

July 1, 2021

Nippon Life Insurance Company

Investment in Social Impact Bonds

~Nippon Life Contributes to Realization of a Sustainable Society through Investment in
the Largest Social Impact Bond Fund in Asia~

Nippon Life Insurance Company (President: Hiroshi Shimizu; hereinafter, “Nippon Life”) has decided to invest JPY0.6 billion in the Next Rise Social Impact Fund (hereinafter, the “Fund”)* set up by Dream Incubator Inc. (Representative Director : Takayuki Miyake).

Social Impact Bonds (hereinafter, “SIB”) are one type of Pay for Success business (“PFS business”) whereby the private sector is contracted to perform a business to try to keep down public sector costs and resolve social issues, and paid according to the degree of achievement of results indicators set in advance. The private sector secures funding for projects and compensation is in the form of payment from the government.

In recent years, government expenses on social security have tended to increase as social issues became more complex. SIB have spread mainly in Europe and the U.S., as a system for both cutting public costs and resolving social issues, and they are gradually starting to form in Japan as well.

Dream Incubator promotes various business production activities to organically integrate strategic, technical and policy capabilities and resolve various social issues. Dream Incubator has already undertaken actions such as collaborating with multiple local governments, collaboration with which is crucial in forming SIB, and is promoting advanced initiatives, playing a central role in the formation of this SIB fund, the largest in Asia.

Nippon Life proactively promotes ESG investment and financing with the aim of both realizing a sustainable society and securing investment returns, but this marks its first investment in an SIB contributing to resolving social issues and leading to increased investment returns, broadening future possibilities for Nippon Life’s ESG investment and financing.

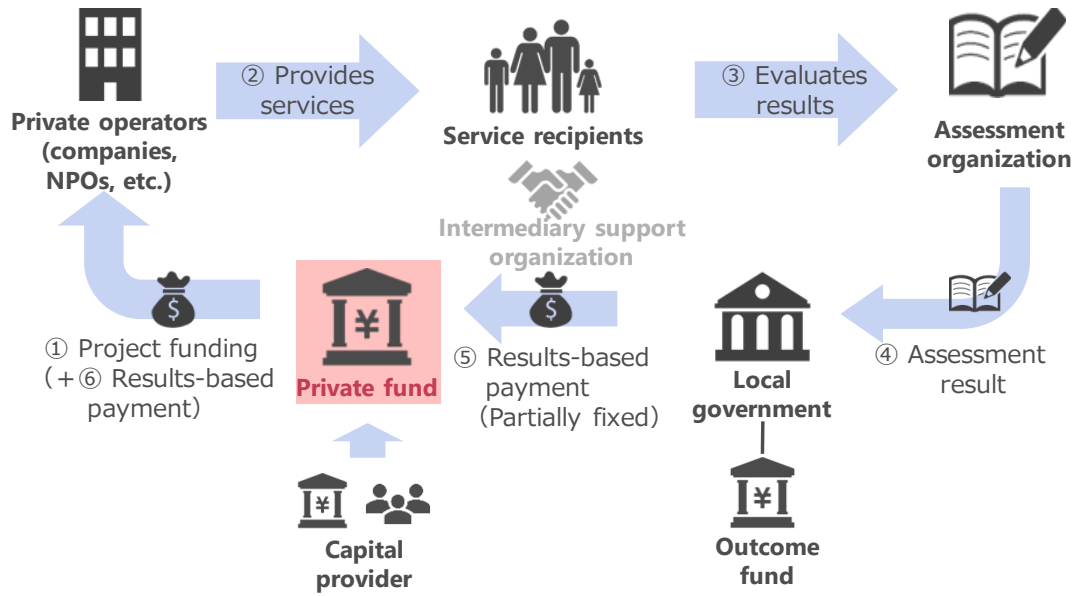
Going forward, Nippon Life will continue to engage in ESG investment and financing with the aim of contributing to the realization of a sustainable society and to better serve the interests of policyholders.

* Nippon Life has concluded an investment agreement with Nissay Asset Management Corporation, to which it has transferred its credit investment and alternative investment functions. <https://www.nissay.co.jp/english/news/pdf/20210304.pdf>

<Overview of the Fund>

1. Name	Next Rise Social Impact Fund Investment Limited Partnership
2. Established	July 1, 2021
3. Total amount of the Fund	¥3 billion
4. Investors	Dream Incubator Inc. Development Bank of Japan Inc. DI Social Impact Capital Inc. Nippon Life Insurance Company
5. Overview of unlimited liability partner (operator)	Name: DI Social Impact Capital Inc. Address: 3-2-6 Kasumigaseki, Chiyoda-ku, Tokyo Representative: Representative Director Takayuki Miyake Details of business: Operation and management of the investment limited partnership's funds. Capital: ¥50 million
6. Fund term	10 years
7. Funding target	Projects to resolve social issues for local governments
8. Feature	Receive results-based compensation based on results as verified by a third-party assessment organization

(SIB System)



Source: Dream Incubator Inc.

<Overview of Nippon Life Insurance Company >

1. Name	Nippon Life Insurance Company
2. Details of main business	Life insurance industry
3. Establishment	1889
4. Location of Head Office	Chuo-ku, Osaka-shi, Osaka
5. Representative	President Hiroshi Shimizu

<Overview of Dream Incubator Inc. >

1. Name	Dream Incubator Inc.
2. Details of main business	Service industry
3. Establishment	2000
4. Location of Head Office	Chiyoda-ku, Tokyo
5. Representative	Representative Director Takayuki Miyake