

Customer Service Innovation Project (Business Improvement Plan)

Progress Report

Nippon Life (President: Kunie Okamoto) today submitted to the Japanese Financial Services Agency (“FSA”) the second progress report for its Business Improvement Plan dated August 1, 2008 (“Customer Service Innovation Project”). The main content of that report is as follows.

We confirm that measures in our Business Improvement Plan for governance, internal audit system, and payment management are proceeding steadily. Especially in regard to payment management, as a result of comprehensively verifying each concrete measure to prevent insufficient claim payment, we have re-confirmed that those measures have been effective for all areas possible to verify at present.

Nippon Life will strive to implement precise and timely improvements, in order to receive the true confidence of customers.

1. Improvement and reinforcement of governance system

○Improvement of effectiveness verification by Board of Directors

- Our management team is unified in taking initiative to prevent insufficient claim and benefit payments. To confirm the improvement of the payment management, since August 2008 the Board of Directors has regularly discussed progress of “Policy Details Confirmation Activities” and sales of “Comprehensive Medical Rider,” thereby improving the effectiveness verification of preventative measures.

2. Improvement and reinforcement of internal audit system

○Reinforcement of verification of implementation status and effectiveness of recurrence prevention measures

- In August 2008, we established a “Recurrence Prevention Measure Verification Team” within our Auditing Department, which improves audits such as strengthening selective inspections, and verifies the implementation status and effectiveness of measures to prevent recurrence of insufficient claim/benefit

payments. Also, by having the members of the Auditing Office also serve as members of the Recurrence Prevention Measure Verification Team, our auditors can confirm how the Team functions are being carried out.

3. Necessary review and improvement of measures to prevent recurrence of insufficient claim payment

① Release of “Comprehensive Medical Rider” and “Comprehensive Medical Insurance (My Medical)”

- For hospitalization and surgery costs, from October 2008 we began selling “Comprehensive Medical Rider,” which combines the functions of six medical riders into one, and provides wide-ranging coverage for hospitalization and surgery costs, as well as necessary hospital visit cost before and after that hospitalization and surgery.
- In addition, we changed our existing medical insurance called “*Iryo Meijin*” to make it eligible for the same payment reasons as our “Comprehensive Medical Rider,” and began selling it as “Comprehensive Medical Insurance (My Medical).”
【from April 2009】
- As of the end of June 2009, we have seen support of these products by many customers, with about 1,570,000 policies and riders signed.

② Ongoing implementation and improvement of “Policy Details Confirmation Activities”

- Through our “Policy Details Confirmation Activities,” that are visiting policyholders at least once per year, to explain policy details, to confirm history of hospitalization, hospital visits, and surgeries, as well as applicability of reasons for payment of benefits, we were able to visit about 7,200,000 policyholders in fiscal year 2008, and 2,720,000 policyholders by the end of June in fiscal year 2009. We will continue to implement and improve these activities as a universal service, such as guidance for the details of our “Comprehensive Medical Rider” and “Comprehensive Medical Insurance (My Medical).”

③ Start of new service called “Zutto Motto Service”

- During the “Policy Details Confirmation Activities,” we have heard some customers comment that “my understanding of insurance has become deeper,” while others

- said “I don’t know what insurance matches my life stage.” As a service to respond to that “customer voice,” we will launch a new service called “*Zutto Motto Service*.”
- “*Zutto Motto Service*” allows customers to accumulate points by periodically confirming policy details and updating their information through “Policy Details Confirmation Activities.” Nippon Life aims to actualize thorough after-sales service until payout of benefits, by receiving cooperation of customers to create “optimum insurance.” 【from April 2010】

④Establishment of “Customer Service Headquarters”

- To build an administrative system that actualizes more consistent services for customers at all stages from enrollment until benefit payout, in fiscal year 2009, we established a “Customer Service Headquarters,” which ties together the organizations of administration, IT system, and customer service sectors.

【dated March 25, 2009】