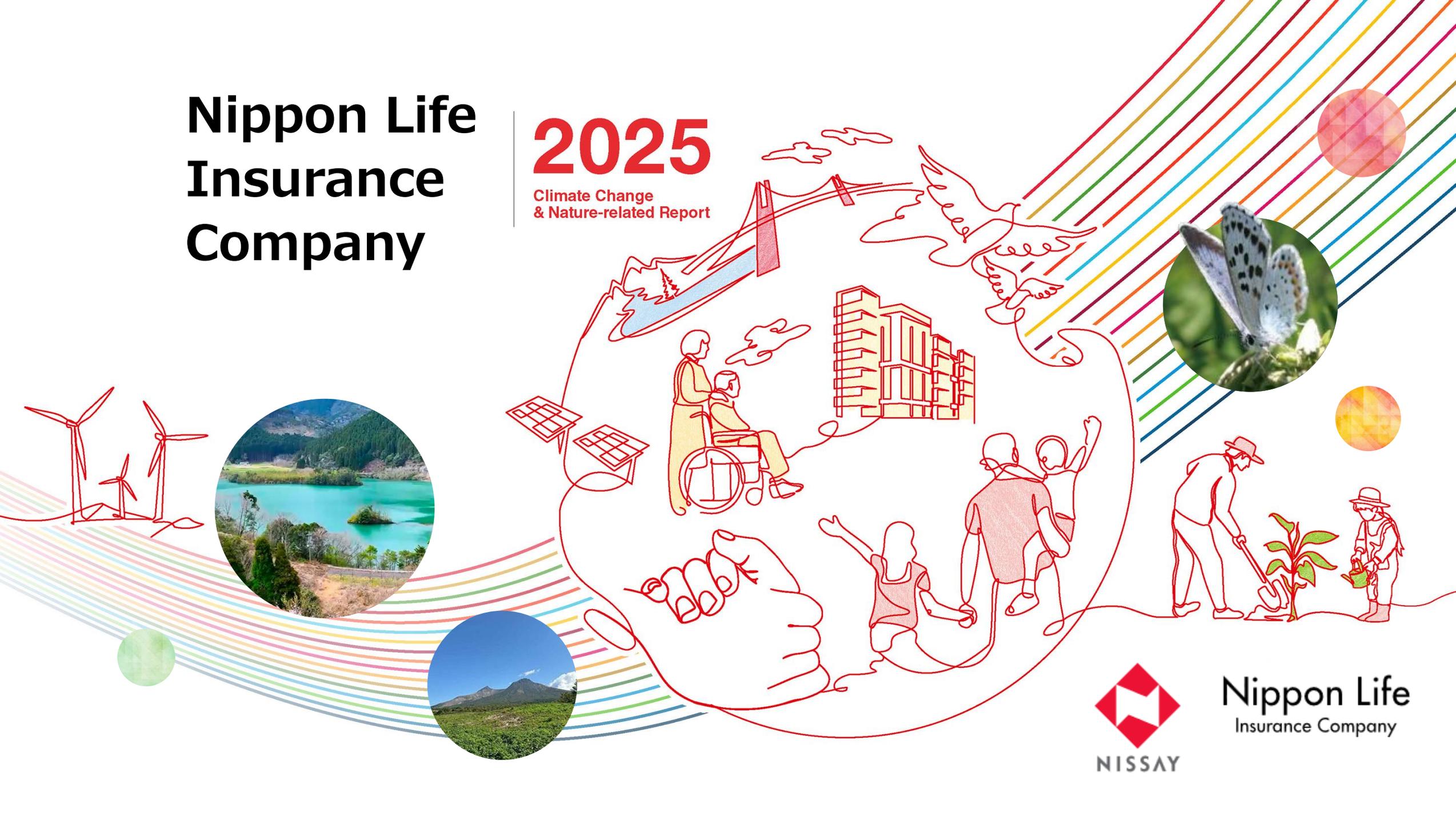


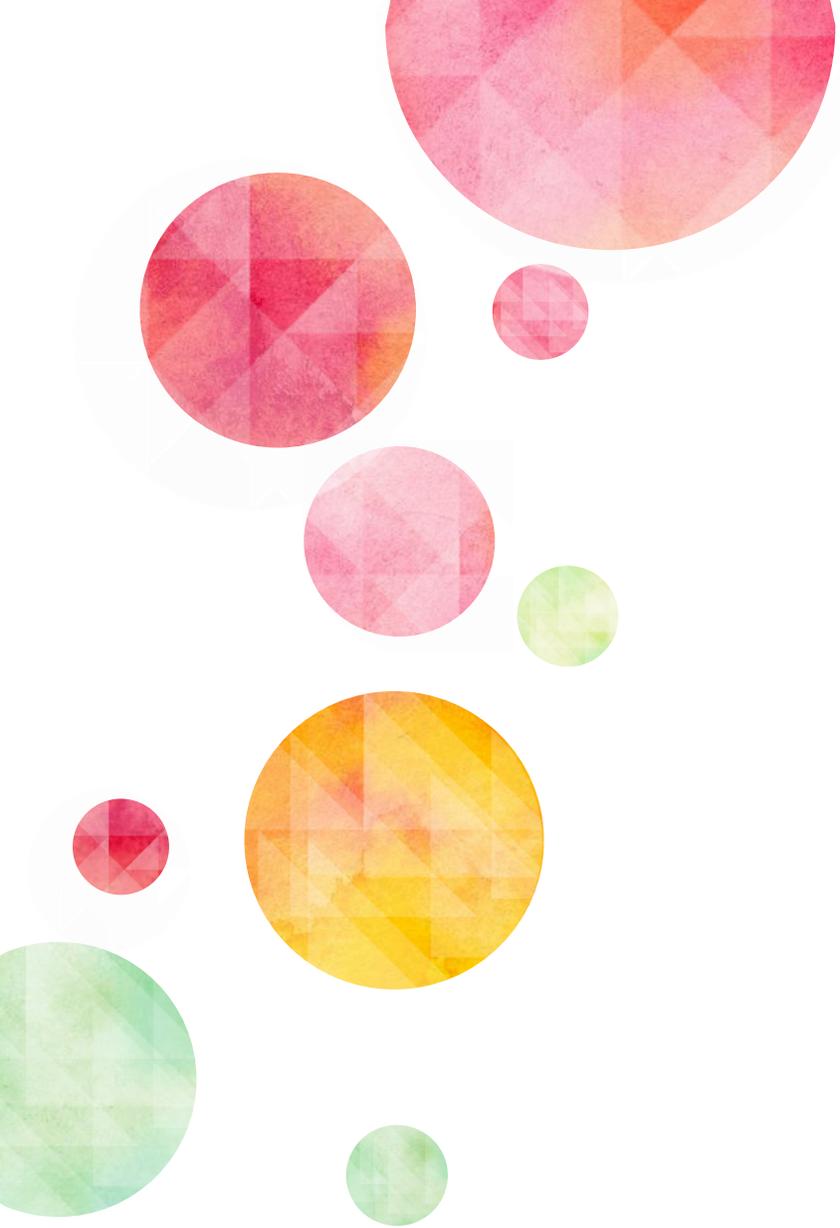
Nippon Life Insurance Company

2025

Climate Change
& Nature-related Report



Nippon Life
Insurance Company



President’s Message

		Related Items	
		TCFD	TNFD
I	Introduction	5	
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As a life insurance company providing long-term security, we will tackle global environmental challenges

Sustainability Management of Nippon Life Group

Our group is committed to realizing “a society where everyone can continue to live with peace of mind” through better sustainability management, as well as to driving initiatives to solve social challenges across three areas of "People," "Community," and "Global Environment."

We have established a long-term vision of serving as a “provider of multidimensional peace of mind,” offering security across diverse areas around life insurance, including asset management, healthcare, long-term care and childcare. Besides life insurance and services, we will drive activities as a group that deliver diverse forms of peace of mind contributing to solving social challenges.

Starting in April 2025, we adopted the Basic Policy: “Committed to our customers. Doing more for the community and society.” By better driving sustainability management directly linked to addressing local and social challenges than ever before, we will contribute to building a society where each individual “takes ownership” of those challenges and better grows for local development together with local residents.

Thriving “communities” need a base for people to live fulfilling lives, which can only be built upon a sustainable “global environment.” In other words, all three areas are interconnected. We believe that our efforts to preserve a diverse global environment play a critical role from a sustainability perspective.

Nippon Life's Perspective on Climate Change and Nature

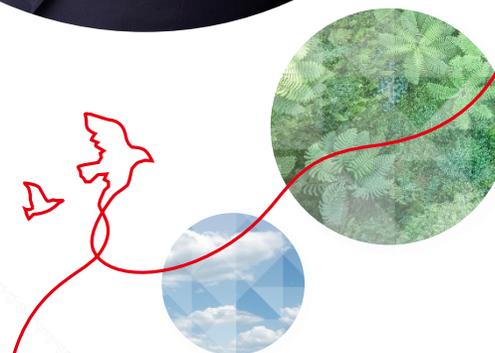
Tackling global environmental challenges — including natural disasters and climate change issues caused by global warming, as well as the conservation of biodiversity — has become an urgent priority for all humanity and businesses. While the concept of ‘Planetary Boundaries’ defines a set of critical environmental limits within which human activities can safely operate on Earth, it is concluded that seven of the nine limits to maintain the sustainability of the Earth’s environment have already been surpassed.

As a life insurance company offering peace of mind and as a responsible institutional investor, we have proactively addressed these global challenges. Based on our ‘Environmental Charter’ established in 2001, we recognize that efforts to protect the global environment are the priority agenda for all human beings and businesses. We strive to act in an environmentally-friendly manner in all areas of our business activities and conduct initiatives with an aim to protect our irreplaceable global environment, passing it on to next generation.

Also, given the impacts of global environmental changes — such as global warming and biodiversity loss — on human health and societal sustainability, we are conducting initiatives which integrate the drive of both ‘global environmental health’ and ‘human health,’ guided by the concept of ‘Planetary Health,’ seeking sustainability of both. Through these ongoing efforts, we are committed to comprehensively working for better well-being of both people and the global environment.



Satoshi Asahi
President



Our Initiatives in Investment Activities

To address climate change issues, as a responsible institutional investor, we believe it essential to set our own CO2 reduction targets as well as to demonstrate a journey toward achieving net-zero society and to support specific course of actions. For example, in June 2024, we developed and published the 'Nippon Life Transition Finance Framework,' including a framework to support transition finance — a funding mechanism enabling high-emitting sector companies to achieve phased GHG reductions.

Given that 'Nature Positive' initiatives aimed to conserve, restore and regenerate natural capital are challenging areas to transform them into specific operational activities, we recognize the need for industries and financial services sector to steadily make progress. Then we published the 'Nature Finance Approach' in August 2025, a framework based on the concept of planetary boundaries, to measure and evaluate corporate initiatives toward Nature Positive.

Through such frameworks for climate change, natural capital, and biodiversity conservation, as well as engagement with our stakeholders, we are committed to contributing as a responsible institutional investor to solving societal challenges including the transition to net-zero, from an investment and financing perspective.

Our Initiatives in Own Operations

To achieve net-zero CO2 emissions from our own operations by 2050, we have set intermediate targets for FY2030, 2035, and 2040 aligned with the Japanese government's reduction targets. We have continued steady efforts to reduce CO2 emissions primarily associated with the use of automobiles, electricity and paper.

For biodiversity, we believe it crucial to understand the natural environment and ecosystems in the relevant regions and work together with the communities to protect them. Our initiatives to collaborate with local governments and organizations engaged in protecting the environment include, among other things, cleanup activities, restoring damaged wetlands, protecting endangered species, and removing invasive species.

In view of protecting the natural environment, we have been also participating in activities including 'Forest Creation Projects' and 'Projects to Foster Forest Lovers' through the Nissay Green Foundation. I personally joined

the tree-growing activities at "Nissay Fuji Forest." While the starting point of this project was to 'plant and source the paper we use by ourselves', it has been steadily and diligently carried forward for over 30 years. This experience impressed me to take over the mindset of our predecessors who started activities for global environmental protection through sustainable ways and to pass it on to the next generation.



Growing trees in the Nissay Fuji Forest
(President Asahi)

Our Pledged Commitment on Climate Change and Nature

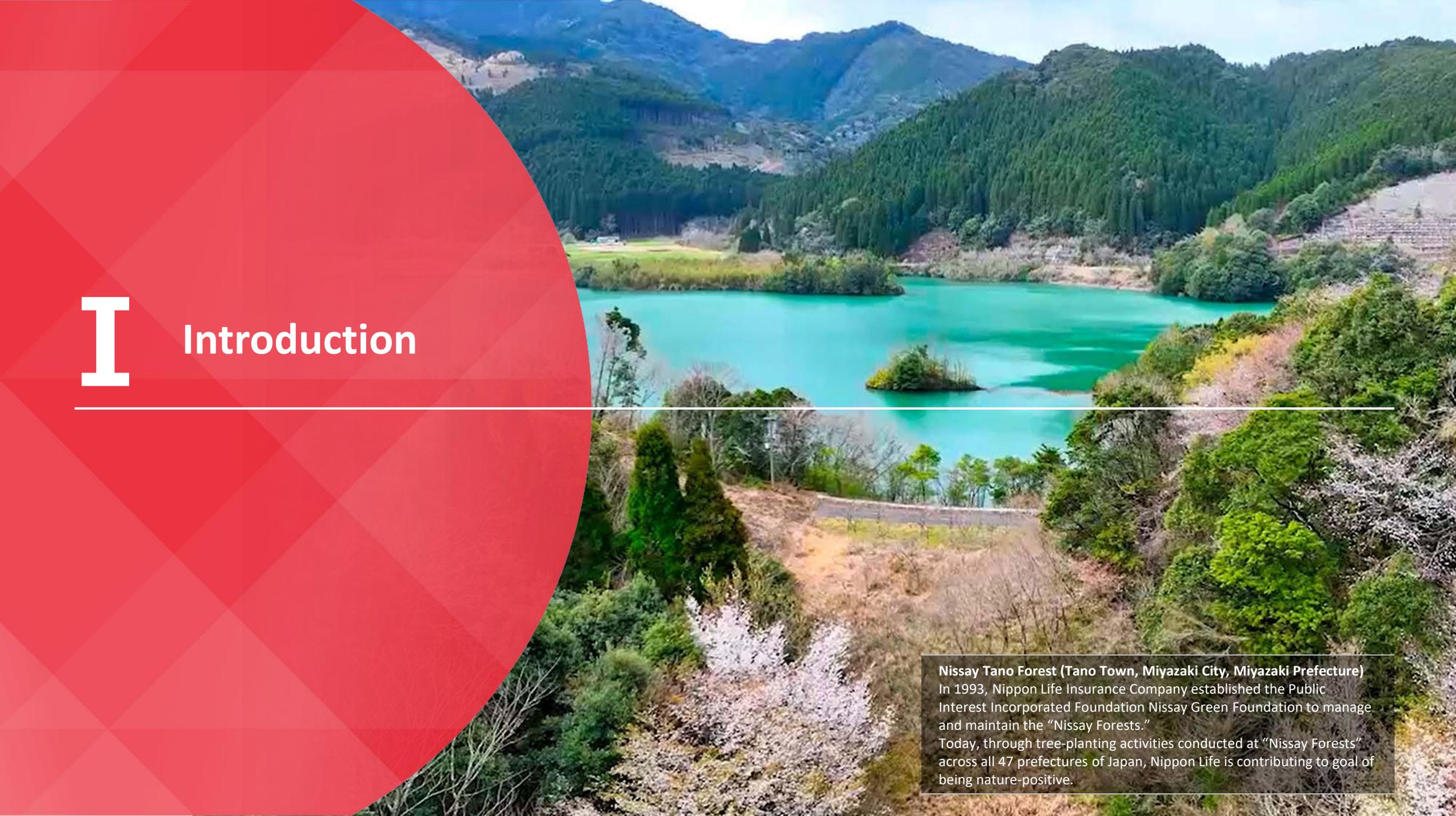
Life insurance is a product offering reassurance and peace of mind to customers over time. To ensure that the society and planet where people live remain resilient and prosperous for the next 100 or 200 years consecutively, our group is committed to sincerely engaging with customers and society, striving to realize "a society where everyone can live with peace of mind."

"Enhance Today for Your Future" is our corporate message, reflecting our purpose and commitment to engaging with customers and society of 'Today' and to continue delivering reassurance and peace of mind for 'Future.'

Action taken 'Today' will create this 'Future.' We believe that we are characterized by our strong ties with "communities," and we are well-known as an institutional investor. Through all of our corporate activities, we will continue to pass on the irreplaceable earth to the future.

Satoshi Asahi

President



I Introduction

Nissay Tano Forest (Tano Town, Miyazaki City, Miyazaki Prefecture)
In 1993, Nippon Life Insurance Company established the Public Interest Incorporated Foundation Nissay Green Foundation to manage and maintain the “Nissay Forests.”
Today, through tree-planting activities conducted at “Nissay Forests” across all 47 prefectures of Japan, Nippon Life is contributing to goal of being nature-positive.

I

Introduction

1 Sustainability Priority Issues

We position sustainability management at the core of our Group's business and strive to improve sustainability with a focus on the three core areas of "People", "Community" and "Environment"

We have defined five sustainability priority issues together with four management foundation that supports them, and are working to address social challenges while engaging in the life insurance business.

In the sustainability priority issue of "Passing on the indispensable Earth to the future," we are taking actions to protect the environment based on three focus areas to support creating environmental conditions that enable everyone to lead their lives with peace of mind.

Sustainability Priority Issues

- 1 Providing reassurance and security for life
- 2 Supporting future generations to be filled with hope
- 3 Respecting DE&I and human rights

- 4 Supporting to create vibrant local communities

5 Passing on the indispensable Earth to the future

Mainly



We are taking action based on these 3 focus issues.



Management foundation supporting the above

Human capital	Compliance	Risk Management	Corporate governance
---------------	------------	-----------------	----------------------

2 Sustainability Statement

We aim to create a society in which everyone can live their lives with a peace of mind through sustainability management.

Our Group has finalized and issued a Sustainability Statement that declares the society we aim to achieve through sustainability management, as well as our commitment and actions toward its realization.

We aim to create a society in which everyone can live their lives with a peace of mind through improving sustainability in the areas of People, Community and the Environment. With this in mind, we will continue to stay by the side of our customers and the wider society.

Enhance Today for Your Future —Creating a Society in Which Everyone Can Live Their Lives with a Peace of Mind—

In the 100-year life era,
Nippon Life Group is committed to supporting people's dreams
and aspirations while addressing their concerns.
We strive to improve sustainability for People, for Community and for
the Environment so that all individuals can live their lives with a peace of mind.

People

Nippon Life offers comprehensive solutions to address various risks through life insurance products and payment of claims and benefits. We are a committed partner at all stages of life, providing support for raising children and young adults, healthcare, asset accumulation, nursing care and more.

Community

As a member of the regional community, Nippon Life actively engages in efforts to help solve local challenges and contributes to creating vibrant, thriving communities.

Environment

As a responsible institutional investor, Nippon Life contributes to solving societal challenges such as climate change and helps build conditions for global environmental health.

Enhance today for your future.
Nippon Life Group will be by your side.

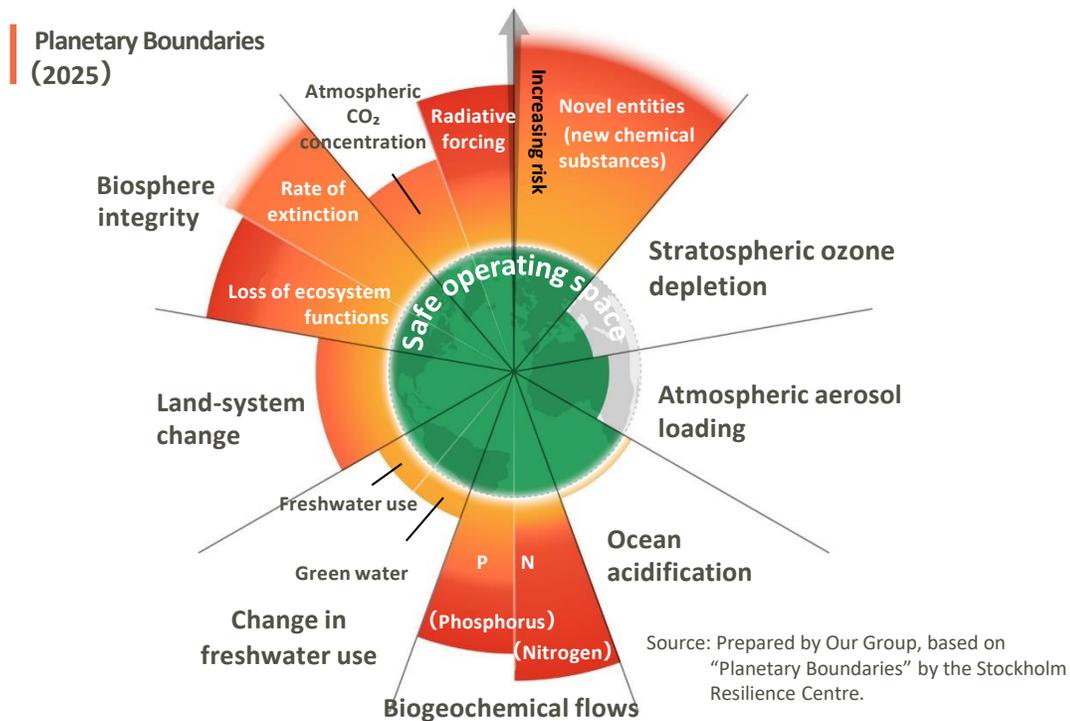
I

Introduction

3 Our View on Global Environment

We recognize that the global environment is currently in a highly unstable state and that the sustainability of the planet is being significantly undermined.

Under the planetary boundaries framework, multiple limits have already been breached. Since the Industrial Revolution, the global average temperature has risen by approximately 1.5°C, and extreme weather events are occurring more frequently world-wide. Biodiversity is rapidly declining, and conditions are now developing that have been described as the sixth mass extinction.



We regard the maintenance of a sustainable global environment as our highest priority and will take necessary actions as a Group.

Reduce environmental impacts arising from business activities

- Aim to achieve net-zero CO₂ emissions.
- Aim to promote nature-positive business operations.

Implement responsible investment and financing

- Aim to achieve net-zero GHG emissions across our entire portfolio.
- We will strive to promote investment and financing that consider biodiversity.

To pass on the irreplaceable global environment to future generations, we will tackle environmental challenges.

4 Global Environment and Human Health from a Planetary Health Perspective

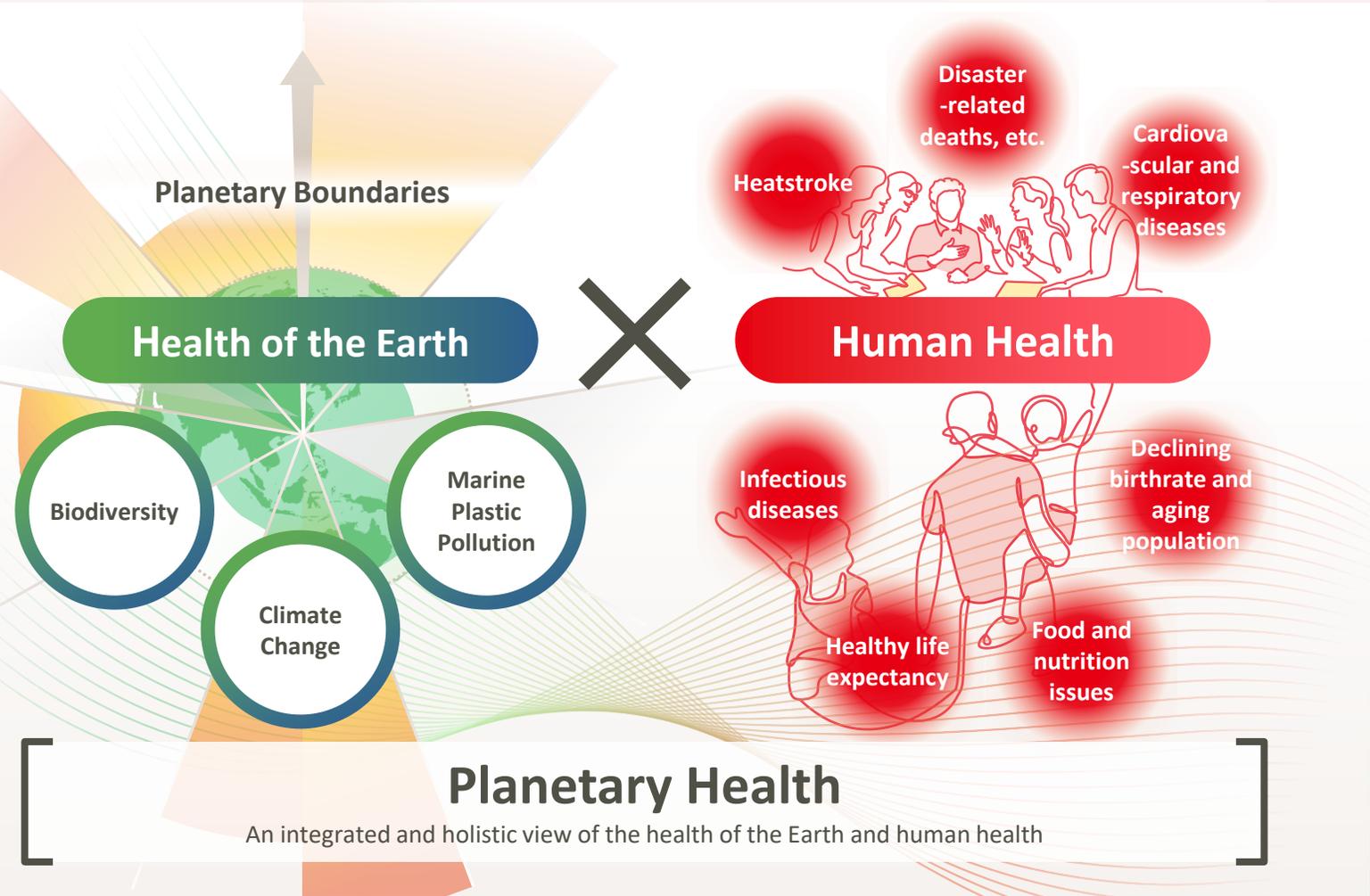
— Nippon Life's Basic Approach to Addressing Environmental Issues

"Planetary Health" is an approach that considers the health of the Earth, human well-being, and associated social issues in an integrated and holistic manner.

Conditions related to planetary boundaries – such as climate change, air pollution, biodiversity loss, and marine plastic pollution- are influencing human health in a complex ways.

At the same time, human activities likewise exert complex influences on the Earth's health.

The planetary health approach recognizes the interlinked nature of these issues and calls for integrated and coordinated responses, rather than treating them as discrete and independent challenges.



I

Introduction

5 Milestones in our Environmental Management

Toward Planetary Health Integrating Climate Change and Biodiversity

Nippon Life has been addressing environmental issues since the 1970s. Today, however, the Earth faces critical challenges that exceeded its thresholds, including climate change and the biodiversity crisis. To pass on a sound environment to future generations, Nippon Life is advancing comprehensive initiatives based on the concept of planetary health.

Nippon Life Initiatives

Launch of environmental research grants by the Nippon Life Foundation
1979

Launch of "Nissay Forests" activities
1992

Establishment of the Environmental Charter
2001

Start of CO₂ emissions measurement (non-consolidated)

Setting of FY2030 CO₂ reduction targets

• Declaration of net-zero CO₂ and GHG emissions by FY2050
• Start of TCFD disclosure

Setting of FY2030 portfolio GHG reduction targets

• Preparation of TCFD and TNFD reports
• Publication of Transition Finance Framework
• CDP A List rating

• Additional CO₂ and GHG mid-term reduction targets for FY2035 and FY2040
• Publication of Nature Finance Approach
• CDP A List rating

Timeline

1970s~2000s

2018

2019

2020

2021

2022

2023

2024

2025

Climate Change

1992 UNFCCC*

1997 Kyoto Protocol

2015 Paris Agreement

Final TCFD Recommendations

Japan Government Net-Zero Declaration

Japan Government 46% Reduction Target

Launch of the GX League

Japan Government Submission of 2035/2040 Targets

Biodiversity

1992 Convention on Biological Diversity (CBD)

2010 Aichi Biodiversity Targets

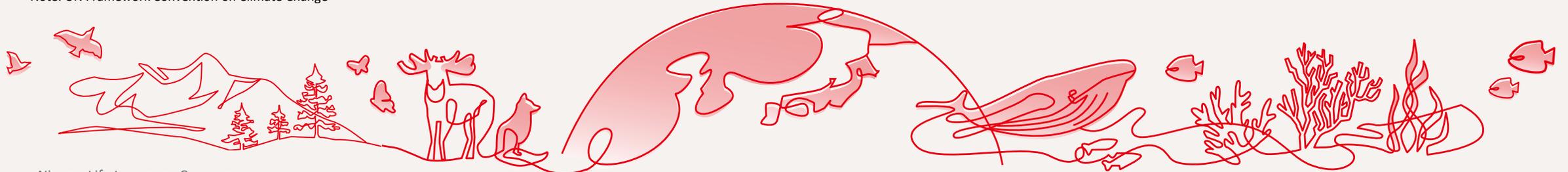
Kunming-Montreal Global Biodiversity Framework

Japan's National Biodiversity Strategy

Nature-positive Economic Transition Strategy

Integrated Initiatives Based on Planetary Health

Note: UN Framework Convention on Climate Change



6 Environmental Charter

We established the Nippon Life Environmental Charter in 2001

The Environmental Charter states that not only Nippon Life but also Nippon Life Group companies and its business partners will take actions while striving to include environmental considerations in all business activities.

We are committed to working to mitigate climate change, realize a circular economy and conserve biodiversity as initiatives that address various environmental challenges.

We will continue to promote environmental initiatives based on our Environmental Charter.

Environmental Charter

I. Fundamental Principles

As a member of the global community, Nippon Life recognizes that preserving the global environment is a top priority for every individual and company. Together with our Group companies and business partners, we will implement environmentally responsible actions in our corporate activities in every field and aim to pass on this irreplaceable global environment for future generations.

II. Action Guidelines

1. Global environmental preservation through all corporate activities

We strive to contribute to preserving the global environment in the development of our all corporate activities.

2. Initiatives for various environmental issues

We strive to reduce the environmental impact of our corporate activities, conserve resources and energy, recycle resources, and promote green procurement, thereby contributing to resolving climate change and realizing a circular economy as well as reducing plastic waste and the preservation of biodiversity.

3. Complying with environmental laws and regulations and preventing pollution

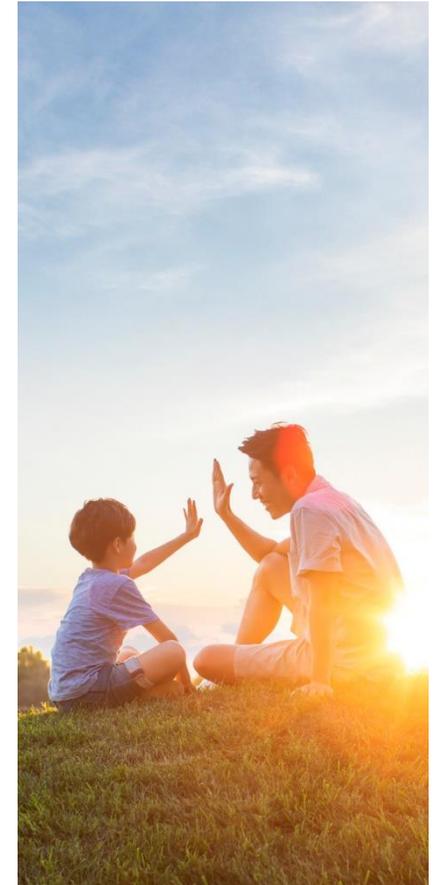
We comply with environmental laws and regulations including environmental agreements, guidelines, and other policies and practices and strive to prevent environmental pollution.

4. Promoting environmental education and social contribution activities

We contribute to the society by promoting environmental preservation activities such as greening, providing intensive training to all executives and employees, thus enhancing awareness on environmental issues.

5. Continuously improve environmental initiatives

We continue to strengthen our initiatives by setting specific goals, taking action, and regularly reviewing results while making necessary adjustments.



I

Introduction

7 Own Operations & Investment Activities

We aim to realize sustainability in both our own operations and investment activities

From the insurance premiums contributed by policyholders, we provide protection through insurance coverage and services, and invest insurance premiums to manage assets in preparation for future payments.

Through our insurance activities, we contribute to customers' security and peace of mind by offering a wide range of products and services across multiple distribution channels, while aiming for regional development through the resolution of social issues and the sustainable growth of our Group.

Through our investment activities, we invest in a wide range of assets in Japan and overseas to secure stable returns. We also pursue responsible investment that takes into account the sustainability of investee companies and society.

Relationship between Nippon Life's own operations and investment activities



Aiming to realize “a society in which everyone can live their lives with peace of mind”

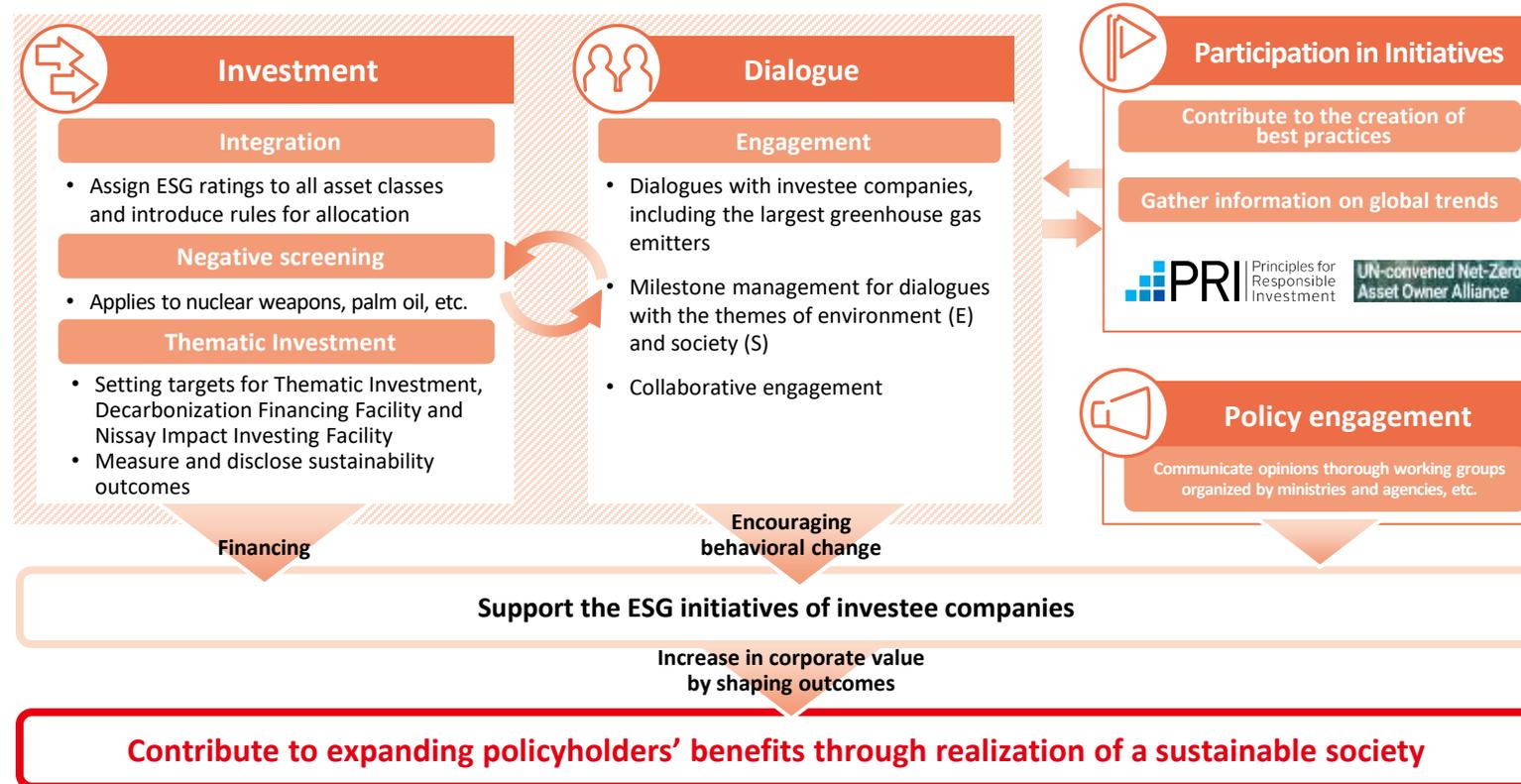
8 Responsible Investment

Through responsible investment, we aim to realize a sustainable society and contribute to expanding policyholder benefits.

By balancing responsible investment through a variety of approaches, we support ESG efforts of investee companies. This in turn leads to an improvement in corporate value by shaping sustainability outcomes.

Regarding the reduction of GHG emissions in our investment portfolio and the provision of finance to address social issues such as decarbonization, we have set specific targets and metrics and are promoting related initiatives.

Investment Activities



Targets set at Nippon Life

GHG emissions reduction in our investment portfolio

Set interim targets for Scope 1 and Scope 2 emissions from domestic and overseas listed equities, domestic and overseas corporate bonds, and real estate. (including equities and corporate bonds invested through mutual funds)	Total emissions	2030	Decrease of 45% or more (vs. FY2010)
		2035	Decrease of 60% or more (vs. FY2013)
		2040	Decrease of 73% or more (vs. FY2013)
	Intensity	2030	Decrease of 49% or more (vs. FY2020)

Providing finance for resolving social issues

Thematic Investment	¥5 trillion (FY2017–FY2030)
Decarbonization Financing Facility	¥3 trillion (FY2017–FY2030)
Nissay Impact Investing Facility	¥500 billion (FY2024–FY2030)

I

Introduction

9 Disclosure Framework

We conduct disclosure in accordance with international recognized initiative frameworks.

Since their introduction in 2017, the TCFD recommendations have been adopted by approximately 5,000 companies worldwide and around 1,500 companies in Japan, establishing them as the global standard for climate change disclosures.

The final TNFD disclosure recommendations were released in September 2023, and the list of TNFD Early Adopters was announced at the World Economic Forum in January 2024.

In March 2024, we issued our first TCFD & TNFD Report. Going forward, we will enforce our disclosures based on the ISSB disclosure standards, which provide a more comprehensive and internationally unified framework.

		TCFD <small>P. 25~</small>	TNFD <small>P. 52~</small>
Feature	Target	Climate-related risks	Nature-related risks
	Nature area	Climate change, mainly atmosphere	Land, ocean, fresh water, atmosphere
Disclosure framework items	Framework composition	Governance, strategy, risk management, metrics and targets	Governance, strategy, risk and impact management*1 , metrics and targets
	Governance	Disclose organizational governance relating to risks and opportunities	
	Strategy	• Risks and opportunities	• Addressing human rights policy, human rights considerations, indigenous peoples and community residents • Risks and opportunities, dependencies and impacts • LEAP approach (location specification)
	Risk management	• Risk management	• Management of risks and impacts • Priority setting
	Metrics and targets	• CO₂/GHG emissions	• There are 18 core global disclosure metrics*2 related to risks and opportunities (land, freshwater and seawater use, pollutants, air pollution, waste, wastewater, etc.) • Additional global disclosure metrics (nature protection activities, etc.)

*1 The state of nature and biodiversity focuses on **location-based differences** due to differences according to location

*2 By sector or region (country, biome, ecosystem, etc.)

Metrics and Targets in TCFD and TNFD Disclosure

We have set specific metrics and targets and are taking action toward achieving net-zero emissions in FY2050 and a world in harmony with nature

We have set outcome targets for both our investment activities and our own operations. We are having continuous discussions in the Sustainability Committee on the progress toward their achievement.

With regard to biodiversity and the TNFD's metrics and targets, in addition to our existing reduction targets for GHGs and CO₂ emissions, and electricity and paper usage, we are currently considering setting targets toward the realization of nature positive*.

* To halt the loss of biodiversity and put it on a path to recovery

Summary of Metrics and Targets in TCFD and TNFD Disclosure

		Metrics and Targets				FY2030	FY2035	FY2040	FY2050	
Climate change	Investment Activities	Total GHG emissions scope 1+2	Decrease of 45% or more vs. FY2010	Decrease of 60% or more vs. FY2013	Decrease of 73% or more vs. FY2013					
		GHG intensity scope 1+2	Decrease of 49% or more vs. FY2020							
		Contribution to the amount of GHG emission reductions	15 million tons/year							
	Own Operations	CO ₂ emissions scope 1+2+3 Total emissions, Group-wide	Decrease of 51% or more vs. FY2013	Decrease of 60% or more vs. FY2013	Decrease of 73% or more vs. FY2013					Net-zero
		CO ₂ emissions scope 1+2 Nippon Life's self-managed share, standalone basis	Net-zero	(Net-zero)	(Net-zero)					
		Renewable energy ratio Nippon Life's contracted share, standalone basis	100%	(100%)	(100%)					
Natural capital	Investment Activities	Contribution to Nature-positive through investment and dialogues	Contribution to nature positive							Achieve a world of living in harmony with nature
	Own Operations	Have set reduction targets for CO ₂ emissions, electricity usage and paper usage Reviewing setting targets for water, waste and other categories with environmental impacts	(Own operations) CO ₂ emissions reduction of ≥51% Annual electricity usage reduction of 1% Annual paper usage reduction of 100 million sheets							

II

Governance



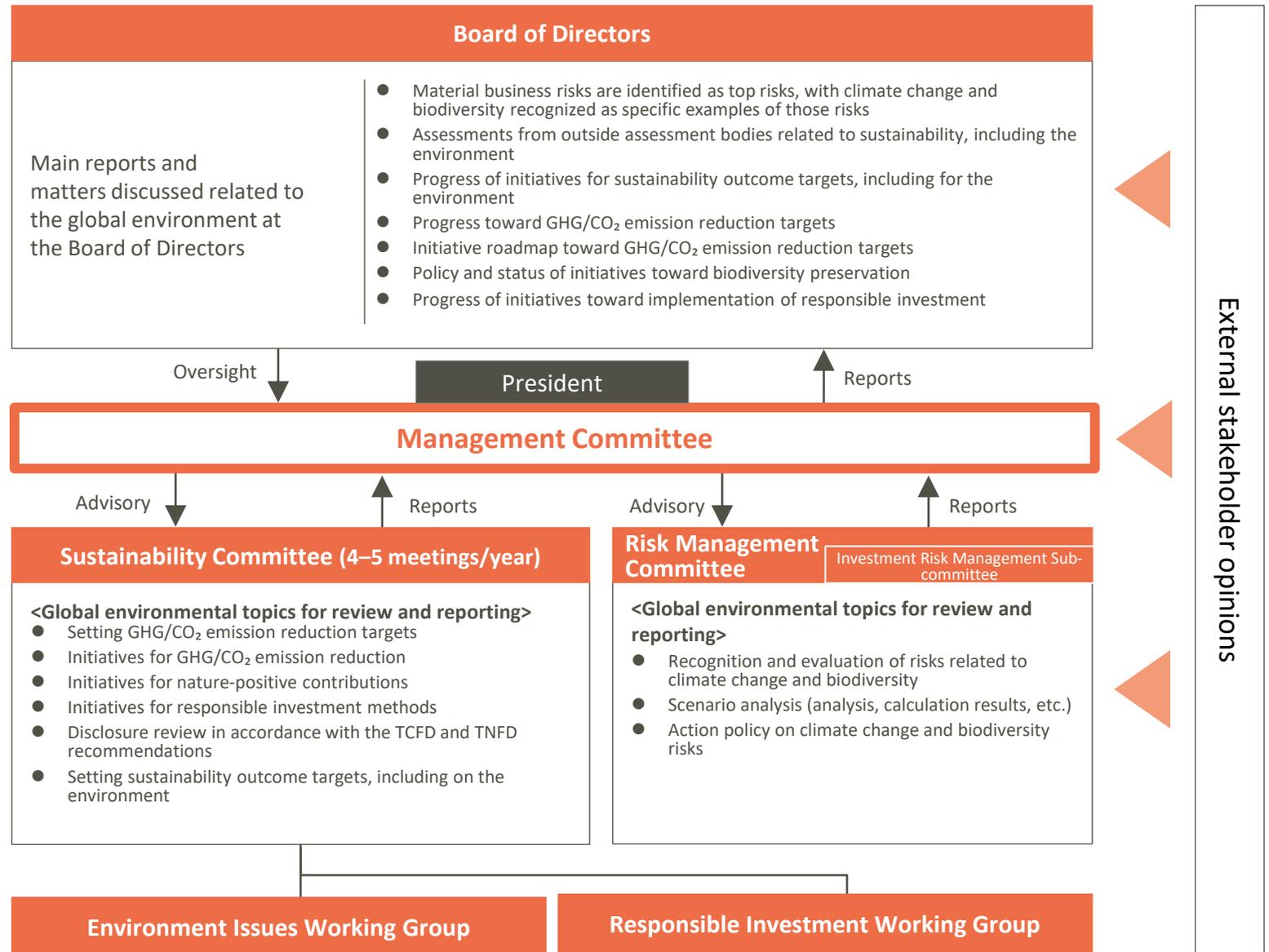
1 Governance Structure

Various committees serve as advisory bodies to the Management Committee.

At Nippon Life, material business risks are identified at the Management Committee and the Board of Directors as top risks, with climate change and biodiversity recognized as specific examples of these risks. Committees including the Sustainability Committee and the Risk Management Committee are advisory bodies to the Management Committee. These Committees discuss and decide management strategy plans that include impacts of environmental issues on management, based on their review of strategy and risk management related to climate change and biodiversity.

The President oversees business execution and decisions related to it in the Management Committee, while the Board of Directors decides and directs execution of particularly consequential business matters.

The opinions of external stakeholders obtained through various opportunities are also reflected in Nippon Life management as appropriate.



2 Internal Initiatives

The Management Committee discusses wide-ranging environment-related issues and promotes initiatives to raise awareness across the organization.

In the area of Environment, matters are discussed in the Management Committee and the Board of Directors following deliberations in the Sustainability Committee. Specific deliberated matters are listed on the right.

We are expanding dialogue with Group companies and have Group company executives participate in the Sustainability Committee so that we may take collective action on global environmental issues.

We also strive to build understanding among employees about global environmental problems.

- ▶ Examples of topics discussed at the Management Committee and Board of Directors (FY2024)

Initiatives related to responsible investment

Initiatives to reduce CO₂ emissions (converting company cars to EVs, raising the renewable energy ratio, paper reduction...)

Direction and initiatives for a circular economy

Direction and initiatives toward nature-positive contributions

Status of disclosure review in accordance with the TCFD and TNFD recommendations

Assessments from outside assessment organizations

Dialogue with External experts (Sustainability Advisory Meeting)

Activities in initiatives

- ▶ Initiatives within the Group

- Dialogue with the management teams of Group companies (Overseas Unit Management Committee, Global Executive Forum...)



- Participation in the Sustainability Committee by Group company CEOs and Chief Sustainability Officers

- ▶ Fostering Company-Wide Understanding

Encouraging to enhance understanding internally through environmental trainings, use of environmentally friendly novelty goods, etc.

Training materials



- Level-specific environmental trainings (non-sales personnel/sales representatives)
- Nissay Plastics Smart Campaign From FY2024, not to purchase plastic folders and use eco-friendly paper folders instead)



Paper clear document folders

3 Initiatives to reflect external opinions

1/2

Creating opportunities to obtain opinions from stakeholders and reflecting them in management

The Meeting of Representatives is our decision-making body as a mutual company and receives a wide range of opinions including those on the environment. In addition, we also hold meetings of the Conference of Representatives and Nissay Konwakai Meetings.

Nissay Konwakai Meetings are the regional version of the Meeting of Representatives. Held annually since 1975, they serve as a forum where Nippon Life's executives explain business activities to policyholders in regions throughout Japan and hear opinions and requests.



Meeting of Representatives

External initiatives

Meeting of Representatives

- Overview** Established as a body to serve the function of the general meeting of shareholders at stock companies
- Participants** Representatives selected from Company Members (participating insurance policyholders) (200-member capacity)
- Purpose** Discusses and decides important management-related matters (amending the Articles of Incorporation, approving proposals for the distribution of surplus, nominating Board Members, etc.) and hears wide-ranging opinions and requests
- Timing** Every July

Main environmental opinions

In the area of responsible investment and finance, Nippon Life has endorsed the TCFD recommendations and has set specific GHG reduction targets. In the supply chain where emissions are highest (Scope 3), working together with a large number of investee companies is necessary, making this area particularly challenging. You talked about encouraging changes in behavior through dialogue held over several years, but what does this mean specifically?



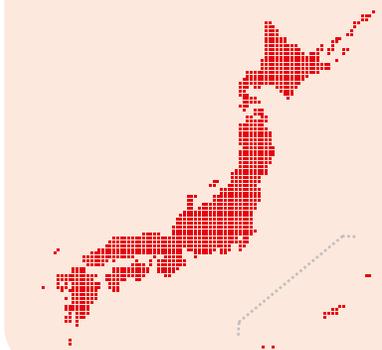
I can feel the gradual destruction of the natural world, such as the coral reefs in the waters around Okinawa dying off. I want to see Nippon Life work to preserve the natural environment, for one so that future generations get to experience the wonder of seeing the beauty of the natural world with their own eyes.



Conference of Representatives

- Overview** Established to have representatives enhance the management check function
- Participants** Representatives
- Purpose** Held annually since 1962 as a unique Nippon Life venue to hear wide-ranging opinions and requests
- Timing** Every December

Nissay Konwakai Meetings



- Overview/purpose** The meetings have been held annually since 1975 as a venue to explain our business activities and hear opinions and requests related to our corporate business in general as well as our products and services. The main opinions and requests and our response to them are reported to the Meeting of Representatives and the Board of Councilors. Many Representatives and Nippon Life executives also attend the meetings, and we continue to enhance the interconnected nature of the Nissay Konwakai Meetings, the Meeting of Representatives and the Conference of Representatives.
- Participants** Over 2,000 every year

Examples of feedback regarding Environmental issues

- The Nissay Forests activities are wonderful. Please continue preparing for the impacts of climate change.
- What kinds of initiatives are you taking to address environmental issues and achieve SDG goals? Have you considered publicly promoting what you do even more?
- Responsible investment is essential. Please tell us about the specifics of your activities and future developments.

3 Initiatives to reflect external opinions

2/2

Creating opportunities to gather opinions from specialists

We hold discussions with Councillors appointed from among employees and academic experts, as well as with external specialists through the Sustainability Advisory Meeting and draw on their expertise to further advance our sustainability management.

Valuable opinions are reflected in management as appropriate.

External initiatives

Board of Councillors

Overview	Management advisory body to ensure the appropriateness of management	Timing	Each year in March, May and November
Participants	Councillors are appointed at the Meeting of Representatives from among Company Members and academics		
Purpose	In addition to hearing their opinions about consulted matters and important management matters, the Board of Councillors also discusses opinions on company management received from Company Members		

Main environmental opinions

I hope Nippon Life's top management continues its commitment to its sustainability management vision. I also think it is necessary to design a strategy that differentiates Nippon Life from other companies in its next Mid-Term Management Plan by connecting the plan to its sustainability management vision, and ultimately connecting its sustainability management to the further development of its principal business.

A noteworthy aspect of Nippon Life's sustainability management is how it is connected to local communities. Going forward, I think interactivity will be necessary, with Nippon Life asking for suggestions from local governments and expanding on the themes as shared challenges.

Nippon Life has produced a PRI Board Director and a member of NZAOA's Steering Group. The role it can play in the sustainability field is incredibly large. I hope it serves as a trendsetter in Japan and further enhances its HR development to produce even more people who make international contributions.



Exchange of views with external experts (Sustainability Advisory Meeting)

Dialogue held with experts to upgrade our sustainability management

Held on	June 2024, December 2024
Topics	Toward the Advancement of Our Group's sustainability management (including initiatives in the environmental domain)
Experts (alphabetical order)	Eiichiro Adachi (Senior Counselor, The Japan Research Institute, Ltd.) Chieko Matsuda (Professor, School of Business Administration, Tokyo Metropolitan University, Graduate School) *(as of December 2024)





Risk Management



1 Top Risks & Emerging Risks

Material business risks are classified as top risks, with climate change and biodiversity recognized as specific examples of such risks.

Nippon Life defines risks that are especially important from a management perspective as top risks. After comprehensively identifying risk events based on changes in the internal and external environment and other factors, we assess the degree of impact of those risk events on aspects such as soundness, and the probability of the risks occurring in the next several years, and select the top risks through management-level discussions.

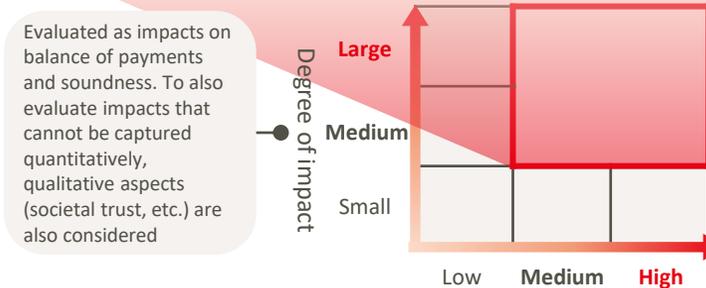
Among the wide-ranging themes connected to sustainability management, we recognize that climate change and biodiversity* are areas where trends and expectations from society are especially large and present them as specific examples of the top risks.

* Specific examples related to climate change and biodiversity
 - Rising insurance payouts due to more intense disasters
 - Degraded value of investee companies as a result of CO₂ emissions restrictions being enacted
 - Damaged trust from insufficient response to societal expectations

Top Risks and Emerging Risks

Top Risks

- ▼ Changes in the insurance business environment
- ▼ Major deterioration in the financial and economic environment
- ▼ **Occurrence of pandemics and disasters** A
- ▼ Occurrence of grave operational risk events
- ▼ **Occurrence of legal and conduct risk events** B



Evaluated based on the probability of occurrence over the next several years

Emerging Risks

Developments are monitored for risks that could become future top risks

Major anticipated scenarios ■ ■ : Environment-related scenarios

A Insurance payouts and benefit payments increase sharply due to the occurrence of pandemics, major earthquakes, wind and water disasters, etc., resulting in serious impacts to our fiscal soundness and business continuity
 (including possibility of increased frequency and intensity due to climate change)

Major initiatives

- Improved soundness through accumulation of equity
- Impact analyses anticipating large-scale disasters and other events, securing liquidity, creation of business continuity plans, etc.

B Societal trust is damaged and business opportunities are lost due to legal violations, etc.
 Societal trust is damaged and business opportunities are lost due to insufficient response to societal demands including sustainability management (actions addressing biodiversity and climate change, respect for human rights, etc.)

Major initiatives

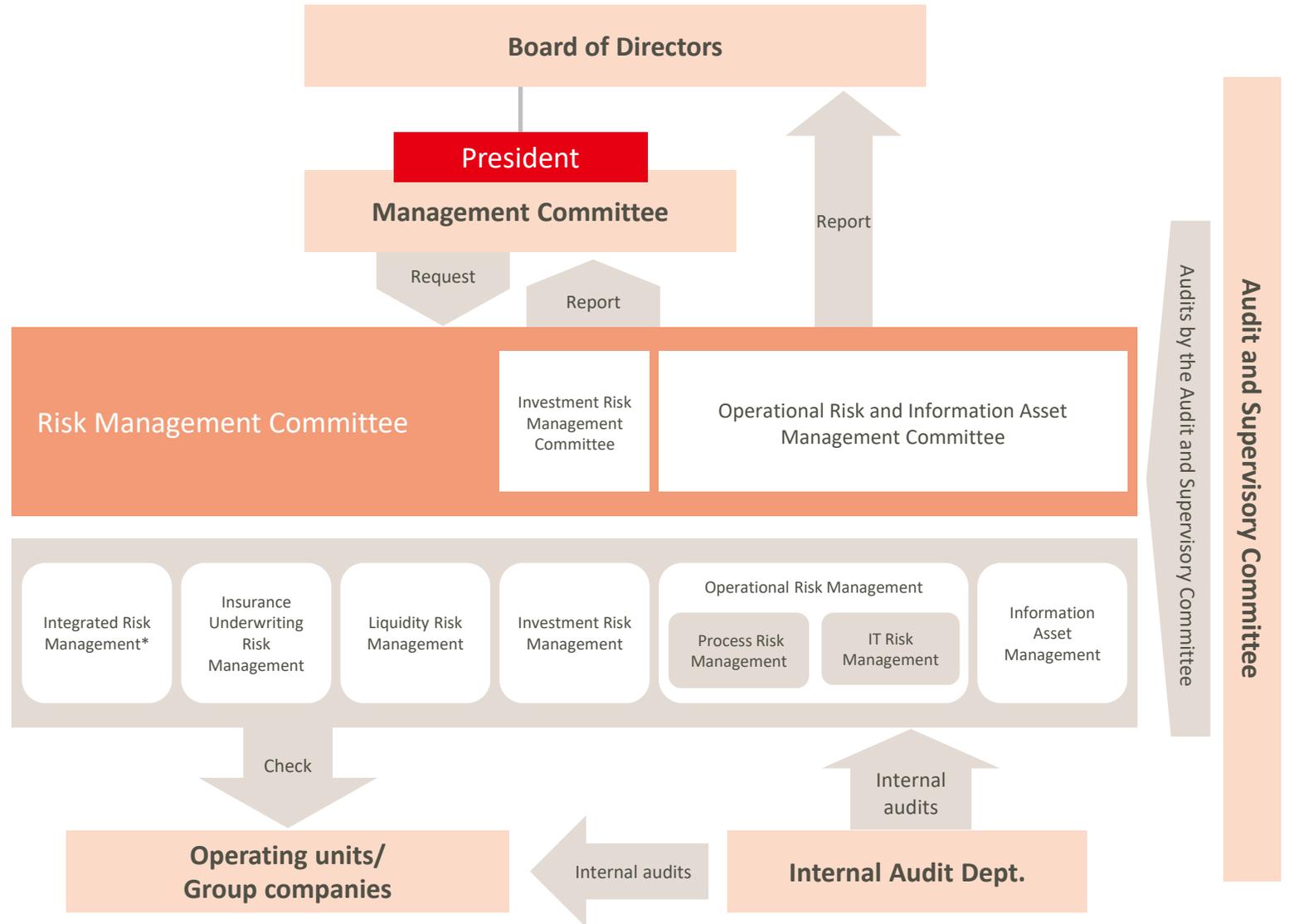
- Initiatives to utilize customers' voices
- Education and reinforcement of compliance principles for all **officers** and employees.
- Enhancing sustainability management

2 Risk Management System

We make efforts to develop our risk management system and operate it appropriately, including at Group companies, and strive to upgrade it.

Risk management at Nippon Life is based on the risk management system set forth in our Internal Control System Basic Policy. Under this risk management policy, the Risk Management Committee, an advisory body to the Management Committee, and the relevant Sub-committees manage each type of risk appropriately according to its profile, and manages their impacts on business operations in an integrated manner.

In addition, there is a system of mutual checks and balances involving the establishment of risk management units that are independent of profit-making units. The system also has secondary checks and balances, such as having the Internal Auditing Unit examine the effectiveness of risk management.



* Including risk management pertaining to Group companies (same for other types of risk).

3 Physical Risks & Transition Risks

Risk classifications are largely shared between the TCFD and the TNFD.

[Physical risks and transition risks]

Physical risks are categorized into acute and chronic, while transition risks are categorized into policy and legal, technology, market and reputation risks.

We conduct scenario analyses of severe risk events anticipated for both physical risks and transition risks. We also estimate the impacts on our finances in both business operations and investment activities.

		TCFD		TNFD	
		Business operations	Investment activities	Business operations	Investment activities
Physical risks	Acute	Deaths caused by typhoons and floods, and damage to sales office building	Losses incurred at investee companies as a result of increasingly severe natural disasters	Increase in deaths and illnesses and damage to sales offices as a result of increasingly severe natural disasters due to natural capital loss	Losses incurred at investee companies as a result of increasingly severe natural disasters due to damaged natural capital
	Chronic	Increase in deaths due to heatstroke, air pollution and forest fires, and increase in infectious and non-communicable disease (NCDs)	Losses incurred at investee companies caused by changes in weather patterns	Increase in deaths and illnesses caused by natural capital loss, including pollution and other factors (water pollution, water scarcity, air pollution, infectious disease, declining food production, etc.)	Declines in earnings at investee companies as a result of rising costs for raw materials procurement due to damaged natural capital
Transition risks	Policy and legal	Strengthened energy conservation laws and regulations	Declines in earnings at investee companies due to heightened decarbonization - related regulations (including carbon taxes and emissions trading schemes)	Heightened environment-related regulations and information disclosure rules	Declines in earnings at investee companies as a result of various types of regulations for natural capital preservation
	Technology	—	Declines in earnings at investee companies as a result of lower competitiveness of existing technologies and assets due to the emergence of new low-carbon technologies	Growing necessity to introduce low natural capital technologies (for plastics, etc.)	Declines in earnings at investee companies as a result of delays in developing low natural capital technologies
	Market	—	Lower demand for products and services offered by investee companies due to changes in consumer behavior and preferences	Lower demand for products and services due to changes in consumer behavior	Lower demand at investee companies due to changes in consumer behavior
	Reputation	Degraded reputation in the case of taking insufficient actions for the environment	—	—	—

IV TCFD

Investment and Financing in Renewable Energy Projects (Kawazu Town, Shizuoka Prefecture)

As part of our ESG (Environmental, Social and Governance) investment initiatives, we provide investment and financing for renewable energy projects, including wind power generation, both in Japan and overseas.

(Photo courtesy of Eurus Kawazu Wind Farm)

1 Risks & Opportunities

Across both our business and investment activities, we recognize climate change-related risks and opportunities.

We recognize that climate change may give rise to physical risks, transition risks, and opportunities across short-term, medium-term, and long-term timeframes*.

TCFD disclosure requires that we clearly present the financial impacts of the risks and opportunities for Nippon Life and disclose specific measures to address the risks and opportunities.

* Nippon Life defines short-term, mid-term and long-term timeframes as follows: Short-term: one year Mid-term: three years Long-term: 30 years (Nippon Life's Mid-Term Management Plans are three-year plans. We have set the FY2050 target of net-zero emissions as our long-term plan.)

Risks and Opportunities

Category	Business Operations	Investment Activities	Examples of anticipated impacts on our business <small>* For investment activities, the impacts are on investee companies in our asset management portfolio</small>	Timeframe*		
				Short-term	Mid-term	Long-term
Physical risks	Acute	▲	Impact of typhoons, floods, etc., on the number of deaths and the costs of building damage at Nippon Life's business locations	→	→	→
		▲	Losses at investee companies due to increased frequency and severity of natural disasters	→	→	→
	Chronic	▲	Increased number of deaths due to summer heat and heatwaves, air pollution, infectious diseases and forest fires	→	→	→
		▲	Increased risks of greater severity and wider spread of infectious diseases due to climate change and environmental changes	→	→	→
Transition risks	Policies and Laws	▲	Strengthening of energy conservation laws to address global warming	→	→	→
		▲	Declining profitability at investee companies due to introduction and strengthening of carbon-related regulations (carbon tax, emissions trading)	→	→	→
	Technology	▲	Declining competitiveness of existing technology and assets of investee companies following the emergence of new technologies	→	→	→
	Market	▲	Declining demand for investees' products and services due to changes in consumer behavior and preferences	→	→	→
	Reputation	▲	Reputation damage by insufficient efforts toward addressing climate change	→	→	→
Opportunities	Resource Efficiency	▲	Improved production capacity and reduced costs due to efficient use of resources at investee companies	→	→	→
	Energy Sources	▲	Stable prices for renewable energy, progress toward energy efficiency	→	→	→
	Products and Services	▲	Development of products and services related to global warming	→	→	→
		▲	Increased competitiveness due to development of new low-carbon-related technologies by investee companies	→	→	→
Market	▲	Increased demand for investees' products and services due to changes in consumer behavior and preferences	→	→	→	

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2 Scenario Analysis

We have analyzed how climate change impacts our investment portfolio

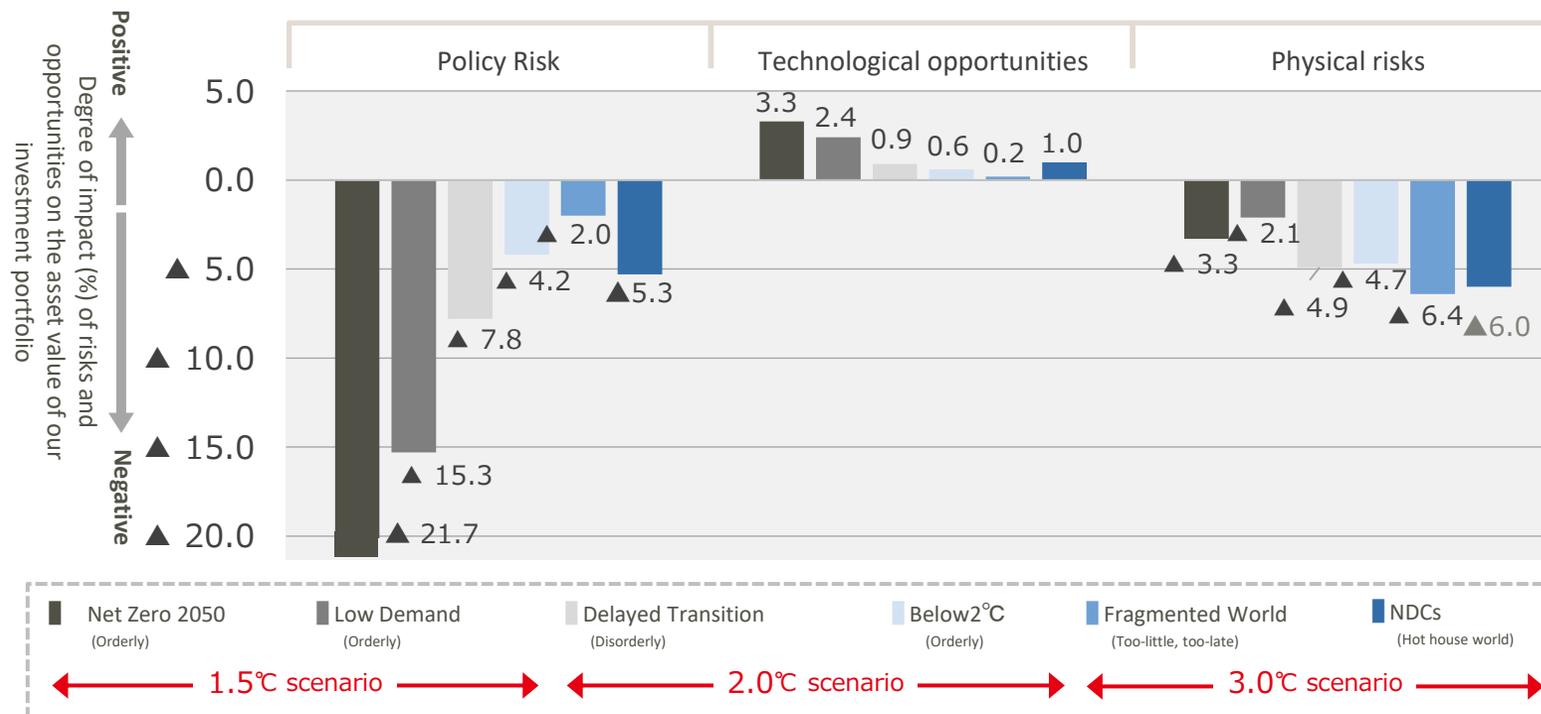
As a means of measuring the risks and opportunities in our investment portfolio*¹ brought about by climate change, we conducted analyses based on the NGFS Scenario*² using Climate Value-at-Risk (CVaR)*³, provided by MSCI Inc.

The analysis by temperature rise scenario showed that for policy risks and technological opportunities, there would be a greater impact on asset values in scenarios with limited temperature rise, while physical risks would tend to increase in scenarios with greater temperature rise.

Investment Activities

Risks and opportunities

CVaR using temperature rise scenarios (Nippon Life portfolio)



*1 Calculated for domestic and overseas equities and domestic and overseas corporate bonds in the Nippon Life portfolio
 *2 For detailed information about the NGFS scenario, See Appendix p.86.
 *3 CVaR evaluates the impact (risks and opportunities) on the value of company assets, such as each company's equities and corporate bonds, due to climate change. Analyzing three factors, that is, "policy risks" (transition risks), which are the costs that come with policy changes and strengthened regulations relating to climate change, "technological opportunities," which are income opportunities that come with emerging low-carbon technology and similar developments, and "physical risks," which are the costs and opportunities brought about by natural disasters and similar incidents, makes it possible to quantitatively ascertain the risks and opportunities in our asset management portfolio that are brought about by climate change

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3 Roadmap toward Net Zero

We have set a net zero target for FY2050, as well as interim targets for FYs 2030, 2035 and 2040 in our investment portfolio and are working on reducing emissions.

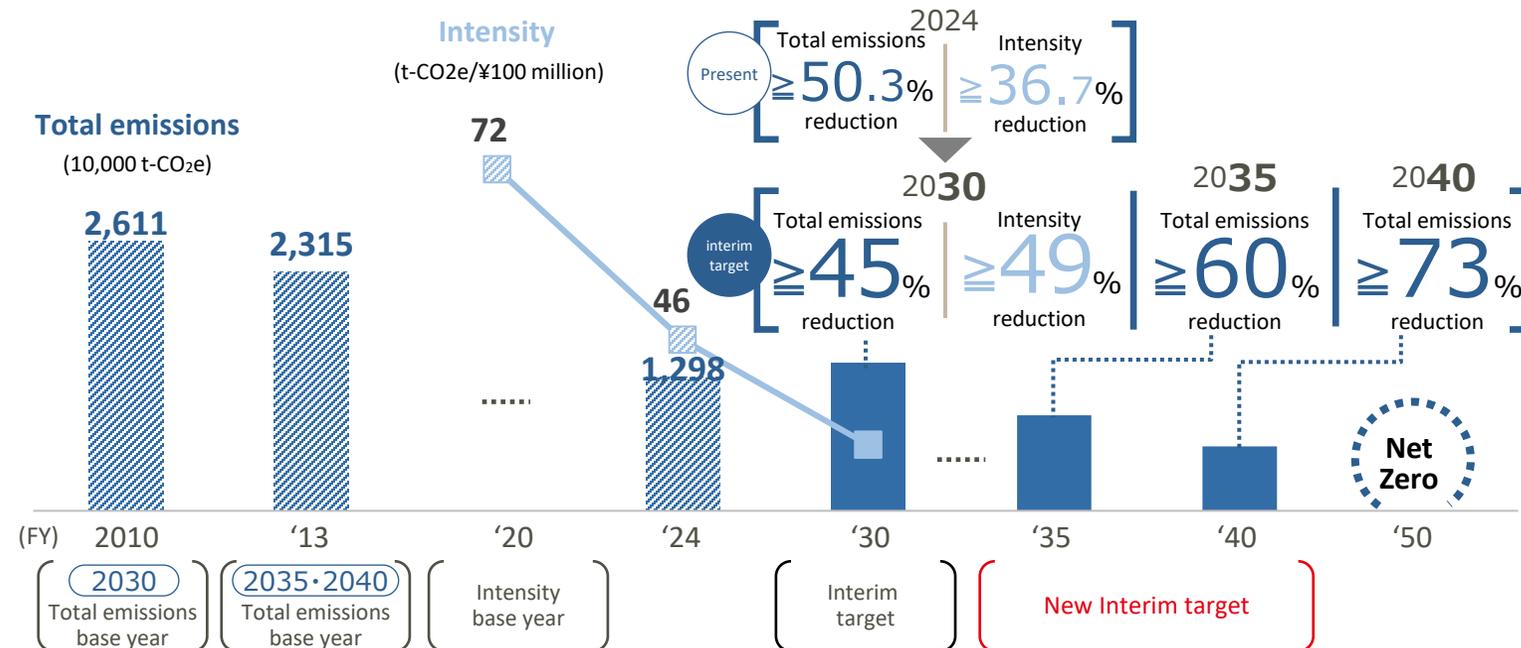
Toward the net zero GHG emissions*1 target for FY2050 in our investment portfolio and the interim targets for FY2030*2 of reducing total emissions by 45% and intensity by 49%, we newly established interim targets for FY2035 and FY2040 for total emissions*2 (reductions of 60% and 73%, respectively). As of the end of FY2024, we have achieved reductions of 50.3% in total emissions and 36.7% in intensity.

While the assets in the target scope of GHG emissions measurements are expected to expand in the future, we continue striving to reduce emissions in our investment portfolio through decarbonization financing and dialogue on the topic of climate change with top GHG emitters.

*1 Target scope of all assets

*2 Covers Scope 1 and 2 emissions of domestic and overseas listed equities, domestic and overseas corporate bonds, and real estate. Equities and bonds include investment via mutual funds.

Investment Activities



*3 Calculated for domestic equities and domestic corporate bonds in the Nippon Life portfolio

4 Integration and Negative Screening

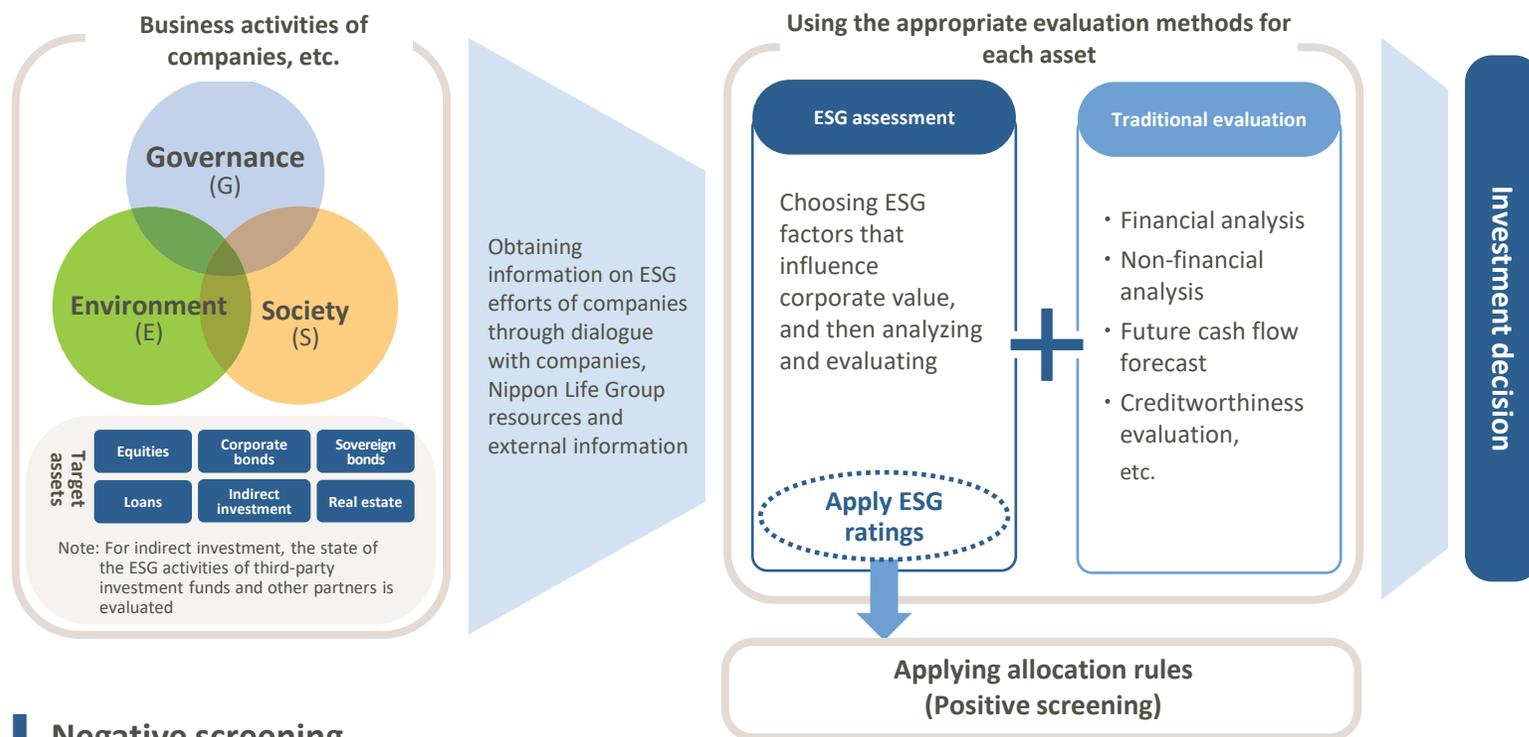
We are implementing integration in all asset classes

In our ESG integration, we evaluate the ESG efforts of investee companies in a manner appropriate to their asset profile and apply ESG ratings. Furthermore, we make investment and financing decisions by incorporating these ESG evaluations in terms of their impact on corporate value and creditworthiness into traditional analyses such as financial analysis. ESG ratings are used in allocation rules, which set the proportion of holdings with high ratings for each asset.

We aim to solve social issues as a whole by reaching out to all industries. However, we also conduct negative screening for some companies and businesses, such as fossil fuel projects that do not implement emissions reduction countermeasures.

Investment Activities

Integration



Negative screening

	Screening areas	Screening assets
Non-humanitarian	<ul style="list-style-type: none"> Specific weapons manufacturing companies (Cluster munitions, biological weapons, chemical weapons, anti-personnel landmines, nuclear weapons) 	<ul style="list-style-type: none"> Equity investments Bond investments Corporate loans
Biodiversity/human rights	<ul style="list-style-type: none"> Palm oil-related companies 	
Health	<ul style="list-style-type: none"> Tobacco-related companies (without RSPO certification) 	
Climate change	<ul style="list-style-type: none"> Coal-related projects (Excluding brownfield projects aligned with a 1.5°C pathway) Oil and gas related projects (1) Greenfield exploitation projects (2) Related projects except resource exploitation (Excluding gas-related projects aligned with a 1.5°C pathway) 	<ul style="list-style-type: none"> New project finance

5 Thematic Investment & Decarbonization Financing Facility

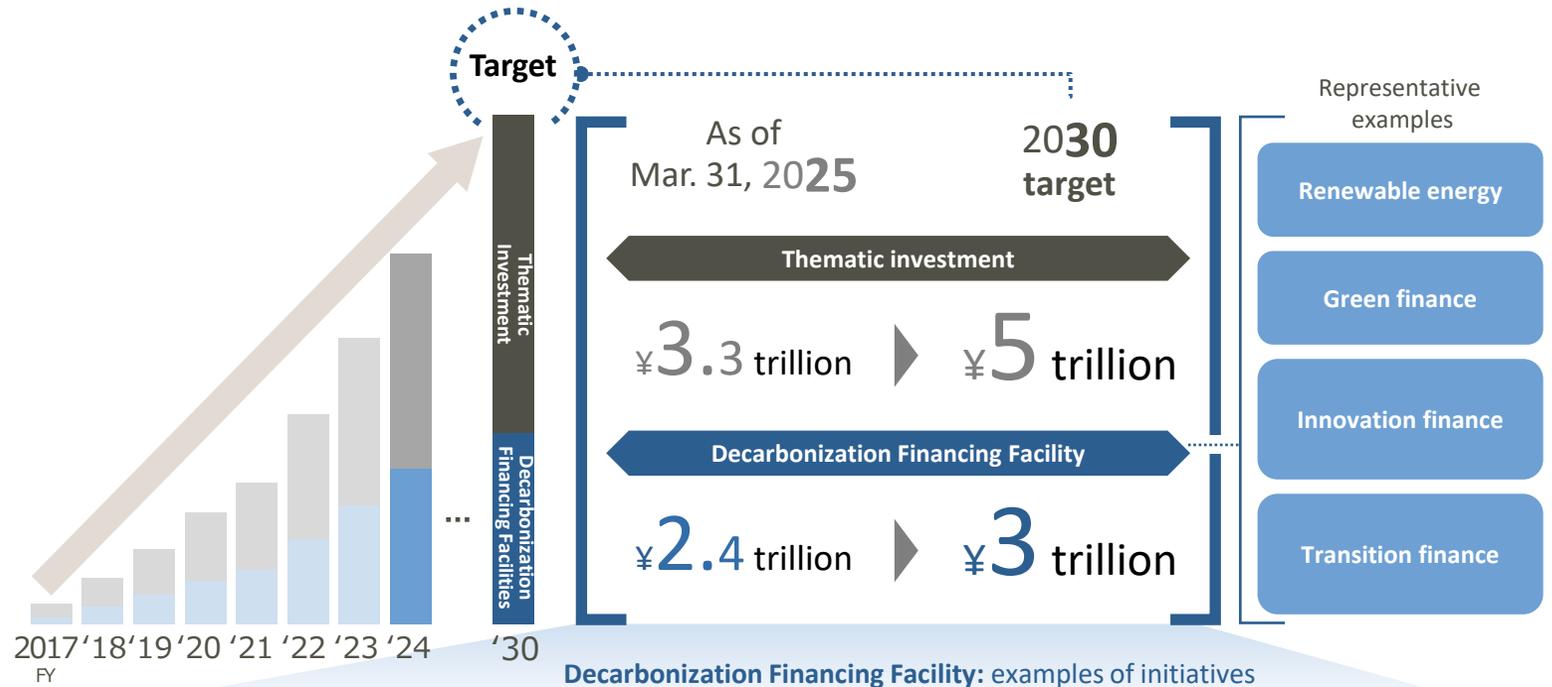
We set targets of ¥5 trillion for Thematic Investment and ¥3 trillion for Decarbonization Financing Facility.

From FY2017 to FY2024, we have executed a cumulative ¥3.3 trillion in SDG-related themed investment and finance, of which ¥2.4 trillion is for Decarbonization Financing Facility.

We have so far used the Decarbonization Financing Facility to continuously provide financing for initiatives that support decarbonization and energy transition efforts both in Japan and overseas.

As large amounts of capital are needed to innovate technologies for decarbonization, we will continue to provide financing to support the decarbonization of investee companies in line with their decarbonization strategy.

Investment Activities



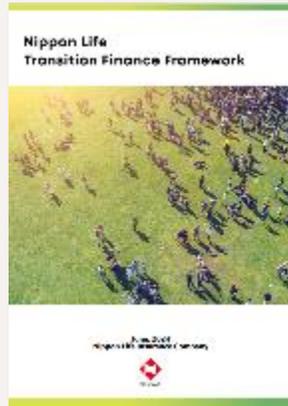
<p>In May 2022, Nippon Life invested in transition bonds issued by Kyushu Electric Power Company, Inc.</p>	<p>In September 2022, Nippon Life provided a transition loan with Sumitomo Chemical Company, Limited.</p>	<p>In June and December 2024, Nippon Life provided Nissay Green Loans in collaboration with regional financial institutions</p>
<p>Funds raised by issuing the bonds are used to develop a high-efficiency LNG thermal power plant and to cover the costs of suspension or closure of existing thermal power plants.</p>	<p>Funds raised by these loans are used to build an LNG power generation facility to drive a gradual energy transition from petroleum coke to LNG.</p>	<p>Funds raised through these loans are allocated to the installation of facilities with verified environmental benefits, such as solar power generation systems and energy-efficient equipment.</p>



6 Transition Finance Framework 1/2

In June 2024, we published the *Nippon Life Transition Finance Framework*, which organizes the evaluation criteria, rationale, and processes for transition finance.

Based on the importance of transitions, the Framework ensures reliability and transparency through quantitative, science-based evaluations. They are also available on our website for use by financial institutions and business companies.



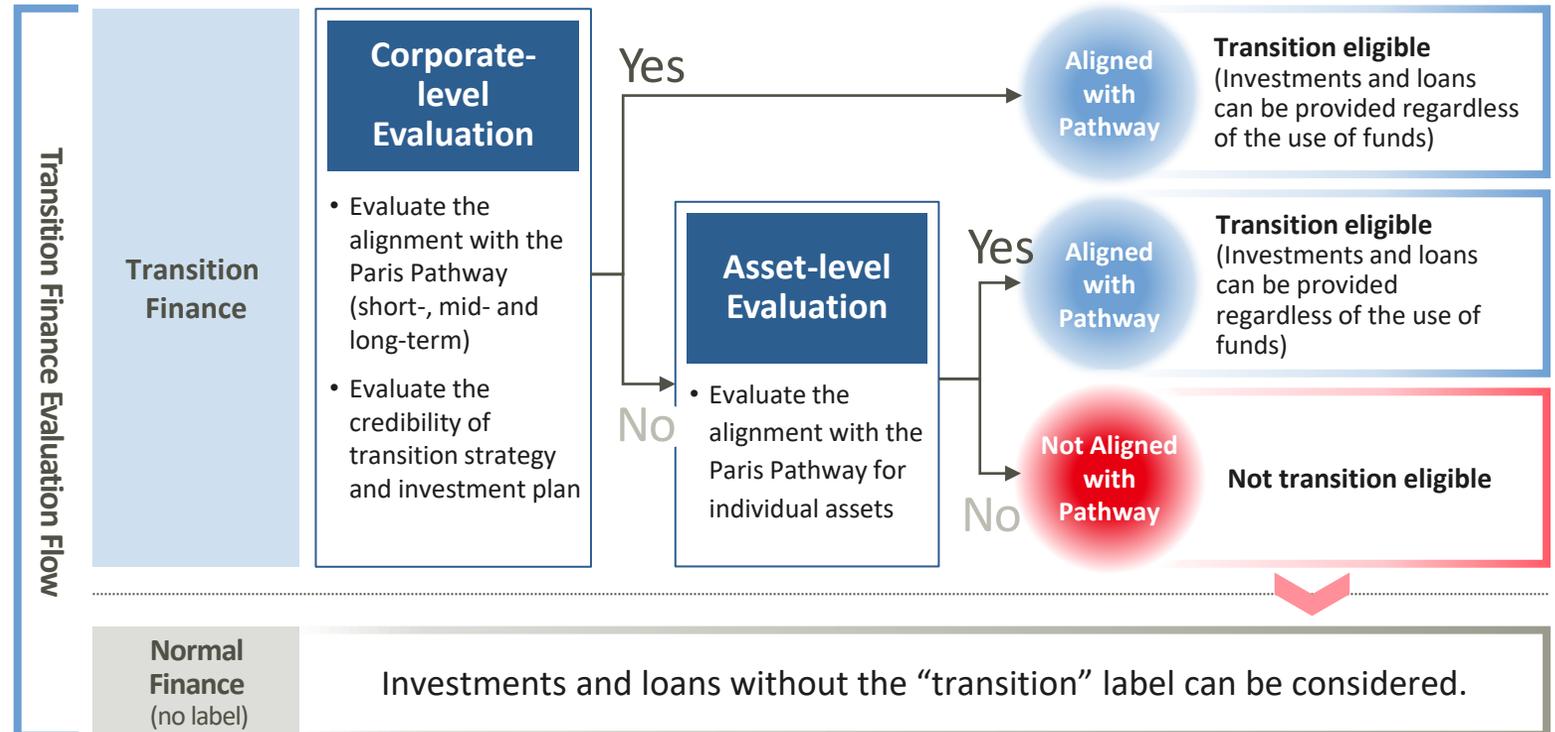
https://www.nissay.co.jp/global/sustainability/esg/pdf/2024_transition_finance_framework.pdf

Investment Activities

Overview of the Nippon Life Transition Finance Framework

We define transition finance as *Investments and loans for supporting a corporate's initiatives consistent with the Paris Agreement, which pursues the achievement of the 1.5°C target* and evaluate companies' GHG emissions reduction plans based on scientific evidence.

We first assess alignment at the corporate level and, where necessary, also conduct asset-level evaluations, and then determine whether to provide financing based on the results.



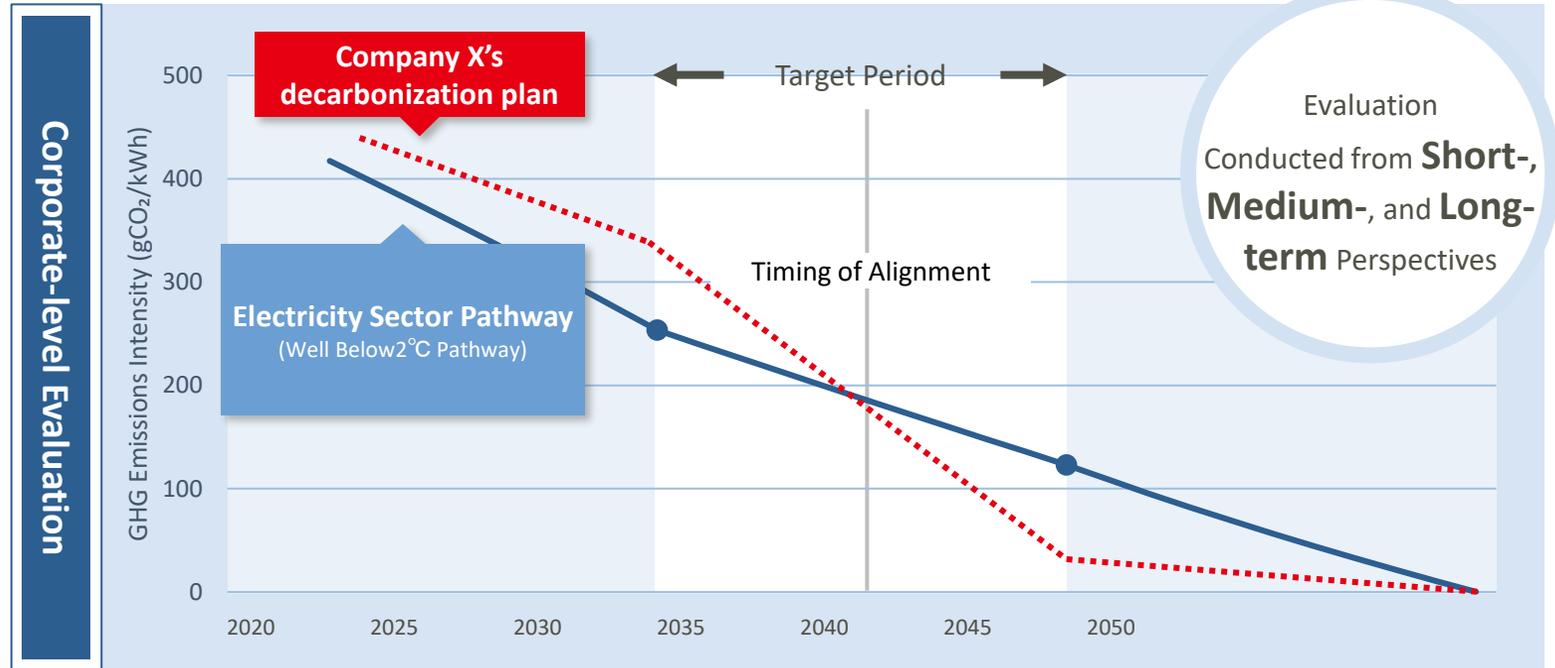
6 Transition Finance Framework 2/2

At the corporate level, transition eligibility is evaluated from short-, medium-, and long-term perspectives.

We compare companies' GHG emissions reduction plans with 1.5°C pathways and the well below 2°C pathway. Even in cases where companies' planned figures are higher than the reference values of those pathways over the short term, we will determine their GHG emissions reduction plans to be aligned with the Paris Pathway if their cumulative emissions generated during the target periods will be lower than that of the pathways due to them focusing more on promoting GHG emissions reductions toward 2040 and 2050 in the mid- to long-term.

Investment Activities

Example: Evaluation under the Well Below 2°C Pathway in the Electricity Sector



Examples

In Japan

Promoting Transition Finance for Power Companies

Based on the Transition Finance Framework, we provide financing to domestic power companies, supporting investments and renewable energy introduction required for decarbonization transitions, and have established systems to monitor the progress of emissions reduction plans.

Shimane Nuclear Power Station

Yanai Power Station

Matsukawa Geothermal Power Station (Image)

Europe

Contribution to Transition Finance

We have decided to invest in the European Transition Infrastructure Finance Fund, established by DWS, a major asset management company in Germany. The fund was newly launched by DWS utilizing the Nippon Life Transition Finance Framework and is designed to provide financing to European infrastructure companies that have emission reduction plans aligned with the Paris Agreement.

7 Stewardship Activities

Basic Concept of Our Stewardship Activities consists of policies for dialogue with investee companies and proxy voting

As an institutional investor that makes long-term investments, we aim to contribute to enhancing the growth and the corporate value of the investee companies and realize “a society in which everyone can live their lives with peace of mind” through constructive dialogue that also takes environmental and social factors into consideration. Throughout such efforts, we believe it is important to grow together with companies by building win-win relationships based on mutual trust, taking into account Japan’s unique characteristics and current state.

Our Fundamental Philosophy on Stewardship

1

By engaging in constructive dialogue with investee companies while considering environmental and social factors, we aim to enhance their corporate value over the mid- to long-term. We will reap the benefits of these activities through shareholder returns, rising stock prices, and stable redemption of corporate bonds, ultimately striving for the realization of “a society in which everyone can live their lives with peace of mind.”

2

We continuously review the content of our dialogues from a PDCA* perspective, monitor changes in the companies’ efforts, and implement measures to enhance dialogue effectiveness (escalation) as necessary.

* Plan-Do-Check-Act cycle

3

Through ongoing dialogues with investee companies, we convey our ideas and awareness of issues. When exercising our voting rights, we conduct thorough assessments based on the unique circumstances of each company, rather than applying a one-size-fits-all approach for approval or rejection.

4

If improvements in the efforts of investee companies cannot be expected even after dialogue, we will consider actions such as voting against company proposals, supporting shareholder proposals, and selling equities and corporate bonds (divestment).

5

We strive to cultivate highly knowledgeable and skilled professionals who can support the sustainable growth of investee companies through constructive dialogues that consider the unique characteristics of the Japanese market, with a deep understanding of the investee companies and their business environments.

8 Engagement with Investee Companies on the Topic of Environment (E) and Society (S)

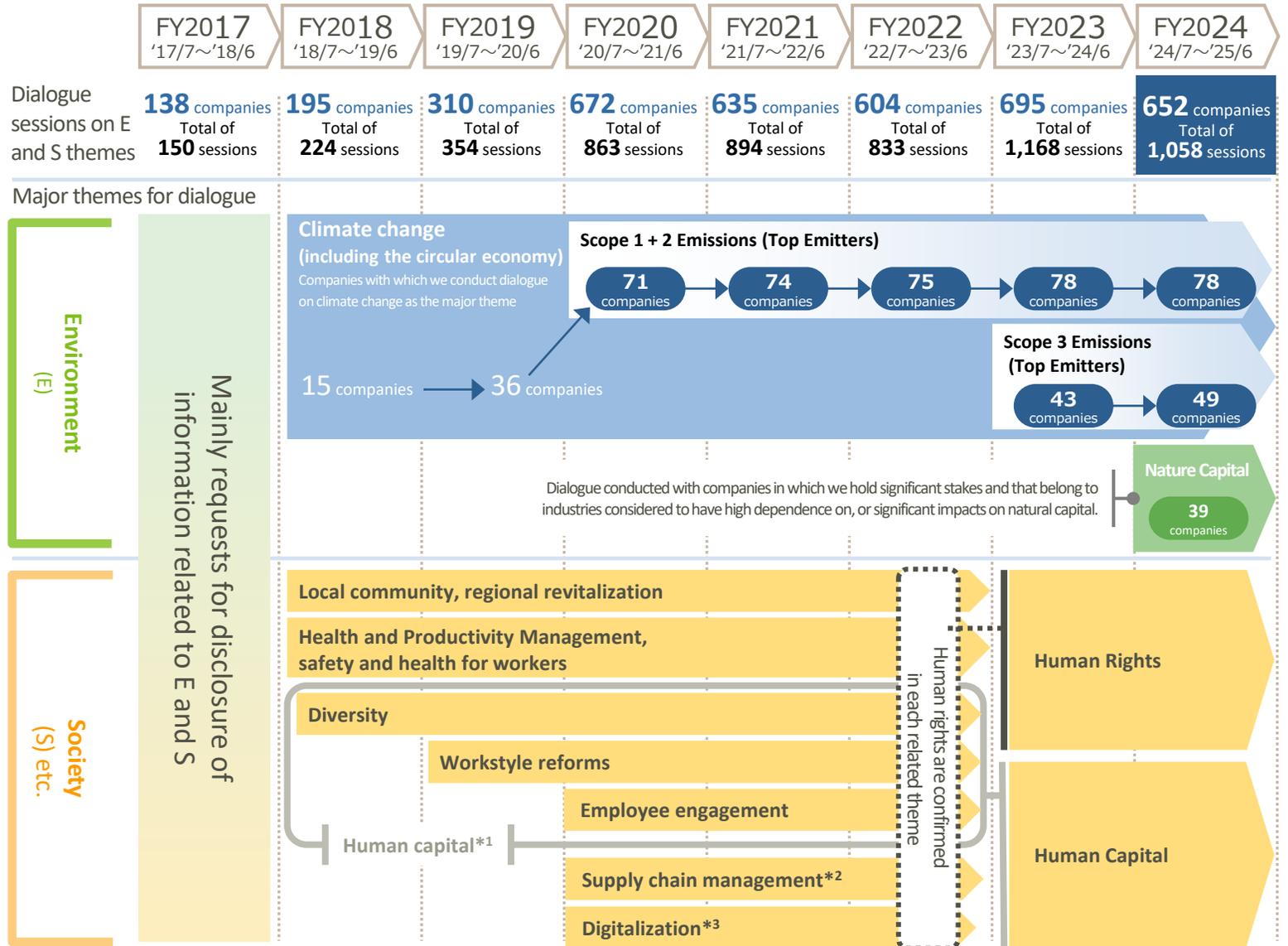
We are proud to engage in one of the largest volumes of dialogue activities in Japan as a leading Japanese institutional investor.

In FY2024 (July 2024–June 2025), we conducted dialogue on the themes of E and S with 652 companies a total of 1,058 times.

From a climate change perspective, we conduct dialogue with 78 companies that are top emitters of Scope 1 and 2 emissions (direct emissions), which account for approximately 80% of investee emissions in domestic listed equities and domestic corporate bonds, as well as with 49 companies that are top emitters of Scope 3 emissions (emissions from other companies related to their business activities).

For initiatives related to natural capital, please refer to p.61.

Investment Activities



*1 Dialogue conducted across all industries, with consideration of links to management strategy, etc. (since FY2022).

*2 Progress of initiatives confirmed, mainly in the manufacturing sector (since FY2022).

*3 Dialogue conducted after organizing key themes by industry (since FY2021).

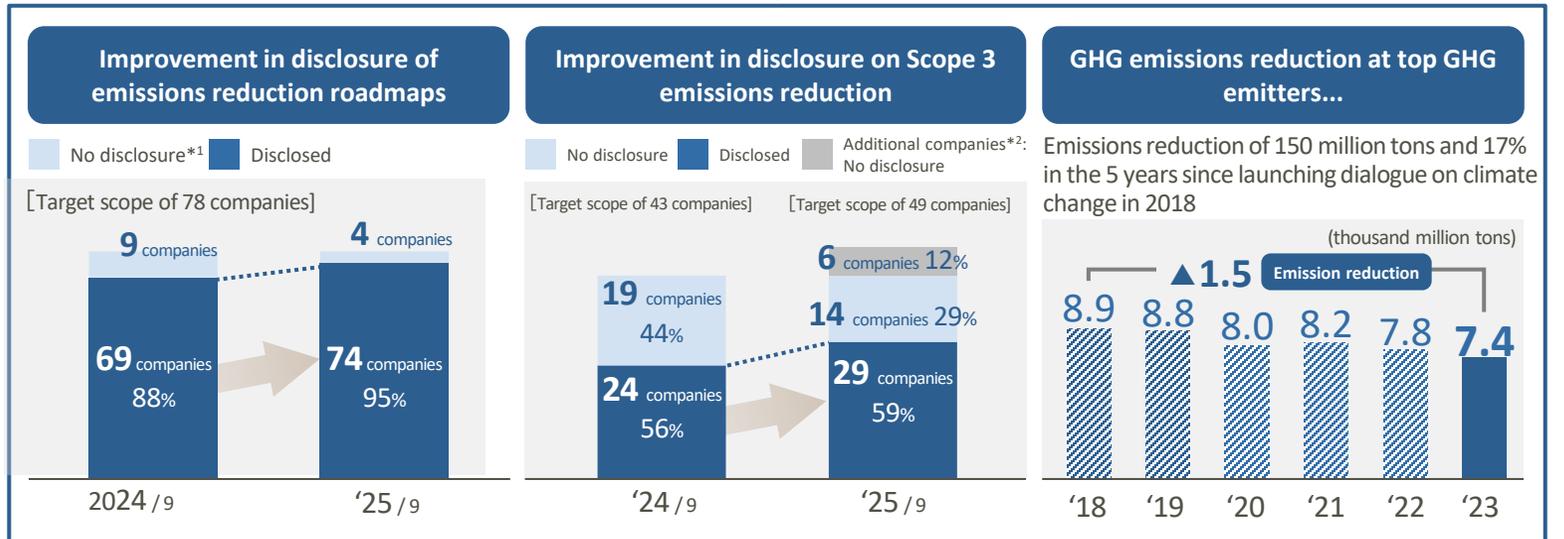
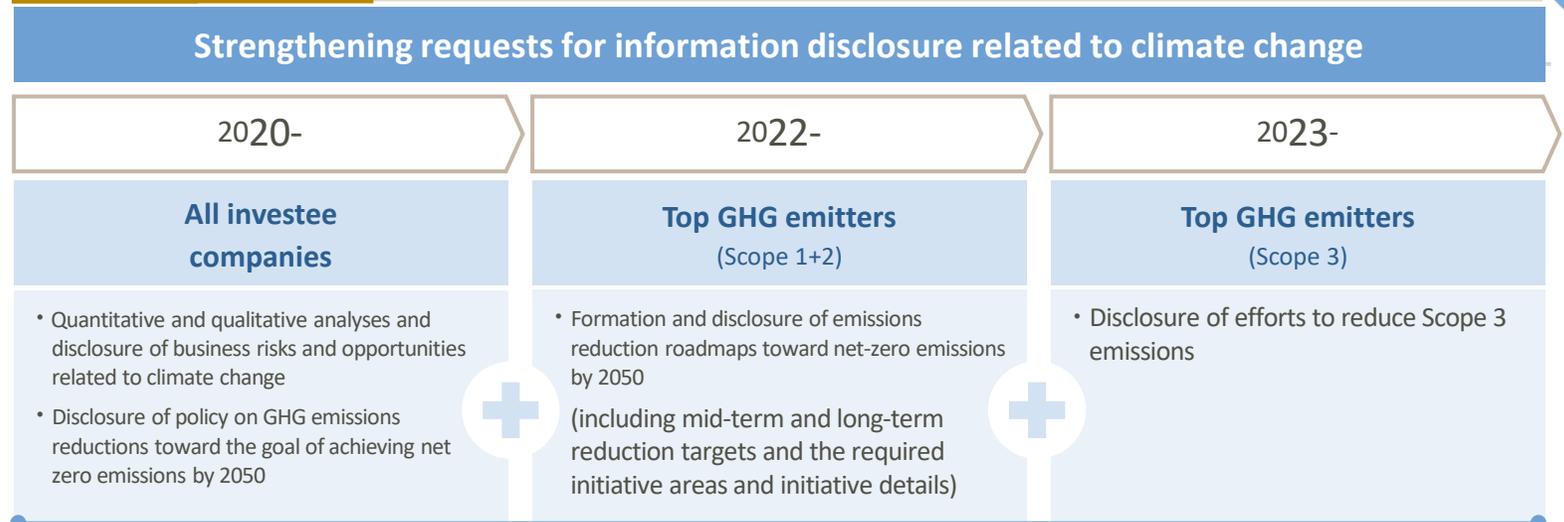
9 Dialogue Activities on the Topic of Climate Change

We continue to strengthen our requests to companies for information disclosure on the topic of climate change.

In addition to requests made since FY2022 for top Scope 1+2 emitters to develop and disclose transition plan toward net zero by 2050, we have also requested, since FY2023, that top Scope 3 emitters disclose their initiatives to reduce Scope 3 emissions.

Dialogue conducted over multiple years leads to improvements in disclosure and reductions in GHG emissions by investee companies.

Investment Activities



*1 If there is no disclosure after several years have passed, we will consider future exercise of voting rights. Added main examples of opposition related to climate change in the Guidelines for Exercise of Voting Rights in 2021.

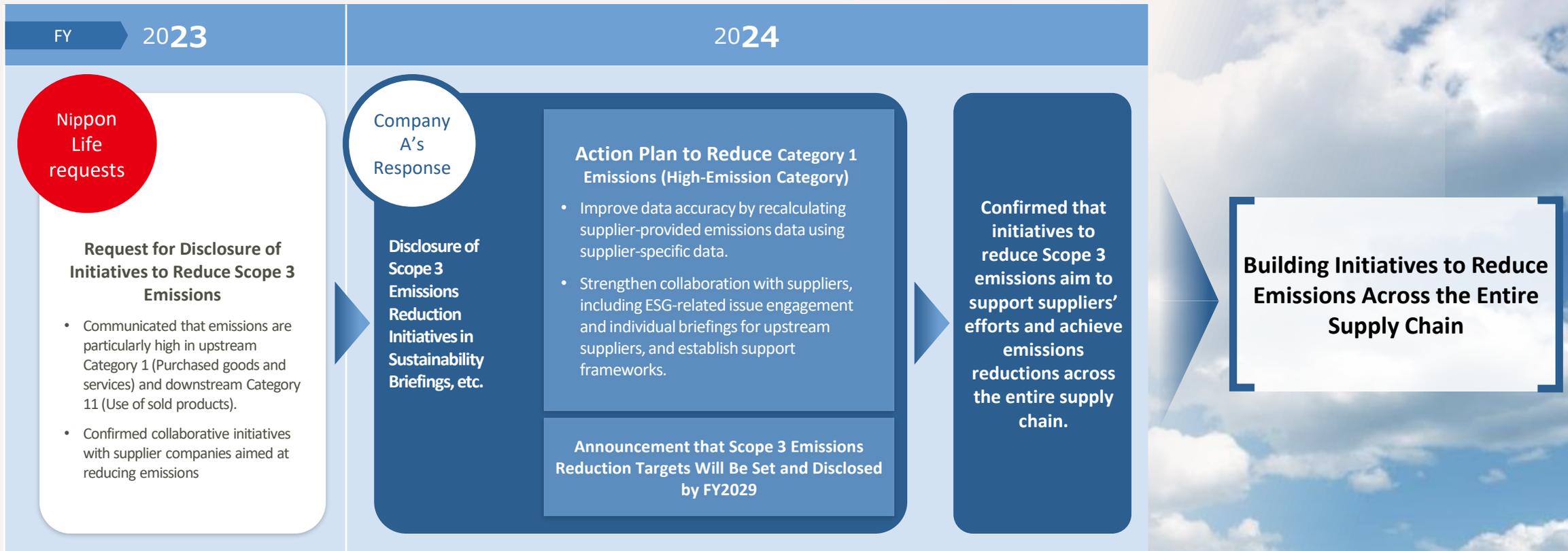
*2 Six companies were newly added to the dialogue scope compared with the previous year due to data updates.

10 Column: **Case of Climate Change Dialogue**

Disclosure Example: Initiatives to Reduce Emissions Across the Entire Supply Chain

We engage in dialogue with Company A, a company operating in hard-to-abate sector, toward achievement of net zero in investment portfolio by FY2050.

Investment Activities



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11 Scenario Analysis (IPCC Scenarios, Etc.)

Global warming is expected to have wide-ranging impacts on the life insurance business.

We create heat maps based on risk events that are assumed to have relatively high frequency and probability, and their potential impacts on our financial performance, and conduct scenario analysis sequentially starting with the most material risk events.

For scenario analysis, we use the RCP scenarios (Representative Concentration Pathways) and SSP scenarios (Shared Socioeconomic Pathways) presented in IPCC assessment reports.

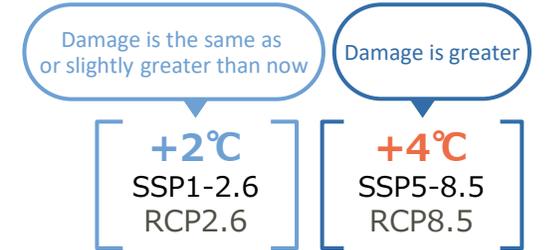
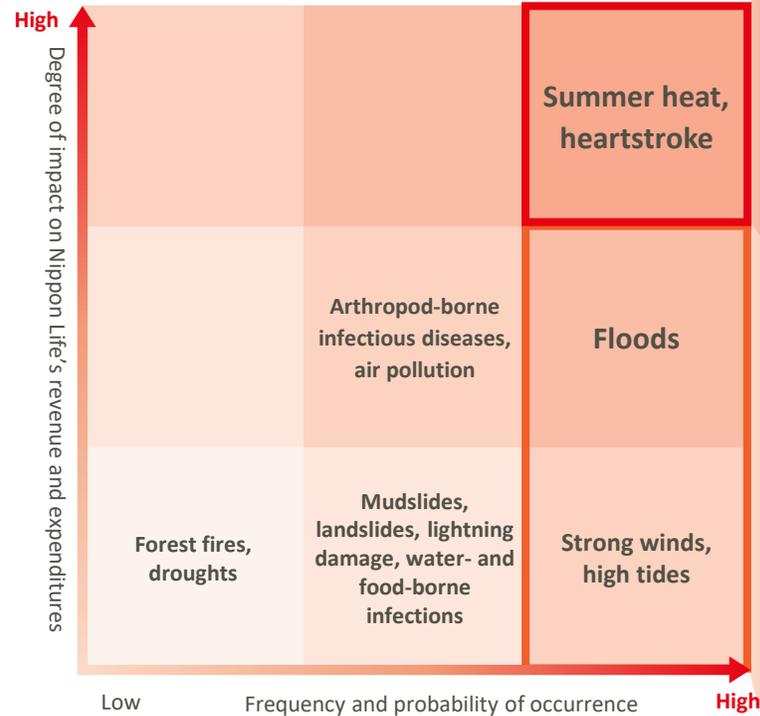
Business Operations

Risks and opportunities

Risk events with a relatively high frequency and probability of occurrence and their degree of impact on Nippon Life financial performance

Predicted health impacts in the case of a future (2050–2100) temperature rise of **4.0°C**

(From the Assessment Report on Climate Change Impacts in Japan (Ministry of the Environment in Japan), Climate Effects on Health (CDC, United States), etc.)



Global Warming-related*	FY of analysis	Number of Deaths	Damage to buildings from increasing severity of typhoons and floods	Damage to health (number of deaths) from increasing severity of typhoons and floods
Global Warming-related*	'24	Number of Deaths: About 1 time (SSP1-2.6/RCP2.6) vs About 5.8 times (SSP5-8.5/RCP8.5)	Damage to buildings: Stable vs 3.3 times	Average number of victims per year: 1.1 times vs 2.1 times
	'24	Impact on Nippon Life: +5.6 billion yen vs +31.2 billion yen	Impact on Nippon Life: +0.9 billion vs +8.4 billion yen	Impact on Nippon Life: +10 million yen vs +30 million yen
Summer heat/heartstroke	'24	Number of Deaths: About 1.7 times vs About 6.9 times		Highest number of victims: 2.9 times vs 5.1 times
	'24	Impact on Nippon Life: +0.9 billion vs +8.4 billion yen		Impact on Nippon Life: +1.2 billion yen vs +2.2 billion yen

* Figures indicate single-year impacts in the future (around 2100).
 Number of deaths refers to the multiplier of deaths around 2090 relative to around 2030 attributable to climate change.
 Impact on Nippon Life refers to the increase in insurance claims payments and related amounts around 2090 compared with a scenario without climate change.

12 Result of Scenario Analysis

We conduct scenario analyses from multiple angles to assess how rising temperatures may affect mortality.

In FY2024, with the cooperation of the NLI Research Institute and its Climate Change Research Center, we developed proprietary climate change indices for Japan based on IPCC SSP scenarios and conducted scenario analyses on increases in climate change-related mortality nationwide.

In addition, based on heatstroke scenario analyses developed by the National Institute for Environmental Studies, and with the cooperation of the Japan Weather Meteorological Association, we estimated the latest numbers of heatstroke-related deaths and emergency transports and conducted further scenario analyses.

Business Operations

Risks and Opportunities

Increase in Climate Change-related Deaths

Using a composite index calculated from seven climate-related indicators*, levels across Japan have remained at their highest since 1971.

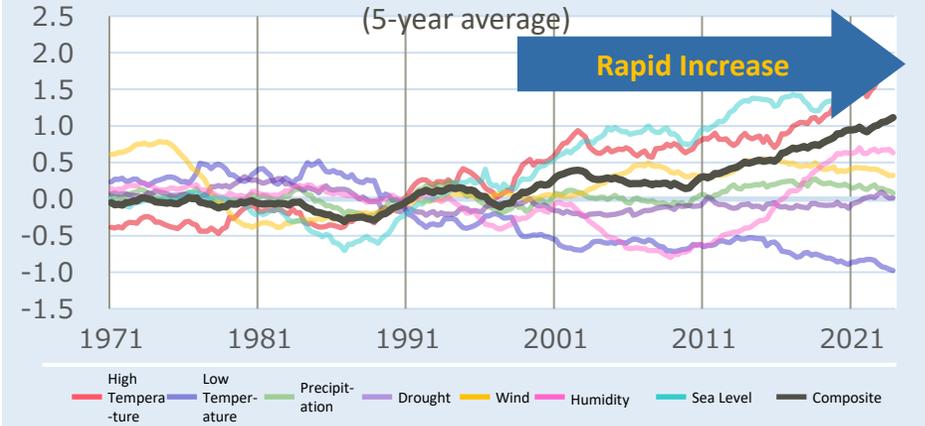
Under SSP-based deaths projections, compared with a no-climate change case, **the average number of deaths for 2081–2100 is projected to increase** under both SSP1-2.6 (+2°C) and SSP5-8.5 (+4°C).

* High temperature, low temperature, precipitation, drought, wind, humidity, sea level

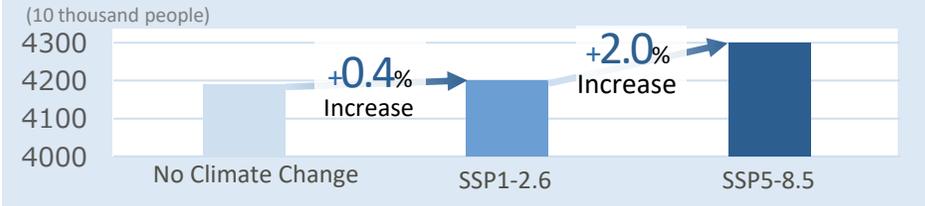
Increase in Deaths Due to Heat and Heatstroke

Comparisons of deaths per 100,000 people by forecast period by each scenario show a more pronounced increasing trend under SSP5-8.5 than SSP1-2.6, with a sharp rise indicated particularly FY2050 onwards.

Trends in Seven Climate Indices for Japan

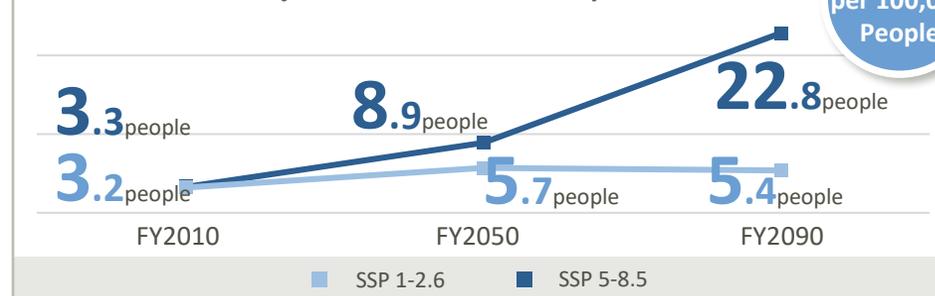


Average Number of Deaths, 2081–2100 (Japan, Total)



* SSP1-2.6 and SSP5-8.5 represent five-model averages. The graph is cropped to values above 40 million in order to clearly illustrate increases in the number of deaths.

Projected Trends in Deaths by Scenario



13 Scenario Analysis (Infectious Diseases)

In collaboration with Nagasaki University, we have initiated scenario analyses on infectious diseases.

The research will commence in FY2025 and will be conducted over several years.

The joint research will be carried out by researchers with specialized expertise from Nagasaki University together with Nippon Life personnel responsible for claims-related functions.

Through analyses of infectious diseases, we aim to assess the financial impacts on Nippon Life and apply the findings to measures for future outbreaks.

Business Operations

Overview of Infectious Disease Scenario Analysis

Nagasaki University



Nippon Life

Joint Scenario Analysis of Infectious Diseases

Objective

Develop strategies to forecast global infectious disease outbreaks (pandemics), conduct preliminary assessments of their impacts on the insurance sector and society, and examine response measures in advance

Scope of Analysis	<ul style="list-style-type: none"> Impact of climate change and natural capital degradation on infectious disease outbreaks Scenarios of future pandemics (probability of occurrence, transition risk, mortality rates, etc.) Impacts on the economy, society, healthcare systems, and Nippon Life
Methodology	<ul style="list-style-type: none"> Utilization of infectious disease research and epidemiological models developed by Nagasaki University Analysis of issues identified by Nippon Life, conducted by Nagasaki University researchers, including the examination of potential response measures
Expected Outcomes	<ul style="list-style-type: none"> Advancement of risk management in the insurance industry Knowledge sharing toward the social implementation of infectious disease countermeasures Contribution to sustainable business operations and planetary health (the health of the Earth)

14 Column: Start of a Joint Research Project with Nagasaki University

In October 2025, Nagasaki University and Nippon Life concluded a collaboration agreement on *planetary health*.

Under this partnership, we will jointly engage in advanced research on the interrelationship between the global environment and human health.

Based on the concept of planetary health, we will conduct research on how environmental changes—such as global warming and biodiversity loss— affect human health (including infectious diseases, non-communicable diseases, and global ecology), while enhancing climate- and nature-related financial disclosures.

Planetary Health with



Nippon Life Insurance Company

Details of the Collaboration

- (1) Joint research related to ***planetary health***
- (2) Research on the impacts of climate change and ***other factors on human health, including infectious and non-communicable diseases, as well as impacts on healthy life expectancy***
- (3) Activities to ***enhance international understanding, including the organization of joint symposia***

Other related initiatives



Signing Ceremony (October 20, 2025)

From left: President Nagayasu, Nagasaki University
Managing Executive Officer Kashima, Nippon Life

15 Group Scope and Policy

Our Group is committed to achieving net-zero emissions across the entire organization by FY2050, with clear interim targets along the way.

In 2024, Nippon Life made the Nichii Group a wholly owned subsidiary, thereby expanding the Group Boundary for CO₂ reduction targets.

The base year CO₂ emissions for FY2013 have been restated to include the Nichii Group, and we will continue to pursue the achievement of our existing outcome targets for FY2030 and FY2050.

In addition, in line with Japan's Nationally Determined Contribution (NDC) announced by the Government of Japan in February 2025, we have additionally set interim targets for FY2035 and FY2040. Working as one Group, we will accelerate efforts to reduce CO₂ emissions.

** Nationally Determined Contribution (NDC): National GHG emissions reduction targets under the Paris Agreement (COP21), to be submitted and updated every five years.*

Business Operations

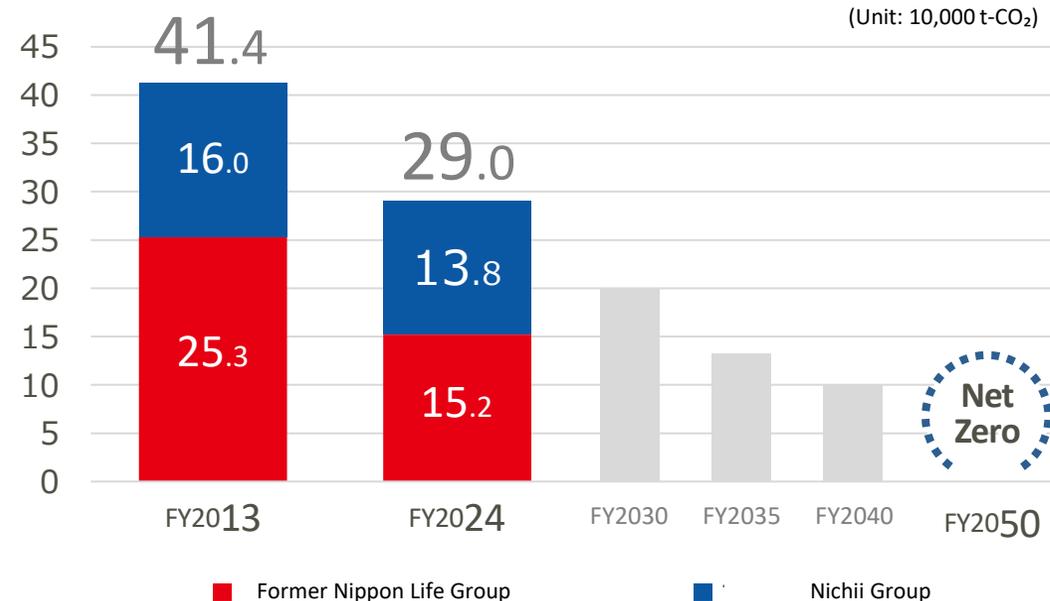
Expansion of CO₂ Measurement Scope and Group-wide Net-Zero Policy

Expansion of the Group Boundary

Inclusion of the Nichii Group and expansion of the CO₂ calculation scope

Expansion of the calculation scope resulting in higher reported emissions and an increase in calculation categories

Changes in CO₂ Emissions of Our Group



Future Policy

Maintain the FY2050 net-zero target across the entire Group

- ✓ Drive more decarbonization across the expanded Group, including long-term care businesses
- ✓ Apply interim targets to the expanded scope

In line with the expansion of business domains, we will accelerate decarbonization efforts across the Group and further strengthen initiatives toward achieving net-zero by FY2050.

16 CO₂ Emissions Reduction Plan and Performance

We have publicly committed to reach net-zero CO₂ emissions from our business operations in FY2050

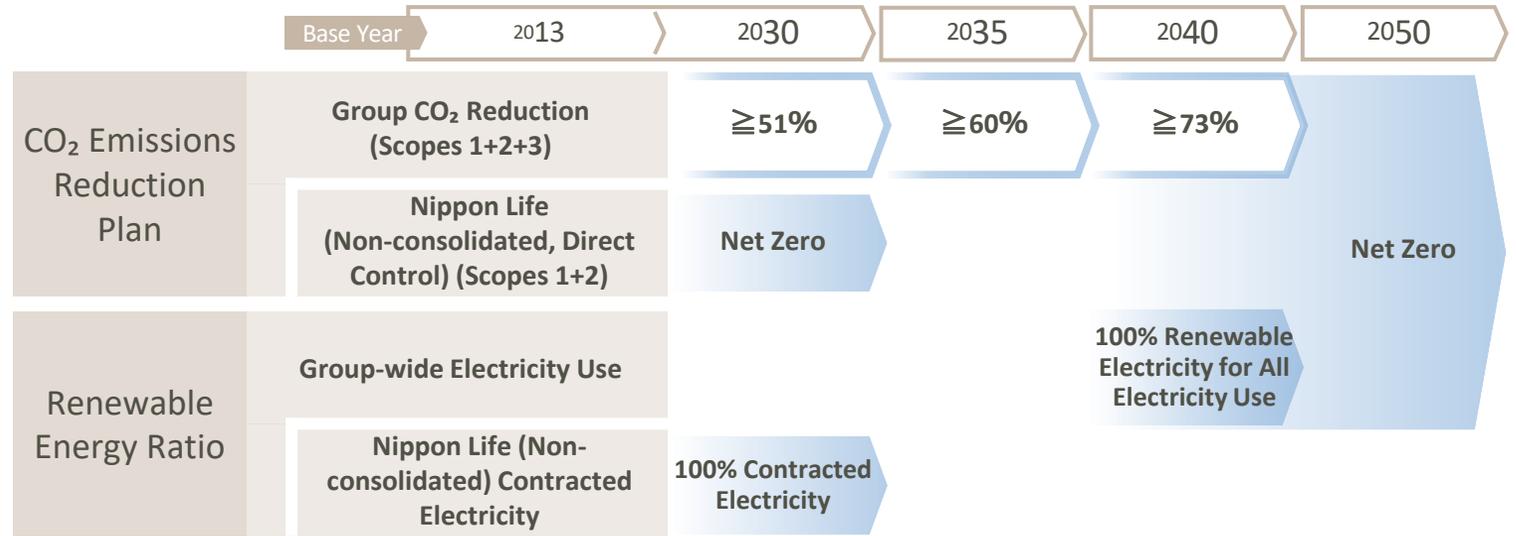
To reduce CO₂ emissions, in line with the policies of the Government of Japan, we have set interim CO₂ reduction targets for FY2030, FY2035, and FY2040, as well as targets for the share of renewable energy.

Specifically, we plan to reduce CO₂ emissions by at least 51% by FY2030, at least 60% by FY2035, and at least 73% by FY2040.

For CO₂ emissions, we identify relevant scopes and categories and set reduction targets accordingly.

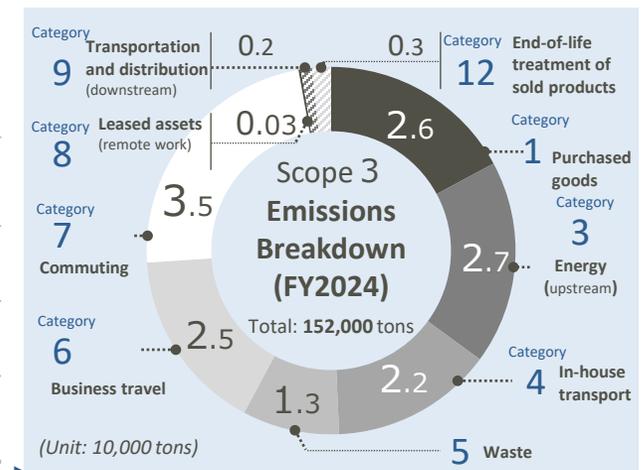
Business Operations

Transition Plan Toward Net-Zero by FY2050



Actual CO₂ Emissions

Scope	Category	Baseline year	FY2013	FY2024	Reduction vs. FY2013
Scope 1	Gasoline, fuels, etc.		7.4	5.6	-24%
Scope 2	Electricity, etc.		16.5	8.2	-50%
Scope 3	Supply chain		17.5	15.2	-13%
Total CO₂ Emissions (Unit: 10,000 tons)			41.4	29.0	-30%



Climate Change Transition Plan Overview

We are committed to achieving net-zero CO₂ emissions across our business operations by FY2050.

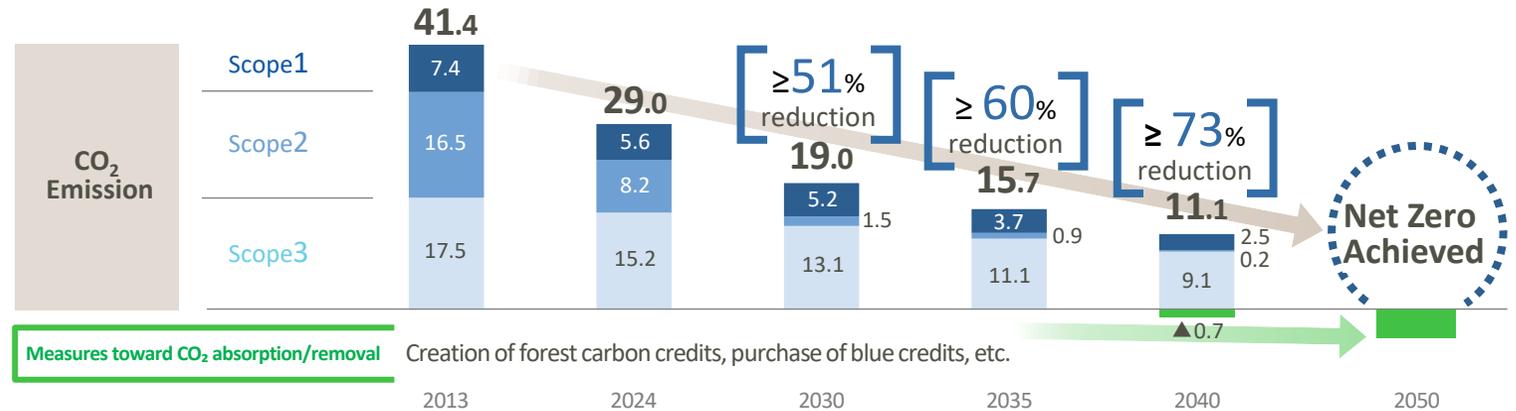
Toward net zero by FY2050, we have set CO₂ reduction targets for FY2030, FY2035, and FY2040.

For Nippon Life (directly controlled Scope 1 and 2 emissions), we aim to achieve net zero for Scope 1 and 2 emissions (under direct control) by FY2030, and to realize 100% renewable electricity for our contracted power by FY2030. (These targets apply to Nippon Life on a non-consolidated basis.)

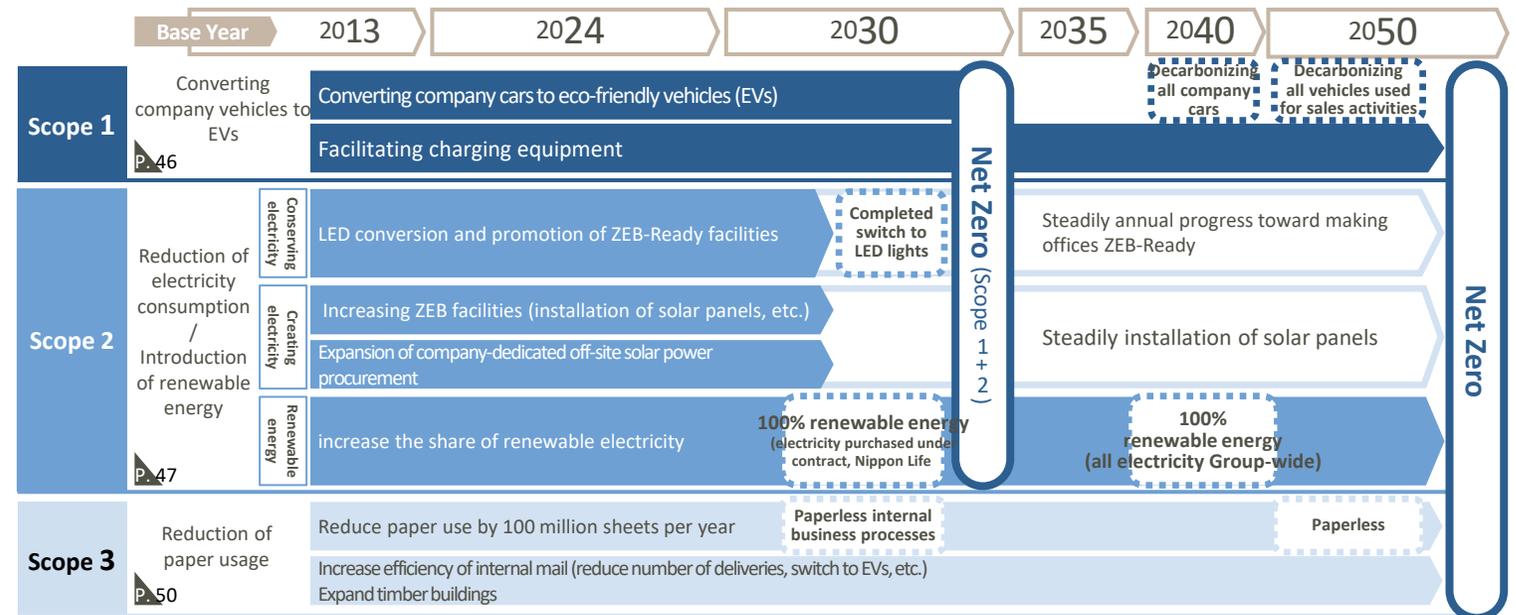
To steadily achieve these CO₂ reduction targets, we have established reduction targets for each scope and category and are implementing specific reduction measures accordingly.

Business Operations

Overview of the Transition Plan → : CO₂ Emissions Trend → : CO₂ Absorption/Removal Trend (Unit: 10,000 t-CO₂)



Initiatives by Scope and Category toward CO₂ Emissions Reduction



18 Scope 1 Vehicle-related Initiatives

A large portion of our Scope 1 CO₂ emissions is generated from burning gasoline during vehicle use.

We will actively promote decarbonization and installation of battery chargers for our vehicles

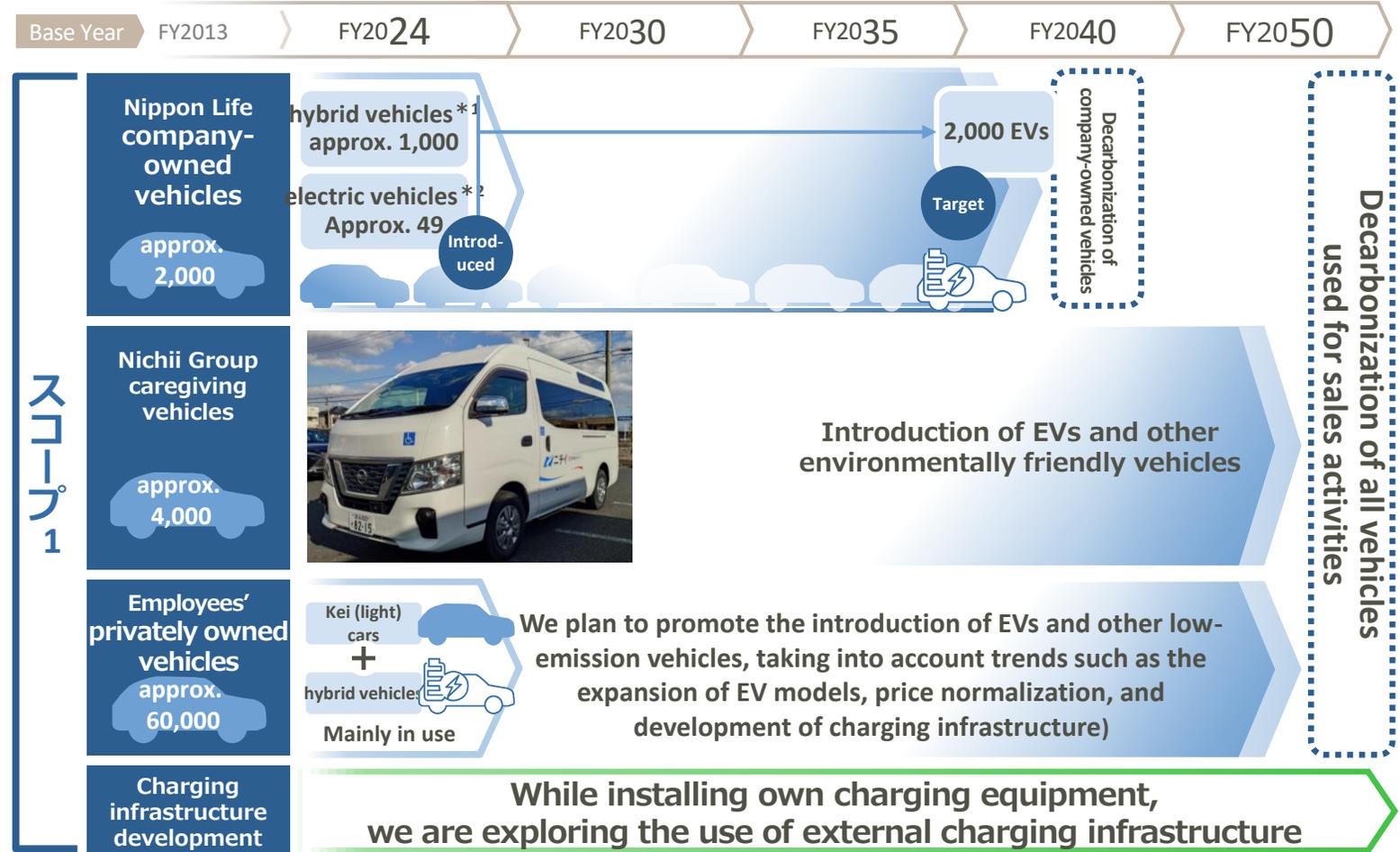
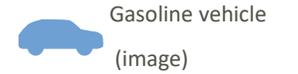
We aim to decarbonize our vehicle fleet faster than Japan's EV adoption rate and achieve full fleet decarbonization, including caregiving vehicles, by FY2050.



EV at the Saijo Sales Office of Matsuyama Branch

Business Operations

Initiatives to reduce Scope 1 CO₂ emissions (vehicle-related)



スコープ1



Kei (light) cars + hybrid vehicles: Mainly in use

*1 Hybrid vehicles (HV): Vehicles powered by both an internal combustion engine and a motor.
*2 Electric vehicles (EV): Vehicles whose wheels are powered by a motor that runs on electricity supplied from a battery that is recharged. They are powered solely by a battery and motor and do not use an internal combustion engine.

19 Scope 2 Electricity-related Initiatives

We will systematically reduce Scope 2 emissions (CO₂ emissions associated with electricity consumption) of our Group through (1) energy conservation, (2) on-site power generation, and (3) the use of renewable energy.

Renewable energy
introduction plan

By FY2030,
under our own contracts,
100%
renewable energy for
electricity

Nippon Life
(Non-consolidated)

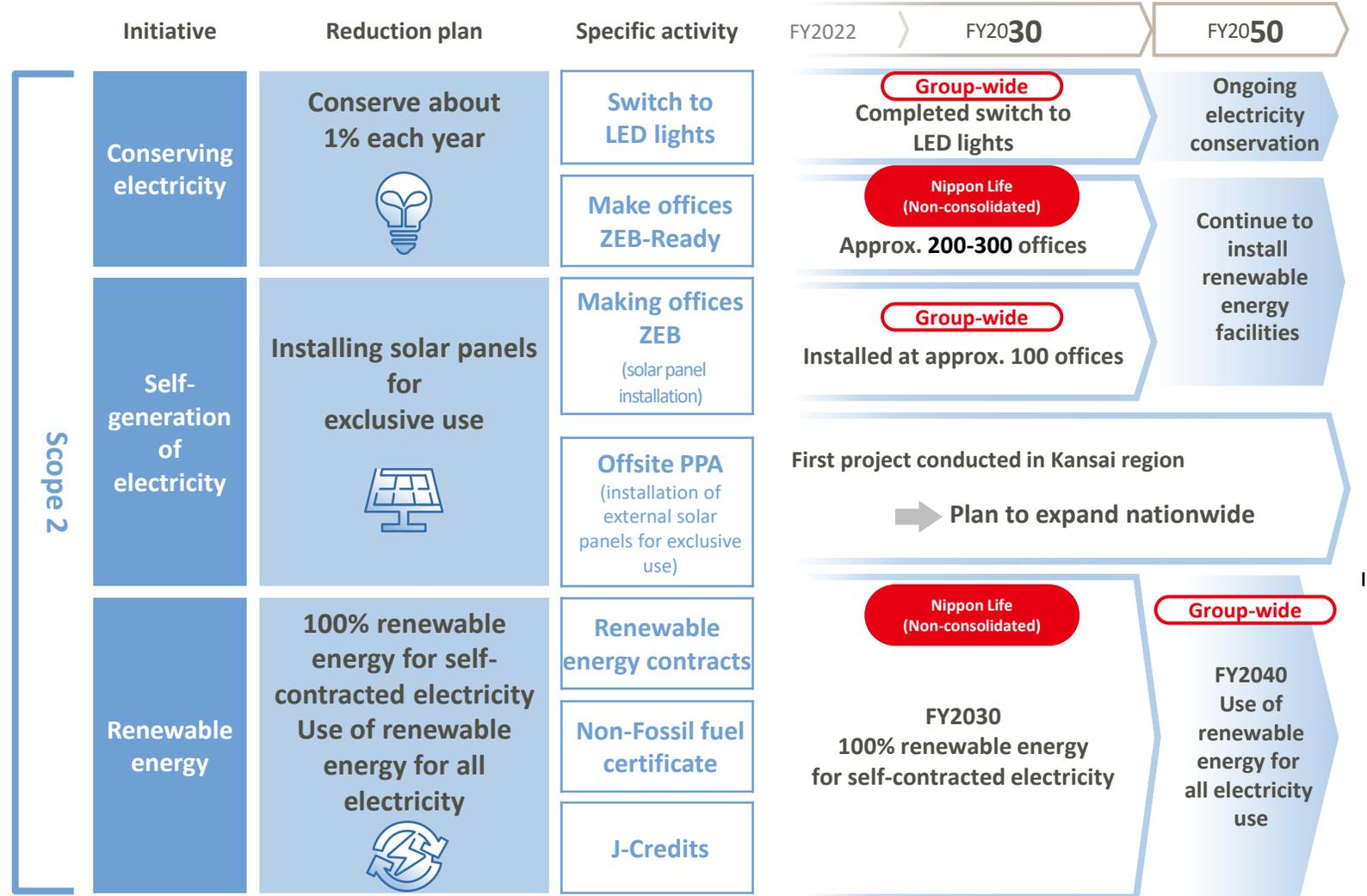
By FY2040,
for electricity
consumption
100%

100% renewable energy

Group-wide



Business Operations



We joined RE100 in December 2023. We aim to reach 100% renewable energy use for all of our electricity use by FY2040.

20 Decarbonization of Sales Offices

We operate around 1,600 life insurance sales offices throughout Japan and around 50,000 sales representatives are engaged in life insurance sales activities

When reconstructing aging sales offices, we significantly improve their energy efficiency, install solar panels and engage in decarbonization including by constructing timber-built sales offices.

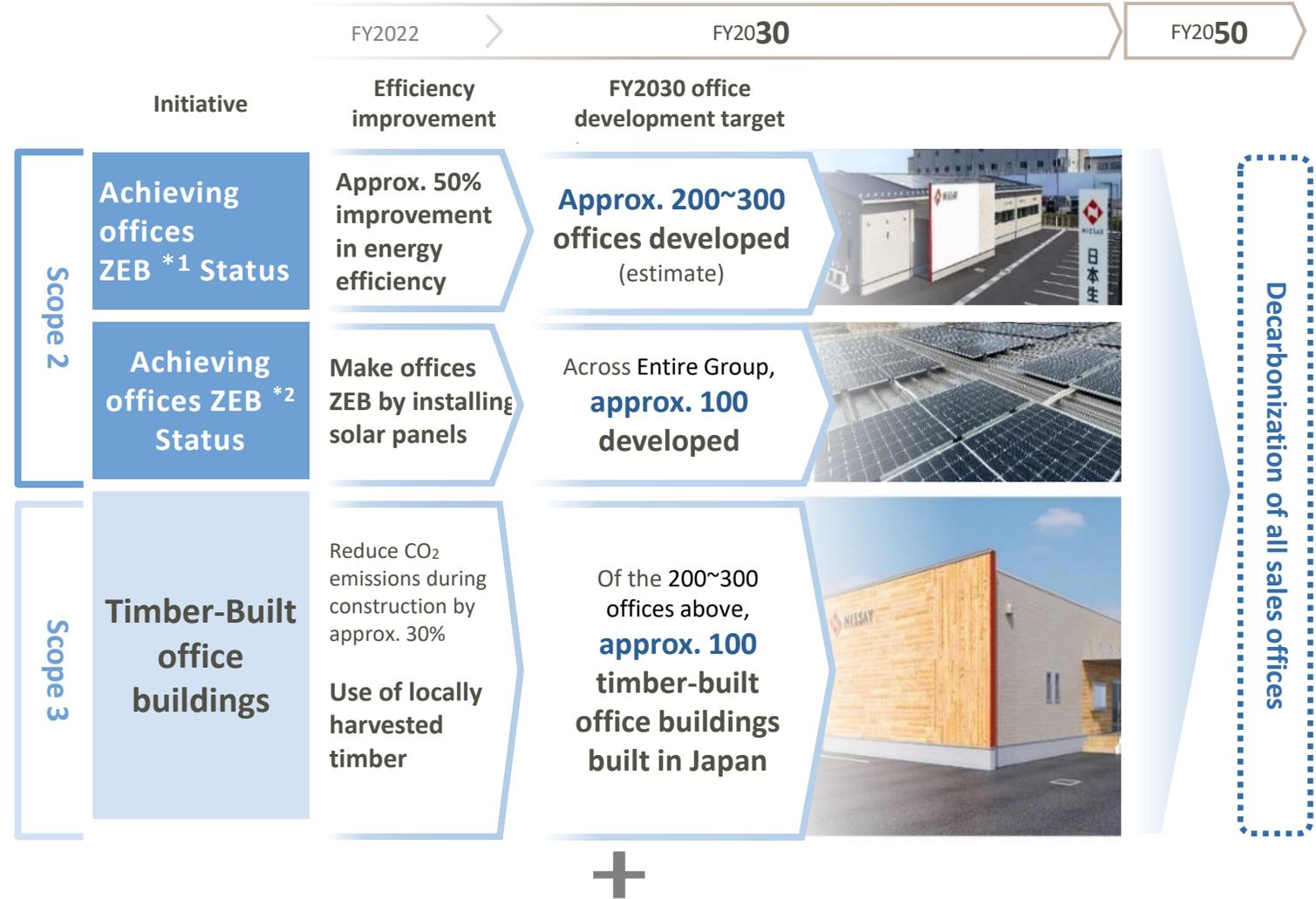
When rebuilding sales office, 100 are to be made from timber. This reduces CO₂ emissions during construction by approximately 30%. In addition, by proactively using domestic sourced timber, we also contribute to forest development and revitalization.

*1: Buildings that are compliant with a reduction in primary energy consumption of 50% or more from standard energy consumption.

*2: Net zero-energy buildings. Buildings designed to achieve zero annual primary energy consumption.

Business Operations

Decarbonization of sales offices



We are driving the decarbonization of sales offices by improving energy efficiency, switching to renewable energy, converting to EVs, etc.

Note: The number of developed sales offices may vary depending on land acquisition conditions, economic trends, etc.

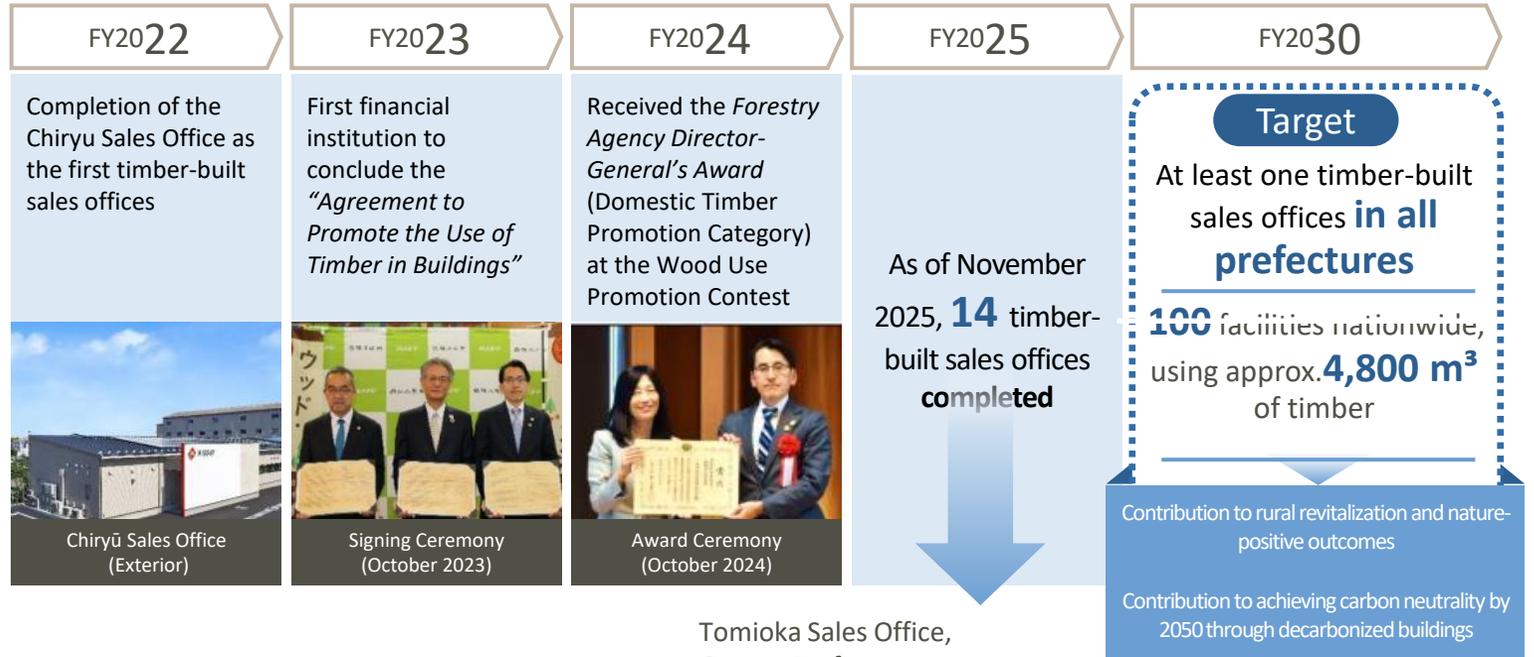
21 Our Initiatives for Timber-Built Sales Offices

Promoting the Use of Domestic Timber and Decarbonization to Build a Sustainable Future with Local Communities

We promote the development of office facilities built with domestically sourced timber, helping conserve forests and advance decarbonization.

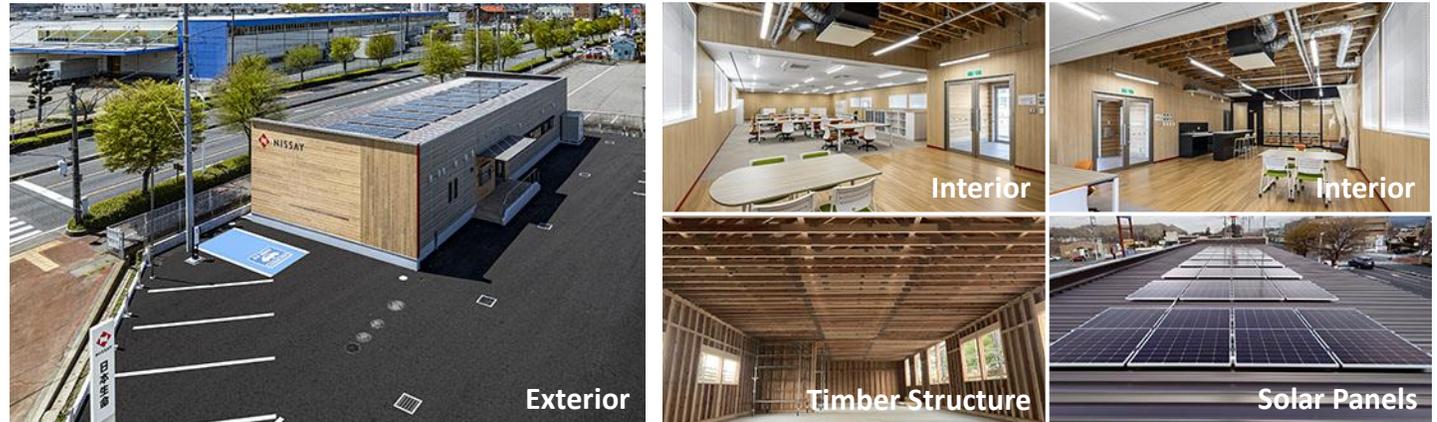
These facilities are designed to meet ZEB-Ready standards and are being developed in combination with the installation of solar power generation systems.

Business Operations



Our Timber-Built Sales Offices

Tomioka Sales Office,
Gunma Prefecture
(Newly Built in May 2024)



Exterior

Interior

Interior

Timber Structure

Solar Panels

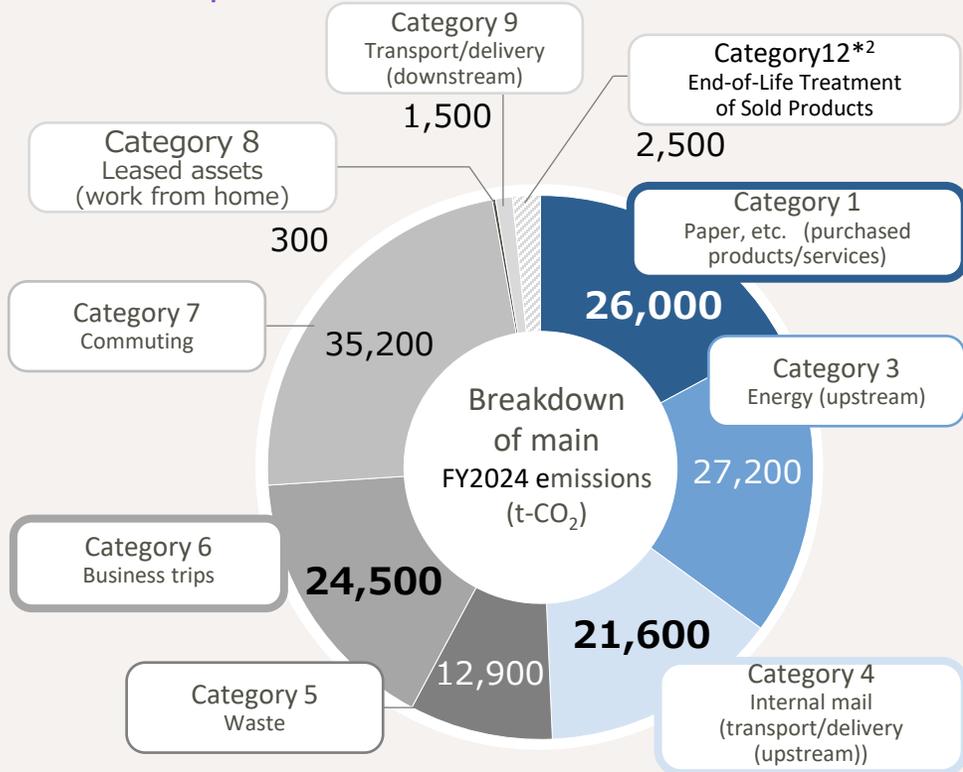
22

**Scope 3
Paper, Internal Mail,
Business Trips, Etc.**

We are working to reduce emissions associated with paper use, internal mail, business trips, commuting, etc.

In addition to Scope 1+2, we are also measuring Scope 3 emissions associated with our business activities where possible and working to reduce our emissions in each category. We have set the FY2050 target of net zero emissions including Scope 3.

Business Operations



* 1 The scope covers eight major domestic subsidiaries and three major overseas subsidiaries included in consolidated financial statements (see p.43 for details).

* 2 Newly added as a result of including the CO₂ emissions of the Nichii Group from FY2024.

Main reduction efforts

Category	FY2024	Future initiative plans
Category 1 Paper reduction	Use approx. 1.7 billion sheets of paper annually for insurance sales activities (proposal documents), policy explanations, administrative procedures, etc.	Reduce paper use by 100 million sheets each year FY2024: 1.6 billion sheets FY2026: 1.5 billion sheets FY2030: 1.1 billion sheets
Category 4 Internal mail	Mainly used for sending and receiving documents in our internal mail network spanning the Head Office, branches and sales offices throughout Japan	Increase digitalization of admin.works ① Reduce number and volume of sent documents ② Reduce frequency of internal mail deliveries (from daily to several times a week)
Category 6 Business trips	Business trips in Japan and abroad and use of public transportation for short distances are counted. CO₂ emissions are estimated separately for rail, buses, airplanes and accommodations	Increase efficiency from pre-COVID-19 pandemic (FY2019) levels including: • Regional decentralization of internal group trainings, holding trainings online, holding internal meetings online

Note: For category 15 (investment), emissions recorded as portfolio GHG separately

23 Exploring Approaches to Credit Utilization

We are considering the use of various credits—particularly nature-based credits—to achieve net-zero CO₂ emissions from our own operations by 2030.

For the FY2030 target, we plan to reduce Scope 1 and 2 CO₂ emissions by 90% compared with FY2013.

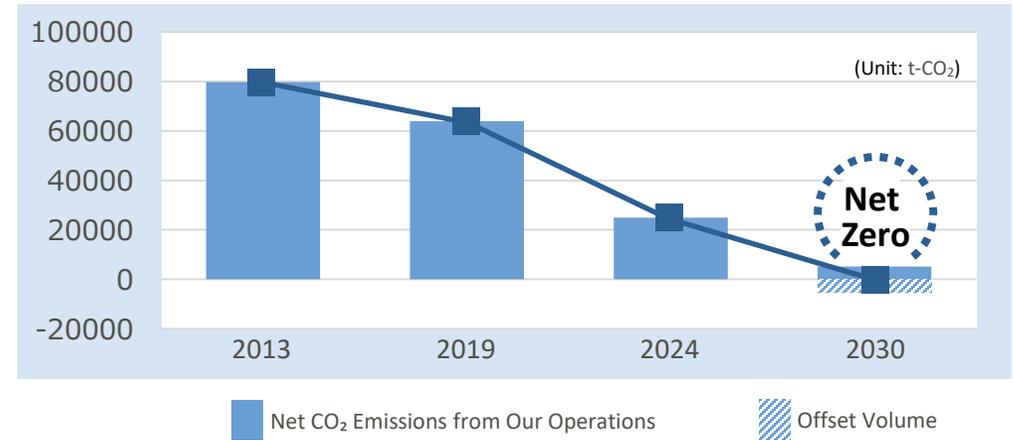
We will use carbon credits to offset the remaining CO₂ emissions from gasoline and other fuels that cannot be fully reduced (approximately 10%), enabling us to reach net-zero.

Business Operations

At present, we mainly utilize renewable energy credits. Going forward, we also plan to use nature-based credits that can contribute to biodiversity enhancement.

In particular, we will promote the use of *J-Credits*[®], which are expected to make significant contributions to biodiversity.

Trends in Net CO₂ Emissions



Approach to Credit Utilization

Category	Credit Type	Utilization	Details	Image
Nature-based	Renewable Energy – Based Credit	J-Credit	Approximately 50% of total credits to be renewable energy credits	
	Forest Credits	J-Credit	Forest credits generated collaboratively by Mori Town, ENEOS, and Nippon Life (approx. 5,000 t)	
	Paddy Field Credits	J-Credit	Partial use of expanding paddy field credits	
Technology-based	J-Credit [®] (Voluntary)	Voluntary	Participation in initiatives such as the development of seaweed beds that contribute to biodiversity, with the aim of generating credits	

V TNFD

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Conservation activities for the *Shijimiaeoides divinus* (Azumino City, Nagano Prefecture)

In collaboration with the Japan Nature Conservation Society, Nippon Life supports conservation efforts for the endangered *Shijimiaeoides divinus*, thereby contributing to environmental conservation initiatives. (Photo credit: Keiko Eda, Associate Professor, School of Education, Kwansei Gakuin University)

Investment Activities

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1 Risk Analysis 2/2

Compared with the previous fiscal year, both manufacturing and non-manufacturing sectors continue to show significant dependencies on and impacts on natural capital related to water resources.

Within the manufacturing sector, exposure related to automobile manufacturing is relatively large. From a dependency perspective, items related to water resources are prominent, while from an impact perspective, soil and water pollution, as well as disturbances, were identified as having relatively large impacts.

From FY2024, we have used ENCORE-based analysis in our engagement and dialogue with investees as part of our stewardship activities. Going forward, we continue to encourage phased disclosure and responses in areas of initiatives that are highly relevant to corporate value. In addition, we consider well-organized requirements in terms of enhancing corporate value in the future.

Investment Activities

		Manufacturing industries																Total	
		Automotive manufacturing	Pharmaceuticals	General machinery	Electrical machinery	Precision instruments	Electronic components	Chemical products	Consumer electronics	Basic chemical products	Electric machinery	Special-purpose machinery	Medical & pharmaceutical equipment	Paper products	Metal processing services	Iron & steel / basic metals	Electrical lighting equipment	Others	Total
Dependencies	Other provisioning services - Animal-based energy																		
	Biomass provisioning services																		
	Solid waste remediation																		
	Soil and sediment retention services																		
	Water purification services																		
	Soil quality regulation services																		
	Other regulating and maintenance service - Dilution by atmosphere and ecosystems																		
	Biological control services																		
	Air filtration services																		
	Flood mitigation services																		
	Genetic material services																		
	Global climate regulation services																		
	Water supply																		
	Nursery population and habitat maintenance services																		
	Noise attenuation services																		
	Other regulating and maintenance service - Mediation of sensory impacts (other than noise)																		
	Local (micro and meso) climate regulation services																		
	Pollination services																		
	Storm mitigation services																		
	Water flow regulation services																		
Rainfall pattern regulation services																			
Recreation related services																			
Visual amenity services																			
Education, scientific and research services																			
Spiritual, artistic and symbolic services																			
Impacts	Disturbances (e.g. noise, light)																		
	Area of freshwater use																		
	Emissions of GHG																		
	Area of seabed use																		
	Emissions of non-GHG air pollutants																		
	Biotic resource extraction (e.g. fish, timber)																		
	Other abiotic resource extraction																		
	Emissions of toxic pollutants to water and soil																		
	Emissions of nutrient pollutants to water and soil																		
	Generation and release of solid waste																		
	Area of land use																		
	Volume of water use																		
	Introduction of invasive species																		

2 Negative Screening

We are taking various steps to conserve and restore biodiversity

In the area of investment and finance, we have established new negative screening criteria for palm oil-related companies, effective as of August 2023.

The criteria prohibits equity or bond investments or financing that do not have 100% certification from the Roundtable on Sustainable Palm Oil (RSPO).

For other negative screening criteria, please see p. 30.

Investment Activities

Negative screening

We prohibit investing in palm oil-related companies that have not obtained RSPO certification in light of environmental issues such as deforestation, and human rights issues such as forced labor and human rights abuses, caused by palm oil production.



The problem of uncertified palm oil

Palm oil is a vegetable oil made from the fruit of the oil palm, a tree native to West Africa. The oil is widely used in processed foods such as instant noodles, sweets and bread, as well as consumer products such as cosmetics, personal care products, detergents and pharmaceuticals. It is even used to produce biofuels. Beyond being so versatile, it offers a much higher yield per unit area than other vegetable oils and is also less expensive. For these reasons, demand for palm oil has exploded since the 1990s, surpassing soybean oil to become the top vegetable oil produced in the world today. Indonesia and Malaysia are the leading oil palm producing countries, accounting for nearly 85% of the world's palm oil production. Oil palm plantation development has also spread to other countries in Southeast Asia, as well as Africa and, Central and South America. Demand for palm oil continues to grow, and with the world's population increasing and income levels in Asian countries rising, the

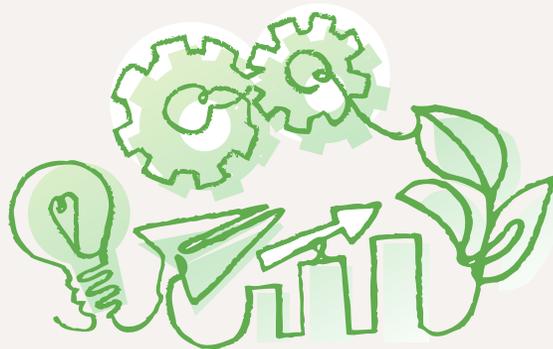
demand for palm oil will likely continue on this upward trend. The rapid expansion of oil palm plantations, combined with improper plantation management and other factors, is causing the loss of tropical forests, leading to environmental and regional community problems.

In Southeast Asia, areas with high protective value in terms of climate change and biodiversity, such as tropical forests and peat swamps, are being lost due to the conversion into oil palm plantations. Plantation development also brings conflict with indigenous peoples and other problems, such as human rights issues, due to unfair labor practices on plantations. To address these issues and promote sustainable palm oil production, RSPO and other types of certifications are being adopted. Companies and financial institutions are responding to the various issues involved in producing palm oil by trading only RSPO-certified palm oil.

3 Thematic Investment

We are providing funds for biodiversity conservation.

We are committed to providing funds for projects that focus on biodiversity conservation and restoration as a major theme through such means as blue bonds for marine conservation, green bonds for forest management and habitat surveys that help to protect endangered species.



Investment Activities

Examples of natural capital-related investment and finance

Investment in Tokyo Green Bonds

¥2.5 billion

In October 2017 and October 2018, we invested in Tokyo Green Bonds—bonds issued by the Tokyo Metropolitan Government to fund the promotion of its environmental projects.

Funds raised through this bond issue will be used for projects such as the management of forests and tidelands in marine parks.

Investment in Maruha Nichiro Blue Bond

¥400 million

In October 2022, we invested in a blue bond issued by Maruha Nichiro Corporation.

Funds raised through this bond issue will be used for environmentally sustainable fisheries and aquaculture projects.

Note: Scheduled to change the company name to Umios Corporation in March 2026.

Investment in Indonesia's Blue Bond

¥3 billion

In May 2023, we invested in a blue bond issued by the Republic of Indonesia to fund projects for marine conservation.

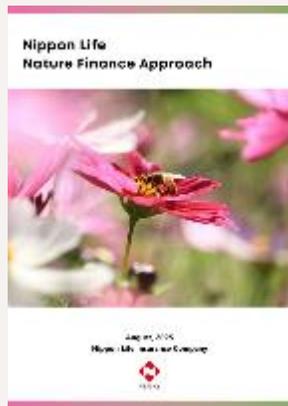
Funds raised through this bond issue will be used for projects in marine environment conservation, sustainable fisheries and marine disaster preparedness.

3 Nature Finance Approach 1/3

In August 2025, based on the concept of planetary boundaries, we released the Nippon Life Nature Finance Approach, which quantitatively visualizes companies' contributions to nature restoration.

While nature restoration is highly urgent, efforts have been hindered by the lack of clear evaluation metrics. To address this, we organized practical and simple metrics grounded in scientific evidence, with the aim of accelerating the fund mobilization. This approach is not a final model;

rather, it will continue to evolve through dialogue with stakeholders. By fostering cross-sector discussions spanning business, finance, policy, and academia, we aim to contribute to the advancement of nature finance both in Japan and internationally.



Investment Activities

Overview of 'Nippon Life Nature Finance Approach'

Three Key Points Emphasized in Developing the Approach

1

Enable **quantitative measurement** of how much investments and financing contribute to **global-scale targets**.

2

Create a framework as simple as possible, while ensuring **scientific validity and legitimacy**, so that companies and financial institutions can take concrete actions.

3

Develop a framework that is **applicable across a wide range of sectors**, not limited to agriculture or forestry, which are directly linked to nature.

Indicators are established based on the concept of Planetary Boundaries*1

Under our approach, we establish indicators that evaluate the **biosphere integrity** within the Planetary Boundaries framework.

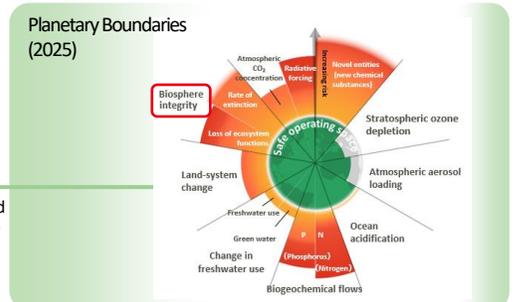
1 Ecosystems: The proportion of Net Primary Production (NPP*2) used by human activities (= HANPP*3)

2 Species: Species extinction rate

We set ultimate goals to keep impacts within planetary boundaries. Investments/financing that contribute to achieving these goals are categorized as Nature Finance.

*1 A framework proposed in 2009 that objectively assesses the impacts of human activities on the Earth system. It identifies 9 domains, including climate change and biosphere integrity. As of 2025, 7 of these domains are considered to have exceeded their safe limits.

Source: Prepared by Our Group, based on "Planetary Boundaries" by the Stockholm Resilience Centre.



Two Dimensions of the "Biosphere"	Planetary Boundaries (PB)		Nippon Life's Evaluation Indicators and Perspectives
	Evaluation Indicator	Target Value	
1 Ecosystems	HANPP (Unit: carbon-equivalent weight)	5.6 billion tons (Less than 10% of average NPP in the Holocene)	Reduce HANPP / Increase NPP Achieve outcomes that enhance biodiversity
2 Species	E/MSY*4 (The annual number of extinctions per one million species)	<10 E/MSY (If one million species exist, fewer than 10 extinctions per year)	Increase population size and the number of species Focus on endangered species

*2 NPP (Net Primary Production) The amount of carbon produced by plants through photosynthesis; represents the energy necessary for organism survival and growth.

*3 HANPP (Human Appropriation of global terrestrial NPP) The proportion of NPP used by human activities.

*4 E/MSY=Extinctions per Million Species-Years

3 Nature Finance Approach 2/3

Investment Activities

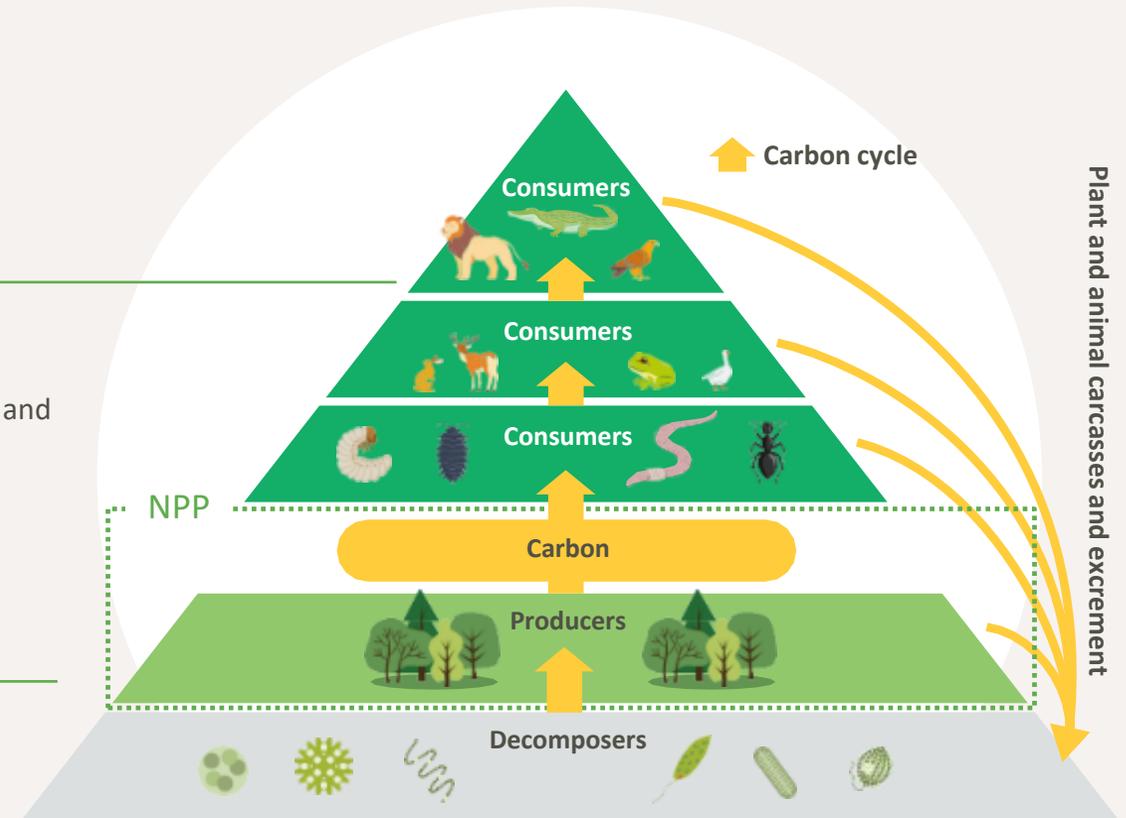
What are NPP / HANPP?

NPP (Net Primary Production)

NPP refers to the amount of energy in the form of carbon produced by plants through photosynthesis that is available for all organisms to use for survival and growth. In natural ecosystems, NPP is produced by plants serves as the starting point of food chains and consumed through the feeding activities of herbivores and other animals. As such, it plays a critical role in nutrient and energy cycling within ecosystems.

HANPP (Human Appropriation of global terrestrial NPP)

HANPP refers to the portion of NPP that is used by humans. The difference between total NPP and HANPP represents the amount of energy available to non-human organisms and ecosystems.



Nature Finance Approach 3/3

We visualize nature restoration in quantitative terms and support corporate initiatives.

Nippon Life’s approach focuses on terrestrial activities, and categorizes reductions in energy consumption that contribute to avoiding deforestation as a “reduction in HANPP.” In addition, with regard to “increases in NPP” that indicate forest expansion, the approach places particular emphasis on changes in population size and the number of species, especially endangered species. Furthermore, the DNSH principle is applied to ensure that business activities do not cause material adverse impacts on environment or society.

If a target project demonstrates a reduction in HANPP, an increase in NPP, and an increase in species, it is deemed eligible for nature finance, thereby supporting and accelerating companies’ nature-positive initiatives.

Investment Activities

Concept of Nature Finance (Overall Framework)

By incorporating the concept of HANPP reduction, it becomes possible to encompass initiatives across a wide range of sectors.

Changes in the number of species are also confirmed to ensure that NPP increase contributes to biodiversity conservation.

While nature-related domains naturally include marine areas, as an initial step this framework focuses only on terrestrial ecosystems.

Target Area	Direction of Nature Restoration	Examples of Eligible Business Operations	Eligibility Assessment Perspective		
			HANPP/NPP	Species	DNSH
Terrestrial plants (forests, etc.)	HANPP reduction	<ol style="list-style-type: none"> Businesses that mitigate or avoid the expansion of agricultural land or pastureland involving deforestation <ul style="list-style-type: none"> Agricultural production that efficiently utilizes existing farmland (e.g., regenerative agriculture) Development of alternative materials for agricultural and livestock products (e.g., alternative protein sources) Businesses that mitigate or avoid the development and use of natural resources involving deforestation (minerals, fibers, rubber, water, etc.) <ul style="list-style-type: none"> 3R businesses (Reduce, Reuse, Recycle) and related initiatives for target natural resources Development of alternative materials for target natural resources (e.g., synthetic minerals) Businesses that mitigate or avoid urban infrastructure development involving deforestation <ul style="list-style-type: none"> High-rise residential development in urban areas that expands surrounding forest zones Development of alternative infrastructure (e.g., air or marine transportation replacing roads) 	Amount of NPP whose reduction has been avoided Note: Requires sufficient evidence to reasonably demonstrate achievement.	Excluded Note: Excluded because the status of “avoided reduction” cannot be directly observed.	No significant adverse environmental or social impacts
	NPP increase	<ol style="list-style-type: none"> Forest conservation and restoration businesses (e.g., afforestation, thinning) <ul style="list-style-type: none"> * Not limited to public or charity activities; broadly covers revenue-generating forestry businesses*¹ 			

If a target business achieves—even to a limited extent—HANPP reduction, NPP increase, and an increase in the population size of species, it is deemed eligible as Nature Finance.

*1 Wood and pulp, carbon credits, beverages sourced from forest-protected water resources, real estate leveraging natural landscapes; and nature-related recreation services, etc.

4 Progress of Dialogues on Environmental (E) and Social (S) Topics

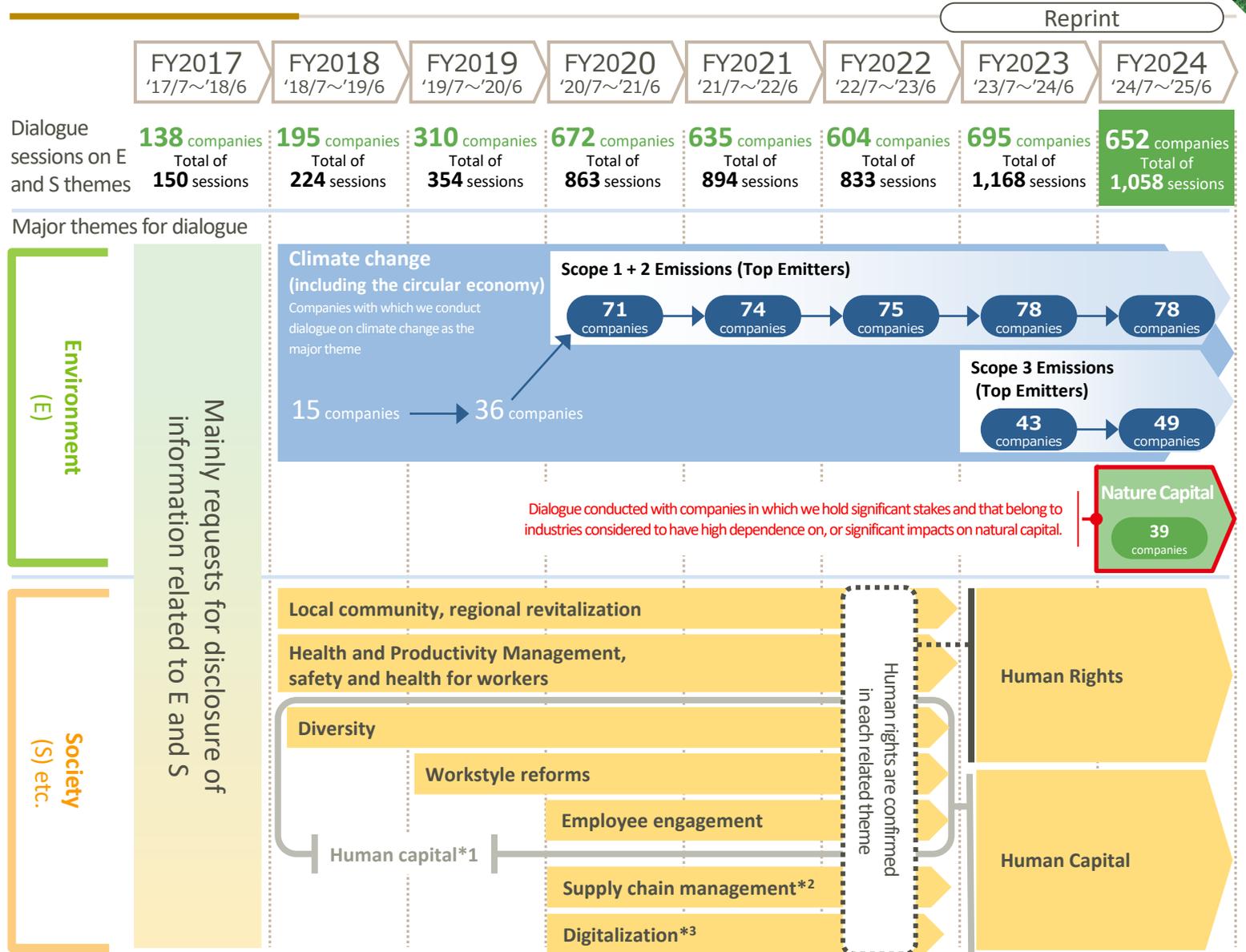
As one of Japan's leading institutional investors, Nippon Life conducts one of the largest dialogues activities in the country.

In dialogue activities focused on environmental (E) and social (S) themes, we engaged in discussions with 652 companies, totaling 1,058 dialogue sessions during FY2024 (from July 2024 to June 2025).

From the natural capital perspective, we engaged with 39 companies in which we hold significant stakes and that belong to industries considered to have high dependence on, or significant impacts on natural capital.

For matters related to climate change, please refer to page 35.

Investment Activities



*1 Dialogue conducted across all industries, with consideration of links to management strategy, etc. (since FY2022).

*2 Progress of initiatives confirmed, mainly in the manufacturing sector (since FY2022).

*3 Dialogue conducted after organizing key themes by industry (since FY2021).

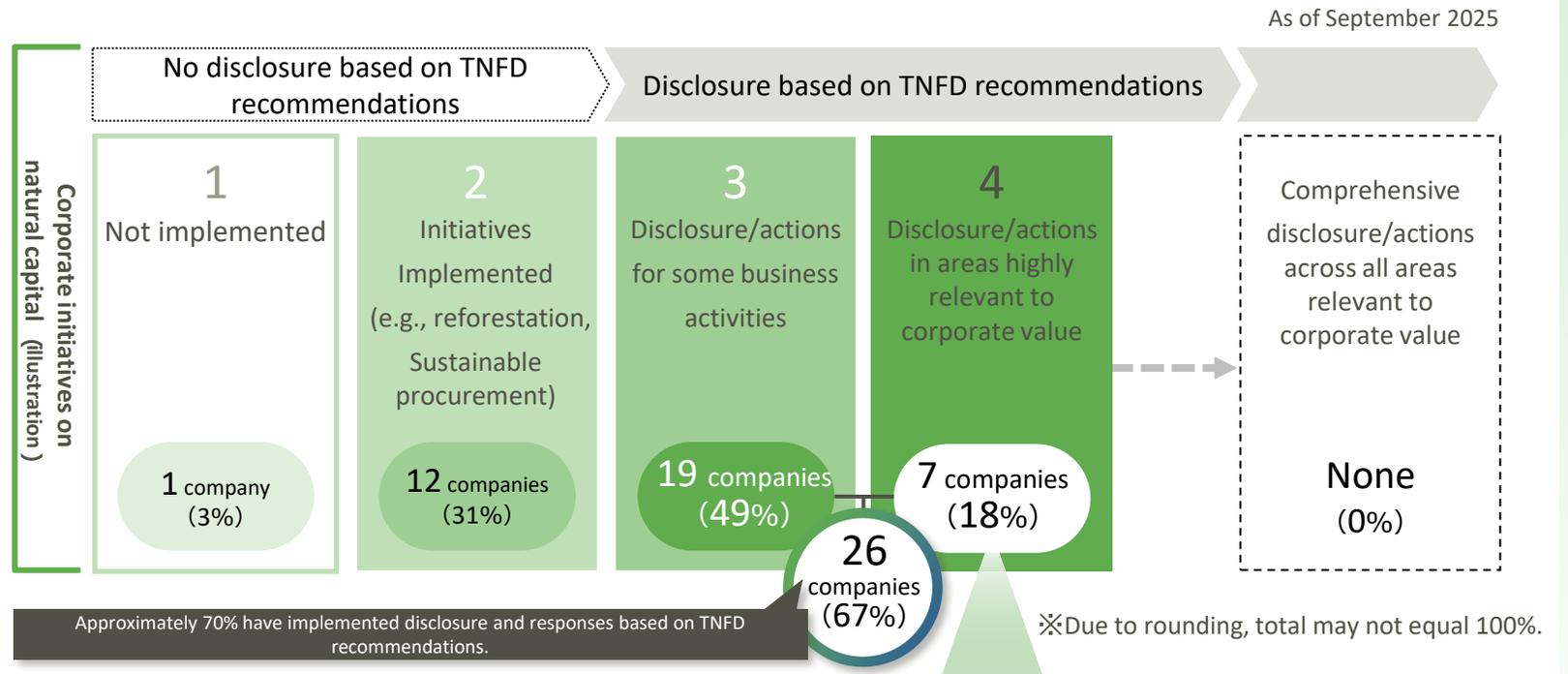
5 Dialogues on Natural Capital

On the topic of natural capital, we are continuously strengthening our engagement on corporate disclosure.

Since July 2024, we have engaged with 39 companies in which we hold significant stakes and that belong to industries highly dependent on or having a significant impact on natural capital. Through these dialogues, we support each company in gradually enhancing their initiatives and disclosures, while collecting information and sharing best practices.

Investment Activities

Status of Initiatives by Companies Engaged on Natural Capital (39 companies)



Company	Areas relevant to corporate value	Examples of analysis	Measures to nature-related issues	Feedback from companies disclosing/acting based on TNFD recommendations
Company B Company C Company D Company E	Raw material procurement	<ul style="list-style-type: none"> Conducted LEAP analysis for essential raw materials in business strategy 	<ul style="list-style-type: none"> Established systems to monitor sustainability of cultivation processes, etc. 	<ul style="list-style-type: none"> Companies recognize that analysis and disclosure impose a higher-than-expected burden, and further efforts would create ICT Company F additional workload
Company F Company G Company H	Infrastructure installation	<ul style="list-style-type: none"> Analyzed dependence on and impact on natural capital associated with infrastructure installation 	<ul style="list-style-type: none"> Nature-conscious design of communication cable routes Environmental assessments 	<p>Driving initiatives linked to corporate value remains challenging</p>

Investment Activities

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6 Nippon Life's Challenge Toward Achieving Nature Positive

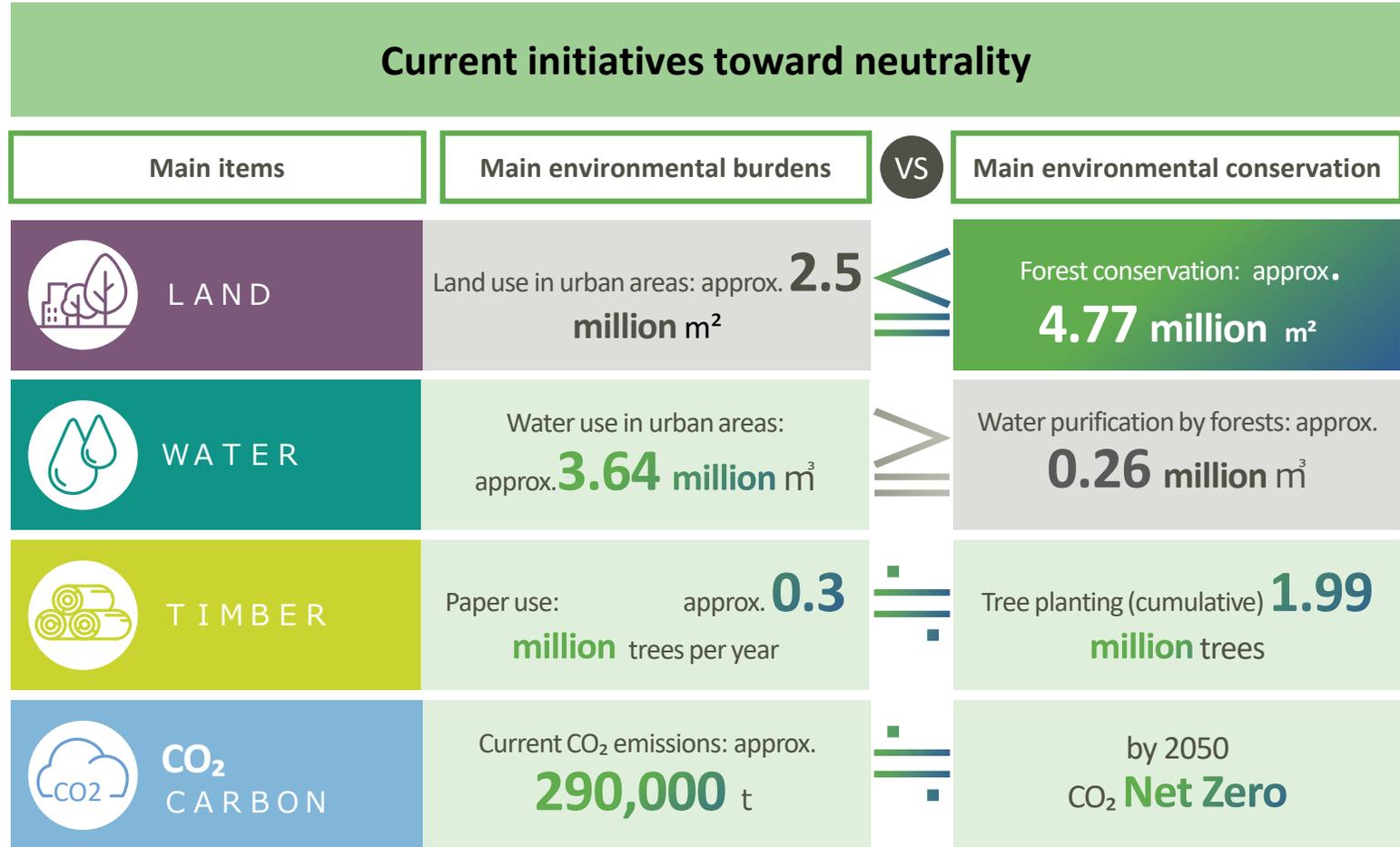
TNFD

We aim to minimize the environmental impacts arising from our business operations and to offset any residual impacts through dedicated environmental conservation initiatives. We will further refine and enhance our measurement methodologies going forward.

We will comprehensively measure the environmental impacts generated by our business activities. The items shown in the figure on the right—land, water, timber (paper), and CO₂—represent only a portion of the impacts currently covered. We will expand the scope of environmental burden data captured over time. In parallel, we are undertaking environmental conservation activities, centered on initiatives such as “Nissay Forests”. We will also measure the environmental value conserved through these activities. The illustration on the right presents a rough, indicative comparison based on what is currently measurable.

Business Operations

Group companies



7 TNFD
**Initiatives under the
 “Nissay Forests”
 Program**

Since 1992, for over 33 years, Nippon Life has continuously engaged in nationwide forest conservation activities under the “Nissay Forests” initiative.

Tree-planting activities “Nissay Forests” play a significant role in advancing our Group’s commitment to nature positivity.

In addition, the “Nissay Forests” Friends Association, organized by our officers and employees, conducts fundraising activities to support forest conservation and carries out volunteer conservation activities across approximately 30 locations nationwide annually.

Note: In 1993, we established the *Nissay Green Foundation*, a public interest incorporated foundation, which is responsible for the ongoing maintenance and management of “Nissay Forests”.

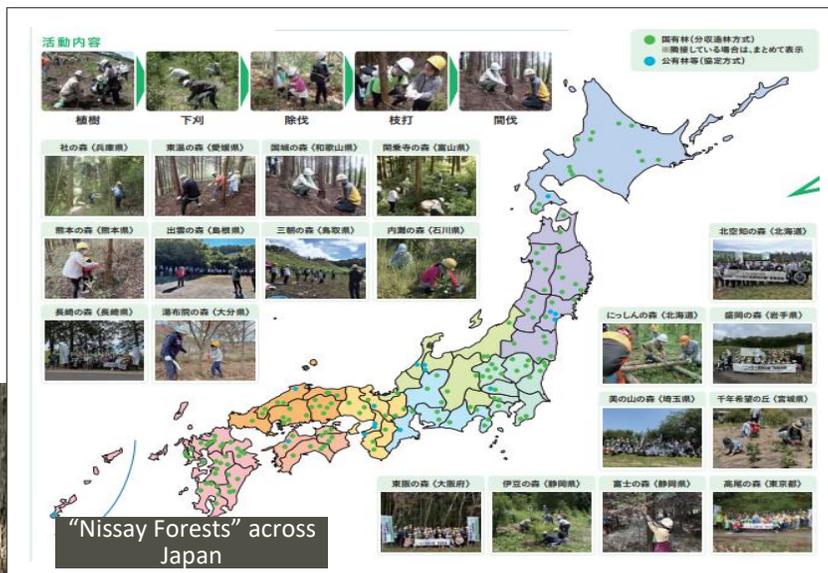
Business Operations

Contributions to Nature Positive

No. of managed forests	211 sites
Coverage	All 47 prefectures nationwide
Cumulative No. of trees planted	1.39 million trees
Total conserved area	477 ha



Tree thinning activities in “Nissay Forests in Shinsan” (Hokkaido Morimachi)



CO₂ sequestration (annual) **1,673** t/year

CO₂ sequestration (cumulative) **approx. 36,000** t

Water retention / purification (annual) **260,000** m³/year

Soil erosion prevention **5,801**m³/year

Number of volunteers (cumulative) **44,000** people

8 Nature-Positive Initiatives in Land Usage

We conserve more forest land than our entire business uses.

Our Group companies —including Nippon Life, Nichii Group, and Taiju Life—operates business sites covering a total area of approximately 2.5 million m².

By contrast, through initiatives such as “Nissay Forests”, we conserve forests and related areas totaling approximately 4.37 million m².

While a simple comparison is not appropriate, we will explore methods to compare environmental burdens and conserved environmental value going forward.

Business Operations



LAND



Area Total floor area (gross floor area) Conservation area	Total area (for 3 companies) : approx. 2.5 million m² Nippon Life: 1.27 million m ² Nichii Group: 1.05 million m ² Taiju Life: 0.15 million m ²	“Nissay Forests” 4.77 million m² Other nationwide conservation 0.1 million m² (Shunkunitai, Yone wetlands, Azumino, Oze, Aso, etc.)
	Number of sites	approx. 5000 nationwide
Type of use	Offices, nursing-care facilities, etc.	Forests
Number of sites use	Up to 130 years	32 years since conservation activities began

Initiatives to Reduce Biodiversity Impacts	Measured via LEAP analysis: Proximity to key areas for biodiversity conservation biodiversity potential development pressure Relationship with indigenous peoples and local communities Physical water risks etc.	1.39 million trees cedar cypress pine included and various broadleaf species, Oak Cherry tree Cultivation of diverse broadleaf tree species
	Initiatives to Reduce Environmental Impacts and Enhance Forest Value	green roofs greening around facilities

Continue reducing impacts at business sites and enhancing the environmental value of “Nissay Forests” to achieve “Land nature positive”
 (Methods to measure land-use impacts and forest conservation on a common scale are under continued review.)

9 Nature-Positive Initiatives for Water Usage and Purification

Our Group uses public water supplies at business sites nationwide.

Alongside efforts to save water, we also engage in water purification activities through forest conservation.

In urban areas, our Group uses approx. 3.64 million m³ of public water annually, discharging a similar volume.

In response to this environmental burden, through the maintenance of "Nissay Forests", we have achieved water purification equivalent to approximately 260,000 m³, and we continue to engage water source conservation activities.

Going forward, we will examine methods to compare water purification effects from forest management with water usage volumes, aiming for more effective water resource management.

Business Operations



WATER



Comparison of water use and water purification

Measuring water use

Total of three companies:
approx. 3.64 million m³

Water is used annually, and approximately the same volume is discharged into the sewer system

- Nippon Life: 0.66 million m³
- Nichii HD: 2.91 million m³
- Taiju Life: 0.07 million m³

Water purification

"Nissay Forests" purifies
0.26 million m³
 of water

Other initiatives

Water-saving, etc.

Reuse of greywater and rainwater in large buildings
 Installation of **water-saving toilets** in newly constructed buildings

Water source conservation activities, including wetlands

- Shunkunitai: **wetland conservation**
- Sakekawa Village: **conservation of "Yone Wetland"**
- India: water purification through **mangrove planting**

Example approaches

Measuring water risks

Measured within LEAP analysis across all S business locations

- Water stress** (demand / supply)
- Water quality** (BOD, salinity balance, etc.)
- Flood risk** (flood depth), etc.

Conservation of water environments through collaboration using a landscape approach

"Kurobe River Basin Nature-Positive Project"
 (In collaboration with Tohoku University Nature-Positive Development Hub, Toyama Prefecture, Kurobe City, etc.)

TNFD
10 Nature-Positive Initiatives through Tree-Planting Activities

To mitigate the environmental burden on forests resulting from paper consumption, we are driving tree-planting initiatives.

Each year, we use paper equivalent to approximately 200,000–300,000 trees worth of wood (pulp), which imposes a certain burden on forest resources. On the other hand, we have cumulatively planted approximately 1.99 million trees, contributing to forest regeneration and ecosystem conservation. Going forward, we will examine evaluation methods that allow us to compare, using a common metric, the environmental burden caused by paper use and the positive effects generated by tree-planting activities, with the aim of achieving more sustainable resource use and nature environment restoration.

Business Operations



T I M B E R



Paper (wood) use



Tree-planting activities

Comparison between paper use and tree-planting performance	Paper use (converted into number of trees) Paper equivalent to approx. 0.3 million mature trees is used (Approx. 18,000 tons of paper are used annually)	Cumulative number of trees planted through tree-planting activities Cumulative total: 1.99 million trees planted <i>"Nissay Forests"</i> : cumulative planting of 1.39 million trees NAM India: 600,000 mangrove trees planted (Taiju Life: cumulative donation of 5.42 million seedlings)
	Paper recycling More than 90% of documents used by Nippon Life are recycled	Forest management, etc. New tree planting, thinning, undergrowth clearing, and appropriate soil management Tracking and management of the history of provided seedlings
	Identification of origin and acquisition of FSC certification, etc. Origin identified for approx. 70% of copier paper used (Brazil:58%, Finland:12%, Chile:11%, Uruguay:10%, etc.; manufacturing is mostly in China) Approx. 70% FSC-certified	Expansion of tree-planting regions Tree-planting conducted at 211 locations across all 47 prefectures in Japan 600,000 mangrove trees planted in India
Other initiatives		
Identification of regions affected, etc.		

11 Overview of Risks and Opportunities

People's lives and health are supported by the benefits provided by nature, and therefore have a close relationship with our life insurance business, which provides customers with reassurance and security.

Loss of biodiversity and the destruction of natural capital pose risks to life insurance business activities.

Physical risks include an increase in insurance claims and benefit payments due to health impacts, and transition risks include increased costs mainly due to compliance with stricter environmental laws and regulations. Both are of concern over the short to long term.

On the other hand, we expect to create opportunities in the medium to long term, such as reduced operating costs and increased revenues due to an improved reputation stemming from our efforts to protect biodiversity.

Business Operations

	Category of risk or opportunity		Occurrence	Examples of risks and opportunities in life insurance business activities
Risks	Physical risks	Acute	Event that alters nature (oil spill, forest fire, insect damage, typhoon, etc.)	Damage to our sales offices attributable to more frequent natural disasters, etc., as well as an increase in insurance claims and benefits payments due to an increase in deaths and illnesses from the same cause
		Chronic	Increase in the occurrence of serious emerging infectious diseases due to climate change, pesticide pollution, deforestation, etc.	Increase in insurance claims and benefits payments due to an increase in deaths and illnesses caused by natural disasters, etc.
	Transition risks	Policies and laws	Stronger environment-related regulations, stricter information disclosure obligation	Cost increases due to stricter regulations
		Technology	Technological innovations such as the use of biodegradable plastics	Cost increases due to stricter regulations
		Market	Changes in consumer behavior	Declining demand for products and services due to changes in consumer behavior and preferences
		Reputation	Social reputation conditional to environmental initiatives	Impact on life insurance sales from a decline in social reputation caused by industry ratings
Opportunities	Business opportunities	Improved reputation and changes in products and services in response to market shifts	Renewed awareness of the importance of life insurance because of health impacts, and increasing incentives to purchase insurance Increased insurance sales due to good reputation for environmental initiatives	
	Sustainability	Sustainable use of natural capital, conservation, restoration and regeneration of ecosystems	Reduced operating costs through recycling and the use of renewable resources	

12 Scenario Analysis

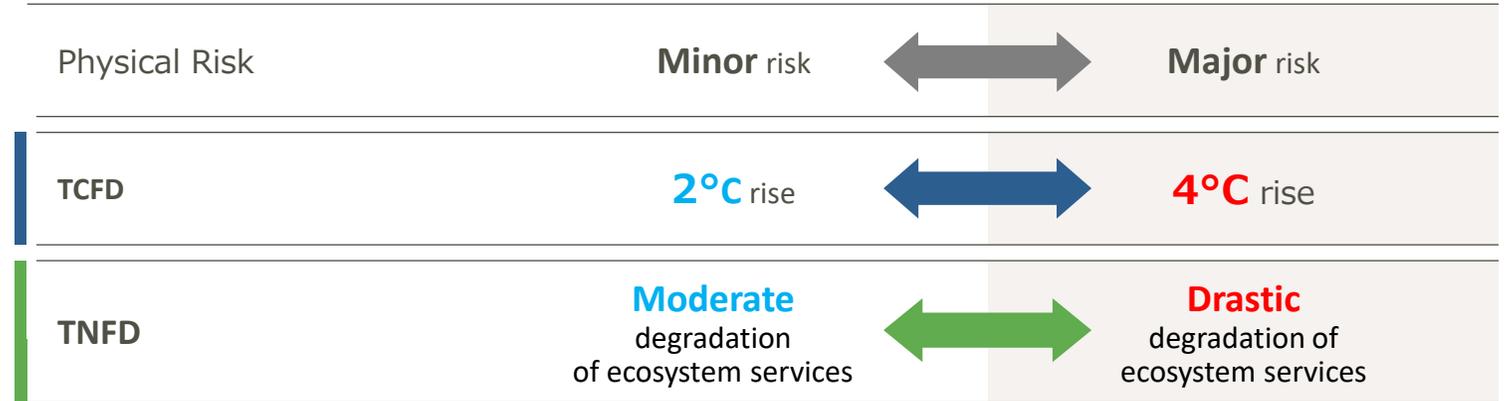
We plan to conduct a full-scale TNFD scenario analysis in the future, utilizing the TCFD scenario analysis of physical risks that we have already conducted.

The scenarios for a 2°C and 4°C global rise in temperature (roughly equivalent to RCP2.6 and RCP8.5, respectively) adopted in the IPCC Fifth Assessment Report were taken as the assumed scenarios for our analysis, as they roughly correlate to the degradation level of ecosystem services in the TNFD's illustrative scenarios, focusing on physical risks related to life and health.

We have already conducted impact analyses related to risks associated with rising heatstroke and worsening floods, landslides and other disastrous events. Going forward, we will be conducting impact analyses related to risks due to air pollution, infectious diseases and more.

Business Operations

Composition of current scenario analyses for the near term



Results of TCFD and TNFD scenario analyses

	Frequency/probability of occurrence		Mortality rate	Damage costs for Nippon Life	
	Medium	High		Mortality rate	Damage costs for Nippon Life
High Financial impact on Nippon Life	Heatstroke	▼	+ 1.7times or so	+¥0.9 billion	+ 6.9times or so +¥8.4 billion
	Flood-related	▼	+ 2.9times or so	+¥1.2 billion	+ 5.1times or so +¥2.2 billion
Medium	Air pollution	▼	Going forward, we will conduct joint research with Nagasaki University (including health risks associated with air pollution and increased risks of infectious diseases resulting from deforestation)		
	Infectious diseases	▼			

13 Overview of Dependencies and Impacts

In running a life insurance business, we depend on the environment and ecosystem services and have various impacts on them.

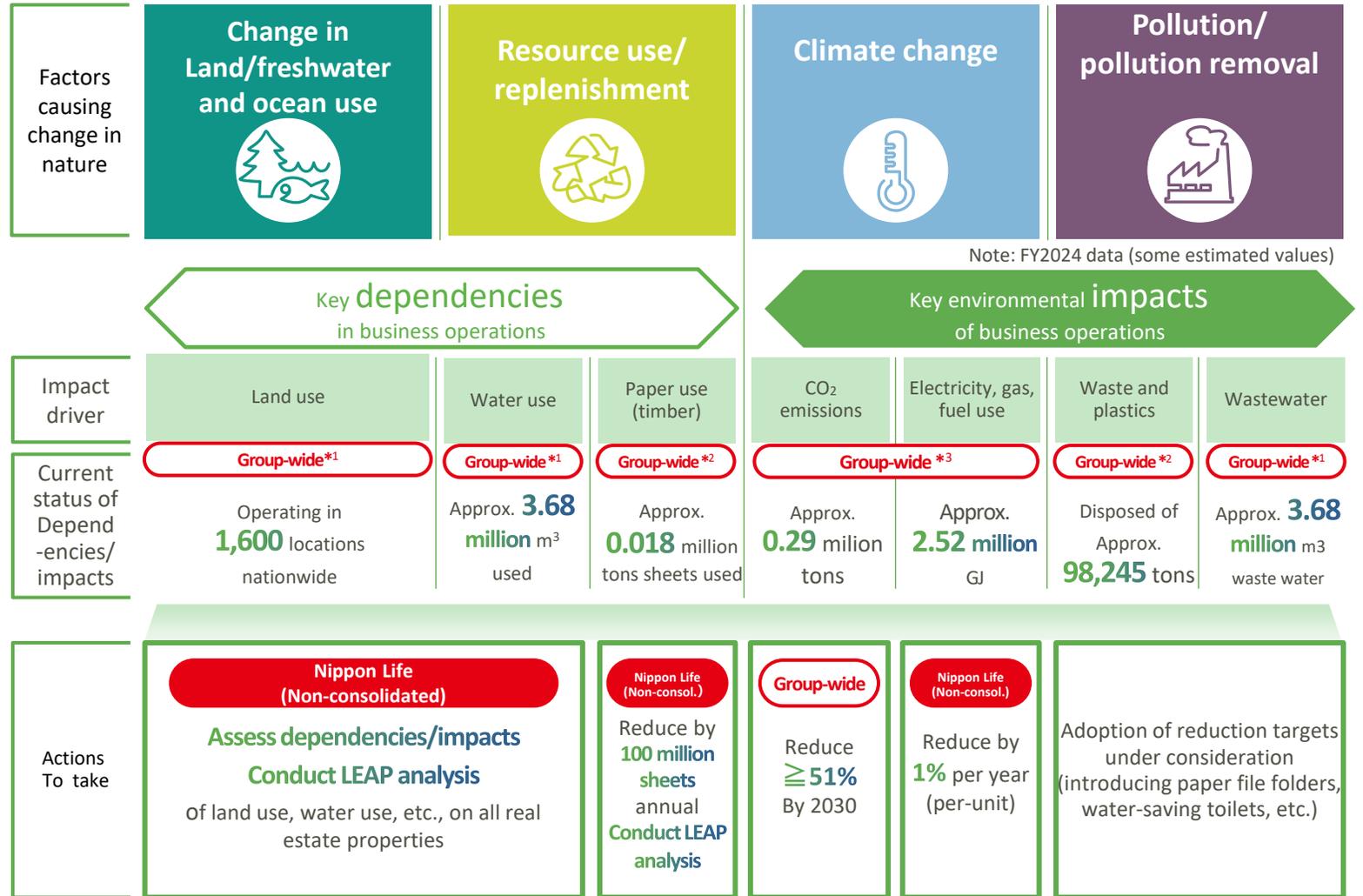
We depend on natural capital, such as land and water, and the ecosystem services they provide, while also exerting impacts on them.

For example, CO2 emissions lead to global warming and extreme weather events, causing negative impacts such as adverse effects on health and natural habitat loss.

We are committed to understanding the relationships between our business activities and natural capital (dependencies and impacts on nature), establishing metrics and targets related to this relationship, and working to reduce our environmental impact.

Business Operations

TNFD Overview of dependencies and impacts in business activities



Note: FY2024 data (some estimated values)

*1 Three domestic group companies (Nippon Life Insurance, Taiju Life Insurance, and the Nichii Group)*2 Eight domestic group companies (Taiju Life Insurance Co., Ltd.; Nissay Wealth Life Insurance Co., Ltd.; Hanasaku Life Insurance Co., Ltd.; Nissay Asset Management Co., Ltd.; Nissay Leasing Co., Ltd.; Nissay Information Technology Co., Ltd.; Nissay Plus Small Amount and Short-Term Insurance Co., Ltd.)*3 Eight domestic group companies and three overseas group companies (Nippon Life Insurance Company of America, Nippon Life Insurance Australia and New Zealand Limited, Nippon Life India Asset Management Limited)

14 Dependencies and Impacts: LEAP Analysis of Sales Offices

TNFD

We assessed the number of key locations for our company using evaluation criteria that reflect the natural characteristics of urban areas in Japan.

We reviewed our 1,614 domestic direct sales offices to identify locations of particular importance to Nippon Life, following the procedures of the “Locate” phase of the TNFD LEAP approach and considering the natural characteristics of urban areas in Japan. Using detailed data developed in Japan, such as vegetation maps and satellite imagery, we consolidated duplicate site records and evaluated a total of 1,354 locations.

Our Domestic Direct Sales Offices (FY2024)

Number of offices: **1,614**
 Total floor area: approx. **1.27** million m²
 Average number of users: approx. **70,000**

Business Operations

Evaluation of Key Sites Based on the “Locate” Phase

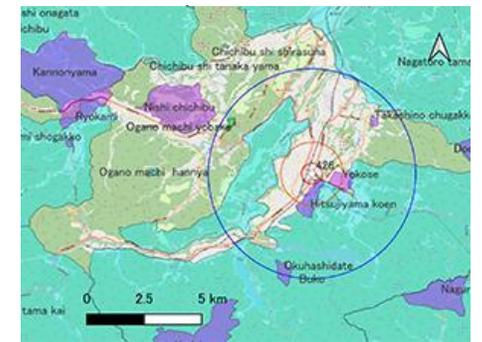
Based on the TNFD LEAP Approach “Locate” phase, we conducted a more detailed assessment that reflects the natural characteristics of Japan’s urban areas and incorporated evaluations based on information related to Indigenous peoples and local communities in Japan. Using the five evaluation criteria shown in the table below, we identified 172 sites that are considered to be of particular importance.

Based on the results of this analysis, we will implement measures to reduce environmental impacts and enhance environmental initiatives at business sites with significant dependencies and impacts.

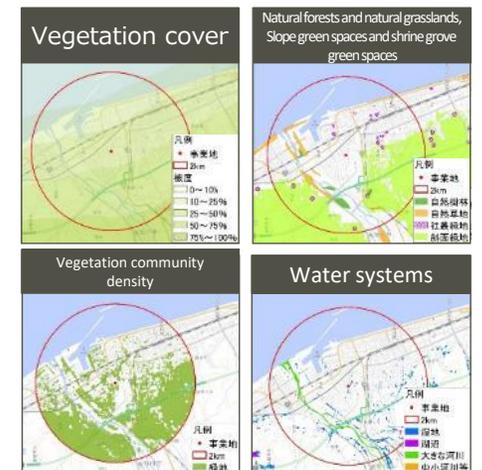
Five Evaluation Criteria Reflecting the Natural Characteristics of Japan’s Urban Areas and Our Priority Sites

Five evaluation criteria	Number of key sites
Proximity to key areas important for biodiversity conservation*1 Radius: 0.5 km, 1.5 km, and 5.0 km Assessment of proximity to areas critical for biodiversity conservation, such as Important Bird Areas and zero-extinction areas.	9
Biodiversity potential*2 Radius: 2 km Assessment of the quantity and quality of green spaces and water resources around sites that are necessary for building ecological networks.	134
Development pressure Radius: 2 km Assessment of pressure on ecosystems caused by land-use conversion around sites.	17
Relationship with Indigenous peoples and local communities Radius: 0.5 km, 1.5 km, and 5.0 km Assessment of proximity to lands of Indigenous peoples and local communities (e.g., Ainu shared forest lands, sacred sites (Utaki) of the Ryukyuan people).	12
Physical water risks Assessment of physical water risks from the perspectives of water stress (water demand/supply), water quality, and flood risk.	0
Total	172

* 1 Examples of proximity to key areas important for biodiversity



* 2 Examples of regional biodiversity potential assessments



15 Dependencies and Impacts: Supply Chain LEAP Analysis

Trial analysis was applied to the supply chain according to the LEAP process recommended by the TNFD.

Across the Group, approximately 18,000 tons of paper are used annually. For copier paper used by Nippon Life, which accounts for about one quarter of this total, we continuously verify information including the origin of the paper and accreditation of FSC® certification.

Going forward, we will consider conducting more detailed forest verification, expanding the range of covered products, and confirming approximate CO₂ emission factors.

*1 Forest Stewardship Council® (FSC®) certification ensures that products come from responsibly managed forests that provide environmental, social and economic benefits. The system delivers these and other low-risk forest products to consumers in a visible way.

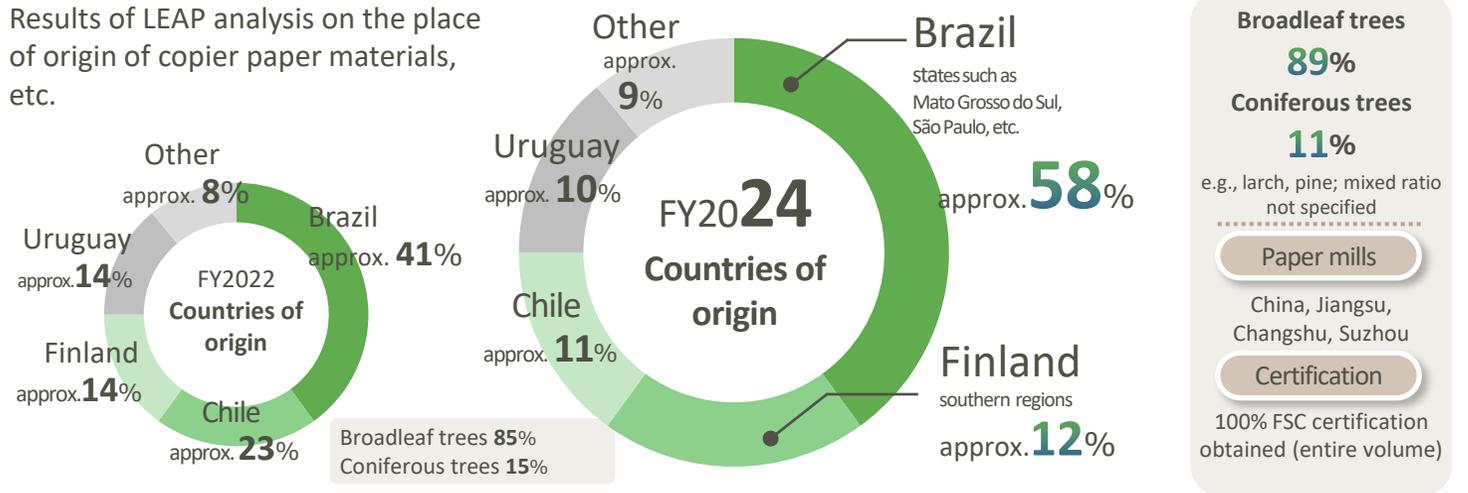


Business Operations

Data on our paper consumption, etc.

	Item	FY2024 Usage	Number of Companies	Remarks
Nippon Life	Copier paper	approx. 4,300 t	about 10 companies	FSC-certified paper, in principle
	Brochure, etc.	approx. 2,800 t	several dozen companies	Some FSC-certified paper
Nichii Group	Copier paper, diapers, etc.	approx. 8,300 t	Diapers: 1 company	
Group total		Approx. 18,000t	several dozen companies	

Results of LEAP analysis on the place of origin of copier paper materials, etc.



Note: More than 90% of the copier paper used by Nippon Life is purchased from UPM Kymmene Corporation (headquartered in Finland). Purchases have been made continuously since FY2015.

Future initiatives

This time, for selected suppliers, we verified the place of origin of timber, tree species, and whether FSC certification is obtained. As places of origin may change annually, we plan to conduct regular follow-ups going forward. In addition, beyond copier paper, for other important purchased items within the supply chain, we plan to drive initiatives to ensure traceability across the supply chain through analyses such as LEAP analysis (e.g., paper diapers).

16 Metrics and Targets

We are working to develop data, understand usage volumes, and set targets for items related to the TNFD Global Core Disclosure Metrics

The final TNFD report recommends 15 Global Core Disclosure Metrics as well as multiple additional, optional target-setting items. Items currently under consideration for target setting are illustrated in the table on the right. At present, we have identified actual performance and set medium- and long-term targets for CO₂ emissions, electricity consumption, and paper usage. From FY2024, the Nichii Group has been included, resulting in significant changes in the overall environmental burden of the Group. We will steadily advance the aggregation and management of data across the entire Group.

Business Operations

	Metrics	Results		Targets*	
		Nippon Life (Non-consolidated)	Group-wide		
Core global disclosure metrics	Climate change	CO ₂ emissions (Base year: FY2013)	150,000t	290,000t	FY2030: -51% FY2035: -60% FY2040: -73% Net zero in FY2050
	Land	Total spatial footprint (area)	1.27million m ²	2.5million m ²	(Policy of not undertaking new land development)
	Water use	Water consumption	660,000m ³	3.62million m ³	(Currently covered for three companies; considering expanding the scope of coverage)
	Waste	Total amount of waste	6,400t	15,000t	(Expanding the scope to include estimated values)
Amount of plastic/recycles		approx. 1,000t	N/A	(Considering assessment of plastic emissions across the entire Group)	
Additional global disclosure metrics	Intensity of land-use	Land-use intensity (per-unit value of electricity use, based on FY2013)	7.92 kwh/m ² /month	8.50 kwh/m ² /month	1% reduction annually (based on energy conservation law)
	Water	Water conservation efforts	(Acquisition of water conservation-related data under consideration)		Consider setting targets in the future based on quantities
	Value chain	Paper consumption (Base year: FY2022)	7,000t Approx. 10.7 billion sheets	18,000t Including diapers of Nichii	Reduction of 100 million sheets annually
	Voluntary conservation activities	The area, duration, monitoring frequency, and investment amount related to voluntary conservation activities	(We are currently considering the development of methods to quantitatively assess conservation activities.)		Continue to consider the substance and goals of conservation activities in the future

TNFD

Joint Initiatives with the Japan Nature Conservation Society (NACS-J)

Together with the NACS-J, we are implementing various initiatives to nurture Japan's rich natural environment.

NACS-J and Nippon Life have concluded a partnership agreement. For our nature conservation initiatives, NACS-J issues certificates recognizing our contributions.

Business Operations



Endangered Species Conservation Activities

Location Azumino City (Nagano Pref.)

Shijimiaeoides divinus Conservation Activities

We support conservation activities for the endangered *Shijimiaeoides divinus*, including planting host plants and providing assistance to larvae breeders.



Activities to Nurture People

Location Kouga City (Shiga Pref.)

Support for Training Courses for Nature Observation Instructors

We sponsor training courses conducted by NACS-J once a year. Approx. 60 participants attend annually and obtain certification.

Support for Nature Schools

We provide children with opportunities to experience nature, and a two-day, one-night nature observation workshop.



Activities to Foster Local Communities

Location Yokosuka City, Kanagawa Prefecture
Karatsu City, Saga Prefecture
Naru Town, Tokushima Prefecture

Joint Support for Nature-Positive Initiatives by Local Governments / Creation of Nature Coexistence Sites

We jointly support nature-positive initiatives led by local governments, including the purchase of nature-related credits involving municipalities and the joint implementation of nature conservation activities.



Activities to Achieve Both Climate Change Mitigation and Biodiversity Conservation

Location Nationwide

Support Environmental friendliness in Onshore Wind Power Generation

We procure electricity generated by wind power facilities from operators that have received high ratings under the environmental assessment framework conducted by NACS-J.

18 TNFD Group-Wide Activities to Foster Future Generations

By providing opportunities for nature-related experiential opportunities for future generations, our Group supports to the healthy development of children.

By encouraging interaction with nature and offering opportunities to think about the future of the planet, we support children in cultivating A deep sense of perception, nature emotional awareness and a sense of responsibility toward the environment, enabling them to grow into contributors to a sustainable society.

Business Operations



SDGs Lectures and Tree-Planting Activities in Mori Town, Hokkaido

– Enhancing local students’ understanding of their community and awareness of environmental issues among elementary school students –(Nippon Life × ENEOS × Mori Town, Hokkaido)

Location Mori Machi, Hokkaido

Based on a partnership agreement related to forest credits, we conducted SDGs lectures and tree-planting activities for local elementary school students, with the aim of conserving natural capital and promoting environmental education for the next generation.



Participating schools	Mori Machi Elementary School / Washinoki Elementary School / Sawara Elementary School
No. of participating children	Approximately 300

On the day of the activity, about 500 saplings were planted over three days to support forest restoration in areas around Mt. Komagatake that had been damaged by a typhoon. In the accompanying lecture, students learned about the SDGs and reflected on how they can contribute to the future of their local communities and the planet. We believe these initiatives provide an opportunity for children to recognize environmental issues as their own.



Activities through the “Nature School” Program

– Providing opportunities for parent-child nature experiences – (Nippon Life × Nature Conservation Society of Japan)

Location Minakuchi Children’s Forest, Koka City, Shiga Prefecture

Nippon Life sponsors the “Nature School” program organized by the Nature Conservation Society of Japan, offering hands-on nature education programs set in forests and rivers.

Understanding natural systems and ecological connections

Nature observation sessions
Insect observation
Exploring river ecosystems



Understanding resource circulation and the history of nature

Fossil replica making
Roundwood cutting experiences
Craft-making using wood



Activities by the “Nissay Forests Exploration Team”

– Experiencing interaction with nature and deeper understanding of the natural environment –(Nippon Life / Nissay Forests Friends Association / Nissay Green Foundation)

Location Yokosuka City, Kanagawa Prefecture / Saijo City, Ehime Prefecture / Isahaya City, Nagasaki Prefecture

Since FY2008, the “Nissay Forests Exploration Team” has been operating as a nature experience program for elementary school students. Children, parents, and local schools from inside and outside Nippon Life participate in hands-on nature experiences and conservation activities. Through continuous forest conservation efforts related to biodiversity, the forest managed by the Nissay Forests Friends Association was certified by the Ministry of the Environment in March 2025 as a “Nature Symbiosis Site: Okusu Ashinaseki Forest.” In August of the same year, the forest area managed by the Nissay Forests Friends Association was registered as an OECM (Other Effective Area-Based Conservation Measure).

19 Metrics and Targets: Voluntary Conservation Activities 1/2

Our branches and sales offices across Japan are engaged in conservation actions that address biodiversity issues in their respective regions

We carry out initiatives in collaboration with local governments and environmental conservation organizations. Our activities include wetland conservation, marine environment conservation and the protection of endangered species. We will continue to expand our scope of action going forward.

Business Operations



Participation in conservation project to save the endangered *Shijimiaeoides divinus*

Azumino City, Nagano Prefecture

Project span Since FY2023 (3 years) **Project scope** Joining in *Sophora flavescens* planting events

Actions to protect the endangered *Shijimiaeoides divinus* were carried out by the local community and the Nature Conservation Society of Japan. Azumino Sales Office staff planted *sophora flavescens*, which serves as food for the butterfly caterpillars.



Creating Satoumi by Restoration of the Cradle of the Sea (Tidal Flats and Seagrass Meadows) in Onomichi Onomichi City, Hiroshima Prefecture

Project span Since FY2023 (3 years) **Project scope** Planting clams in shallow water Purchase of blue credits issued by Onomichi City

The city of Onomichi has launched a project to promote the expansion of CO2 sinks in tidal flats and seaweed beds created in the city's coastal areas and to promote environmental education. Our Fukuyama Branch cooperated with this project.



Seaweed Bed Restoration Activities Karatsu City, Saga Prefecture

Project span From FY2024 (2-year program) **Project scope** Implementation of seaweed bed restoration activities

In the Genkai Sea off Karatsu City, Saga Prefecture, seaweed transplantation is being carried out to restore and regenerate seaweed beds that have declined. Through these efforts, seaweed bed restoration activities are being implemented. Nippon Life's Saga Branch and Karatsu Sales Office are participating in this initiative.



Shunkuni-tai, a Ramsar Convention-listed wetland Nemuro City, Hokkaido

Nemuro City, Hokkaido

Project span Every year since FY2013 (13 years) **Project scope** Extermination of invasive alien plants over 373 hectares

Nemuro Sales Office staff participated in the extermination of the invasive alien plant American searocket (*Cakile edentula* [Bigelow] Hook) that propagates in Shunkuni-tai.



Cooperation with Yone Wetland restoration Sakegawa Village, Yamagata Prefecture

Project span Every year since FY2022 (4 years) **Project scope** Conservation of degraded marshland Area covered: approx. 50 hectares

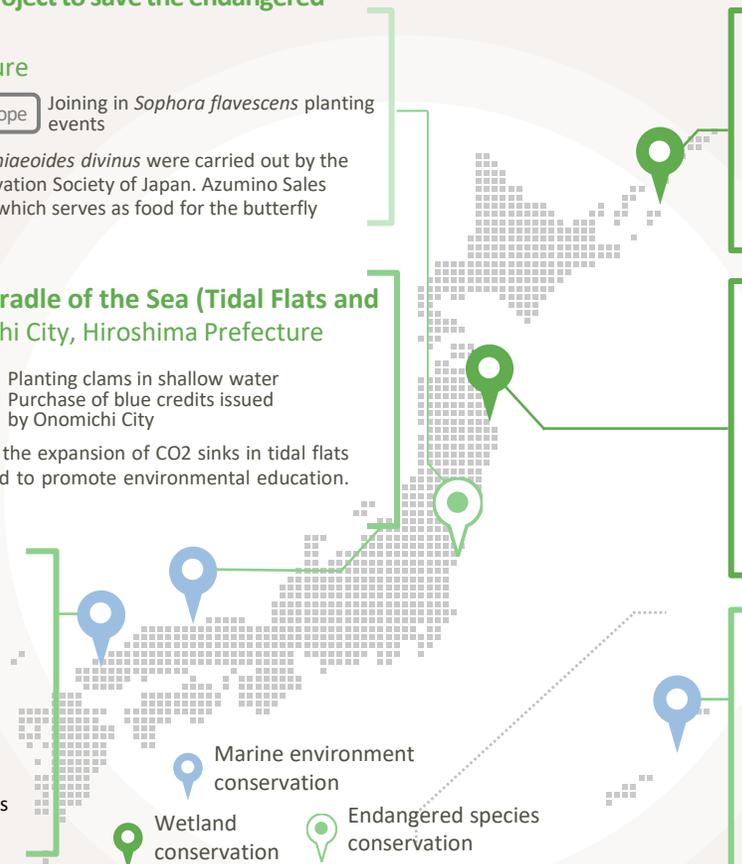
Yone Wetland is a habitat for rare plants and animals that was devastated by a typhoon when sediment washed into the marsh. Local villagers, organizations and companies joined together in restoration activities. Our Yamagata Branch staff participated.



Joining in beach cleanups in Okinawa and cooperation with measures to combat coral bleaching Naha City and other areas in Okinawa Prefecture

Project span Every year since FY2020 (6 years) **Project scope** Beach cleanups, public awareness activities related to coral

Our Naha Branch staff participate in beach cleanup activities in Okinawa. We also provide support to an organization that takes action to combat coral bleaching.



19 Metrics and Targets: Voluntary Conservation Activities 2/2

We own many buildings in urban areas across Japan for business and investment. We are actively involved in rooftop greening and planting street trees around the buildings

We are working to improve the environmental value of entire city blocks, considering the environmental characteristics of the area surrounding each building.

Business Operations

Greening initiatives for buildings



Rooftop greening of Head Office east building (Chuo-ku, Osaka City)

Project span Since FY2015 (11 years)

Project scope Planting sweet potatoes and other crops on the roof

We are growing sweet potatoes and other plants on the roof of the Head Office east building. We are taking action to increase greenery and help combat the heat island effect.



Greening of Nissay Training Center (Urayasu City, Chiba Prefecture)

Project span Since FY2001 (25 years)

Project scope Tree planting and flower bed maintenance

When the Nissay Training Center was being built in Urayasu City, it was designed with consideration for the surrounding environment and biodiversity by including an abundance of trees and flower beds. Nissay Omoide-no-Mori is a planned forest located on adjacent land, with tree-planting being carried out systematically.



Proactive environmental measures for new buildings Yodoyabashi Building (Chuo-ku, Osaka City)

Project span Since FY2022 (4 years)

Project scope Maintenance of rows of trees and street trees of native species integrated with the East Building

We built the Yodoyabashi Building as an investment on land adjacent to the Head Office East Building. Trees were planted at the same time, and consideration was given to the natural environment of the entire area. The trees selected include Japanese Judas tree (*Cercidiphyllum japonicum*) and Japanese bayberry (*Morella rubra*), which are native to Osaka. Awards we received include the Osaka Governor's Landscape Award and Excellent Greening Award.



20 Metrics and Targets: Conservation Activities by the Group/Foundations

Our Group and Foundations support initiatives aligned with each organization's features that contribute to environmental conservation and biodiversity, including research grants

The Nippon Life Foundation has long provided research grants addressing environmental issues. In addition, domestic and overseas Group companies continuously engage in environmental conservation activities such as forest donations and mangrove planting.

Business Operations



Nippon Life Foundation

Initiative	Grants for environmental research
Period	Since 1979 (47 years)
Performance	FY2024: 27 projects, JPY 40 million Cumulative (46 years): 1,359 projects, approx. JPY 3.05 billion

The Nippon Life Foundation provides grants mainly in three areas: “children and young people”, “seniors”, and “environment”. Since its establishment, it has supported a cumulative total of 22,023 projects, amounting to JPY 18.37 billion. Environmental research grants focus on studies that contribute to environmental improvement and enhancement—an essential foundation for human life. In addition to financial support, the Foundation promotes dissemination of research outcomes and public awareness of environmental issues through symposiums, reporting sessions, and publications.

Examples of recent funded research themes:

- Creation of resilient coastal communities through saline wetland restoration
- Practical research on forest-based education hubs that attract continuous visitors
- Theories and technologies for natural capital management through multi-sector collaboration
- Social mechanisms for implementing renewable energy projects that contribute to local communities
- Regeneration of rich satoyama landscapes based on forest ecology



Taiju Life Insurance

Initiative	Sapling donation program
Period	Since 1974 (51 years)
Performance	5.42 million saplings donated across all 47 prefectures

Under the slogan “Please protect it — Nature. Love. Life.”, Taiju Life has donated saplings to companies, schools, organizations, and local governments nationwide since 1974. To date, a cumulative total of 5.42 million saplings have been provided, contributing to environmental conservation efforts across Japan (FY2024 results included).



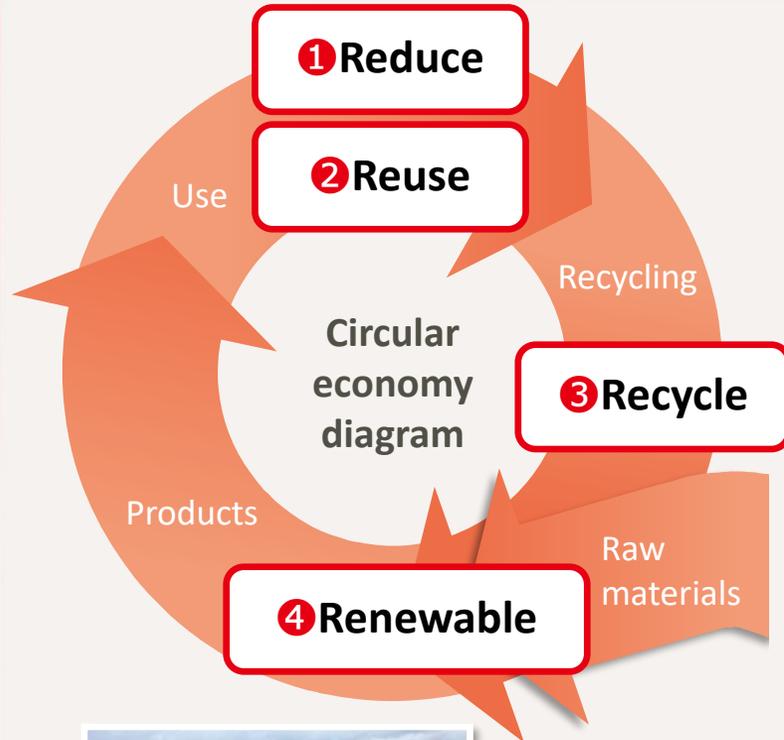
Nippon Life India Asset Management

Initiative	Mangrove planting activities
Period	Since 2023 (3 years)
Performance	Gujarat State, India / Total participants: 2,370 people

NAM India conducts mangrove planting activities to create employment opportunities for local residents. Mangroves play a critical role in preventing soil erosion, mitigating cyclone damage, and protecting coastal ecosystems, while also contributing significantly to biodiversity conservation.

Note: Mangrove forests are highly efficient carbon sinks and are important ecosystems that store carbon in soil over the long term.

Efforts toward Realizing a Circular Economy



Coastal cleanup activities in Naha City, Okinawa Prefecture

In addition to the above, we are also taking action on the problem of ocean plastics through campaigns to clean up plastic waste on coastlines, beaches and rivers throughout Japan

We are driving various efforts including reducing plastic use to realize a circular economy

We regard the construction of a “circular economy”—a society that efficiently uses resources and reduces waste—as a critical challenge for companies seeking sustainability. Centered on the 4Rs (Reduce, Reuse, Recycle, Renewable), we promote reductions in plastic and paper use, reuse, and recycling. Through these activities, we aim to contribute to the realization of a circular economy and pass on a rich planet to future generations.

1 2 3 Nissay Plastics Smart Campaign

In support of the Plastics Smart initiative led by the Ministry of the Environment, the “Nissay Plastics Smart Campaign” has been rolled out as a company-wide initiative.

Initiatives related to plastic clear files

From FY2024, we have ceased new purchases of plastic clear files and are encouraging the use of paper-based clear files (eco-files). In addition, plastic clear files no longer in use are collected internally and reused. Items unsuitable for reuse are donated or recycled, thereby contributing to the reduction of plastic waste.

Other initiatives

- Distribution of reusable bags and campaigns using posters and internal communications
- Hold environmental training for all employees annually, encourage employees to bring their own reusable bags and mugs to workspace
- Group company Nissay Shoji has expanded its lineup of products that do not use plastics



Reusable bags

Paper clear document folders

1 3 Reduction of paper use and recycling

Nippon Life aims to reduce annual paper consumption by 100 million sheets and is supporting paperless operations. Also, over 90% of paper waste, including confidential documents, is recycled.



Recycle box

4 Effective use of timber-built buildings

Across all 47 prefectures in Japan, we aim to construct 100 sales offices using timber-built structures. (See p.49 for details)



Gunma Iomioka office

VI Participation in Initiatives



1 Participation in Global Initiatives 1/2

We are contributing to creation of best practices through participation in various initiatives.

Nippon Life participates in a wide range of initiatives for the purposes of collecting information in Japan and globally on sustainability management and responsible investment trends, engaging in international discussions and expressing our views and opinions.

Our executives serve as a director and member of the representative group in the Principles for Responsible Investment (PRI) and the Net-Zero Asset Owner Alliance (NZAOA).

Investment Activities

Information as of Nov. 2025



Year of signing: FY2016

- ▼ An initiative established in 2006 based on a proposal by UN Secretary-General Kofi Annan
- ▼ Advocates for institutional investors to incorporate ESG issues into investment decision-making with the aim of realizing a sustainable society

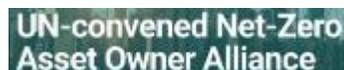
Nippon Life's involvement

- Our executive was appointed as a director of the PRI Board in 2021
- We served as the Lead Sponsor of PRI in Person Tokyo 2023*, held in Tokyo in October 2023. This is the first time that an insurance company and an asset owner was selected as the lead sponsor

Note: A conference that brings together institutional investors such as asset management companies and insurance companies as well as government agencies, NGOs and other stakeholders and plays an important role in forming global trends in ESG investment and finance through the exchange of opinions on ESG issues such as climate change and human rights as well as investment processes



Takeshi Kimura, Special Adviser to the Board, Nippon Life Insurance Company



Year of membership: FY2021

- ▼ An international initiative of asset owners established in 2019, in which asset owners commit to transitioning asset management portfolios to net zero greenhouse gas emissions by 2050 to achieve the 1.5°C target of the Paris Agreement.

Nippon Life's involvement

- Our executive was appointed as a Steering Group member in 2022
- Based on discussions in the group, we have set the target of net-zero GHG emissions by FY2050, as well as interim targets for FY2030 in our asset management portfolio. In addition, we are conducting engagement with companies and providing finance through Decarbonization Financing Facility and other tools



Shinichiro Kashima, Managing Executive Officer, Nippon Life Insurance Company

荻原：林さんから、鹿島さんの役職は「Chief Sustainability Officer」の方が良いのでは、とコメントがありましたが、判断はお任せいたします。

1 Participation in Global Initiatives 2/2

Information as of April, 2025

Overall



Equator Principles



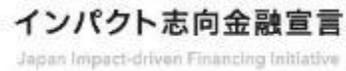
United Nations Principles for Responsible Investment (PRI)



United Nations Global Compact (UNGC)



Impact Consortium



Japan Impact-driven Financing Initiative



Principles for Financial Action for the 21st Century (PFA21)



The Global Impact Investing Network (GIIN)

People and Local Community



Advance



Women's Empowerment Principles



Collaboration Platform for Tackling Loneliness and Isolation



Impact Investment Initiative for Global Health (Triple I for GH)



Taskforce on Inequality and Social-related Financial Disclosures (TISFD)



Human Capital Management Consortium

Environment



CDP



Climate Action 100+



Glasgow Financial Alliance for Net Zero (GFANZ)



Net-Zero Asset Owner Alliance (NZAOA)



Partnership for Carbon Accounting Financials (PCAF)



RE100



Spring



International Sustainability Standards Board (ISSB)



Taskforce on Nature-related Financial Disclosures (TNFD)



GX League



Japan Climate Initiative



Keidanren (Japan Business Federation) Initiative for Biodiversity Conservation



30by30 Alliance for Biodiversity

Appendix

NGFS scenarios are a set of climate scenarios developed by the Network for Greening the Financial System (NGFS) to help central banks, supervisory authorities and financial institutions analyze the potential impacts of climate-related financial risks.

NGFS Scenario

Category	Scenario name	Temperature targets	Scenario overview
Orderly	Low Demand	1.4°C	Pressure on the economic system on the path to achieving net zero by 2050 is reduced due to lower energy demand and the introduction of new technologies
	Net Zero 2050	1.4°C	Restrict temperature rises to 1.5°C or less with smooth emissions reduction policies and innovations
	Below 2°C	1.7°C	Restrict global warming to 2°C or less with increases in the stringency of emissions reduction policies
Disorderly	Delayed Transition	1.7°C	As annual emissions will not decrease until 2030, strict policies will be implemented to restrict global warming to 2°C or less
Too-little too-late	Fragmented World	2.3°C	The achievement rate among countries with net zero targets remains at 80% due to delays in climate policy and geopolitical fragmentation
Hot house world	NDCs	2.4°C	Assume that policies committed to by each country under the Paris Agreement (including those not implemented at the moment) will be implemented

Scope of scenario analysis

Risks	Overview	Measurement logic	
Transition risks	Policy risks	Costs that come with policy changes and strengthened regulations	Estimates future costs for reducing GHG emissions based on carbon prices and makes a tentative calculation on the impact of the current value of these future costs on market value
	Technological opportunities	Income opportunities that come with emerging low carbon technology and similar developments	Estimates future profit based on the company's low-carbon technology patents and other factors
Physical risks (opportunities)		Costs and opportunities brought about by natural disasters and similar incidents	Tentatively calculates the potential loss by considering Nippon Life's assets, location, probability of disaster occurrence, etc.

Term	Page	Meaning	Area of Use		
			TCFD	TNFD	Both
Biodegradable plastics	69	Plastics that can be decomposed by the action of living organisms, usually microbes, into water and CO ₂		▼	
Biodiversity	3	The rich uniqueness of living things on the planet and their interconnection; the three levels of diversity are: genetic, species and ecosystem		▼	
Biodiversity potential	66	An indicator that shows the extent to which the condition of natural resources (green spaces and water systems) in a given area can contribute to the formation of ecological networks		▼	
Biome	14	A geographic area with a distinct climate, characterized by unique plant and animal communities that is typically composed of multiple ecosystems (forests, rivers, ponds, marshes, etc.)		▼	
Blue bonds	57	Bonds used to raise capital to finance marine-based projects including supporting marine conservation and sustainable fisheries		▼	
Blue carbon credit (Japan J-Credit scheme)®	45	A type of credit under Japan's J-Credit scheme that represents carbon captured and stored in coastal and marine ecosystems, attracting attention as a new option for CO ₂ sinks	▼		
Brownfield land	30	Land that is abandoned or underutilized relative to its potential value due to the presence or concern of soil contamination from previous industrial or commercial use			▼
Circular economy	18	A replacement for the traditional linear economy of mass production, mass consumption and mass disposal that preserves and maintains the value of products and resources for as long as possible while minimizing waste			▼
Collaborative engagement	13	The process of multiple institutional investors working together on environmental, social and governance (ESG) issues with the companies in which they invest			▼
Conduct risk	22	Risk that can impact user protection and the assurance of market fairness and transparency and cause reputational damage to the financial institution itself, along with financial burdens, by deviating from social norms and expectations which may involve: (1) acts that violate social norms, (2) acts that defy business customs or market conventions, or (3) acts that lack consideration for the user			▼

Note: Page number refers to the first mention of the term

Term	Page	Meaning	TCFD	TNFD	Both
CVaR	28	Climate Value-at-Risk—a model for assessing the impacts (risks and opportunities) associated with climate change on asset value, such as stocks and bonds for each company. Analyzing the three areas of policy risks (transition risks), which are costs associated with policy changes and strengthened regulations related to climate change, technology opportunities, which are revenue opportunities associated with low-carbon and other technologies, and physical risks, which are costs and opportunities associated with natural disasters and other events, makes it possible to qualitatively grasp asset management portfolio risks and opportunities associated with climate change	▲		
Development pressure	66	Environmental impacts and destruction caused by economic growth and urbanization		▼	
Disturbance	54	(In the context of nature-related risk) Situations in which a company's business activities generate noise pollution or light pollution that may cause harm to living organisms		▼	
DNSH	60	Do No Significant Harm—refers to the assessment of whether an activity causes any significant adverse impacts on the environment and society, including environmental and social degradation		▼	
E/MSY	58	Extinctions per Million Species-Years—an indicator that expresses the annual number of species extinctions per one million species		▼	
Ecosystem services	70	The various benefits that people and economies derive from healthy, biodiverse ecosystems, which supply food and water and provide climate stability		▼	
Emerging risk	22	A new or evolving risk that has the potential to cause significant harm or loss due to environmental changes or other factors, but whose full impact is not yet known or understood			▲
ENCORE	55	Exploring Natural Capital Opportunities, Risks and Exposure—an analytical tool developed jointly by the Natural Capital Finance Alliance (NCFA), the United Nations Environment Programme and other international organizations, and financial institutions to assess the dependencies and impacts of investee companies on natural capital		▼	
ESG	13	Investment, management and business activities that take into account environmental (E), social (S) and governance (G) factors			▲
(ESG) integration	13	The incorporation of environmental, social and governance factors into corporate management and investment decisions, on top of financial information			▲

Term	Page	Meaning	TCFD	TNFD	Both
FSC certification	68	A system that provides environmental, social and economic benefits by visibly delivering to consumers forest products that come from responsibly managed forests and other low-risk forest products		▼	
GHG	4	Greenhouse gases—gases that absorb heat in the atmosphere, such as CO ₂ , methane and nitrous oxide; increased greenhouse gas emissions contribute to global warming	▼		
Green bonds	57	Bonds used to raise capital to finance projects or activities that have a positive environmental impact			▼
Greenfield land	30	Untouched land or undeveloped areas that have never been built on, whether for residential, commercial or industrial purposes			▼
HANPP	58	Human Appropriation of global terrestrial Net Primary Production refers to the amount of Net Primary Production (NPP)—the energy produced by plants through photosynthesis—that is appropriated by humans. The gap between potential NPP and HANPP represents the energy remaining available to non-human organisms and ecosystems		▼	
Heat map	39	A data visualization technique that uses color shading and lightness/darkness to visually represent data values			▼
Impact investment	13	Investing with the intention to generate a measurable positive social or environmental impact alongside a financial return			▼
Intensity	13	Weighted average carbon intensity—a metric measured by calculating the carbon emissions per unit of sales for each portfolio company and calculating the weighted average by portfolio weight; it is an indicator the TCFD recommends to asset owners for disclosure	▼		
IPCC	27	Intergovernmental Panel on Climate Change—an international body that provides objective, scientific information upon which national governments can base their climate change policies	▼		
ISSB	14	International Sustainability Standards Board—established under the umbrella of the International Financial Reporting Standards (IFRS) Foundation with the aim of developing international sustainability standards; the board issued the first two Sustainability Disclosure Standards, the IFRS S1 and S2 standards, in June 2023			▼
J-Credit	45	A Japanese government initiative that promotes reductions of CO ₂ and other greenhouse gas emissions through efforts such as introducing energy-saving equipment, using renewable energy or managing forests properly; the government certifies the amounts reduced or removed, registering them as J-Credits, which can be traded or used to offset emissions	▼		

Term	Page	Meaning	TCFD	TNFD	Both
Landscape approach	67	A method that addresses diverse human activities and the natural environment in an integrated manner within a defined geographic area in order to derive solutions to complex challenges		▼	
LEAP Approach/LEAP Analysis	14	LEAP stands for Locate, Evaluate, Assess and Prepare; it is an integrated approach for assessing nature-related issues such as interfaces with nature, dependencies and impacts on nature, risks and opportunities, etc.		▼	
Natural capital	4	The world's stock of natural resources, which includes forests, soils, water, air and all living organisms; it is an extension of the economic notion of capital to assets in the natural environment upon which people's lives and the foundations of business depend; flows generated from natural capital can be viewed as ecosystem services		▼	
Nature positive	4	A global societal goal defined as halting and reversing the loss of natural ecosystems; Japan's Ministry of the Environment has set "nature positive" as a short-term goal to be achieved by 2030 as part of its vision for 2050		▼	
Negative screening	13	Prohibiting involvement in specific sectors for environmental, social or governance (ESG) reasons			▼
Net zero	4	Emissions of greenhouse gases such as CO2 offset to net zero through absorption or removal	▼		
NGFS	28	Network for Greening the Financial System—a network of central banks and financial supervisors established to examine financial supervisory responses to climate change risks	▼		
NPP	58	Net Primary Production refers to the carbohydrates produced by plants through photosynthesis, and it represents the amount of energy available for all biological species use for their survival and growth		▼	
NZAOA	20	Net-Zero Asset Owner Alliance—an international initiative of institutional investors committed to transitioning their investment portfolios to net zero GHG emissions by 2050	▼		
Offsite corporate PPA	47	Offsite corporate power purchase agreement—a contract between a renewable energy generator (including a developer or investor) and a buyer (usually a company or municipality) for the purchase at a pre-agreed price and term of renewably generated electricity at a location different from where it is consumed that is transmitted through the general power grid	▼		
Operational risk	22	The risk of loss resulting from the flawed or failed internal processes or systems of a financial institution, improper actions by its executives or employees, or as a result of external events			▼

Term	Page	Meaning	TCFD	TNFD	Both
Planetary boundaries	3	A framework for objectively assessing the impacts of human activities on the Earth system. It defines threshold boundaries within which humanity can safely operate; exceeding these boundaries may cause irreversible changes to natural resources on which human societies depend			▶
Planetary health	3	A new interdisciplinary concept that focuses on the interconnections between human health and the Earth's natural systems by comprehensively addressing the impacts of environmental change on human well-being			▶
PRI	20	The world's leading proponent of responsible investment that advocates for the incorporation of ESG issues into the investment decisions of institutional investors and signatories with the aim of achieving a sustainable society			▶
RCP	39	Representative Concentration Pathways—climate change scenarios to project how climate change factors will affect future greenhouse gas concentrations to anticipate potential climate change impacts	▶		
RE100	47	100% Renewable Energy—a global corporate renewable energy initiative bringing together businesses committed to obtaining 100% of the electricity they use in their business activities from renewable energy sources	▶		
Resilience	55	The capacity of a system to withstand and recover from shocks and stresses; in the context of biodiversity, it refers to environmental stability, such as the ability of natural ecosystems to return to its original state following a disturbance		▶	
Responsible investment	12	An investment strategy that considers environmental, social and governance (ESG) factors when evaluating companies and projects and making investment decisions			▶
Scenario analysis	17	A method for forecasting the kinds of impacts that global warming and climate change can have, as well as changes in the business environment due to long-term policy trends related to climate change; also used to examine how such changes may affect a company's business and management			▶
Scope 1	13	A metric used to measure and track direct GHG emissions from sources that are owned or controlled by an organization, including fuel combustion and industrial processes	▶		
Scope 2	13	A metric used to measure and track an organization's indirect GHG emissions from purchased electricity, heat or steam	▶		

Term	Page	Meaning	TCFD	TNFD	Both
Scope 3	19	A metric used to track and report the indirect GHG emissions associated with a company's value chain activities, both upstream and downstream, that do not fall under Scope 1 or Scope 2	▲		
SDG s	19	The global sustainable development goals for 2030 adopted by the United Nations in 2015, consisting of 17 international goals and 169 targets			▲
Spring	84	A stewardship initiative launched by the Principles for Responsible Investment (PRI) that brings together international investors to use their influence to halt and reverse global biodiversity loss through dialogue with companies on natural capital-related issues		▲	
SSP	39	Shared Social-economic Pathways—scenario frameworks that describe alternative assumptions about future social and economic development	▲		
Stewardship activities	34	An investor's exercise of influence over current or potential investees, issuers, policymakers, service providers or other stakeholders, aimed at maximizing overall long-term value			▲
Sustainability outcomes	13	Changes and/or outcomes from business activities that aim to achieve a sustainable society and economy			▲
TCFD	10	Task Force on Climate-related Financial Disclosures—an organization established to develop a set of recommendations for climate-related financial disclosures that enable companies and investors to assess and price risks and opportunities related to climate change in order to make appropriate decisions	▲		
TNFD	10	Taskforce on Nature-related Financial Disclosures—a global initiative for developing an international framework that encourages and enables private companies and financial institutions to properly assess, report and act on nature-related risks and opportunities; disbanded in 2023 with monitoring taken over by the IFRS Foundation	▲		
Transition finance	32	A financing approach that supports the efforts of companies working to reduce GHG emissions in accordance with a long-term strategy to decarbonize society over time	▲		
ZEB	45	(Net) Zero Energy Building—a building that aims to reduce the annual primary energy consumed by the building to net zero through energy-efficient design and the use of renewable energy technologies; a certifying body provides ZEB certification	▲		
ZEB-READY	45	A building that complies with a primary energy consumption reduction of 50% or more from the standard	▲		

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