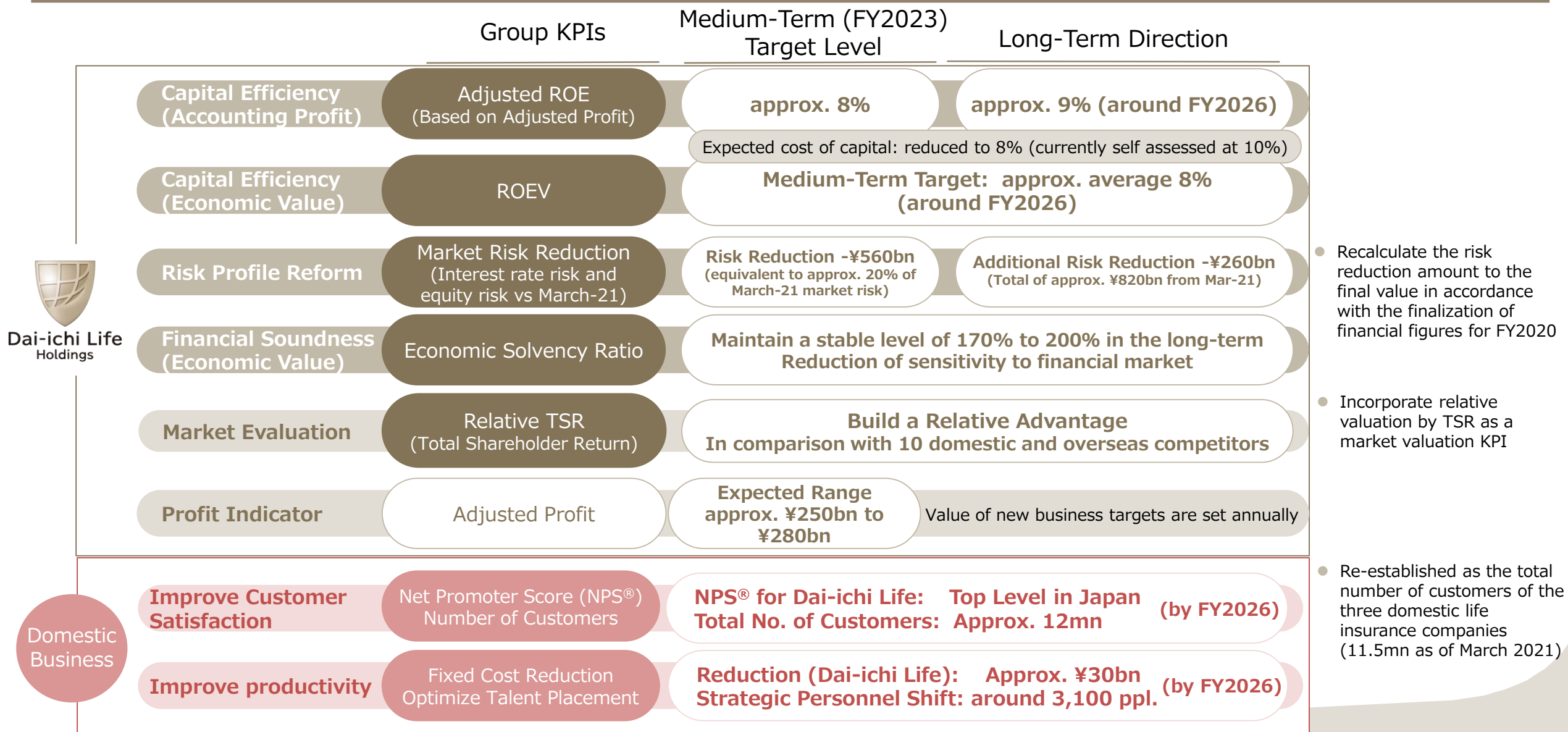
Develop products/services that meet customer needs change

Promote contactless sales process using digital tools

Strengthen response to low interest rate environment and market fluctuations



Group Key Indicators (KPIs) and Major Domestic Life Business Initiatives



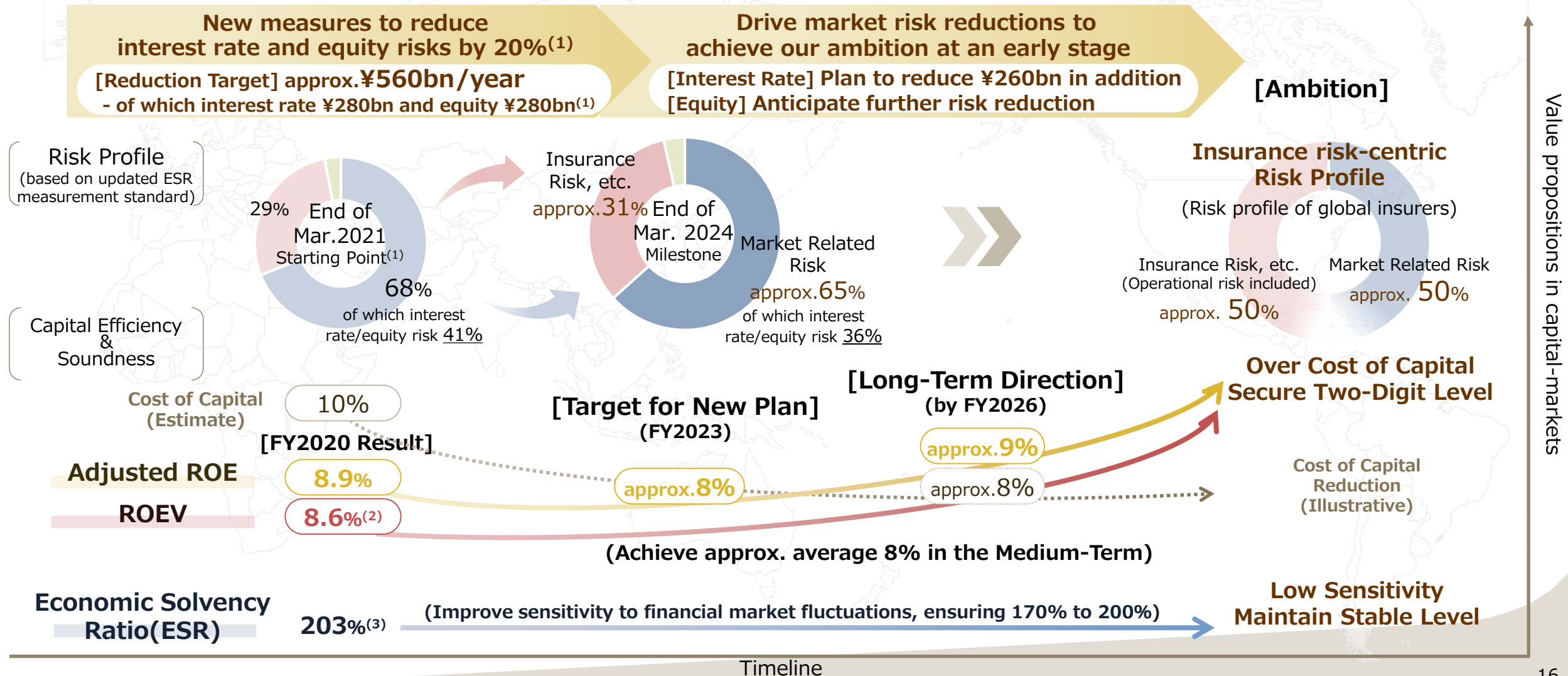
*Assuming the economic environment and other factors will not deviate significantly from the current (end of March 2021) level

*NPS® is a registered trademark of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.



Financial and Capital Strategies Centered on Risk Profile Transformation

- Achieve sustainable growth and improve capital efficiency by accelerating business growth and transforming the risk profile.
- In the new MMP period (3 years), aim to reduce interest rate and equity risk by approx. ¥560bn to steadily reduce such risks.



(1) Equity risk reduction target (¥280bn, equivalent to decrease of 20%) includes the effect of hedging implemented ahead of schedule in the previous fiscal year as the actual results for the current fiscal year.
 (2) The average of the last three years (estimated for FY2018-2020) is shown. (3) Figures after changes in standards such as UFR.

Introduction of TSR⁽¹⁾ into KPIs

- Adopt TSR relative to the competitors (10 domestic and overseas companies) as an key indicator for objectively evaluating the improvement of our group's competitive advantage over the 3-year period of the new mid-term management plan

TSR Target Levels and Evaluation Methods

TSR Target Level
(from FY2021)

To build a relative advantage
compared to our 10 domestic
and overseas competitors

Comparative⁽²⁾

5 domestic insurance group companies and
5 overseas insurance group companies focusing on life insurance
and competing in U.S and Japanese markets.

Evaluation Method

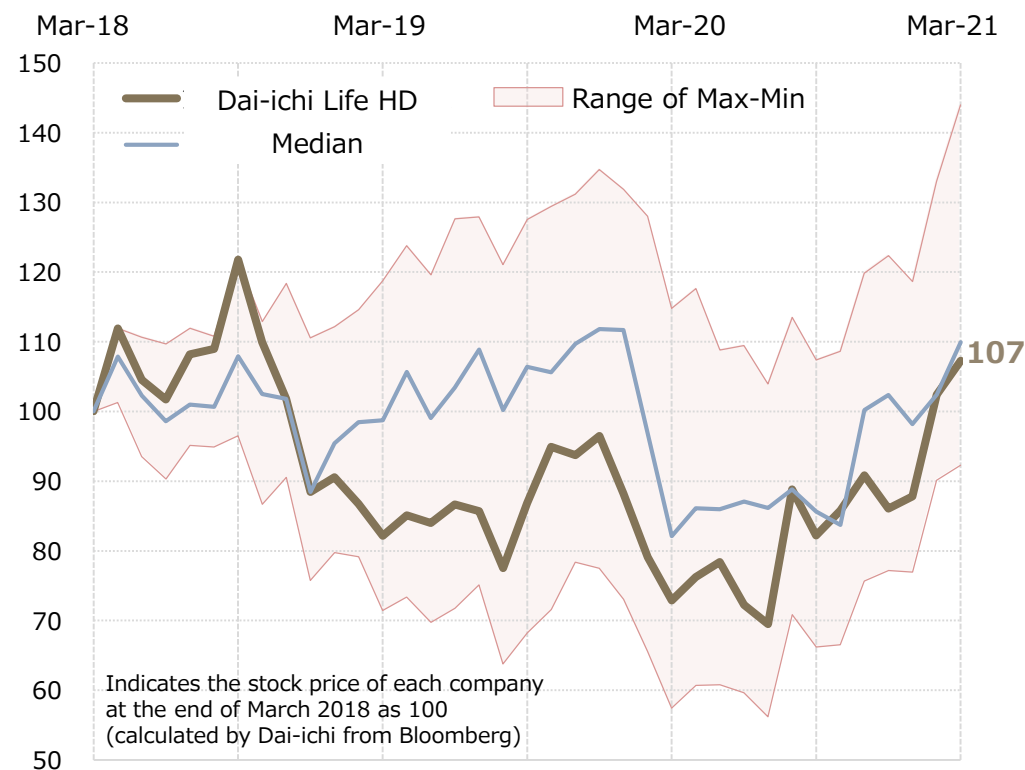
Evaluate the relative rankings of 11 companies, including the 10
companies mentioned above and Dai-ichi Life HD.

Evaluation Period

A period of 3 years of the mid-term management plan starting
from the end of March 2021, which is the end of the previous mid-
term management plan.

For FY2021 and 2022, the evaluation period will be 1 and 2 years.

(Ref.) Relative TSR⁽¹⁾ During the Previous Mid-Term Plan



2018-2020

1	Overseas Comp. A
2	Overseas Comp. B
3	Overseas Comp. C
4	Domestic Comp. D
5	Overseas Comp. E
6	Domestic Comp. F
7	Domestic Comp. G
8	 Dai-ichi Life HD
9	Domestic Comp. H
10	Overseas Comp. I
11	Domestic Comp. J

(1) TSR(Total Shareholder Return): Indicates the total investment yield to shareholders, including capital gains and dividends

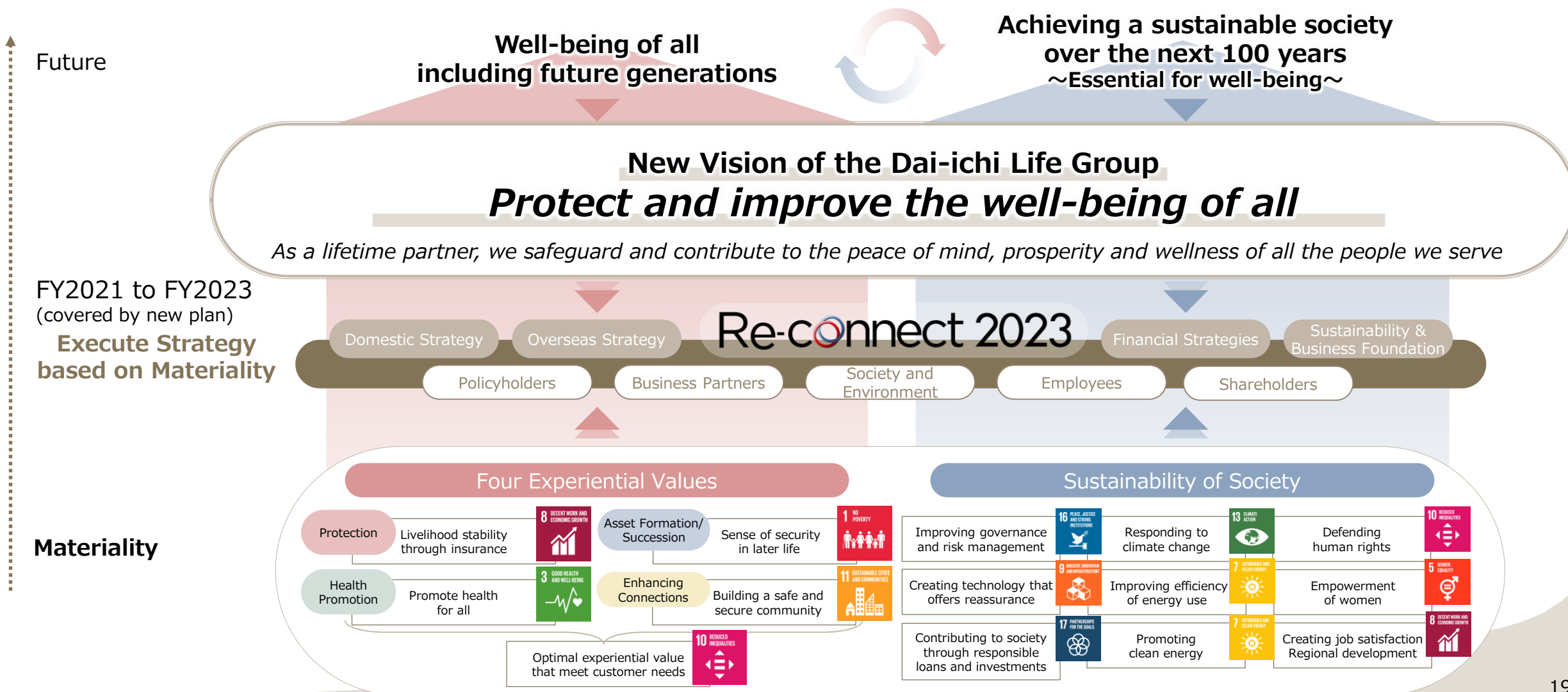
(2) 5 domestic insurance group: (Japan Post Life, T&D HD, Tokyo Marine HD, MS&AD Insurance Group HD, SOMPO HD) 5 overseas life group: (Aflac, AXA, Manulife, MetLife, Prudential (US)) are set as peer group.

Sustainability & Domestic Business Strategy of New MMP “Re-connect 2023”



Dai-ichi Life Group Sustainability and Materiality

- Our ultimate purpose is to support well-being of all for a sustainable society over the next 100 years
- Contribute to resolve material issues through value propositions beyond the insurance domain



Role of DL Group – Current Status of Social Issues

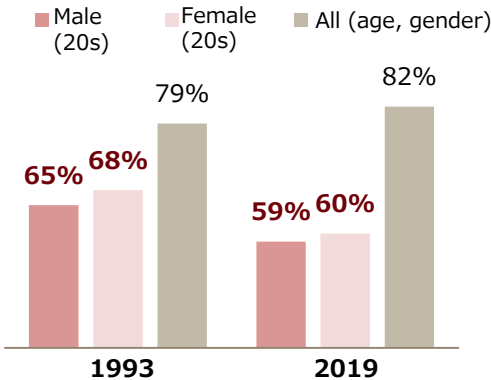
[Protection] Elimination of Protection Gap

- Continued lower insurance coverage among young generation
- Due to uneasiness on social security, people seek self-help solutions
- Especially for young generation, there is still a room for improving the awareness for potential needs



Actual amount of life insurance coverage relative to death benefit required ⁽²⁾
Approx. 57% covered
*FY2019

Change in life insurance coverage⁽¹⁾



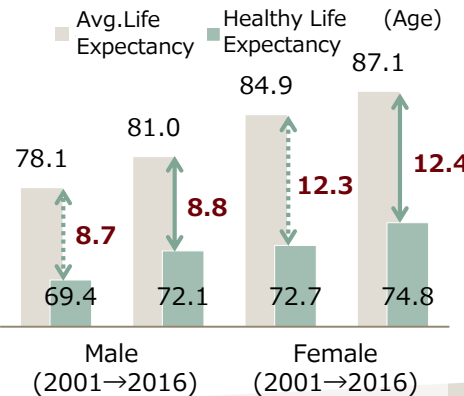
[Health/Medical] Improvement of Healthy Life Expectancy

- Although life expectancy is prolonged, the gap between average life expectancy & healthy life expectancy is not shrinking
- Increasing medical expenditures are pressuring Japanese public finances
- Health awareness, disease prevention as well as initiatives for medical cost control will be the key



National medical expenditures vs GDP & National Income⁽⁵⁾
vs GDP 7.9%(+2.3%)
vs National Income 10.7%(+2.9%)
*FY2018 (vs FY1998)

Avg. Life Expectancy & Healthy Life Expectancy Gap⁽⁴⁾

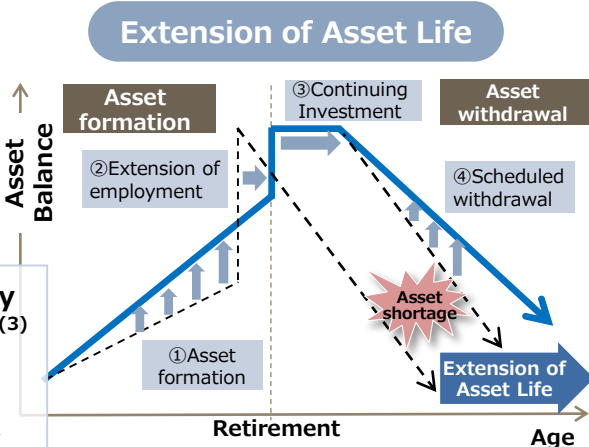


[Asset formation/Succession] Extension of Asset Life

- Increased potential risks of asset exhaustion due to longevity and lower interest rates
- Needs to support asset formation planning and improve financial literacy
- Asset succession to next generations



Self assessment survey of financial knowledge ⁽³⁾
More than 70% answered "I Don't know much"
*YF2019

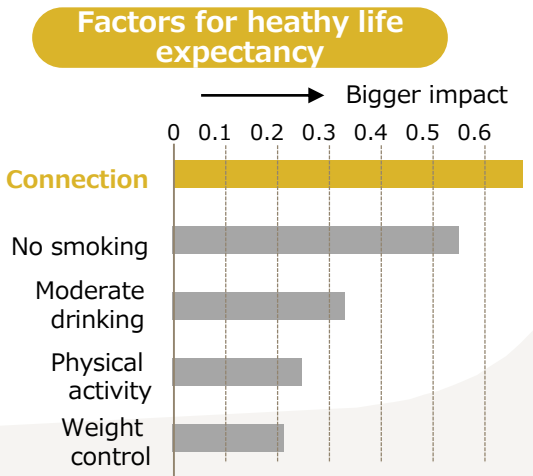


[Enhancing Connections] Realization of Spiritual Wealth

- The biggest factor for healthy life expectancy is "connections to society" rather than refraining from smoking or drinking.
- However, more people feel they do not have enough connection in their community.



Survey on connections in neighborhood⁽⁶⁾
More than 65% answered no connections·not much connections
*FY2020



(1)(2)(3) Japan Institute of Life Insurance Survey (4)(5) Japan Ministry of Health Labor and Welfare· Ministry of Internal Affairs and Communication (6) Bureau of Social Welfare and Public Health Tokyo Metropolitan Government Survey

Mid- to Long-term Direction for Resolving Key Issues– 4 Experiential Values

- Apply specific social issues for each materiality, set medium- and long-term goals, and measure the Group's contribution.
- Aiming to increase the number of customers, including those in the group's non-insurance sectors, through the solution of social issues.

	Material Issues (Materiality)	Social Issues	Mid- to Long-term Direction
Four Experiential Values	<p>Livelihood stability through insurance</p>	<ul style="list-style-type: none"> • Insufficient insurance literacy • Low insurance coverage among young generation • Elimination of the protection gap 	<p>Protection gap elimination for young/working generation</p> <p>~ Creating experiential value for customers, including young people and the working-age population ~</p>
	<p>Sense of security in later life</p>	<ul style="list-style-type: none"> • Uneasiness on assets after retirement • Insufficient financial literacy • Uneven distribution of personal financial assets 	<p>Asset life extension and improvement of financial literacy of all</p> <p>~Asset formation and succession of customers for life (from working age to retirement) ~</p>
	<p>Promote health for all</p>	<ul style="list-style-type: none"> • Gap between average life expectancy & healthy life expectancy • Regional health disparities • Prevention of onset and severity of lifestyle-related diseases 	<p>Extension of healthy life expectancy of all</p> <p>~Elimination of gap between healthy age and real age</p>
	<p>Building a safe & secure community</p>	<ul style="list-style-type: none"> • Weakening of local communities • Social isolation, unmarried, late marriage, declining birth rate 	<p>Improved well-being across Japan</p> <p>~ Well-being improvement initiatives through all branch offices in Japan ~</p>
	<p>Optimal experiential value that meet customer needs</p>	<ul style="list-style-type: none"> • Improve customer loyalty 	<p>Improvement of Net Promoter Score (NPS®) of all Group companies</p>

Expansion of customer base (incl. non-insurance)



Mid- to Long-term Direction for Resolving Key Issues– Sustainability of Society

- Regarding regional and social sustainability initiatives, we plan to set targets led by domestic Group companies.
- Going forward, we will aim to create a social impact through our unique products and services.

Material Issues (Materiality)

Social Issues

Mid- to Long-term Direction



Responding to
climate change



Improving efficiency
of energy use and
promoting clean energy



Empowerment of
women



Improving governance
and risk management



Responding to
human rights for
everyone



Creating job
satisfaction



Contributing to society
through responsible
loans and investments



Regional
development

- Achieve carbon neutral to ensure the sustainability of the global environment, which is the foundation of people's lives

- Maximize the potential of each individual to realize the success of a diverse people

- Securing diverse human capital
(Pursue employees engagement)

- Expand investments and loans that contribute to creating a positive social impact

Contribute to realize decarbonized society by 2050 (as a company and institutional investor)

Increase the percentage of female directors, executive officers, and management leaders (department managers and heads)

Achieve diversity among employees and management leaders, including mid-career and international human capital

ESG investment in Dai-ichi way


Creating a positive impact in communities where we operate

Strategies of New Mid-term Management Plan: Domestic Business

Protection


- ▶ Expand product lineup/underwriting and related services to address (at the time) diversifying protection needs of each customer

By your side, for life




Dai-ichi Life Group

Increase efficiency of sales representatives to support financial needs in conjunction with consulting based on social security



Neo First Life

Differentiate medical products (made-to-order, etc.) and expand to affinity/digital channels




First Smart Life

Develop simple/full-digital insurance for millennials and Z generation who will drive the coming era

Health Promotion

- ▶ Tapping into the prevention domain (Commercialization and utilization of accumulated data by creating an ecosystem)


Tapping into the health/medical field



Healstep

Healthcare financial support for employees

- Medical cost assumptions via AI/consulting
- Health initiative support (partnering)
- Health promotion app (QOLism)






QOLeap

New MMP Domestic Business Strategy



Asset Formation/Succession

- ▶ Leverage the group strengths in asset management, product development and sales force to develop products, consult and develop related services for asset formation and succession

Asset Management	Individual Savings	Group Annuity
Investment and product development expertise	Sales and product development expertise By your side, for life	Sales and product development expertise (Separate account, etc.)
 Janus Henderson GROUP PLC 第一生命リアルティアセットマネジメント株式会社 Dai-ichi Life Group	 第一フロンティア生命 Dai-ichi Frontier Life	 Dai-ichi Life Group

+ Related Domains (supplementary fields)

Enhancing Connections

- ▶ Create new contact points with customers and insurance opportunities through efforts to resolve issues for an ideal society

Proactive business partnerships

Matchmaking Succession Near end of life + and more





Enhance business efficiency to strengthen our competitiveness

Structural reform of the sales representative channel and raise efficiency

Fixed cost reduction and strategic human capital management/shift

(1) Joint effort by Dai-ichi Life Group/Mizuho Financial Group

CX Design Strategy

Material Issues
(Materiality)

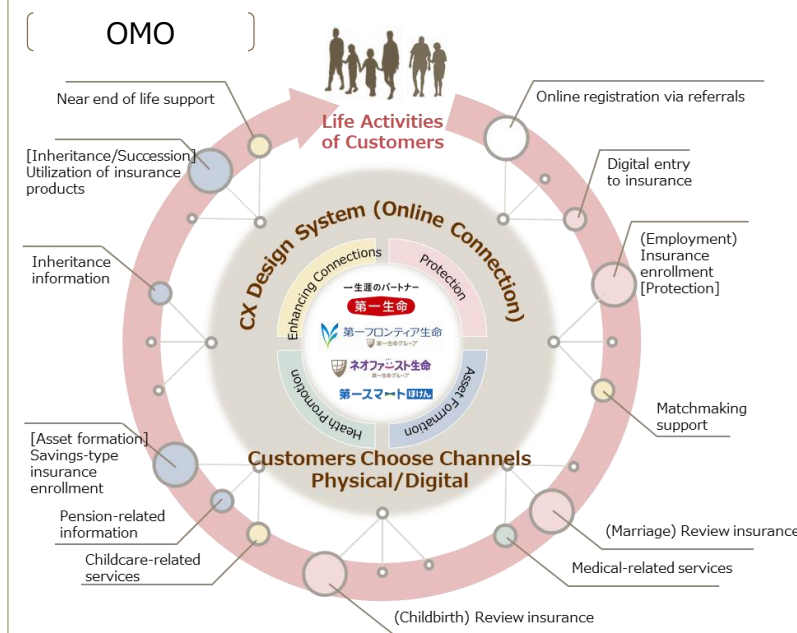


- Realization of OMO (Online Merges with Offline) through CX strategies in line with customers' experience in everyday life.
- Further understanding of customers to deliver experiences that exceed expectations and increase fan base to grow our business.

Optimal customer experience through CX Design&System at timely manner

Vision

- Customer touch point in everyday life
- Customers choose channel
- Insurance+ non-insurance
- Big data and AI Analysis
- More Active Entry



Initiatives and Roadmap of new MMP

CX Design・System Development

2021

Development of unique CX system

- Through analysis of customer info, customer touch point is made and QOL service/ product info delivered
- Design NPS® survey method
- Group wide collaboration

2022

Operation: Integration of real and digital

- Further understanding of customer through data accumulation & utilization to expand service and touch points
- System improvement based on NPS® (acceleration of STPD cycle)
- Group wide service digitalization

2023

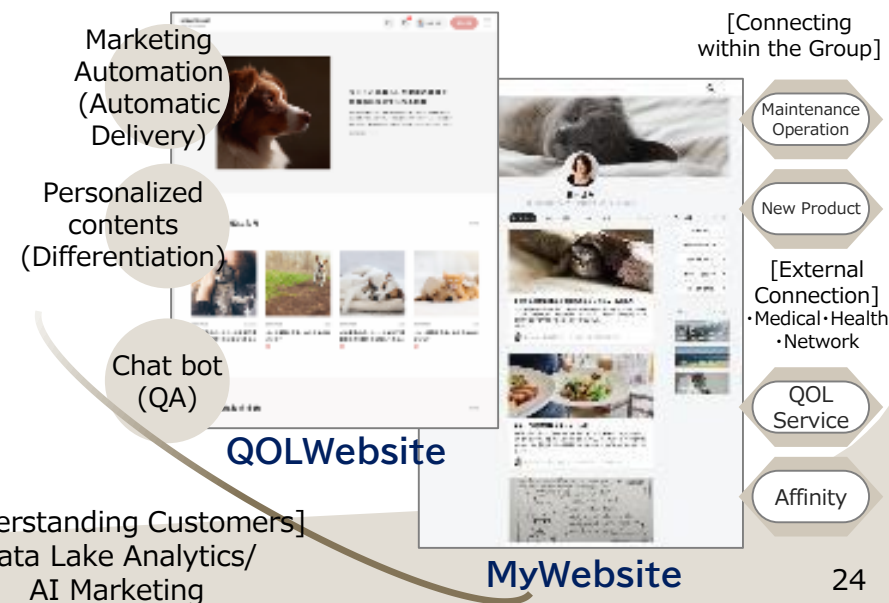
Spread CX strategy and philosophy among DL Group employee

FY2021 Key Initiatives

Development of Unique CX Design&System

- ✓ Develop personalized communication interface(QOLwebsite) reflecting customer demographics/situation
- ✓ Based on customer access status, interest of customer is analyzed and QOL service & product info are delivered automatically in timely manner
- ✓ Customers can access to real channel through MyWebsite of our sale reps

Communication Interface



[4 Experiential Values] Protection

Material Issues
(Materiality)



- Closing the protection gap of various customer base by providing protection service from 3 companies including Dai-ichi Smart.
- While domestic life is demonstrating strengths by utilizing multi-brand/multi-channel strategies, we are getting ready to connect to CX design/system (planned go-live from next FY).

Protection product/service to address diversifying life styles & needs

Social Issues

- Lower insurance coverage among young generations
- Growing medical/care needs due to aging society

Environmental Change

- Diversification of life style/needs
- QOL・health promotion
- Preference for digital touch points

Initiative KPIs

Number of customers
Value of gross sales revenue

Initiatives and Roadmap of new MMP

2021

2022

2023

Products
Services
Consulting

[DL] Product design/service development reflecting current and future society change

- Product design and additional services reflecting social structure changes and medical progress.

Enhanced life plan consulting based on social security system

[NFL/ Smart] Differentiation in specific areas(Protection・customer base)

- [NFL] Turning existing product to be custom-made, enhancing health support service and disease prediction by AI.
- [Smart] Completely digital customer journey, explore new affinity.

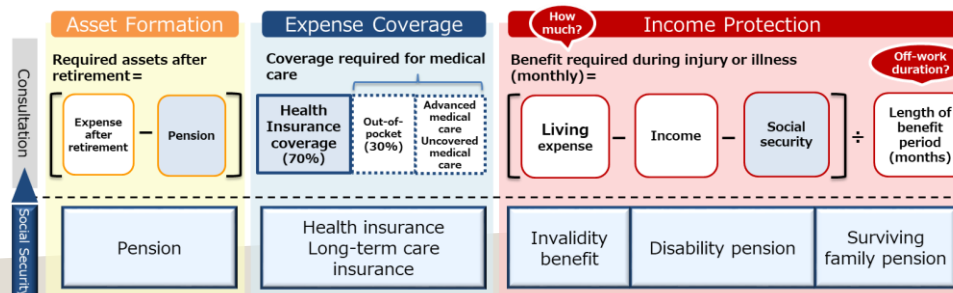
FY2021 Key Initiatives

[DL]

Life plan consulting based on social security system

- ✓ Life plan simulation to realize customers' dreams (custom-made simulation to show future income and expenses)
- ✓ Visualization of insufficiencies and risks based on social security system

Life Plan Consulting based on social security system



[DL/Smart]

Digital insurance marketing New product brand

- ✓ Completely digital simple, easy and speedy insurance for young generations (Millennials/Z)
- ✓ Offer new product from April, covering specific infectious diseases including COVID-19. New insurance product for freelancers will be developed



一歩みだす保険
(Digiho: digitally-completed insurance)

- ✓ To address social issues, the essential worker (medical workers) insurance project is developed to cover medical professionals using donated money and insurance

Multi-brand/Multi-channel Strategy

	Dai-ichi Life 一生のパートナー 第一生命	Neo First Life ネオファースト生命 第一生命グループ	Dai-ichi Smart 第一スマートほけん
Customer (Market)	Mass market (mid age to seniors)	Mass market (prefer to compare)	Millennials & Z generation
Product	Comprehensive	Medical Differentiation	Community
Core Channel	Exclusive	Partnerships (WebDirect)	Direct (Smartphone)

[To be] Connect to CXDesign platform

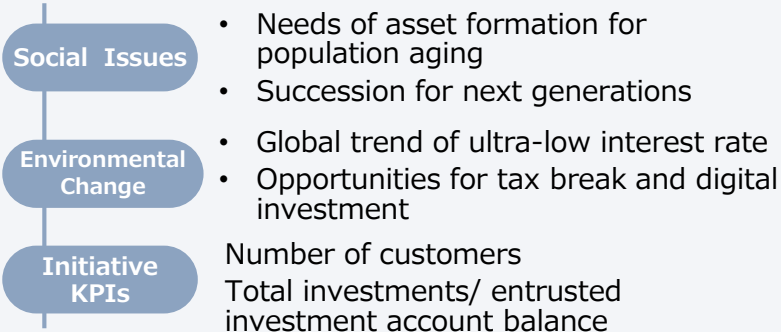
[4 Experiential Values] Asset Formation & Succession

Material Issues
(Materiality)



- Leverage the group strengths in asset management, product development and sales force to develop products
- Develop online touch points through constructing digital business foundation for enhanced convenience and consulting capability

Competitive product/consulting utilizing Group capabilities & strengths



Initiatives and Roadmap of new MMP

Product for asset
formation/
succession

Digital capabilities
services

2021

2022

2023

Development of product utilizing group resources

- Enhanced product/service delivery (product design, consulting capabilities etc.)
- Offering new solution by developing performance based product for asset formation

Enhanced product delivery and group-wide investment capabilities

Digital approach/consulting services expansion

- Visualization of asset formation by utilizing tools for annuity (DC)
- Enhanced convenience through digitalizing finance infrastructure. Development of new tools for asset formation

Establishing digital foundation by utilizing external know-how

FY2021 Key Initiatives

Enhanced capabilities to deliver asset formation/succession products

- ✓ Offering product including domains beyond insurance utilizing tax benefits for asset formation
- ✓ Performance-based investment product utilizing Group know-hows
- ✓ Establishing and strengthening consulting capabilities for retirement needs (annuities, asset life extension)
 - Explore consulting opportunities by creating touch point opportunities associated to customer accounts
- ✓ Improving convenience for customers through digitalization and renewal of finance infrastructure, etc.

Consulting for asset formation utilizing digital tools

- ✓ Launched mobile app for DC (defined contribution pension plan product) customers to visualize investment results and future simulation
- ✓ Visualize retirement assets balance by enhancing capabilities to reflect company pension, public pension, etc.
- ✓ In addition, strengthen asset formation support capabilities through developing digital tools and robot advisors, etc.

Mobile app.



Group Capabilities



[4 Experiential Values]

Health and Medical Care / Enhancing Connections

Material Issues
(Materiality)



Dai-ichi Life
Holdings

- Continue to take on challenges in the health and medical care domain while collaborating with companies in this field.
- In the enhancing connections domain, offer services such as matchmaking, end of life planning, and business succession support, without being constrained by the framework of insurance.

New Business Development in non-insurance domains and creating customer touchpoints through solving social issues

Social Issues

- Rising healthcare costs
- Gap between average life expectancy & healthy life expectancy
- Declining birth rate

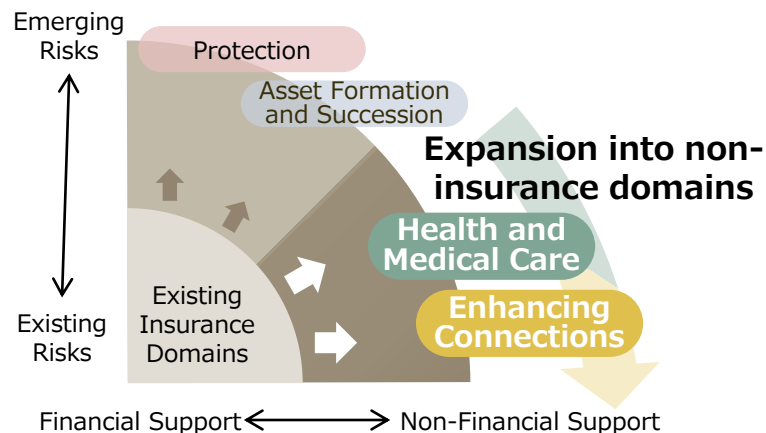
Environmental Change

- Rapid digitalization due to COVID-19
- Weakening of local communities

Initiative KPIs

Number of users for provided service
Utilizing accumulated data through the use of services

Expansion into domains peripheral to insurance



Initiatives and Roadmap of new MMP

Health and
Medical Care

Promotion of
New Business

Partner Expansion

2021

Development of healthcare financial support for employees and consideration of the establishment of a new ecosystem

- Acquire users through health consulting and expansion of service ranges
- Explore the provision of new experimental value as an initiative for prevention in the health and medical care field

Development of data accumulation and utilization from new ecosystem

Proactive business partnerships that lead to the resolution of customer issues and realization of happiness

2022

2023

FY2021 Key Initiatives

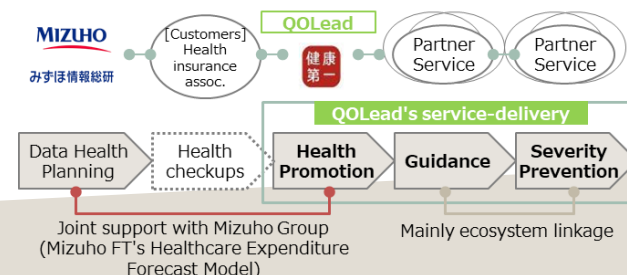
Expansion services for health insurance associations for medical cost management

- ✓ Provide one package health services from analytical to health promotion services, support health promotion of each association member, and control rising medical costs
- ✓ Strengths in healthcare cost prediction models utilizing insurance medicine and AI, and health promotion apps (QOLism)

Proactive Business Partnerships

- ✓ Continue to provide new QOL services that lead to the experimental value through business partnerships.
- ✓ Deploy services in collaboration with branch offices and local governments.

Business Model Overview



Improving Business Productivity to Ensure Dai-ichi Life's Mid-to Long-Term Competitiveness

- The sales reps channel will leverage its strengths of face-to-face consultation to create high-value-added channel that provide a broad experience, in both the insurance and non-insurance field.
- Initiative to improve productivity through digitalization is one of the main initiatives to improve capital efficiency in DL.

Taking a leap forward from traditional practices

- Implement more strict recruitment selection process and reform training systems to develop sales reps who are capable of realizing CX
- Review of performance evaluation system

[FY2021 Key Initiatives]

Careful recruitment of personnel's responsible for CX strategy

- ✓ Emphasizing the quality of human capital. Number of recruits this FY is expected to be about 70% compared to the previous year.
- ✓ Will eliminate quantitative targets and set upper limit for the number of hires (change to quarterly hiring cycle).

Enhance training systems related to social security

- ✓ Strengthen consulting skills based on social security system to improve customer satisfaction (practice daily knowledge sharing and consulting drills)
- ✓ Implement "social security role play assessment" to strengthen trainers coaching skills and unify the content of consulting.

Improving Business Productivity to Ensure Dai-ichi Life's Mid-to Long-Term Competitiveness

Sales Representative Channel Reform for Higher Efficiency

Improve **operating revenue by over 10%** vs pre-Covid-19 level (after FY2026)

- Highly efficient workforce of approx. 10,000 or more (about 30% of the total number of sales reps)
- Increase individual efficiency by more than 20% (FY2023 forecast to remain flat)

Fixed Cost Reduction and Strategic Personnel Shift

Reduce **fixed costs by ¥30bn** vs FY2020 (by FY2026)

- Reduce ¥5bn in FY2023
- Excluding CX/DX related investments (approx. ¥13bn each fiscal year)
- Including the effect of strategic personnel shifts (shift of about 3,100 employees)

*including investments other than operating expenses

Increase productivity by fixed cost reduction and strategic personnel shift

- Realize efficiency through domestic business model reform, through higher efficiency of sales reps.
 - Strategic personnel shift to new business areas, etc.
 - Establish business that adapts to changing business styles. looking ahead to post Covid-19.
- [FY2021 Key Initiatives]

Manage sales support remotely and establish system for centralized response

- ✓ Review of sales support operations given the higher efficiency of sales reps.
- ✓ Implement remote management of sales offices and back-office operations, promote rationalization through consolidation of operations

Improve efficiency of head office & sales office operations through digitalization

- ✓ Further streamlining of head office and sales office operations by utilizing new technologies such as RPA, AI-OCR, and chatbot, etc.
- Achieve efficiency equivalent of 1,500 employees by FY2026

Toward a Foundation for Sustainable Growth (Determination based on Customers change and External/Internal Environment)

Amid a rapid change in the business environment our group transformation is inevitable
New medium-term management plan is a 3-year period of new challenges to achieve a sustainable growth foundation

Changes in Customers

Rise of the millennial and Z generation (population structural change)

- ✓ “Millennial and Z generations” with high digital literacy will become the core of the market (projected to account for half of the population by 2035)

Changes in values due to COVID-19

- ✓ While digitalization is becoming more closer in everyday life, interaction between individuals is also expected to change.

Changes in values related to insurance

- ✓ Individual customers’ aspiration is becoming diverse, which requires segmentation based on values rather than age and gender

Status of Internal Environment

Initiatives to reform values and corporate culture

- ✓ In order to resolve issues behind the sales incident, all executives and employees will work together to reform the corporate culture

Lower NPS/CS survey results vs other companies

- ✓ DL results are lower than that of other life insurance companies mainly due to issues with sales procedures, products, and sales promotion

Changes in External Environment

Global low interest rate environment

- ✓ Although interest rates have recently risen, low interest rates became normalized globally

Ensuring sustainability

- ✓ Must achieve a sustainable society for the next generation and response to global warming is an urgent issue

Regulatory shift to economic value basis

- ✓ Consideration of domestic regulations in parallel with ICS (International Insurance Capital Standards)

References

[Environment] Drive Initiatives for Carbon Neutral

Material Issues (Materiality)



Responding to
climate change



Improving energy use
efficiency and promoting
clean energy

Set new targets for CO2 emission reduction
(50% reduction by FY2025, 100% reduction by FY2040)

- ▶ For CO2 emission reduction (Scope 1+2)
plan to achieve target ahead of previous schedule

(Scope 1+2) vs. FY2019

FY2025- **50%** reduction
FY2040- **100%** reduction

- ▶ Set targets reducing Scope 3 of CO2 emissions for items
that should be emphasized from the perspective of leading
change in business and employee behavior* (Dai-ichi Life)
*Limited to identifiable items

Dai-ichi Life (Scope 3) vs. FY2019

FY2030- **30%** reduction
FY2050- **100%** reduction

Towards net zero greenhouse gas
emissions of investment portfolio
(Dai-ichi Life)

- ▶ Join Net-Zero Asset Owner Alliance, an
international initiative in which institutional
investors aim to transition to portfolios with
net-zero greenhouse gas emissions by 2050

Specific Initiatives

- **Set interim 5 years targets
(stocks, bonds, real estate)**
- **Strengthen engagement with investee
companies (dialogue on climate change
response, etc.)**
- **Supporting transition to a low-carbon
society and creation of environmental
innovation through investments**

Set policy to achieve 100%
renewable energy (Dai-ichi Life)

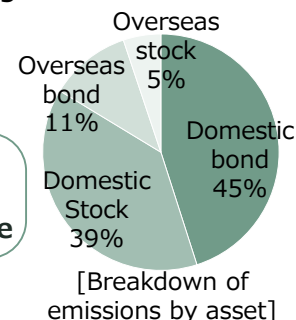
- ▶ Joined international initiative "RE100" (August 2019)
- ▶ Set a policy to procure 100% of the electricity
consumed in business activities from renewable
energy by FY2023 (For real estate with investment
purpose achieve during FY2021)
- ▶ Establish a scheme to supply electricity to our owned
real estate from invested and financed renewable
energy power plants (51 domestic and overseas
plants with a total output of about 6,500MW),
utilizing FiT-certified renewable electricity with
tracking option

Based on alliance protocol, set target for March 2025

- ✓ Reduce CO2 of listed stocks,
bonds, and real estate by
25% vs the end of FY2019

CO2 emission* of listed
stocks/corporate bond
[FY2019] **approx.6.51 million tCO2e**

*Sum of Scope1 & 2
Source: S&P Trucost Limited





[Society] Promotion of D&I(Diversity & Inclusion)

- ▶ Promote D&I in human capital management and organizational development in order to meet diversifying market needs and achieve sustainable growth.
- ▶ Improve productivity and competitiveness over the medium to long term by promoting D&I, aiming to achieve business goals and realize sustainable growth.
- ▶ Foster a corporate culture that allows employees to express their personality through work style reforms, etc., and secure a competitive edge in the labor market.

Material Issues (Materiality)



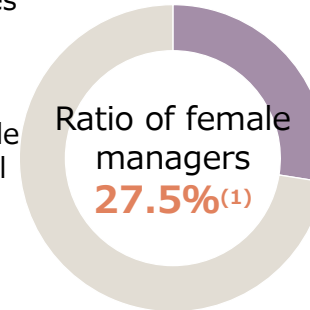
Improve productivity and competitiveness of individuals and organizations

Achievement of management goals

Sustainable growth

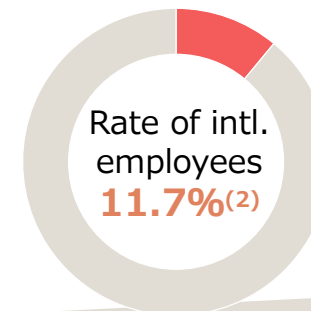
Ratio of female managers

- As a new target for ratio of females at managerial level, aiming to achieve a 30% of positions at the line general manager and line manager level to be filled by female by April 2024 from 13% as of April 2021.



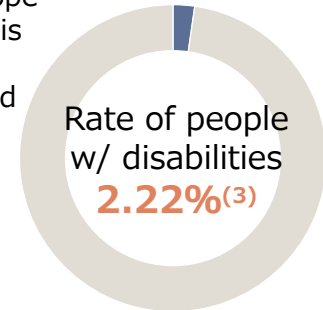
Rate of international employees

- Strengthen international competitiveness through domestic and international exchange of executives, overseas trainee system, and promotion of overseas human capital in DL Group.



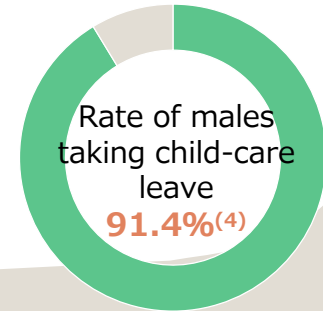
Employment rate of people with disabilities

- Aiming to realize normalization, the scope of work for employees with disabilities is expanding, mainly through special subsidiaries, to create a challenging and rewarding workplace.



Rate of males taking child-care leave

- Establish a system to promote male employees' participation in childcare, aiming for a 100% acquisition rate.



Dai-ichi Life's Basic Policy on ESG Investment

- ▶ From a mid- to long-term standpoint as a universal owner of a wide range of assets, Dai-ichi Life has positioned ESG investment as a pillar of its assets management and aims to both generate investment returns and solve social issues.
- ▶ To promote ESG investment in "the Dai-ichi Life way", the Company takes initiatives with a focus on "creating a positive impact" and "engagement".

Basic policy on ESG investment

① Incorporate ESG factors in investment policies and processes for all assets.

- In addition to corporate valuation, begin gradually embedding ESG factors in assets such as government bonds
- Systematically consider ESG factors in asset allocation decisions and investment decisions for each asset

② Invest in solutions to social issues that Dai-ichi Life sets as priorities (QOL, climate change, regional development/ revitalization)

ESG theme based investment

Investment amount

Approx.¥800bn ※As of March 2021

SDGs bond Approx.¥280bn SDGs Business Approx.¥340bn
Impact investment Approx.¥8.2bn(20cases) Regional dev. Approx.¥150bn

③ Stewardship activities for promoting ESG initiatives in investee companies

Engagement

※FY2019

Dialogue 239companies Executive interview Approx.58%

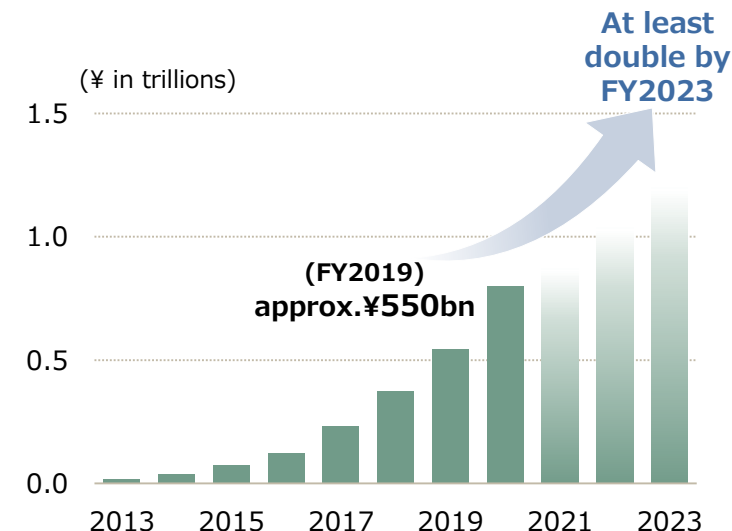
Percentage of companies engaged in domestic stock portfolio

Total in 3 years approx.89% FY2019 Approx.66% (Market value basis)

- Target completion of integration into investment processes by FY2023.
- Building an asset portfolio that achieves both investment results and solutions to social issues.

- More than double the cumulative investment amount by FY2023.
- Creating a positive impact on society by investing in and financing assets that contribute to solving social issues.
- Actively promoting "transition finance" to support efforts towards zero-emission.
- Establish methods to monitor social impact and enhance information disclosure.

Examine the CO2 emissions of the investment portfolio and the amount of positive impact created through investments and loans.



- Encourage positive approaches and behavioral changes toward solving social issues through dialogue (engagement) with portfolio companies
 - Enhanced engagement on climate change and key topics related to ESG
 - In-depth engagement on business strategy, such as meaning of existence (purpose) and consistency between management philosophy and business model
 - Improving the effectiveness of corporate governance



Participating in Initiatives on Sustainability

- Promote efforts to realize a sustainable society through membership in various domestic and international initiatives

**Sustainability
Accounting Standards
Board(SASB)**



**UN Global
Compact(UNGC)**



**International Corporate
Governance
Network(ICGN)**



Climate change

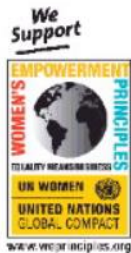
**Task Force on Climate-
related Financial
Disclosure(TCFD)**



RE100



**Women's Empowerment
Principles(WEPs)**



30% Club Japan



Climate Action 100+



**THE NET-ZERO
ASSET OWNER
ALLIANCE**

**Action guidelines for financial institutions
for creating sustainable society (Principles
for Financial Action for the 21st Century)**



**Principles for
Responsible
Investment**

Signatory of: **(PRI)**



**Access to
Medicine Foundation**



**Japan Stewardship
Initiative**



**Institutional Investors
Collective Engagement
Forum**



[Governance] Organizational Structure of Board of Directors

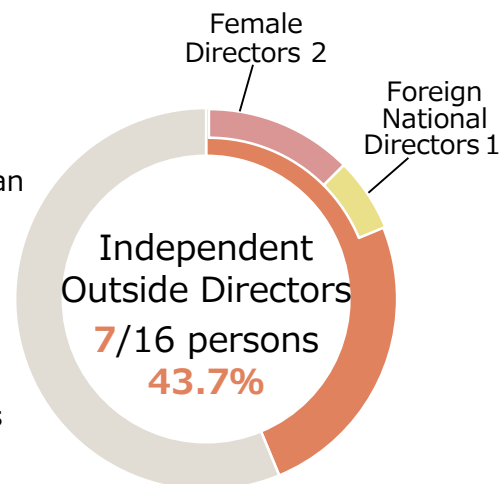
- ▶ Well-balanced composition of the Board of Directors, which is composed of Inside Directors with a wide range of knowledge in insurance business and Outside Directors with external experience and knowledge.
- ▶ With focus to strengthen supervision of diversifying group companies selected to be a company with an Audit and Supervisory Committee.
- ▶ Established a voluntary advisory committee with a majority of Outside Directors to ensure management transparency and objectivity.

Board of Directors

Meetings held in FY2020: 13

Major themes for deliberation

- Implementation status of a medium-term management plan and prospects for attainment
- Status of development and operation of internal control system (internal audit, risk management, compliance, handling of antisocial forces, etc.)
- Details of deliberation at the Nominations / Remuneration Advisory Committees
- Verification of validity concerning alliances and acquisitions
- Planning of new medium-term management plan

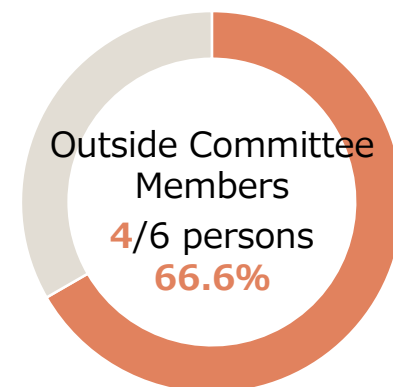


Nominations Advisory Committee

Meetings held in FY2020: 5

Major themes for deliberation

- Candidates for directors (Proposal)
- Matters regarding succession plan

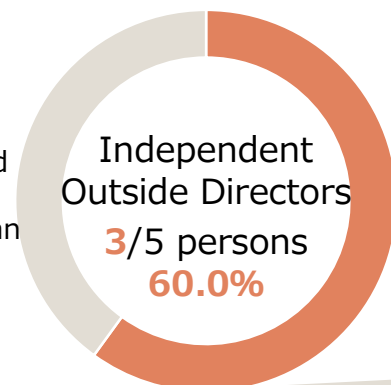


Audit & Supervisory Committee

Meetings held in FY2020: 23

Major themes for deliberation

- Corporate governance initiatives and appropriateness of business management and internal control system
- Status of discussion, and adequacy of planning process and details of new medium-term management plan
- Implementation status of a medium-term management plan and adequacy of initiatives to address management issues
- Accounting audits including cooperation with the independent auditor
- Formation of opinions on the appointment and remuneration of directors, etc.

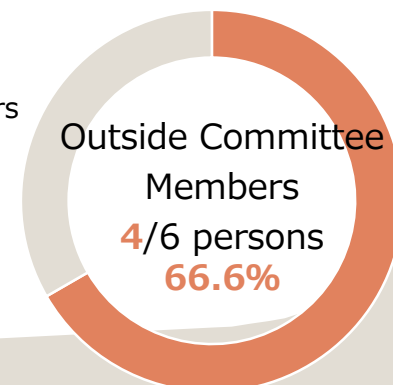


Remuneration Advisory Committee

Meetings held in FY2020: 8

Major themes for deliberation

- Amount of remuneration for individual officers
- Allotment of restricted stocks
- Policy for Determining Remuneration of Directors and Executive Officers





[Governance] Knowledge and Experience of Directors of the Company

- Appointed directors with sufficient and social credibility, and knowledge and experience to manage the Group's transparent, fair, prompt and bold decision-making.

Directors Skill Matrix

																
	Koichiro Watanabe	Seiji Inagaki	Hideo Teramoto	Tetsuya Kikuta	Hiroshi Shoji	Mamoru Akashi	Toshiaki Sumino	George Olcott	Koichi Maeda	Yuriko Inoue	Yasushi Shingai	Nagahama Morinobu	Fusakazu Kondo	Rieko Sato	Ungyong Shu	Koichi Masuda
Title	Director and Chairman of the Board	Representative Director and President	Representative Director and Vice Chairman	Representative Director and Senior Managing Executive Officer	Director and Managing Executive Officer	Director and Managing Executive Officer	Director and Managing Executive Officer	Director	Director	Director	Director	Director (Audit & Supervisory Committee Member (Full-Time))	Director (Audit & Supervisory Committee Member (Full-Time))	Director (Audit & Supervisory Committee Member)	Director (Audit & Supervisory Committee Member)	Director (Audit & Supervisory Committee Member)
Corporate Management	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓		✓	✓
Global Management	✓	✓		✓			✓	✓	✓		✓				✓	
Finance	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓		✓	
Accounting / Actuarial Affairs	✓	✓	✓	✓	✓		✓				✓		✓			✓
Legal Affairs							✓			✓	✓	✓		✓		
Compliance	✓	✓	✓						✓	✓	✓	✓		✓		
Risk Management	✓	✓	✓				✓				✓	✓		✓	✓	
ICT・DX ⁽²⁾			✓			✓			✓	✓	✓					
Innovations (New Business Development)			✓	✓		✓					✓					
Sustainability				✓			✓	✓		✓	✓	✓				

(1) Assuming proposal 2 of this General Meeting of Shareholders is approved by resolution on June 2021, knowledge and experience possessed by the Company's directors will as shown above.

(2) ICT is an abbreviation for Information and Communication Technology, and DX is an abbreviation for digital transformation.

[Governance] Amount of Remuneration for Directors and Executive Officers

- ▶ In addition to the base amount, Executives will grant short and long term incentives through performance-linked and restricted stock amount.
- ▶ The higher the rank, the greater the proportion and range of performance-linked amount, and the more committed to company's performance.

Remuneration for Directors and Executive Officers

Remuneration System for Directors

- Set performance-linked amount as a short-term incentive, and restricted stock amount as a long-term incentive

	Directors*		Directors (Audit & Supervisory Committee Members)	Remarks
	Inside	Outside		
Base Amount	○	○	○	Remuneration according to duties and responsibilities
Performance-linked Amount (company performance, individual performance) [Short-term incentive]	○	—	—	Linked to the level of achievement of performance indicators
Restricted Stock Amount [Long-term incentive]	○	—	—	Set as an incentive to achieve management objectives and enhance corporate value in the mid-to long-term

*Excluding Directors serving as Audit & Supervisory Committee Members)

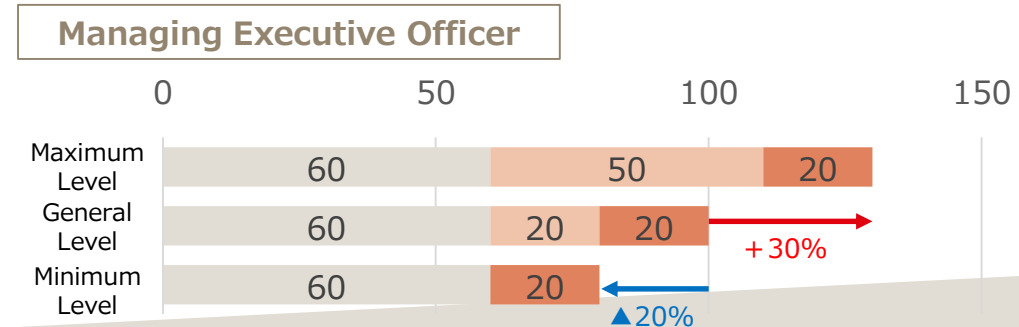
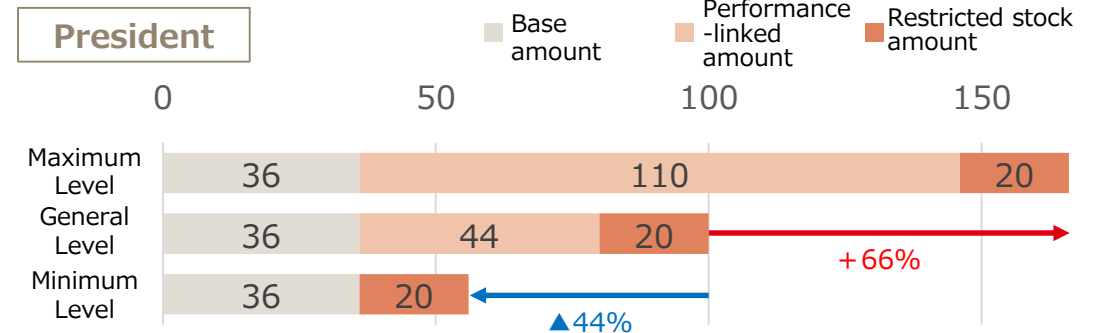
Performance Indicators

- Set KPIs linked to the enhancement of the Group's corporate value

Viewpoint	KPI	Viewpoint	KPI
Economic Value	Group ROEV	Accounting Profit	Group Adjusted ROE
	Group Value of New Biz		Group Adjusted Profit
Free Cash	Market Risk Reduction	Market Valuation	Relative TSR
	Free Cash Flow	Soundness	Economic Solvency Ratio

Remuneration Variation for Each Rank

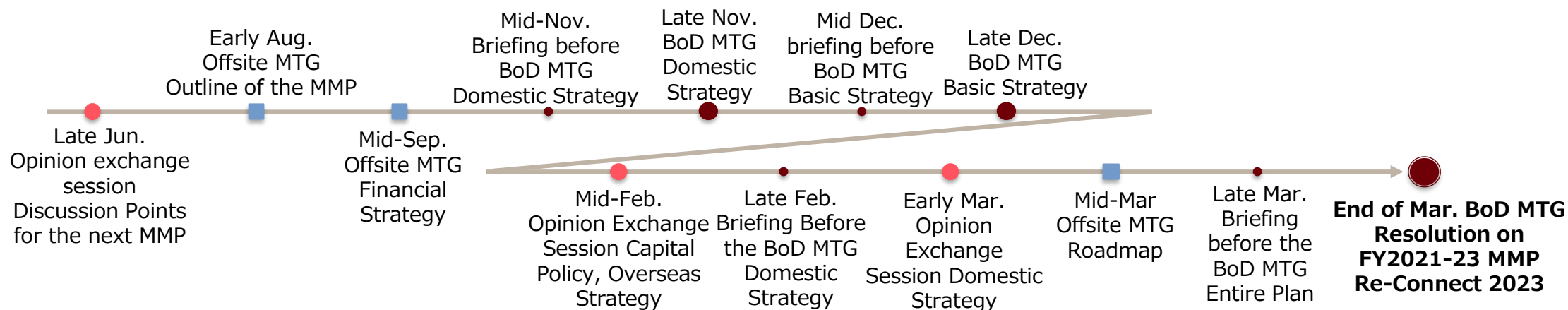
- Remuneration breakdown for each rank varies as shown below



※"100" is used if the performance evaluation index for each position is the standard value

Timeline of discussion, advice, and supervision by members of the Board of Directors regarding the formulation of mid-term management plan

- ▶ The discussion on the formulation of the mid-term management plan has started in June, and discussed 13 times in total, leading up to the resolution at the end of March 2021.



- ▶ Communication among inside and outside directors was enhanced to improve the effectiveness of the BoD.

Briefing before the board of director MTG	12 times	For fruitful deliberations at the Board of Directors meetings, explanations on important issues and other relevant matters were provided to outside directors by executive officers in charge of the relevant matters three business days before the meetings.
Opinion exchange sessions	10 times	Members of the Board of Directors exchanged their opinions after the Board of Directors meetings, for the purpose of freely and openly exchanging opinions mainly on mid-to long-term themes and early-stage important themes to be brought up at the Board of Directors meetings in the future.
Meeting of outside directors	24 times	The meetings were held for outside directors to frankly exchange opinions and communicate with each other. (the president and executive officers in charge of corporate planning were present as necessary)

Investor Contact

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