

Customer Service Innovation Project (Business Improvement Plan)
Progress Report

Nippon Life (President: Kunie Okamoto) today submitted to the Japanese Financial Services Agency ("FSA") the fourth progress report for its Business Improvement Plan, which started from August 25, 2006 ("Customer Service Innovation Project").

It has been one year since Nippon Life commenced its Business Improvement Plan. Including measures for the February 1, 2007 report from the FSA, the Business Improvement Plan is proceeding according to the original schedule. The following pages show the main details of this progress.

1. Improvement of customer handling regarding claim and benefit settlement

- Nippon Life established a Claims-related Services Department to plan and promote improvement of services for handling customers' payment requests. This department confirms the possibility of payment in addition to the customers' requests and provides customer guidance. (July 1, 2007)
- Nippon Life is implementing a nationwide expansion of the "Request System," established in October 25, 2006, and the Cancellation Complaint Call Center, which serves as an advance response, to include not only policy cancellation cases, but also insufficient payment of claims and benefits. (August 27, 2007)

2. Measures for preventing failure to request full payment

(1) Improvement of customer notifications to prevent failure to request full payment

① "Hospital visit benefit guidance" pamphlet

- To accurately advise customers regarding the possibility of hospital visit benefit payout, Nippon Life is enclosing a pamphlet entitled "Hospital visit benefit guidance" with payment details for policies with a hospital visit rider. (July 2007)

②Information booklet “Nissay 2007”

- In the information booklet entitled “Nissay 2007,” Nippon Life has added content to promote understanding of policy details and guidance on requesting full payment. Nippon Life has delivered this booklet to all policyholders. (August 9, 2007)

(2) Improvement of visits to deepen understanding of policy details

- To deepen customers’ understanding of policies and payment requests, Nippon Life is carrying out “policy details confirmation activities” through visits to all policyholders by about 50,000 sales representatives throughout Japan.
- During customer visits, Nippon Life explains claim and benefit payment reasons and amounts according to policy details as well as various procedures, and confirms if there have been any hospitalizations, hospital visits, or surgeries within a year that warrant payment.

(Full-scale implementation from August 2007)

3. Measures to raise standard of service by sales representatives

①Introduction of “e-Planning System”

- To improve training and insurance knowledge by providing feedback on sales representatives’ strengths and weaknesses and by following up on training advice, Nippon Life introduced the “e-Planning System.”
- ※ Currently, this system is being used for Tokyo metropolitan area sales representatives. By accumulating knowledge and experience, Nippon Life is proceeding toward nationwide implementation. (July 19, 2007)

②Establishment of “Administrative Support Call Center”

- Nippon Life established an “Administrative Support Call Center” to actualize a speedy response to urgent inquiries on policy maintenance

and additional policy enrollment from sales representatives who handle the core of after-sales service.

※Currently, this call center is being used for some metropolitan area sales representatives. By accumulating knowledge and experience, Nippon Life is proceeding toward nationwide implementation.
(August 20, 2007)

4. Improvement of business management (governance)

①Promoting activity of the Meeting of Representatives by increasing the number of representatives

- Our articles of incorporation stipulate that the number of representatives in the Meeting of Representatives will be increased from 160 to 180 by 2009, but with the latest amendment, this number has been raised by an additional 20 to total 200. Through this measure, we will further promote activity of the Meeting of Representatives, and further reflect a wide range of policyholder opinions in management.
(July 3, 2007)

②Improved structure of the Operations Oversight Committee

- To improve the structure of its internal auditing, Nippon Life appointed the following two persons to its Operations Oversight Committee as an addition to the other members comprised of all outside directors, 3 policyholders from outside the company, and the member of the Board in charge of the Auditing Department.
 - Mr. Akito Arima (Chairman, Japan Science Foundation; Director, Musashi University)
 - Ms. Akiko Takahashi (Part-time Lecturer, Tokyo Keizai University)
(July 3, 2007)

③Improvement of audits by auditors

- To further reflect in auditing the wide-ranging insight and practical knowledge of intellectuals, Nippon Life added 1 new auditor from outside the company, thereby changing to a 6-person organization comprised of 4 auditors from outside the company and 2 internal

auditors. (July 3, 2007)

④Reducing the total number of Directors while increasing the number of Directors from outside the Company

- From the perspective of expediting operations and clarifying responsibilities, Nippon Life introduced an Executive Officer System, and reduced the total number of Directors from 28 to 17, and amended the “number of Directors” stipulated in the articles of incorporation from 36 to 25.
- While reducing the total number of Directors, Nippon Life increased the number of Directors from outside the company from 1 to 3 members. This measure will strengthen the Board’s check-and-balance, and promote further reflection of objective opinions from the customer viewpoint in management. (July 3, 2007)