

Financial Analyst Conference Call for the Fiscal Year Ended March 31, 2024

May 29, 2024

Dai-ichi Life Holdings, Inc.



Dai-ichi Life
Holdings

Agenda

Time	Topic	Speaker	Title
15:00 ~ 15:10	Key KPIs	Taisuke Nishimura	Executive Officer Chief Financial Officer
15:10 ~ 15:25	Achieving the New Mid-Term Management Plan	Tetsuya Kikuta	President and Representative Director Chief Executive Officer
15:25 ~ 16:30	Q&A session		



Key KPIs



Capital Circulation Management Strategic Management Action

Risk Control

Reduction in FY2023

Market Risk
Reduction
(Interest rate and equity risks)

ca. ¥**160**bn

(Total during the MTP:
ca. ¥700bn
vs MTP target: 125%)

ESR

Mar. 2024

226%

(Economic Solvency Ratio)

(vs March 2023 Up 14%pt)

Capital / Cash Generation

FY2023 Remittance Estimate

ca. ¥**300**bn

Remittance
from Subsidiaries
(Dividends)

FY2023 Remittance Ratio
Estimate

ca. **93%**

(vs Group adj. profit, FY2022: 140%)

Capital / Cash Allocation

Shareholder
Payouts

Total since Mar. 2021

ca. ¥**880**bn

(o/w Share buybacks ¥540bn)

* FY2024 DPS forecast: ¥122 (+¥9 vs FY2022)

Risk Reduction Amount
Exceeded the MTP Target

Remittance Amount is
above the FY2022

Achieving Stable
Shareholder Returns

FY Results / Market Evaluation

Market Evaluation⁽¹⁾

Relative TSR vs Global 14 peers
(Mar. 2022 – Mar. 2024) **5th**
[+64% from Mar. 2022]

Our Stock β
(Mar. 2024, vs TOPIX, 3-year β) **0.87**
(at the start of ex-MTP 1.45)

FY Results

Group Adj. Profit
FY2023 **¥319.3bn**
(+87% YoY)

Group VNB **✓**
FY2023 **¥54.5bn**
(Down 30% YoY)

Capital Efficiency

Adj. ROE (Accounting)
FY2023 **8.2%**
(+3.3%pt YoY)

ROEV (Economic value)
FY2023 **26.8%**

Kept Superiority in the RTSR

Despite Challenges in VNB,
Profit Increased from FY2022

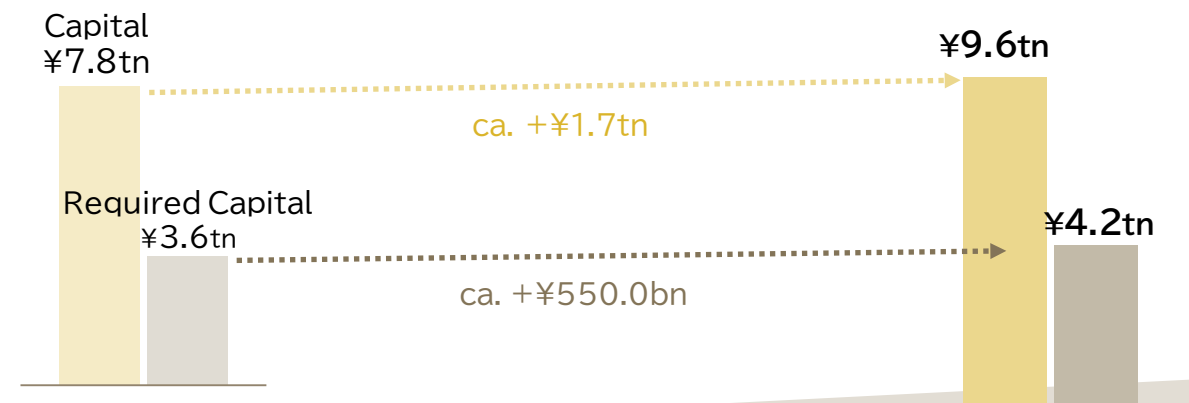
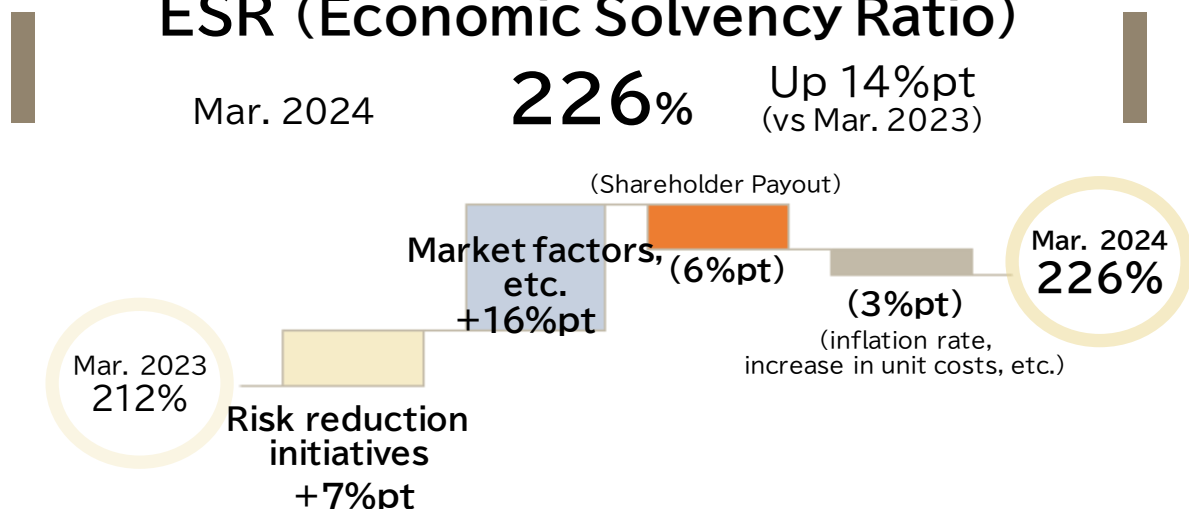
Capital Efficiency Improved
Compared to FY2022



Market Risk Reduction and ESR

- ESR increased compared to the end of FY2022, due to progress in risk reduction and positive market factors such as higher stock prices, rising yen interest rates, and the depreciation of the yen.
- Market sensitivity has changed, showing a decline in ESR with rising yen interest rates due to increased mass surrender risk. We will continue to reduce equity risk as outlined in the medium-term management plan and work on appropriate risk control, including surrender risk.

ESR (Economic Solvency Ratio)



Financial market sensitivities with new ESR

ESR as of end of Mar 2024	226%
Japanese interest rate 50bps Rise	(6)%pt
Japanese interest rate 50bps Drop	+1%pt
US interest rate 50bps Rise	(1)%pt
US interest rate 50bps Drop	+1%pt
Australian interest rate 50bps Rise	(0)%pt
Australian interest rate 50bps Drop	+1%pt
Japanese UFR rate 50bps Drop	(0)%pt
10% decline in stocks and real estates	(7)%pt
Exchange rate 10% yen appreciation	(2)%pt

(Reference) Definition of each surrender risk

- Normal surrender risk:** Amount of decrease in net assets when a certain level of stress is applied to the surrender rate over the contract period in the measurement model (J-ICS compliant).
- Mass surrender risk:** Decrease in net assets in the event of sudden stress on the surrender rate (J-ICS compliant)
- Dynamic surrender risk:** Risk of losses incurred due to fluctuations in surrender rates for savings products, such as single-payment whole life insurance, due to switching to other financial products in response to changes in market interest rates, etc.

Outlook for Group Risk Profile Transformation

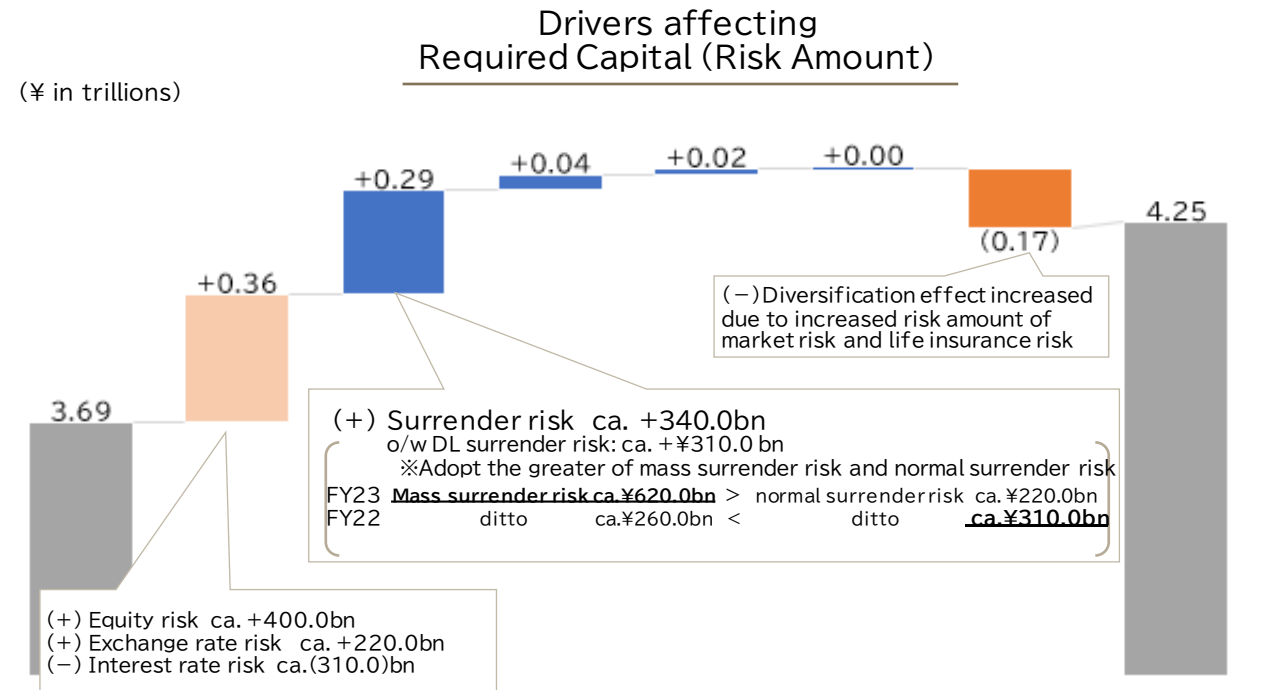
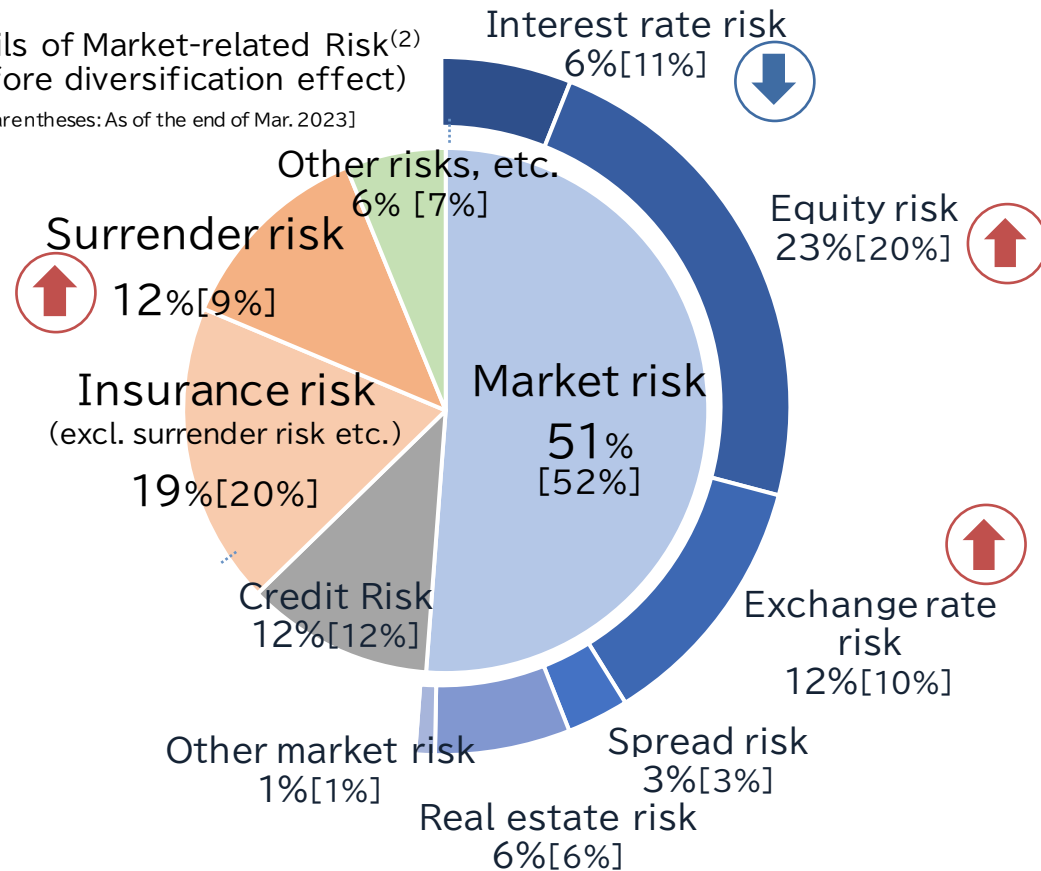
- ▶ While interest rate risk has steadily decreased, equity risk has increased compared to the end of the previous fiscal year due to the rise in domestic stock prices, leading to an increase in required capital.
- ▶ Surrender risk has increased, driven by a rise in mass surrender risk associated with higher interest rates, exceeding the usual surrender risk.

Group Integrated Risk Breakdown⁽¹⁾

(as of end of Mar. 2024, before diversification effect)

Details of Market-related Risk⁽²⁾
(before diversification effect)

[In parentheses: As of the end of Mar. 2023]



	Market risk	Insurance risk	Credit Risk	Operational risk	Other risks	diversification effect	Required Capital
End of Mar. 2024	2.87	1.55	0.88	0.19	0.27	(1.53)	4.25
End of Mar. 2023	2.50	1.26	0.84	0.16	0.27	(1.35)	3.69

(1) Breakdown excludes the exchange rate risk against JPY, associated with the group consolidation.



New Business Results (Group Value of New Business)

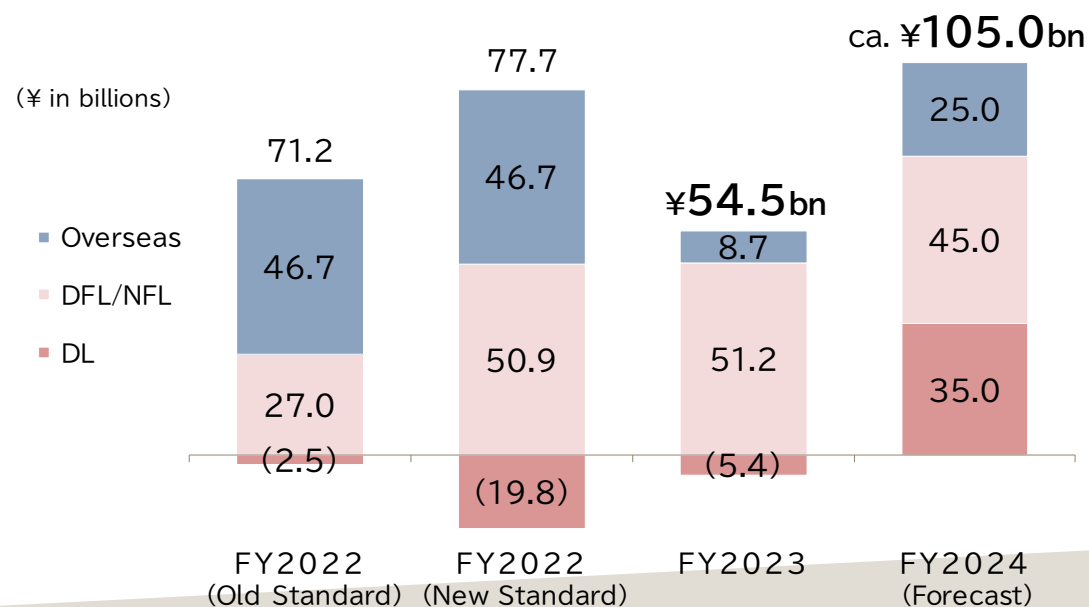
- ▶ Group VNB decreased by 30% YoY, with DFL performing steadily under the new standards, while DL saw declines, excluding the increase in the group annuity business. PLC's VNB for some products turned negative, and at DLVN, sales slumped due to a decline in sales momentum.
- ▶ With the recovery in DL's sales and an increase in new contracts in TAL, the forecast for FY2024 is expected to be approximately ¥105bn.

Group VNB

FY2023 **¥54.5bn** (YoY) (30%)
 Entire group including 3 Asian affiliates: ¥55.4bn

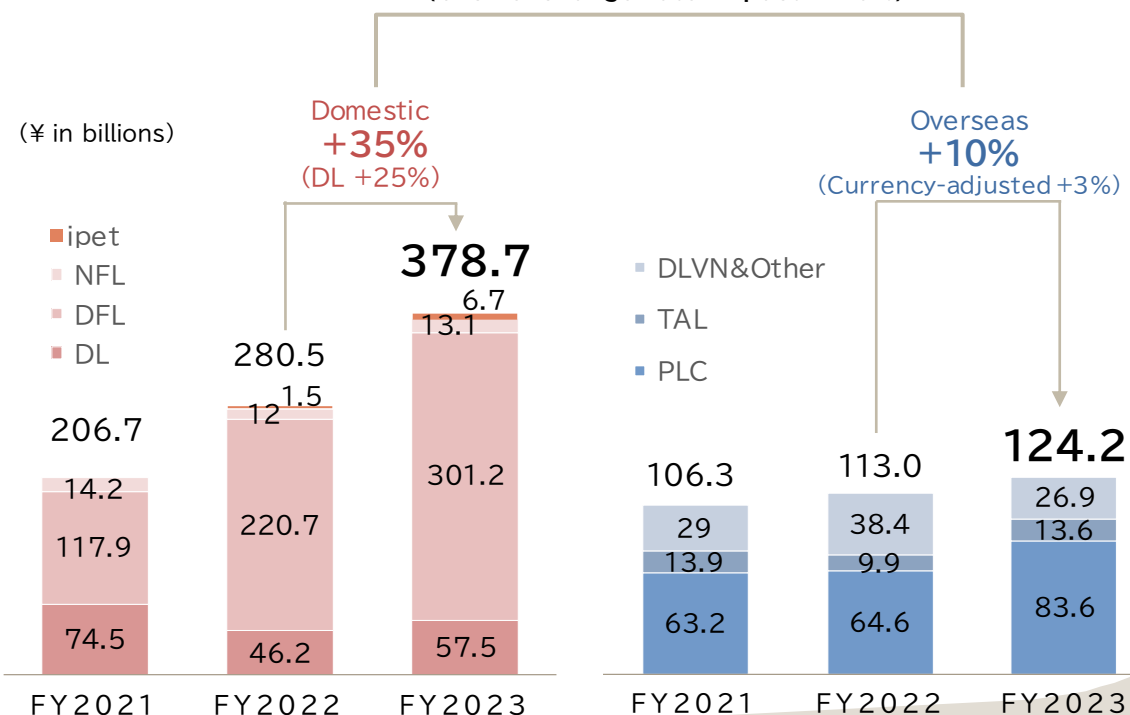
New Business Margins

	FY2022 (Old Standard)	FY2022 (New Standard)	FY2023
Overall	1.3%	1.5%	0.9%
DL	(0.2%)	(1.5%)	(0.5%)



Annualized Premiums from New Policies (ANP)

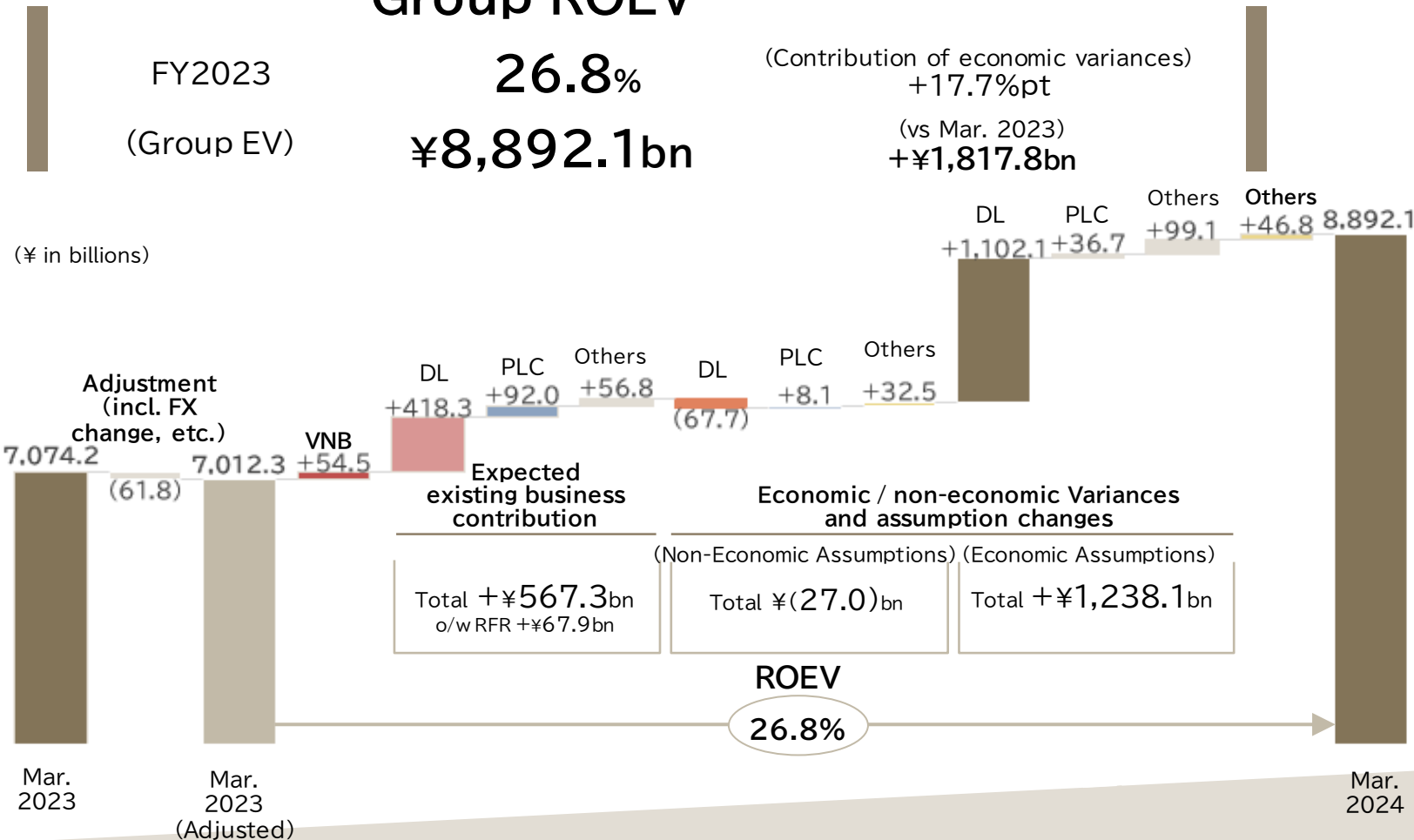
¥502.9bn YoY+28%
 (excl. exchange rate impact: +26%)



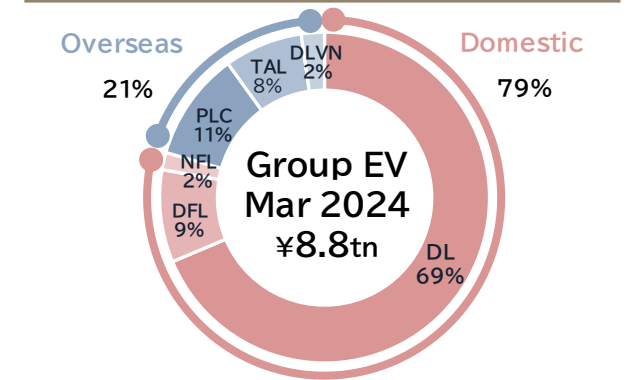
Economic Value (Group EV)

- ▶ Group EV increased thanks to higher domestic interest rates and an increase of valuation in domestic stocks as stock prices increased, which contributed mainly to DL's EV.
- ▶ Sensitivity of Group EV to interest rates continued to decline while DL's sensitivity to equities increased from the end of Mar. 2023, but through domestic stock sales, DL's sensitivity to equities is expected to decline.

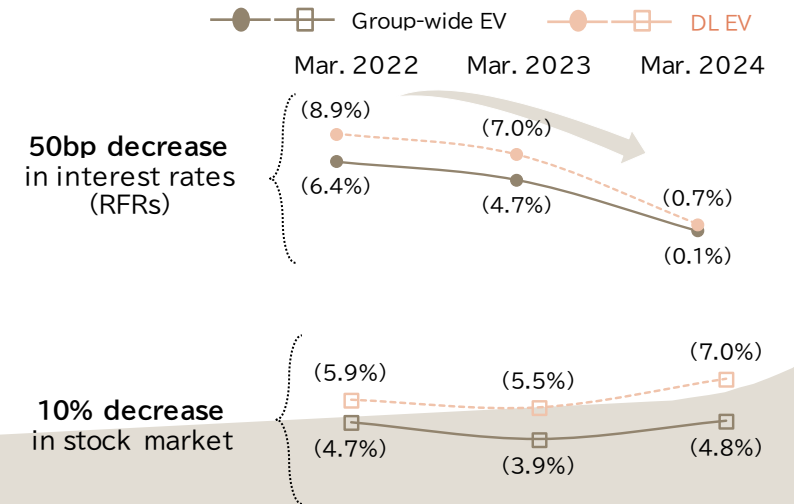
Group ROEV



Breakdown of Group EV

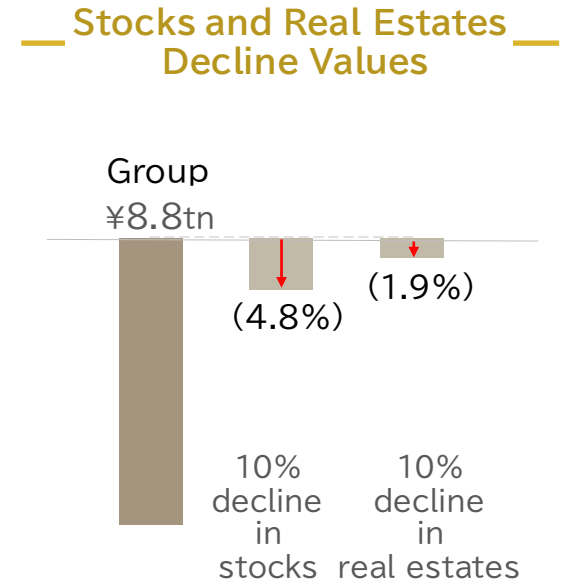
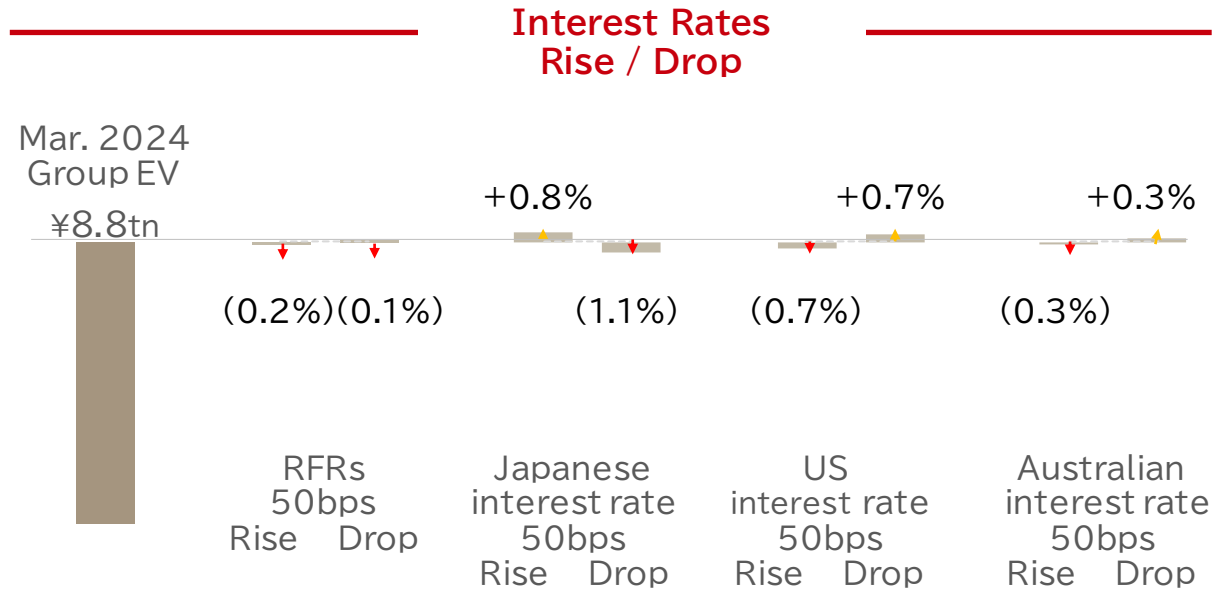


EV Sensitivity to Financial Market Fluctuations

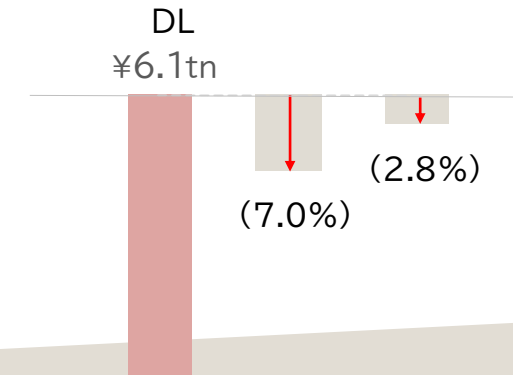
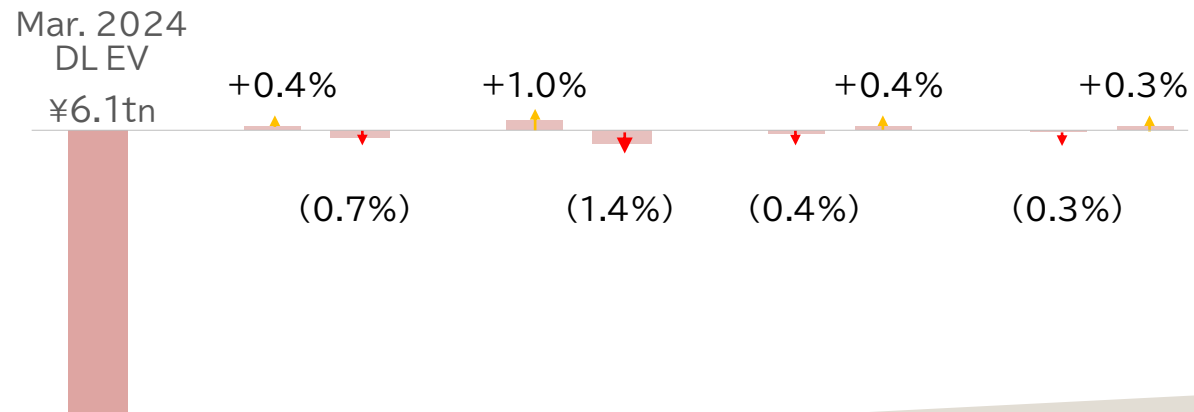


(Reference) EV sensitivity

Group Overall



DL





Shareholder Payout Policy and Actual Payouts

- ▶ The group adjusted profit of FY2023 has increased. By applying the current MTP's 40% dividend payout ratio to the results for FY2023 earlier than planned, the dividend per share is ¥113, an increase of ¥27 compared to the previous fiscal year.
- ▶ The share buybacks, with an upper limit of ¥100bn, are planned to be executed by the end of FY2024. The dividend forecast for FY2024 is expected to be ¥122 per share.

Shareholder Payout Policy

Considerations for additional payout

Considering flexible additional payouts

Rough guide for total payout ratio
Mid-term avg. of **50%**

- ESR Level
- Status of market risk and sensitivity reduction
- Cash position of holding company
- Group Financial Leverage
- Existence of strategic investment opportunities
- Our stock price, etc.

Strategical in scale and timing

+

[Image of Dividend Payout Ratio]

[Dividend Payout Ratio]

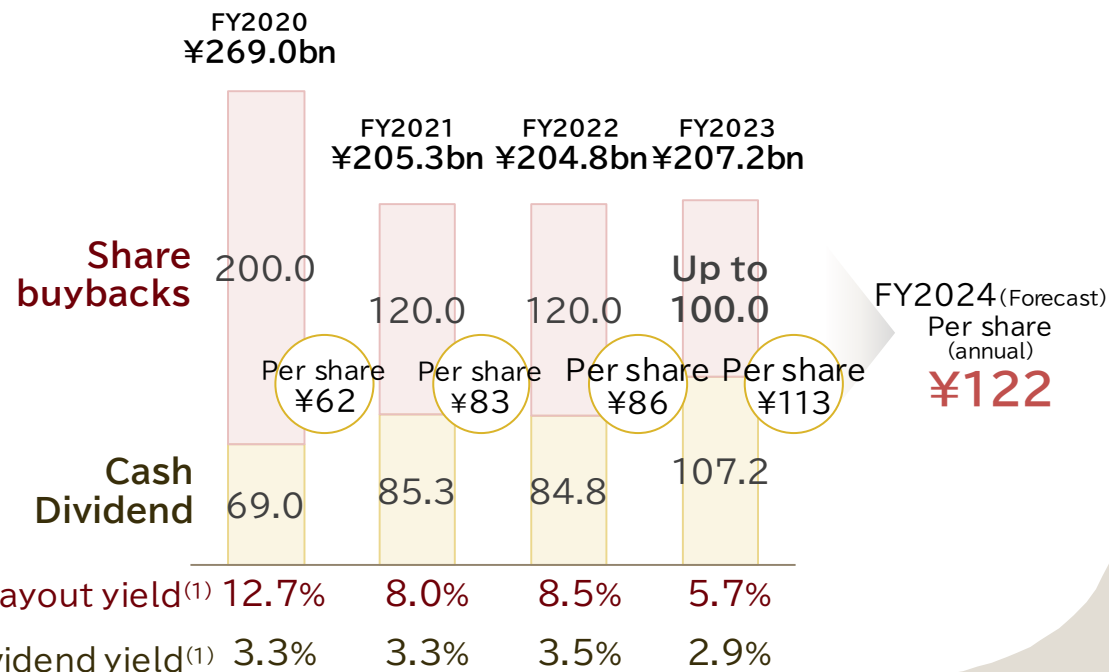
30% or more → **40% or more** each FY

Stable Dividends Based on Profit

- Avg. of Group adjusted profit for past 3 years
- Basically no reduction of dividend per share

Result of shareholder payout since the start of previous MTP

Shareholder payout
Total ca. **¥880.0bn**



[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.

(1) Calculated based on the total number of issued shares exclude treasury stock and stock price at end of the Mar. 2021, 2022, and 2023

Outlook for Cash Positions at HD (Holding Company)

- ▶ Due to the increase in group adjusted profit, remittances exceeded the initially expected levels.
- ▶ With the anticipated increase in group adjusted profit during the medium-term management plan period, the total free cash flow over the three terms is expected to be approximately ¥950bn.

Change of HD Cash Positions⁽¹⁾⁽³⁾

HD Cash Position Basic Approach to Use of Funds

FY2023 Cash remittances from subsidiaries (dividend remittance)

Remittance ratio⁽⁶⁾
ca. **93%**

	Remittance [Adj. profit]	Remittance Ratio	(FY2022)
DL	¥203.8bn [¥203.8bn]	100%	130%
PLC ⁽³⁾	58mUSD [116mUSD]	50%	50%
TAL ⁽⁴⁾	574mAUD [430mAUD]	133%	101%
Group	ca. ¥300.0bn [¥319.3bn]	93%	ca. 140%

• Benefit One third-party allotment cost ca. ¥125.0bn
• Investment in Canyon Partners ca. ¥40.0bn

FY23 profit Free Cash⁽²⁾⁽³⁾
+¥350bn
(After interest expenses, etc.)

Shareholder payouts⁽⁷⁾
ca. **(¥264bn)**
(o/w share buybacks of ¥100.0bn)

• Benefit One Squeezeout ca. ¥39.0bn
• Withdrawals related to PLC acquisition (ShelterPoint) ca. ¥35.0bn

ca. **(¥165bn)**
Strategic Investments
(paid out) (unpaid)

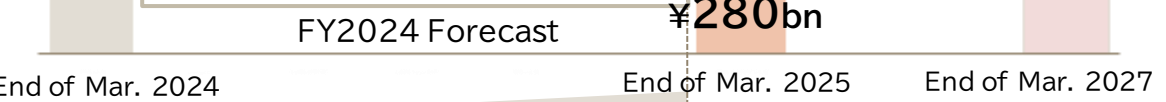
ca. **(¥75bn)**
Short-term loans from DL⁽⁸⁾
+¥30bn

Finance executed for FY2023 (both intra-group and external)

FY24-25 profit Free Cash⁽³⁾
ca. **+¥600bn**
* Assuming an overall remittance rate of ca. 90%.

Dividend payment (FY2024)
ca. **(¥56bn)**

HD Cash Position (Until March 2027)
ca. **¥800bn**



- To secure the liquidity at HD required capital expenditure needs
 - [Base cash]
 - Under the strict capital management, ca. ¥100bn is a target to secure the certain liquidity for subsidiaries.
- Repayment of inter-group finance
- [Shareholder payouts] Sources of cash dividends
- [Shareholder payouts] Consideration of flexible additional payouts and/or
 - [Strategic investments] Selective investment in high-growth and capital-efficient businesses (Incl. decided cases, up to a maximum of ¥300 bn)

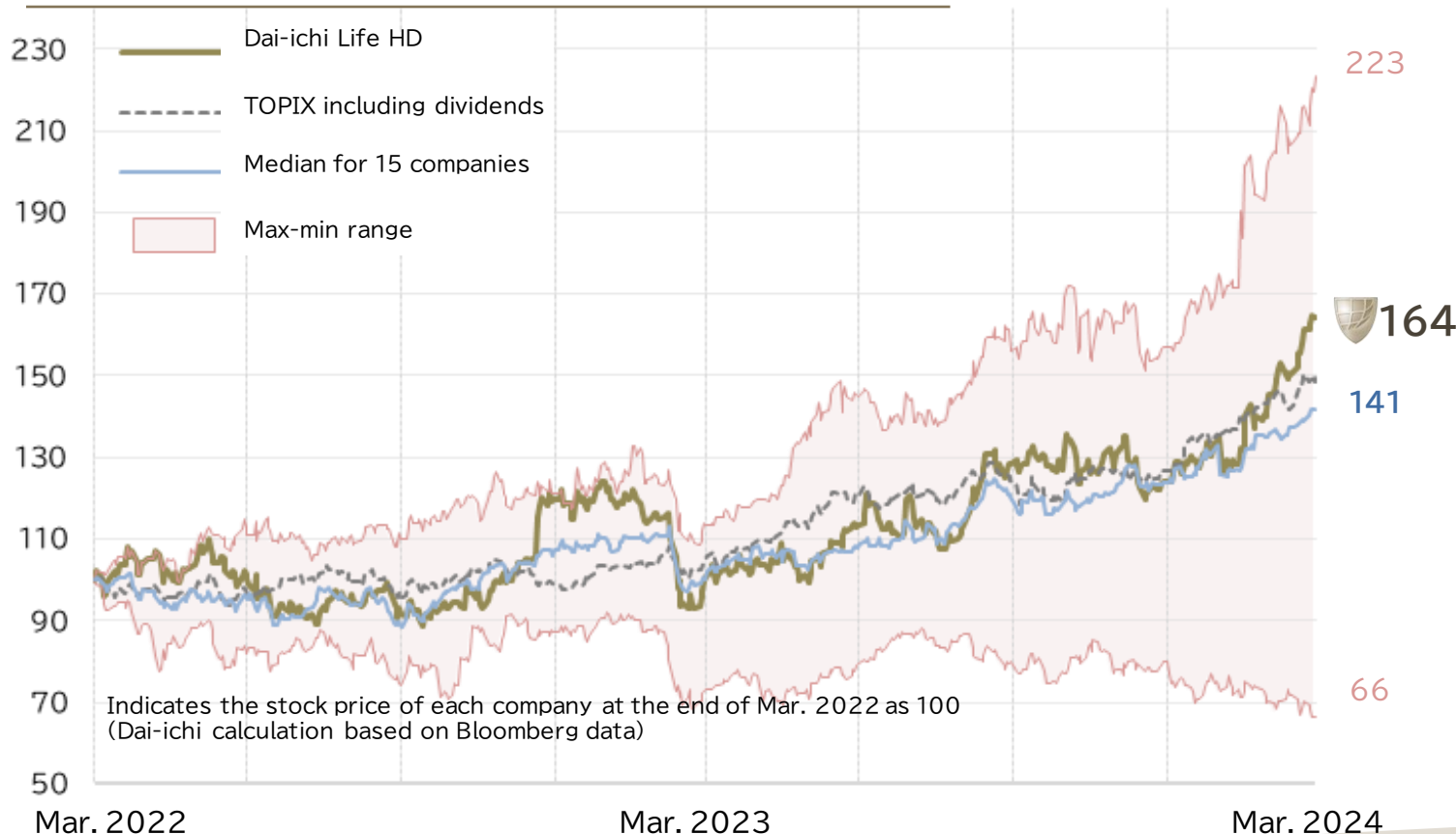
(1) Incl. the balance and change in cash at the intermediate HD, as well as cash held to maintain liquidity at HD. Excl. remittances to subsidiaries that are incorporated in the business plan and strategic investments that are insignificant in amount. (2) With the commencement of interim dividends, the interim dividend from DL to HD includes ca. ¥50bn (remittance in the second half). (3) Remittances from overseas subsidiaries such as PLC are accounted as if they are deposited in the next FY of the HD similarly to domestic subsidiaries in this chart. (4) Includes ca. ¥23.5bn for the redemption of issued preferred shares. (5) Excl. interest expenses paid by the HD from remittances paid by subsidiaries. (6) Calculated by dividend remittances from subsidiary to HD divided by the adj. profit. (7) Incl. interim dividends for FY2024 (8) For group finance, the net amount of repayments and new borrowings is shown.

Relative TSR

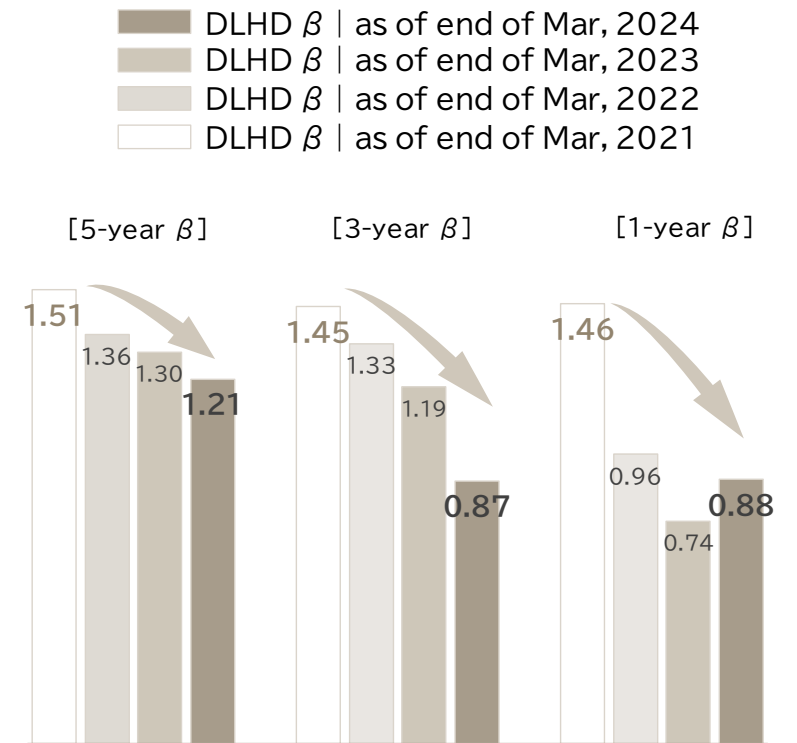


- ▶ Started comparing with 14 peers⁽¹⁾ in FY2024, adding 4 new peers to the previous comparables, and ranked 5th⁽²⁾ in relative TSR⁽³⁾ for the period starting from the end of Mar. 2022.
- ▶ Our stock price β of the 3-year and 5-year periods continuously declined throughout the previous mid-term management plan period, due in part to our efforts to reduce the market risks.

TSR | Apr. 2022 – Mar. 2024



Our stock price β (vs TOPIX, weekly)



(1) Five domestic insurance companies (Japan Post Insurance, T&D HD, Tokio Marine HD, MS&AD Insurance Group HD, and SOMPO HD) and nine overseas insurance companies (Aflac, AXA, Manulife, MetLife, Prudential (US), and since FY2024, AIA, Allianz, Prudential (UK) and Zurich) are set as 14 comparative peers.
 (2) As of end of Mar, 2024.
 (3) Total Shareholder Return (TSR) is a performance measure that indicates the total return an investor receives over a specific period. TSR includes both capital gains and dividends

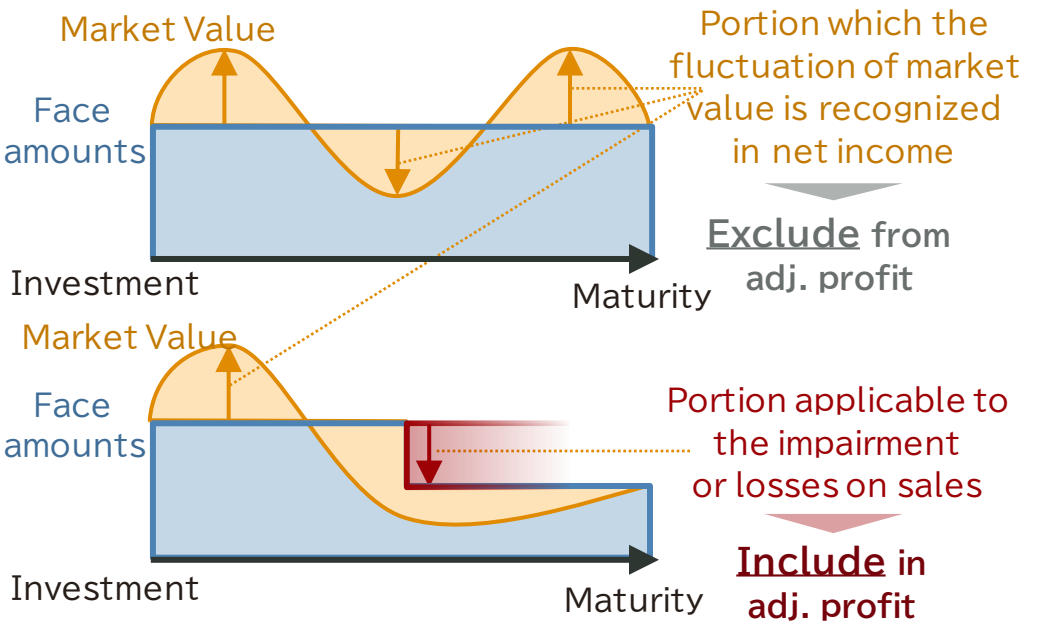


Partial Amendment of Adj. Profit Calculation

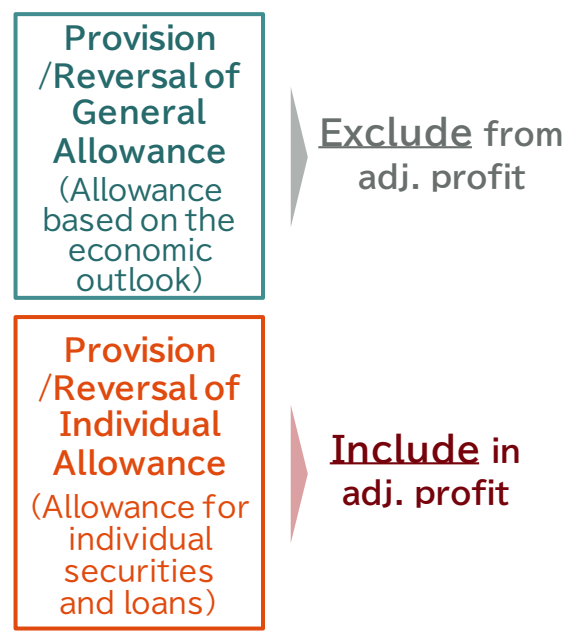
- ▶ PLC, TAL, and PNZ will exclude the valuation gains/losses under the accounting purposes, which will align the original purpose of adjusted profit and will improve a stability of profit and predictability of shareholder payouts.
- ▶ For the adjusted profit of 3 years which are the basis of dividend calculation, it is not restated for the FY2023 and before.

Case for Protective

Image for the gains/losses related to the investment and hedging activity

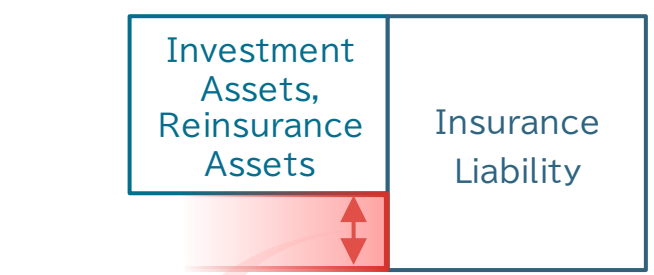


CECL



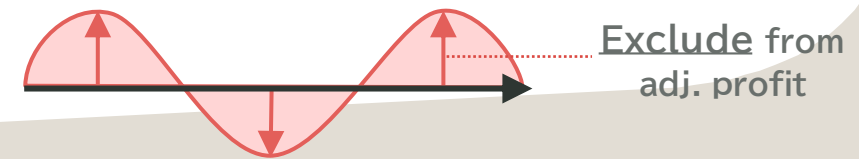
Case for TAL and Partners Life

Fluctuation of assets and liabilities due to the interest rate movement, etc.



Net income fluctuate due to the fluctuation of assets and liabilities caused by;

- The shape of the future CF of investment assets and insurance liability
- Difference of the accounting treatment between the original contract and reinsurance contract (PAA⁽¹⁾ and GMM⁽²⁾)



Items in which the portion of market value fluctuation is to be excluded from adj. profit

Unrealized gains/losses of preferred stock, Modco-related gains/losses, ICOLI gains/losses, gains/losses related to the minimum guarantee (both hedged item and hedging instruments), and the fluctuation of DAC amortization related to them.

(1) Premium Allocation Approach (2) General Measurement Model



[Reference] Response to New Economic Value-based Solvency Regulation

- ▶ In preparation for the new economic value-based solvency regulation (J-ICS), ESR and EV will be measured in accordance with the new standards for the Group and three domestic companies⁽¹⁾ from the end of FY2023.
- ▶ Although the change to the new standards is expected to lower the figures to a certain degree, ESR is expected to be in the range of 170%-200%. There will be no impact on the direction of capital policy.

Environmental awareness

The Japanese economic value-based solvency regulation (J-ICS) is scheduled to be introduced in FY2025 to assess economic value-based soundness that is not captured by the current regulation, promote ERM of insurers, and harmonize with international regulatory trends.

Major impact of the introduction of the new standard

- ✓ Elimination of differences between current SMR regulations and economic value-based soundness
- ✓ Improved reliability due to strengthened internal controls and ongoing third-party reviews
- ✓ The following factors are expected to lower the figure after the introduction of the new regulation
 - Impact of changing the calculation standard to a method compliant with J-ICS standards in principle
 - Impact of changing to a bottom-up method for some subsidiaries that have adopted a top-down method for EV calculation

◆ New ESR is expected to decline but to **remain within the 170%-200% range**

◆ **No change in current group capital policy direction**

Our response

- ✓ Termination of ESR and EV measurement under current standards for the Group and three domestic companies
- ✓ **In principle, measurement standards will be revised to comply with the J-ICS standard method and eligible capital from the end of FY2023**, ahead of schedule, without waiting for the application of regulations.
- ✓ **Overseas companies are planned to start measurement from the end of FY2024 at the earliest**, as they are required to measure based on two standards with the capital requirements of each country.

Schedule for the future (planned)

Feb. 2024	(Domestic) Disclosure of figures for FY2022 (already disclosed)
May. 2024	(Domestic) Disclosure of figures for FY2023 (already disclosed)
May. 2025	(Overseas included) FY2024 figures disclosed
Mar. 2026	Start of adoption of the new regulation



[Reference] DL Asset/Liability Cash Flow Structure and Market Risk Reduction

Fixed Income Assets / Insurance Liabilities Cash Flow

(5-year cumulative/estimate)⁽¹⁾

[Fixed Income Assets] Distribution of interest income and redemptions

- Yen-denominated bonds and loans
- Currency hedged foreign bonds (Currency swap)

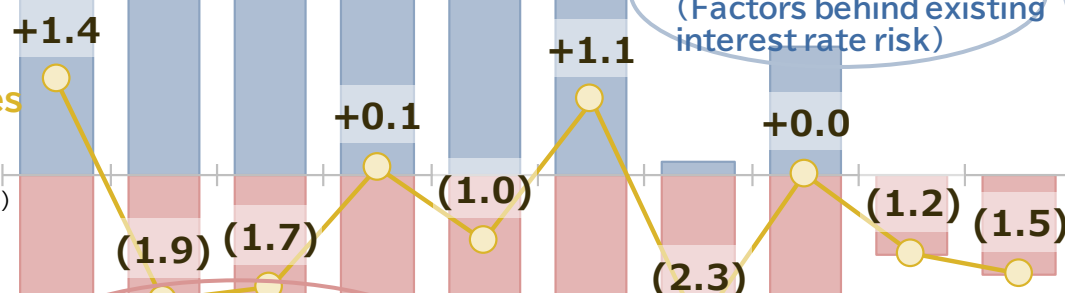
Assets and Liabilities Net position

(¥ in trillions)

1~5 years
6~10 years
11~15 years
16~20 years
21~25 years
26~30 years
31~35 years
36~40 years
41~45 years
46~50 years

[Insurance Liabilities] Cash flow distribution

Area for main legacy blocks with high assumed interest rate (burden of high assumed interest)



Shortage of assets in ultra-long-term zone (Factors behind existing interest rate risk)

[Interest Rate Risk Reduction]

Purchase of and replacement with ultra-long-term bonds, duration lengthening and hedging

- Steady accumulation of ultra-long-term bonds and replacement for lengthening, considering change in financial markets
- Use of swaptions, etc.

[FY2023 additional purchase and replacements]
ca. ¥1.3tn
(30-year JGB equivalent)

[Interest Rate Risk Reduction]

Reinsurance ceding of legacy blocks

- Proactive restructuring of liabilities structure through strategic reinsurance ceding

[FY2023 policy reserve for ceding (total since the start of initiatives)]

¥29.2bn
(ca. ¥1.1tn from cumulative total since the start of the initiative)

Using part of gains on sales

[Equity Risk Reduction]

Sale and hedging

- Reduction of equities in line with the plan, hedging with derivatives, etc.

[FY2023 domestic equities sold]
ca. ¥160.0bn⁽²⁾
(market value)

[Hedging positions*]
ca. ¥720.0bn

*Total hedging positions since FY2020

Using gains on sales (offset with ceding related expenses)

(1) Cash flows for internal management from fixed income assets and insurance liabilities at the end of March 2024. (2) Market value at the time of plan formulation.

Achieving the New Mid-Term Management Plan



Positioning of the New MTP

▶ On Mar. 29, we announced the new MTP, which defines the vision for 2030 and sets as our principal goal to achieve capital efficiency that consistently exceeds the cost of capital in the next 3 years to accelerate growth toward achieving the vision.

FY2024 - FY2026

Achieve capital efficiency that consistently exceeds cost of capital

- Emphasize shareholders payouts until adj. ROE consistently exceeds CoC
- Effect of share buybacks will be decreased through improved valuations

*Example

Realize the Vision for 2030

- Shift to investments for growth and accelerate the enhancement of corporate value
- Shift to cash dividend while gradually reduce share buybacks (Presume a dividend payout ratio of 50% during the MTP after the New plan)

Vision for 2030

- #1 in Japan in four areas: Customer Satisfaction, Employee Satisfaction, Innovation in Product and Service, and Corporate Value
- Leader of the insurance industry future
- Global top-tier insurance group

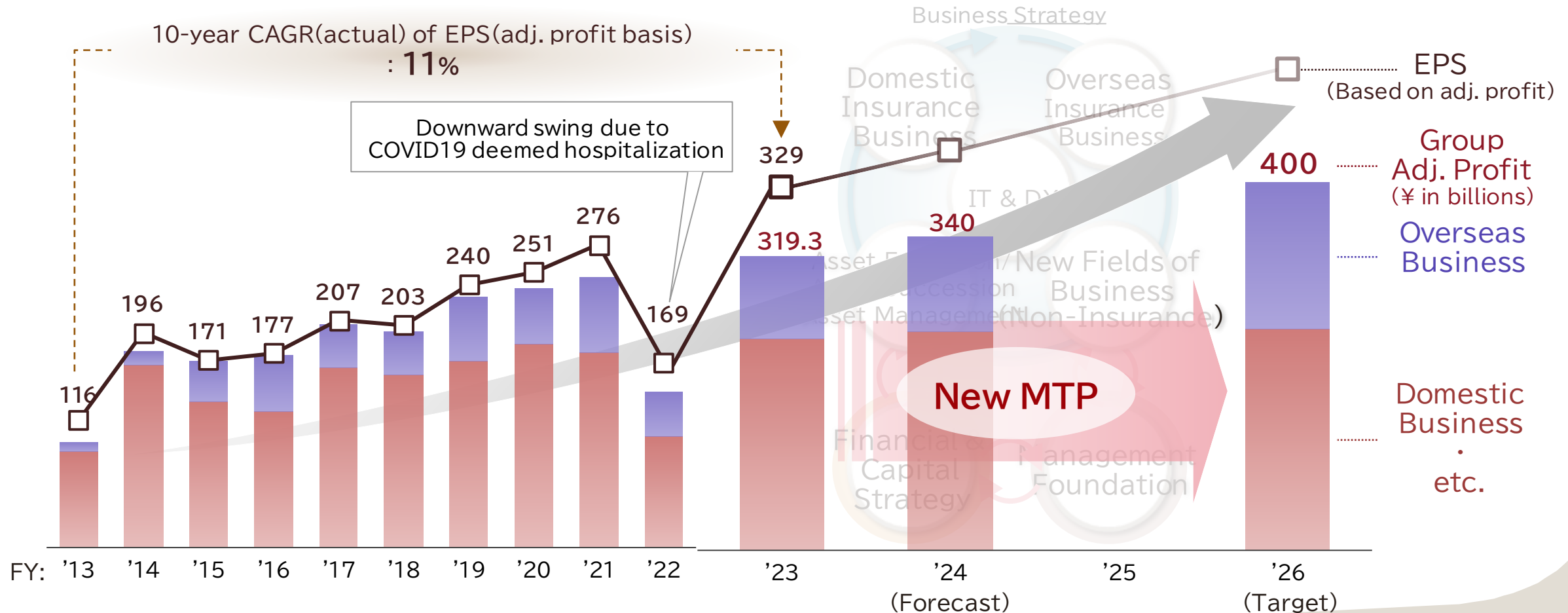
*Example

New MTP: Final steps to improve capital efficiency

MTP after the New plan: New stage for accelerated growth

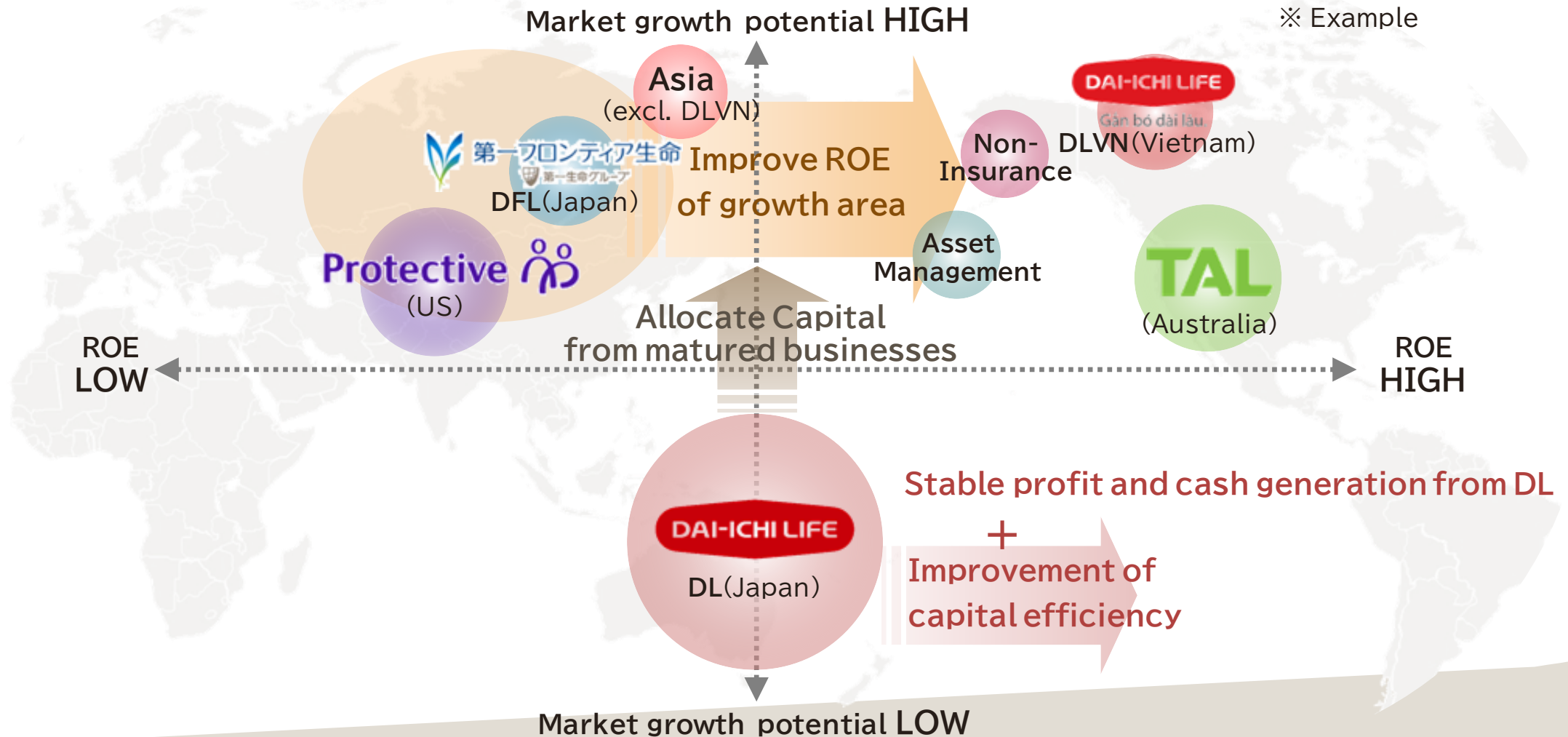
EPS Growth by Improving Adj. Profit and Capital Efficiency

- ▶ Enhance profit generation through the execution of the five business strategies, as well as promote financial and capital strategies, including share buybacks, to raise both adj. profit and capital efficiency, resulting in a stable increase in EPS.



Further Promotion of Capital Circulation Management

- ▶ To improve the Group's capital efficiency, we will further promote capital circulation management by reallocating capital from mature businesses, mainly DL, to areas with high growth potential, and aim to raise ROE in growth areas.

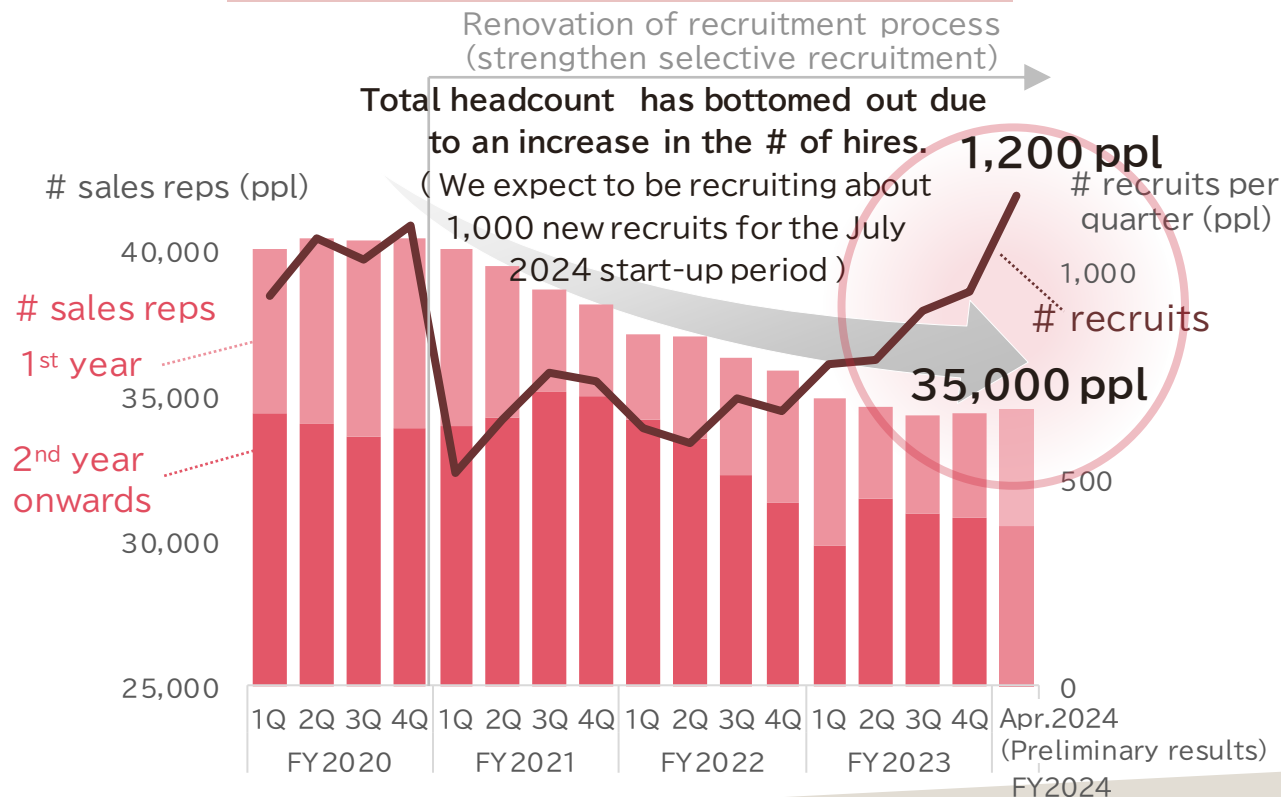




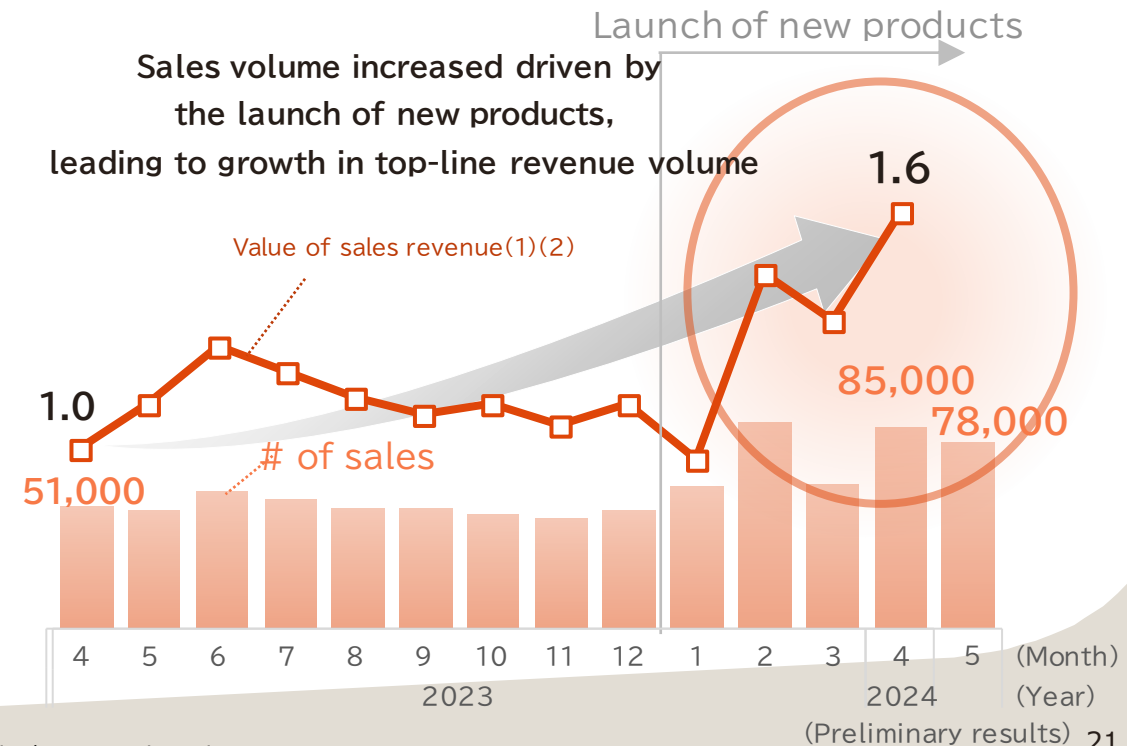
Bottom-out of Sales Rep Channel

- ▶ For the sales rep channel at DL, since the introduction of selective recruitment, such as strict hiring criteria and the upper limit of the number of hires, the headcount of sales reps has been on a downward trend, but the number of hires has increased as new operation has been got accustomed, and the headcount has bottomed out.
- ▶ In FY2024, the volume of activities has markedly increased due to the launch of new products since January, and the top line (operating revenue value⁽¹⁾) in April increased 1.6x YoY.

Headcount of Sales Rep Channel



DL Sales Top Line



(1) A proprietary indicator of revenue earned by the sales force. Equivalent to the value of new business excluding variable factors in the economic environment.

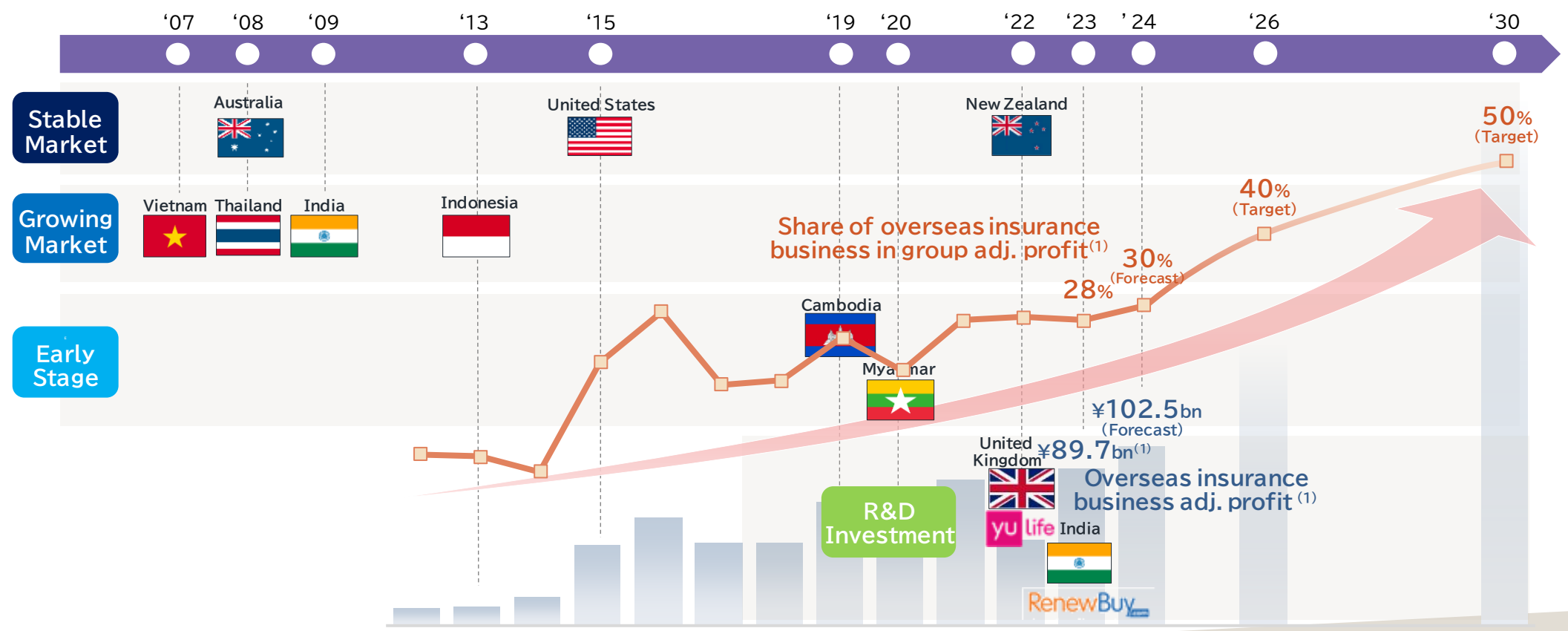
(2) Value of sales revenue is adjusted by the number of business days in each month and indexed with Apr. 2023 as 1.



Expansion of Overseas Insurance Business

- ▶ Proportion of the profit contribution from overseas insurance business in Group adj. profit is currently ca. 30%.
- ▶ Aim to reach 40% at FY2026, the end of the new MTP, and to 50% in 2030.

Trajectory of Overseas business



(1) Equity method profit until FY2016, adjusted profit from FY2017. Excludes temporary gains from US tax reform and the impact of goodwill impairment at Protective. Losses recognized as subsequent events in group-consolidated basis due to the bankruptcy of U.S. banks, etc. in 2023 were recorded in FY2022. As TAL and PNZ have adopted IFRS17 from FY2023, the prior comparative period (FY2022) figures are restated on IFRS17 basis.

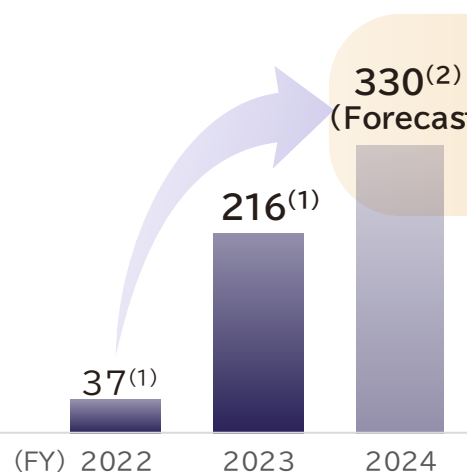


Situation of U.S. and Australia Business

- ▶ PLC's profit has been weak due to the impact from rising US interest rate and the bankruptcy of US banks, etc. for the past 2 years. Since the impact from credit losses on US banks and negative mark to market impacts from rising interest rates is not expected to recur, adj. profit is expected to recover. In addition, while US M&A market is highly competitive, PLC reached an agreement to acquire ShelterPoint Group in April for the first time since 2022.
- ▶ TAL acquired Westpac Life in 2022 and established strong position as a top-share player in the protection market in Australia. TAL's underlying profit has been steadily increased, including the contribution from its acquired business.

PLC's adj. profit

(mil USD)



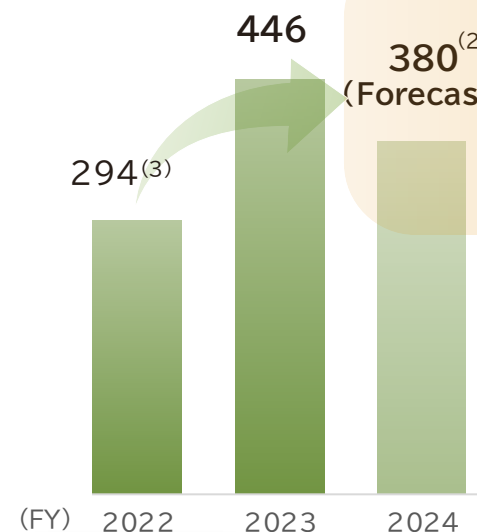
Since the impact from rising U.S. interest rate and the bankruptcy of U.S. banks, etc. will no longer exist, adj. profit is expected to recover

Announced to
Acquire
ShelterPoint

While US M&A market is highly competitive, Protective reached an agreement to acquire ShelterPoint Group in April for the first acquisition since 2022

TAL's adj. profit

(mil AUD)



While the impact from interest rate fluctuation will be removed, underlying profit has been steadily increased, including the contribution from Westpac Life which TAL acquired

Westpac Life
Acquisition
completed

(1) Losses recognized as subsequent events in group-consolidated basis due to the bankruptcy of U.S. banks, etc. in 2023 were recorded in FY2022.

(2) In FY2024, Protective and TAL are forecasted figures reflecting a partial change in the method of calculating adj. profit shown on p.14.

(3) As TAL have adopted IFRS17 from FY2023, the prior comparative period (FY2022) figures are restated on IFRS17 basis.

Asset Formation/Succession

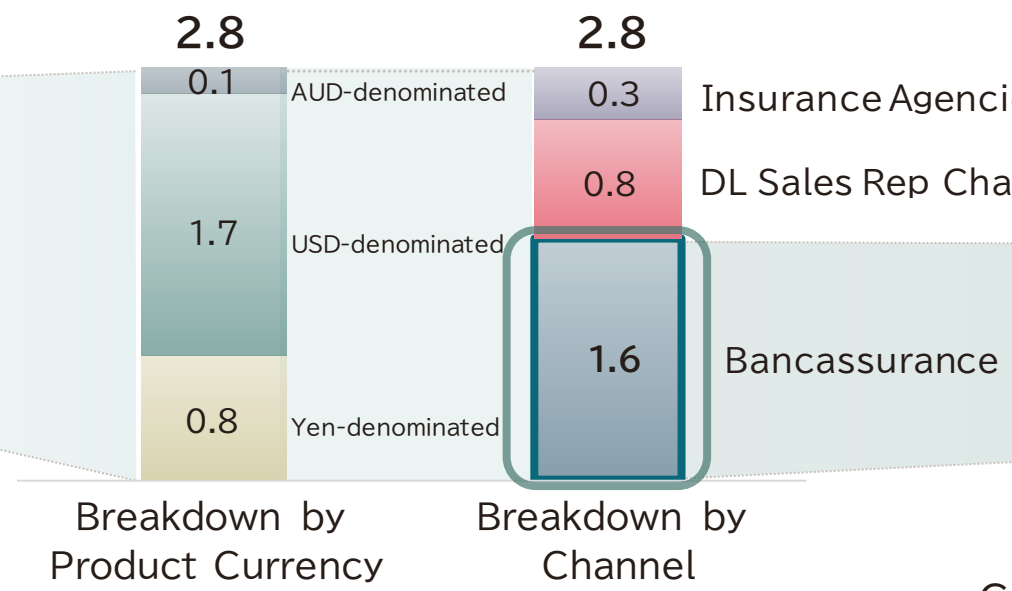
- ▶ As a result of strong sales, DFL's AUM is steadily increasing.
- ▶ Sales performance was well diversified and balanced in both the ratio of products by currency and sales channels, and DFL maintained the top share in the bancassurance channel in FY2023.

Expanding DFL's AUM

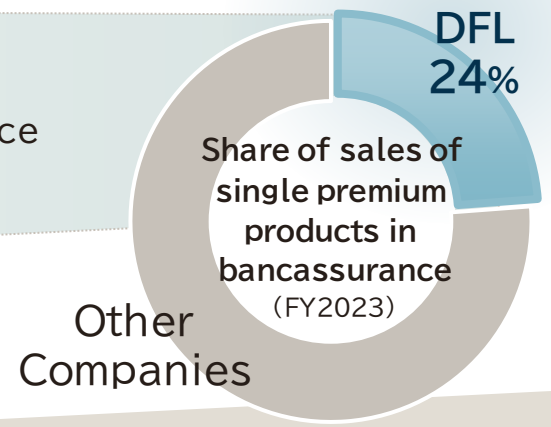


Sales in FY2023

FY2023 Single Premium Income (¥ in trillions)



DFL keeps the TOP share in bancassurance channel





Asset Management Business

- ▶ In the asset management business, we invested in two asset management companies with strengths in private debt investments, etc., to strengthen asset management functions in the high-growth and highly profitable alternative asset area.
- ▶ Acquire a source of competitiveness and differentiation in the insurance business by improving the Group's investment yield and expect to create synergies within the Group by reducing costs that flow out of the Group.

Investment in asset management companies with strengths in alternative areas

The Group's asset management function

Strengths in managing
a wide range of assets



TOPAZ

Acquisition of Topaz Capital (Japan) as a subsidiary

- An asset management company with strengths in private debt investments, which have expanded significantly in recent years compared to traditional asset markets.
- We have acquired about 70% of Topaz Capital's shares to make it a subsidiary and strengthen its management capabilities while benefiting from its growth potential.

Strengthen management capabilities
in the alternatives and credit areas

Secure competitive advantage
for insurance products

Reduce outflow of

management outsourcing costs

Expanding revenue sources
for capital-light fee businesses

Support for growth areas such as
overseas insurance

business and reinsurance field

Investment in Canyon Partners (U.S.)

- An asset management company that has strengths in private debt and CLO investments and has established a specific position in the alternatives market.
- The company plans to acquire a 19.9% shares for \$255 mil and to make a GP investment (seed investment) with the capital invested, and to outsource the management of more than \$1.3 bn.
- Have the right to increase its equity shares to 51% in 2027 and to 100% in 2029

Strengths in quant operations



Strengths in real estate management

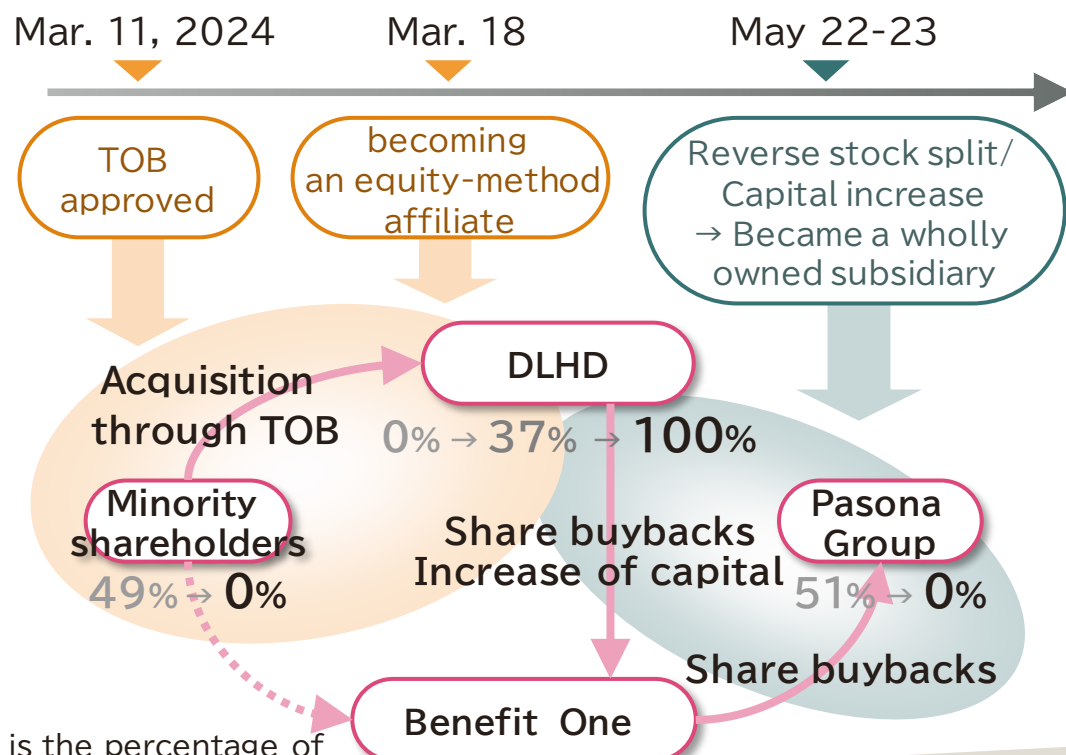




Progress of Benefit One's Acquisition Process and PMI Structure

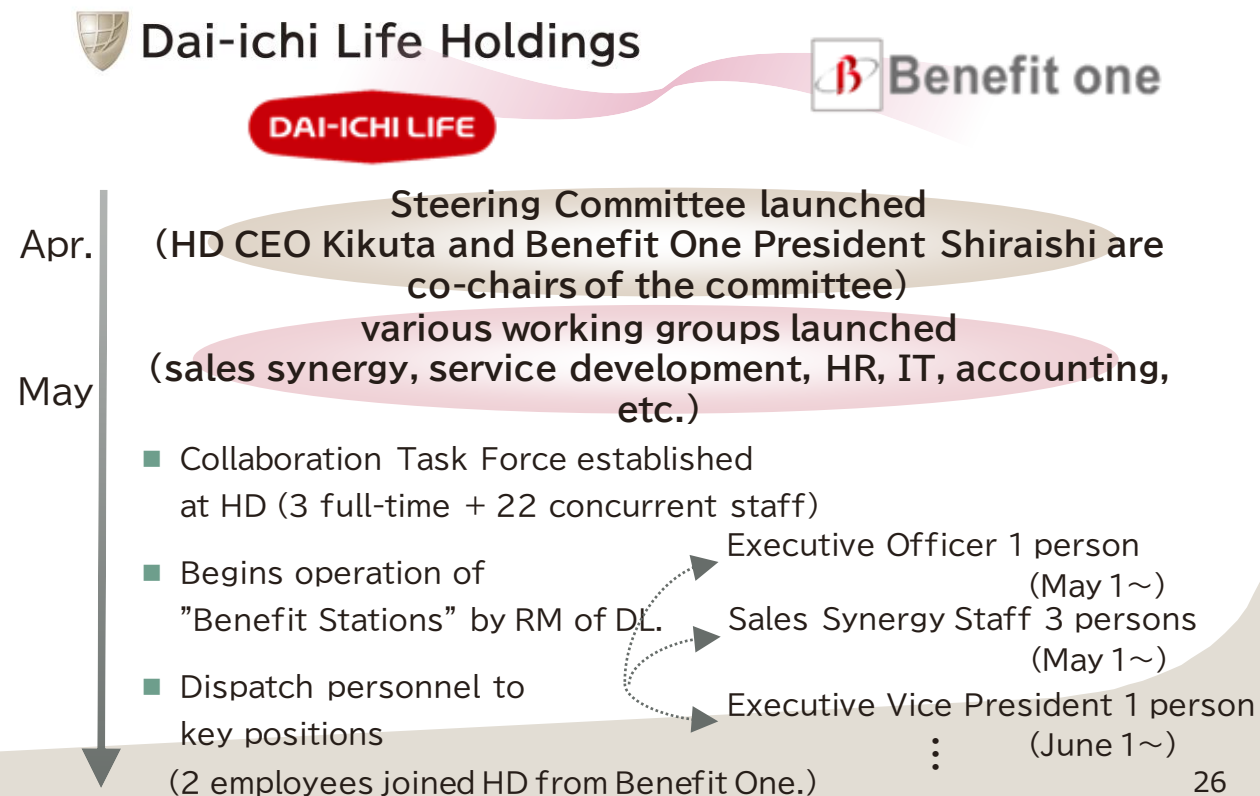
- ▶ TOB for Benefit One was completed (TOB price: ¥2,173 (actual TOB price excluding tax benefits was ¥1,842)), and the acquisition process is on track. Became a wholly owned subsidiary on May 23 after becoming an equity-method affiliate in Mar..
- ▶ Promoted PMI and governance structure by dispatching personnel to key positions and setting up operating groups.

Update on the acquisition process



* "%" is the percentage of Benefit One's voting rights.

Progress of PMI system





Expectation of DL's Domestic Equity Reduction

- ▶ DL will reduce its domestic equities by ¥1.2tn, 30% of the market value as of Mar. 31, 2024, during the new MTP, and will consider increasing this amount flexibly depending on the market value of equity, yen interest rates, and strategic investment opportunities. The level of the final remaining balance is currently under consideration.
- ▶ Although a certain portion of the gains realized from domestic equities sales will be allocated to losses related to rebalancing JGBs and foreign bonds and ceding reinsurance, the size of losses is expected to be small compared to the large-scale reduction of hedging foreign bonds and ceding and reinsurance costs in the previous MTP.

Sale of domestic public equities to reduce equity risk

Market value of domestic public equities held by DL as of Mar. 2024

Expected sales for the 3-years FY2024-2026

$$\text{ca } \yen 4.0\text{tn} \times 30\% \text{ or more} = \yen 1.2\text{tn or more}$$

Increase the scale of sale flexibly if any of the following conditions occur

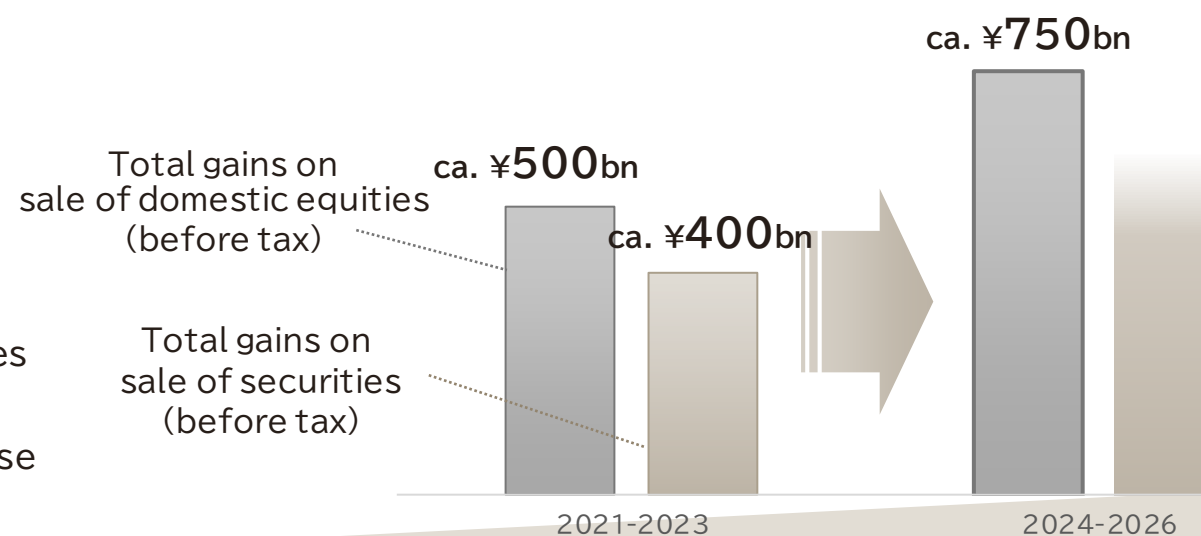
- Further increase in market value of domestic equities held by DL
- Yen interest rates rise beyond expectations (increase in yen bond port and funds for replacement)
- Strategic investment opportunities beyond what is expected

Gains on sale of domestic equities & Gains on sale of securities (Example)

(Example)

Total gains or losses on sale for 3 years in the previous MTP

Total gains or losses on sale for 3 years in the previous MTP

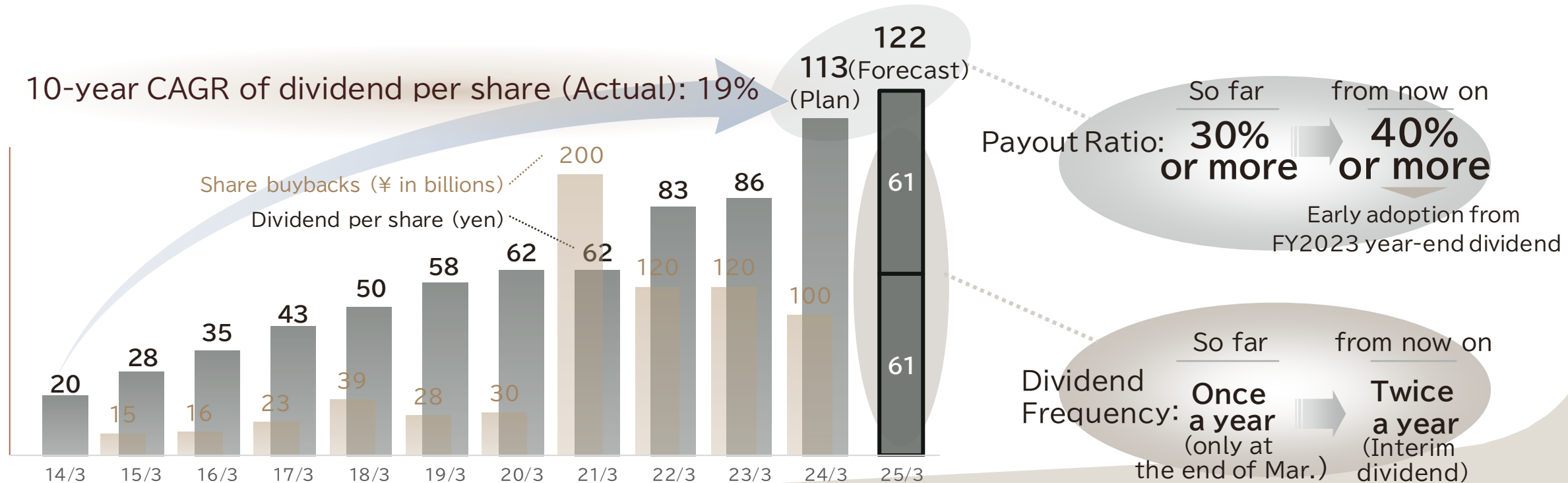




Increase in Dividend Per Share

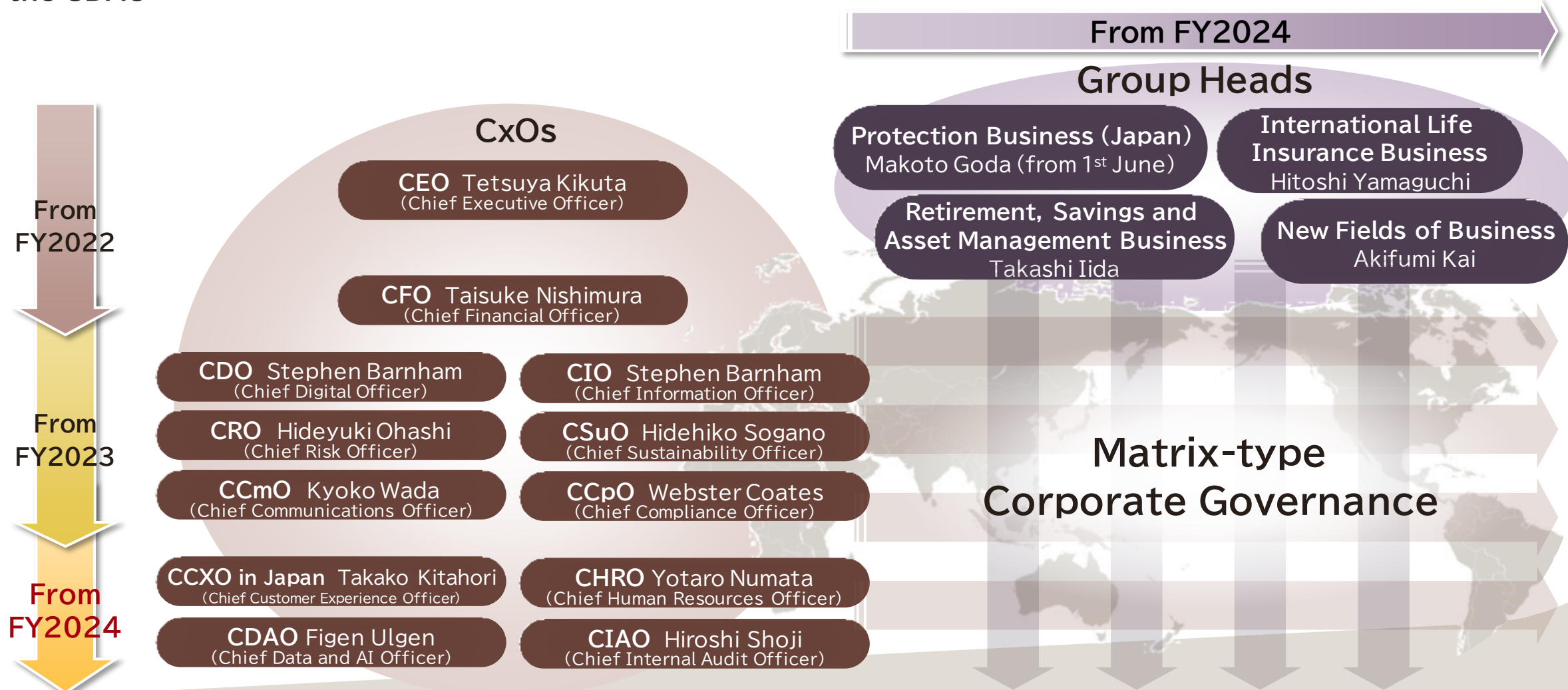
- ▶ In addition to growth in Group adj. profit, a decrease in the number of shares due to share buybacks has contributed to a steady increase in dividends per share to date.
- ▶ Dividend per share is further increased because of raising the payout ratio to 40% in the new MTP and early adoption from the fiscal year ended Mar. 2024.
- ▶ While maintaining total return levels until stable capital efficiency that exceeds the cost of capital is achieved, after that, we will consider further raising the dividend payout ratio by reducing and making more flexible share buybacks (assuming a 50% level).

Trends in Shareholder Payouts



Strengthening the Matrix Execution System

- ▶ Further expand the CxO structure established in FY2022 to strengthen corporate functions and appoint Group Heads to be responsible for business promotion.
- ▶ Partially updated the structure with the dispatch of the board of directors to Benefit One and the appointment of the CDAO



KPI Targets

▶ Through the implementation of business and financial strategies and the strengthening of the business foundation, we aim to achieve the following indicators

	KPIs	Previous MTP (FY2023) Result	New MTP (FY2026) Target	Targeted level by around 2030	
Financial Indicators	Economic Indicators	RoEV	26.8%	ca. 8% in the medium-to long term	
		VNB	54.5bn	FY2024: ca 105bn	—
	Accounting Profits	Adjusted ROE	8.2%	ca. 10%	Stably exceeds ca. 10%
		Adjusted Profit	¥319.3bn	¥400bn	¥600bn
Cost of Capital	Cost of Capital	9%	8%	Maintain a stable rate of 8% or less	
Market Valuation	Relative TSR (vs 14 peers)	#4 ⁽¹⁾	Relative advantage		
Non-Financial Indicators	Financial Soundness	Economic Solvency Ratio ⁽²⁾	226%	170% - 200%	
	Customers	Number of Customers	Domestic ca.13.85m ppl Overseas ca.37.00m ppl	Domestic ca.15.00m ppl Overseas ca.45.00m ppl	—
	External Evaluation	ESG Composite Indices	DJSI ⁽³⁾ Asia Pacific Index MSCI ⁽⁴⁾ BBB	Industry-leading evaluation scores in Japan	

(1) Rank vs 10 previous TSR peers as of March 29, 2024 (2) Based on estimated figure under new standard (3) Dow Jones Sustainability Indices (4) MSCI ESG Rating



Reference

Our performance recognized in various indices and initiatives

▶ We clarify issues based on the results of these evaluations and utilize the insights to enhance our management practices.

Key ESG-related Indices

GPIF-Selected ESG Indices



FTSE Blossom Japan Index

●FTSE Blossom Japan Index

2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

●MSCI NIHONKABU ESG SELECT LEADERS INDEX

2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

●MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)



●S&P/JPX Carbon Efficient Index

Morningstar Japan ex-REIT Gender Diversity Tilt Index

●Morningstar Japan ex-REIT Gender Diversity Tilt Index

Other Indices

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

●Dow Jones Sustainability Asia Pacific Index



FTSE4Good

●FTSE4Good Index Series

Key Evaluations of ESG Initiatives



●NADESHIKO BRAND 2024



●2024 Health & Productivity Stock Selection



●Platinum Kurumin Plus*

*Certification Obtained by Dai-ichi Life



●2024 Certified Health & Productivity Management Outstanding Organizations White 500



●5th Nikkei SDGs Management Survey (November 2023)
4.5 Stars (deviation greater than 65 and less than 70)



●TOYOKEIZAI CSR Ranking (February 2024)
1st place in financial institutions



●Nikkei Integrated Report Award Excellence Award (March 2024)



[Environment] Addressing Climate Change - Policy and Structure

Initiatives as an Institutional Investor

- ▶ DL and DFL jointly formulated the “Mid-Term Policy for Responsible Investment (by Mar. 2030)” in order to further promote Group-wide responsible investment

Mid-Term Policy for Responsible Investment (by Mar. 2030)

General Policy for Responsible Investment

- Sustainability Thematic Investment and Financing
 - Clarify the definition of investment and financing that contribute to realize sustainable societies
 - Accumulate more than **¥5 tn** by the end of FY2029

Addressing Climate Change

- Reducing GHG emissions of investment portfolios (Scope 3 Category 15)
 - 2025 – DL : **25%** reduction (compared to 2020)
– DFL : **15%** reduction (compared to 2021)
 - 2030 – **50%** reduction (compared to 2020)*DL: based on absolute volume, DFL: based on intensity
 - 2050 – Achieving **Net Zero** *Actual emission figures will be included in our consolidated report to be published in Aug. 2024
- Promoting investments to solve climate change problems
 - Accumulate more than **¥2.5 tn** by the end of FY2029
- Annual GHG emission reduction contribution from investments in renewable energy power generation projects
 - **ca. 2.4 mil tons CO₂e** in FY2026
- Engagement with investees
 - Encourage our investees (the top 50 GHG emitting companies in our investment portfolio) to formulate and implement Net-Zero strategies through continuous engagement
 - Strengthening climate change engagement initiatives **by clarifying the required reduction levels for each sector (electricity and steel)**

Emission Reduction Targets as an Operating Company (*1)

- ▶ Set interim targets for FY2030 for CO₂ emissions (Scope 1+2) for the entire Group
- ▶ DL achieved 100% renewable energy usage for business activities one year ahead of plan (FY2022) and certified as a RE100(*2) company

Entire Group (Scope 1+2)	DL (other than Scope 3 Category 15)
FY2025 – 50% reduction (compared to FY2019)	FY2030 – 30% reduction (compared to FY2019)
FY2030 – 75% reduction (compared to FY2019)	FY2050 – Achieving Net Zero
FY2040 – Achieving Net Zero	

*1 The actual emission figures will be included in our Integrated Report to be published in Aug. 2024.

*2 RE100 is an international initiative that aims to source 100% of the electricity consumed in business activities from renewable energy sources.

Structure to Promote Sustainability Including Climate Change

- ▶ The Group Sustainability Promotion Committee discuss our group’s policies and strategies on sustainability and the progress of initiatives by group companies, based on the opinions of several external experts.
- ▶ The discussions and opinions are reported to the management committee and board of directors and are reflected in our business strategy.

Date	Topics
May 2023	<ul style="list-style-type: none"> • Sustainability Actions and Business Activities • DL’s Efforts in Transition Finance
Sep. 2023	<ul style="list-style-type: none"> • Review of Material Issues (Materiality) • Our Group’s Challenges and Response Direction Based on ISSB Standards and External ESG Evaluations
Dec. 2023	<ul style="list-style-type: none"> • Sustainability Policy for the Next MTP
May 2024	<ul style="list-style-type: none"> • Promoting Sustainability Management in the Next MTP • Progress of Human Rights Initiatives

[Society] Promoting DE&I (Diversity, Equity & Inclusion)

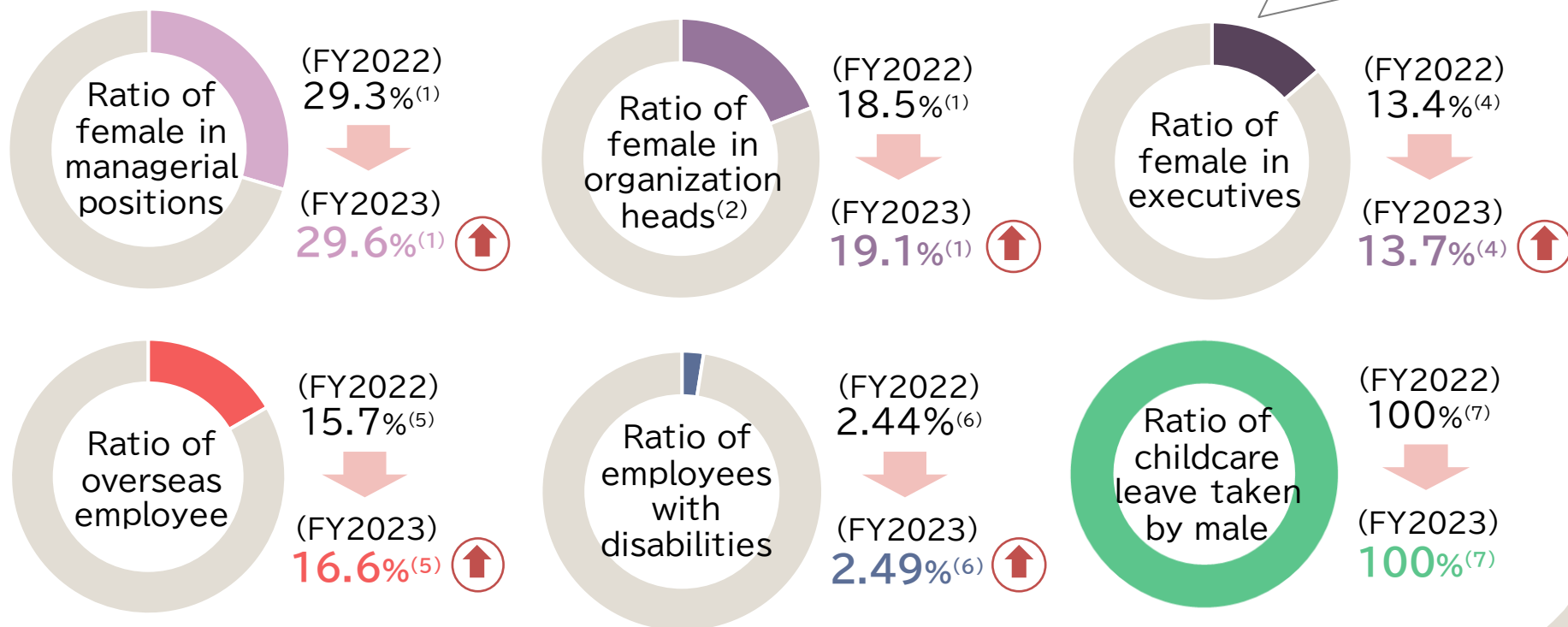
- ▶ Enhance productivity and competitiveness over the mid- to long-term through promoting DE&I in human resources and organizations, in order to achieve management targets and realize sustainable growth.
- ▶ Secure superiority in the labor market by fostering a corporate culture in which employees can demonstrate their individuality through work style reforms, etc.



Improve productivity and competitiveness of individuals and organizations

Enhance Corporate Value

Plan to appoint the first female internal director in FY2024⁽³⁾



(1) As of Apr. 1 of the next FY, total of HD and 3 domestic companies (DL, DFL and NFL). (2) Percentage of female in the general manager (incl. branch office), line manager level, area representative sales manager.

(3) Nominee for the Board of Directors at the General Meeting of Shareholders in June.

(4) As of Apr. 1 of the next FY, total of Directors, Audit and Supervisory Board Members, Executive Officers and Expert Executive Officers of HD and DL. (5) As of the end of Mar., the total of 6 overseas companies.

(6) Total of HD, DL (including "career rotation"), Dai-ichi Life Techno Cross, Dai-ichi Life Business Services and Dai-ichi Life Challenged as of June 1.

(7) As of the end of Mar., total of HD and 3 domestic companies. Calculated in accordance with the calculation standard for the ratio of employees taking childcare leave, etc. required to be announced under the revised Child Care and Family Care Leave Law (effective Apr. 2023) (if the result exceeds 100%, it is indicated as 100%).



[Governance] Organizational Structure of Board of Directors

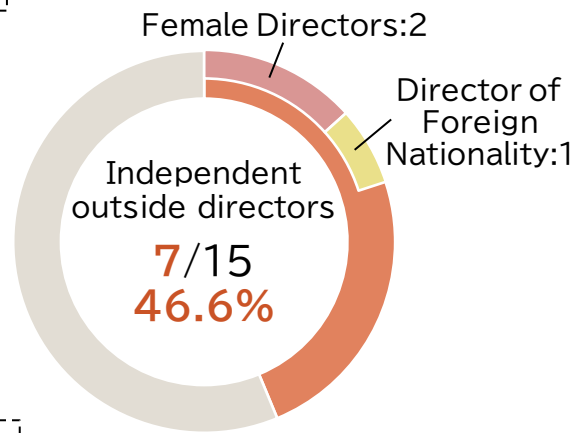
- ▶ A well-balanced Board of Directors (“BoD”) consisting of internal directors with expertise in the insurance business and outside directors with a variety of experience and knowledge
- ▶ Audit & Supervisory Committee system implemented to further strengthen supervisory function, and supervising subsidiaries which are becoming diverse and complex
- ▶ Voluntary advisory boards established (nominations and remuneration) with a majority of outside directors to ensure management transparency and objectivity

Board of Directors

Chairperson:
Director and Chair of the Board
(Non-executive director)

21 meetings held in FY2023

- Core deliberation topics
 - Formulation of the new MTP
 - Implementation status of the MTP
 - Status of development and operation of internal control systems (internal audits, risk management, compliance, and handling of antisocial forces, etc.)
 - Status of response to the Management Quality Renewal Project at a subsidiary
 - Details of deliberation at the Nominations / Remuneration Advisory Committees
 - Verification of validity concerning alliances and acquisitions

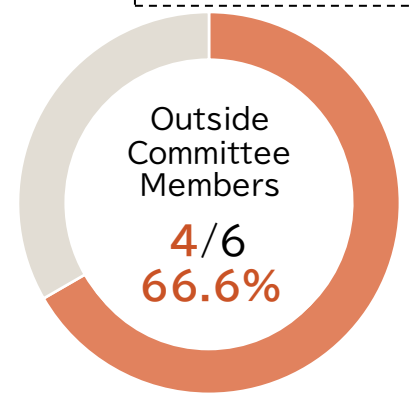


Nominations Advisory Committee

Chairperson:
Independent Outside Director

8 meetings held in FY2023

- Core deliberation topics
 - Candidates for directors (Proposal)
 - Succession planning for directors and others

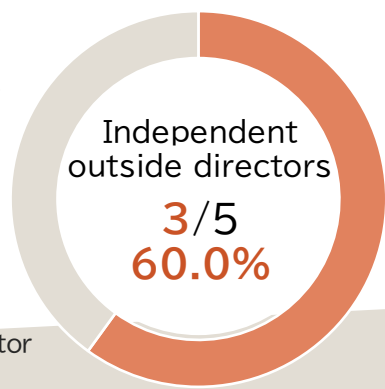


Audit & Supervisory Committee

Chairperson:
Independent Outside Director

26 meetings held in FY2023

- Core deliberation topics
 - Group governance initiatives as well as the adequacy and effectiveness of business management and internal control systems
 - Implementation status of the MTP as well as the adequacy and effectiveness of countermeasures against key management issues
 - Consideration status of the new MTP as well as adequacy of the process and contents of its formulation
 - Formation of opinions with regard to the appointment and remuneration of directors, etc.
 - Internal audit matters in cooperation with the Internal Audit Dept.
 - Accounting audit matters in cooperation with the independent auditor

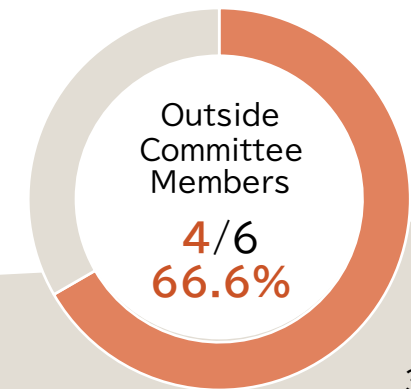


Remuneration Advisory Committee

Chairperson:
Independent Outside Director

10 meetings held in FY2023

- Core deliberation topics
 - Matters relating to the evaluation of individual officers and the amount of their remuneration
 - Allotment of restricted stocks
 - Matters concerning the operation of the remuneration system for directors and executive officers





[Governance] Director skill matrix

- ▶ To perform its supervisory role as a holdings company and properly carry out its MTP, we set forth the skill set and experience required of its directors as follows
- Items (1)–(7): skill set and experience required of directors of an insurance holding company in view of the peculiar nature of the life insurance business
 - Items (8)–(11): skill set and experience relevant to important business strategies and management issues that lie ahead in view of the MTP

Director skill matrix

※ List of (expected) directors after the Annual General Meeting of Shareholders on June 24, 2024

Name	Title	(1) Corporate Management	(2) Global	(3) Insurance Business	(4) Finance / Asset Managem ent	(5) Capital Policy/ Financial Accounting	(6) Legal Affairs / Compliance	(7) Risk Managem ent	(8) IT / Digital / DX	(9) M&A / New Business	(10) Sustainability	(11) Human Resources Management
Seiji Inagaki	Director, Chair of the Board	✓	✓	✓	✓	✓		✓		✓	✓	✓
Tetsuya Kikuta	Representative Director and President CEO	✓	✓	✓	✓	✓		✓		✓	✓	✓
Hitoshi Yamaguchi	Representative Director and Senior Managing Executive Officer Group Head, International Life Insurance Business	✓	✓	✓		✓				✓		✓
Hidehiko Sogano	Director and Managing Executive Officer CSuO	✓	✓	✓	✓						✓	✓
Takako Kitahori	Director and Managing Executive Officer CCXO (Japan)	✓		✓				✓				
Toshiaki Sumino	Director	✓	✓	✓		✓	✓	✓		✓	✓	✓
Yuriko Inoue	Outside Director						✓	✓			✓	
Yasushi Shingai	Outside Director	✓	✓			✓	✓	✓		✓	✓	✓
Bruce Miller	Outside Director		✓	✓			✓	✓			✓	✓
Ichiro Ishii	Outside Director	✓	✓	✓						✓		✓
Takahiro Shibagaki	Director (Audit & Supervisory Committee Member (Full time))	✓		✓								
Kenji Yamakoshi	Director (Audit & Supervisory Committee Member (Full time))		✓		✓	✓						✓
Rieko Sato	Outside Director (Audit & Supervisory Committee Member)						✓	✓				
Koichi Masuda	Outside Director (Audit & Supervisory Committee Member)	✓				✓						
Satoshi Nagase	Outside Director (Audit & Supervisory Committee Member)	✓	✓	✓	✓	✓		✓				✓



[Governance] Initiatives for Improving the Effectiveness of the Board of Directors

- ▶ For further strengthening of corporate governance, we have been conducting annual self assessments regarding the effectiveness of the BoD since FY2014 to ensure the validity of decision-making by the BoD
- ▶ In FY2023, questionnaires and interviews with all directors were conducted by a third-party organization. Based on the evaluation, future tasks, and proposed direction of action, improvement measures were implemented
- ▶ In addition, as a peer review of directors, individual interviews were conducted with each director by a third-party organization.

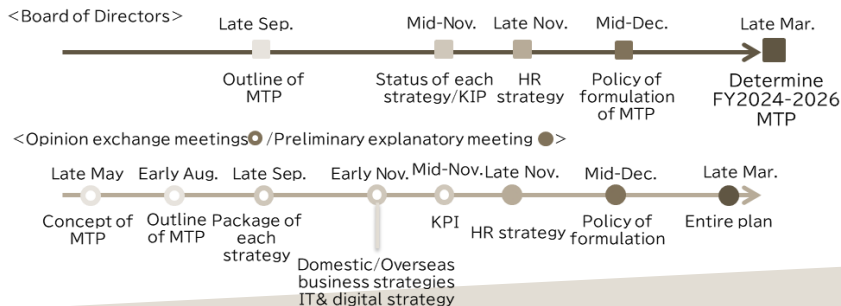
FY2023	
Targets	Measures for improvement
(1) Enhance group governance system	<ul style="list-style-type: none"> Share awareness of significant issues for the group governance and deepen discussions on management indicators that should be monitored as a board of a holdings company, which will be reflected in formulation of the next MTP
(2) Deliberation and initiatives as to an ideal shape of the BoD in the pursuit of increased corporate value	<ul style="list-style-type: none"> Share awareness periodically among directors as to themes requiring discussions Clarify points in question in strategic discussions to utilize expertise of outside directors and provide information and prepare materials conducive to active discussions Continue offering opportunities for outside directors to deepen understanding of our business through offsite meetings and other occasions Provide more opportunities for communications between outside directors and executive officers

FY2024	
Targets	Measures for improvement
(1) Enhance Group governance system	<ul style="list-style-type: none"> Enhance reporting by CxOs and Group Heads Enhance reporting on business strategies of operating companies in overseas and non-insurance areas
(2) Enhance Group strategy discussions	<ul style="list-style-type: none"> Discuss on the Group-based resource allocation and the medium to long term business portfolio using off-site meetings, etc.
(3) Further strengthen the function of the BoD secretariat	<ul style="list-style-type: none"> Strengthen feedback from the Board of Directors Office to each department from the viewpoint of setting appropriate agendas and stabilizing the quality of explanatory materials Improve the model of summary materials used for explanations to clarify the issues of a proposal Earlier timing of providing materials to directors to allow time for them to understand the content of the agenda in advance, to enhance discussions

[Examples of specific improvement initiatives for FY2023]

(1) Enhance group governance system

- Further consolidation on how to apply HD' s governance to the operating companies as a group governance issue.
- In order to set KPIs for the new MTP that are appropriate as management indicators to be monitored by HD, discussions were held on setting indicators to realize adjusted ROE > cost of capital, and on changing definitions, etc., in anticipation of the introduction of new economic value-based regulations at the end of fiscal 2025.
- For the agenda related to the new MTP, effective deliberation process was realized by providing enough time for discussion during the year through the use of opinion exchange meetings and preliminary explanatory meetings.



(2) Deliberation and initiatives as to an ideal shape of the BoD in the pursuit of increasing corporate value

- Share recognition of themes to be discussed
 - At the first meeting of the BoD in FY2023, the Chairperson shared the policy of emphasizing strategic discussions, appropriate risk-taking, and highly effective supervision of execution during the year.
 - The annual schedule of agenda was established to achieve an effective schedule and discussion content backcast from the status expected at the end of FY2023.
 - The BoD agreed to update or reschedule the agenda as necessary depending on the progress of discussions and changes in circumstances, as appropriate.
- Clarification of issues in materials
 - Provided a model for summary materials to fulfill the elements that contribute to activating discussion.
 - The Board of Directors Office conducted a preliminary review of the materials and provided feedback for further clarification of issues as necessary.
- Outside directors' fostered understanding on the Group businesses and further enhanced communication opportunities
 - Through dialogue between outside directors and executive officers and inspection of business sites, deepened mutual understanding of our issues and direction to be pursued, and strengthen the foundation for discussions on the formulation of the medium-term management plan, etc.

(3) Other initiatives to improve the effectiveness of the BoD

- Flexibly provided opportunities for discussion to encourage proactive risk-taking by the execution, including acquisitions, and fully exercised the functions of the BoD (6 extraordinary meetings of the BoD and 3 extraordinary meetings for exchange of opinions)

[Governance] Officer Remuneration Structure

- ▶ Remuneration for directors (excluding outside directors) consists of Basic amount, amount linked to single-year performance and stock remuneration (restricted stock amount and performance-linked stock remuneration) to function as a sound incentive for sustainable growth.

Remuneration Structure

	Directors (excluding directors serving as Audit & Supervisory Committee members)		Directors (Audit & Supervisory Committee members)	Remarks
	Internal	Outside		
Basic amount	○	○	○	Remuneration according to duties and responsibilities
Amount linked to single-year performance	○*	—	—	Linked to the level of KPI achievement for the fiscal year
Restricted stock amount	○	—	—	Set as an incentive to achieve management objectives and share profits with shareholders over the medium to long term
Performance-linked stock remuneration	○*	—	—	Set as an incentive to increase corporate value, linked to achievement of indicators selected based on management goals

* Excludes non-executive directors such as the chair of the board

KPI

(Main KPIs for single-year performance-linked remuneration)

Category	KPI
Accounting profit	Group adjusted profit
Future profit (economic value)	Group value of new business
Soundness (economic value)	Economic Solvency Ratio (ESR)
Free cash	Free cash flow

(Main KPIs for performance-linked stock remuneration)

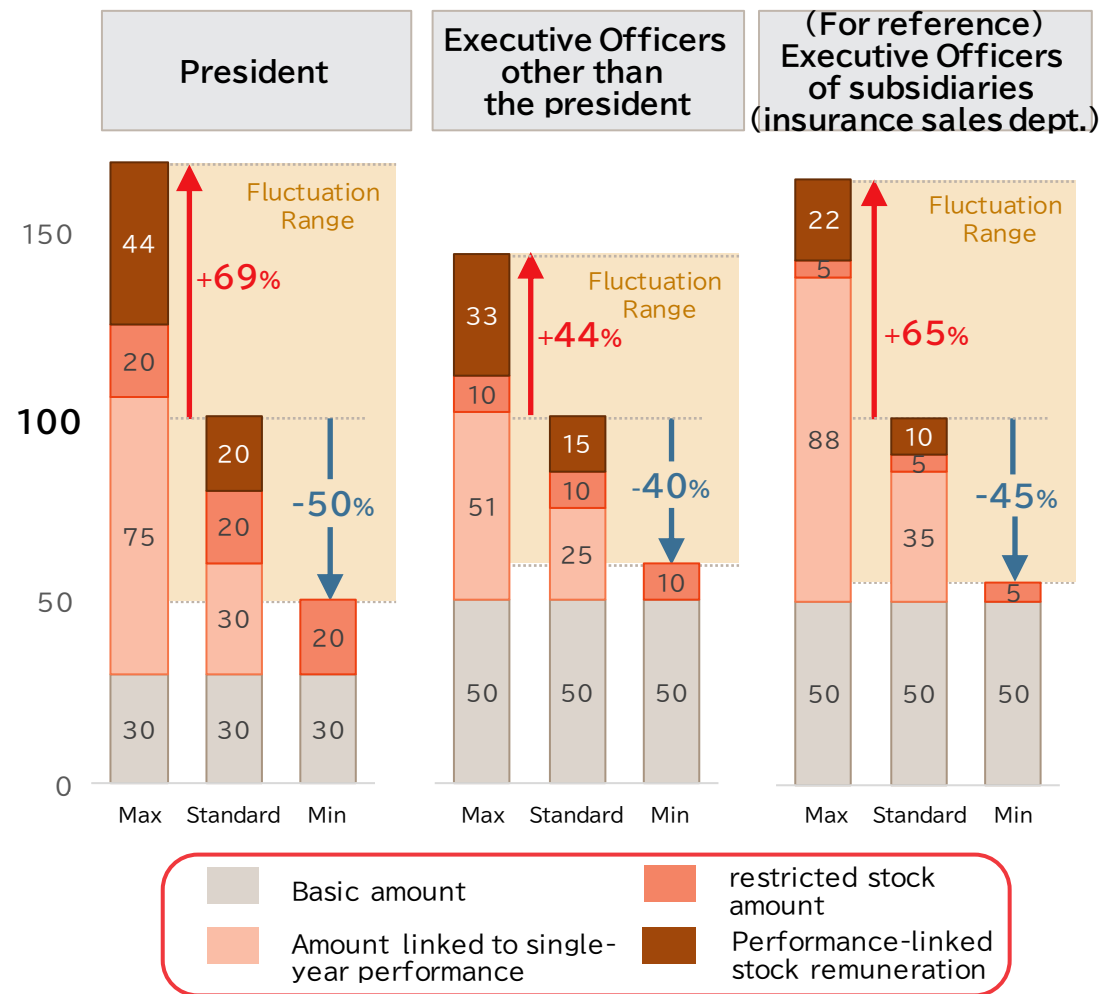
Category	KPI
Market valuation	Relative TSR
Capital efficiency	Group adjusted ROE
Capital efficiency (economic value)	Group ROEV
Sustainability indicators	Set of multiple sustainability indicators including CO2 emissions



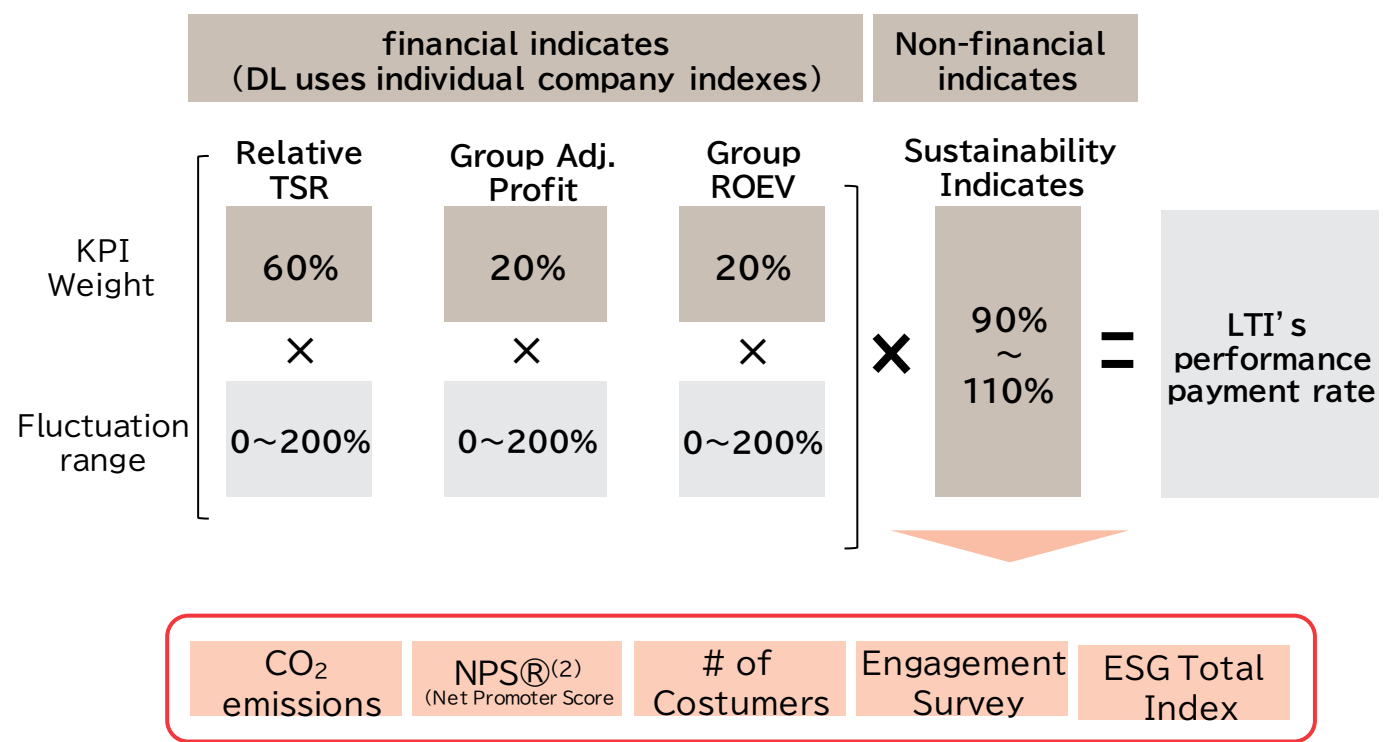
[Governance] Officer Remuneration Structure

(Ref.: Conceptual illustration of executive remuneration)

A value of 100 indicates that the KPI baseline levels were achieved.



(Ref.: Summary of calculation method for performance-linked stock remuneration⁽¹⁾)



(1) Indicators to be referenced in the performance evaluation for FY2024 are currently under consideration.
 (2) NPS® is a registered trademark of Bain & Company, Fred Reichheld, and SatMetrix Systems

Group Company Name Abbreviation

Domestic Insurance Business

DL	Dai-ichi Life
DFL	Dai-ichi Frontier Life
NFL	Neo First Life
ipet	ipet Holdings
AMOne	Asset Management One
VTX	Vertex Investment Solutions

Overseas Insurance Business

PLC	Protective Life Corporation	SUD	Star Union Dai-ichi Life Insurance Company
TAL	TAL Dai-ichi Life Australia	PDL	PT Panin Dai-ichi Life
PNZ	Partners Group Holdings	OLI	OCEAN LIFE INSURANCE PUBLIC COMPANY
DLVN	Dai-ichi Life Insurance Company of Vietnam	DLRe	Dai-ichi Life Reinsurance Bermuda
DLKH	Dai-ichi Life Insurance (Cambodia)		
DLMM	Dai-ichi Life Insurance Myanmar		

Investor Contact

Dai-ichi Life Holdings, Inc.
Investor Relations Group
Corporate Planning Unit

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