

# Nippon Life Integrated Report Main Part

Annual Report **2023**



**Nippon Life**  
Insurance Company

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## Fundamental Management Principles of Nippon Life

Life insurance business based on the philosophy of "co-existence, co-prosperity and mutual aid" is closely connected with the welfare of the people, and people's understanding and trust are indispensable for the development of life insurance companies. In the view of such nature of the business, we have firmly determined to contribute to the stability and enhancement of people's lives under the precepts of Conviction, Sincerity and Endeavor, and hereby established the "Fundamental Management Principles of Nippon Life".

- 1 We will provide insurance products which are truly needed with a wide range of services, and give first priority to fulfill our responsibilities to the policyholders.
- 2 We will, in recognition of the public service aspects of the life insurance business, make appropriate investments, and contribute to the elevation of the social welfare level.
- 3 We will improve further our productivity and raise the Company's performance in every aspects, with creativity based on wisdom and convincing execution.
- 4 We will raise the living standard of all our employees through the prosperity of the Company. We will also strive to improve the qualities of our employees as good members of society.
- 5 As a member of the life insurance industry, we will take a cooperative position with autonomy, and contribute to cultivation of public understanding for life insurance and development of this industry.



In fiscal 2022, we reopened the Tomioka Cultivation Office of the Fukushima Branch, previously called the Tomioka Sales office closed after being damaged by the Great East Japan Earthquake. The sales representatives there are safeguarding the reassurance and security of our customers together with colleagues who have newly joined our organization.



We are promoting DE&I through events to try out wheelchair basketball.



We are aiming to do our part in preserving the global environment through afforestation, done by volunteers planting and developing trees at "Nissay Forest" across Japan.



Through Cancer Screening Awareness Campaigns targeted at customers based on comprehensive partnership agreements and similar, we are aiming to contribute to improving health in local communities.

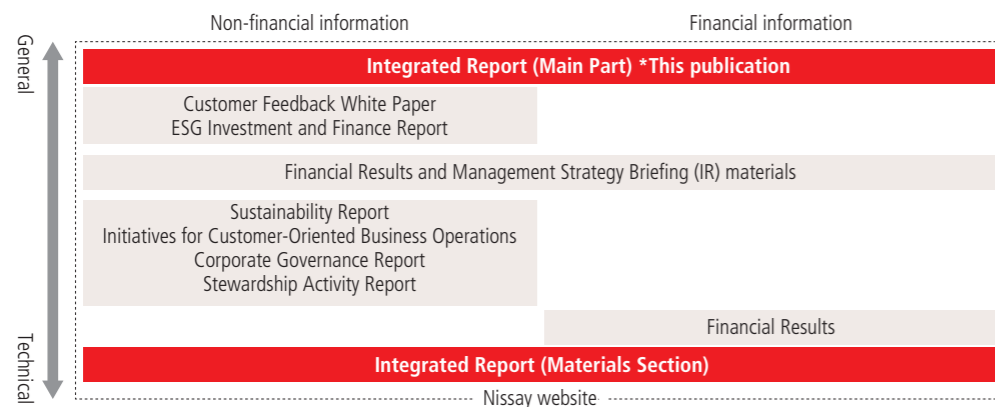


Executives and employees participate in social contribution activities across Japan, helping to solve regional and social issues.

## Positioning of Integrated Report

The Nippon Life Integrated Report is made up of two parts: the Main Part (this publication) and the Materials Section. The Materials Section is available on the Nissay website.

<https://www.nissay.co.jp/global/report.html>



To see a list of Nippon Life's main sources of disclosure, please access the following.

<https://www.nissay.co.jp/kaisha/annai/gyoseki/> (Japanese only)



## Explanation of the Cover

"Enhancing Today For Your Future."

This cover invokes the idea of leading us toward a bright, sustainable future through sustainability management focused on the three areas of "People," "Community," and the "Environment." The cover was decided on based on feedback from Nippon Life employees.



## Editorial Policy for the Integrated Report

This is an English translation of a disclosure report that was produced in accordance with Article 111 of the Insurance Business Act and the disclosure standards prescribed by the Life Insurance Association of Japan. In the editing process, our goal was to communicate various aspects of Nippon Life to customers and all other stakeholders in an easily understandable manner. We strove to convey Nippon Life's management strategy and how Nippon Life provides value and contributes to society through its businesses. In preparing this report, we have referred to the International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC) and the Guidance for Collaborative Value Creation of the Ministry of Economy, Trade and Industry (METI). This publication, prepared as an integrated report, includes financial information such as financial statements and business performance, and non-financial information such as Nippon Life's history, management strategies, and corporate governance. These are compiled and presented in a systematic and integrated manner that links each type of information together.



President  
**Hiroshi Shimizu**

Chairman  
**Yoshinobu Tsutsui**

# The Story of Nippon Life Value Creation

Based on our Fundamental Management Principle of “contributing to the stability and enhancement of people’s lives,” we provide value to our customers and other stakeholders in the three areas of “People,” “Community,” and the “Environment” through business activities centered on life insurance, and thereby strive for the sustainable growth of Nippon Life and contribute to the resolution of various social issues.

Major social issues we wish to contribute to solving

Shift in population demographics

Increase in economic disparities

Respect for DE&I

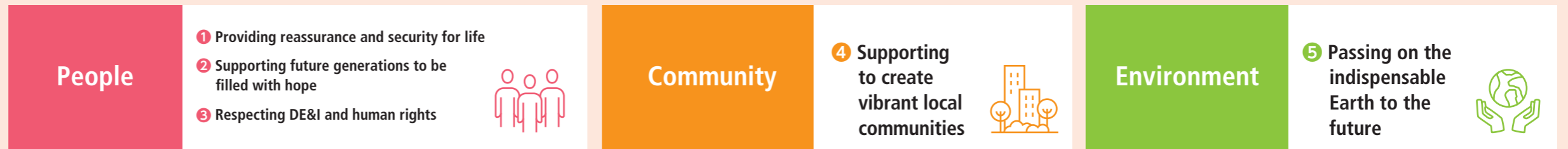
Human rights issues

Decline in labor force

Revitalization of regional economies

Environmental issues

## Provision of value to stakeholders



## Capital

### Financial capital

- Total assets **¥75.6 trillion** ▶ P.22
- Equity **¥7.9 trillion** ▶ P.20

### Non-financial capital

#### Human/intellectual capital

- Number of employees **70,714**
- Number of sales representatives among employees **50,281**
- Number of underwriting and payment assessments **708K**  
(Number of new policies for individual [annuities] + number of insurance claims and benefits paid)

#### Social and relationship capital

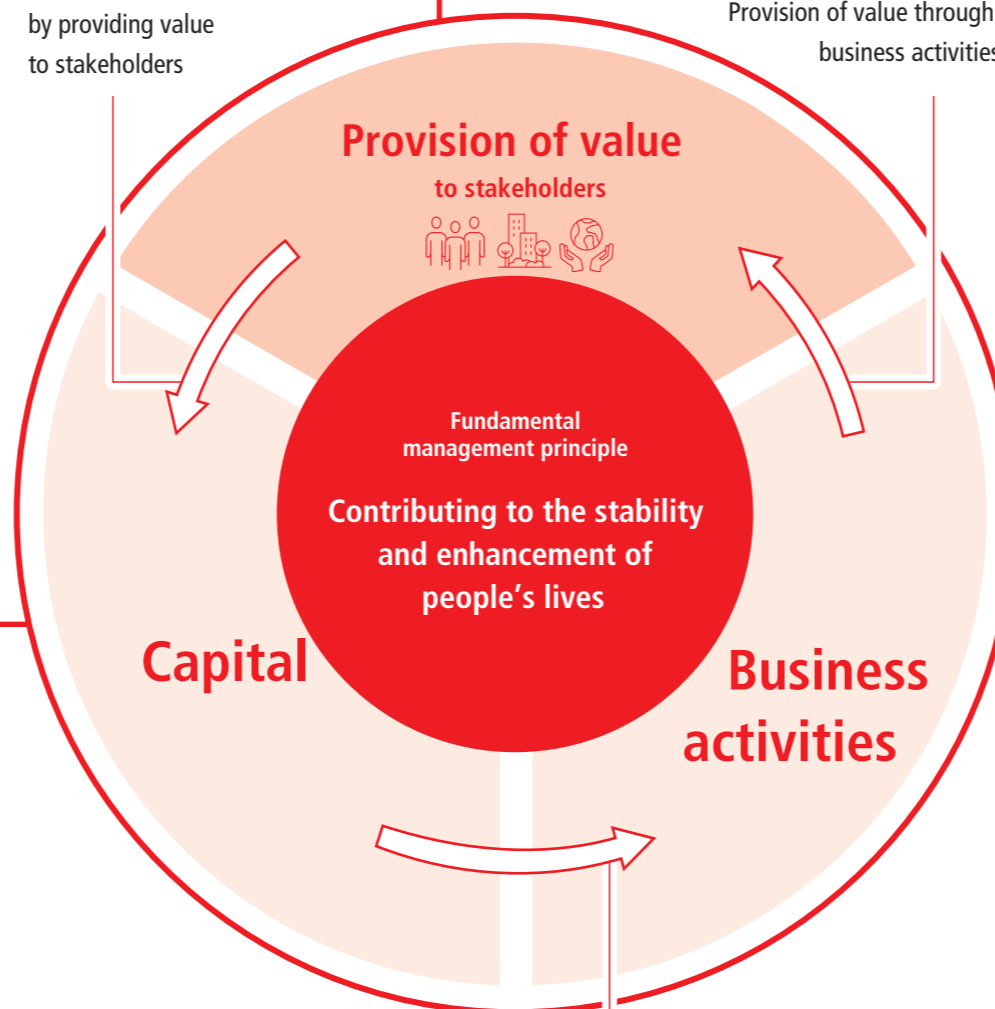
- Number of customers **14.8 million** ▶ P.20  
(domestic Group)
- Number of corporate clients **275K**

#### Natural capital

- Paper • Water • Electricity

Capital enhancement by providing value to stakeholders

Provision of value through business activities



Business activities based on capital

## Business activities

- Insurance and services that provide reassurance and security to customers** ▶ P.46
  - Broad lineup of insurance products to meet diversifying needs
  - Provision of insurance products and services to customers across Japan through various channels
  - Thorough consulting according to the customer’s wishes
  - Provision of services that address new needs and risks in addition to insurance ▶ P.72
  - Development of asset management business in Japan and abroad ▶ P.69
  - Development of global life insurance business ▶ P.70

- Asset management that fulfills our role as an institutional investor** ▶ P.62
  - Investment and finance that balances profitability, safety, and public interest
  - Promotion of ESG investment and finance
  - Enhancement of the medium- to long-term value of investee companies through dialogue

- Investment and ensuring financial soundness**
  - Business investment
  - Investment in human capital ▶ P.80
  - Investment in enhancing social and relationship capital as well as natural capital ▶ P.93
  - Accumulation of equity
- Fulfillment of responsibilities through payment of claims, etc.** ▶ P.58
- Stable and enhanced dividends** ▶ P.94

Management foundation supporting value creation



# Our History of Sustainability Commitment Since Founding

Since founding, we have provided reassurance and security to customers and local communities and have implemented management in a way that leads to sustainability.

## 1889 1 Providing reassurance and security

**Establishment of Nippon Life Assurance Co., Inc.**  
Our founding prospectus outlines the fundamental principle of earning the trust of customers through solid management.



Founder Sukesaburo Hirose

## 1898 1 Providing reassurance and security

**First dividends distribution to policyholders in Japan**  
For our first major settlement of accounts, we implemented dividends distribution pledged to policyholders, the first to do so in Japan.



Actuarial Dept. in charge of financial results work

## 1 Providing reassurance and security 4 Vibrant local communities

## 1923

**Response to the Great Kanto Earthquake**  
In light of our social mission, we decisively provided immediate payment of insurance claims despite the government order allowing deferred payments, and took measures such as extending premium payment periods. We dispatched an emergency relief team to the affected area, and adopted emergency facilitation of payments of insurance claims, loans, etc.



Temporary administrative staff departing from the head office

## 1 Providing reassurance and security 4 Vibrant local communities

## 1924

**Establishment of the Nippon Life Saiseikai Foundation**  
Established to develop businesses related to *saiseirimin* (helping people by saving lives and providing relief), including promoting the spread of the life insurance concept, reducing mortality rates, and promoting health. As the first full-scale social program by a Japanese life insurance company, Health consultation, disaster relief, traveling medical services, and more are provided.



A traveling medical team visiting the Shikoku region

## 1947 1 Providing reassurance and security

**Reemergence as Nippon Life Insurance Company**  
We recorded a loss in FY1945 for the first time since our establishment due to refraining from collecting special additional premiums during the war and paying all insurance claims for war deaths. After the war, we reemerged as a mutual company, returning to the spirit of mutual aid.



Former Managing Executive Officer Gen Hirose giving an address at a commemorative event

## 1 Providing reassurance and security 4 Vibrant local communities

## 1949

**Activities by "Angel" mobile clinic**  
These vehicles provided free medical care, health counseling, and emergency relief during disasters in areas that were underserved by medical institutions.



"Angel" mobile clinic (with the former main building in the back)

## Around 1951 - 4 Vibrant local communities

**Resumption of investment and finance for regional development**  
Based on the idea that insurance premiums received throughout Japan should be returned to local communities to help promote local economies, we resumed investment and finance for regional development after experiencing financial difficulties during and after World War II.



Start of financial provisions to a bus company in Kyushu to give back to the community

## 1959 1 Providing reassurance and security

**Launch of "Kurashi no Hoken"**  
We conducted our first nationwide market research, and launched our special endowment insurance with dividends distribution to meet the needs of customers who want protection for their day-to-day lives and for old age through their own efforts.



"Kurashi no Hoken" brochure

## 2 Future generations 4 Vibrant local communities

## 1963

**Opening of the Nissay Theatre**  
Amidst the material richness enjoyed during Japan's period of rapid economic growth, we opened the Nissay Theatre as part of our mission as a life insurance company to create a prosperous society by enriching arts and culture, which also nourish the soul.



Audience seats seen from the stage

## 1981 1 Providing reassurance and security

**Launch of "Long Run"**  
In addition to the need for lifetime coverage, we launched whole life insurance with a term life rider to provide large coverage at lower premiums to meet the need for large coverage during the prime of one's career.



"Long Run" brochure

## 1 Providing reassurance and security 4 Vibrant local communities

## 1987

**Opening of the first Nissay Life Plaza**  
Opened the first walk-in store with financial planners to provide professional consulting services. There are now Nissay Life Plaza locations in all of Japan's prefectures, which serve as a contact point where customers can visit us at their convenience.



Nissay Life Plaza Shinjuku, the first Nissay Life Plaza location

## Sustainability Priority Issues of the Nippon Life Group P. 24

- People**
  - 1 Providing reassurance and security for life
  - 2 Supporting future generations to be filled with hope
  - 3 Respecting DE&I and human rights
- Community**
  - 4 Supporting to create vibrant local communities
- Environment**
  - 5 Passing on the indispensable Earth to the future

Please check here for our history



<https://www.nissay.co.jp/global/about/history.html>

Total assets (nonconsolidated)

End of FY2022  
**¥75 trillion**

¥80 trillion

## 1992 5 The indispensable Earth

**Start of the "Nissay Million Tree-Planting Campaign"**  
"Nissay Forest" Fellowship, a voluntary group of Nippon Life employees, began its activities, and has planted a cumulative total of more than 1.38 million trees. A total of 40,000 people have participated in volunteer activities since the establishment of the group.



"Nissay Planting and Nurturing Forests for Future Generations Campaign" poster

## 1992 1 Providing reassurance and security

**Launch of "Athlete"**  
Against the backdrop of an aging society and the development of medical technology, we launched Japan's first "three major diseases insurance" that incorporates the concept of living benefits to meet the needs of people who want to receive insurance benefits while they are still alive and use them for themselves.



"Athlete" brochure

## 1993 3 DE&I and human rights

**Establishment of NISSAY NEW CREATION**  
In order to proactively hire people with disabilities, we established this special subsidiary as the first in the insurance industry. In addition to creating a comfortable workplace, we conduct activities to deepen understanding about people with disabilities and their employment.



Holding a workplace tour / experience

## 1 Providing reassurance and security 4 Vibrant local communities

## 1995

**Response to the Great Hanshin-Awaji Earthquake**  
We provided large-scale cooperation and support, including dispatching doctors to the affected areas, donating relief supplies and relief money, and conducting in-house fundraising.



Photos of the disaster areas as well as our employees transporting relief supplies and assisting customers

## 1 Providing reassurance and security 4 Vibrant local communities

## 2007

**Start of "Policy Details Confirmation Activities"**  
Issues regarding inappropriate non-payment of insurance claims prompted us to begin activities in which we explain policy details to each customer and confirm whether there are causes for payment of benefits, etc., from the perspective of enhancing explanations to customers.



"Policy Details Confirmation Activities" poster

## 1 Providing reassurance and security 4 Vibrant local communities

## 2011

**Response to the Great East Japan Earthquake**  
A total of 2,992 employees conducted safety confirmation activities to confirm the safety of customers in the affected areas and promptly pay insurance claims, etc. without omission. As a result, we confirmed the safety of about 380,000 customers and paid a cumulative total of about ¥32.2 billion in insurance claims and other forms of compensation.



Our employees confirming the situation in the affected areas and the safety of customers

## 2012 1 Providing reassurance and security

**Launch of "Mirai no Katachi"**  
We launched this product that features simple, easy-to-understand coverage details, and also can be flexibly combined to attain necessary coverage.



"Mirai no Katachi" pamphlet

## 1 Providing reassurance and security 2 Future generations

## 3 DE&I and human rights 4 Vibrant local communities

## From 2017

**Start of provision of new businesses and services that add value**



In order to support "an era of 100-year lifespan," we began to provide added value such as healthcare, childcare, and support for seniors, in addition to the provision of insurance. We provide Wellness-Star health care services. To address the issue of children waiting for places at daycare centers, we collaborate with Nichigakkan in the development of company-led daycare centers, and have provided intermediary services for company-led daycare centers since 2020.

## 1 Providing reassurance and security 2 Future generations

## 3 DE&I and human rights 4 Vibrant local communities

## 2017 5 The indispensable Earth

**Establishment of targets for ESG-themed investment and finance**

We established the target amounts for investment and finance where the use of funds is linked to the resolution of ESG-related social issues. We achieved the target amount (¥1.7 trillion) set by FY2023 ahead of schedule. Currently, we are promoting efforts to achieve the target of ¥5 trillion in themed investment and finance by FY2030, including ¥3 trillion for decarbonization finance facility.



Green building constructed with our first green loan

## From 2020 1 Providing reassurance and security

**Response to COVID-19**

For patients who receive treatment at home or elsewhere instead of a medical institution due to that institution's circumstances, we expanded the scope of insurance and benefits payment by handling such treatment as "hospitalization" even though it would not normally meet the definition of "hospitalization" in our bylaws. We also strengthened our response system. This resulted in cumulative payments of over ¥230 billion.



Payment administrative work

## 2021 5 The indispensable Earth

**Establishment of our net-zero greenhouse gas emissions target by FY2050**

In order to address climate change issues, we have established our intermediary targets for FY2030 as well as our net-zero target for FY2050 concerning greenhouse gas emissions in the fields of our business activities and asset management.



Wind energy (image)

# Message from the President



President

**Hiroshi Shimizu**

## Realizing the sustainability of “People,” “Community,” and “Environment,” and creating a future where all people can live happy lives

### Customer-Oriented Business Operations and Sustainability Management

July 4, 2023 marks the 135th year since our establishment.

Life insurance is a coverage mechanism through mutual aid based on the philosophy of “co-existence, co-prosperity, and mutualism.” Since our establishment, we have been practicing “customer-oriented business operations” and “sustainability management,” and have positioned these as the basic principles of our business management. Going forward, we intend to actualize our customer-oriented philosophy by making policyholder interests a top priority in whatever business we do.

We are engaging in sustainability management across the Group with an emphasis on the three areas of “People,” “Community,” and “Environment,” with the aim of achieving sustainability in each of these areas and creating a future where all people can live happy lives.

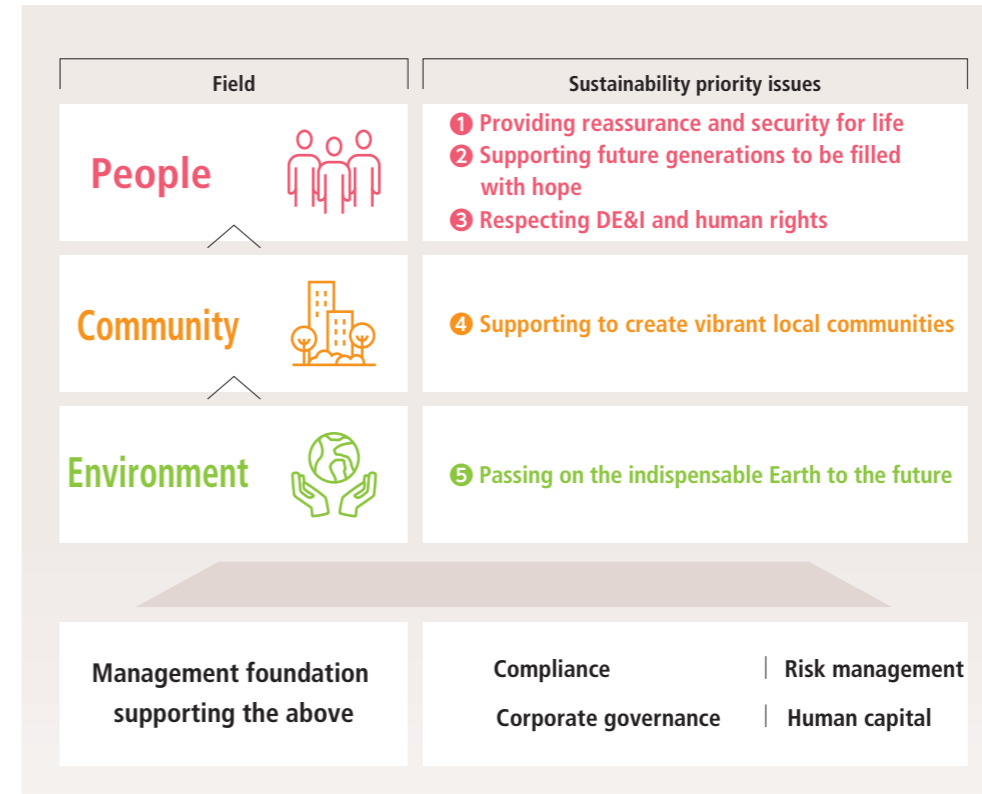
In doing so, in addition to increasing visibility of the degree to which we contributed to improving sustainability, that is, outcomes, we hope to link those outcomes to the work of each individual executive and employee such that the 90,000 members of the Group collectively work as one in contributing to sustainability.

Customer-Oriented Business Operations

▶ P. 40

Sustainability management

▶ P. 24



### Three Key Areas for Sustainability Management

In order to improve sustainability in the area of “People,” Nippon Life provides life insurance, asset management, and health care services from the standpoints of providing reassurance and security for life, nurturing a future generation filled with hope, and respecting DE&I and human rights.

Since Nippon Life’s establishment, we have provided reassurance and security to customers across Japan by hiring people from local communities as sales representatives to sell life insurance to other residents of those communities, as well as thoroughly following up on customers after they become policyholders.

The Group currently includes five primary domestic insurers centered on Nippon Life. We are working to meet the diverse needs of our customers by selling a variety of products offered in the lineups of each of these companies through our sales representative channel, financial institutions and other agencies, direct channel (mail-order/online), and others.

For asset management, alongside endeavoring to enhance the asset management functions incorporated into our life insurance products, we offer various kinds of investment products, such as annuity management, through Nissay Asset Management. Additionally, in our capacity as an institutional investor, we are encouraging the enhancement of corporate value at investee and borrower companies and supporting initiatives for respecting human rights and women’s empowerment, among other efforts, through ESG-themed investment and finance and dialogue (engagement).

In the area of healthcare, while life insurance as a product is beneficial when risk arises, healthcare including disease prevention is a service that reduces risk itself. Firm in our belief that offering both leads to further reassurance and security for our customers, we are engaging in the likes of data analysis services and diabetes prevention programs.

In order to improve the sustainability of “Community,” we are tackling health improvement and economic revitalization from the standpoint of contributing to the vitality and sustainable development of regions across Japan.

The 50,000 sales representatives working at the approximately 100 branches nationwide collaborate with local governments and other entities in each community to carry out Cancer Screening Awareness Campaigns targeted at the residents of those communities. Through enhancing cancer screening uptake rates, we aim to improve health in local communities. At the same time, we expect that this will increase job motivation among sales representatives, as they can truly see that they are making a difference in serving their communities and can take pride in their work.

Additionally, through efforts such as mediating business matching between companies, we intend to contribute to the development of local companies and the promotion of regional economies.

In order to improve the sustainability of “Environment,” on which the survival of all lifeforms including mankind depends, we are pushing forward with initiatives to keep the global environment in a state of abundance and develop it further, so that it continues into the future. One of those initiatives is the achievement of net zero emissions of greenhouse gases in fiscal 2050, which we have been working toward from both positions of business operator and institutional investor.

As a business operator, we are steadily pursuing initiatives for transitioning to EVs, promoting energy-saving at sales offices and buildings we own, going paperless, and more.

Domestic Insurance Business  
Individual Insurance

▶ P. 46

Links with Community and  
People

▶ P. 26

Initiatives to Address Climate  
Change

▶ P. 30

## Message from the President

Furthermore, strongly self-aware of our considerable role and serious responsibility as one of Japan's largest institutional investors, we encourage investee and borrower companies to respond to climate change and provide support for that response through dialogues and the provision of decarbonization financing.

In addition, we are also actively involved in international initiatives addressing climate change such as the Net-Zero Asset Owner Alliance (NZAOA) and UN Principles for Responsible Investment (PRI) through our personnel, who act in the capacity of director or other key posts. Nippon Life was selected as the lead sponsor for the annual conference, PRI in Person, which will be held in Japan in 2023. As this selection made us to become both the first life insurance company and asset owner in the world to engage in this role, we see this as a great opportunity that will lead to the expansion of ESG investment and finance globally.

Appointed as the lead sponsor for PRI in Person Tokyo 2023

▶ P. 67

## Recognition of the Environment

### Megatrends

In Japan and the rest of the world, several major shifts are currently unfolding at a considerable speed simultaneously, including the conflict between globalization and geopolitical divisions, shifting population demographics, widening wealth disparity, climate change, and technological advances. As the Group continues to conduct stable business management over the long term with "customer-oriented business operations" and "sustainability management" as its fundamental principles, we have perceived three megatrends that will require an adequate response in terms of both risks and opportunities: an aging society with a declining birthrate, technological advances, and the diversification and enlargement of risks.

### ■ Aging society with a declining birthrate

The Japanese population is already shrinking due to its declining birthrate. If this situation continues to progress further, there is a very real risk that the number of Group policyholders and policies in force will decrease.

On the other hand, the increasingly aging society will likely bring with it a broader range of needs related to health and longer life spans, as well as asset management, inheritance, and other needs.

Another important issue requiring close attention is how a decreasing working-age population alongside further advances in promoting opportunities for women in society will impact efforts to retain sales representatives and maintain sales channels.

Furthermore, attention also needs to be paid to the loss in vitality in certain regions and the increase in intra-regional wealth disparity caused by shifting population demographics and population migration between regions.

### ■ Advances in technology

Progress in cutting-edge IT and an increase in its use among the general public have been advancing at an astonishing speed. We believe that it is crucial for us to proactively make use of technological advances toward improving customer convenience and business productivity.

At the same time, when introducing and making use of these technologies, we believe that providing services thoroughly attuned to our customers through the optimal combination of in-person and digital platforms, such as enhancing not only one-size-fits-all responses from the standpoint of efficiency, but also courteous, in-person responses by sales representatives, will be important from now on.

We also consider technological advances to be opportunities that can bring about transformation across our businesses. As an example, fintech, which connects financial services and information technology together, has the potential to bring forth business models that completely differ from existing insurance businesses. While the emergence of new disruptors, that is, companies that destroy or transform existing business models or practices, could pose risks that threaten the Group, we see fintech as a chance for us to gain new business opportunities.

In reality, Nippon Life is proactively investing in innovations that aim at new business development to achieve results, as well as embarking on healthcare businesses in partnership with other companies, such as diabetes prevention services.

### ■ Diversification and enlargement of risks

When operating a stable life insurance business over the long term, we recognize that a situation in which risks are becoming further diversified and expansive is a priority issue that should be closely followed with full awareness and which requires a forward-looking response.

The growing intensification of natural disasters, pandemics, and the like is already happening in reality. We believe that it is necessary to prepare for the possibility that such incidents will continue to become more frequent and serious due to further future climate change and global human migration.

Additionally, fluctuations in the economy and financial markets, rising cyber risk accompanying technological advances, and similar issues also require even further monitoring and response.

After forming a proper understanding of such issues, our group as a whole will ceaselessly strive to create a continuously growing business foundation and become an unwavering market leader. We shall do so by continuing to further grow our customer base, improve earning capability, carry out business transformation, strengthen our capabilities as a group, and enhance our human capital.

## Reflections on Fiscal 2022

In addition to these megatrends, fiscal 2022 was a difficult year with significant and unprecedented environmental changes such as the spread of COVID-19 and an uncertain asset management environment caused by accelerated global inflation and emerging geopolitical risks.

To summarize our financial statements, the number of new policies decreased while the amount of benefit payments increased due to the spread of COVID-19. Also, widening differences between interest rates in Japan and overseas from broad monetary tightening in North America and Europe resulted in increased hedging costs for foreign bonds and other assets. Consequently, although revenues from insurance and reinsurance increased, our core operating profit dramatically decreased and consolidated results were disappointing, with increased revenues but decreased profits.

The impact of COVID-19 on insurance sales and benefit payments was particularly noticeable.

### Insurance Sales

Our business results have now recovered roughly halfway from restrictions that primarily influenced our main sales representative channel, such as limited activities at customers' workplaces.

On the other hand, even under these difficult conditions, we positioned fiscal 2022 as the first year of implementing sales reforms. By having each individual sales representative strive to conduct sales activities using a combination of in-person and online methods, we steadily made progress in shifting our approach to these activities. As we make the shift from in-person only to combining in-person and online, we firmly believe that, while it will take time to build online relationships with customers in the short term, over the mid- and long term, this process will increase the efficiency of sales representative activities and free up time for sales representatives to assist new customers.

Also, in fiscal 2022, we introduced our "Nissay Magokoro Meister Certification System" to evaluate sales representatives' customer-oriented activities. We are steadily starting to foster a corporate culture that will not simply value quantitative results, but will also pursue even better service provision and proposals for customers than ever before.

Strengthening the sales representative channel through sales reforms

▶ P. 48

Nissay Magokoro Meister Certification System

▶ P. 84

### Payments Related to COVID-19

While the significant increase in the payment of health and other benefits caused a decrease in profits, we simultaneously succeeded in fulfilling our responsibilities to policyholders, which is the most important thing for an insurance company, through making those and other payments to many policyholders. If customers cannot trust that, while we can't know what will happen in the next 50 or 60 years, Nippon Life will pay customers' insurance payments and benefits whatever happens, we will not be able to ask those customers to continue paying insurance premiums over the long term. Meaning that, from our perspective as a mutual company, it was extremely significant for us to have been able to help a large number of policyholders on this occasion.

On the other hand, the substantial increase in the number of benefit requests due to the surge in the number of cases of COVID-19 delayed payments, which inconvenienced our customers. This is something that we believe requires a great deal of reflection. Each of our executives and employees consider this experience carefully and we are making Company-wide efforts to further enhance payment processing to ensure reliable, quick payments.

## Fiscal 2023 Management Strategy

This unclear asset management environment, involving accelerated global inflation and other difficulties, is still continuing. On the other hand, we envision that the business environment around Nippon Life will slowly improve as social activities return to normal with the downgrading of COVID-19 to a class 5 infectious disease in Japan.

In fiscal 2023, as the final year of our "Going Beyond" Mid-Term Management Plan, we will continue promoting initiatives in order to get even greater results from all of the reforms we have undertaken thus far, thereby returning to a path to growth.

Details regarding the growth strategy outlined in the Mid-Term Management Plan will be provided on the following pages. Here, I will explain the key points of our initiatives with respect to our three business pillars of insurance sales, asset management, and Group management, as well as strengthening human capital.

Mid-term management plans

▶ P. 18

### Insurance Sales: Improving Our Results

Regarding the field of insurance sales, which involves providing reassurance and security to customers, we intend to ensure business performance recovery, which is now roughly halfway complete, with the efforts during the COVID-19 pandemic bearing fruit (paying off) in the sales representative channel. For this to happen, all Nippon Life branches and sales locations will strive to improve results, aiming for all Nippon Life employees to gain a true sense of recovery and growth.

## Message from the President

Specifically, we will focus our initiatives on two main points to

1. "Thoroughly implement" new styles of sales activities, and
2. "Strengthen" support for individual sales representatives.

Firstly, regarding initiatives to "thoroughly implement new styles of sales activities," through

- (1) Responding in line with customer preferences through activities that combine in-person and online methods
- (2) Providing optimal coverage and services for each customer through risk consulting based on public insurance, etc., and
- (3) Further contributing to solving social issues faced by local communities through means such as Cancer Screening Awareness Campaigns aimed at improving health in those communities,

we will promote initiatives, so that our sales representative channel will be useful to customers and regions, and will be continuously chosen by customers.

Next, regarding initiatives for "strengthening support for individual sales representatives," through

- (1) "Nissay Magokoro Meister Certification System," which provides a comprehensive evaluation of aspects such as the number of policyholders and the continuation status of those policies, sales representatives' certifications, and feedback from customers
- (2) Standardizing training that makes use of digital content, etc. and can be self-taught and self-learned anytime, anywhere
- (3) Reinforcing support from headquarters, such as the establishment of new mid-term targets for human resources development, etc. and the enhancement of information disseminated to sales frontlines,

we will continue to meet the expectations of our customers and society and work to develop sales representatives in a way that allows them to steadily thrive over the long term.

### Asset Management: Securing Stable Interest Margins and Reducing Risk

For asset management, where we fulfill the role of an institutional investor, we will continue with portfolio transformation as well as strengthening ESG-themed investment and finance aimed toward both profitability and soundness, thereby aiming to increase policyholder interests and solve social issues by shaping outcomes.

For portfolio transformation, we will flexibly allocate funds in response to the market while remaining true to our basic principles of committing to internationally diversified investment and finance and increasing long-term, stable investment profits.

Specifically, along with extending the holding period of assets based in yen and diversifying international investment and finance by accumulating credit, overseas real estate and infrastructure, and other forms of alternative assets, we will conduct multifaceted analysis based on a scenario of rising interest rates, including increased unrealized losses, in order to strengthen forward-looking risk management.

For strengthening ESG investment and finance, in addition to integrating ESG elements into all asset classes, we encourage behavioral changes by investees through carefully checking the progress toward resolving issues and conducting dialogue for multiple years with investee companies in the E (environmental) and S (social) fields through engagement, that is, dialogue with investee companies. Furthermore, we increase the scope of ESG-themed investment and finance, as well as decarbonization financing facility, and support corporate initiatives such as those that deal with climate change.

### Group Management: Strengthening Earning Power

For Group management, which allows us to provide customers and regions with value that would be difficult for a nonconsolidated Nippon Life alone, we are maximizing policyholder interests, or in other words, fulfilling our long-term responsibilities to policyholders, as well as further strengthening the Group's earning power, in order to update and expand services and provide stable and extensive dividends. Both ceaseless efforts from a nonconsolidated Nippon Life toward achieving profits and the construction of a continuously growing business foundation for the entire Group are crucial to obtaining stable profits.

Specifically, through the following, we will strengthen the Group's earning power, and further, pursue the maximization of policyholder interests.

1. For domestic insurance, in order to meet diverse customer needs, the Group will work as one to utilize the strengths of each Group company in developing competitive products and further expanding into new channels through cooperation within the Group
2. For global insurance, we will promote the stable growth of existing investee companies and proactively expand efforts to explore new markets in countries with advanced economies
3. For asset management, we will incorporate asset formation needs and strengthen the Group's investment capabilities through initiatives strengthening competitiveness in Japan and internationally
4. For new business, we will work to expand into and create new markets in the area of healthcare toward extending healthy lifespans, in addition to the areas of childcare, initiatives for seniors, and innovation.

Asset Management Strategies

▶ P. 64

Overview of Group Businesses

▶ P. 23

### Strengthening Human Capital

To support the initiatives explained above, we will enhance human capital and further promote measures for changing labor markets, as well as improving employee satisfaction.

Specifically, through our Human Resource Value Enhancement Project, we are taking action to support various activities by diverse sales representatives and non-sales personnel based on the two focuses of "human resource development" and "fostering a broad-minded culture." During fiscal 2023, we have been promoting various "investments in people" by raising wages for all Nippon Life employees and supporting them in balancing work and life events.

Initiatives that Contribute to the Strengthening of Human Capital

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### "Customer-oriented business operations" and the people at the Nippon Life Group, which are the basis of all we do

The two elements forming the foundation of all these initiatives are customer-oriented business operations and the people working at the Nippon Life Group.

The first of these elements is customer-oriented business operations. Life insurance companies are called upon to provide optimal insurance products and services based on a thorough consideration of customer perspectives and recognition of various customer needs, as well as fulfilling their responsibilities to customers.

Based on a recognition that our businesses are built solely on the trust of our customers, we will steadily promote initiatives aimed at preventing inappropriate incidents before they occur and reducing complaints through the ongoing improvement of services based on customer feedback and other efforts, such as compliance training and strengthening monitoring by headquarters.

The second element is people. We believe that all employees who work at the Group should fully mobilize their individual knowledge and experience cultivated over the years to create the kind of value that only the Group can provide while maintaining awareness of and repeatedly asking themselves, "What can I do for the customer?" and "What can we do as the Nippon Life Group?"

In order to make this possible, it is crucial that the Group's human resources are comprised of personnel having diverse values and experience who are able to thrive in a variety of roles.

"People are power. People are everything."

Together with all of my valued colleagues working at Nippon Life and in the Nippon Life Group, I will bring together customers and local communities to create a future where all people can live happy lives.



July 2023  
President

Hiroshi Shimizu

## Message from the Executive Officer Responsible for Planning



### Promoting Sustainability Management Focused on the Three Fields of "People," "Community," and the "Environment" with the Aim of Achieving the Targets in our "Going Beyond" Mid-Term Management Plan

Director and Managing Executive Officer

**Kazuo Sato**

#### Sustainability Management

##### Significance of Sustainability Management Initiatives

Nippon Life, advocating our fundamental management principle of contributing to the stability and enhancement of people's lives, aims to improve corporate value through contributing to the achievement of a society with reassurance, security, and sustainability, and we are promoting sustainability management in all of our business activities.

Sustainability management

▶ P. 24

##### Sustainability Priority Issues (Materiality) and Process for Specifying Them

From fiscal 2023, we reorganized the sustainability priority issues to be proactively communicated with outside parties as the Group, into three areas of "People," "Community," and the "Environment," and five items, considering stakeholder expectations and the relationship between the issues and our business. We also established the sustainability priority issues of compliance, risk management, corporate governance, and human capital as the foundation to support these priorities.

In reorganizing stakeholder expectations and the relationship between our business and the priority issues, we incorporated the degree of priority as indicated by employee feedback and social trends, as well as checking our accumulated capital and business activities to date. With these two approaches, we are able to discern sustainability priority issues.

##### Specific Sustainability Management Initiatives

###### ■ People

Aiming to support people in living reassured and healthy lives, we will offer products and services that fulfill diverse customer needs as the Nippon Life Group and provide reassurance and security for life, more than ever before. Specifically, we are selling a variety of products through our sales representative channel, financial institutions and other agencies, direct channels (mail-order, online) and others, and in the healthcare area, we offer data analysis services and illness prevention services such as diabetes prevention programs through the "Nissay Health Promotion Consulting Service (Wellness-Star☆)."

Moreover, in order to support future generations to be filled with hope, in addition to working toward supporting child-raising through the "Nissay Penguin Project", we are also supporting sports activities with our running workshop led by track and field athlete Yoshihide Kiryu, baseball workshop and table-tennis workshop, and more. Through these efforts, we intend to provide opportunities for children, who will be responsible for the next generation, to have hopes and dreams.

Furthermore, in order to do our part for respecting DE&I and human rights, through ESG-themed investment and finance, and dialogue (engagement), we are facilitating the enhancement of corporate value at investee and borrower companies, as well as supporting initiatives for women's empowerment and respect for human rights. Also, we hope to contribute to a harmonious society by supporting para-sports, such as wheelchair basketball.

Updating and Expanding Products and Services

▶ P. 49 ▶ P. 56

Healthcare business

▶ P. 74

Childcare support business

▶ P. 73

Links with Community and People

▶ P. 26

###### ■ Community

With the aim of supporting people in continuing to live actively in their local community, we are making strides in initiatives based on comprehensive agreements and other arrangements with local governments and contributing to the development of vibrant local communities.

Based on the comprehensive partnership agreements and other arrangements we have with all 47 prefectures in Japan, we are utilizing our nationwide network of over 1,500 sales offices to develop Cancer Screening Awareness Campaigns. Additionally, we are addressing regional issues by, for example, contributing to increasing awareness of mandatory bicycle insurance with the aim of developing communities with reassurance and safety. Furthermore, we are promoting to introduce corporate business matching services in order to contribute to invigorating local companies.

###### ■ Environment

With the goal of passing on the indispensable Earth to the future, we are working on environmentally-conscious activities in any business field. We are making progress toward addressing climate change, biodiversity, and the plastic issue (circular economy).

In particular, with respect to climate change, we have set greenhouse gas emission reduction targets; mid-term targets for fiscal 2030 and net-zero targets for fiscal 2050. We are also conducting scenario analyses for both the life insurance and asset management business fields and are making progress with initiatives aimed at achieving our targets. Additionally, in our capacity as an institutional investor, we are supporting corporate initiatives through green and transition finance, and the like, for our investee and borrower companies.

Regarding biodiversity, we are engaging in dialogues with investee companies on preserving and restoring natural capital and other relevant topics by investing in blue and green bonds through ESG-themed investment and finance, and other means.

In the future, we will continue enhancing our initiatives related to sustainability management. The Nippon Life Group will work to strengthen stakeholder engagement through proactive communication with outside parties.

Initiatives to Address Climate Change

▶ P. 30

Initiatives for Biodiversity

▶ P. 38

#### Customer-Oriented Business Operations

Positioning "customer-oriented business operations" at the core of our business to gain greater trust from customers and society, we will take customer feedback seriously in line with our "Customer-Oriented Business Operations Policy" and work to provide the products and services that customers need.

Specifically, we will collect and analyze customer feedback obtained daily through sales representatives and our call center, as well as feedback from employees who handle policy transactions and payment administration. Along with this, since October 2022, we have also started conducting a service evaluation questionnaire for customer evaluations on employee service and procedures, and are continuously working to enhance our services based on customer feedback.

Additionally, we introduced the "Nissay Magokoro Meister Certification System" in fiscal 2022 in order for each individual sales representative to demonstrate customer-oriented behavior and earn trust and satisfaction from even more customers than ever before. Through this system, we will focus on developing human resources that sincerely listen to and are chosen by customers, and continually develop their skills as sales representatives.

Furthermore, we have set customer satisfaction as a KPI measuring the degree of establishment of our Customer-Oriented Business Operations Policy. Once a year, we conduct a survey using an outside organization and analyze the opinions and requests received from customers. As a result of steadily implementing initiatives to improve our business processes and services, our customer satisfaction remained at a high level in fiscal 2022, at 91.9%.

We will continuously promote the enhancement of our services in every unit based on customer feedback, as well as making progress with initiatives to prevent cases of misconduct and reduce complaints.

Customer-Oriented Business Operations

▶ P. 40

#### Reflections on the second year of the Mid-Term Management Plan

In our "Going Beyond" Mid-Term Management Plan, which began in fiscal 2021, we are actively incorporating changes, overcoming problems, and securing a path to growth and progress, and are aiming to be an unwavering market leader as we move forward with our initiatives.

Mid-term management plan

▶ P. 18

#### Nonconsolidated Results

Regarding financial results for fiscal 2022, revenues from insurance and reinsurance reached ¥4,647.9 billion for a revenue increase of ¥340.0 billion. This is due to the increase in sales volume of single-payment products in bancassurance and the sales representative channel, caused by the increases in foreign and domestic interest rates.



## Message from the Executive Officer Responsible for Planning

Our core operating profit was ¥498.8 billion, for a significant decrease in profits of ¥276.4 billion from the previous fiscal year. This was caused by the decrease in profits from insurance-related revenue by ¥163.6 billion due to an increase in insurance payments and benefit payments resulting from COVID-19, as well as the decrease in profit of asset management revenue by ¥112.7 billion due to factors such as increased hedge costs from the widening differences between interest rates in Japan and abroad.

### Consolidated Results

First, at domestic insurance companies TAIJU LIFE, Nippon Wealth Life, and HANASAKU LIFE, foreign currency insurance sales volumes increased. However, an increase in provisions for standard policy reserves following the new eligibility of foreign currency insurance, as well as increased payments due to COVID-19, resulted in increased revenue and decreased profit.

Global insurance experienced increased revenue and increased profit primarily due to insurance premium price increases and reduced operating expenses at MLC in Australia.

Asset management experienced reduced profit due to increased operating expenses from hiring more employees at Nissay Asset Management as well as decreased bond prices at US-based TCW due to increased interest rates and other factors that caused held assets to decrease.

Based on the above, consolidated results were that revenues from insurance and reinsurance, increased in both domestic and global insurance to ¥6,373.5 billion for an increase of ¥987.5 billion over the previous fiscal year.

### Progress Status of Mid-Term Management Plan Numerical Targets (Group)

The number of customers was 14.80 million against our target of 14.90 million (an increase of 130,000 customers from the previous fiscal year). Annualized premiums in force are steadily making progress, and we achieved ¥4.59 trillion against our target of ¥4.55 trillion (an increase in ¥0.02 trillion from the previous fiscal year).

Meanwhile, regarding core operating profit, we acquired ¥479.4 billion against our target of acquiring a stable ¥600.0 billion largely due to payment increases related to COVID-19, which fell short of our target and decreased by ¥372.0 billion from the previous fiscal year.

Also, we had set a target for equity of ¥9.0 trillion by the end of fiscal 2023, however we experienced downward pressure from payment increases, and only achieved an increase of ¥0.06 trillion from the end of the previous fiscal year to reach ¥8.40 trillion. Meanwhile, as market fluctuation risk continues to lessen, we are conscious of steadily increasing financial soundness.

### Payments Related to COVID-19

Since April 2020, we have expanded the scope of insurance payments and benefit payments. For example, we considered at-home COVID-19 treatments due to reasons attributable to the healthcare provider, which would not normally meet the definition of "hospitalization" in our bylaws, etc., as equivalent to "hospitalization."

While we required more time to make payments due to receiving a substantially higher number of benefit claims than usual, which was mainly caused by the sixth and seventh waves of COVID-19, we eliminated procedural delays in March 2023 through initiatives such as assigning additional personnel to payment units to reinforce our payment systems and automating payment processing tasks.

We will continue to review the administrative workflow for payment, and consider and implement other measures to address and improve issues that came to light.

### Fiscal 2023 Initiatives (Group Growth Strategies)

With fiscal 2023 as the final year of "Going Beyond," we are aiming to regain and enhance productivity at an early stage through growth in the number of customers, as well as enhancing earnings capability and financial soundness. By enhancing customer-oriented business operations and sustainability management, we will make progress in further exploring the domestic insurance market, strengthening and diversifying Group businesses, and strengthening our investment capabilities and improving business cost efficiency, as indicated by the Group growth strategy, in addition to further strengthening the Group business base that supports these efforts.

### Further explore the domestic insurance market

For the sales representative channel, on-site sales staff and headquarters will work together to continue with the efforts we have made so far to achieve business growth, with a view to recovering performance. Specifically, we will enhance our sales activities combining in-person and online methods by further expanding our digital customer base, and will work on projects firmly rooted in local communities, such as handing out flyers nationwide to promote cancer screenings. To support these activities, we are also carrying out structural reforms that will improve sales representatives' working conditions and treatment with the aim of strengthening human capital. For the bancassurance and agency channel, we will strengthen our competitiveness by setting interest rates more strategically, as well as further expanding and updating our unified Group product lineup, including products from Nippon Wealth Life and HANASAKU LIFE, thereby aiming to further expand profits.

Mid-Term Management Plan  
Timeframe Targets

▶ P. 20

Strengthening the sales  
representative channel through  
sales reforms

▶ P. 48

Further Exploring Markets with  
Unified Group-Wide Efforts

▶ P. 52

\* Regarding the special treatment for hospitalization benefit payments implemented from April 2020, since September 26, 2022, this applies to those diagnosed with COVID-19 who (1) are 65 or older, (2) require hospitalization, (3) are at risk of serious complications and require COVID-19 treatment to be administered or require oxygen due to COVID-19, or (4) are pregnant. From May 8, 2023, the special treatment of hospitalization benefit payments has returned to normal with the downgrading of COVID-19 to a class 5 infectious disease in Japan.

### Strengthen and Diversify Group Businesses

In our global businesses, we will work to strengthen and improve our business portfolio and further enhance our system of governance in an effort to obtain long-term and stable profits. For the global insurance business in particular, at MLC, we will aim to continue to expand stable profits and return to a path to growth, and will make efforts toward recovery in terms of our share of new individual insurance policies, while improving our group insurance presence. With regards to Great Wall Changsheng Life Insurance and Reliance Nippon Life Insurance, we will make progress in handling partner changes in an effort toward stable business continuation and development. Moreover, with additional investment of up to approximately ¥130 billion planned in the second half of the fiscal year for Resolution Life, which is entrusted with existing global policies from the US and other countries, we will strengthen our global business to a new level by increasing our exposure in countries with advanced economies. For the asset management business, domestically, we will aim to expand assets under management by continuing to strengthen the field of ESG, already one of the strengths of Nissay Asset Management, expanding customer contact points using DX, and enhancing investment systems as a unified Group. As for new businesses, we will fulfill a wide range of customer needs through healthcare services, childcare support, addressing the issue of our aging society, and strengthening initiatives for innovation.

Global Business

▶ P. 70

Asset management business

▶ P. 69

New business

▶ P. 72

Portfolio Transformation  
and Strengthening of ESG  
Investment and Finance

▶ P. 65

ERM Management

▶ P. 92

Digital Strategy

▶ P. 78

Initiatives that Contribute to the  
Strengthening of Human Capital

▶ P. 82

Enhancing Management Based  
on Top Risks

▶ P. 42

### Strengthen Investment Capabilities and Improve Business Cost Efficiency

To strengthen our investment capabilities, we will promote portfolio transformation and strengthen ESG-themed investment and finance to achieve both profitability and soundness. For portfolio transformation, in line with our basic policy on mid- and long-term asset management, we will work on improving risk-return efficiency across our entire portfolio, including promoting diversified investment and finance globally, while simultaneously flexibly reevaluating how we allocate funds in line with changes in the asset management environment. Also, in strengthening ESG-themed investment and finance, we will work to increase policyholder interests and solve social issues through the shaping of outcomes (results) for society.

To improve business cost efficiency, we will reduce company-wide costs through reevaluating our business operations, including promoting online meetings and automating administration using AI and other tools. We will also make additional investments aimed at continued growth, such as further efforts in response to the digital age.

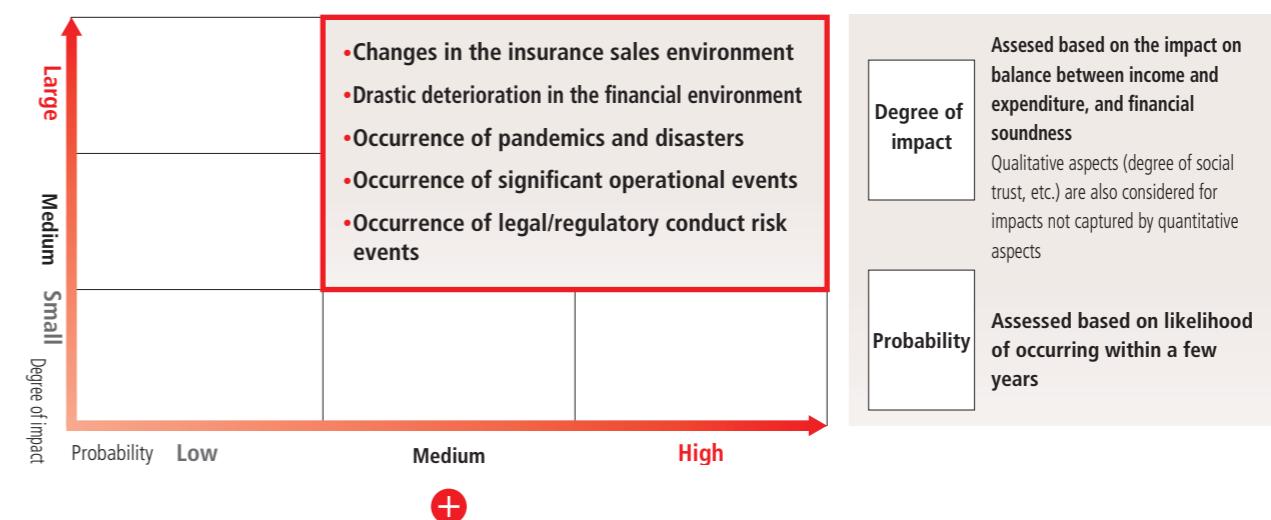
### Fiscal 2023 Initiatives (Strengthen the Group Business Base)

In order to support these growth strategies, we will endeavor to reinforce ERM promotion, the utilization of digital technology, and the strengthening of human capital, which constitute our Group business base.

Specifically, for ERM promotion, we will prepare for large-scale disasters and difficult investment environments, as well as continuously work to strengthen equity in anticipation of the introduction of new international capital regulations.

Furthermore, in fiscal 2022, we selected "top risks" through the evaluation of various risks that take the business environment into account. This evaluation was based on the degree of impact the various risks could possibly have on revenues and soundness, as well as their likelihood of occurrence in the next few years. We will work to further enhance our management by formulating plans taking these into consideration.

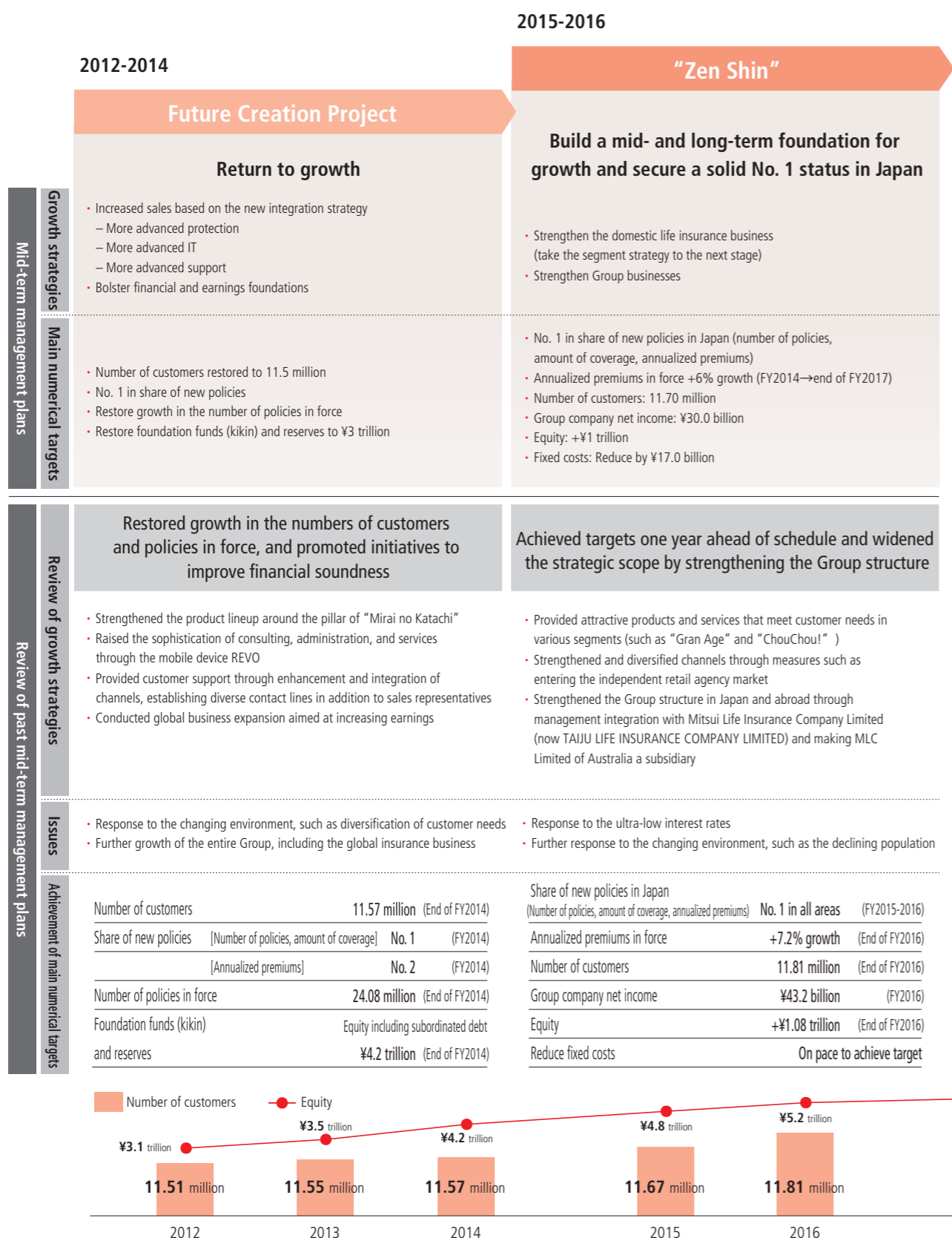
[Degree of impact and probability of top risks]



Following up on trends in risks with the potential to become top risks in the future as "emerging risks"

# Review of past mid-term management plans

At Nippon Life, we have steadily carried out development through the growth strategy approach advocated in our Mid-Term Management Plan.



\*"Zen Shin" was originally a three-year plan, but due to the urgent need to respond to the historically low interest rates triggered by the introduction of Japan's negative interest rate policy, "Zen Shin -next stage-" was started in FY2017 which included the final fiscal year of "Zen Shin."

\*Figures for the number of customers from FY2012 to FY2016 represent the results for Nippon Life on a standalone basis, and for the domestic Group from FY2017 to FY2022. Figures for equity from FY2012 to FY2020 represent the results for Nippon Life on a standalone basis, and for the Group from FY2021 to FY2022.

## 2021-2023

### Going Beyond

#### 2017-2020

##### "Zen Shin -next stage-"

Working to be the leading company in an era with an average life expectancy of 100 years

- Increase profitability under an ultra-low interest rate environment
- Expand the social roles of the Nippon Life Group
- Steadily expand the profit of Group businesses

- Annualized premiums in force: ¥4.5 trillion
- Number of customers: 14.40 million
- Group company net income: ¥70.0 billion
- Equity: ¥6.5 trillion

Nippon Life made incremental progress in growing Group earnings, while successfully executing both insurance sales and investment, broadly achieving the plan

- Upgraded and expanded the product lineup of the "Mirai no Katachi" series
- Upgraded sales infrastructure by deploying new mobile devices (TASKALL) and smartphones (N-phone) for sales representatives
- Developed the healthcare business and businesses to address childcare support and the aging society
- Expanded Group business through measures such as management integration with MassMutual Life Insurance Company (now Nippon Wealth Life Insurance Company Limited) and commencement of business by HANASAKU LIFE INSURANCE Co., Ltd.

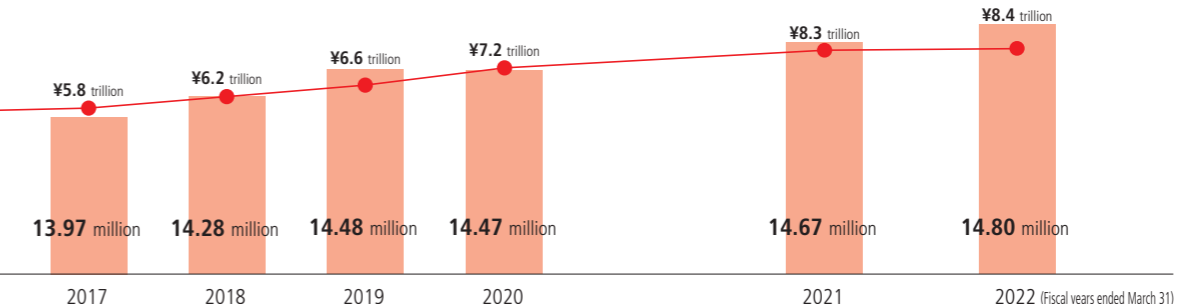
- Halfway through our expansion of profits via Group businesses
- Response to COVID-19

Annualized premiums in force	¥4.50 trillion	(End of FY2020)
Number of customers	14.47 million	(End of FY2020)
Group company net income	¥53.0 billion	(FY2020)
Equity	¥7.2 trillion	(End of FY2020)

Continue to support the future of customers and society through "People, Services and Digital Technology"

- Further explore the domestic insurance market
- Strengthen and diversify Group businesses
- Strengthen investment capabilities and improve business cost efficiency

- Number of customers: 14.90 million
- Annualized premiums in force: ¥4.55 trillion
- Core operating profit: ¥600.0 billion [steadily secure]
- Equity: ¥9.0 trillion



Number of customers	14.80 million	(End of FY2022)
Annualized premiums in force	¥4.59 trillion	(End of FY2022)
Core operating profit	¥479.4 billion	(FY2022)
Equity	¥8.4 trillion	(End of FY2022)

## Positioning

As a range of changes that impact our business continue to be felt, such as the rapidly growing use of digital technology and increasing diversity of customer needs, the role of life insurance companies and the expectations of customers and society will continue to grow. We started our new Mid-Term Management Plan “Going Beyond” in fiscal 2021. It proactively addresses these changes and seeks to overcome challenges that emerged during our previous Mid-Term Management Plan “Zen Shin –next stage–” as well as challenges from the COVID-19 pandemic to secure a path for further growth and evolution.

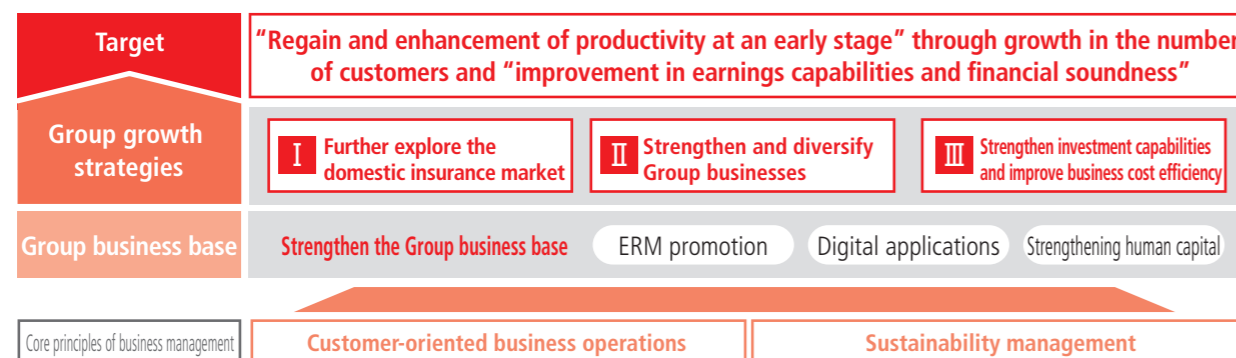


**[Goal]** Continue to support the future of customers and society through “People, Services and Digital Technology”

## Summary

We will execute our Group growth strategies and strengthen our Group business base that supports them, aiming “regain and enhancement of productivity at an early stage” through growth in the number of customers and “improvement in earnings capabilities and financial soundness.” We are also placing customer-oriented business operations and sustainability management at the core of our business operations, and will fulfill our social roles even further by practicing customer-oriented business operations with a focus on social issues such as digitalization and population aging as well as by implementing initiatives for carbon neutrality, including strengthening ESG investment and finance. Through these efforts, we aim to be a group that continues to support the future of its customers and society through “People, Services and Digital Technology.”

**[Goal]** Continue to support the future of customers and society through “People, Services and Digital Technology”



## Progress on Our Group Growth Strategies

The Group is working as one to achieve our growth strategy, and we are steadily making reforms in all areas.

Group Growth Strategy	Specific Content	Main Issues and Results To Date	Direction for Fiscal 2023
I. Further explore the domestic insurance market	<ul style="list-style-type: none"> <li>Strengthening the sales representative channel for the digital age</li> <li>Strengthening connections with customers</li> <li>Exploring and entering new markets with unified Group-wide efforts</li> <li>Updating and expanding products and services</li> </ul>	<b>Results</b> <ul style="list-style-type: none"> <li>Increasing the number of customers</li> <li>Firmly establishing digital activities</li> </ul>	<ul style="list-style-type: none"> <li>Further enhancing the sales representative channel (promoting a new level of activities combining in-person and online methods, revising the sales representative system to ensure sales representatives can have long and stable careers, and promoting risk consulting activities), developing products that respond to diverse needs, strengthening sales and service approaches, and making efforts to expand overall Group earnings</li> </ul>
		<b>Issue</b> <ul style="list-style-type: none"> <li>Slow recovery of business performance in the sales representative channel</li> <li>Intensified competitiveness in the independent retail agency market</li> </ul>	
II. Strengthen and diversify Group businesses	<ul style="list-style-type: none"> <li>Asset Management Business</li> <li>Global Insurance Business</li> <li>New Business</li> </ul>	<b>Results</b> <ul style="list-style-type: none"> <li>The Group's investment system has become more sophisticated</li> <li>MLC has become profitable</li> <li>Proactively expanded efforts to explore the North American market</li> <li>Updated and expanded services in the healthcare, childcare, and senior areas</li> <li>Enhanced our insurance business with the use of cutting-edge technology</li> </ul>	<b>Asset Management Business</b> <ul style="list-style-type: none"> <li>Making efforts to improve asset performance in order to improve profitability even in difficult market conditions</li> </ul>
		<b>Issue</b> <ul style="list-style-type: none"> <li>Halfway through our initiative for improving profitability of global business</li> <li>Halfway through the further creation of new business</li> </ul>	<b>Global Insurance Business</b> <ul style="list-style-type: none"> <li>Steadily addressing issues such as concerns regarding slow growth in new policies, as well as working to broaden exposure in countries with advanced economies</li> </ul> <b>New Business</b> <ul style="list-style-type: none"> <li>Addressing the development, expansion, etc. of businesses and services that provide new value with a view to a virtuous cycle of increasing corporate value and solving social issues through alliances between companies</li> </ul>
III. Strengthen investment capabilities and improve business cost efficiency	<ul style="list-style-type: none"> <li>Portfolio transformation</li> <li>Cost reduction and additional investment that contributes to growth</li> </ul>	<b>Results</b> <ul style="list-style-type: none"> <li>Enhanced profitability through portfolio transformation</li> <li>Steady efforts toward cost cutting</li> </ul>	<b>Strengthening Investment Capabilities</b> <ul style="list-style-type: none"> <li>Working toward flexible resource distribution based on the changing environment in order to balance stable interest margins with reduction of risk</li> </ul>
		<b>Issue</b> <ul style="list-style-type: none"> <li>Significantly fluctuating investment environment</li> <li>Growing concerns about increased costs due to inflation, etc.</li> </ul>	<b>Improving Business Cost Efficiency</b> <ul style="list-style-type: none"> <li>Further reducing company-wide costs and making efforts to add investment to achieve continuous growth</li> </ul>

Mid-term management plan

## Targets for Mid-Term Management Plan

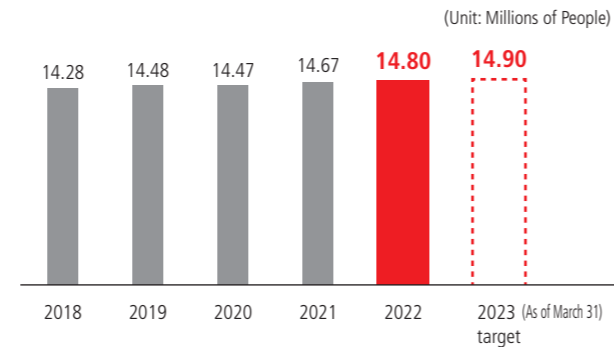
### Number of customers [As of March 31, 2023]

(Domestic Group) **14.80 million**

The number of customers (number of insured persons, etc.) is mainly the number of insured persons enrolled in individual insurance and individual annuities offered by domestic Group companies, plus customers who have deferred maturity benefits and other payments and customers who have enrolled in policies offered by Aioi Nissay Dowa Insurance Company Limited through Nippon Life.

Numerical target: 14.90 million [end of FY2023]. We are on pace to achieve the target. In FY2022, there was increase compared to the end of the previous year through Group-wide efforts.

\*We revised the criteria for inclusion of customers who are enrolled only in non-life insurance policies in FY2019, and the figures for the end of FY2018 are also based on the revised criteria.

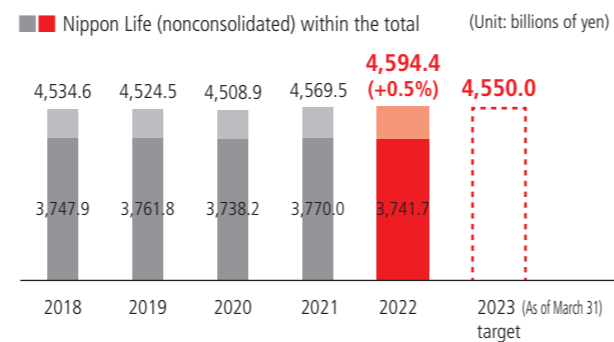


### Annualized premiums in force [As of March 31, 2023]

(Domestic Group) **¥4594.4 billion**

Annualized premiums in force is the amount of premium per year, calculated by applying coefficients based on the premium payment method to a premium per single payment.

Numerical target: ¥4.5500 trillion [end of FY2023]. We are making good progress. In FY2022, there was an increase over the previous fiscal year mainly due to higher sales of foreign currency denominated products.



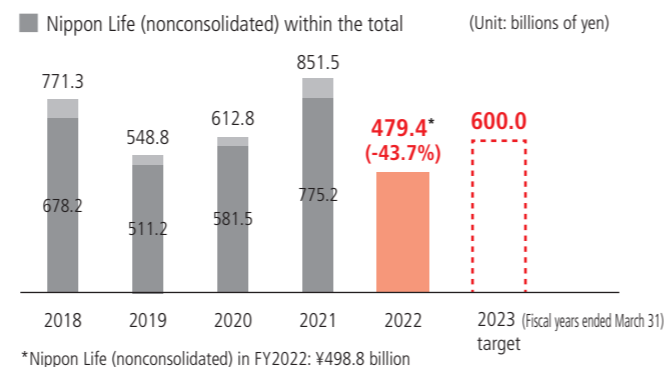
### Core operating profit [FY2022]

(Group) **¥479.4 billion**

Core operating profit is an indicator of a life insurance company's basic flow of earnings, consisting of insurance-related income and expenses, such as premiums income, claims payments and operating expenses, as well as investment-related income and expenses, mainly interest and dividend income.

Numerical target: ¥600 billion [steadily secure]. In FY2022, there was lower profit mainly due to increase in payments related to COVID-19 and increase in hedging costs.

\*The Group total for core operating profit is calculated based on core operating profit of Nippon Life, TAIJU LIFE, Nippon Wealth Life, and HANASAKU LIFE; net income before taxes of global life insurance subsidiaries and affiliates as well as domestic and global asset management subsidiaries and affiliates; and with adjustment based on the stock ownership ratio and some internal transactions, excluding interest rate fluctuations. The figures for FY2019-FY2022 have been calculated based on the calculation method for core operating profit adopted from the fiscal year ended March 31, 2023.



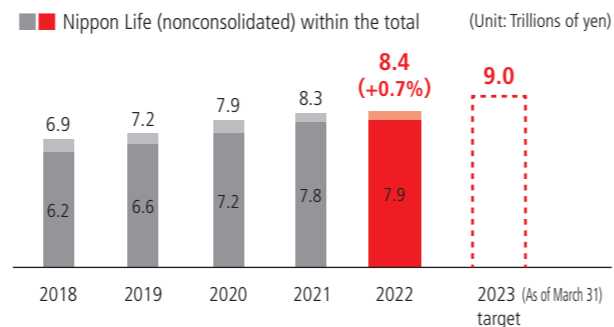
\*Nippon Life (nonconsolidated) in FY2022: ¥498.8 billion

### Equity [As of March 31, 2023]

(Group) **¥8.4 trillion**

Equity is defined as foundation funds (kikin) and reserves (foundation funds (kikin) and reserves for redemption of foundation funds (kikin), including contingency reserves, reserves for price fluctuations in investments in securities, etc.) plus subordinated debt, and is a risk-responsive financial resource that does not include unrealized gains/losses on available-for-sale securities, which are easily affected by the economic environment.

Numerical target: ¥9.0 trillion [end of FY2023]. Although there is an increasing trend for equity, the increase in COVID-19-related payments is adding downward pressure.



## Other Mid- to Long-Term Targets

### Rate of reduction in greenhouse gas emissions

(Fields of business activities\*1)

(Asset management field\*2)

**-30.9%**

**-41.1%**

Numerical target: Net zero [FY2050]. We are making good progress toward our intermediary target for FY2030.

In the field of business activities, we have introduced an off-site corporate PPA with solar panel equipment installed outside our premises, as well as initiatives focused on reducing gasoline, electricity, and paper consumption. In the asset management field, we promote decarbonization financing facility and dialogue (engagement) on the theme of climate change.

\*1 The fields of business activities shows the estimated CO<sub>2</sub> emission reduction rate at the end of FY2022 compared to FY2013.

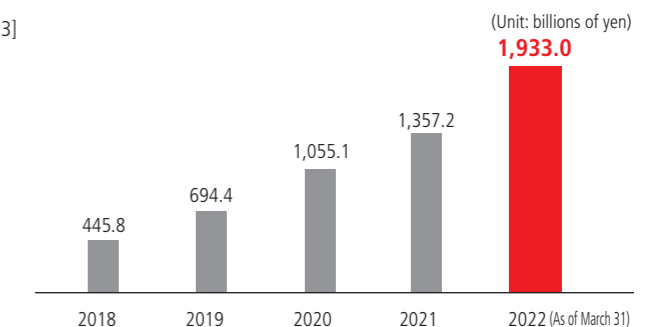
\*2 The asset management field shows the rate of reduction of greenhouse gases at the end of FY2021 compared to FY2010.

▶ P. 35

### ESG-themed investment and finance [As of March 31, 2023]

**¥1.9 trillion**

Numerical target: ¥1.7 trillion [cumulative total for FY2017-2023]. We achieved the target one year ahead of schedule, mainly due to increased investment and finance in the environment field (E in ESG) for the realization of a decarbonized society.

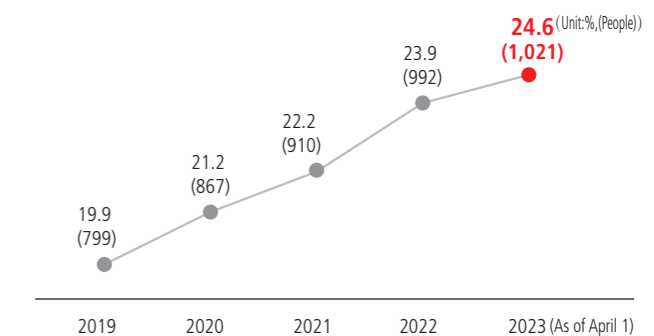


\*We have set a new numerical target of ¥5 trillion [cumulative total for FY2017-2030] to further support corporate ESG initiatives through investment and finance going forward.

### Ratio of women in management [beginning of FY2023]

**24.6%**

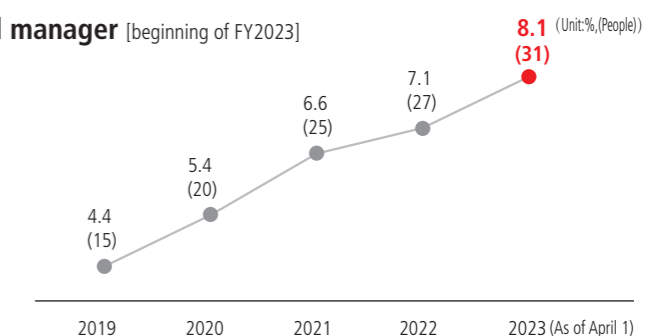
Numerical target: 30% [2020s]. We are on pace to achieve the target. We will encourage diverse human resources to thrive in many ways in a wide range of fields.



### Ratio of women in positions equivalent to general manager [beginning of FY2023]

**8.1%**

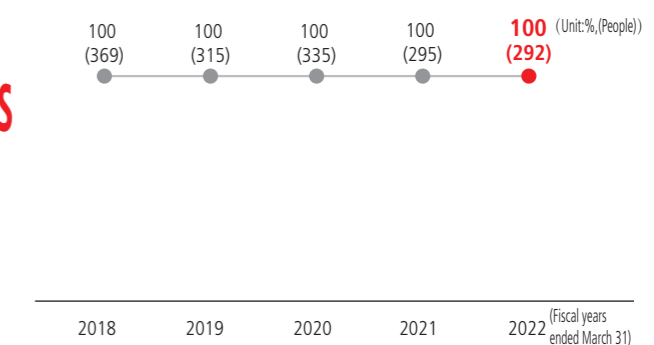
Numerical target: 10% [beginning of FY2023]. We are on pace to achieve the target. We will work to develop and strengthen women in management to ensure sustainable growth of the company with diverse human resources.



### Ratio of male employees taking childcare leave [from FY2013]

**Achieved 100% for the past 10 consecutive years**

Numerical target: Achieve 100% rate for 10 consecutive years. A cumulative total of about 2,200 male employees took childcare leave, accounting for about 30% of our total male employees. We will promote the creation of a comfortable work environment through the experiences of men who raise children.

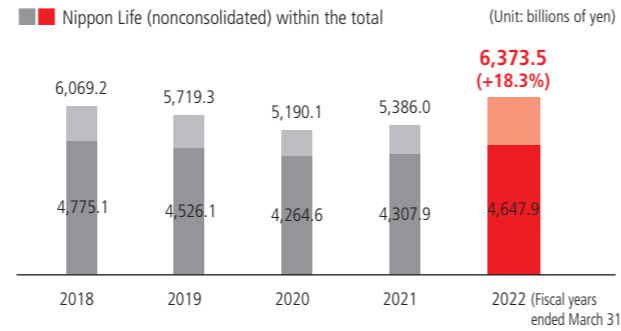


## Achievement Highlights

### Revenues from insurance and reinsurance [FY2022]

(Consolidated) **¥6,373.5 billion**

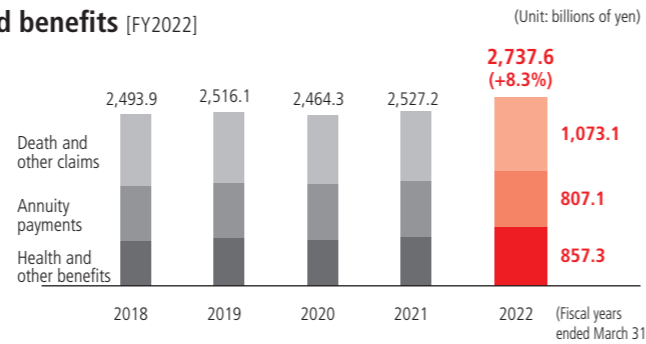
This is the total amount of insurance premiums paid by policyholders and revenues from reinsurance. In FY2022, revenues increased mainly due to increase in sales of single-payment products at Nippon Life, TAIJU LIFE, and Nippon Wealth Life.



### Total payments for insurance claims, annuities and benefits [FY2022]

(Nonconsolidated) **¥2,737.6 billion**

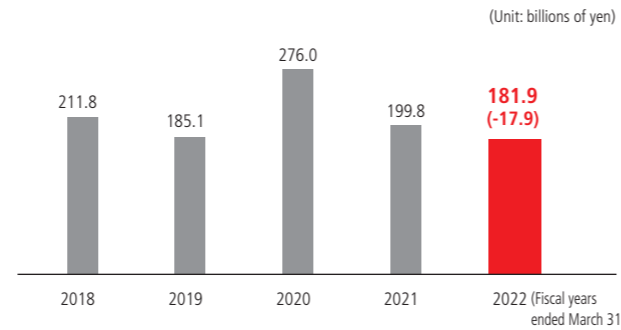
This is the total amount of insurance claims, annuities, and benefits paid to individuals and corporations. In FY2022, there was an increase mainly due to payment of benefits for COVID-19 infections.



### Policyholder dividends [FY2022]

Reserve for policyholder dividends, etc. (nonconsolidated) **¥181.9 billion**

The reserve for policyholder dividends is accumulated to fund dividend payments to policyholders. In FY2022, the decrease was mainly due to a decrease in group annuity dividends.

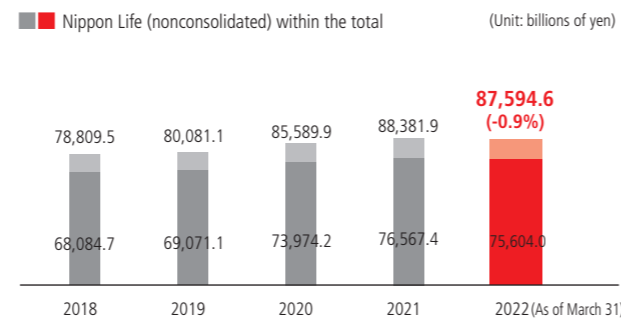


▶ P. 94

### Total assets [As of March 31, 2023]

(Consolidated) **¥87,594.6 billion**

Total assets are based on insurance premiums, etc., and are indicators of company size. In FY2022, the decrease was mainly due to lower unrealized gains/losses on securities at Nippon Life and TAIJU LIFE.



### Ratings (nonconsolidated) [as of July 1, 2023]

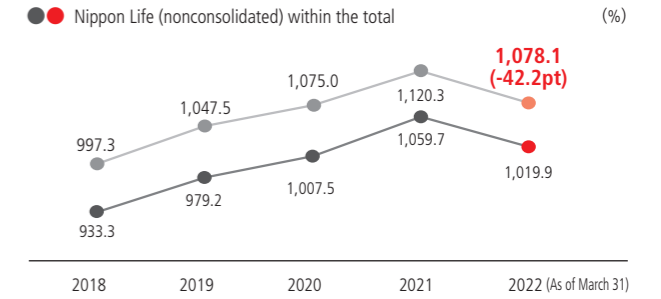
R&I (insurance claims paying ability)	JCR (insurance claims paying ability rating)	S&P Global (insurer financial strength rating)	Moody's (insurance financial strength rating)
<b>AA</b>	<b>AA+</b>	<b>A+</b>	<b>A1</b>

Issued by third-party ratings agencies, ratings are an evaluation of an insurance company's ability to pay insurance claims (ratings are not a guarantee that claims and other payments will be fulfilled).

### Solvency margin ratio [As of March 31, 2023]

(Consolidated) **1,078.1%**

Solvency margin ratio is an indicator (margin / risk × 2) of an insurance company's financial soundness, as it shows the payment capacity (the extent to which net assets, unrealized gains/losses, etc. are sufficiently secured) for the total amount of all risks exceeding those that can normally be forecast, including major natural disasters and other events. In FY2022, the margin was sufficient for risks, although it declined due to a decrease in unrealized gains on available-for-sale securities.



### Disclosure pertaining to economic value-based solvency ratio (ESR) from this fiscal year

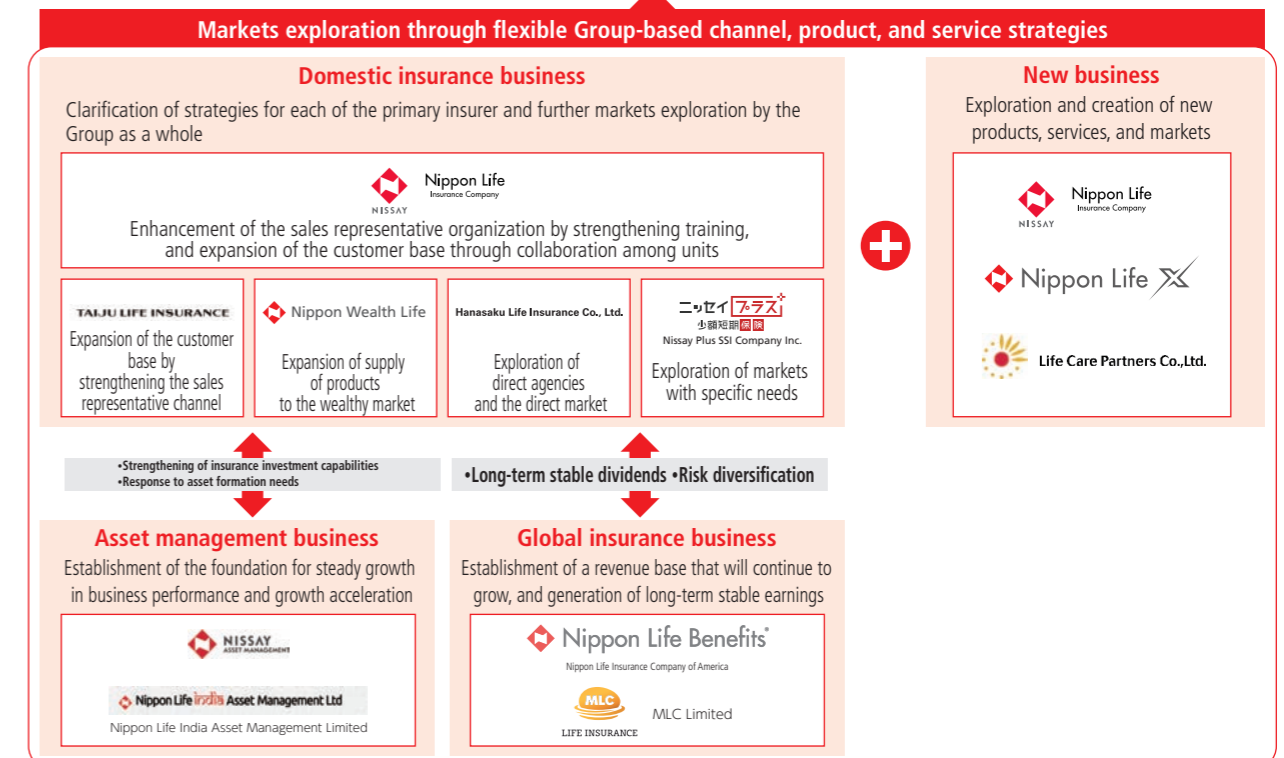
The Financial Services Agency (FSA) is currently deliberating on a new capital regulation (economic value-based solvency regulation, or ESR regulation) to be imposed on domestic insurance companies. In June 2023, the FSA published the "current status of deliberations on the finalization of the standards for the economic value-based solvency regulatory framework," and considering that it is going to be implemented from fiscal 2025, we unveiled an ESR\* on a consolidated basis from the current fiscal year. Under this new capital regulation, ESR calculations will be required in place of existing solvency margin ratios. Financial soundness will be assessed on a forward-looking basis by perceiving risk more broadly, in addition to factoring in future profit and loss, etc.

As of the end of fiscal 2022, Nippon Life's ESR\* on a consolidated basis is 244%, which means we have secured a sufficient margin against risk.

\*A financial soundness indicator that shows the sufficiency of capital (margin) relative to the amount of risk (margin / risk). This indicator is calculated based on our internal model.

## Overview of Group Businesses

Nippon Life is pushing forward with its Group business strategy, and endeavors to increase policyholder interests through long-term growth in earnings. Specifically, with respect to our main business, the life insurance business, we are pursuing further exploration of the domestic insurance market, which is expected to continue showing stable growth. In addition, we are working to create new business in order to meet customer needs and respond to risks not covered by our existing businesses centered on insurance. Also, we are promoting the development of our asset management business, which has a strong affinity with the life insurance business, both within Japan and abroad, alongside engaging in the global insurance business toward securing growth opportunities not available to us domestically.



# Sustainability Management

## Our Sustainability Management

Nippon Life, advocating our fundamental management principle of contributing to the stability and enhancement of people's lives, aims to improve corporate value through contributing to the achievement of a sustainable society that is safe and peaceful, and we are promoting sustainability management in every business activity.

From fiscal 2023, we have reorganized the sustainability priority issues intensively addressed by the Nippon Life Group into the three areas of "People," "Community," and the "Environment" and five items based on stakeholder expectations and the relationship between recent social issues and our business. We also established the sustainability priority issues of compliance, risk management, corporate governance, and human capital as the management foundation that supports these priority issues.

In the area of "People," we aim to support people in living stable and healthy lives over a 100-year lifespan, in the area of "Community," we aim to support people in continuing to live active lives in their local community, and in the area of the "Environment," we aim to support the creation of an environment where everyone can continue to live with reassurance.

Going forward, in addition to making initiatives pertaining to sustainability management more sophisticated, the Nippon Life Group will continue to work to strengthen stakeholder engagement through proactive communication with outside parties.

Field	Sustainability Priority Issues	Related SDGs
People	1 Providing reassurance and security for life ▶ P.50 ▶ P.56 ▶ P.74	1 NO POVERTY, 3 GOOD HEALTH AND WELL-BEING, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES
	2 Supporting future generations to be filled with hope ▶ P.73	1 NO POVERTY, 4 QUALITY EDUCATION
	3 Respecting DE&I and human rights ▶ P.86 ▶ P.90	5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES
Community	4 Supporting to create vibrant local communities ▶ P.26	3 GOOD HEALTH AND WELL-BEING, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES, 17 PARTNERSHIPS FOR THE GOALS
Environment	5 Passing on the indispensable Earth to the future ▶ P.30	7 AFFORDABLE AND CLEAN ENERGY, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 14 LIFE BELOW WATER, 15 LIFE ON LAND
<b>Management foundation supporting the above</b> Compliance   Risk management Corporate governance   Human capital		

### <Process for Specifying the Important Sustainability Priorities>

(1) Sort through expectations from stakeholders through dialogues and analyses of various guidelines, external evaluations, and so forth, (2) evaluate and identify their relevance to our business in internal workshops, (3) engage in dialogues with outside experts, then (4) determine materiality as management. We will continue to revise the priorities as necessary based on trends in society and impacts on management.



## Sustainability Management Promotion Framework

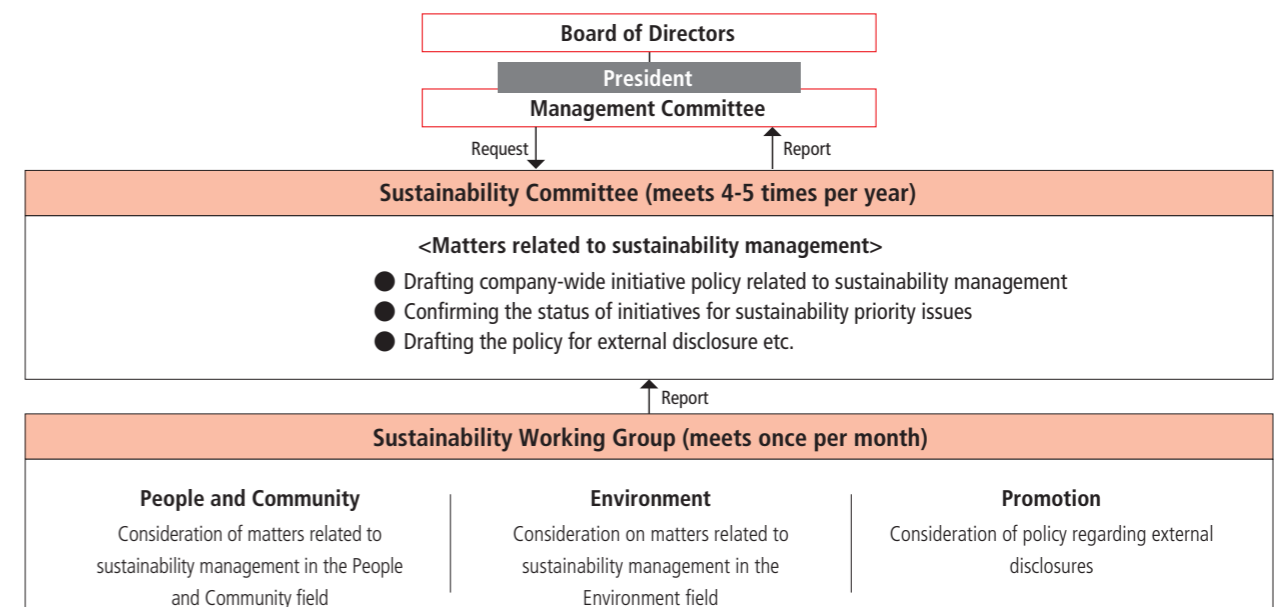
We have established the Sustainability Committee as an advisory body to the Management Committee, which is tasked with drafting policies on companywide initiatives (including Group companies), confirming the status of initiatives for important sustainability priorities, and drafting the policy for providing external disclosure, among other duties. Primarily made up of executive officers responsible for the management planning unit and each business unit, the Sustainability Committee meets four or five times per year. Additionally, the Sustainability Working Group, made up primarily of general managers, meets once a month. In this way, we have established opportunities for broad discussions in order to promote an even higher degree of sustainability management.

In fiscal 2023, we established a new dedicated organization for sustainability management (Sustainability Planning Office).

As necessary, the Sustainability Committee also invites outside experts and advisors to meetings to discuss specific topics, and their opinions are incorporated into our management, as part of activities aimed at further enhancing our sustainability management.

### <Main topics for discussion and review>

Annual plans and unit-based plans, initiative policies related to the environment (climate change, etc.), human rights, human capital and so forth



For “Community,” one of the three priority areas for the Nippon Life Group in sustainability management, we are aiming to support people in continuing to live active lives in their local community.

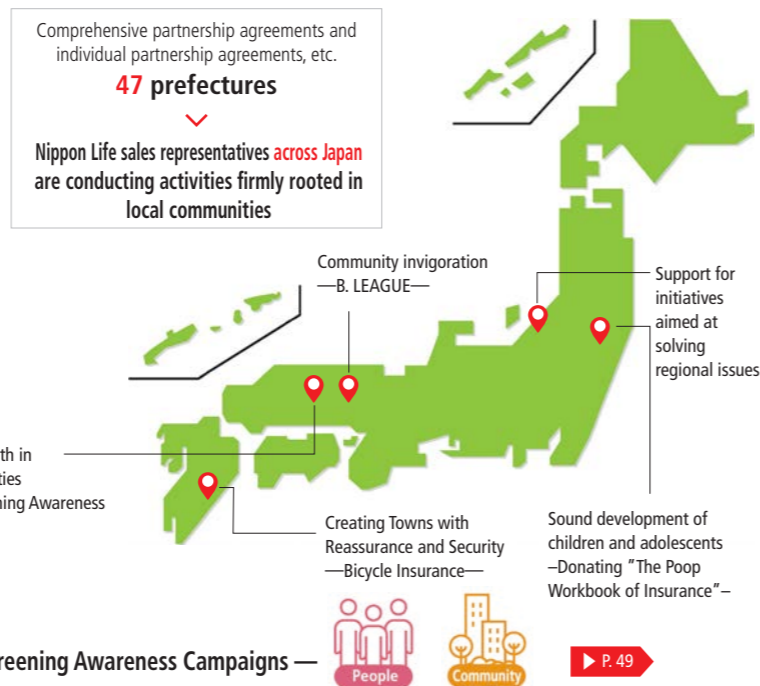
We are carrying out various initiatives across Japan through comprehensive collaboration agreements with local governments, social contribution activities, and more in an effort to contribute to “Community.”

## Initiatives Based on Comprehensive Collaboration Agreements with Local Governments

We are working to strengthen partnerships based on comprehensive partnership agreements, individual partnership agreements and other arrangements with all 47 prefectures\*, and are making progress with various initiatives targeting an array of regional and social issues, such as improving health, reassurance and security of local communities, invigorating local economies, supporting child-raising, sound development of adolescents, promoting sports, and more.

We are carrying out nationwide initiatives primarily through our sales representatives. Along with offering reassurance and security to our customers through our insurance products and services, we are also making efforts to contribute to local communities.

\*As of May 31, 2023



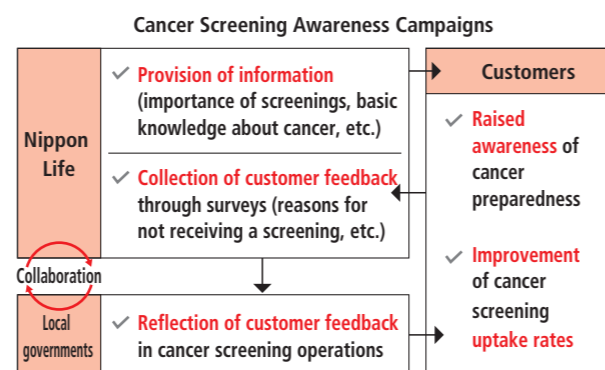
### Improving Health in Local Communities —Cancer Screening Awareness Campaigns—

#### We are putting great efforts into Cancer Screening Awareness Campaigns with the aim of improving health and preventing illness among people in local communities.

Based on agreements and other arrangements with local governments, we have been promoting activities by sales representatives involving providing information on cancer screenings to customers in local communities.

From fiscal 2023, we will establish this initiative as a shared topic nationwide and endeavor to further enhance activities associated with the initiative.

Specifically, in addition to providing information to customers, we plan on gathering feedback from customers in local communities, such as the reasons why they undergo or do not undergo cancer screenings. By sharing the results of those efforts with local governments and customers, we aim to elevate awareness of preparing for the possibility of cancer and contribute to improving uptake rates of cancer screenings implemented by local governments.



Kurashiki City and others × the Kurashiki Branch

- Expanding Cancer Screening Awareness Campaigns by making our comprehensive partnership agreements widely known and utilizing an essential set of filed documents providing information on breast cancer
- Sharing numerical targets (number of people given information on cancer screenings) with cities and making regular reports



Flyer on comprehensive collaboration agreement concluded with Soja City

#### Feedback from a city official

Being able to utilize Nippon Life’s business network to disseminate city information is really helpful. We hope that we can continue helping one another in a win-win relationship.

### Community Invigoration —in Cooperation with B. LEAGUE (Men’s Professional Basketball League) Clubs—



#### We are carrying out initiatives firmly rooted in local communities in cooperation with local B. League clubs.

Nippon Life is expanding its collaborative efforts to invigorate local communities through sponsoring B. League clubs\* all across Japan.

We are broadening our efforts, such as inviting children to watch games for free and hosting basketball workshops, and our nationwide staff are announcing these to our customers in local communities.

Together with the B. League and its affiliated clubs, we will continue developing activities to invigorate the entire country of Japan.

\*45 branches sponsor 30 clubs (as of June 30, 2023)

Hyogo Prefecture × Nishinomiya Storks × Nippon Life

Approx. 45,000 Nishinomiya Storks home game tickets allowing children to watch for free were donated to schools in Hyogo Prefecture (February to April 2023).



Ticket presentation ceremony at a Nishinomiya Storks game

### Creating Towns with Reassurance and Security —Bicycle Insurance—



#### Raising awareness in prefectures and municipalities where bicycle insurance has become mandatory.

Kumamoto Prefecture × the Kumamoto Branch

Distribution of flyers featuring prefectural mascot *Kumamon* and holding bicycle insurance seminars



Flyers announcing bicycle insurance policies

#### Feedback from a prefectural official

Through this initiative, I believe that we were able to more accurately convey the necessity of safe use of bicycles and enrollment in bicycle insurance to prefecture residents.

### Sound Development of Children and Adolescents —Donating “The Poop Workbook of Insurance”—



#### We are donating “The Poop Workbook of Insurance” books to elementary schools.

\*We created the “The Poop Workbook” (“The Poop Workbook of Insurance”) pamphlets in collaboration with the publisher of “The Poop Workbook,” an educational series well-known among elementary school students. We wanted more people to know about the importance of being prepared in life, as well as the insurance mechanism that allows people to help one another in difficult times.

Aizumisato Town (Fukushima Prefecture) × the Koriyama Branch

Aiming for sound development of children and adolescents, we donated copies of “The Poop Workbook of Insurance” to approximately 400 local elementary school students.



The Poop Workbook of Insurance Donation to Hongo Elementary School

#### Feedback from the Principal of a School that Accepted the Donation

I think that “The Poop Workbook of Insurance” will help children to understand the concept of insurance more easily thanks to its colorful and friendly feature. We will make good use of these at our school.

### NISSAY VOICE

#### Eager to safeguard customers in local communities by providing guidance on cancer screenings

I was already regularly telling customers about the importance of cancer screening based on my own experience. Since the conclusion of comprehensive collaboration agreements between our Kurashiki Branch and Kurashiki City, I have been putting more efforts into those activities.

Specifically, I make sure to raise customers’ interest in cancer screenings by always carrying “Pink Ribbon Folder,” which summarize the characteristics of mammograms and ultrasounds, along with other information, on my person whenever I visit customers. These files are named after the pink ribbons worn to spread awareness of breast cancer. Customers often thank me when I tell them that we work together with local governments to provide guidance on cancer screening in our aim to improve uptake rates. Their gratitude gives me more confidence to talk about screenings. It makes me so happy when customers realize that we don’t just talk about insurance, therefore placing their trust in us. Going forward, I will continue relaying the importance of cancer screenings to even more people with the aim of improving health regionally.



Kurashiki Branch Kurashiki City Sales Office Sakae Oda

## Support for initiatives aimed at solving regional issues



### Our sales representatives provide a variety of information and hold events in prefectures.

Niigata Prefecture × the Niigata and Nagaoka Branches

#### Holding walking events intended to improve health as part of efforts by the Niigata Prefectural Government, which advocates "health-oriented prefecture"

We used the "Guppy Healthcare" health app for residents of the prefecture to hold a walking events for corporations and individuals that tracked the number of steps walked. Around 400 corporations and 1,200 individuals participated.



Pamphlets announcing Niigata Walking: Autumn Sports Day

#### Disseminating information on population growth and U-turn/I-turn measures

We disseminate *u-turn information* (changing jobs to one within a person's hometown) and *i-turn information* (changing jobs to one in a different prefecture to a person's hometown) to households with students who have entered schools outside of the prefecture, encourage them to register for the prefecture's official LINE account, "YOU TURN," and notify them of internship fairs.



Official LINE account "YOU TURN," information on making a u-turn and coming back to work in Niigata (created by Niigata Prefecture)

### Invigorating Local Economies —Business Matching—



P. 57

### We are promoting business matching initiatives to bring together customers with business needs.

Specific Examples

We supported businesses by providing local companies experiencing reduced sales channels due to COVID-19 through matching services that overcome geographic barriers or differences in company size.



Business talks between corporations

#### Customer Voices

Amid shrinking sales channels for souvenirs featuring locally produced ingredients, which are our flagship products, we were able to get in touch with major department stores and other businesses at business matching events. I feel that business opportunities have increased with helpful suggestions such as selling our products as gifts.

## Social Contribution Initiatives

Based on its founding philosophy of "co-existence, co-prosperity, and mutualism," Nippon Life is working to actively contribute to activities that benefit society in order to bring customers and society a better future.

### For the Children Who Will Inherit the Future

#### Visiting Lessons and In-House Lessons



We encourage children to think about and carve out their own futures by having Nippon Life employees from across Japan teach children about the importance of insurance and life planning in the role of instructors.



Visiting lessons

In fiscal 2022 **138 schools and 14,722 students** participated.



#### Nissay Masterpiece Series

We invite elementary to high school students from all across Japan through their schools to watch musicals free of charge with the hope of fostering rich emotional development and diverse values in children. Since the start in 1964, we have invited a total of over eight million children.



#### Scholarship for Higher Education Support Supported by Nippon Life



We provide support for applying to college to young people experiencing financial hardship in cooperation with Kidsdoor Fund, an authorized non-profit organization. The children also received handwritten messages of support from Nippon Life employees.



Messages sent by company volunteers to scholarship recipients

In fiscal 2022 we supported **407 students**

In fiscal 2022 we invited **36,810 students**

From a 2022 performance of "Elisa and the Swan Princes" (Photo: Chikashi Saegusa)

### Sports Workshop



We hold sports workshop all across Japan with Nippon Life-affiliated athletes, including baseball workshop by our baseball club, table tennis workshop by our women's table tennis club, running workshop by track and field athlete Yoshihide Kiryu, and more.

These programs allow children to experience the fun of physical exercise and give them opportunities to have hopes and dreams through playing sports and meeting some of Japan's best athletes.



Baseball workshop by Nippon Life's baseball club



Running workshop led by Yoshihide Kiryu

In fiscal 2022 **31 prefectures and 5,405 people** participated



Table tennis workshop by the women's table tennis club

### Promoting DE&I

#### Experience-based wheelchair basketball events and lectures, etc.



We are promoting the greater spread and promotion of para-sports, as well as DE&I, through holding wheelchair basketball events and lectures, inviting Nippon Life executives and employees to watch and support para-sports, and providing information on upcoming events to customers.



Wheelchair basketball events and lectures



Spectators and supporters

In Fiscal 2022  
Experience-based events and lectures: **8 prefectures and 3,985 people** participated  
Spectators and supporters: **1,090 people** participated

### Solving Social Issues with Policyholders

#### Donations Made Through "Thanks Miles"

Nippon Life grants *Thanks Miles* to policyholders as a token of our gratitude.

Accumulated *Thanks Miles* can be exchanged for various prizes, and donations to organizations that are working to solve social issues can also be selected.



### Social Contributions From All Nippon Life Executives and Employees

#### Action Sustainability (Social Contribution Activities)

Since fiscal 2015, all Nippon Life executives and employees nationwide have been involved in various social contribution activities aimed at solving regional and social issues.

Participation rate for all executives and employees **100% for eight consecutive years**



Participating in cleaning activities



Donating meal tickets and message cards to children's orphanages



## Our Basic Approach

Climate change is an urgent global issue, with global warming driving a rise in the frequency of natural disasters in recent years. As shown in the Paris Agreement adopted in 2015, the IPCC Report, and the Japanese government's policies, society as a whole must respond to the problem of climate change.

Based on recognizing initiatives for global environmental conservation as one of the most important matters for all people and businesses, Nippon Life formulated the "Environmental Charter" in 2001. We are making efforts to take environmentally conscious actions in all fields of business activities. Also, committed to our sustainability priority issues, we have set "passing on the indispensable Earth to the future," including responding to the issue of climate change, as an important matter concerning management. Through this, we are actively promoting various initiatives alongside our Group companies and business partners toward realizing a decarbonized society.

\* Intergovernmental Panel on Climate Change. The IPCC prepares reports every five to seven years and provides the latest scientific knowledge on climate change.

## Core Elements of the TCFD Recommendations and Status of Principal Measures

Core elements of the TCFD recommendations	Status of principal measures
Governance	Based on the details of deliberations on climate change strategies and risk management by the Sustainability Committee and the Risk Management Committee, the Management Committee and the Board of Directors discuss and finalize business strategy plans that include the impact of climate change on the management of Nippon Life.
Strategy	Conduct scenario analyses for both the business activities and asset management fields, and assess the impact from climate change
Risk management	Integrated management of the impact of various types of risks, including climate change risks, on the Company's management
Indicators and targets	Set a net-zero target for fiscal 2050 and intermediary targets for fiscal 2030 for both the business activities and asset management fields

\*Task Force on Climate-Related Financial Disclosures. The TCFD recommends disclosure of the financial impacts of the risks and opportunities created by climate change. Nippon Life declared its agreement with the TCFD recommendations in December 2018.

## Governance

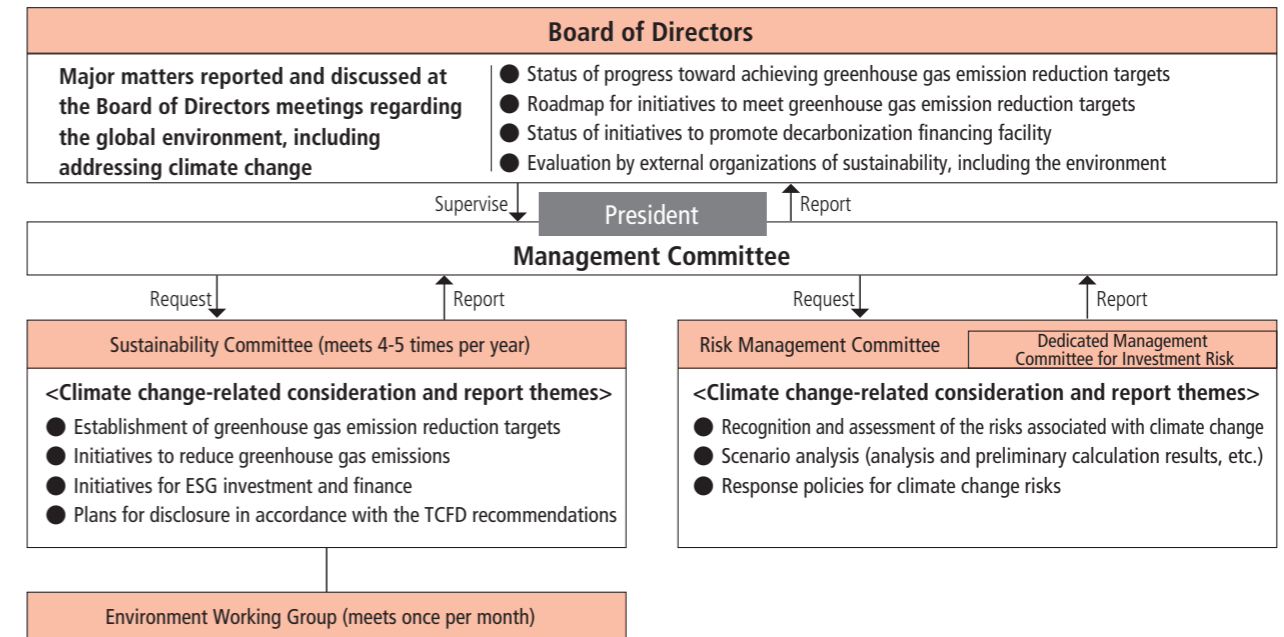
Nippon Life views climate change initiatives as an important management matter, and in the Management Committee and on the Board of Directors, we are deliberating and deciding management strategy and future policy based on the effects of climate change on management of the Company.

The Sustainability Committee and the Risk Management Committee have been established as advisory bodies to the Management Committee. The Sustainability Committee establishes the targets and policies for the initiatives responding to climate change. In addition, we have formed the Global Environment Working Group as a suborganization under the Sustainability Committee, and have also built a system for driving forward specific initiatives related to the environment, including climate change.

The Risk Management Committee and its advisory body, the Dedicated Management Committee for Investment Risk, recognize and assess the risks associated with climate change and conduct scenario analyses.

The results of the deliberations by these committees are reported to the Management Committee and the Board of Directors. The Management Committee controls business operations and the Board of Directors makes decisions on and supervises important business operations. Furthermore, the Outside Directors Meeting, which is the advisory body of the Board of Directors, also deliberates as necessary on the status of sustainability management promotion, including climate change initiatives. We promote initiatives while reflecting the extensive knowledge of our outside directors in our management.

### Governance System for Responding to Climate Change



## Risk management

We conduct integrated risk management from the perspective of comprehensively managing the overall impact that various risks, including climate change, could have on the Company (for details on top risks and risk management, see pp. 42–43 and p. 112).

## Strategy

At Nippon Life, we recognize the impacts (risks and opportunities) of climate change on our businesses in the respective areas of business activities and asset management, and promote initiatives to enhance risk control and resilience based on the results of analyses utilizing climate-related scenarios.

### Recognizing and Identifying Risks and Opportunities

At Nippon Life, we are conscious of the potential physical risks, transition risks, and opportunities in the short-, mid-, and long-term due to climate change as follows.

#### Risks and Opportunities

Category	Predicted impact on the business (ex.) <small>*For asset management, the impact on investee and borrower companies in Nippon Life's asset management portfolio</small>	Time frame		
		Short-term	Mid-term	Long-term
Physical Risks	Acute Business activity: Impact of typhoons, floods, etc., on number of deaths and costs of structural damage to Nippon Life business locations Asset management: Losses at investee and borrower companies due to increased frequency and severity of natural disasters	→	→	→
	Chronic Business activity: Increased number of deaths due to hot temperatures and heatwaves in summer, air pollution, and forest fires Asset management: Losses at investee and borrower companies following increased damage from extreme fluctuations in weather patterns		→	→
Transition Risks	Policies and Laws Business activity: Stronger energy conservation laws and regulations related to measures to address global warming Asset management: Declining profitability at investee and borrower companies due to introduction and strengthening of carbon-related regulations (carbon tax, emissions trading)	→	→	→
	Technology Asset management: Declining competitiveness of existing technology and assets of investee and borrower companies following the emergence of new technology		→	→
	Market Asset management: Declining demand for investee and borrower products and services due to changes in consumer behavior and preferences	→	→	→
	Reputation Business activity: Reputation damaged by insufficient efforts toward addressing climate change	→	→	→
Opportunities	Resource efficiency Asset management: Improved production capacity and reduced costs due to efficient use of resources at investee and borrower companies	→	→	→
	Energy sources Business activity: Stable prices for renewable energy, progress toward energy efficiency	→	→	→
	Products & Services Business activity: Development of products and services related to global warming Asset management: Increased competitiveness due to development of new low-carbon-related technologies by investee and borrower companies		→	→
	Market Asset management: Increased demand for investee and borrower products and services due to changes in consumer behavior and preferences	→	→	→

Initiatives to Address Climate Change

Scenario Analyses

We are conducting scenario analyses of the effects of climate change on Nippon Life businesses using multiple scenarios published by external agencies. IPCC scenarios are mainly used in the business activities filed, while NGFS scenarios are primarily used in the asset management filed.

\*Network for Greening the Financial System

Scenarios Used in Nippon Life's Scenario Analyses

NGFS scenarios	IPCC scenarios
<p><b>Current Policies</b> <span style="background-color: #f44336; color: white; padding: 2px;">Over +3.0°C</span></p> <p>Scenario assuming that only current policies are maintained</p>	<p>RCP8.5 <span style="background-color: #f44336; color: white; padding: 2px;">+4.0°C</span></p> <p>Scenario corresponding to maximum greenhouse gas emissions in 2100</p>
<p><b>NDCs</b> <span style="background-color: #f44336; color: white; padding: 2px;">+3.0°C</span></p> <p>Scenario assuming that all policies pledged by countries (including those not currently being carried out) are implemented</p>	
<p><b>Delayed Transition</b> <span style="background-color: #f44336; color: white; padding: 2px;">+2.0°C</span></p> <p>Scenario assuming there is no decrease in emissions through 2030, with strong policy implementation and rapid progress in innovation to keep temperature increases below 2°C</p>	<p>RCP2.6 <span style="background-color: #f44336; color: white; padding: 2px;">+2.0°C</span></p> <p>Lowest emissions scenario developed with the goal to keep temperature increase below 2°C</p>
<p><b>Net Zero 2050</b> <span style="background-color: #f44336; color: white; padding: 2px;">+1.5°C</span></p> <p>Scenario that aims to limit global warming to 1.5°C and achieve net zero global CO<sub>2</sub> emissions around 2050 through stringent emission reduction policies and innovations</p>	

Scope of Scenario Analyses

We are conducting scenario analyses for the following physical risks, transition risks, and opportunities among those risks identified on the previous page.

Category	Scope of scenario analysis	Analysis timeframe
Physical risks	Business activity: Impact on mortality rates and death benefit amount due to hot temperatures and heatwaves in summer	FY2021 (Disclosed on p. 75 of the Fiscal 2022 Integrated Report)
	Business activity: Impact on structural damage costs for Nippon Life business locations due to flooding	FY2022 ▶ P. 33
	Asset management: Impact on asset management portfolio following losses at investee and borrower companies due to increased damage from natural disasters (acute/chronic)	FY2022 ▶ P. 34
Transition risks	Asset management: Impact on asset management portfolio following declining profitability at investee and borrower companies due to policy risks such as introduction and strengthening of carbon-related regulations	
Opportunities	Asset management: Impact on asset management portfolio following increased income due to development of new low-carbon-related technologies for products and services carried by investee and borrower companies	

\*Please see the Nippon Life Integrated Report 2022 on the Nissay website.

[https://www.nissay.co.jp/global/report/pdf/2022\\_Integrated\\_Report.pdf](https://www.nissay.co.jp/global/report/pdf/2022_Integrated_Report.pdf)



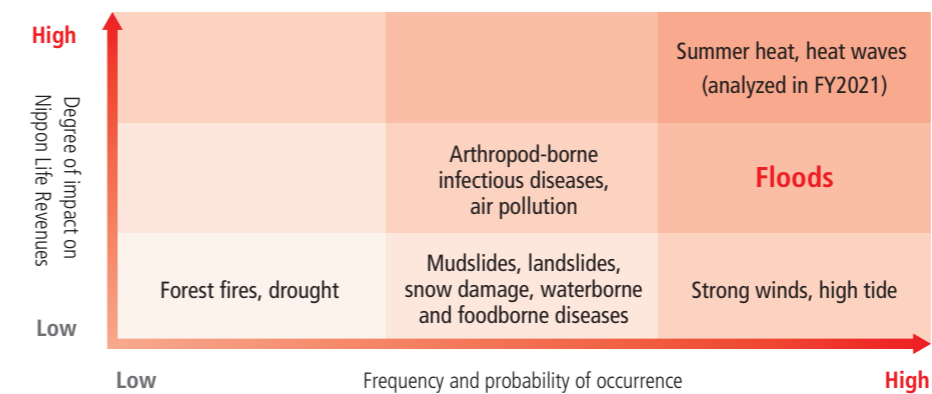
Business activities field

When conducting scenario analyses in the business activities area, we plan to sequentially expand the scope of such analyses starting with risk events predicted to have a comparatively high degree of impact on Nippon Life revenue and a relatively high frequency and probability of occurrence.

Risk Events with a Relatively High Frequency and Probability of Occurrence and Their Degree of Impact on Nippon Life Revenues

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

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



Results from Scenario Analysis of Impact of Floods on Costs of Structural Damage to Nippon Life Business Locations

In fiscal 2022, we estimated the costs of structural damage to Nippon Life business locations from floods. We analyzed a scenario in which the probability of floods increased following a rise in the number of typhoons and amount of precipitation in Japan, and in such a case, the number of damaged locations and damage costs based on the increase in rain volume. Calculation results indicated that while damage costs would remain almost unchanged compared to current costs with a temperature increase of 2°C or less, damage costs could increase approximately three-fold with a temperature increase of 4°C. Regarding the results of these calculations, we think that the impact on revenues would be limited considering Nippon Life's overall operating expenses.

\*We also use NGFS scenarios as a reference for flood scenario analysis.

Scenario Analysis Results (Figures are Approximate)

Scenario used	2°C	4°C
Rate of increase over present	approx. 1.0 times	approx. 3.3 times
Structural damage costs	¥35 million	¥110 million

Information and studies are still fairly limited in respect of research on health impacts at research institutions and other organizations for the years 2050 and 2100. For that reason, the impacts on Nippon Life's management remain unclear. Partnering with research institutions and other organizations, we will continue working toward making impact analysis more sophisticated in the business activities field and implement adequate response measures to address risks.

Asset Management Field

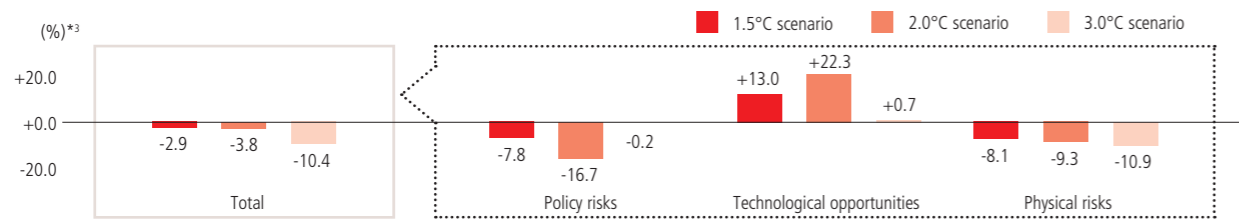
As a means of measuring the risks and opportunities in our asset management portfolio<sup>\*1</sup> brought about by climate change, we conducted analyses using Climate Value-at-Risk (CVaR)<sup>\*2</sup>, provided by MSCI, in fiscal 2022. Specifically, we analyzed the risks and opportunities shown in the Scope of Scenario Analysis table on p. 32 while utilizing NGFS scenarios. Additionally, we also conducted "global warming potential" analyses, which evaluate how much global warming is attributable to corporate GHG emissions on a rising temperature scale.

\*1: Calculated for domestic and overseas stocks and domestic and overseas corporate bonds in the Nippon Life portfolio  
 \*2: CVaR evaluates the impact (risks and opportunities) on the value of assets, such as each company's stocks 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

CVaR

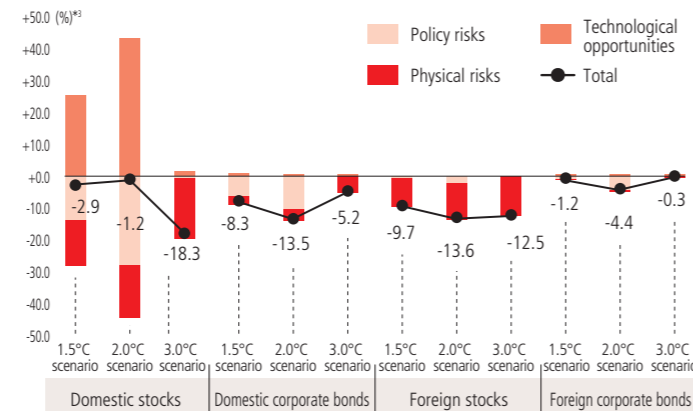
By temperature rise scenario

Analysis by temperature rise scenario concluded that for policy risks and technological opportunities, a 2.0°C scenario, for which it is assumed that GHG emissions have not decreased by 2030 and that the government has introduced strong regulations and significant technological reforms are implemented to limit the temperature rise, would have the largest impact on asset value. Also, physical risks demonstrated a trend to substantially increase along with temperature increases. Risks were shown to substantially increase along with rising temperatures for "total CVaR" too, which combines policy risks, technological opportunities, and physical risks.



By asset

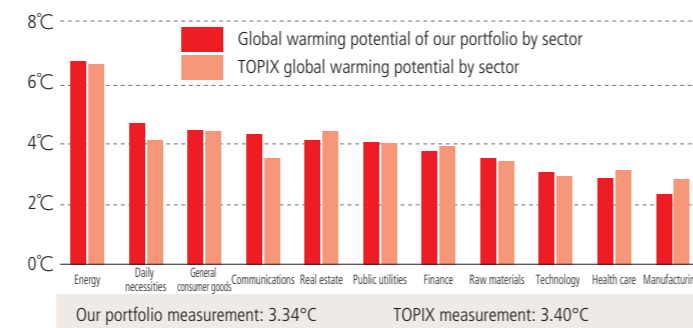
Analysis by asset concluded that in a 1.5°C scenario and a 2.0°C scenario for domestic stocks, "technological opportunities" as estimated based on the number of patents and other intellectual properties related to low-carbon technologies would have a large positive impact.



\*3: Degree of positive/negative impact of risks and opportunities on asset management portfolio asset values

Global Warming Potential

As a result of evaluating how much global warming is caused by Nippon Life's asset management portfolio using global warming potential, our portfolio came to +3.34°C, which is below the figure for TOPIX. In order to bring our global warming potential closer to 1.5°C, it is crucial that we support initiatives aimed at the decarbonization of corporations and society as a whole.

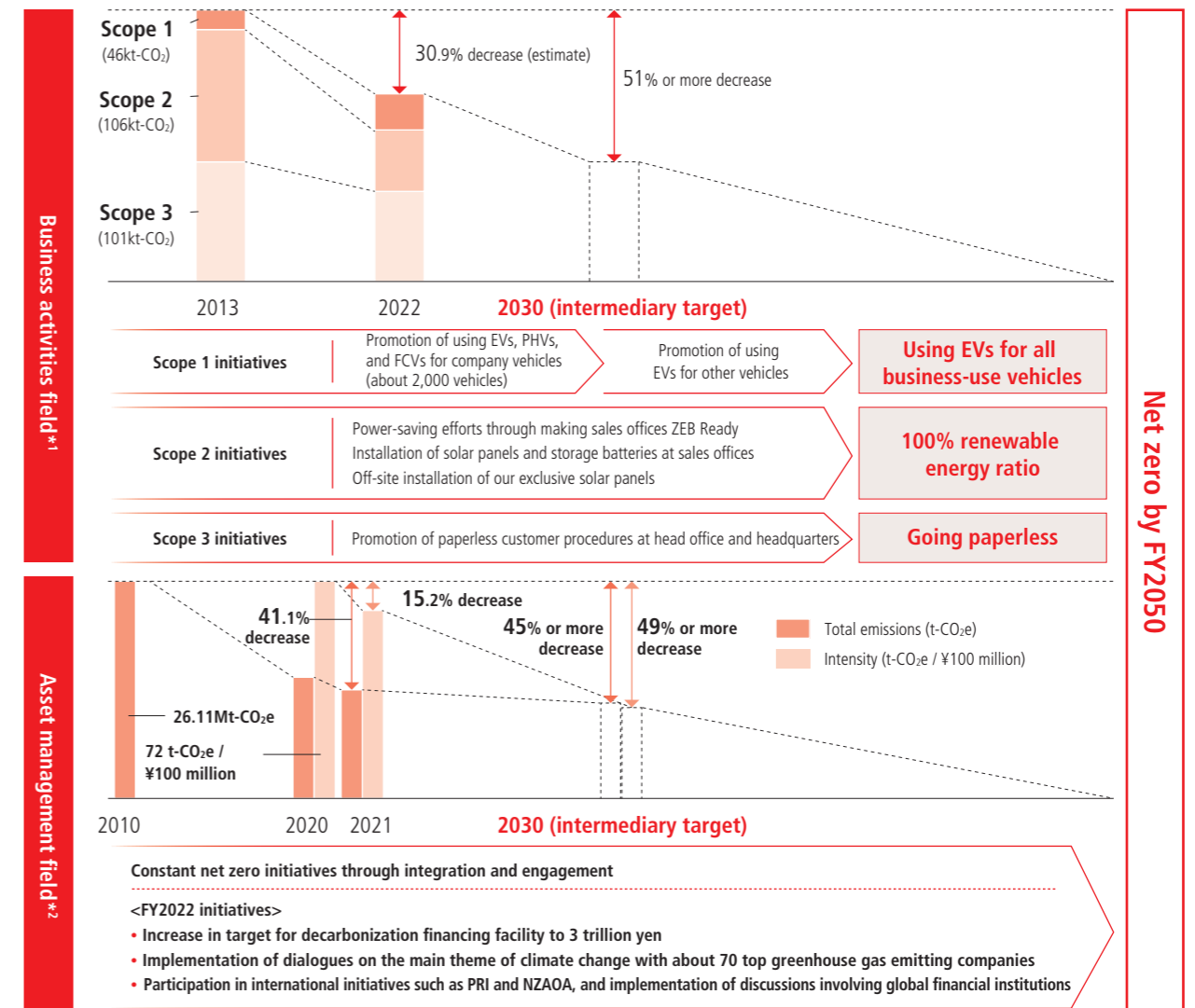


Going forward, we will support investee and borrower companies through integration and engagement in order to carry out initiatives that take risks and opportunities related to climate change into consideration. Note that efforts are being made to improve CVaR and other quantitative models for climate change based on the latest research results, and that we will continue to survey and analyze risk assessment methods going forward.

Indicators and Targets

In order to help solve climate change issues, Nippon Life has established greenhouse gas emission reduction targets, including CO<sub>2</sub>, in the fields of business activities and asset management. In each field, we established targets for achieving total greenhouse gas emissions of net-zero by fiscal 2050, as well as intermediary targets for fiscal 2030, and will promote initiatives to reduce the amount of emissions.

Roadmap to FY2050 Net-Zero



(About Reduction Indices)

Total emissions: Investee greenhouse gas emissions attributable to the portfolio, unit is t-CO<sub>2</sub>e (CO<sub>2</sub> equivalent)

$$\text{Total emissions} = \sum_{i=1}^n \left[ \text{Investee emissions } i \times \frac{\text{Investment amount } i}{\text{Corporate value } i} \right]$$

Intensity: Greenhouse gas emissions per unit of the portfolio, unit is t-CO<sub>2</sub>e / ¥100 million

$$\text{Intensity} = \frac{\text{Total emissions}}{\text{Total investment amount}}$$

\*1: Targets CO<sub>2</sub> emissions. Includes emissions by major domestic subsidiaries (TAJU LIFE, Nissay Wealth Life, HANASAKU LIFE, Nissay Asset Management, Nissay Leasing, Nissay Information Technology, and Nissay Plus SSI) and major overseas subsidiaries (Nippon Life Insurance Company of America, MLC Limited, and Nippon Life India Asset Management Limited)  
 \*2: Targets greenhouse gas emissions. Includes Scope 1 & 2 emissions by investee and borrower companies for domestic and overseas listed stocks and domestic and overseas corporate bonds, and real estate (stocks and corporate bonds include investing via mutual funds)

\*Matters to bear in mind pertaining to p. 34  
 Neither MSCI ESG Research LLC, its affiliates nor any other party involved in or related to compiling, computing or creating the information (the "ESG Parties") makes any express or implied warranties or representations and shall have no liability whatsoever with respect to any information provided by ESG Parties contained herein (the "Information"). The Information may not be further redistributed or used as a basis for other indexes or any securities or financial products. This report is not approved, endorsed, reviewed or produced by ESG Parties. None of the Information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

Initiatives to Address Climate Change

Initiatives in the Business Activities Field

At Nippon Life, the main areas in which CO<sub>2</sub> is emitted as a result of business activities such as life insurance are the usage of automobiles as a means of transportation in insurance sales activities (Scope 1), the usage of electricity in buildings used as offices (Scope 2), the usage of the paper used in insurance proposals and other documents (Scope 3), and other matters such as employee commutes and business trips as well as postal mail (Scope 3). We have set the target of net-zero total emissions by fiscal 2050. To achieve this, we have set a reduction of 51% or more (compared to fiscal 2013) as an intermediary target for fiscal 2030 and are moving ahead with various initiatives. Total amount of CO<sub>2</sub> emissions of the previous fiscal year are 175,000 tons of CO<sub>2</sub> (estimated) (a decrease of 30.9% compared to fiscal 2013), and we are steadily promoting initiatives aimed at achieving our targets for fiscal 2030 and fiscal 2050.

\*See the Roadmap to FY2050 Net-Zero on p. 35.

(Scope 1) Introduction and Promotion of Electric, Plug-in Hybrid, and Fuel Cell Vehicles

To date, about one third of the approximately 2,000 vehicles used as company vehicles in Nippon Life's business activities have been replaced with hybrid vehicles. We have also been introducing EVs<sup>1</sup>, PHVs<sup>2</sup>, and FCVs<sup>3</sup>, which all have low CO<sub>2</sub> emissions, in stages, and we aim to have replaced the vast majority of our vehicles with EVs by fiscal 2030. We are deliberating on response measures toward making all company cars used for sales activities carbon neutral by fiscal 2050.

\*1 Electric vehicles

\*2 Plug-in hybrid vehicles

\*3 Fuel cell vehicles: Vehicles that introduce oxygen and hydrogen into a "fuel cell" to generate electricity, which powers the motor

(Scope 2) Initiatives to Conserve Energy at Sales Offices and Nippon Life-Owned Buildings

Reducing energy use at business locations by shifting to ZEB and LED

Nippon Life is renovating deteriorated sales offices. We have been renovating our sales offices since July 2018 in line with ZEB Ready<sup>\*1</sup> standards, and we have completed reconstruction of a total of 107 sales offices as of the end of fiscal 2022. We have achieved an approximate reduction of over 20 to 30% in the amount of energy used at each sales office.

Moreover, at five of those sales offices (Kawaguchi Sales Office, Okegawa Sales Office, Fukko Sales Office, Tamade Sales Office, and Chiryu Sales Office), additional solar panels and storage battery systems have been installed, and the buildings have been constructed to ZEB<sup>\*2</sup> standards. At the Chiryu Sales Office, we are using wooden furniture and fixtures made from thinned wood taken from "Nissay Forest". We are also incorporating environmentally friendly functions and equipment everywhere we can, including renewable energy sources other than solar power and the deployment of PHVs.

\*1 ZEB Ready: Buildings that are compliant with a reduction in primary energy consumption of 50% or more from standard energy consumption, not including renewable energy

\*2 ZEB: Buildings where substantial energy conservation and renewable energy have been introduced, and zero or negative annual primary energy consumption has been achieved

Installing solar panels and introducing green energy at Nippon Life-owned buildings

We have introduced renewable energy at certain Nippon Life-owned buildings, such as the Osaka Head Office and the Tokyo Headquarters, through the installation of solar panels. When constructing other new Nippon Life-owned buildings, we strive to conserve energy through the adoption of LED lights and introduction of highly energy-efficient facilities.

In fiscal 2020, we introduced green energy at the east building of the Osaka Head Office, and have since been supplying all electricity used in the east building by substantial renewable energy. We have also introduced green energy at other buildings, including the Tokyo Headquarters in fiscal 2021 and the main and south buildings of the Osaka Head Office in fiscal 2022.

Furthermore, we introduced an off-site corporate PPA<sup>\*</sup> to install dedicated Nippon Life solar power generation facilities at 20 locations outside of Nippon Life premises. We began receiving power from these facilities in April 2023. The renewable energy generated at these facilities supplies our Osaka Head Office (main, east, and south buildings), as well as the computer center.

\* Off-site corporate PPA (Power Purchase Agreement): A form of agreement in which power generation companies, owning solar power stations on land far away from places where there is demand for energy, supply energy generated at their solar power stations to remote places, owned by consumers, where there is demand for energy.



Chiryu Sales Office



On the roof of the east building of the Nippon Life Head Office



Off-site corporate PPA (Himeji City, Hyogo Prefecture)

(Scope 3) Initiatives Aimed at Fully Shifting to Paperless Work and Tightening Logistics

We have been working to further reduce the amount of paper we use by providing information and expanding the procedures available online via the Nissay website and Nippon Life app. We have begun sending the Policy Details Reminder (sent annually to policyholders) and Notification of Contract Information (sent after a policy has been concluded) by online notification (confirmed on the Policyholder Services screen after receiving an email) to customers who have given consent\*, instead of the usual notification by postal mail. In principle, we also provide Policy Clauses on our website. These initiatives have resulted in an approximately 80% reduction in the number of pages in booklets given to customers when they apply for insurance policies.

\*This initiative began in July 2021 with the Policy Details Reminder, and was expanded to the Notification of Contract Information in March 2023.

Initiatives Addressing Plastics

We are promoting initiatives aimed at reducing the amount of plastic used in business activities and are putting efforts into our *Nissay Plastics Smart Campaign* with a view to solving the global issue of plastic.

"Zero Plastic Clear Document Folders," the main initiative of the *Nissay Plastics Smart Campaign*

To reduce the amount of plastic used in business activities, Nippon Life has established "Zero Plastic Clear Document Folders" as its goal. Under this initiative, we aim to reduce the amount of clear document folders used in business activities while simultaneously promoting the switch to paper over plastic when purchasing new clear document folders, with the goal of making sure all newly purchased clear document folders are those made of paper from fiscal 2024.



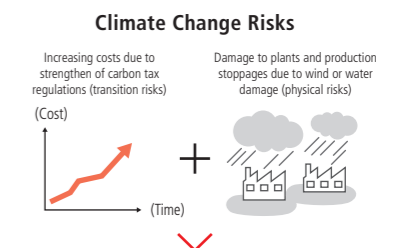
Initiatives in the Asset Management Field

Nippon Life understands the significant risks that climate change poses to asset management, and we are strengthening our response measures. If investee and borrower companies are slow to respond to climate change, this may cause their financial situation to worsen due to increased costs to meet regulations, etc. (transition risks), and asset damage caused by wind or water damage, etc. (physical risks). This also substantially devalues Nippon Life's portfolio. In order to address these kinds of climate change risks, Nippon Life has set a net-zero GHG emissions target for fiscal 2050 and intermediary targets for fiscal 2030 for our asset management portfolio.

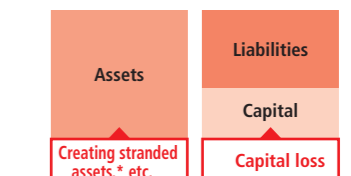
To achieve these goals, we will continue to work on both providing funding as well as engagement with corporations.

In terms of providing funding, approximately 70% of our cumulative ESG-themed investment and finance up to fiscal 2022 has been in the area of the environment. While utilizing our decarbonization financing facility that deals with finance involving transitions, in which companies that emit large amounts of greenhouse gases take initiatives to gradually reduce these, and decarbonization-related technological innovations such as CO<sub>2</sub> collection and storage technology, Nippon Life is supporting initiatives aiming for decarbonization of society and companies.

In terms of corporate engagement, we have been requesting that investee companies make information disclosures related to climate change in dialogues with them. In addition, we are engaged in dialogues primarily focused on climate change with the approximately 70 companies that emit the largest amounts of greenhouse gases, and have requested that they formulate and disclose roadmaps for reducing emissions toward net-zero in fiscal 2050. Our policy going forward is to request disclosure of initiatives aimed at reducing emissions, including Scope 3. Also, since circumstances differ in each industry and at each company, we will not engage in one-size-fits-all dialogues focused only on the figures, but will instead encourage reduction initiatives with a mid- and long-term outlook on considering each company's situation.



Financial position of investees and borrowers



\*Asset stranding refers to the significant damage in asset values due to rapid changes in the market or social environment.

Finance for the Offshore Wind Energy Project in Akita Prefecture

The first commercial project of offshore wind energy generation in Japan, supporting greater use of renewable energy



Offshore wind power station (source: Akita Offshore Wind Corporation)

The “ecosystem services” supporting our entire society have been rapidly degrading over the past 50 years, and there is an urgent need for actions toward realizing the goal of “nature positive (nature restoration)” to halt the loss of biodiversity and get back on a track to recovery. We are promoting various initiatives related to the preservation of natural resources and biodiversity.

\*Ecosystem services: Ecosystem functions that particularly benefit humans

### Domestic and Overseas Trends with Respect to Natural Capital and Biodiversity

The Kunming-Montreal Global Biodiversity Framework (GBF), created through revisions based on scientific evaluation and the achievement progress of the Aichi Biodiversity Targets set for 2020 agreed upon at COP 10, were adopted in December 2022 at COP 15. This framework set global targets of taking action to halt and reverse biodiversity loss by 2030 and of achieving a world of living in harmony with nature by 2050.

Also, the “National Biodiversity Strategy of Japan 2023-2030,” which received cabinet approval in March 2023, specified a 2030 target to realize the goal of “nature positive (nature restoration).” Future movements related to the preservation of biodiversity are expected to accelerate even further both in Japan and around the world.

### Details of Initiatives Related to Biodiversity at Nippon Life and Policy for Future Initiatives

In the Environmental Charter established in 2001, we expressly stated that we will pass on our irreplaceable global environment to the next generation and endeavor to preserve biodiversity.

Additionally, in December 2022, Nippon Life endorsed the Taskforce on Nature-related Financial Disclosures (TNFD) initiative, and going forward, we will work to promote initiatives and enhance information disclosures related to preserving natural capital and biodiversity.

Core elements of the TNFD recommendations	TNFD disclosure framework	Our Initiatives
Governance	Disclose organizational governance concerning nature-related dependencies, impacts, risks, and opportunities.	Submit the details of deliberations by the Sustainability Committee on biodiversity to the Management Committee and Board of Directors
Strategy	Disclose the actual and potential impacts of nature-related dependencies, impacts, risks, and opportunities on the businesses, strategy, and financial plans of the organization	Begin evaluating nature-related dependencies and impacts
Risk management	Disclose the manner in which the organization identifies, evaluates, and manages nature-related dependencies, impacts, risks, and opportunities	Recognize the possibilities for nature-related risks to impact overall management
Indicators and targets	Disclose indicators and targets used to evaluate and manage nature-related dependencies, impacts, risks, and opportunities	Business activities field: Considering specific measures for initiatives related to biodiversity Asset management field: ESG-themed investment and finance of ¥5 trillion, of which ¥3 trillion is for a decarbonization financing facility (fiscal 2017–2030)

In the field of asset management, we are conducting investment and finance in areas in which future investment opportunities are anticipated toward realizing the goal of “nature positive” as an institutional investor. Moreover, going forward, we will carry out surveys on physical risks caused by environmental destruction, as well as transition risks such as the introduction and strengthening of related regulations.

In addition to the above, we are harnessing Nippon Life’s strength in the form of its 1,500-plus sales offices across Japan and network of about 50,000 sales representatives to conduct a number of initiatives, as social contribution activities, including volunteer activities that contribute to preserving biodiversity tailored to the characteristics of each region, the development of Nissay Forests, and subsidies for research on environmental issues granted by the Nippon Life Foundation.

### Details of Initiatives Related to Biodiversity in the Asset Management Field

Nippon Life aims to solve issues of natural capital and biodiversity through ESG-themed investment and finance, among other efforts. We have conducted finance for blue bonds used for investing in sustainable fishing and marine cultivation, as well as continuing to invest in green bonds used for financing forest management and habitat surveys of endangered species. Additionally, because the topic of biodiversity is closely related to climate change, we are also engaging in dialogue with investees companies on preserving and restoring natural capital through initiatives that address climate change.

Globally, active discussions are also ongoing through international initiatives such as the Principles for Responsible Investment (PRI). Recently, PRI has been considering launching stewardship initiatives related to natural capital and many private-sector signatory companies are expected to participate in and have discussions in the said initiatives, reflecting an anticipated acceleration in private sector-led initiatives in the future.



Land-based aquaculture  
 Courtesy of Maruha Nichiro Corporation

### Social Contribution Activities that Contribute to Biodiversity

#### Volunteers all across Japan

##### Beach cleanup and coral preservation activities (Naha Branch)

At the Naha Branch, we participate in beach cleanup events hosted by OCCN\* and other parties, and are actively working to clean up the waters around Okinawa. We also support an organization that develops activities to protect and grow coral reefs in Okinawa, and are involved in activities to increase awareness of the organization throughout the prefecture.

\*OCCN stands for Okinawa Clean Coast Network. This is a network for protecting Okinawa’s rich natural wonders



Scene from a beach cleanup event and coral transplantation (bottom-right) (Naha Branch)

##### Activities addressing the issue of abandoned bamboo forests (Kitakyushu Branch)

The Kitakyushu Branch participates in the *Kokura Castle Takeakari* (bamboo lantern festival) event, which aims to solve the issue of abandoned bamboo forests. When lanterns made using bamboo sourced from abandoned bamboo forests are lit at the event at Kokura Castle, the bamboo ash left after burning has a naturally deodorizing effect. We reuse this bamboo ash as a gift when visiting customers.

##### Participating in nature management activities in the Yone Wetland of Sakegawa Village (Yamagata Branch)

Since the Yone Wetland in Sakegawa Village, Yamagata Prefecture are abundant in nature, home to many precious plant and animal species, the Yamagata Branch participates in activities to preserve the wetland alongside local residents and the village office.



Scene of processing waste materials from the maintenance of abandoned bamboo forests maintaining abandoned bamboo forests (Kitakyushu Branch)

#### Nissay Forest Development Program

“Nissay Forest” Fellowship, a group of volunteers formed of Nippon Life employees that began in 1992, works together with the Nissay Green Foundation to develop forests. To date, the group has planted 1.38 million trees in 207 locations across Japan (approx. 474.9 ha). With the establishment of the Nissay Yaese Forest in the town of Yaese, Shimajiri-gun, Okinawa Prefecture in January 2023, we successfully set up Nissay Forests in all 47 prefectures of Japan.



Scene from Yone Wetland maintenance activities (Yamagata Branch)

#### Subsidies for Research on Environmental Issues by the Nippon Life Foundation

Established by Nippon Life in 1979, Nippon Life Foundation has continued to provide subsidies for research on environmental issues from its beginning to the present day. The foundation also offers grants for biodiversity research. The total number of projects granted subsidies for research on environmental issues up to present is 1,304, totaling ¥2.97 billion. This includes 86 projects totaling ¥125.6 million for biodiversity research subsidies since 2016 (as of the end of March, 2023). Worldwide interest in biodiversity has also risen in recent years, and in fiscal 2022, the foundation offered grants totaling ¥36 million to 22 projects related to biodiversity in a single year.

# Customer-Oriented Business Operations

We place customer-oriented business operations at the core of our business operations in order to earn greater trust from customers and society. We supply products and services that customers truly want and reliably fulfill our responsibilities to policyholders. Moreover, we value customer feedback and strive to learn from it to improve our services, as well as instill our management principles and compliance awareness in all our executives and employees.

## Customer-Oriented Business Operations Policy (Excerpt)

1. Ensuring a customer-oriented approach in every business area
2. Providing better products, services and appropriate consulting for our customers
3. Ensuring our responsibilities to policyholders
4. Managing conflicts of interest and compliance
5. Verifying initiatives and results by utilizing customers' voices
6. Initiatives to ensure each and every employee acts in a customer-oriented manner

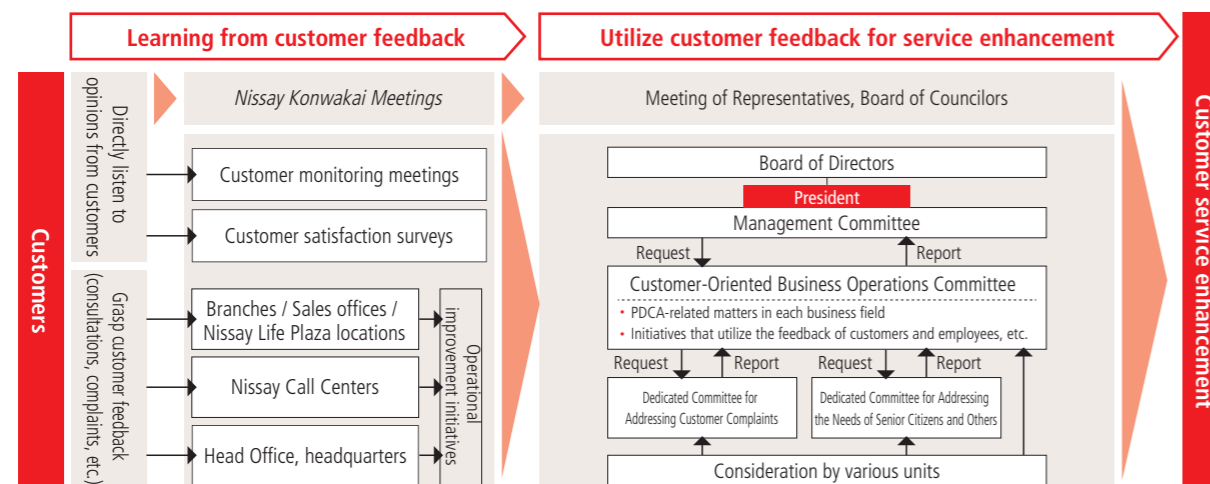
\* Please see the complete text of the Customer-Oriented Business Operations Policy on the Nissay website.

[https://www.nissay.co.jp/global/report/pdf/2022\\_Integrated\\_Report.pdf#page=13](https://www.nissay.co.jp/global/report/pdf/2022_Integrated_Report.pdf#page=13)

## Implementation Framework for Customer-Oriented Business Operations

Nippon Life treats customer feedback as a precious resource for improving services, and along with working to understand the customer's views from a wide range of sources such as nationwide branches, sales offices, Nissay Life Plazas, the Nissay Call Centers, and more, we also actively seek out customers' opinions through various opportunities. We also gather information on legal reforms and trends in governmental and consumer issues from government bodies and consumer groups and exchange opinions with them, as well as visiting prefectural and municipal consumer affair centers to gather information on regional consultations.

Feedback and other information collected from customers is utilized in deliberations on improvement initiatives in each unit and regularly reported to the Customer-Oriented Business Operations Committee, comprising members who are executives and general managers, as well as the Management Committee and Board of Directors. While doing so, the entire Company is working as one to promote the continuous improvement of services based on customer feedback.



### <Main issues deliberated by the Customer-Oriented Business Operations Committee>

#### PDCA-related matters in each business area

- Deliberation on the status of initiatives for customer-oriented business operations in each business area and their future direction

#### Initiatives that utilize customer feedback

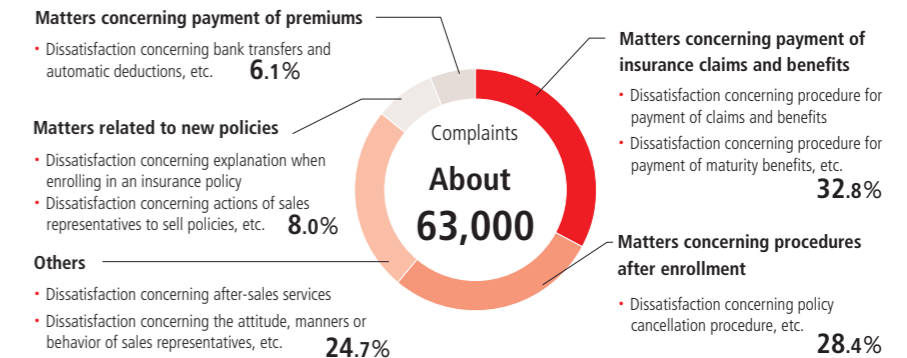
- Collect and analyze customer feedback received through Nissay Call Centers and service evaluation questionnaires
- Deliberation on initiatives to utilize customer feedback in management

#### Initiatives utilizing employee feedback

- Collect and analyze feedback from sales representatives and administrative clerks, which we acquire when executives visit sales offices and the like.

## Feedback from Customers (Points of Dissatisfaction and Suggestions)

Nippon Life defines a complaint as "any expression of dissatisfaction by a customer (regardless of the facts)." We collect a wide range of complaints, classify and analyze the feedback in accordance with the details and cause of the complaint and similar factors, and use this information to improve specific services from the customer's perspective.



## Main Initiatives in Each Business Field

In line with our Customer-Oriented Business Operations Policy, we have established specific customer-oriented initiatives and independent indicators for each business field, and are conducting PDCA (plan-do-check-act) cycle activities.

Also, to enable customers to more easily understand our customer-oriented initiatives, we have disclosed initiative policies and statuses of specific initiatives for each sales channel (sales representatives, agencies,

\*For details on the status of Nippon Life initiatives based on the "Customer-Oriented Business Operations Initiative Status" and the "Viewpoints for Further Enhancement of Compliance Risk Management Structure related to Direct Salesperson Channel," please see the Nissay website.

<https://www.nissay.co.jp/kaisha/otsutaeshitai/customer/pdf/torikumi2023.pdf> (Japanese only)

<https://www.nissay.co.jp/kaisha/otsutaeshitai/customer/pdf/eishokuchannel.pdf> (Japanese only)

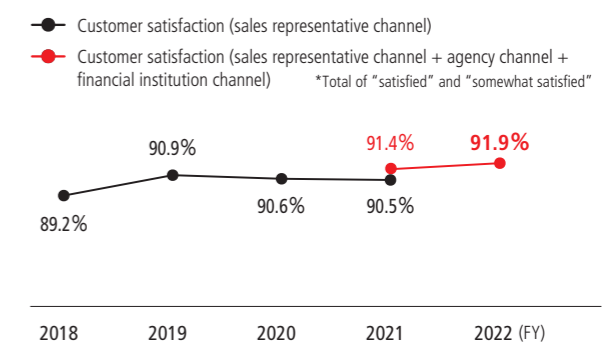
Sales channel	Initiative policy	Initiative status
Individual insurance	Providing appropriate consulting activities	To build contact points wanted by customers, we have expanded our digital customer base and increased our digital activities. In addition, in fiscal 2023, we are recommending the optimal and latest coverage in an easy to understand way based on public insurance utilizing "Mirai Consultant". <a href="#">▶ P. 48</a>
	Ensuring that procedures are followed properly	Since releasing the Nippon Life app, we have worked to continuously improve convenience. In March 2022, in order to improve customer convenience, we redesigned the app to make various procedures and services much more accessible. <a href="#">▶ P. 60</a>
Corporate insurance	Supporting welfare systems by providing products and services to fulfill needs	In order to meet any and all customer needs, we launched "Minna no Dantai Teikihoken," which can be introduced effortlessly at medium-sized companies. In fiscal 2023, too, we are providing products and services in line with needs from a customer perspective, and are working to build and develop solid relationships with our customers. <a href="#">▶ P. 57</a>

## Customer Satisfaction Results

At Nippon Life, we have set customer satisfaction as a KPI for measuring the degree of establishment of our Customer-Oriented Business Operations Policy, and are carrying out annual surveys through external agencies to track this. After analyzing the feedback and requests received from customers through these surveys, we utilize the results of this analysis in initiatives aimed at improving administration, services, and other areas. As a result, we continued to maintain a high level of "customer satisfaction" of 91.9% in fiscal 2022.

Additionally, in October 2022, we launched a service evaluation questionnaire that surveys customers' assessments of their sales representative's level of service and procedures after procedures have been completed. By analyzing and verifying the submitted questionnaires, we will better understand our customer's needs and continue promoting further improvements to procedures and services.

We will continue to measure the degree to which the Customer-Oriented Business Operations Policy and the initiative details have become established through these questionnaires.



<Overview of survey conducted in fiscal 2022>  
 • Conducted once a year (September 1, 2022 — September 30, 2022)  
 • Survey scope: approx. 65,000 current policyholders  
 • Number of valid responses: approx. 10,000  
 • Survey contents: sales representative service, currently enrolled products, trust in Nippon Life, etc.  
 • Four levels of customer satisfaction to choose from: satisfied, somewhat satisfied, somewhat dissatisfied, and dissatisfied  
 \*From fiscal 2021, the survey has been conducted online. In addition, more customers are also included in the survey scope than in past fiscal years.

## Feedback from Customers at Nippon Life

During fiscal 2022, we received approximately 2.064 million pieces of customer feedback at branches and sales offices all over Japan, Nissay Life Plazas, and the Nissay Call Centers. Among these, approximately 63,000 were complaints (points of dissatisfaction and suggestions).

# Enhancing Management Based on Top Risks

## Selecting Top Risks and Utilizing Them in Management

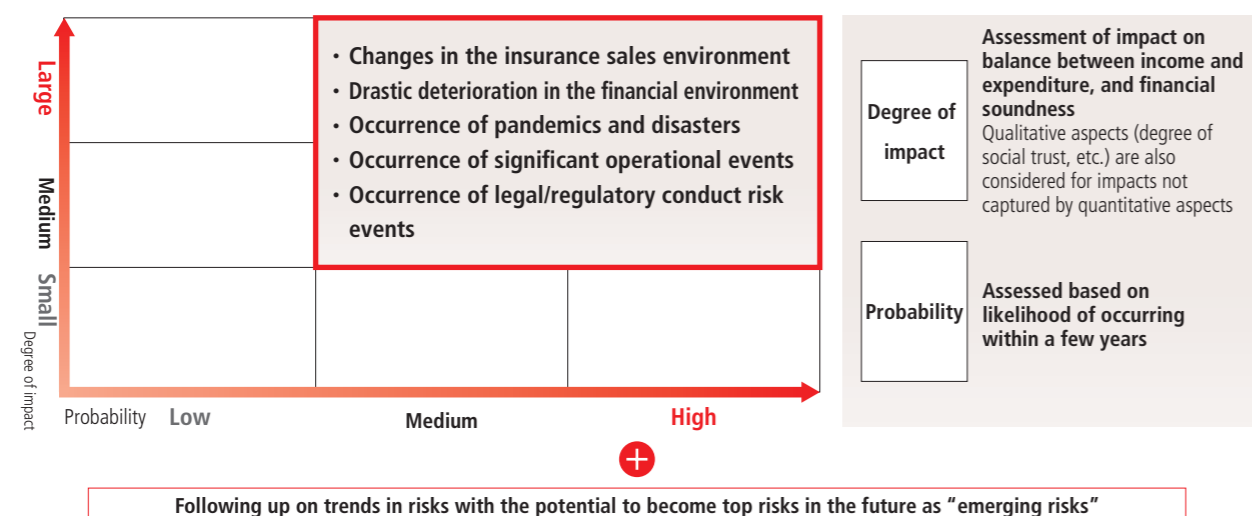
Nippon Life defines risks that are especially important from a management perspective as "top risks." After comprehensively identifying risk events based on changes in the internal and external environment and other factors, we assess the degree of impact of those risk events on aspects such as soundness, and the probability of the risks occurring in the next several years, and select the top risks through management-level discussions. Note that qualitative aspects including reputation and the like are also taken into consideration in assessing degree of impact. Afterwards, business plans and similar are formulated while also bearing in mind a chain reaction of impacts among top risks, and the status of execution of those plans is tracked by the Management Committee and other bodies. In this way, at the management level, we are working toward further enhancing management through a PDCA cycle consisting of identifying and selecting top risks, formulating management plans and the like, executing those plans, and assessing the status of

initiatives and other factors.

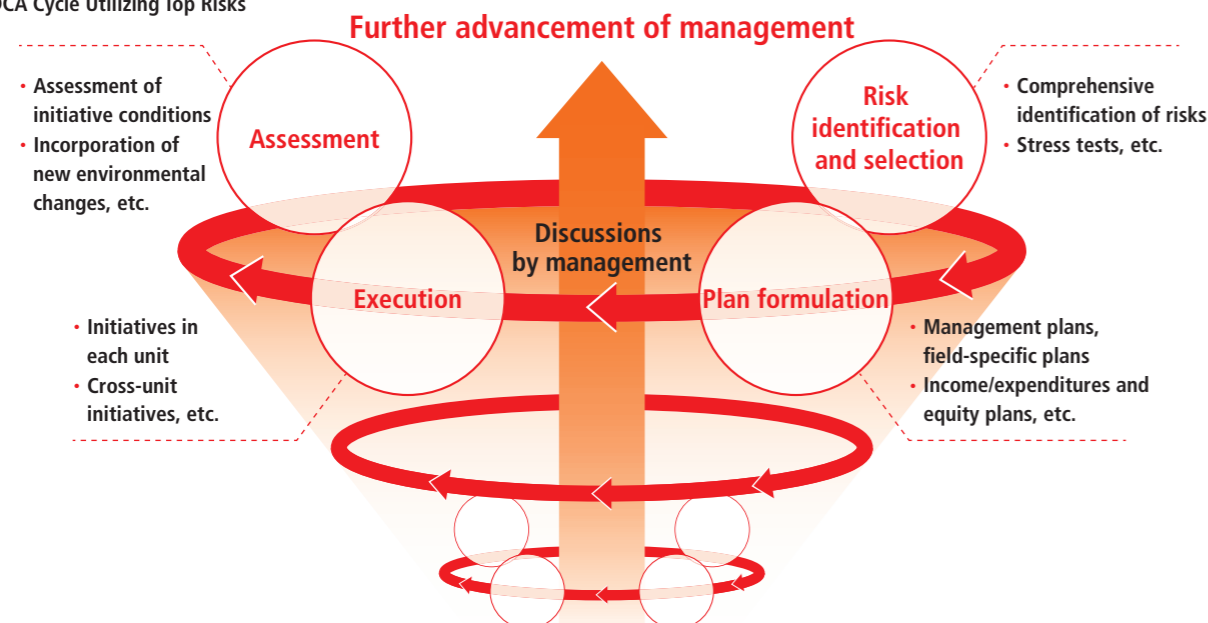
Additionally, as risks become increasingly diverse and complex following environmental changes and similar, the risks that should be kept in mind further diverge. For example, we recognize that climate change risks are not only an issue that impacts our life insurance and asset management businesses, but is also one that society has high expectations for us to solve. In addition, by making progress with sustainability management, including responses that address respect for human rights, we will contribute to realizing a society with reassurance, security, and sustainability.

Furthermore, we are monitoring trends in "emerging risks," which are defined as risks that are either very unlikely to occur or have only a very slight impact at present, but that have the potential to become top risks in the future, mainly due to external environmental changes.

[Degree of impact and probability of top risks]



PDCA Cycle Utilizing Top Risks



## Top Risks and Main Response Measures

Top risks	Main assumed scenarios	Main response measures
<b>Changes in the insurance sales environment</b> <ul style="list-style-type: none"> <li>Changing needs, further progression in the ageing of society and declining birthrate or decrease in the number of sales representatives, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Reduced business competitiveness and a downturn in revenue due to a delayed response to changing customer needs for products, services, and the like, and a decrease in the number of sales representatives</li> </ul>	<ul style="list-style-type: none"> <li>Enhance consulting capabilities of sales representatives, corporate sales representatives, and the like through the utilization of digital platforms and the like <a href="#">▶ P. 46</a></li> <li>Meet the needs of customers and society through further Group-wide upgrading and enhancement of our lineup of products and services <a href="#">▶ P. 54</a> <a href="#">▶ P. 58</a> <a href="#">▶ P. 72</a></li> </ul>
<b>Drastic deterioration in the financial environment</b> <ul style="list-style-type: none"> <li>Global financial crisis, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Fluctuations in domestic and international interest rates, stock prices, and exchange rate, due to factors such as the global financial crisis and an accelerated rise in inflation, leading to a significant worsening of financial soundness.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to promote extending the duration of assets with yen-based interest rates and diversified global investment and finance, as well as the flexible revision of fund allocation <a href="#">▶ P. 62</a></li> <li>Promote forward-looking risk management that includes meticulous monitoring, identifying potential risks, and considering response measures</li> </ul>
<b>Occurrence of pandemics and disasters</b> <ul style="list-style-type: none"> <li>Pandemics, major earthquakes, wind and water damage, etc.</li> </ul>	<ul style="list-style-type: none"> <li>A major increase in insurance claims or benefits leads to a significant worsening of financial soundness, or serious impacts on business continuity, due to the occurrence of a pandemic, major earthquake, flood or water damage, etc. (may become more frequent or severe due to the impact of climate change)</li> </ul>	<ul style="list-style-type: none"> <li>Improve financial soundness through the accumulation of equity that also makes use of diverse means for procuring outside equity <a href="#">▶ P. 93</a></li> <li>Carry out impact analyses assuming large-scale disasters, etc., secure liquidity in preparation of emergencies, and formulate a business continuity plan (BCP) and conduct relevant training <a href="#">Materials Section ▶ P. 28</a></li> </ul>
<b>Occurrence of significant operational events</b> <ul style="list-style-type: none"> <li>Cyberattacks</li> <li>System failures</li> <li>Imprecise administration, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Damage to social credibility and loss of business opportunities due to the occurrence of large-scale information leaks caused by cyberattacks or similar or mistakes in operational processes including large-scale system failures</li> </ul>	<ul style="list-style-type: none"> <li>Enhance our approach to cybersecurity and reinforce administration, systems, information asset management, and the like, including the establishment of response plans in preparation for emergencies <a href="#">Materials Section ▶ P. 29</a></li> </ul>
<b>Occurrence of legal/regulatory conduct risk events</b> <ul style="list-style-type: none"> <li>Violations of laws and regulations and acts that run contrary to the expectations of society and our customers</li> <li>Changes to laws and regulations, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Damage to social credibility and loss of business opportunities due to incidents of financial fraud and other acts that violate laws and regulations, as well as other behaviors that run contrary to our customer-oriented stance</li> <li>Damage to social credibility and loss of business opportunities due to an insufficient response to sustainability management (responding to biodiversity and climate change, respecting human rights, etc.) and other social demands</li> </ul>	<ul style="list-style-type: none"> <li>Customer-oriented business operations through initiatives that incorporate customer feedback and training, and enforcement of compliance principles for all executives and employees <a href="#">▶ P. 40</a> <a href="#">▶ P. 96</a></li> <li>Continue enhancing initiatives related to sustainability management, such as strengthening stakeholder engagement through proactive information dissemination both internally and outside the Group <a href="#">▶ P. 24</a></li> </ul>

## Emerging Risk (Ex.)

Risk event	Main assumed scenarios	Principal measures
Introducing CO <sub>2</sub> emissions regulations, etc.	<ul style="list-style-type: none"> <li>Damage to the value of owned assets and worsening financial soundness due to ESG-related requirements, including CO<sub>2</sub> emissions regulations</li> </ul>	<ul style="list-style-type: none"> <li>Set and disclose CO<sub>2</sub> emission reduction targets for the Company and greenhouse gas emission reduction targets for our asset management portfolio <a href="#">▶ P. 30</a></li> <li>Conduct scenario analyses for both the business activities and asset management areas, and assess the impacts of climate change</li> </ul>
Entering of other business sectors/start-up companies	<ul style="list-style-type: none"> <li>Reduced business competitiveness and a downturn in revenue due to price-slashing or replacing functions of insurance products following greater than expected upheavals in the insurance industry</li> </ul>	<ul style="list-style-type: none"> <li>Launch "Nippon Life X" as a base for open innovation to engage in surveys and search activities, the enhancement of the insurance business, and the creation of new businesses <a href="#">▶ P. 76</a></li> <li>Promote various initiatives, such as formulating a Nippon Life Digital Five-Year Plan, with a view to further improving customer satisfaction at points of contact with customers <a href="#">▶ P. 78</a></li> </ul>



**We will build a business foundation for sustained growth across the Group through compliance and risk management that considers environmental changes as well as top risks**

Representative Director and Executive Vice President

**Yuji Mikasa**

### Risk Recognition and Associated Initiatives

**Based on the domestic and overseas environment, we have selected five top risks and are promoting appropriate initiatives tailored to the characteristics of each risk**

We have identified various risks based on our internal and external environment, and by sharing an awareness of those risks on a management level, we have been endeavoring to enhance risk management. In fiscal 2022, we defined risks that are especially important from a management perspective as "top risks," selecting the five risks of "changes in the insurance sales environment," "drastic deterioration in the financial environment," "occurrence of a pandemics and disasters," "occurrence of significant operational events," and "occurrence of a legal/regulatory conduct risk events." Note that in selecting these top risks, we configure scenarios for events that could significantly impact revenue, soundness, and the like, then implement stress tests to conduct quantitative analysis and assess degree of impact and similar based on the results of those tests.

In addition to the application of these top risks in the formulation of management plans, environmental changes and the status of controls are monitored by the Compliance Committee, Risk Management Committee, and other entities. These efforts have led to further enhancing compliance and risk management.

Among the top risks, we believe that the occurrence of a legal/regulatory conduct risk event is a risk that threatens the core of our business operations in the form of trust from customers and society, making it the most important risk for us. Based on the value that every aspect of our business is connected to customers and society, we must continue to implement customer-oriented business operations even more than ever before. Therefore, in addition to checking whether there is any gap between social and customer values and our own perception across all fields, we will promote autonomous compliance by every single one of our executives and employees.

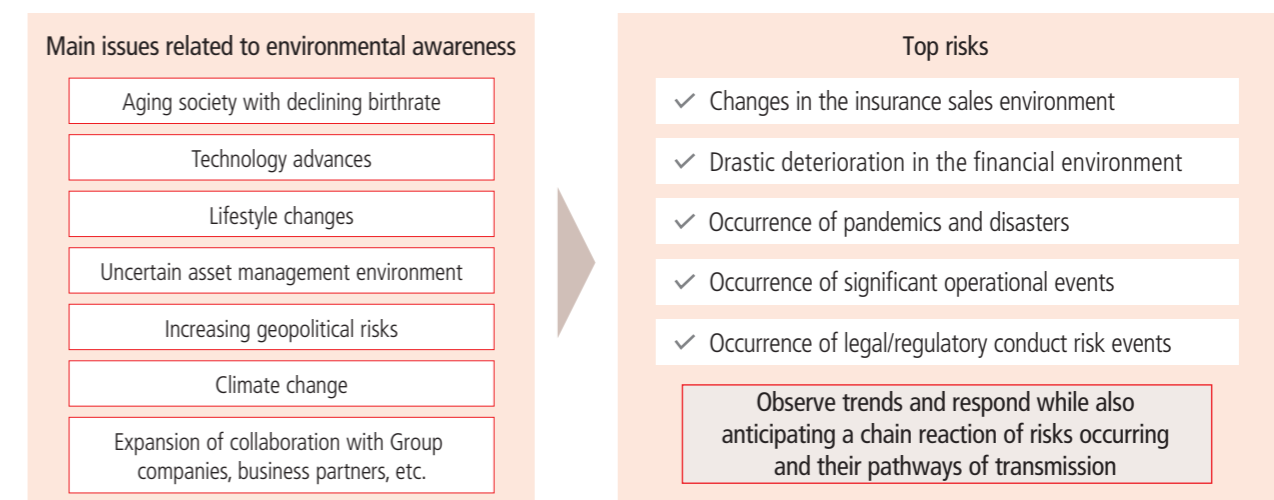
"Drastic deterioration in the financial environment", "occurrence

of pandemics and disasters", and "occurrence of significant operational events" are characterized by occurring suddenly and bringing about rapid changes. The business of life insurance companies is built upon insuring customers, investing insurance premiums entrusted to us, and paying insurance claims and other benefits. There is a possibility that the aforementioned risks will have a considerable impact on the execution of our insurance obligations and the like. Nippon Life will continue endeavoring to fulfill its responsibilities to policyholders by maintaining financial soundness through the accumulation of equity, in addition to preparing in advance for emergencies.

While we believe that "changes in the insurance sales environment" constitute risk through the occurrence of long-term, incremental impacts in accordance with demographic shifts, market changes, and other factors, they also have the potential to become opportunities that lead to new business. Lifestyles have also changed due to the impact of the COVID-19 pandemic of recent years. Nippon Life is promoting initiatives to meet those changes, starting with the utilization of online platforms. Going forward, we will continue to formulate product and sales strategies by accurately identifying changes in our wider society, including the diversification of customer needs and business opportunities.

Along with these, we believe that risks necessary to bear in mind, such as decreased competitiveness due to the slow adoption of cutting-edge IT and digital technology in our business, including advances in medical technology and generative AI, to be highly diverse. Above all, to truly achieve a sustainable society, including addressing climate change, we believe that promoting outreach to investee and borrower companies as an institutional investor is a crucial role of Nippon Life.

For these risks, including the top risks, we must carefully observe trends and respond while also anticipating a chain reaction of risks occurring and their pathways of transmission. Going forward, the Group as a whole will build a business foundation for sustainable growth and further demonstrate its role in society through identifying environmental changes in an agile manner and utilizing forward-looking compliance and risk management. By doing so, we aim to realize a society with reassurance, security, and sustainability.



### Environmental Awareness

**As our business environment changes considerably, the scope and depth required for compliance and risk management have widened.**

In addition to already identified issues such as an aging society, declining birthrate, and technological advancement, other significant changes have also occurred in the business environment in recent years. These include lifestyle changes triggered by the impact of COVID-19, growing uncertainty in the asset management environment due to financial instability in Europe and the U.S., and other factors. We believe that increased geopolitical risks and the impacts of climate change also require monitoring.

In anticipation of the introduction of economic value-based regulations at insurance companies in fiscal 2025, Nippon Life has endeavored to improve soundness through seizing new business opportunities and other activities. As a result, amid widening cooperation with Group companies and business partners, the scope and depth required for compliance and risk management have widened.

In light of this recognition, we will establish customer-oriented business operations and sustainability management as our core businesses while endeavoring to strengthen and enhance our business foundation including improvement in profitability across the Group. We will also further promote initiatives pertaining to compliance and risk management.

### Reflections on Previous Fiscal Year

**Risks emerged due to delays in the payment of benefits following the spread of COVID-19 and changes in the global asset management environment**

#### ■ Spread of COVID-19

Amid the spread of COVID-19, we endeavored to assign additional personnel and strengthen payment systems in preparation for an increase in the number of benefit claims and the like, however from July 2022, a rapid rise in the number of people infected with COVID-19 caused widespread delays in payments, which inconvenienced our customers. We take this matter very seriously, and will strive to enhance our administration and service systems, starting with bolstering management of payments.

#### ■ Changes in the asset management environment

Following a global rise in overseas interest rates due to accelerated inflation, widening differences between domestic and overseas interest rates caused hedging costs to increase and unrealized gains and losses on assets to worsen. These and other factors impacted the revenues and soundness of Nippon Life. Additionally, financial instability in Europe and the U.S. is leading to growing uncertainty in the asset management environment. We will continue to keep a close eye on changes in the environment and detect risks at an early stage by working to bolster our monitoring capacity, as well as putting measures in place that enable us to respond flexibly to these risks.



# Domestic Insurance Business: Individual Insurance



**“All for the Customer.”**  
 We will continue offering reassurance and security to our customers and contributing to the revitalization of local communities through human resources development, product and service innovations, and regional development

Representative Director and Executive Vice President

**Satoshi Asahi**

## Group Growth Strategies Policy

Nippon Life aims to transform and enhance our leading channel, the sales representative channel, to ensure that it will be chosen by a greater number of customers. We will achieve this by strengthening our customer-oriented stance through sales reforms, improving the consulting capabilities of our sales representatives, updating and expanding our sales representative organization, and enhancing regional promotion initiatives.

Regarding our products and services, we are making progress in providing products and services that customers want in order to meet diversifying customer needs. In addition, by clarifying our multi-channel strategy and strategies for each Group company, we are also making strides in developing new domestic markets as a unified Group.

Mid-Term Management Plan Policy	Main Strategies	Current Progress
Further Explore the Domestic Insurance Market	Main Strategy 1: Strengthening the Sales Representative Channel through Sales Reforms	<ul style="list-style-type: none"> <li>Improvement of sales representatives consulting capabilities using digital methods and transformation and enhancement of the sales representative system</li> <li>Contribution to regional development through initiatives closely tied to local communities</li> <li>Strengthening communication between branches/sales offices and Head Office/Headquarters; strengthening the support functions of our Head Office/Headquarters</li> </ul>
	Main Strategy 2: Updating and Expanding Products and Services	<ul style="list-style-type: none"> <li>Launching new three major diseases insurance “Three Major Diseases 3 Jumaru”</li> <li>Launched income support insurance for continuous hospitalization “Shu NEW 1”</li> </ul>
	Main Strategy 3: Exploring New Markets with Unified Group-Wide Efforts	<ul style="list-style-type: none"> <li>Increasing profits through Group collaborations in financial institutions and agencies</li> <li>Increasing the number of customers by entering new businesses and markets through HANASAKU LIFE and Nissay Plus SSI</li> </ul>

## Recognition of the Business Environment and Basic Strategy

In step with trends such as the acceleration of our aging society and declining birthrates, changes in interest rates and the economic environment, and the rapid expansion of digitalization, as well as social changes due to the spread of COVID-19, the needs of customers and society as a whole have become more and more diverse. In this environment, I believe that life insurance companies will have an increasingly important role to play in working to complement the social security system.

Looking ahead, we will work to enhance our consulting capacities through new face-to-face activities that also utilize digital methods in order to provide products and services, along with after-sales services, at the right time to customers across Japan over the long term. Additionally, we are incorporating regional promotion efforts into our sales representative activities with the aim of

building relationships with local communities and increasing job satisfaction among employees by solving issues facing regional areas. With initiatives such as these, we aim to build a sustainable sales representative channel through the growth of each of our approximately 50,000 sales representatives across Japan.

Moreover, in terms of addressing diverse needs and risks, we will strive to supply an extensive product lineup as a unified Group, including TAIJU LIFE, Nippon Wealth Life, HANASAKU LIFE, and Nissay Plus SSI. Along with this, we will work to implement broad channel development of financial institutions, agencies, direct channels, and more, thereby improving customer convenience.

Through these measures, we are promoting customer-oriented business operations to provide reassurance and security to all our customers.

## Results from our Group Growth Strategies and Related Issues

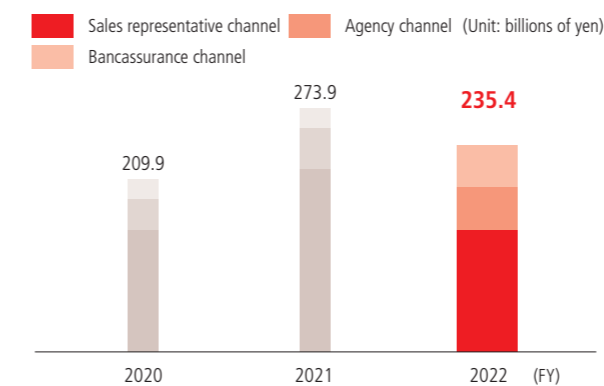
For the sales representative channel, we have put efforts into new activities that merge face-to-face and online approaches in order to meet diversifying customer needs. Our customer base that leverages digital communication grew in fiscal 2022 as a result of firmly establishing our new activity model. On the other hand, we have also been impacted by the prolonged COVID-19 situation and related matters, and we are still about halfway on the way to business recovery. Further, the current number of our sales representatives has also decreased. We are continuing to work toward the quick recovery of our business performance and the enhancement of our sales representative channel by making even more progress with sales reforms.

In respect of our products and services strategy, we are taking environmental changes, such as the aging population with declining birthrate, into account to meet coverage needs by providing value with integrated goods and services, as well as meeting savings needs

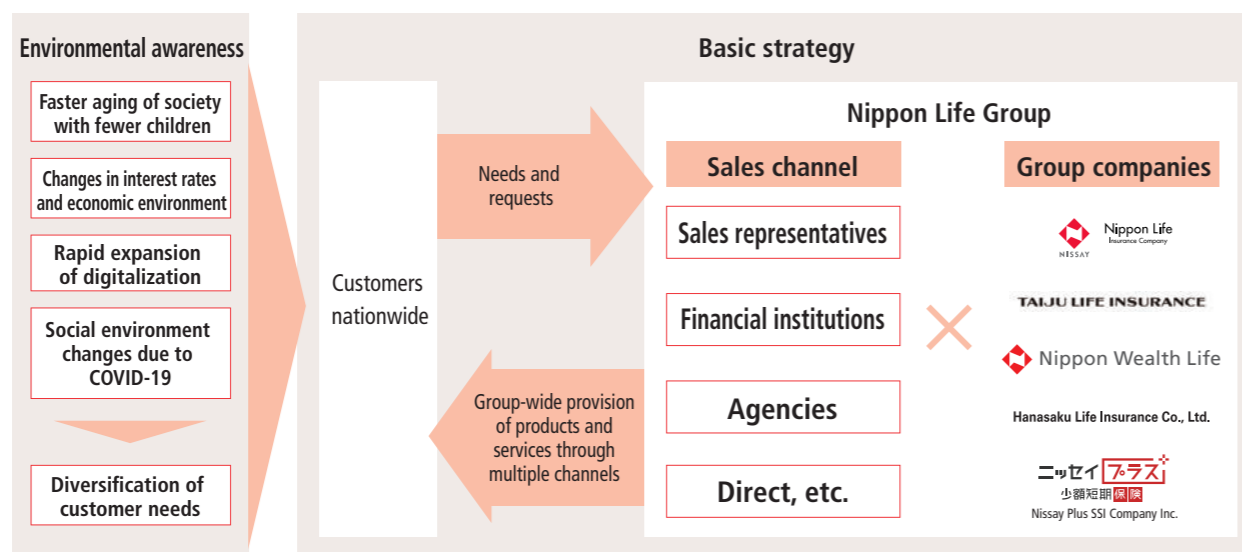
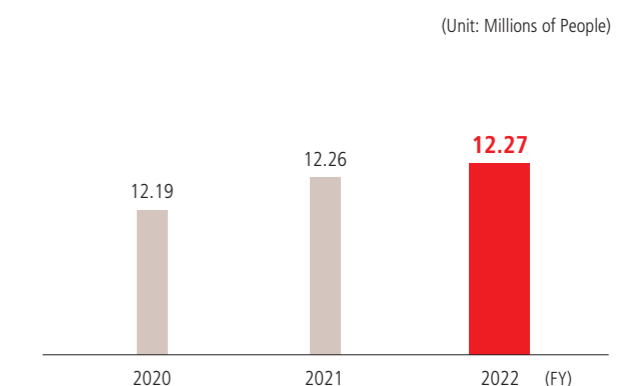
by providing products suitable for the interest situation. We will continue to expand our lineup of products and services based on the needs of customers and society.

Regarding the promotion of market development as a Group, we have made progress in increasing the number of customers by continuing to work together with TAIJU LIFE to offer each other's products to customers, expanding sales through collaborative efforts with Nippon Wealth Life, ensuring product competitiveness through flexible product development of HANASAKU LIFE, participating in the small-amount, short-term insurance business, and more. Meanwhile, the independent retail agency market has grown increasingly competitive, and issues have arisen such as changes in interest rates and the economic environment. We are therefore working to further increase the number of customers by responding to individual issues.

### Annualized Premiums on New Policies (Nonconsolidated)



### Number of customers (Nonconsolidated)



Domestic Insurance Business: Individual Insurance

## Main Strategy 1: Strengthening the Sales Representative Channel through Sales Reforms

The environment surrounding our sales representative channel has undergone rapid changes with reduced customer contact, diversifying customer needs, and enhanced digitalization due to the impact of the COVID-19 pandemic. In response, we have been promoting measures to build a reliable sales representative organization aimed at recovering business performance in the future, with fiscal 2022 set as the first year of implementing sales

reforms. We will continue to promote sales reforms centered on "strengthening sales representative activities that also make use of digital technology" and "transforming and enhancing measures for regional promotion." Through this, we aim to build a sustainable sales representative channel that will be chosen by more customers and continue to develop.

### Strengthening the sales representative channel through sales reforms

#### Evolving to become the channel of choice for more customers

##### Improvement of consulting capabilities

##### Expansion of the sales representative system

#### Enhancement of sales representative activities and organization

- New face-to-face activities that utilize digital technology
  - ▶ Building up a digital customer base and promotion of regular communication using digital technologies (via LINE, email, etc.)
  - ▶ Consulting for optimal coverage using *Mirai Consultant*
- Review of the sales representative system
  - ▶ Establishment of the *Nissay Magokoro Meister Certification System* and integrating it into the salary
  - ▶ Increased additions to salaries of new sales representative, increased compensation for activities, etc.

#### Enhancement of regional promotion initiatives

- Enhancement of regional promotion initiatives as sales representative activities
  - ▶ Implementation of Cancer Screening Awareness Campaigns at all branches
- Evaluation of initiatives
  - ▶ New inclusion of regional promotion initiatives as a method of branch evaluation
- Utilization of our promotions
  - ▶ Presentation of regional promotion initiatives through TV commercials, etc.

#### More open communication between sales locations and headquarters

- ▶ Communication between the head office, headquarters, and sales locations to resolve issues
- ▶ Implementation of online morning meetings, training, etc. from head office, headquarters, and sales headquarters

## Main Policy: Establishing Activities that Combine In-Person and Online Methods

We have promoted activities that make full use of N-phone smartphones used by sales representatives and our screen sharing system that enables policy and other procedures to be completed through an online consultation, in addition to the TASKALL terminals used by sales representatives, with the aim of firmly establishing new face-to-face activities that combine in-person and online methods.

Alongside these activities, we have also leveraged the *Mirai Consultant* tool, which calculates necessary coverage amounts based on factors such as Public insurance and customers' life plans, in promoting customer-oriented sales activities. Making greater use of *Mirai Consultant* allows us to quickly understand each customer's changing life stages and needs throughout their lifetime and propose the most appropriate coverage in an easily comprehensible way, while also taking public health insurance into consideration.

Moreover, we have received LINE contact information and contactable email addresses from over nine million customers for the purpose of remote communication. Our sales representatives have

been trying to use this digital information to communicate daily with customers, such as giving information on promotional campaigns or seasonal information. In order to continue providing support to customers throughout their lifetime, we will promote household risk consulting activities that use a full range of commercial products and actively follow-up with customers, and by doing so, offer high value services to many customers.



Online consultation with our screen sharing system

## Main Policy: Enhancement of Regional Promotion Initiatives

We believe that, alongside providing products and services to customers, implementing highly public regional promotion measures aimed at regional development and solving issues is the duty of our sales representatives, toward increasing awareness of Nippon Life regionally and improving customer satisfaction (CS), as well as our social mission. To date, Nippon Life has concluded agreements with 47 prefectures. These agreements aim to contribute to regional development and solve local issues, and each of our branches has made efforts to proactively address regional promotion. From fiscal 2023, we have been promoting activities to encourage

customers to undergo cancer screenings aimed at improving health regionally through comprehensive partnership agreement and similar as a shared nationwide initiative. Additionally, we have been implementing initiatives to support sales representative activities, including airing television commercials and posting articles in various printed media that introduce our initiatives. These promotional and other efforts aim to improve the image of Nippon Life. Through these efforts, we are expanding our regional promotion initiatives in partnership with local communities.

## Main Strategy 2: Updating and Expanding Products and Services

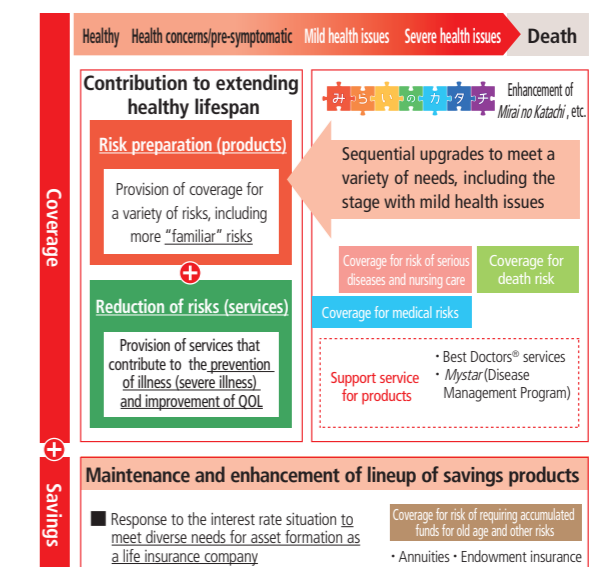
In light of demographic shifts including an aging society and declining birthrate, Nippon Life aims to contribute to the stability and enhancement of people's lives by providing combined products and services that contribute to creating a society where people can enjoy long and healthy lives, as well as covering a wide range of customer needs.

To make the above a reality, we offer value by integrating products that prepare for risk—i.e., combining coverage for death or serious disease with coverage that helps prevent serious diseases through early detection and treatment—with services that lower risk, such as those that contribute to disease prevention and improved quality of life (QOL).

With the launch of the new three major diseases insurance "Three Major Diseases 3 Jumaru" in April 2022, we recently upgraded and enhanced our products with built-in coverage for the three major diseases before they progress in severity, as well as cancer screenings, and we also expanded and enhanced services used to prevent the recurrence or worsening of heart disease and cerebrovascular disease.

We are also providing a wide lineup of products to address the need for savings while taking the most recent interest rate into consideration.

In January 2023, we raised the assumed interest rate for single-payment whole life insurance, in addition to improving the product to make it more appealing and easier to enroll.



### NISSAY VOICE

#### Valuing each and every meeting with customers and wanting to bring them even greater reassurance

Up to now, I have had many worthwhile encounters with various people, including our customers while working at Nippon Life. So much can be learned from meeting with customers, and today, as I mark my 25th year of working at Nippon Life, I truly understand just how valuable building these connections is.

I aim to be a trustworthy staff member who will be a long-lasting and integral part of each customers' future while maintaining a sense of gratitude for each and every encounter. I feel a sense of mission and pride about being involved in the life insurance industry, which provides customers with reassurance, and will continue working my hardest to support our customers.



Tokyo Bay Area Branch  
Kawasaki Station Sales Office  
Yuka Yamaoka

## Lineup of Products and Services

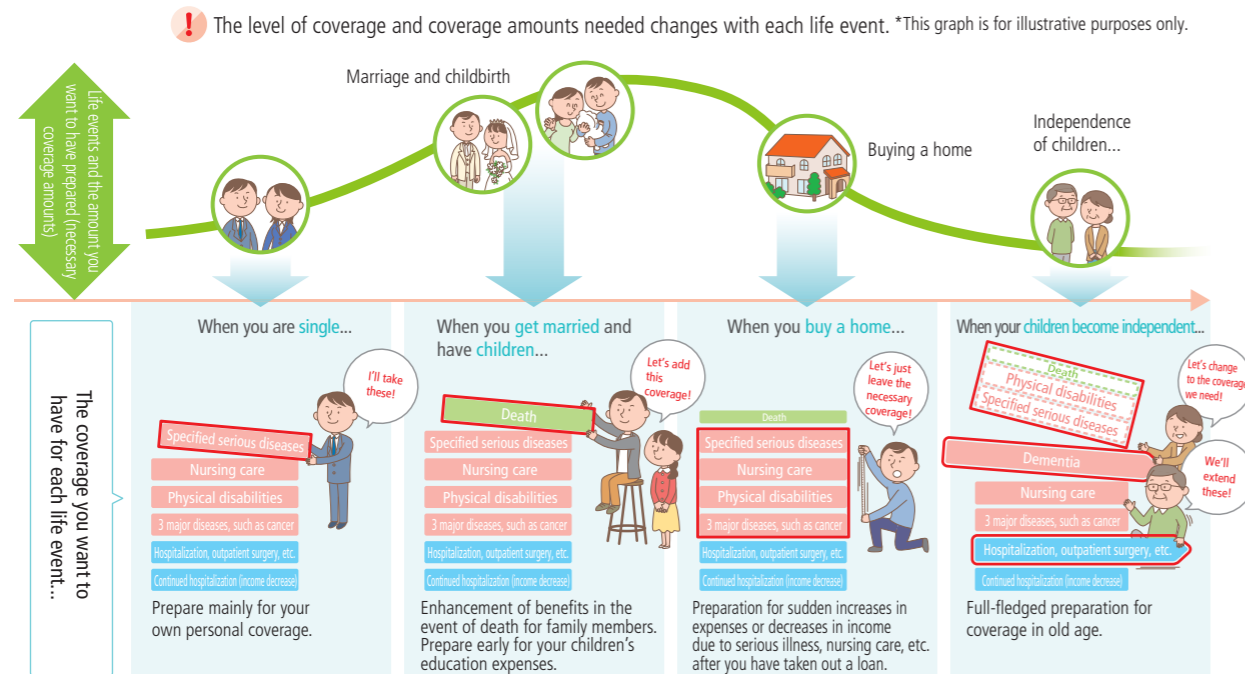
The "Mirai no Katachi" product provides customers with lifelong support by allowing them to flexibly combine various insurance types as needed, whether at the time of enrollment or later.

At the time of enrollment, 14 types of insurance such as "death risk," "risk of serious diseases and nursing care," "medical risks," and "risk of requiring accumulated funds, such as for old age and other risks" can be flexibly combined, thereby providing various

customers with insurance coverage that perfectly meets their needs.

Even after enrollment, customers can also freely revise policy details in line with different life stages and changing needs, such as revising only the necessary sections or adding new insurance policies. In this way, customers can change their policy details to precisely meet their protection needs at any time.

You can select only the forms of coverage you need at the time of enrollment and flexibly combine them. After enrolling, you can flexibly review your coverage according to your life cycle and other factors.



\*1 Certain restrictions apply to combinations. \*2 Systems not handled by Nippon Life at the time of application cannot be used. \*3 Certain restrictions apply, such as that when amounts fall below the limit set by Nippon Life, contracts cannot be partially canceled, etc.

### Nissay "Mirai no Katachi"



Coverage for death risk	Whole life insurance	Term life insurance	Term life insurance with survival benefits
Coverage for risk of serious diseases and nursing care	New three major diseases insurance "Three Major Diseases 3 Jumaru"	Specified serious disease coverage "Daijobu"	Physical disability insurance
	Nursing care insurance	Dementia coverage insurance "Ninchisho Support Plus"	
Coverage for medical risks	General hospitalization insurance "NEW in 1"	Income support insurance for continuous hospitalization "Shu NEW 1"	Cancer medical insurance   Limited injury insurance
Coverage for risk of requiring accumulated funds for old age and other risks	Annuity insurance	Endowment insurance	

\*For more information about NISSAY "Mirai no Katachi," please see the Nissay website.

<https://www.nissay.co.jp/kojin/shohin/seiho/mirainokatachi/> (Japanese only)



In addition to insurance coverage, you can also use services that are useful in a variety of situations!

For example... Specialist referral service for treatment and obtaining second opinions\*1



For example... Online support service for prevention of recurrence and worsening of heart and cerebrovascular diseases\*2



Plus Unique Nissay service offered only to policyholders ずっともっとサービス

\*1 For those with insurance coverage for the "new three major diseases insurance," "specified serious disease insurance coverage," "general hospitalization insurance," or "income support insurance for continuous hospitalization" on p.50.  
\*2 For those with insurance coverage for the "new three major diseases insurance" on p.50.

### Services for Individual Customers



\*1 Services (excluding the "Zutto Motto Service" and "Policyholder Support Service") are operated by the contracted service provider.  
\*2 The trademark rights of each service belong to each respective service provider.  
\*3 The services listed above are current as of July 2023. Service content may be revised, or services may be discontinued in the future.  
\*4 For more details and information on how to access each service, please see the Nissay website.

Also, in order to fulfill a wide variety of customer needs, we are working to upgrade and expand our product range to products other than "Mirai no Katachi," as well as products carried by banks and other partner financial institutions across Japan.

### Products Other Than "Mirai no Katachi"

Individual	Nissay juvenile insurance "Genki"	Nissay educational endowment insurance
	Nissay coverage against the three major diseases with birth support benefits "ChouChou!"	Nissay's long-life insurance (low surrender value-type) "Gran Age"
	Nissay single-payment whole life insurance "My Stage"	
Corporate	Nissay Long-Term Term Insurance	Long-Term Life Coverage with Period of Extensive Coverage for Accidents Insurance   Nissay Increasing Term Insurance

### Products Carried by Banks and Other Partner Financial Institutions

Nissay variable interest rate single-payment increasing-coverage whole life insurance (Yearly death benefit increase type) "Yume no Katachi Plus"	Nissay single-premium whole life insurance policy with variable accumulation rate in a designated currency (US dollar denominated, Australian dollar denominated) "Long Dream GOLD 3"
Nissay variable annuity insurance with defined minimum living benefits (US dollar denominated, Australian dollar denominated) "Dual Dream"	Nissay variable insurance with designated currency living benefit (US dollar denominated, Australian dollar denominated)   Nissay term life insurance with designated currency living benefit (fixed rate only) (US dollar denominated, Australian dollar denominated) "Yume no Present 2"

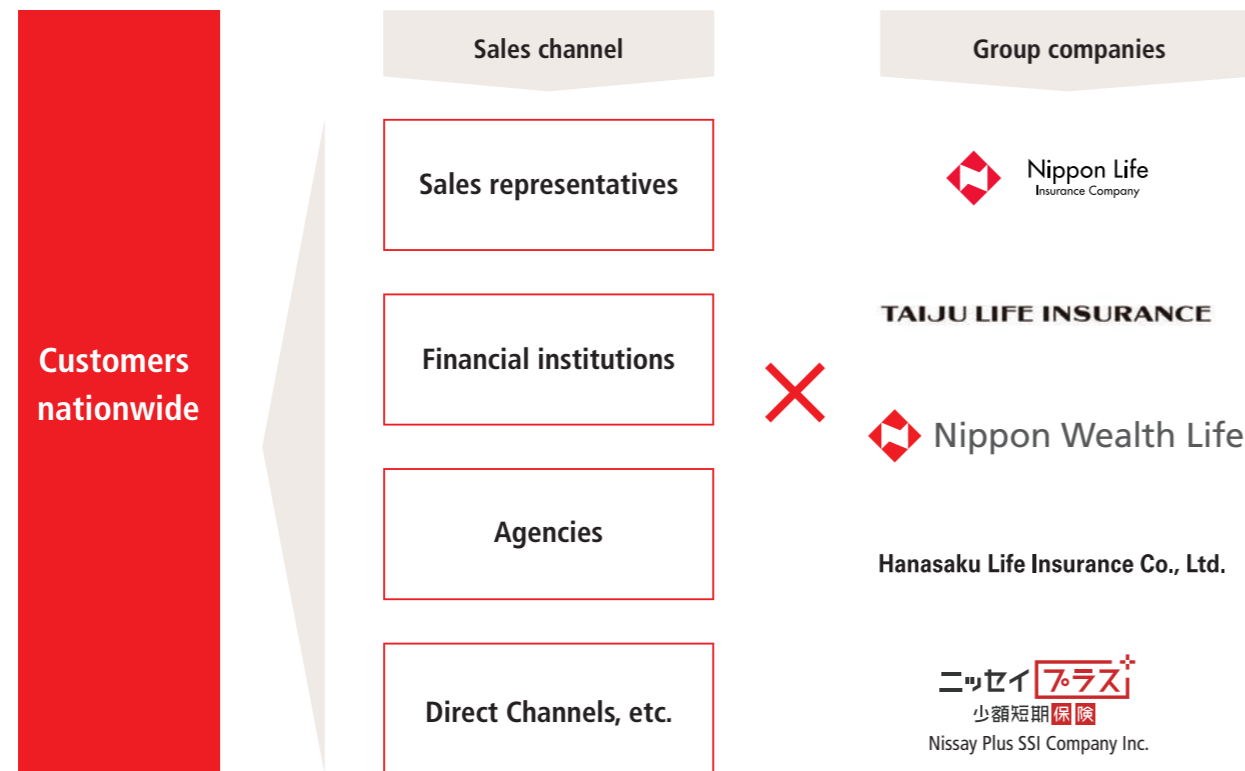
\*1 The main products sold as of July 2023 are listed.  
\*2 The foregoing statements provide an overview of products, and do not include all information related to the policy. When considering a policy, please be sure to confirm the details by reading product pamphlets, prospectuses (policy guides), reminders, Policy Clause: Bylaws / Terms and Conditions, and other materials.

## Main Strategy 3: Further Exploring Markets with Unified Group-Wide Efforts

Due to the nature of life insurance, we recognize the importance of maintaining close contact with customers and undertaking proper consultations in line with customers' intentions. With our sales representative channel as our main channel, we are continuing to expand our full lineup products and services.

Meanwhile, in light of diversifying customer needs, we are also

working to provide a large product lineup through a unified Group-wide effort, including offering a wide-ranging product lineup that leverages the strengths of each Group company and developing broad channels that include financial institutions, agencies, and direct channels (online and mail-order).



### Sales Representative Channel

Nippon Life has a nationwide network of approximately 50,000 sales representatives. They visit each customer to review policies and check whether the policyholder has been hospitalized or undergone surgery, in addition to providing guidance on customer policies and other Nippon Life products and services. In these ways, we will continue to promote activities on a face-to-face basis.

Meanwhile, mindful of customers' increased needs for remote services due to the COVID-19 pandemic, we have also strengthened our consulting activities and service provision to include a variety of remote online methods on top of conventional face-to-face activities.

Further, by mutually supplying products with TAIJU LIFE and leveraging the strengths of both companies' products, we are working to expand the product lineups offered by both companies.



### Financial Institution Channel

Nippon Life has concluded agency agreements with financial institutions across Japan (approx. 300 financial institutions and 17,500 branches as of April 2023) for the sale of individual and corporate products, including single-payment whole life insurance and single-payment annuities. To continue to meet diverse customer needs in the future, Nippon Life and Nippon Wealth Life will leverage

the strength of each Group company in striving to upgrade and expand our product lineup across the Group.

Further, to continue being able to provide an attentive service to customers in the future, we will also strengthen our support for financial institutions, including holding product training seminars and conducting compliance training to improve sales literacy.

### Agency Channel

Nippon Life has concluded agency agreements with tax accountants, insurance agencies, and other organizations, and is expanding nationwide (the number of agencies as of the end of fiscal 2022 was 19,033<sup>\*1</sup>). For corporate customers, agencies sell our products while providing consultations about such topics as estate planning, business succession, protection for business activities, and other subjects, mainly with corporate managers. For individual customers, we propose a wide lineup of Nippon Life and HANASAKU

LIFE products, in addition to providing products to a greater number of customers as a united Group, with insurance stores and other professional life insurance sales agencies at the center.<sup>\*2</sup>

Moreover, to upgrade and expand our sales support system for agencies, we have about 700 agency representatives nationwide, and have developed a systematic training program to strengthen the knowledge and skills of these agency representatives.

<sup>\*1</sup> Includes banks and other financial institution-related agencies.  
<sup>\*2</sup> As of April 2023, TAIJU LIFE has stopped handling agency sales.

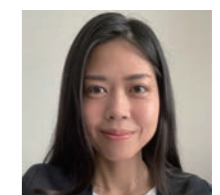
In addition to the above, HANASAKU LIFE is providing products to even more customers through direct sales (mail-order and online). Moreover, by collaborating with partners, we utilize digital approaches for Nissay Plus SSI to provide more customers than ever before with products that address needs not covered by existing insurance products alone.

#### NISSAY VOICE

##### Attuned to customers and agencies with the support of HANASAKU LIFE

As agency representatives, we provide support to agencies that handle products offered by Nippon Life and Group companies. The team I belong to is responsible for giving specialized support for HANASAKU LIFE product sales and administration to insurance stores. The health insurance market is changing extremely rapidly and customer needs diversify. Of course, we must acquire a wide range of product knowledge under these circumstances, but we also have to take agency feedback seriously at all times and make proposals with a focus on the needs of their customers.

Further, to allow us to provide an even higher quality of service, we strive to stay at the forefront of the market by quickly sharing customer and agency opinions internally. We also have opportunities to facilitate discussions with Nippon Life middle and back-office departments and HANASAKU LIFE across occupational boundaries, and I truly feel that this allows us to contribute to improving services. Going forward, I will continue to strive toward becoming a trusted representative by working closely with agencies and by acting with speed and courtesy.



Agency Marketing Headquarters  
Yurika Kobayashi

# Domestic Insurance Business: Corporate Insurance



**We support the enhancement of benefit programs for companies and other organizations, the expansion of their employee coverage, and improve health by harnessing Nippon Life's Group-wide capabilities and fulfilling the diverse needs of customers**

Director and Senior Managing Executive Officer

**Hideki Ohno**

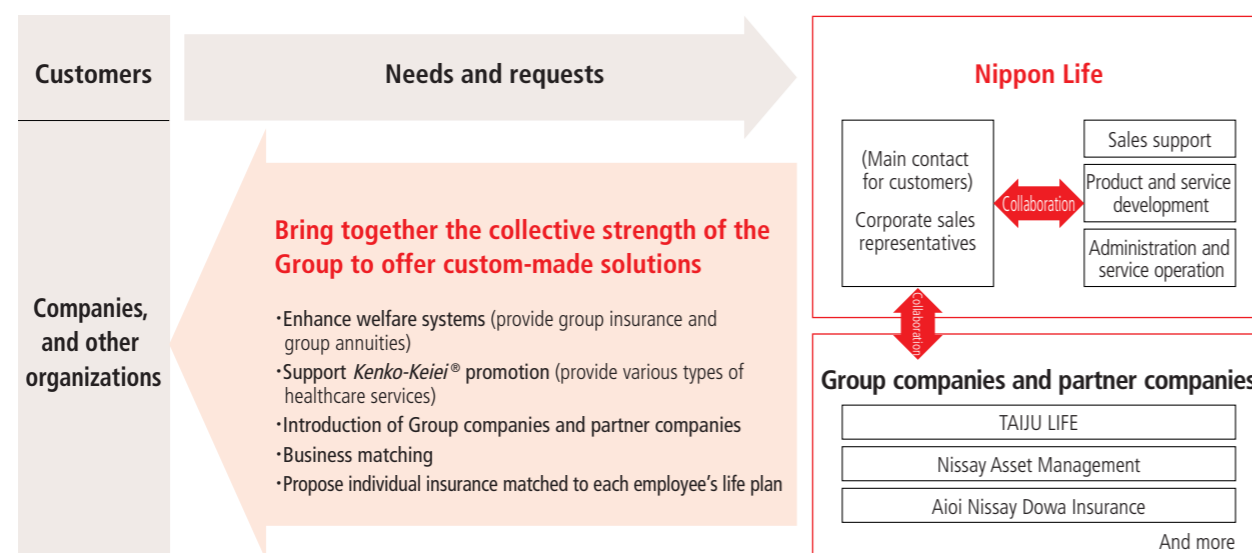
## Recognition of the Business Environment and Basic Strategy

Shifting industrial structures and other changes are occurring in the environment surrounding companies and organizations due to a declining birthrate and aging population, technological advancements, and other factors. Most recently, there have been rapid and major changes not seen in recent years, including a sharp rise in inflation and growing interest rates caused by geopolitical risks, as well as changes in consumer mindsets and behavior due to the COVID-19 pandemic, and there is increasing uncertainty about the future. Also, the proportion of intangible assets making up a company's value is growing, while demands from capital and labor markets for companies to make disclosures relating to the most important of their intangible assets, human resources, are increasing. In addition, debate on disclosing human capital is ongoing.

For corporate benefit programs and corporate insurance, too,

needs are becoming more and more diverse. These include handling workstyle reforms in conjunction with the diversification of job types, support for promoting employee health, and support for balancing work with nursing care or medical treatment.

Under these conditions, as the main contact for customers, our corporate sales representatives are responding to the increasingly diverse needs of customers through comprehensive consultations that leverage Nippon Life's Group-wide capabilities. Specifically, in addition to providing consulting pertaining to corporate benefit programs, we offer custom-made solutions for individual companies and organizations, such as introducing investment products and non-life insurance offered by Group and partner companies, business matching, and more. We also support customers by offering a variety of products and services that can bolster their human capital efforts.



## Group Growth Strategies Policy

Important pillars in the field of corporate insurance are group insurance to provide employees with survivor, income replacement, and medical coverage, and group annuities to support company or organization retirement allowances and annuities. For group insurance, TAIJU LIFE serves to augment a portion of the lineup of products offered by Nippon Life in the areas of general welfare group term life insurance and group medical insurance. Additionally, in the area of income protection insurance, too, we have been pursuing initiatives alongside Aioi Nissay Dowa Insurance, and have been

providing comprehensive consulting services in cooperation with both companies.

As for group annuities, Nippon Life mainly handles principal-guaranteed annuity products, while Nissay Asset Management handles each product they operate while taking on a certain amount of risk. We also work to offer consultations on pension plans, such as defined benefit corporate pension plans and defined contribution pension plans, based on the issues and needs of each company and organization.

Mid-Term Management Plan Policy	Main Strategies	Current Progress
Further Explore the Domestic Insurance Market	Main Strategy 1: Updating and Expanding Products and Services  Main Strategy 2: Enhancing convenience by utilizing the Web and other resources	<ul style="list-style-type: none"> <li>• Offered products and services that support human capital initiatives by companies and organizations</li> <li>• Launched New Group Term Life Insurance with Non-Participating Rider "Minna no Dantai Teikihoken"</li> <li>• Began operation of business matching service Biz-Create® by NISSAY</li> <li>• Updated and improved "N-Concierge"</li> <li>• Launched "General Account Rider for Defined Benefit Corporate Pension Plans 'Nissay General Account Plus'" (2022)</li> <li>• Expanded and improved direct procedures for corporate insurance</li> </ul>
	Main Strategy 3: Exploring Markets with Unified Group-Wide Efforts	<ul style="list-style-type: none"> <li>• Supplied products and improved consultations in collaboration with Nissay Asset Management</li> </ul>

## Results from our Group Growth Strategies and Related Issues

As a result of offering Group-wide consultation and solutions, the amount of group insurance policies in force was approximately 97.5 trillion yen, while the asset balance of group annuities in force was 14.0 trillion yen. Both figures reached the targets in the fiscal 2022 management plan. Meanwhile, the future management and operation of retirement allowance and annuity systems has become an important management issue for customers amid significant changes in the investment environment surrounding company or organization retirement allowances and annuities.

As retirement allowance and annuity systems vary in accordance with the business operations and employment structure of each respective company and organization, Nippon Life is asked by these companies and organizations to offer timely and appropriate consultations on both the system and operation side, as well as provide specific solutions. To respond to customer needs, we cooperate with Nissay Asset Management in our aim of fusing our respective strengths; that is, our annuity system consulting service and Nissay Asset Management's asset management

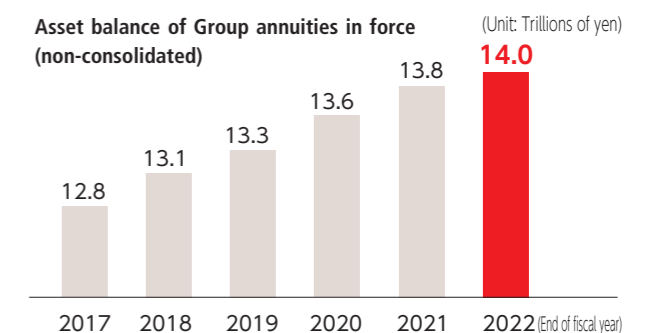
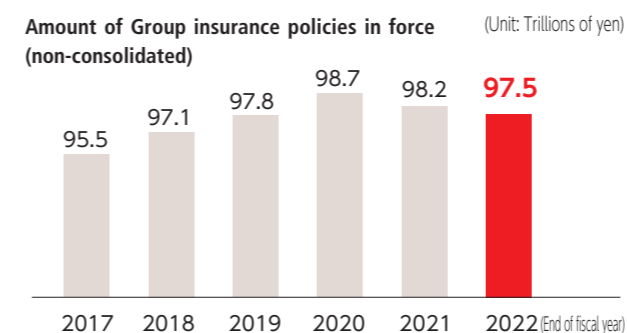
consulting service.

In the area of defined benefit corporate pension plans, we began offering clerical agency services<sup>1</sup> in fiscal 2004 and investment advisory services<sup>2</sup> in fiscal 2015. We sell products from Nissay Asset Management in order to meet diverse customer needs not fulfilled by general or separate account products from Nippon Life alone.

In the area of defined contribution pension plans, we are working to share information on customer needs with Nissay Asset Management and flexibly develop investment products that can meet customer needs. We also co-produce educational videos and similar that convey the importance of investment to policyholders enrolled in defined contribution pension plans.

By continuing to promote collaborative initiatives, we are strengthening our capabilities as a Group to respond to the shifting needs of customers and society.

<sup>1</sup> Placement service of Nissay Asset Management through Nippon Life  
<sup>2</sup> Proposal service for Nissay Asset Management products through Nippon Life



Domestic Insurance Business: Corporate Insurance

## Main Strategy 1: Upgrading and Expanding Products and Services

Even as the environment surrounding companies and organizations changes at a dizzying pace, we aim to build and develop an unwavering relationship with customers by providing products and services based on a thorough understanding of their needs and concerns from a customer-oriented perspective.

In terms of products, we launched the general account rider for defined benefit corporate pension plan (2022) "Nissay General Account Plus," which addresses the need for stable asset management even in an environment with low interest rates, in April 2022, and the new group term life insurance with non-participating rider "Minna no Dantai Teikihoken," which can be enrolled in by

medium-sized companies, in January 2023.

Regarding services, we offer supplementary support services for group insurance products: "N-Concierge", a service that allows users to take advantage of a variety of options for health, leisure, and similar at special prices, and "N-Navigation", a service that allows users to enroll in group term life insurance, etc., check their enrollment status, and more on a computer or smartphone.

We have also been promoting our business matching initiative for linking customers together based on their business needs, and we began offering services on a new website from April 2023.

Guarantee as corporate benefits

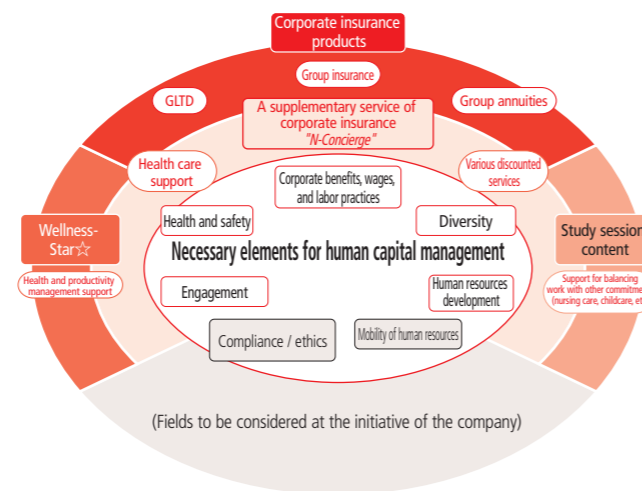
Survivor coverage	General welfare group term life insurance	Group term life insurance	New group term life insurance with non-participating rider
Disability coverage	New group disability income insurance	Group long-term disability income support insurance	
Medical coverage	General medical insurance (group type)	Three major diseases insurance (group type)	
Retirement coverage	Defined benefit corporate pension plans	Defined contribution pension plans	

\*The foregoing statements list product names corresponding to the main benefit programs and do not include all information related to the policy. When considering applying, please be sure to confirm the details by reading Product Pamphlets, Policy Clause, Bylaws/Terms and Conditions, pre-contract documents based on Article 37-3 of the Financial Instruments and Exchange Act as applied mutatis mutandis, important information, and other materials.

## Offering Products and Services Supporting Human Capital Initiatives by Companies and Organizations

With the publication of the "Human Capital Visualization Guidelines" by the Cabinet Secretariat in August 2022 and the disclosure of information on human capital becoming mandatory in securities reports showing financial results for fiscal 2022 and onward, corporations will be required to examine the disclosure of items such as "engagement," "diversity," and "health and safety" from now on. We believe that corporate welfare systems demonstrate effects in enhancing corporate value through such human capital initiatives, and therefore, we offer a varied lineup of products and services to support human capital initiatives of corporations and organizations as a partner offering a complete service for such welfare systems.

Additionally, in the future, we will also use services of partner companies to pursue initiatives that will enable us to support the visualization of human capital management, the identification of associated issues, and more.



NISSAY VOICE

### Eager to contribute to solving issues for companies and organizations while always being conscious of our customers' viewpoints

I am part of Corporate Sales Promotion G. We consider and implement executive action plan proposals and specific measures for the entire corporate insurance unit, which is responsible for corporate sales centering around large companies. Amid significant changes in the environment surrounding companies and organizations, as the main contact for companies and organizations, corporate sales representatives in the corporate marketing sector not only provide group insurance and annuities, but also respond to diverse customer needs each day. Until last year, I also visited customers as a corporate sales representative. I communicated with customers by always putting myself in the place of a member of the customer's organization to help resolve complex and varied issues such as responding to information disclosure on human capital, recruiting and retaining staff, creating new and unique business opportunities, and more.

I will continue to promote a variety of policies that make use of the resources of Nippon Life Group and our business partners to the absolute maximum, while always remaining aware of our customers' viewpoints.



Corporate Sales Promotion Department  
Corporate Sales Promotion G  
**Tomoya Terada**

## Main Policy: Launching New Group Term Life Insurance with Non-participating Rider "Minna no Dantai Teikihoken"

### Background Behind this Development

Employee voluntary enrollment group term life insurance, a system for facilitating self-reliant efforts by employees, has been widely introduced at companies, mainly those with over a certain number of employees.

Meanwhile, although medium-sized companies have also previously expressed a desire to introduce group term life insurance, we were not able to provide the service due to administrative burden and costs.

In consideration of these circumstances and increasing needs for corporate digitalization, we simplified the details of our prior group term life insurance products and made fundamental reforms such as administrative planning premised on completing contract procedures digitally, to launch voluntary enrollment group term life insurance that medium-sized companies can enroll in.

### Procedures Completed Online

With "N-Navigation", employees can enroll online using a smartphone or other personal device at anytime and from anywhere.

Administrative procedures and recommendations on enrollment for employees, which were previously done in writing by personnel at an employee's company, can now be handled online.

### Supplementary Service

With "N-Concierge" we will support medium-sized companies in solving issues such as personnel shortages by encouraging them to update and expand their corporate benefit programs and increase employee satisfaction.

- Services available for HR or general affairs personnel**
- Mental health measures in the workplace
  - Product and service discounts for stress checks and nursing care support

- Services available for policyholders (employees)**
- Providing information on medical institutions and nursing care facilities
  - Discounts on a plethora of products and services related to leisure, shopping, and dining

## Main Policy: Began Operation of Business Matching Service Biz-Create® by NISSAY

Since fiscal 2016, Nippon Life has increased in-house sharing of business needs of customers who want to sell and provide products or services, along with customers who want to buy and find those products or services, and through this, we are promoting our business matching initiative for linking customers together.

From the perspective of making information access more convenient, we began operation of Biz-Create® by NISSAY, a website that enables customers to directly post their business needs and search for those of others, as well as find business partners. Further,

as a first trial in the field of business matching between life insurance companies and banks, we are working with Sumitomo Mitsui Banking Corporation (SMBC) to provide a referral service facilitating business discussions between customers using Biz-Create® by NISSAY and customers of SMBC.

Through Biz-Create® by NISSAY, we create business opportunities that cross over the traditional boundaries of geography and financial institutions, thereby contributing to further increasing the corporate value of our customers.



\*Biz-Create® is a registered trademark of Sumitomo Mitsui Banking Corporation.

### Three Features of Biz-Create® by NISSAY

#### (1) Enabling users to search for business partners via a website

Customers can register their requirements on the website, search and browse, and request initial business negotiations.

#### (2) Nippon Life sales representatives offer matching support

Nippon Life corporate sales representatives harness a network of business partners with over 1,500 sales offices and approximately 260,000 companies across Japan to attentively support customers in their business needs, from registration to bringing about arrangements for business negotiations.

#### (3) Hosting business matching events and business meetings

Aiming to contribute to creating business opportunities for customers and invigorating regional economies, we hold business matching events and business meetings with our business partners for companies registered with Biz-Create® by NISSAY.

### Revisions to projected interest rates for group annuities

On April 1, 2023, Nippon Life revised its projected interest rate for group annuity general accounts from 1.25% to 0.50% to ensure sufficient soundness and contribute to long-term stability for customers even when there are low interest rates. We also lowered commission rates based on the amount received from

customers assumed from the upper limit of 0.50% to 0.35%.

Going forward, we will continue working to respond carefully to customers based on their needs, thereby making a long-term and stable contribution to customers' group annuity systems.

# Customer Service



**Providing reassurance and security to customers and society by meeting diverse customer needs and fulfilling our responsibility to policyholders over the long term**

Director and Managing Executive Officer

**Kazuya Kishibuchi**

## Group Growth Strategies Policy

The basic strategy for the customer service area in our Mid-Term Management Plan is being continuously improved by Group companies by utilizing web-based services and similar for greater convenience and providing services that address diverse customer needs, centered on enhancing and promoting both customer-oriented business operations and sustainability management.

Mid-Term Management Plan Policy	Main Strategies	Current Progress
Further Explore the Domestic Insurance Market	Main Strategy 1: Enhancing convenience by utilizing the web and other resources	<ul style="list-style-type: none"> <li>Redesigning the Nippon Life App</li> <li>Allowing more procedures to be completed on the Website</li> <li>Updating and expanding customer services utilizing Individual Number Cards</li> </ul>
	Main Strategy 2: Providing services that support diverse customer needs	<ul style="list-style-type: none"> <li>Initiatives for elderly customers (provision of the "Policyholder Support Service," introduction of the "Policyholder Agency System"), etc.</li> </ul>

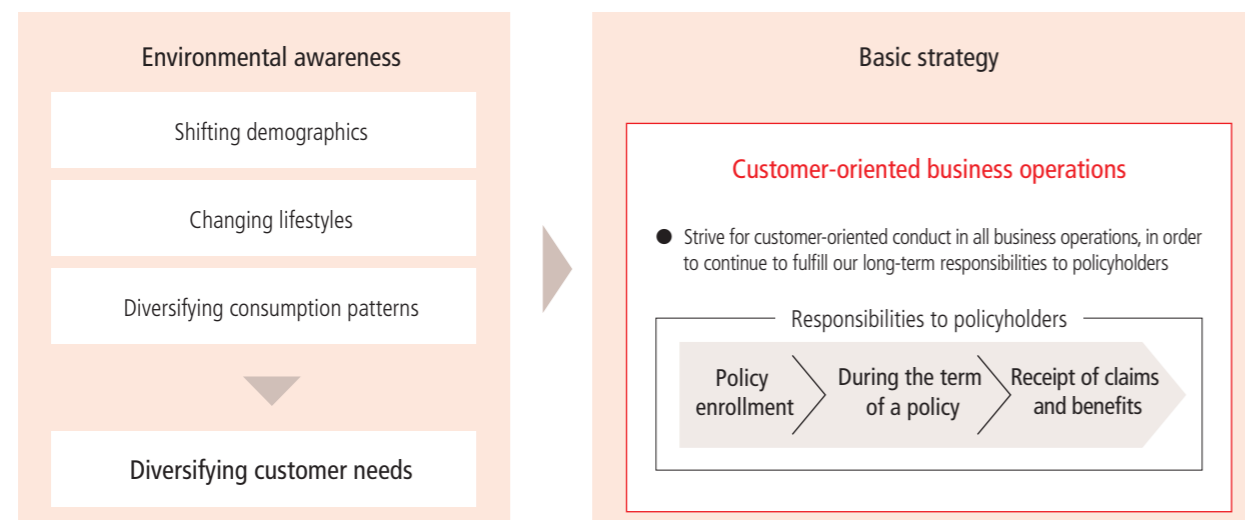
## Recognition of the Business Environment and Basic Strategy

The environment surrounding the life insurance industry is undergoing significant and constant changes and customer needs are becoming increasingly diverse due to a variety of factors. One such factor is shifting demographics associated with Japan's aging society and decreasing birthrate. Another factor is changing lifestyles and greater diversity in consumption patterns, which has been driven mainly by advances in digital technologies and cutting-edge IT, in addition to the impact of the global COVID-19 pandemic.

In this environment, Nippon Life believes that it is crucial to have a service delivery platform that can offer solid support to customers

over the long term, from policy enrollment and during the policy term to the receipt of insurance claims and benefits. In doing so, we seek to fulfill our responsibilities to policyholders, which forms the unchanging foundation of the life insurance business.

With rapid changes happening throughout society and increasingly diverse customer needs, it is important for every employee to practice customer-oriented conduct at all times. We have formulated our "Customer-Oriented Operational Management Policy," and guided by this policy, we will continue to raise the sophistication of our service delivery platform.



## Results from our Group Growth Strategies and Related Issues

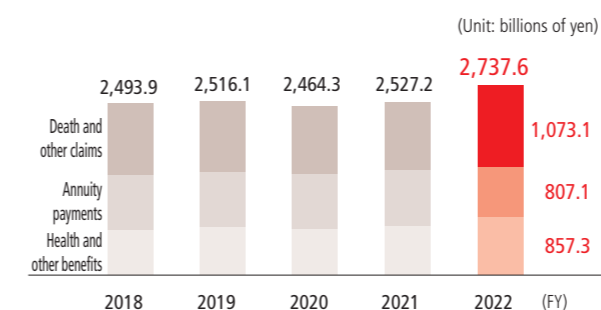
Nippon Life has endeavored to make payments of insurance claims and benefits accurately and quickly, in order to fulfill its responsibilities to policyholders. As the COVID-19 pandemic wore on, Nippon Life broadened the range of conditions eligible for payment of insurance and benefits from April 2020. For example, at-home or other treatment deemed necessary due to the circumstances of medical institutions as a result of COVID-19, which would normally not meet the definition of "hospitalization" in our Terms and Conditions, etc., was treated as equivalent to "hospitalization." In addition, from March 2022, we also updated and expanded the range of procedures that could be handled remotely, such as making it possible to carry out procedures regarding benefit claims associated with COVID-19 infections on the Nissay website and Nippon Life app. Also, the number of benefit claims increased substantially from July 2022 as the number of people infected with COVID-19 rose dramatically, which caused delays in payments, thereby inconveniencing customers. Under these circumstances, we

worked to improve the situation by strengthening systems, including further increasing the number of personnel handling these matters and improving the rate of automated procedures. Through these efforts, total payments of death and other claims, annuity payments, and health and other benefits (non-consolidated) in fiscal 2022 reached 2,737.6 billion yen.

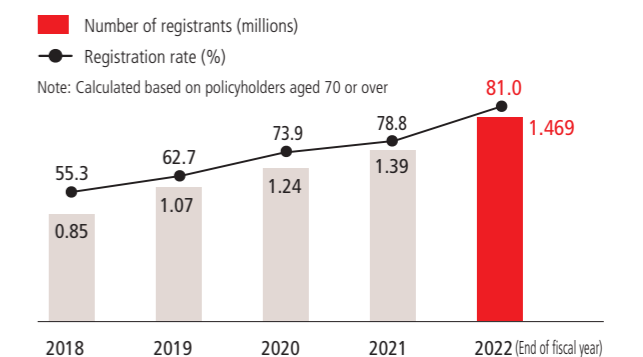
We have also worked to expand customer support as part of efforts to enhance our system for providing services to customers. For elderly customers, we have provided the "Policyholder Support Service" since June 2022. In addition to the existing "Contract Information Family Contact Service," this service introduces the "Policyholder Agency System," which allows a family member to act as a proxy when policyholders cannot complete the enrollment procedures themselves.

We are continuously working to provide meticulous services tailored to each individual customer.

[Total payments of death and other claims, annuities, and health and other benefits (non-consolidated)]



[Number of registered users for the "Policyholder Support Service" (non-consolidated)]



## Main Strategy 1: Enhancing Convenience by Utilizing the Web and Other Resources

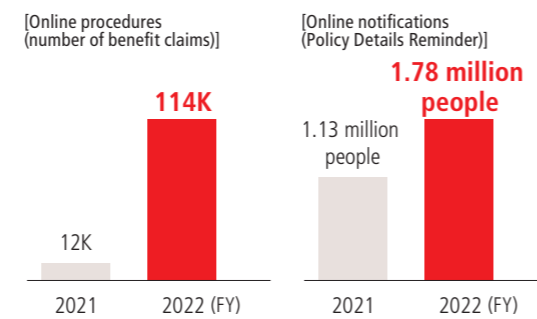
### Main Policy: Redesigning the Nippon Life App

We have gradually been increasing the procedures and services that can be used through the Nippon Life app, and in March 2022, we redesigned the app to improve customer convenience. We made the often used menu (confirming contract details, performing various procedures, etc.) and various user services available for policyholders even easier to access.



### Main Policy: Allowing More Procedures to be Completed on the Website

In order to respond to environmental changes such as the advancement of the digital society, we have updated and expanded the functionality of services available online at every stage, of policy enrollment, during the policy term and the receipt of insurance claims and benefits. This includes procedures such as changing addresses, claiming hospitalization and surgery benefits, using various services, and more. Further, from July 2021, policyholders who opt in have been receiving their annual Policy Details Reminder by email rather than post. We have also launched services that allow policyholders to confirm their policy details and registered information from a computer, smartphone, or other device. Going forward, we will continue working to enhance our service levels in various ways to ensure that we can respond to customer requests.



### Main Policy: Updating and Expanding Customer Services Utilizing Individual Number Cards

In December 2022, we used the expiry information of Individual Number Cards to check the wellbeing of customers who had registered their Individual Number Card information on the Nissay Life app in advance as part of recommending claims for death benefits. This was the first such initiative in the life insurance industry\*.

\*As of December 2022, according to research by Nippon Life

#### Main functions that can be used on the Nissay Life App (as of March 31, 2023)

Confirming Basic Information	<ul style="list-style-type: none"> <li>Confirming basic information (policy list and registered information)</li> <li>Confirming information at the time of enrollment (notification of policy details)</li> <li>Confirming history (fund transaction history)</li> </ul>
Various Types of Procedures	<ul style="list-style-type: none"> <li>Claiming hospitalization and/or surgery benefits</li> <li>Requesting to begin annuities</li> <li>Changing family name of policyholders</li> <li>Registering or changing addresses and/or phone numbers</li> <li>Registering or changing email addresses</li> <li>Changing recipient of payment of death benefits</li> <li>Fund transactions (borrowing and repaying policy loans, etc.)</li> <li>Claiming payment of maturity benefits</li> </ul>
Others	<ul style="list-style-type: none"> <li>Reissuing life insurance premium deduction certificates (September to the following February only)</li> <li>Using "Zutto Motto Service"</li> <li>Registering Individual Number (My Number)</li> </ul>

#### NISSAY VOICE

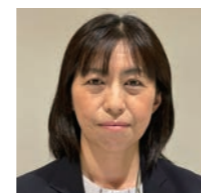
### Addressing customers' diverse needs as a regional service center

At Life Plaza, we provide consultations that address a wide range of customer needs including various procedures related to insurance policies, enrollment, and more. Therefore, a wide range of customers visit us each day.

This is what happened when an elderly customer visited our store. After a staff member at reception speaking with the customer as they entered the store mentioned that the customer had hearing difficulties, we prepared a comuoon (a table-top microphone with a speaker system) for the customer to use. As a result, we were able to complete the procedures smoothly and the customer was very pleased.

When assisting customers at Life Plaza, I think it is important to provide each customer with services suited to their needs. I keep an eye on the customer's facial expression when carrying out procedures to make sure that they fully understand my explanations.

Life Plaza is a regional service desk where anyone can drop in anytime. All of us working at Life Plaza feel happy when customers leave with satisfaction. In the future, I will continue to deeply consider the needs of our customers and do my best to make Life Plaza a place they can come to without any worries.



Life Plaza Musashi Kosugi  
Taeko Kamakura

## Main Strategy 2: Providing Services that Support Diverse Customer Needs

### Main Policy: Initiatives Related to Making Insurance Claims and Receiving Payments

#### Insurance and Benefit Claims

In the case of unexpected events that may warrant the payment of insurance claims or benefits, the first thing to do is to contact us through your sales representative, visit a nearby Nissay Life Plaza or other service counter, or telephone one of our call centers. Note that claims for hospitalization and surgery benefits can also be made using the Nissay website or Nippon Life app.

<https://www.nissay.co.jp/keiyaku/tetsuzuki/ichiran/kyufukin.html> (Japanese only)

#### Guidance on Claim Procedures

To ensure that customers receive full payments of insurance claims and benefits, Nippon Life provides documents with information about the application procedure and related matters, along with booklets, pamphlets, and videos.

#### Support for Death Benefit Recipients

Available to death benefit recipients, this service offers complete support to bereaved relatives for various procedures that must be carried out when an insured person passes away ("Nissay Bereaved Relative Support Service"<sup>1</sup>).

#### Details of the "Nissay Bereaved Relative Support Service"

- Financial planners and other experts are available to answer your questions over the telephone, such as "Are insurance claims taxable?" "How will inheritance tax be applied?" or "How do I change the ownership title to real estate?" (free of charge).
- If you encounter difficulties when completing procedures related to inheritance tax, we will refer you to an expert in accordance with the procedure and carry out various procedures on your behalf, as well as submit an inheritance tax return and other tasks (subject to fees)<sup>2</sup>.

<sup>1</sup> The "Nissay Bereaved Relative Support Service" is a service available to the recipients of death benefits (or bereaved family members).

<sup>2</sup> Depending on the services required, we may recommend that beneficiaries enter into an agreement with a tax accountant corporation, judicial scrivener corporation, or administrative scrivener corporation. Services rendered under such agreements with those corporations, including support with administrative procedures and proxy services, are subject to fees.

### Main Policy: Initiatives for Elderly Customers

To ensure that customers are able to continue their policies with reassurance, we are promoting initiatives based on the special needs of elderly customers throughout the policy lifecycle, including enrollment, after-sales services, and receiving insurance claims and benefits.

At Enrollment	<ul style="list-style-type: none"> <li><b>Accompanied by a Family Member</b> We recommend that a family member accompanies an elderly customer when they carry out the enrollment procedures, and we strive to have them understand the application details.</li> <li><b>"Guidance on Policies and Services"</b> A customer service representative meets with the customer to confirm policy details and provide information on administrative procedures and services.</li> </ul>	
During the Policy Period/ During Payments	<ul style="list-style-type: none"> <li><b>"Policyholder Support Service"</b> If it is difficult for an elderly customer to make an inquiry about a procedure themselves, we offer a service that allows a registered family member to provide support to the customer.</li> <li><b>Specifying or Changing "the Designated Proxy Claimant"</b> For elderly customers who are likely to experience difficulty carrying out administrative procedures on their own, we recommend that customers specify a designated proxy claimant and change the designated person to someone from a younger generation (their children's generation, for example).</li> <li><b>Phone Line for Elderly Customers</b> Calls are directly connected to an operator trained in professional telephone service skills who carefully assists the customer using easy-to-understand language. In addition, we provide follow-up calls on procedures to customers who have been mailed documents in order to help them fill out forms over the phone.</li> </ul>	

### Main Policy: Initiatives for People with Disabilities

At Nissay Life Plaza, measures are taken to support customers with disabilities in a considerate manner. Measures include written communication, the use of a "Communication Support Sheet" (a tool used when verbal communication is difficult), table-top microphones with speaker systems, and portable ramps for wheelchairs. We also offer the "Nippon Life Sign Language Interpretation Relay Service."

### Main Policy: Initiatives for People from Sexual Minority Groups (LGBTQ)

Same-sex partners can also be designated as beneficiaries of death benefits in life insurance policies. We can carry out procedures more smoothly if the customer submits a "Partnership Oath Certificate" issued by local governments or a similar document.

### Main Policy: Initiatives for Foreign Nationals

For some business insurance handling policies for corporate and individual insurance, we provide example application and disclosure forms filled out in English.



# Asset Management



**As a responsible institutional investor, we aim to stably increase policyholder interests over the long-term, alongside broadly improving social welfare by solving social issues**

Representative Director and Executive Vice President

**Nobuto Fujimoto**

## Group Growth Strategies Policy

In the field of asset management, we have established and implemented various strategies aimed at increasing earning power and soundness as outlined in our Mid-Term Management Plan. To strengthen and diversify businesses in the Nippon Life Group, we have been working to achieve a more sophisticated approach to Group-wide operations, including transferring a portion of the credit investment function, such as corporate bonds, and non-traditional, alternative investment function held by Nippon Life and TAIJU LIFE to

Nissay Asset Management.

Further, we are transforming our portfolio with the aim to balance ensuring stable profitability with reducing risk in order to strengthen our investment capabilities, as well as strengthening ESG investment and finance that serves to both increase policyholder interests by improving investment returns and solve social issues.

Mid-Term Management Plan Policy	Main Strategies	Current Progress
Strengthening Investment Capabilities & Improving Business Cost Efficiency	<b>Main Strategy 1: Portfolio transformation</b> <ul style="list-style-type: none"> <li>Reducing yen-based interest risk Moving ahead with extending the duration of assets with yen-based interest rates</li> <li>Accumulating credit and alternative assets Continually promoting diversified global investment and finance</li> </ul>	<b>Ensuring positive returns for the 13th consecutive year</b> <ul style="list-style-type: none"> <li>Exchanging assets held in response to the rapidly changing asset management environment, in addition to the initiatives to the left</li> </ul>
	<b>Main Strategy 2: Strengthening ESG investment and finance</b> <ul style="list-style-type: none"> <li>Integration</li> <li>Engagement (dialogue with investee companies)</li> <li>ESG-themed investment and finance (including a decarbonization financing facility)</li> <li>Shared opinions through international initiatives</li> </ul>	<b>Incorporating ESG factors into investment decisions for all asset classes</b> <ul style="list-style-type: none"> <li>Stocks, corporate bonds, loans, real estate, external contractors</li> </ul> <b>In principle, engaging in dialogue with all dialogue parties on topics related to the environment and society</b> <ul style="list-style-type: none"> <li>Engaged in dialogue with 749 companies, including with 635 companies on environmental and social topics (July 2021 to June 2022)</li> </ul> <b>Achieved targets for ESG-themed investment and finance as well as a decarbonization financing facility approximately one year earlier than initially planned, and set new targets for FY2017 to FY2030</b>
Strengthening and Diversifying Group Businesses	<b>Main Strategy 3: Making the Group's investment systems more sophisticated</b>	<b>Transferring credit and alternative investment functions from Nippon Life and TAIJU LIFE to Nissay Asset Management</b>

## Recognition of the Business Environment and Basic Strategy

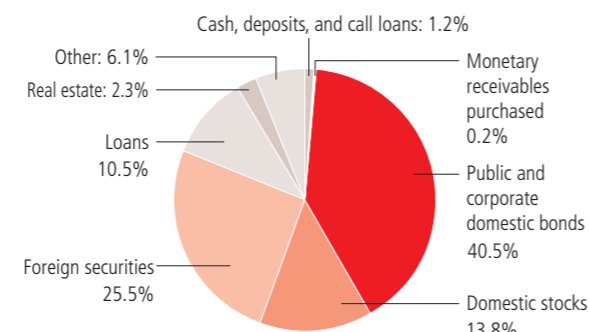
Against a backdrop of monetary tightening in response to rising global inflation, escalating geopolitical risks, and financial instability in Europe and North America, the environment surrounding our investments continues to be uncertain, with major fluctuations in international and domestic interest rates, stock prices, exchange rates, and more.

Even under these circumstances, Nippon Life has been engaged in investment management with the mission of ensuring returns promised to policyholders in a stable manner and reliably paying future insurance claims and benefits.

Specifically, we are working to build a balanced portfolio that gives consideration to diversification in terms of assets, countries, currencies, and other factors based on an asset/liability management (ALM) approach, which is a method of comprehensively recognizing and managing assets and liabilities, while reflecting the ultra-long-term liability characteristics of life insurance products. We also strive to improve stable returns through carefully managed transactions in line with the cyclical movement of markets over the mid- and long-term.

Moreover, we have placed the asset portfolio management of public and corporate domestic bonds, which are assets with yen-based interest rates, at the center. At the same time, we are focused on investment, financing, and related activities targeting corporate bonds, overseas real estate, and infrastructure, which offer relatively higher yields, from the perspective of improving risk-return efficiency.

Breakdown of General Account Asset Portfolio



General account assets (nonconsolidated): ¥74,457.4 billion (as of March 31, 2023)

In the course of promoting such measures, stringent risk management is crucial. We are making efforts to further strengthen our risk management system, such as carefully selecting investment projects, identifying potential risk concerns, and considering response measures in preparation for the materialization of risks.

Moreover, in our investment activities, we strive to ensure that our investments serve the interests of policyholders from mid- and long-term perspectives, carrying out asset management in consideration of the public nature of our business, in addition to safety, profitability, and liquidity.

## Results from our Group Growth Strategies and Related Issues

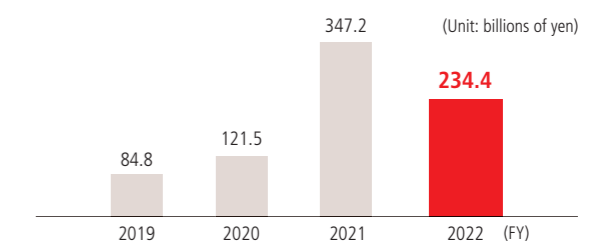
At the end of fiscal 2022, while investment yield margin fell primarily due to increased hedge costs resulting from widening disparities in international and domestic interest rates, we ensured positive returns for the thirteenth consecutive year.

Even amid an environment with continued low interest rates, we will continue to work on improving our profitability and strengthening risk management with the aim of achieving the target of ensuring a long-term and stable investment yield margin.

To date, we have set a target of 1.7 trillion yen for ESG-themed investment and finance where the use of funds is linked to SDG-themes (fiscal 2017-2023). At the same time, we have set a decarbonization financing facility for finance related to transition and innovation, such as green finance, and have been carrying out investment and finance for projects that contribute to solving social issues. The cumulative amount of ESG-themed investment and finance reached approximately 1.9 trillion yen by fiscal 2022, enabling us to achieve our target one year early.

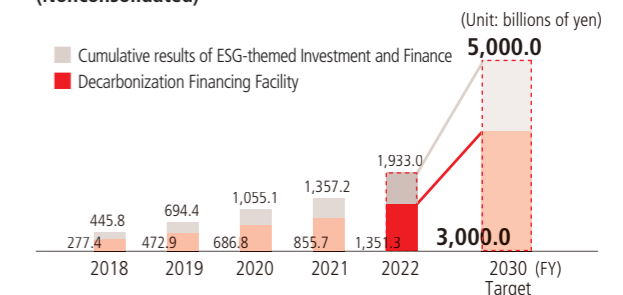
Having achieved our target a year earlier than initially planned, we set a new target of 5 trillion yen for ESG-themed investment and finance for the period between fiscal years 2017 to 2030, with 3 trillion yen newly designated for a decarbonization financing facility as an internal facility in order to continue bolstering corporate ESG initiatives through the provision of future funding.

Investment Yield Margin (Nonconsolidated)



\*As of the current fiscal year, the figures have been calculated based on the calculation method for core operating profit adopted from fiscal year 2022. Accordingly, the figures for fiscal 2019 to 2022 have also been calculated based on the revised method.

ESG-Themed Investment and Finance Cumulative Performance (Nonconsolidated)



## Asset Management Strategies

To fulfill our responsibilities to policyholders even in a harsh environment with low interest rates and other challenges, Nippon Life has worked to improve profit and soundness through the strengthening and sophistication of its asset management.

Various environmental changes not originally anticipated in the Mid-Term Management Plan have occurred, however in order to generate stable returns on investments even under these circumstances, we are continuing to focus on two points while responding to these changes: (1) portfolio transformation and (2) strengthening ESG investment and finance.

(1) For portfolio transformation, we aim to balance ensuring long-term, stable investment returns with risk reduction by extending the duration of assets with yen-based interest rates to reduce interest risk, promoting diversified global investment and finance in credit assets and alternative assets, primarily overseas, and others while flexibly revising the distribution of funds in light of the rapidly changing asset management environment.

(2) With regard to strengthening ESG investment and finance, against a backdrop of increasing devastation caused by climate change-related natural disasters, we are strengthening our initiatives, taking into account trends showing that ESG factors are having a growing impact on mid- and long-term corporate value. In fiscal 2022, to achieve the target of net zero greenhouse gas emissions

by fiscal 2050 in our investment and finance portfolio, we expanded targets for themed investment and finance concerning supporting environmental initiatives and our decarbonization financing facility. We also strengthened dialogues (engagement) on the topic of climate change with companies emitting large amounts of greenhouse gasses. We will continue to combine various methods of ESG investment and finance, and work on ensuring profitability and shaping outcomes.

Further, in order to support these asset management strategies, we will also promote the construction of infrastructure through measures such as global investment systems, development of human resources with advanced specialties, and system development as an integrated Group. Under our Mid-Term Management Plan, we centralized the Group's investment functions and human resources, and in order to accelerate initiatives aimed at improving investment yield, we transferred a portion of the credit and alternative investment functions held by Nippon Life and TAIJU LIFE, to Nissay Asset Management, our subsidiary for asset management. We will continue to effectively utilize Group resources in our efforts toward investment management in order to contribute to policyholder interests.

## Main Strategy 1: Portfolio Transformation

### Investment and Finance for Credit and Alternative Assets

Nippon Life is concentrating on investment and finance for credit and alternative assets from the perspective of improving investment returns.

Primary credit assets include corporate bonds and project finance. Alternative assets encompass investment in venture capital, emerging economies, and overseas real estate, etc.

These assets can be expected to produce a relatively high interest

yield. On top of this, since many of them have a low correlation with traditional assets such as stocks and bonds, they are recognized as important from the perspective of limiting risk.

Utilizing our global investment structure, which is one of the Group's strengths, we will promote diversified global investments through investment and finance for credit and alternative assets.

### Promoting Forward-Looking Risk Management

Now that investment and finance techniques have become more diverse and complex, investment risk management is assuming an increased level of importance.

We are working to establish systems that enable us to respond swiftly to any environmental changes by closely monitoring the current situation regarding investees, borrowers, and market conditions. In particular, we identify potential risk concerns that could have a large impact on profit and loss, as well as our financial soundness, and promote forward-

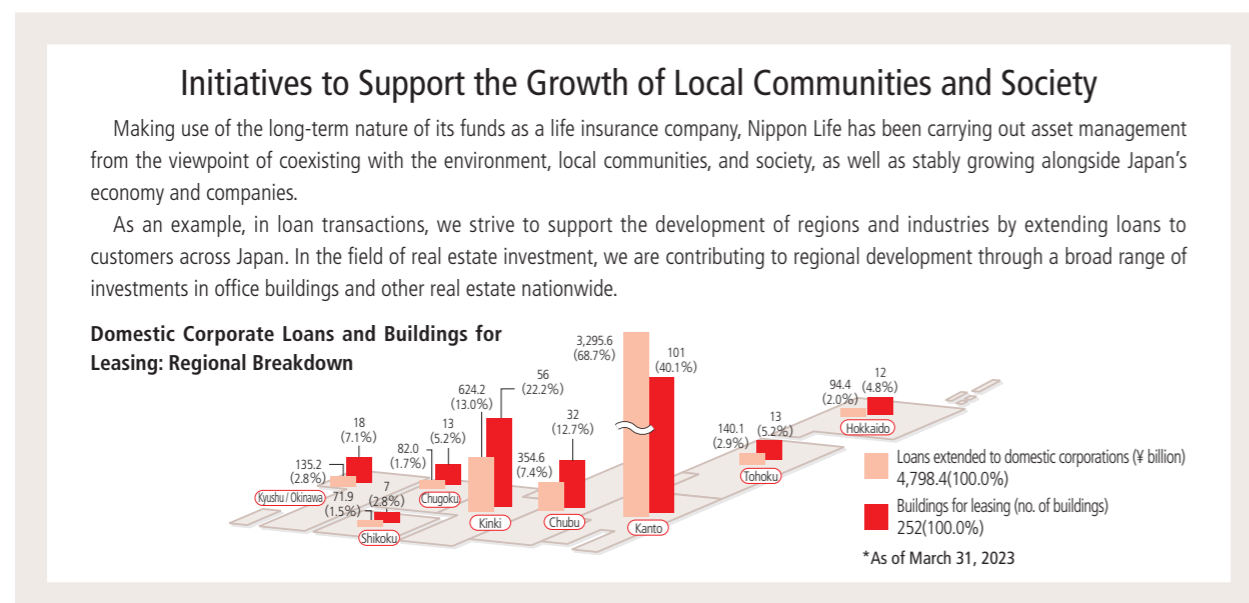
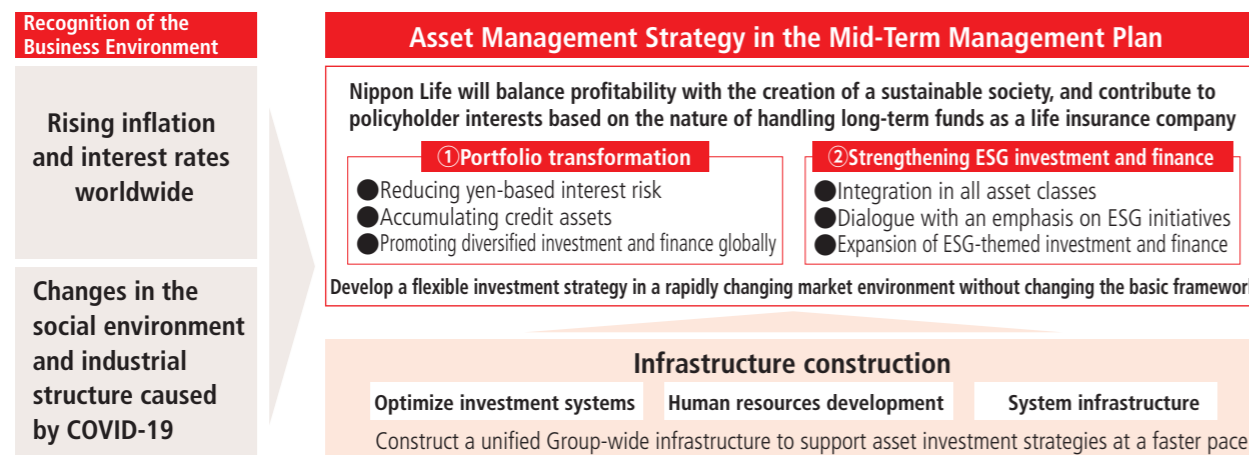
looking risk management involving investigating and implementing necessary countermeasures.

At Nippon Life, units handling investments strive to limit risk by strictly selecting and diversifying investments, while risk management and assessment management units provide checks by measuring the amount of risk in the portfolio, setting credit limits, and carrying out individual credit assessments and other measures.

## Main Strategy 2: Strengthening ESG Investment and Finance

Nippon Life balances ESG investment and finance using a variety of approaches centered on investment and finance, such as ESG integration, and dialogue (engagement), as well as supporting ESG initiatives at investee and borrower companies. For international initiatives that we participate in, Nippon Life executives serve as members of the Board of Directors and representatives group, sharing opinions as institutional investors representing Japan

while working to spread and expand ESG investment and finance around the world. At discussions within Japan, too, our executives actively participate in committees and study sessions held by various government ministries and engage in joint government-private sector discussions. Through these ESG investment and finance initiatives, Nippon Life aims to increase policyholder interests by improving investment returns and solve social issues by shaping outcomes.



ESG investment and finance		Status of initiatives	
Investment and finance	<b>Integration</b>	Consider ESG factors in the investment and finance process	Amount of greenhouse gas emissions in the investment and finance portfolio Establish an intermediary target for fiscal 2030 to achieve net zero by fiscal 2050 *Applying to domestic and overseas listed stocks, domestic and overseas corporate bonds, and real estate
	<b>Themed investment and finance</b>	Investment and finance that contribute to resolving environmental and social issues	
	<b>Impact investment</b>	Shape environmental and social impact	
Dialogue	<b>Negative screening</b>	Prohibit investment and finance to specific companies and businesses	Total results (FY2017-22): about ¥1.9 trillion Including about ¥1.3 trillion in decarbonization financing facility Total results (commitment basis): about ¥185 billion Prohibit investment and finance to companies that manufacture cluster munitions, etc., as well as new investment and finance to coal-fired power generation projects
	<b>Engagement</b>	Engage in dialogue with portfolio companies	Focus on ESG-themed dialogue from the perspective of improving mid- and long-term corporate value
External communication	<b>Initiatives</b>	Actively participate in international initiatives	Demonstrate presence in rule formulation and discussions through participation in international initiatives such as PRI and NZAOA, as well as review sessions and study sessions organized by ministries and agencies
	<b>Review sessions and study sessions</b>	Actively participate in review sessions, etc. organized by ministries and agencies	

Increase policyholder interests through higher investment income

Solve social issues through the shaping of outcomes

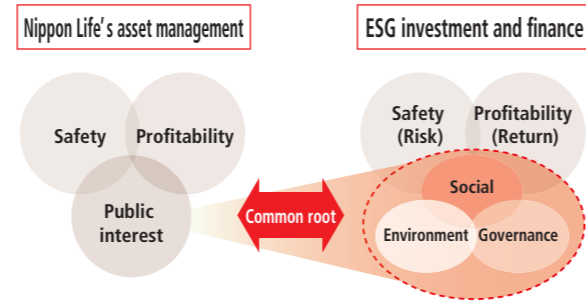
■ Significance of Nippon Life ESG Investment and Finance Initiatives

Since our founding, based on the fundamental spirit of the life insurance business: “co-existence, co-prosperity, and mutual aid,” Nippon Life has carried out investment and finance that contributes to public interest even in the field of asset management while working on solid management from a long-term perspective with policyholder interests as our top priority. ESG investment and finance, which supports sustainable growth of investees and borrowers from a mid- and long-term perspective, is fundamentally rooted in the same principles as a mid- and long-term investment and finance policy, which is created in consideration of balancing profitability, safety, and public interest valued by Nippon Life. We promote ESG investment and finance based on the investment philosophy we have held since our foundation.

ESG investment and finance aims to improve investment returns while also solving social issues. Our investee and borrower companies aim to solve environmental and social issues, and can increase their corporate value by adding new revenue opportunities

that meet the needs of society. The resulting improvement in investment returns leads to expanding policyholder interests, such as reliable payments of policy claims and benefits, in addition to stable annual policyholder dividends.

Nippon Life ESG Investment and Finance



■ Initiatives for Creating Outcomes Based on Global Trends

While global targets including the SDGs and Paris Agreement have been set, numerous issues still remain, such as energy crises, increasing wealth disparities, and heightened geopolitical risks. The gap between the current state of the real world and these global targets continues to widen. Under these circumstances, we are required as investors to reduce this gap and actively work to shape relevant outcomes.

Even in ESG investment and finance, up to present, it was common to think of the real world as a given, and factor opportunities and risks derived from the real world into the investment process.

However, a new understanding is spreading across the world where, rather than seeing the real world as a given, perspectives such as solving environmental and social issues (shaping outcomes) are incorporated into the investment process.

As this new understanding spreads, Nippon Life is engaged in shaping outcomes for society through ESG-themed investment and finance, and is strengthening the measurement and control thereof. For example, we have contributed to reducing greenhouse gasses by about 3.35 million tons through green and transition finance for our investee and borrower companies.

Examples of outcomes shaped through ESG-themed investment and finance

Amount of contributions for reduction in greenhouse gas emissions

**About 3.35 million tons**  
Greenhouse gas emission reductions achieved by companies in their business through provision of funds

Water supply needed for daily life (people)\*1

**About 1.4 million people per year**  
Number of people who have become able to enjoy the water supply necessary for their daily lives through the provision of funds for desalination plants, etc.

Supply of medical services (people)\*2

**About 950,000 people per year**  
Number of people who now have access to medical services through provision of funds to medical care facilities

About outcomes

“Outcomes” means results or effects that indicate the creation of positive impacts or the reduction of negative impacts on the real world. They are also known as sustainability outcomes. Outcomes shaped by Nippon Life are calculated based on information provided by investee and borrower companies, taking into account their share of the investment and finance amount.

\*1 The number of people supplied is calculated on an annual basis by dividing the capacity for provision of water for daily life such as desalination plants by average annual water usage per person.  
\*2 The number of people supplied is calculated on a yearly basis based on the number of patients per day.

■ ESG Integration Initiatives

Nippon Life is carrying out integration to incorporate ESG factors into investment and finance processes for all asset classes. Specifically, after evaluating ESG initiatives of investees and borrowers using methods appropriate to the nature of their assets, we consider the effects on corporate value and perceived trustworthiness, then

■ Engagement Initiatives

Nippon Life adopts Japan’s Stewardship Code of Principles for Responsible Institutional Investors and is working on stewardship activities appropriately in line with each principle.

In light of the public nature and liability characteristics of the life insurance business, among other such factors, our basic investment policy is to benefit from increases in the corporate value of investee companies through stable shareholder returns and stock price appreciation over the mid- and long term, along with stable repayments of principal and interest of corporate bonds. Up until now, we emphasized engagement in constructive dialogues with investee companies based on this policy.

Even before adopting these principles, Nippon Life has been engaging in dialogues with investee companies that emphasize governance alongside shareholder returns and profitability. Further, as company and investor awareness of environmental and social topics increases, we have been strengthening dialogues on these topics since 2017, and we are steadily expanding the themes of these important discussions from the perspective of increasing corporate value.

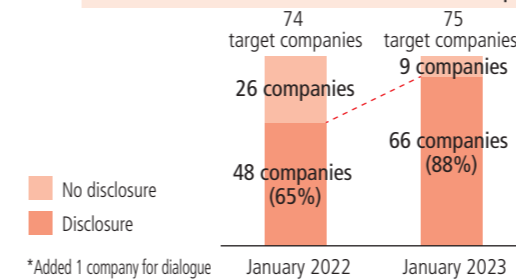
add this ESG evaluation to prior financial and other analyses to make investment and finance decisions. For significant investee and borrower issues identified by ESG evaluation, we confirm the situation through dialogue and support initiatives to solve the issues.

We began engaging in dialogues with climate change as a main topic from 2018, and from 2020, we have engaged in dialogues with the approximately 70 companies that emit roughly 80% of total emissions from investee companies. We have requested that these companies develop and disclose a roadmap to achieve net zero emissions by fiscal 2050. To date, 66 companies (about 90%) have completed these disclosures. Moreover, since beginning these dialogues on climate change, we have contributed to shaping outcomes including a reduction in corporate greenhouse gas emissions of approximately 10%. Going forward, we will continue to check the progress of emissions reduction initiatives through dialogues based on the situation in each industry and at each company.

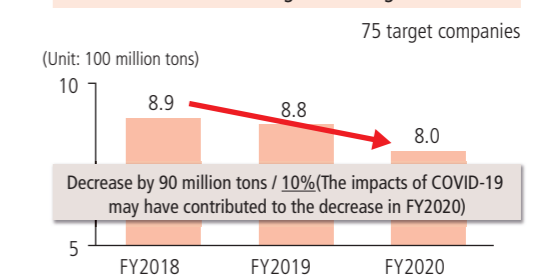
Also, global attention is increasingly focused on topics such as human rights and human capital, which are being discussed for the purpose of further corporate disclosures in the future, Nippon Life aims to solve environmental and social issues while considering global trends, company initiatives, and other relevant factors.

Outcomes shaped through engagement

Disclosure of the emissions reduction roadmap



Situation of reduction in greenhouse gas emissions



Appointed as the lead sponsor for PRI in Person Tokyo 2023



Nippon Life is the first insurance company in the world to be selected as lead sponsor for the annual United Nations Principles for Responsible Investment Conference (PRI)\*, PRI in Person Tokyo 2023, which will be held in Tokyo in October 2023. PRI in Person is one of the largest global events for the ESG investment industry, and only one institution is selected as lead sponsor from among many signatories. At PRI in Person, stakeholders such as asset management companies, insurance companies, and other institutional investors, as well as

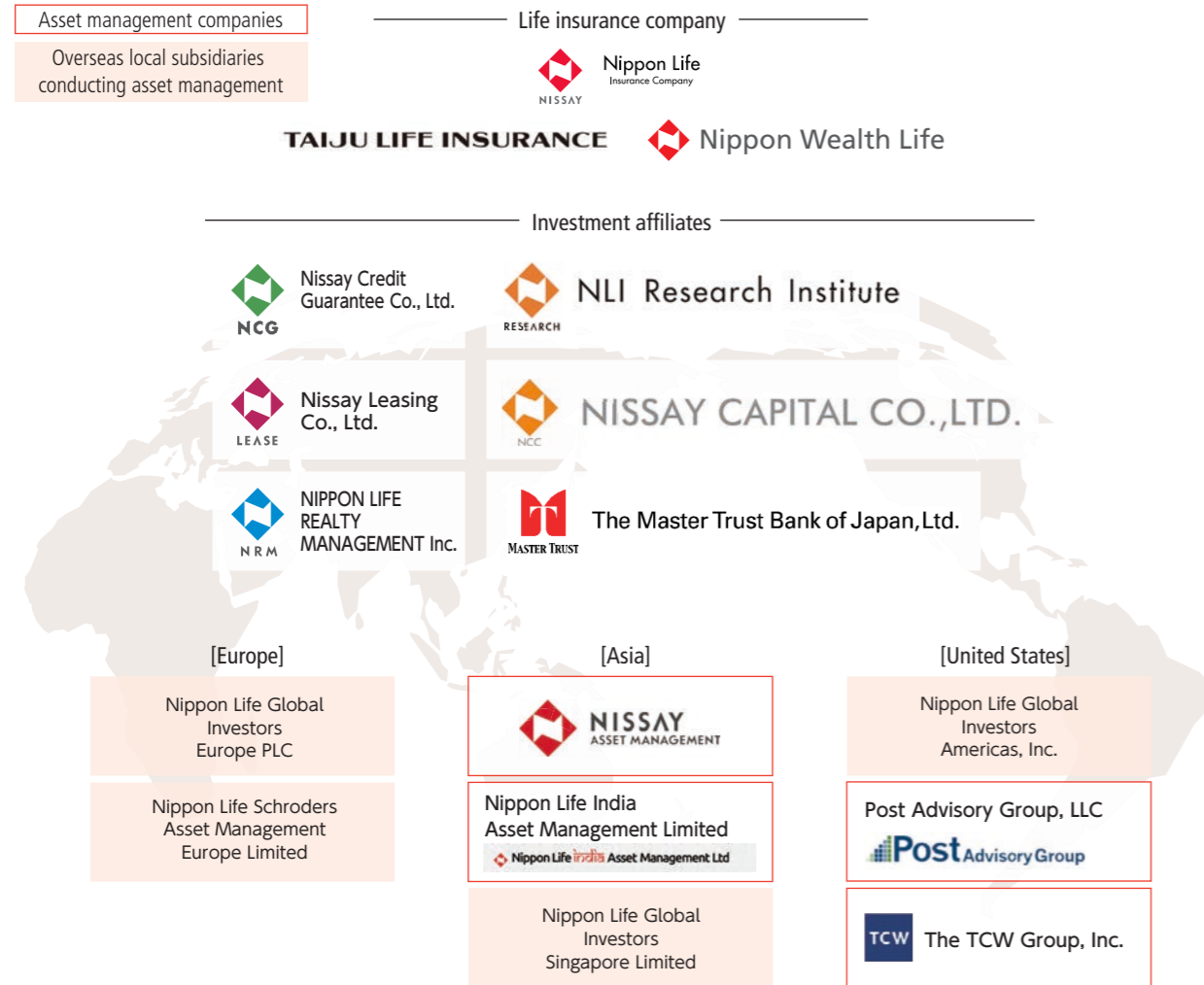
government agencies and NGOs, gather together to discuss what is required of each stakeholder in terms of addressing social issues such as climate change and human rights with a view to shaping specific real world outcomes. As the lead sponsor, Nippon Life will bring in various stakeholders involved in the investment chain to contribute to strengthening and developing responsible investment in the global asset management industry.

\*The PRI initiative was created in April 2006 after being advocated for by Kofi Annan, former secretary-general of the United Nations. PRI calls for institutional investors to incorporate ESG issues into their investment decision making with the aim of creating a sustainable society. Nippon Life signed the PRI in 2017, and Executive Officer Takeshi Kimura currently serves as the first board member from an insurance company.

### Main Strategy 3: Sophistication of the Group's Investment Systems

The Nippon Life Group has built a global investment network that includes investment offices both in Japan and overseas. We are continuously diversifying our sources of profit for asset management and decentralizing our assets while leveraging the respective strengths of each member of the Group.

In March 2022, we centralized the Group's resources, and from the perspective of strengthening our investment capabilities, transferred the credit and alternative investment functions held by Nippon Life (since March 2021), and TAIJU LIFE, to Nissay Asset Management, our subsidiary for asset management.



**NISSAY VOICE**

#### Eager to return the results of safe, profitable, and public asset management back to customers

The Equity Investment Department invests in stocks issued by domestic companies. Domestic stocks are assets that can be expected to generate stable dividends and ensure an increase in price in accordance with company growth, even in an environment with low interest rates. We are investing in these stocks on the assumption of them being mid- to long-term assets.

I am responsible for duties related to stewardship activities, such as dialogues with companies and the exercise of voting rights, as well as analyst work such as company analysis. For example, with the exercise of voting rights, I take care to make each decision carefully based on identifying a company's situation through dialogue. Similarly, analyst work does not only involve simply analyzing a company's achievements, but also includes the information gained from ongoing dialogues throughout the year with over 1,000 companies and exchanging opinions with Group company analysts, as well as conducting analyses with a multifaceted and long-term outlook that also incorporates ESG perspectives.

In addition to this kind of work, we also participate in committees held by government agencies as a responsible institutional investor. We are also playing an active role by providing opinions on forming a better stock market and other matters.

We are returning these results to policyholders through safe, profitable, and public investments while remaining mindful of contributing to solving social issues.



Equity Investment Dept.  
Seiya Kimura

### Asset Management Business

In addition to providing appealing insurance products to customers, we are also proactively engaging in the asset management business in order to respond to customers' diversifying needs for asset building.

By acquiring the advanced management skills of each of our Group asset management companies and partners, we are improving investment return on insurance products, thereby contributing to policyholder interests.

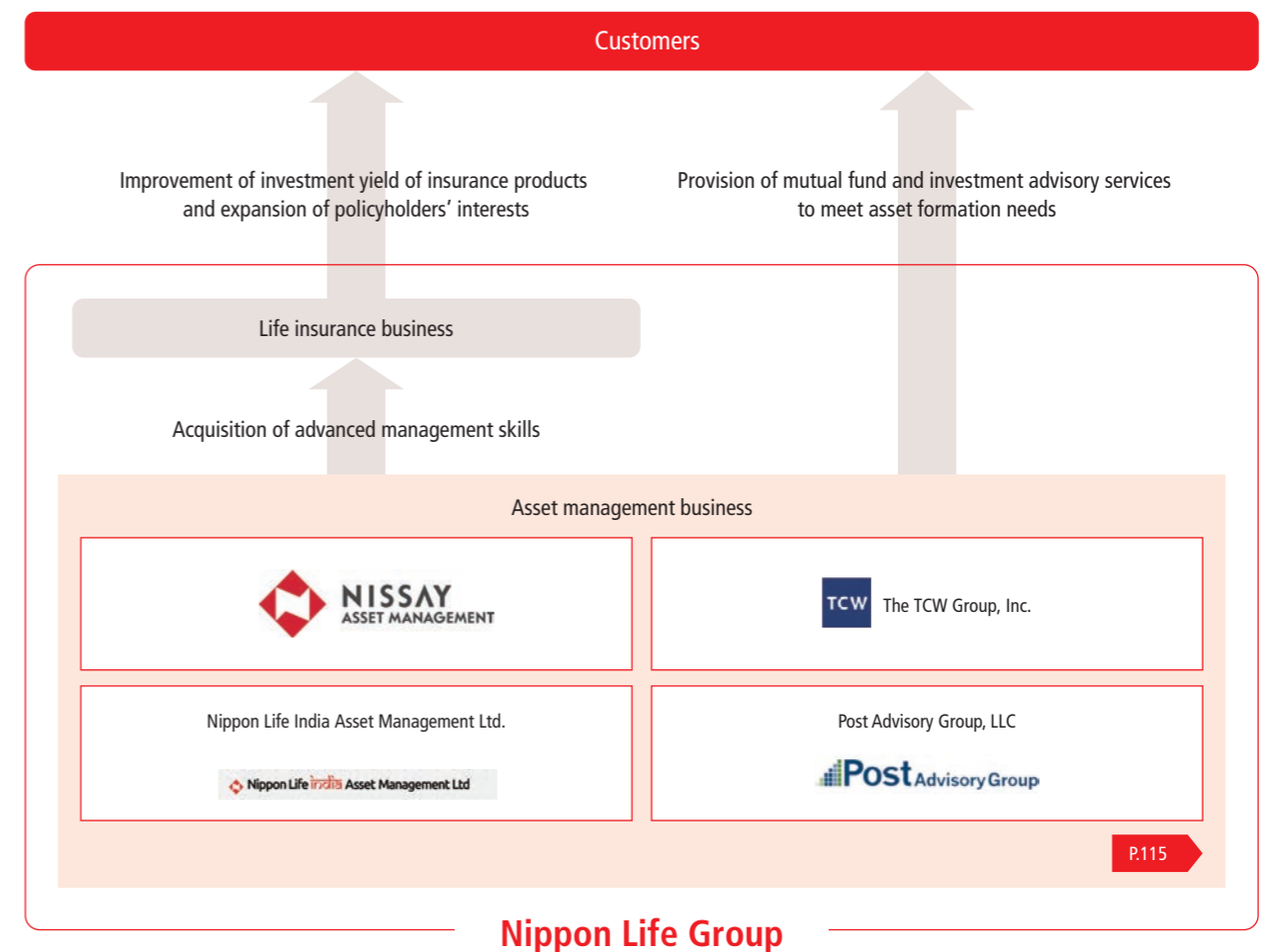
Further, as the importance of asset formation increases more than ever following the advancement of an aging society alongside a decreasing birthrate in Japan, the environment is one in which asset management needs are increasing, including the scheduled fundamental upgrading and expansion of Nippon Individual Savings Account (NISA) and making it permanent.

Under these conditions, through our domestic asset management business, we are working as a united Group with Nissay Asset Management at the center to provide unique asset management services. Further, we have transferred a portion of the credit and

alternative investment functions of Nippon Life and TAIJU LIFE to Nissay Asset Management, and we are also working to strengthen our investment systems by sharing knowledge with all Group companies.

As for the overseas market, post-retirement investment needs are continuing to rise in the United States and other advanced economies. Meanwhile, the market is expected to expand even further due to rising incomes in emerging economies. With the Nippon Life asset management business, we leverage the strengths of each asset management company across the Group to provide mutual fund and investment advisory services.

We are creating various synergies both in Japan and overseas, and measures include Group asset management companies providing a mutual supply of products to one another and personnel exchanges. Through these measures, we will strengthen asset management capabilities while nurturing the asset management business into a core pillar that will become comparable to the life insurance business over the long term.



# Global Business



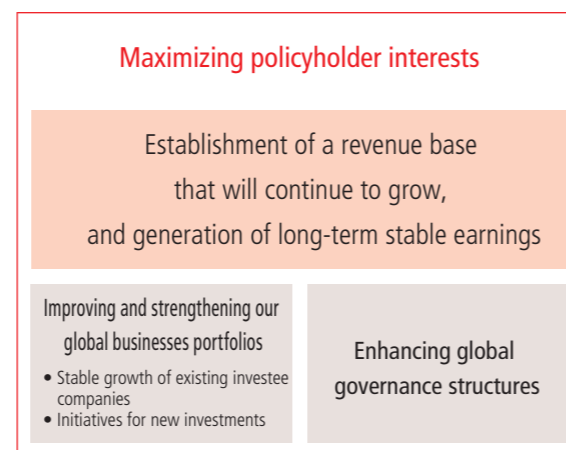
## Maximizing policyholder interests and contributing to the realization of society with reassurance, security and sustainability through global business

Director and Managing Executive Officer  
**Minoru Kimura**

### Recognition of the Business Environment and Basic Strategy

As a mutual company, Nippon Life has been working hard in its global business to continue to fulfill its mission to maximize policyholder interests even amid various environmental changes. The environment surrounding its global business is uncertain, due in part to factors such as the protracted COVID-19 crisis and heightened geopolitical risk. Despite this, we are moving ahead with development and various kinds of initiatives for the global business with aims to (1) ensure growth opportunities that cannot be obtained domestically and stably secure profits over the long term and (2) control risk through regional and business diversification and stabilize the Group's management.

As social and economic conditions change and customer needs grow increasingly diverse, we continue to work on providing insurance, asset management services and others which respond to the customer expectations, in each country and region.



\*For an overview of each company, please see p. 115 for asset management businesses and p. 116 for global insurance-related businesses.

### Group Growth Strategies Policy

With the aim of acquiring long-term, stable earnings, the basic strategy for our global business in the Mid-Term Management Plan involves promoting initiatives focused on the two pillars of improving and strengthening our global businesses portfolios while enhancing the global governance structure.

To improve and strengthen our global businesses portfolios, we

are realizing stable growth of existing investee companies while continuing to consider new investments, with the aim of further future growth.

As for enhancing the global governance structure, we are strengthening our regional headquarters system while enhancing the development of highly specialized global talent.

Mid-Term Management Plan Policy	Main Strategies	Current Progress
Strengthening and diversifying Group businesses	Main Strategy 1: Improving and strengthening our global businesses portfolios	<ul style="list-style-type: none"> <li>Achieved a single item surplus for income protection insurance and improved earnings at MLC in Australia</li> <li>Determined additional investment into Resolution Life in Bermuda (British Overseas Territory)</li> <li>Took steps to change partners at Great Wall Changsheng Life Insurance in China and Reliance Nippon Life Insurance in India</li> </ul>
	Main Strategy 2: Enhancing global governance structures	<ul style="list-style-type: none"> <li>Formulated global business investment and management guidelines</li> <li>Strengthened structure through the transfer of some management functions of investee companies to regional headquarters, proactive recruitment of local specialized staff, and other means</li> <li>Provided training aimed at improving the specialization of global talent, etc.</li> </ul>

### Results from our Group Growth Strategies and Related Issues

The core operating profit of the Group's global business in fiscal 2022 significantly increased, recording the highest profit ever as investee companies such as MLC enjoyed improved earnings.

We will continue to make steady progress by concentrating efforts on improving and strengthening our global business portfolios and enhancing our global governance structure.

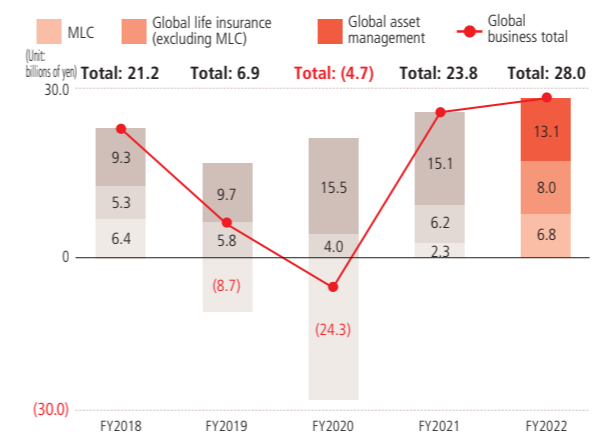
We will also share our philosophy with each company to develop businesses based on our sustainability management and customer-oriented business operations, and aim to establish a revenue base for sustainable growth and secure long-term, stable earnings.

In terms of improving and strengthening our global business portfolios, about the existing investee companies, improved earnings could be seen at MLC. However, since some investee companies still have issues such as sluggish growth in the number of new policies, we will continue to work toward solving the issues at each company and return to a path of growth.

Moreover, we are working to establish business management structure for Resolution Life as an equity method affiliate company and are continually considering new investment.

In respect to enhancing our global governance structure, we are continuously working to strengthen functionality at our regional headquarters. We believe that it is necessary to further improve structures, as well as expand functions in anticipation of further development of global businesses. As for enhancing global talent, while we have made progress in enlargement of our talent base, we consider expanding the foundation of global talent with specialized expertise to be an ongoing issue. As such, we will extend and improve our various talent development programs.

#### Group Core Operating Profit\*



\*Profit for the fiscal year before taxes, with adjustments for impacts of interest rate fluctuations, etc. at some companies.

# New Business

## Significance of New Business Initiatives

As a mutual company, Nippon Life has diversified its businesses in order to maximize benefits for policyholders.

In the field of new business in particular, in addition to achieving business growth, we are expected to demonstrate our public nature as a mutual company. With that in mind, we have addressed needs for mid- to long-term environmental changes centered on aging population with declining birthrate and extended healthy life

expectancy that cannot be covered with insurance alone, through our childcare support, healthcare, and seniors businesses, as well as through innovative development.

From now on, we are aiming for a virtuous cycle of solving social issues by increasing corporate value and establishing alliances between companies, and striving for the creation of a society where all generations can live with reassurance.



## Childcare Support Business

### Our Vision

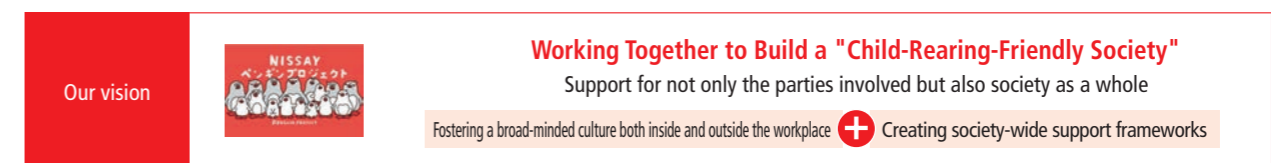
Since our founding, we have come to serve the role of a social safety net through life insurance, which is a system of mutual aid. We have been working to create a framework that nurtures people across society who will support the next generation toward creating a society where all people can play an active role.

Against the background of the rise of the nuclear family and women entering the workforce, the environment surrounding child-rearing has changed dramatically in recent years. In consideration of

these changes, Nippon Life recognizes that the barriers and anxiety of child-rearing are not just a matter for those involved, but are issues for society as a whole to consider for the next generation. We are promoting initiatives\* from the two perspectives of (1) fostering a culture between people inside and outside the workplace and (2) creating society-wide support frameworks, with the aim of achieving a society where everyone raises children together.

\*All of these initiatives are collectively known as the *Nissay Penguin Project*, and have been promoted since April 2022.

### Initiative Results, Issues, and Future Direction



	Specific Initiative	Achievement	Issue	Future Direction
Fostering a broad-minded culture both inside and outside the workplace	<ul style="list-style-type: none"> <li>Disseminating all kinds of information</li> <li>Joint projects with companies and local governments</li> </ul>	[ Total number of event participants ] Approx. 30,000 people [ Joint initiative ] [ Number of times held ] 14 companies/1 local government	<ul style="list-style-type: none"> <li>One-way communication when disseminating information</li> <li>Insufficient inclusion of other parties</li> </ul>	<ul style="list-style-type: none"> <li>Formulating plans to encourage two-way communication</li> <li>Expanding partner candidates to create support frameworks for child-rearing across society</li> </ul>
Creating society-wide support frameworks	Company-led daycare centers Intermediary services	[ Number of contracted companies ] 113 [ Number of daycare centers in the network ] 717	Addressing diverse user needs <ul style="list-style-type: none"> <li>Daycare for sick children and developmental assistance, etc.</li> </ul> Changing issues facing daycare centers due to changes in the child-rearing environment <ul style="list-style-type: none"> <li>Multifunctionality as a response to measures to counter the lower birthrate</li> </ul>	<ul style="list-style-type: none"> <li>Expanding the contents of daycare center intermediary services that meet the diverse needs of child-rearing households</li> <li>Investigating the provision of new services that support the multifunctionality of daycare centers</li> </ul>

While some progress has been made toward solving the issue of children waiting for places at daycare centers, there is still a need for daycare centers to become multifunctional to support guardians and further help solve the issue of a lower birthrate. However, due to the increase in workload and similar at daycare centers, there are concerns that daycare centers will not be able to completely fulfill these roles. Further, the child-rearing environment has changed very recently. For instance, caregivers have fewer opportunities to interact with one another due to the COVID-19 pandemic. It is therefore becoming increasingly important to provide caregivers with support

to prevent them from feeling isolated.

Through the "Nissay Penguin Project", in consideration of these kinds of changes to the external environment, as well as issues raised by the actual users mentioned above, we will broaden our candidate pool of potential partners for creating society-wide support mechanisms, work to improve the quality of daycare centers, and offer more extensive services to meet the diverse needs of child-rearing households, thereby creating a society where everyone can raise children together.

## Healthcare Business

### Our Vision

To maintain an environment where everyone can receive appropriate preventative health care and treatment in an era when a lifetime spans 100 years, insurers such as health insurance associations and companies need to enhance health promotion initiatives and optimize insurer finance. Data health planning done by insurers and corporate health and productivity management initiatives have been promoted as part of these efforts.

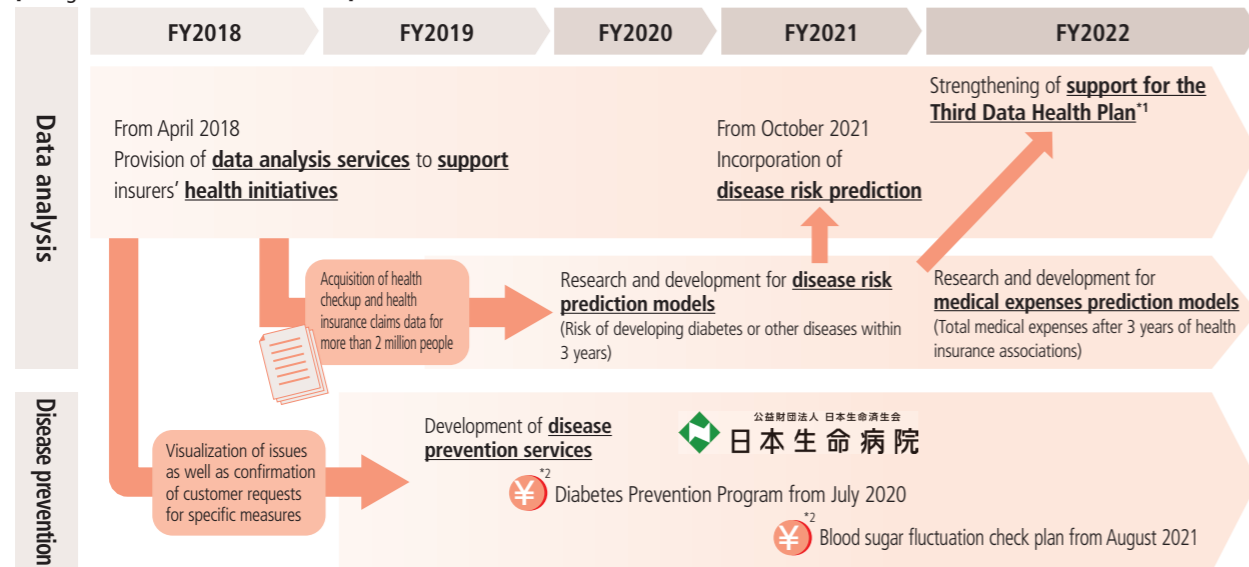
Based on needs such as the above, Nippon Life has been providing the Nissay Health Promotion Consulting Service (Wellness-

Star☆) since April 2018, which includes data analysis services that help to visualize health issues of an organization and disease prevention services to address any issues revealed by this analysis.

By offering these services, we are helping to optimize insurer finance and contributing to maintaining and developing an environment where everyone can receive appropriate preventative health care and treatment. Through this, we aim to create a society where people can enjoy long and healthy lives and all generations can live with peace of mind.

**Our Vision** Provision of healthcare services to contribute to creating a society where people of all generations can enjoy long and healthy lives with reassurance

[Changes in Wellness-Star☆ initiatives]



\*1 This business plan allows us to effectively and efficiently implement our healthcare business using PDCA cycles based on health and receipt data analysis. Plan formulation and implementation is required for all insurers, including health insurance associations.   
 \*2 Paid service

### NISSAY VOICE

#### Wanting to support customer health multilaterally through health care services

I am responsible for business development, and I work to develop new services through alliances with partner companies and universities. One of the projects I am involved in is joint research in the field of mental health with the University of Tokyo. This is on the topic of making stress check analysis more sophisticated.

In recent years, the management of human capital is drawing considerable attention, and it is becoming increasingly important to create workplace environments where each individual can thrive. By supporting such trends through the services we have developed, we are committed to contributing to the improvement of employee engagement and, by extension, to increasing labor productivity in Japan.

Getting to work with companies and university professors at the forefront of this field, as well as enthusiastic team members, is incredibly rewarding. I will continue devoting myself to my work so that I can provide customers with multifaceted healthcare support.



Healthcare Business Department  
Keigo Gonda

### Initiative Results, Issues, and Future Direction

To achieve our vision, we have very recently been working to propose our Wellness-Star☆ service to insurers and companies. Through this, we are steadily increasing the number of organizations using our data analysis and disease prevention services. We are enhancing our approach to local governments, in addition to health insurance associations and companies, with the aim of introducing our services at even more organizations.

As a mid-term initiative, we are working to improve our data analysis and illness prevention services based on the observations and issues we have become aware of while providing these services up to now.

Regarding our data analysis services, we are considering developing a customized data consulting business in line with the needs of each insurer on top of the free reports provided thus far. In addition, with respect to our disease prevention services, we are working to improve our services through alliances with external partners and expand our service lineup that utilizes initiatives with Tokyo University and Toho University in the field of mental health. By providing a wide range of services not only to insurers, but also to companies, we will contribute more than ever to supporting health maintenance and disease prevention of employees at companies using the services.

	Specific Initiative	Achievement	Issues Revealed by Initiative	Future Direction
Data analysis services	Providing reports to support the formulation of the Third Data Health Plan	Number of organizations using services: Approx. 150 organizations Data figures: Over 2.8 million people	Changing customer needs • Increasing demand for comprehensive support from plan formulation to initiative evaluation • Increasing needs for customization in line with issues facing insurers	• Considering data consultation tailored to insurer needs
Disease prevention services	Diabetes Prevention Program Blood sugar fluctuation check plan	Number of organizations using services: Approx. 240 organizations Number of users: Approx. 4,000 people	Apparent new demand for each service • Need for frameworks to improve convenience and encourage continuous use • Need to expand lineup beyond products and services tackling lifestyle diseases	• Improving services through alliances with external partners • Research and service development with the University of Tokyo and Toho University in the mental health field

### Nippon Life Initiatives for EXPO 2025 OSAKA

Nippon Life has a strong connection to expos, having appeared at both the Japan World Exposition Osaka 1970 and The International Garden and Greenery Exposition, Osaka, Japan, 1990, two past expos held in Osaka where we worked toward regional development and revitalization.

Under the theme of "Designing Future Society for Our Lives," EXPO 2025 OSAKA, KANSAI, JAPAN will be held as a place where people can explore sustainability with a view to a new era of overcoming the COVID-19 pandemic. At EXPO 2025 OSAKA, with its lofty theme of "Lives," which is closely linked to the life insurance business, we are planning to exhibit as part of the Osaka Healthcare Pavilion : Nest for Reborn as a super premium partner.

The Osaka Healthcare Pavilion aims to give visitors a sense of "lives" and "health," in addition to lifestyles in the near future. We also established a new Osaka-Kansai Japan Expo Promotion Department in fiscal 2023, and since then, we have been working on fostering momentum for the EXPO 2025 OSAKA.

By exhibiting as part of the Osaka Healthcare Pavilion, we will provide each visitor with the opportunity to become aware of their future health and link this to behavioral changes, while also working to create new value for our future society.



Artistic render of EXPO 2025 OSAKA  
Image courtesy of: Japan Association for the 2025 World Exposition



Artistic render of Osaka Healthcare Pavilion exterior  
Image courtesy of: Japan International Exposition Osaka Pavilion Promotion Committee, EXPO 2025 Osaka Pavilion Association

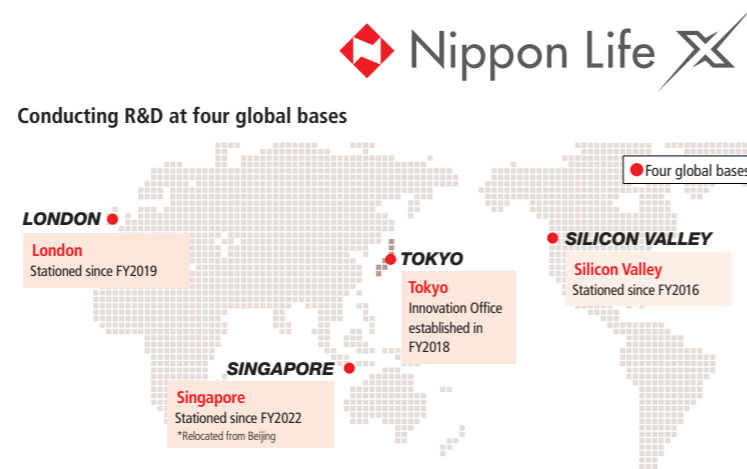
## Developing Innovation

### Our Vision

The environment around insurance companies is changing every day. In order to respond to changes in the industry due to the rapid advancement of cutting-edge technology and diversifying lifestyle needs, we believe that innovative initiatives are necessary in both the insurance business and new business fields.

With the hope of shaping a future society that will enrich people's lives in an era when a lifetime spans 100 years, through combining(X) traditions and innovations built up over the years and boldly taking on the unknown (X), we have been conducting R&D under the external name Nippon Life X since fiscal 2020.

Through these activities, we will strengthen and diversify our Group businesses in the mid- to long term, as described in the Mid-Term Management Plan, while at the same time making strides toward fostering a climate of innovation and entrepreneurship.



**Our vision** Delivering new value through innovation in both insurance and new business fields

**Overview of initiatives**

**Conducting surveys utilizing innovation development investment (investment framework: 55 billion yen)**

- Acquire a wide range of information at four global bases (Tokyo, Silicon Valley, Singapore, and London)
- Disseminate acquired information on megatrends, industry trends, and cutting-edge technologies, etc.

Enhancing our insurance business	Creating new business
<ul style="list-style-type: none"> <li>Establishment of a small-amount, short-term insurance company to achieve efficient product development through digital efforts</li> <li>Promotion of the application of advanced technologies exemplified by AI</li> </ul>	<ul style="list-style-type: none"> <li>Commercialization of the internal entrepreneurial project <b>ちょこいく (Choko-iku)</b> <ul style="list-style-type: none"> <li>Service that matches parents/guardians who wish to use temporary daycare with childcare centers that have available slots</li> </ul> </li> <li>Business creation through co-creation with external partners</li> </ul>

### Current Progress of Main Initiatives

#### Conducting Surveys Utilizing Innovation Development Investment

For this research, we are conducting activities at four global bases while making use of innovation development investment\* frameworks, in an effort to obtain in-depth information on cutting-edge technology not obtainable through standard information gathering techniques, as well as search for startups that could be potential candidates for collaboration. Specific cutting-edge technologies currently attracting attention include AI, which is

expected to be applied in the insurance business, the metaverse, which financial institutions are also considering utilizing, and Web 3.0-related technologies, such as block-chain and DeFi.

Further, we are working on creating projects and promoting collaborations by sharing information on megatrends, industry trends, and cutting-edge technology revealed through surveys across the Company.

\*Innovation development investment refers to investment funds for venture capital startups taking on the goal of promoting innovation activities. Starting from setting an investment framework of 10 billion yen in fiscal 2018, we have now increased investment to 55 billion yen.

Building an open innovation system that will bring technology, expertise, and ideas together to co-create innovative businesses and services is crucial to our innovation efforts. We are continuing to utilize investment and forming a network of partners in consideration of the regional characteristics of each base.

#### Enhancing our Insurance Business

We have been conducting demonstration tests with Unqork, a company with expertise in no-code system architecture, and as the first case study in Japan, we have introduced the company's development base into Nissay Plus SSI, which was established in April 2022.

This enables a drag-and-drop system architecture without any programming by an engineer, thereby realizing short-term, agile development.

Further, internal business departments are collaborating together on promoting the application of cutting-edge technology such as AI.



Fully Digitalized Insurance for Expectant and Nursing Mothers Flyer (Japanese only)

#### Creating New Business

As an initiative for creating new business, we launched the internal entrepreneurship project in fiscal 2020 to take new business ideas from Nippon Life employees from creation to operation.

To date, we have steadily made progress with initiatives aimed at expanding provided value beyond the insurance industry, such as actually launching services in some parts of Tokyo based on business ideas selected and deliberated through this project.



Image of Choko-iku (a temporary daycare matching business) (Japanese only)

#### NISSAY VOICE

#### Eager to contribute to society through an intrapreneurship project

We have been holding discussions for the commercialization of a business idea we proposed ourselves, *Choko-iku*, which aims to solve issues related to childcare.

The environment around childcare has been changing dramatically in recent years. Aiming to make childcare (*ikujii*) more enjoyable by creating a society where people can rely other parties even just for a little bit (*chokotto*), we are always searching for approaches to services that can lead to solving the various issues facing child-rearing households. While the process of creating new businesses is full of trials and challenges, we also get positive feedback from customers using our services, and we are starting to feel a sense of fulfillment different from that of any other work we've done in the past. In the future, we will work with a strong sense of mission at the forefront in order to contribute to society by expanding this business.



Right: Sayo Tanaka, Innovation Development Office  
Left: Aya Aoki, Innovation Development Office

#### Future Direction

The values and ideas surrounding insurance, along with its forms of provision, are changing and expanding with the enhancing of the insurance business through AI and the appearance of digital and P2P insurance. Our capability to apply cutting-edge technology has the potential to become a source of competitive strength.

Meanwhile, in addition to insurance, adjacent services are also changing and expanding, and the boundaries between insurance and adjacent services are becoming blurred. Therefore, the advent of new business models is also possible.

In light of these changes, we hope to accelerate initiatives aimed at becoming a Group-wide innovation lab as a future direction. Specifically, we want to take on greater challenges in respect of new technologies and increase the number of cases in which they are applied, as well as make progress in flexibly developing new businesses that take further advantage of in-house and external knowledge. Based on this type of policy, we will work to improve the quality and volume of R&D projects by putting efforts into co-creation activities with external partners in the immediate term.



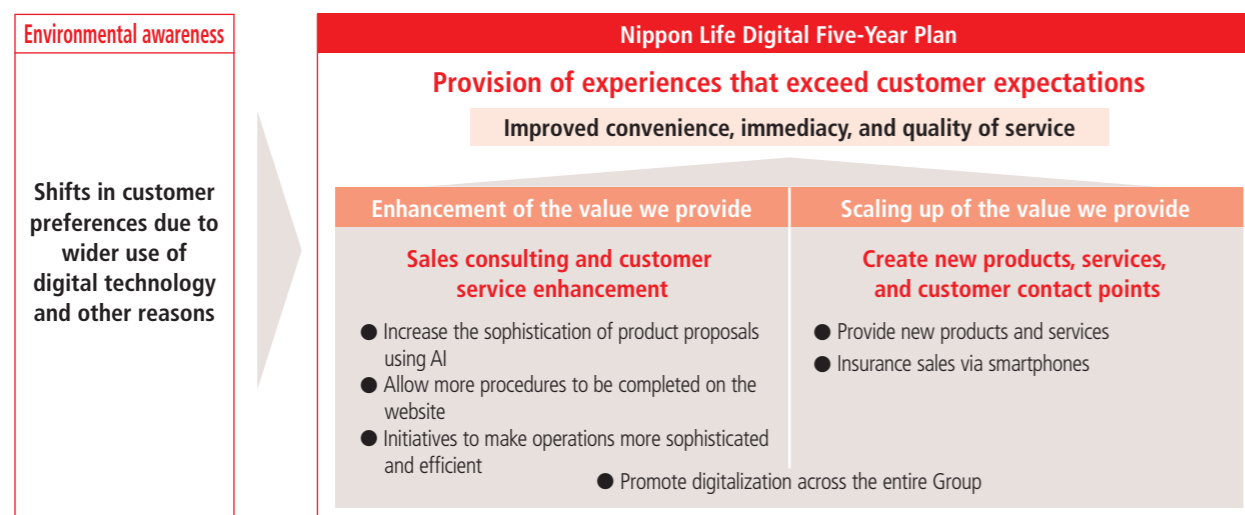
# Digital Strategy

## Digital Utilization Strategy and Basic Policies

Digital technology is being used more widely for sales, customer service, and products. These days, customers are valuing convenience, immediacy, and quality of service more than ever before. With customer preferences in the life insurance industry also undergoing a similar shift, we formulated the Nippon Life Digital 5-Year Plan in fiscal 2019 under the belief that it is necessary to further improve satisfaction at customer touchpoints to ensure continued company

growth.

As part of our Mid-Term Management Plan, we are actively making use of cutting-edge IT technology and data based on the Nippon Life Digital 5-Year Plan, as well as enhancing and scaling up the value we provide. Through this, we aim to provide customers with experiences that exceed their expectations.



### Initiatives to Enhance the Value We Provide

#### ■ Sophistication of Product Proposals Using AI

We introduced a service in which AI analyzes big data including information provided by customers, sales representative activities when visiting customers, and the history of proposals to customers, and sends advice messages directly to customers.

Moreover, in order to strengthen our consulting capabilities, we also introduced a function that uses big data to recommend information to be provided and the timing for insurance proposals, as well as the most suitable tools, in accordance with a customer's situation to sales representatives.

#### ■ Allow More Procedures to Be Completed on the Website

We enhanced the convenience of our Website through the addition of registration function of customers' Individual Numbers (an individual number for social security and tax purposes issued to all citizens and residents in Japan), in addition to procedures such as policy confirmation, benefit claims, and policy loan utilization through the Nissay website and Nippon Life app.



#### ■ Initiatives to Make Operations More Sophisticated and Efficient

Nippon Life was the first in the industry to introduce RPA, and we have also introduced Q&A chatbots using AI technology, handwriting recognition technology, and other advanced digital technologies one by one to improve business processes.

### Initiatives for scaling up the Value Provided

#### ■ Providing New Products and Services

Nippon Life is working on enhancing our business by making use of health-related data entrusted by customers and harnessing the knowledge of the Nippon Life Group.

#### ■ Insurance Sales via Smartphones

We have further improved our ability to respond to customers, such as responding to inquiries quickly, by introducing smartphones with sales support functions.

### Promoting digitalization across the entire Group

We are advancing our sales and after-sales service strategies through the Group-wide promotion of digitalization under a multiple primary insurer and multi-channel framework.

## Initiatives that Received External Recognition

### ■ Received an Information Technology Award (IT Excellence Award)

Nippon Life and Nissay Information Technology Co., Ltd. received the IT Excellence Award at the Information Technology Awards organized by the Japan Institute of Information Technology in fiscal 2022. This marks the fifth Information Technology Award we have received over four consecutive years.

In March 2022, Nippon Life opened Treasure Square, an IT human resource training facility for creating a system for developing human resources in the IT and digital sectors across the Group. Our corporate approach, which promotes human resource development as a unified Group with Treasure Square at the center of our efforts, has been recognized.

### Information Technology Award

The Information Technology Award is given by the Japan Institute of Information Technology to companies, groups, institutions, and individuals who are deemed to have achieved results by devoting significant efforts to drive "business innovation through the sophisticated use of IT." The award recognizes innovation undertaken for purposes such as business creation, building and promoting effective business models, and productivity enhancement in the operations of Japan's industrial sector, government bodies, and other entities.



### ■ DX Certification

The Company has received certification as a DX-certified operator under the DX Certification initiative established by the Ministry of Economy, Trade and Industry.

We introduced N-phone smartphones for sales representatives, expanding the options for communications with customers through LINE WORKS, Zoom, and other such means.

In addition, we are actively promoting DX in many areas, such as research and investment activities related to solutions and services that utilize advanced technologies such as AI, the IoT, and wearable devices at the four bases around the world (Tokyo, Silicon Valley in the U.S., Singapore, and London) and streamlining existing operations through the use of AI and RPA.

### DX Certification Initiative

This is a certification system established pursuant to the Act on Partial Revision of the Act on Facilitation of Information Processing, which came into effect on May 15, 2020. The system certifies applicant operators that implement excellent measures in line with the Guidelines for the Operation and Management of Information Processing Systems established by the Japanese government.



## Future Direction

Recognizing the shift in customer preferences due to the wider use of digital technologies, we aim to make our sales consulting and customer services more sophisticated in addition to providing new products and services in order to provide experiences that exceed customer expectations. We are also working to make our operations more efficient with the aim of realizing workstyles that allow employees to take on the challenge of work with high added value or new kinds of work.

To achieve this, we are making every effort to utilize even more advanced IT technology and data than ever.

### NISSAY VOICE

#### Eager to implement operational reforms and create new value through data utilization

The Digitalization Office works together on projects with various internal units with the goal of promoting the use of cutting-edge IT and company-wide data utilization.

So far, I have been involved in data analysis projects aimed at achieving more sophisticated operations in the fields of individual insurance and healthcare. For some of these projects, since the problems in departmental operations were not sufficiently identified and the purpose of using data analysis was not clear, there were cases where the results of analysis remained merely an understanding of current situation, with no connections to subsequent business actions. Therefore, we try to engage in dialogues with various departments when working on projects to identify any potential issues with the future vision we are aiming to achieve. We aim to create new touchpoints and provide services by making maximum use of data and cutting-edge AI tools inside and outside the company, while also remaining conscious of solution feasibility.

By the continuous data utilization in collaboration with each unit, we aim to implement work reforms and create new value, so that we can provide customers with experiences that exceed their expectations.



IT Planning Department  
Digitalization Office  
Akari Koyama



## Encouraging diverse human resources to thrive in many ways to continue supporting the future of our customers and society

Director and Managing Executive Officer

**Yoshitaka Nakamura**

### Recognition of "Human Capital"

#### Our long history has been cultivated by human resources more than anything else

"Human capital", a non-financial capital, has been the subject of attention in recent years as an important management foundation linked to improving performance, such as production and earnings, and mid- and long-term corporate value.

At Nippon Life, it is diverse "human resources" that are supporting our businesses based on our Fundamental Management Principle of "contributing to the stability and enhancement of people's lives under the precepts of 'Conviction, Sincerity, and Endeavor.'" For over 130 years, we have fulfilled our responsibilities to policyholders all across Japan, providing them with reassurance and security. It is without a doubt that our "human resources" are what have allowed us to build up trust with customers and society. Personnel deeply rooted in regions across Japan with varied experiences and diverse values offer customers reassurance while also putting all their efforts into developing regional communities and economies, thereby building an unwavering bond of trust with both customers and society.

In order for us to respond flexibly to changes in the environment surrounding Nippon Life and continue to be a company that contributes to customers and society in the future, it is necessary that we have a diverse pool of talent that will continue to thrive in many ways. As a key management initiative, we will strive to strengthen our "human capital" even more than ever.

### Human Resource Strategy in line with Management Strategies

#### Developing human resources that can adapt to changes in the business environment and social issues, as well as enhance themselves autonomously

As the business environment and social issues continue to undergo dizzying changes, including an aging society with a declining birthrate, rapid advancement of digital technologies, shifts in how people live and work, and increasingly diverse customer needs, we aim to be a company that proactively takes on all these changes, overcomes challenges, and continues to grow. With a view to achieving this, under our current Mid-Term Management Plan, we are making strides with our Group growth strategies of further exploring the domestic insurance market, strengthening and diversifying Group businesses, and strengthening investment capabilities and improving business cost efficiency based on a foundation of business operations that involve customer-oriented business operations and sustainability management. One of the management foundations supporting these strategies is "human capital." In order to further reinforce human capital at Nippon Life, we are pouring our efforts into developing "human resources" that will encourage growth in each and every one of our employees and enable them to demonstrate their abilities to the fullest.

A pillar of our initiatives in this regard is the "Human Resource Value Enhancement Project," which was launched in 2015. This project is based on our basic policy of "building a human resource foundation that supports management strategies by increasing the diversity and sophistication of human resource". Through this project, we are developing a personnel that will challenge to

and promote innovation, while passing down the strengths that we have developed, under the two concepts of "human resource development" and the "fostering a broad-minded culture".

For "human resource development", we recently formulated our Policy on Initiatives for Promoting Human Resource Development (Human Resource Development Policy). We will continue to engage in the development of human resources that will support our various businesses to adapt to an ever-changing business environment and increasingly diverse customer needs. Additionally, we are also focusing on enhancing specialization in line with business strategies and job characteristics. Through the use of our Talent Management System, which we introduced in fiscal 2021, we are promoting the visualization of each employee's knowledge and skills. Alongside this, we are further promoting human resource development aimed at contributing to achieving management strategies, including development initiatives based on the specific characteristics of each area, providing in-house and external learning opportunities, and an internal job application system aimed at independent career development.

In respect of fostering a broad-minded culture, we recently established our Policy on Initiatives for Promoting the Fostering of a Broad-Minded Culture (Internal Environment Establishment Policy). Given the significant changes in the labor market and employment needs, along with existing employment practices and conventional systems creating a difficult environment for recruiting and retaining human resources, this policy was formulated with the aim of striving more than ever to encourage job satisfaction and establish a comfortable work environment in order to enhance individual abilities and organizational performance. To remain a company whose employees are willing to take on the challenge of innovation with autonomy and without fear of failure, and one that is capable of growing while also being diverse, we will continue to engage in efforts to promote diversity and inclusion, implement work style reforms, and more. In particular, approximately 90% of Nippon Life's

employees are women, and we believe that the further promotion of women's empowerment is an important initiative that will support the sustainable growth of the Company. We will therefore focus on realizing measures such as facilitating the promotion of female employees to higher positions, including general manager and deputy general manager, and strengthening assistance for balancing work with childrearing.

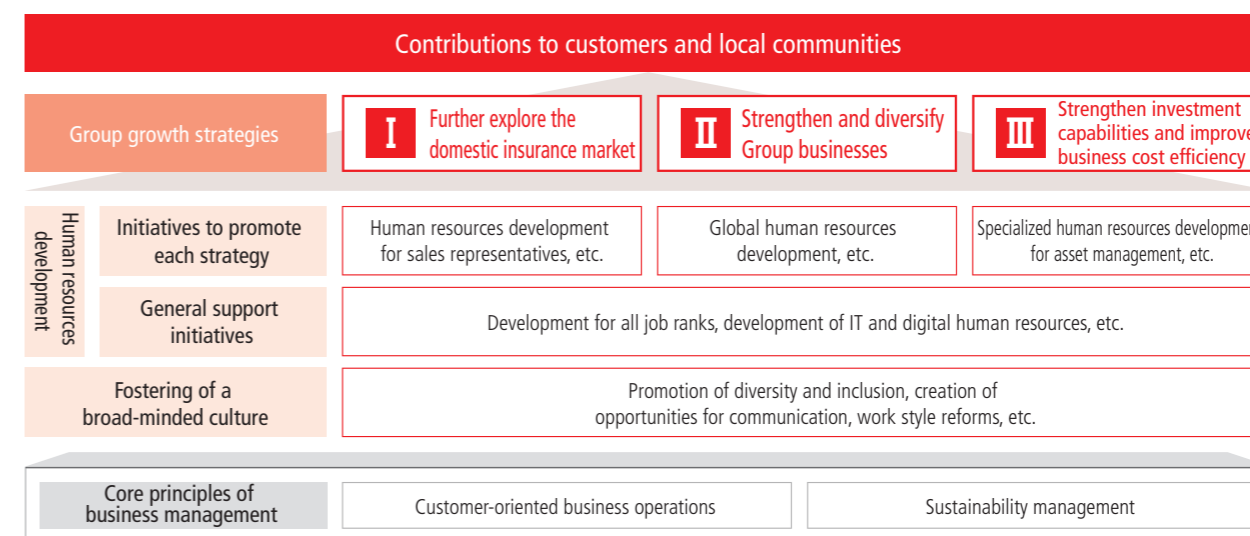
### Actions to Further Strengthen Human Capital

#### Shaping improvement measures based on employees' opinions and an understanding of the actual situation of our employees' consciousness and behavior

When carrying out various measures aimed at strengthening "human capital," we believe that bidirectional communication is crucial. That is, sharing the aim of those measures and the status of associated initiatives with our employees and understanding employees' opinions, consciousness, and behavior with respect to those measures and initiatives.

Every year, we distribute an Employee Engagement Survey among our employees. Through this, we endeavor to understand the actual situation of employee engagement. We will continue to analyze the issues that come to light through these surveys one by one and link the results to effective improvement measures. At Nippon Life, we recognize the importance of well-being in three areas including happiness at work, happiness in life, and happiness in body and mind. Consequently, we will further promote initiatives for improving employee engagement through enhancing well-being in these areas.

There is no end goal for these human resource development initiatives. We are implementing specific measures one by one in our efforts toward developing human resources in order that we are a company that continues to be appreciated and chosen by both customers and employees for many years to come.

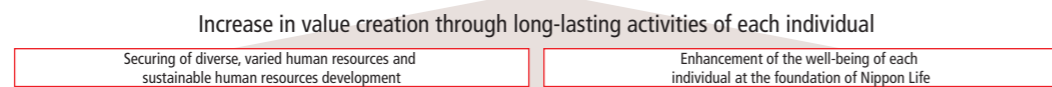
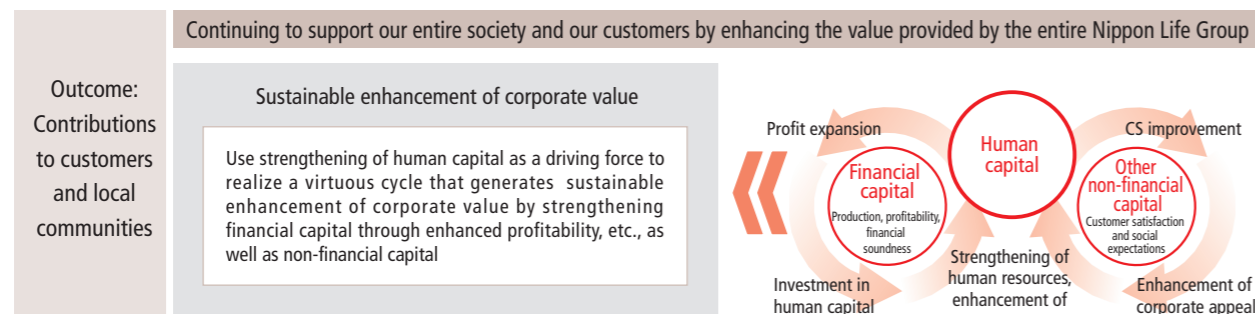


# Initiatives that Contribute to the Strengthening of Human Capital

## Strengthening Human Capital that will continue to Support our entire Society and Customers

At Nippon Life, "people are power, people are everything." Human capital is the most powerful driving force to create value. In order to continue being an unwavering market leader that continues to support the future of our customers and society, we aim for a sustainable enhancement of corporate value through a basic policy for our human resource strategy of increasing value creation through long-lasting activities of each individual. To achieve this, we are aiming for even stronger coordination between strategies for management and human resources. We will secure diverse and varied personnel and sustainably enhance human resources toward achieving our management strategy. At the same time, we will also

sincerely listen to our employees more than ever while working to enhance the well-being of each and every one of our employees, who serve as the foundation of Nippon Life. In implementing these strategies, we are developing various initiatives through human resource development and fostering a broad-minded culture with Human Resource Value Enhancement Project. In fiscal 2023, we have been further promoting "investments in people" by improving employee salaries and benefits and supporting employees in achieving a balance between work and life events.



Human Resource Value Enhancement Project

Amount of investment in human capital: About ¥40.0 billion\*1 (About ¥500,000 per employee)

Input/output: Strengthening of human capital

Human Resources Development [Strengthening Individuals]

Fostering a Broad-Minded Culture [Strengthening the Organization]

Employee opinions

- Number of sales representatives with financial planner qualifications —30,071 (beginning of FY2023)
- Global human resources development Total number of program participants —886 (FY2022)
- IT & digital-related training Total number of participants —1,215 (FY2022)
- Number of NASO\* viewers —12,135 (FY2022)
- Number of NASO\* programs —449 (end of FY2022)
- \*Nissay After School Online, an in-house e-learning program
- Ratio of women in management —24.6% (beginning of FY2023)
- Ratio of women in positions equivalent to General Manager —8.1% (beginning of FY2023)

Development for all job ranks, / priority areas

Development for selected employees

Encouraging employment of diverse human resources

Promotion of D&I

Creation of opportunities for communication

Work style reforms

Health and productivity management

- Ratio of male employees taking childcare leave —100% for 10 consecutive years (FY2022)
- Ratio of employment of persons with disabilities\* —2.4% (FY2022)
- \*Including special subsidiary NISSAY NEW CREATION CO., LTD.
- Number of Mirai Meetings\* held —At least once per month (FY2022)
- \*Exchanges of opinions between the President and young employees
- Communication 4\* implementation —253 sites (FY2022)
- \*Opportunities for communication across job titles and positions
- Paid leave utilization rate\* —80.4% (FY2022)
- \*Ratio of average number of days of paid leave used to the number of days granted (21 days)
- Health enhancement training\* attendance rate —95.6% (FY2022)
- \*Training to raise health literacy

\*1 Breakdown of amounts

Expenses for various training and education (outsourcing expenses, etc.)	About ¥4.0 billion
Personnel costs for training participants during training hours (opportunity cost), and personnel costs for specialist instructors	About ¥36.0 billion

Engagement survey results score\*

- Job satisfaction and fulfillment: 3.4
- Willingness to make independent contributions: 4.0

\*The average of the values obtained by rating the above items on a 5-point scale

## Human Resource Development [Strengthening Individuals]

Based on our Human Resource Development Policy, we aim to build a human resource foundation that will support our management strategy through the diversification and advancement of human resources. To do this, we offer diverse human resource development initiatives for employees, from training for new employees dealing directly with customers to training for selected general and deputy general managers who will become future executive candidates, and we are working to strengthen individuality.

### Policy on Initiatives for Promoting Human Resource Development (Human Resource Development Policy)

In order to respond to the constantly changing business environment and realize based on our Fundamental Management Principles, that is, the precepts of "Conviction, Sincerity, and Endeavor," we strive to employ diverse personnel. At the same time, while utilizing each employee's diverse viewpoints and individual talents, we are developing human resources that can continue to grow autonomously, working together with colleagues to sincerely fulfill our social role over the long term while always trying to see the situation from the customer's perspective.

- Personnel who can contribute to reassured and secure environments for customers and local communities, along with regional development, by providing high-level consulting and services over the long term to meet a wide range of needs.
- Personnel who can carry out their duties accurately and carefully by steadily acquiring practical experience and specialized knowledge, thereby allowing us to fulfill our responsibility to customers.
- Personnel who can focus on mid- and long-term perspectives and the public nature of the work, thereby contributing to enhancing customer interests, economic development, and realizing a sustainable society.
- Personnel who can support sophisticated our management strategies and generate high added value for all stakeholders due to extensive knowledge gained through various experiences, as well as cultivating individual strengths.

## Sales Representative Development

### New Training Methods for a Staff Training Model that Develops "Sales Representatives to Steadily Thrive Over the Long Term"

Since fiscal 2019, we have enhanced the development of staff who can work with customers over the long-term while being attuned to their individual lives. Specialist instructors provide training tailored to the characteristics and level of growth of individual sales representatives during their development period, which is between two and five years after joining Nippon Life.

We clarify the level of expertise, skills, and sales activities required, and after periodically assessing the situation, visualize the level of growth of each employee, as well as any issues they may face

Issues faced by individual staff are shared not only with specialist instructors, but also with all sales offices and branches, and improvement initiatives are considered and implemented (= "ALL-ONE Gurumi Training")

### Sales Representative Development to Firmly Establish Customer-Oriented Activities

We are making strides toward expanding educational opportunities and standardizing training content and levels toward providing a wide range of information and services to meet customer needs with *Mirai Consultant*, a tool that calculates necessary coverage amounts based on a customer's public insurance, life plan, and similar factors, as well as an extensive array of digital contents.

Specifically, in addition to nationwide, standardized training by group training and in-house broadcasts, we share issues faced by individual staff across all sales offices and branches, and carry out personalized training.

### Recommendations to Acquire Financial Planner Qualifications

We encourage staff to acquire financial planner qualifications, which will allow them to provide a more sophisticated consulting service to customers

As of April 2023, 30,071 staff (approximately 60% of sales representatives) have obtained financial planner qualifications.

Note: Staff with 3rd grade Certified Skilled Worker of Financial Planning or higher, Certified Financial Planner (CFP), or Affiliated Financial Planner (AFP) qualifications as of April 2023 are counted (staff with multiple qualifications are only counted once).

Mirai Consultant

Digital content [approx. 300 types]

\*As of April 1, 2023

MeSET: Product description video starring commercial celebrities

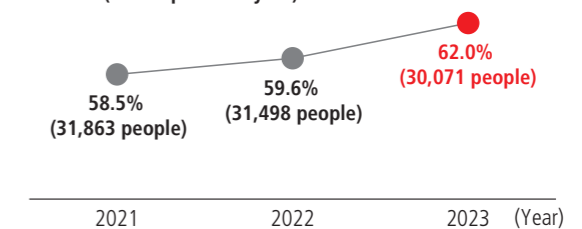
Q&A taru: Video training materials for sales representatives and more

Nationwide standardized education utilizing group training and in-house broadcasts

Individualized education tailored to challenges for each person

### Expansion of educational opportunities Standardization of educational content and levels

Acquisition of Financial Planner Qualification by Sales Representatives (as of April each year)



## Initiatives that Contribute to the Strengthening of Human Capital

### ● Launched the "Nissay Magokoro Meister Certification System" to Further Promote and Establish our Customer-Oriented Philosophy

In order to enhance sustainable corporate value, we introduced the "Nissay Magokoro Meister Certification System" in fiscal 2022. This is based on an awareness of the importance of each individual sales representative demonstrating customer-oriented behavior to earn the trust and satisfaction from even more customers than ever before.

Under this system, we work to develop human resources in a way that allows them to objectively look back on their individual situation, and with the support of their supervisors, continually develop their skills as sales representatives that sincerely listen to and are chosen by customers.



#### NISSAY VOICE

#### Working to develop sales representatives that continue to be trusted and chosen by customers

I am responsible for the employment conditions of sales representatives supporting customer services at Nippon Life. In fiscal 2022, we introduced our "Nissay Magokoro Meister Certification System" to evaluate customer-oriented sales activities. We are getting positive feedback on this system directly from sales representatives. Examples of feedback include, "The system gave me the impetus to objectively reexamine the actual status of my work" and "I'm glad that the focus is on working alongside customers and being attuned to their needs over the long term." Through various initiatives such as this, we hope to create a virtuous cycle in which each individual sales representative is highly evaluated by customers through earning their trust, leading to increased motivation, and subsequently encourage them to raise their service quality to the next level.

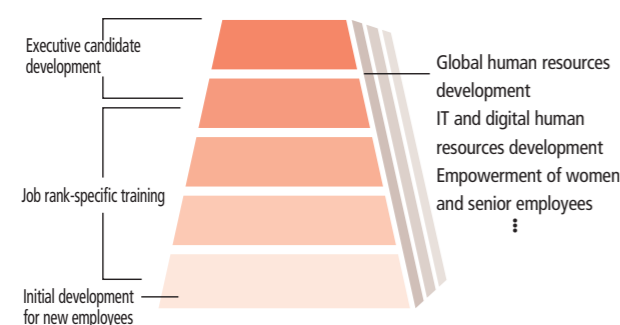


Sales Representatives Human Resource Department  
Sales Representatives Human Resource G  
Hiroki Tada

### Development Across All Job Ranks and Priority Areas

In order to develop personnel who can display their skills in a wide range of business fields with an understanding of our responsibilities to customers and our role in society, we are working on finely tuned and specialized development, establishing training programs not only for the initial development stage of new employees, but also based on different jobs and roles. We have also designated "digital," "global," etc. as priority areas in human resource development requiring strategic investment, and we are strengthening development options for selected employees.

(Diagram of human resources development system)



### ● Job Rank-Specific Training

We offer dozens of job rank-specific training programs based on job type and position. Programs have been established to improve management, leadership, and other skills, and these are also used as opportunities to check the development of these skills. We are working to enhance detailed training tailored to individual job types and positions while providing high-quality programs that also take advantage of external knowledge.

### ● Initial Development for New Employees

We conduct group training sessions that provide employees with knowledge on life insurance and teach business etiquette, as well as offering practical training on insurance sales. We also conduct training on financial and data analysis that will allow employees to gain specialized skills for specific job types and take measures to enhance fundamental skills. We implement detailed follow-ups through on-the-job training by mentors, advisors, and specialist instructors throughout the year, thereby accelerating the steady enhancement of skills.

Total training hours*	Approx. 260 hours
Follow-up interviews with specialist instructors*	Seven

\* Figures calculated per person over the five-year period after joining the Company (calculated for managerial track employees)

### ● Executive Candidate Development

To develop the next generation of executives who will be at the helm of our future business development, we are working to expand our training programs for selected general or deputy general managers to develop the abilities and management skills necessary for them to tackle the various challenges they will face as leaders.

### ● Global Human Resources

In consideration of strengthening and diversifying Group businesses, we strive to reinforce the development of global human resources both in Japan and overseas that can contribute to enhancing the value of the Group as a whole. We are promoting the systematic development of human resources that will allow us to not only expand our global human resources base, but also to have personnel that actively take on roles at the management level of overseas subsidiaries. We achieve this by providing various programs such as the Global Internship Program, in which mostly younger employees are sent to overseas subsidiaries and offices for about two weeks, and the Global Leadership Program, in which mostly Deputy General Managers are assigned to work overseas for two years.

Through initiatives such as these, many of our employees actively work in a wide variety of fields, not only in Japan but also overseas.

Number of staff posted overseas*	133
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\*As of April 2023

### ● IT & Digital Human Resources

In fiscal 2019, we established the Nippon Life Digital Five-Year Plan, and since then we have been promoting DX throughout Nippon Life. We have been achieving this by making IT and digital-related training mandatory at the initial training level, providing programming training for executives and general managers, and similar. In order to recruit personnel who can take charge of this area in the future, we are strengthening recruitment specializing in this area and building a Group-wide training system in collaboration with Group company Nissay Information Technology.



Global Internship



IT human resource training facility TREASURE SQUARE

### Development for Selected Employees

In order to promote voluntary initiatives aimed at increasing motivation for personal growth and self-development aimed for career development, we have implemented options such as providing in-house and external opportunities to learn new skills and setting up job application systems for employee career development. We work to strengthen human resources by enabling employees to acquire a wide range of knowledge and individual strengths from the various experiences as mentioned above.

### ● Support for Self-Development

We support the setting of "To-Be" (aspirational) goals through various career support tools, and our Talent Management System introduced in fiscal 2021 encourages an understanding of "As-Is" (current status).

To close the gap between "As-Is" and "To-Be," we support self-development by utilizing external online learning content and providing the in-house e-learning program, *Nissay After School Online (NASO)*.

### ● Support for Career Development

We share information with employees and support them through efforts such as establishing a Career Consultation Desk staffed by in-house career consultants with national qualifications and conducting job rank-specific career development training.

Moreover, we also provide opportunities for independent career development, such as job application systems and in-house internship training, and promote the proactive use of these programs.

Number of open posts in fiscal 2022	124
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### Encouraging Employment of Diverse Human Resources

To continue leveraging the diverse perspectives and individuality of each of our employees in our efforts to continue supporting customers and our entire society, we are proactively working toward reinforcing the development of women, senior, and other employees, and have been promoting a variety of human resources to thrive.

### ● Empowerment of Women

Nippon Life's workforce is made up of about 90% women, and we have positioned promoting women's empowerment as a management strategy to support the sustainable growth of the Company. We have set targets to raise the ratio of management positions filled by women to 30% in the 2020s and the ratio of women in positions equivalent to general manager to around 10% by the beginning of fiscal 2030. We are also making efforts to foster career ambitions and expand the base of female management candidates with the aim of having more women in these and other high-level positions.

### ● Empowerment of Seniors

We have also put in place systems and training so that motivated and capable employees can have successful careers at Nippon Life for a long time. In light of the retirement age being raised to 65 years old, we are also conducting various types of training to support systems for flexible work tailored to individual employment needs (such as making it possible to select areas to transfer to or a limited number of working days), self-guided career progression, and recurrent education.

Number of employees who participated in career development training in fiscal 2022*	627
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\* Training for employees past retirement age to reflect on their careers with the goal of lifelong active participation.

Initiatives that Contribute to the Strengthening of Human Capital

Fostering a Broad-Minded Culture [Strengthening the Organization]

Policy on Initiatives for Promoting the Fostering of a Broad-Minded Culture (Internal Environment Establishment Policy)

With the aim of promoting developmental initiatives based on our Human Resource Development Policy, we are working to foster a broad-minded culture attuned to individual opinions and which can support diverse personnels to thrive in various ways in accordance with our Diversity Promotion Policy.

- By acknowledging each other and growing together through an increased understanding of diversity, we will make progress toward creating an organizational culture in which employees can demonstrate their abilities to the fullest.
- We are striving to create more opportunities that encourage personal growth, as well as opportunities for communication in the workplace, in order that employees feel more motivated in their work and enjoy job satisfaction.
- We are making efforts to create more flexible work styles and improve work-life balance, promoting the establishment of systems and environments that support the working lives of employees.
- We are encouraging the promotion of physical and mental health through health and productivity management initiatives.

Promoting Diversity and Inclusion (D&I)

In accordance with our Diversity Promotion Policy\*, we are working to promote diversity and inclusion to bring about a synergistic effect, with the various efforts of diverse personnel as the driving force for change.

Diversity Promotion Policy

In order to fulfill our social mission to support customers over the long term, we are providing new value to society while flexibly responding to ongoing environmental changes, and are working to promote diversity with the aim of being a company that grows sustainably.

- We respect differences due to gender, age, nationality, whether or not a person has a disability, work style, values, sexual orientation/gender identity, and more, and strive to employ and develop diverse personnel.
- We make progress in creating an organizational culture that accepts and recognizes diverse viewpoints and individualism, encourages people to learn from and acknowledge one another, and which allows each individual to feel motivated and demonstrate their abilities to the fullest.

\*For details on the Diversity Promotion Policy and each initiative, please refer to the Diversity & Inclusion Action Book on the Nissay website.

<https://www.nissay.co.jp/kaisha/csr/jugyoin/#anc12> (Japanese only)



Support for Balancing Work with Other Life Commitments

We aim to support employees who have other commitments outside of work, such as child-raising or nursing care, or those who are undergoing medical treatment, so that they can develop their career while balancing these commitments with their work. To this end, we are working on raising awareness and aim to create workplaces where people accept one another.

With respect to balancing work with raising children, Nippon Life has been aiming for male employees to take 100% of their childcare leave since fiscal 2013. Since fiscal 2021, we have been promoting the full-scale operation of the "Male Childcare Leave +α" program, which includes having new fathers take leave within eight weeks of a child's birth and establishing childcare participation days on which employees can leave work earlier or work from home. This is done from the viewpoint of further understanding the working styles of men and women and enhancing support for child-rearing. We have also received Platinum Kurumin certification\* as a company that supports child-rearing.

As for balancing work with nursing care, in order for every employee to personally think about nursing care and act accordingly, we have been working on "Action by All Employees to Consider with Nursing Care" since

fiscal 2016. We are creating workplace environments that allow employees to balance nursing care with work, along with sharing information by providing handbooks and holding online seminars.

We are not only supporting employees balancing work with medical treatment organizationally, such as establishing a medical leave system aimed at focusing on recovery, but are also working on initiatives to share updated information with the parties concerned and workplaces, as well as deepen their understanding of balancing work with medical treatment, including holding online study seminars featuring the experiences of employees living with cancer.



Seminar for preparing employees to return to work from maternity and childcare leave (online)



Platinum Kurumin certification

\* Platinum Kurumin certification  
Recognition from the Minister of Health, Labour and Welfare of a company's commitment to supporting child-raising.

Promoting Opportunities for People with Disabilities

As a way of proactively employing people with disabilities, Nippon Life established the special subsidiary NISSAY NEW CREATION in 1993. This was the first subsidiary of its kind in the insurance industry. Further, we are making strides in increasing the employment of people with disabilities by establishing a "support partner" job category as a form of employment aimed at promoting the hiring of people with disabilities, and over 1,000 employees are thriving nationwide.

In addition, we are making efforts toward creating an organizational culture that is accepting of diversity through such means as holding seminars for deepening understanding of disability-related issues, making arrangements to watch para-sports events, and operating stores set up within Company buildings through NISSAY NEW CREATION.



NISSAY NEW CREATION



Watching a para-sports event

Becoming an LGBT Friendly Company

For customers, we are making improvements to processes to make it easier for customers to designate a same-sex partner as the beneficiary of death benefits in life insurance policies when they submit a Partnership Oath Certificate issued by a local government or similar document. Also, since January 2017, we have made it possible for policyholders to change their gender for an insurance policy after enrollment once they have changed their gender in the family register (koseki).

Nippon Life is also promoting initiatives aimed at encouraging understanding of the LGBT community as we work toward becoming an LGBT friendly company. These initiatives include raising awareness through participation in in-house and external seminars and events, as well as offering same-sex partners some of the same benefits as spouses in corporate benefit systems.



Rainbow Parade



PRIDE Index 2022 Gold

Creation of Opportunities for Communication

Communication between Employees and Management

Along with working to raise awareness and spread our corporate philosophy among younger employees, we hold *Mirai Meetings*, which are an opportunity for younger employees to exchange opinions with the president about once a month on topics that cross departmental boundaries. By holding these meetings, we aim to promote our Human Resource Value Enhancement Project.

We also provide unit-based *Mirai Meetings* for younger employees to exchange opinions with management in each unit on topics not limited to their job positions about 100 times a year. Approximately 800 employees have participated in total. Encouraging communication between employees and management also enhances engagement by increasing motivation and spreading our corporate philosophy.



Image from a Mirai Meeting held online



Group photo of a Unit-based Mirai Meeting held in person

Communication between Employees

The COVID-19 pandemic led to reduced opportunities for in-person gatherings of large groups and changes in work styles. In response to these changes, since fiscal 2021, we have been implementing *Communication 4*, an initiative for communication in small groups (groups of four people) for short periods of time (30 minutes) within departments, toward creating an organization that recognizes and values differences.

Moreover, we are creating opportunities for exchanges and collaboration that link together area administrative clerks across the country. We are also actively engaged in creating opportunities for multilateral communication across departments, both vertically and horizontally, as well as diagonally, with a total of approximately 400 people taking part. By doing so, we are promoting mutual understanding of diverse personnel and encouraging a sense of unity.

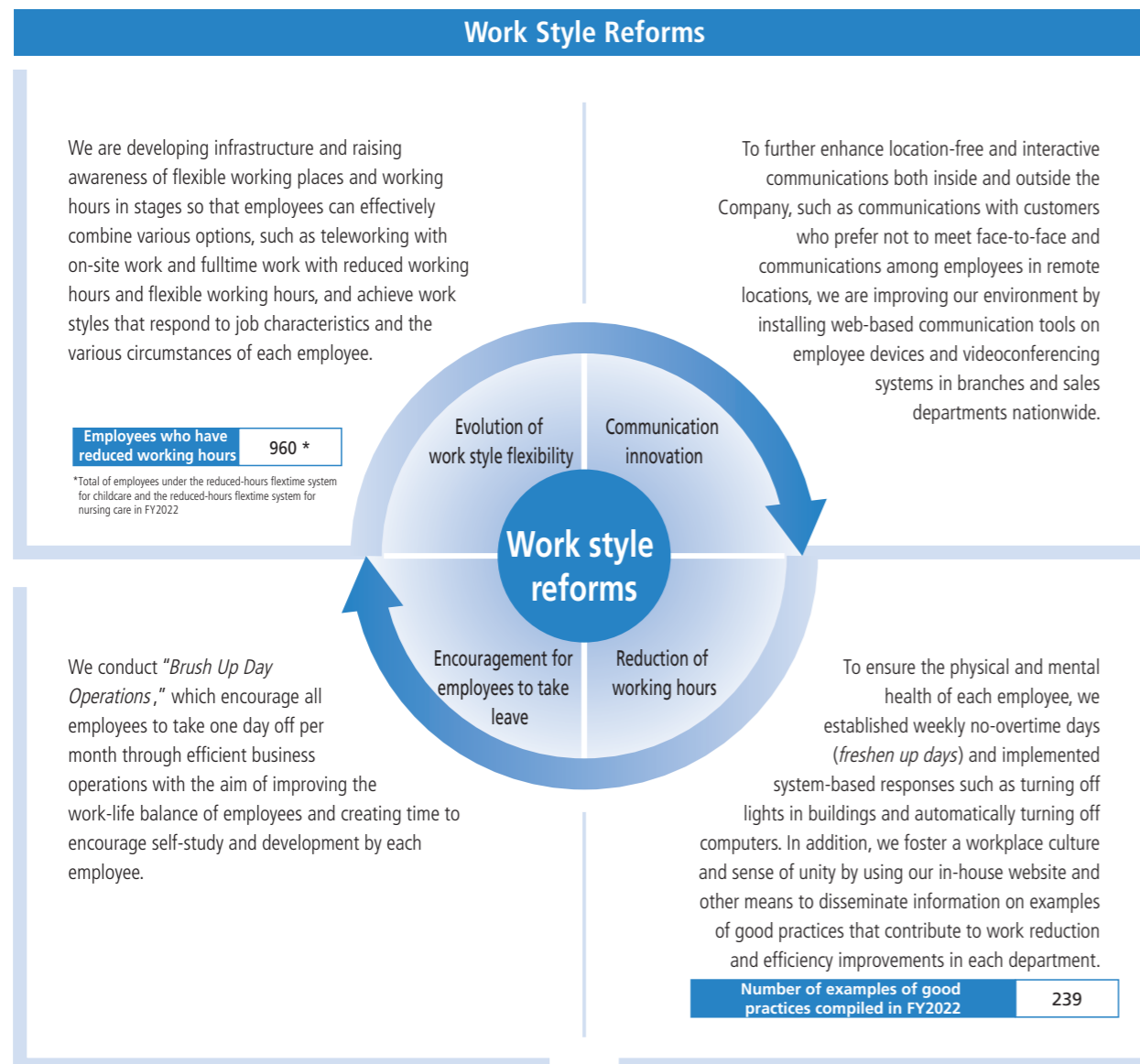


Image from a Communication 4 event



Nippon Life wins the Eighth Good Action Award presented by Rikunabi NEXT

## Initiatives that Contribute to the Strengthening of Human Capital



### NISSAY VOICE

#### Aiming to make our Company one where each individual employee has a sense of motivation in their work with high level of satisfaction

I am responsible for operating the "Human Resource Value Enhancement Project," which involves spreading the various initiatives conducted through that project among all employees.

I believe that getting management on board is important in ensuring that the project permeates widely throughout the Company. At Nippon Life, directors and general managers are "Big bosses," while deputy general managers are "Iku-bosses" (managers who support inclusivity and work-life balance). We have positioned a key person in each department to actively encourage human resource development and the fostering of a broad-minded culture, and through these key persons, we are actively sharing information with these "bosses" and supporting them in carrying out initiatives. We are also focusing on understanding the actual situation of employee engagement at Nippon Life through the Employee Engagement Survey, which allows us to visualize how each employee feels about the culture and environment at the Company and organization, how they are treated, and other factors as they undertake efforts day-to-day, and we conduct a detailed survey and analysis. We then proactively use the results of those surveys and analysis not only in confirming any changes in employee attitudes, but also when considering measures that will contribute to further improving employee engagement.

Going forward, we will continue to carry out multiple such initiatives and do our utmost to realize a company where all employees can work with a high level of engagement.



Human Resource Development Department  
Eriko Kihara

## Health and Productivity Management

Nippon Life promotes health initiatives based on the concept of "supporting the health of all people, including customers, society, executives, and employees." We have been working to position health promotion initiatives for all executives and employees, as well as work-life management, as part of *Kenko-Keiei*®, and are implementing health and productivity management activities.

\*\*Kenko-Keiei® is a registered trademark of Kenkokeiei Nonprofit Organization.



### Health and Productivity Management Vision

We formulated our "Health and Productivity Management Vision," which presents our basic stance on health and productivity management, and we are implementing activities based on this vision.

1. Enhance the "health literacy" of individual executives and employees
2. Develop the Company through the creation of comfortable workplace environments that encourage good health
3. Contribute to local communities and society by extending healthy life expectancy

### Main Initiatives for Promoting Health and Productivity Management

#### Establishing exercise habits

- We have been holding regular NISSAY WALK virtual events using a walking app. A total of approximately 12,000 employees participated in fiscal 2022.
- We are also implementing "Nissay+10 (plus ten)," a program that encourages participants to do an extra 10 minutes of daily exercise adapted to each person's physical strength and any health issues, and we are supporting the initiative for individuals and departments.

#### Mental health measures

- We are carrying out annual stress checks for all executives and employees with the goal of preventing mental health issues. We are also conducting training on the topic of self-care so that each individual will be able to understand stress and mental health, recognize stress in themselves, and deal with it appropriately.
- Feedback is provided to each department on the analysis results of the stress checks, and managers use this feedback to improve workplace environments and provide support to junior staff.
- We have established a helpdesk by which employees can undergo mental healthcare consultations when necessary, and are offering guidance on the helpline to all executives and employees.

#### Improving Health Literacy

- We are providing information on COVID-19 and health information on topics including appropriate eating habits, lifestyle improvements, and cancer prevention, as well as holding training to improve health literacy.

Participation rate of training for improving health literacy offered to all employees:  
Fiscal 2022: 95.6% (averaged over twice yearly training sessions)

- This has also led to specific actions by individuals; consequently, we have seen a decrease in the number of people requiring specific health guidance\*, improved cancer screening uptake rates, a reduction in smoking rates, and more.

\*Specialists (public health nurses, registered dietitians, etc.) offer support in making lifestyle changes for people with a high risk of developing lifestyle diseases based on the results of specific health screenings, and for whom significant preventative effects can be expected through lifestyle improvements

#### External Evaluation

Nippon Life was recognized as a 2023 Certified Health & Productivity Management Outstanding Organization ("White 500" enterprise in the large enterprise category), jointly implemented by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi, for the seventh consecutive year.



### Gathering and Utilizing Employee Feedback

#### Making Greater Use of the Employee Engagement Survey

At Nippon Life, we promote initiatives to incorporate employee feedback into management in order to further strengthen human capital.

As an example, through the Employee Engagement Survey distributed to employees every year, we endeavor to understand the actual situation of employee engagement with a particular focus on "satisfaction in one's work and working environment" and "motivation toward contributing proactively to the Company," factors that we believe are linked to strengthening the individual and the organization.

The results of the survey are shared with management, along with being disclosed and fed back to each unit and department. They are also factored in when considering various Company-wide measures and formulating initiatives for improving autonomous engagement in each unit and department.

We will endeavor to further improve employee engagement by accurately grasping the changing and diversifying needs of employees and incorporating them into improving organizational operation and various types of training and measures.

Engagement Survey Results Scores*	Satisfaction in one's work and working conditions	3.4
	Willingness to make independent contributions	4.0

\*The average of the values obtained by rating the above items on a 5-point scale

# Management that Respects the Human Rights of All People

## Human Rights Policy

The Company recognizes that respecting human rights is an issue that should be tackled as a priority in management, and is committed to management in which respect for human rights forms the foundation of all business activities. We have established a Human Rights Policy based on ISO 26000, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, and other standards to further allow us to fulfill our responsibility to respect human rights required of all businesses.

To ensure commitment to respecting human rights across

the Group, we shared our Human Rights Policy with our Group companies, and in March 2023, we established a Group Company Human Rights Policy with the aim of improving measures for human rights throughout the Group.

Based on these policies, we will continue working hard in future to fulfill our responsibility to respect the human rights of all stakeholders, thereby contributing to the realization of society with reassurance, security and sustainability.

### Human Rights Policy (Excerpt)

In accordance with the Fundamental Management Principles of Nippon Life established by Nippon Life Insurance Company ("Nippon Life" or the "Company"), the Company sets out the following policies in order to respect the human rights of all stakeholders affected by any of our business activities and contribute to the realization of society with reassurance, security and sustainability through the entire value chain.

We regularly review these policies and make appropriate changes when necessary. Further, the Company strives to raise the level of its measures related to respecting human rights based on these policies through collaboration with the Sustainability Committee and the Human Rights Training Promotion Committee, which are advisory bodies to the Management Committee.

- |                                    |                                                             |                               |
|------------------------------------|-------------------------------------------------------------|-------------------------------|
| 1. Respect for International Norms | 2. Respect for Human Rights through All Business Activities | 3. Human Rights Due Diligence |
| 4. Remedies and Corrective Action  | 5. Education and Awareness                                  | 6. Dialogue and Discussion    |
| 7. Information Disclosure          | 8. Group-wide implementation                                |                               |

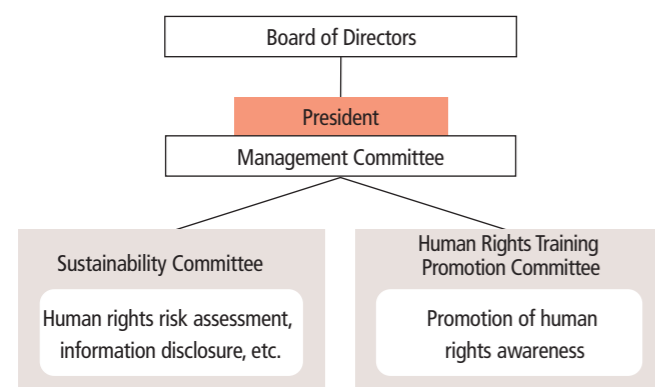
\*Established in 2017, revised in 2023

\*The full text of our Human Rights Policy is available on the Nissay website.

[https://www.nissay.co.jp/global/report/pdf/2022\\_Sustainability\\_Report.pdf#page=142](https://www.nissay.co.jp/global/report/pdf/2022_Sustainability_Report.pdf#page=142)

## Framework for Promoting Human Rights Awareness

We strive to enhance measures related to respecting human rights through collaboration with the Sustainability Committee and the Human Rights Training Promotion Committee, which are advisory bodies to the Management Committee. We also formulate annual action plans and set priority measures for promoting human rights awareness in order to increase awareness throughout the Group.



<Examples of initiatives for raising awareness of human rights>

- Implementation of human rights training at least once each year for all executives and employees
  - Training to promote understanding of business and human rights
  - Training on *Buraku Discrimination* and human rights, training on prevention of discrimination and harassment and other topics
- Training for new employees, managers, and various other job ranks
- Calls for human rights slogans

<Main items discussed and reported at the Committee meetings>

- [Sustainability Committee]
  - Revision of the Human Rights Policy
  - Strengthening of awareness-raising initiatives in the entire Group, etc.
- [Human Rights Training Promotion Committee]
  - Initiative themes related to raising awareness of human rights, etc.

## Human Rights Due Diligence

We carry out human rights due diligence in accordance with the United Nations Guiding Principles on Business and Human Rights. Human rights due diligence is an ongoing process to examine human rights issues that may arise in various situations in the course of corporate activities and prevent or mitigate negative impacts on human rights. We regularly carry out this process while also engaging in dialogue with external experts, holding internal interviews and discussions, and making use of risk assessment

evaluations and similar from other companies in the insurance and financial industries.

We also established the Approach to Collaboration with Business Partners to ensure that our business partners are included in our actions toward creating a reassured, secure, and sustainable society. Based on this approach, we regularly confirm the status of measures undertaken by contractors, including those concerned with respect for human rights.

### Examples of Potential Human Rights Risks in the Company's Business Model Including Business Partners

Stakeholders	Human Rights Issues	Examples of Risks	Measures
Employees	Power harassment, sexual harassment, maternity/paternity harassment, caregiver harassment	Risks leading to human rights violations through various forms of harassment toward employees	Further promotion of human rights awareness through education and awareness-raising activities for harassment prevention, as well as continuous anti-harassment messaging given by management
Customers	Human rights issues related to discrimination and gender Right to privacy Consumer right to safety and right to be informed	Risks leading to violating human rights of insurance policyholders when developing products, selling insurance, and completing various insurance procedures	Introduction of inclusive, accessible, and barrier-free access for insurance and services Further promotion of human rights awareness through education and awareness-raising activities in light of social trends and other relevant factors through dialogues with outside experts and others
Business Partners' Employees	Forced labor, human trafficking, child labor, underpayment or nonpayment of wages, industrial safety and health	Risks of being held responsible for human rights violations committed by business partners related to employee working conditions or other related factors	Implementation of questionnaire surveys to check the approaches and initiatives undertaken by contractors related to respecting human rights, working environments, and similar
Investees and Borrowers	Forced labor, human trafficking, child labor, underpayment or nonpayment of wages, industrial safety and health Rights of indigenous people and local residents Environmental and climate change-related human rights issues	Risks of being held responsible for human rights violations committed by investees and borrowers	Making investment and finance decisions that take ESG factors into consideration, including perspectives on respecting human rights, and encouraging dialogues with companies (stewardship activities) Strictly following the Equator Principles, including assessing applicable projects for human rights risks

### Remedy and Correction of Human Rights Violations (Complaint Settlement Procedure)

We have established an internal reporting desk, an external reporting desk (outside law firm), and a shared reporting desk for the Nippon Life Group, as well as a system for responding to various consultations and complaints, including those regarding human rights, from customers and other stakeholders through the Nissay call

center, the Nissay website, and other means.

If we become aware of any matters having a negative impact on human rights related to products or services offered by the Group, we will gather information on the issue, handle it appropriately, and work to remedy the situation.

Details on the call center, etc. [▶ P. 133](#)

## ERM

The Nippon Life Group formulates its management strategy based on Enterprise Risk Management (ERM). Under an ERM framework, all risks associated with the company's operations are identified in a comprehensive and systematic manner in order to achieve corporate targets. These risks are managed and controlled using

an integrated and strategic approach. The ultimate objectives of ERM are to consistently increase earnings over the long term and ensure financial soundness (for more information on Integrated Risk Management, please refer to p.28 of the Materials Section).

## Formulation of Management Strategies Based on ERM

We define our risk preferences in terms of how much capital we want to hold to support the business and how we want to assume risks to increase returns.

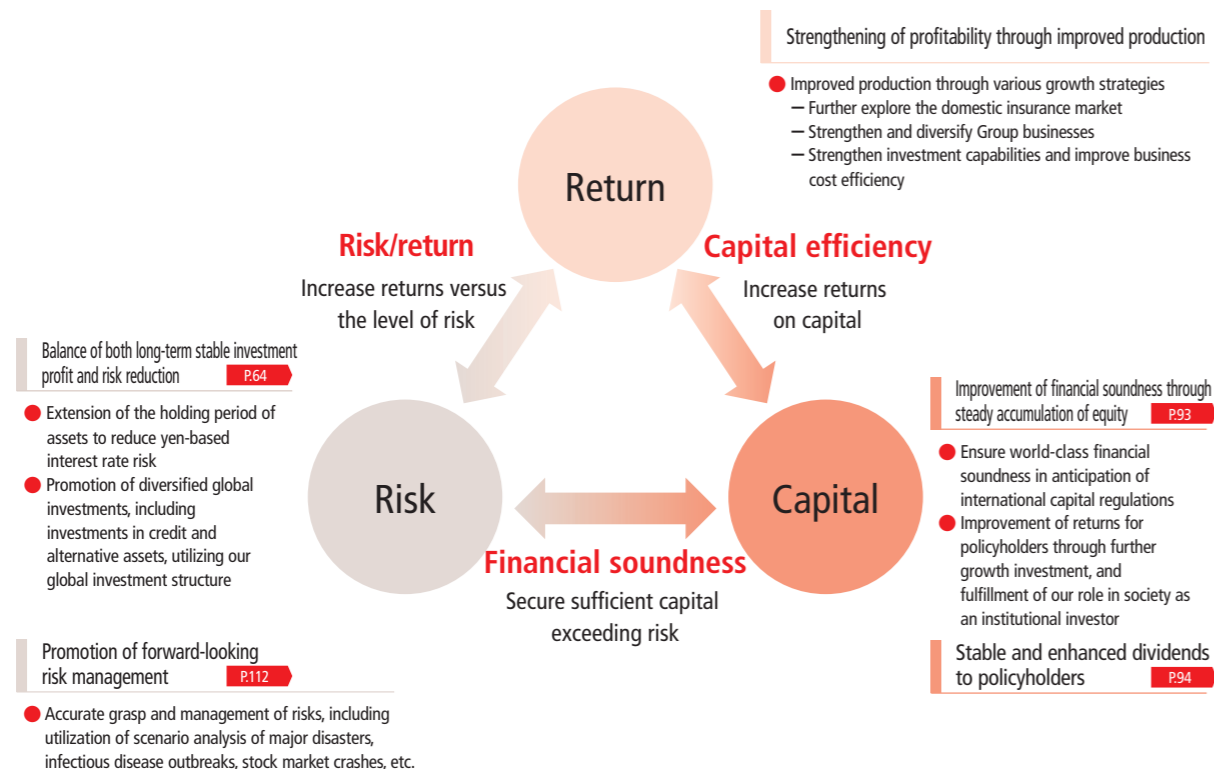
Under our basic policy on risk, which is to take on various types of risk within the amount of our capital, we have established our mid-term risk preferences based on the environment surrounding the life insurance industry, highlighted by historically low interest rates and mid- and long-term demographic changes. We formulate specific strategies that form our management plan in accordance with these risk preferences.

Specifically, our core mid-term risk preferences include: (1) provision of insurance products that match the diverse needs of customers and securing profitability through appropriate pricing; (2)

improvement in investment yield over the mid- and long-term while controlling investment risks; (3) ensuring Group earnings through business investment utilizing capital and other means; and (4) steady accumulation of equity, including external fundraising proceeds. By executing our plan based on these preferences, we aim to balance improving capital efficiency with ensuring soundness.

Also, with regard to capital efficiency and soundness, we take an economic value-based approach to making comprehensive management judgments.

Through the promotion of ERM measures, we supply a wide range of products and services and realize stable and substantial dividends to policyholders while striving to fulfill our long-term responsibilities to policyholders.



## Strengthening Equity

### Transition and Steady Strengthening of Equity

Equity is the sum of foundation funds (*kikin*) and reserves for redemption of foundation funds (*kikin*)<sup>\*1</sup> and reserve for a financial base<sup>\*2</sup>, which are included in net assets on the balance sheets, and the contingency reserve and reserve for price fluctuations plus subordinated debt, which are included in liabilities on the balance sheets.

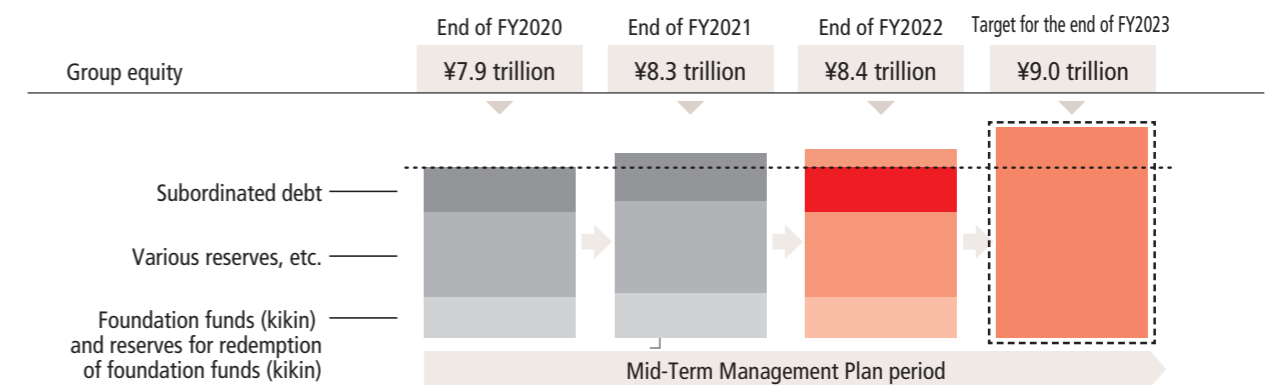
To date, we have been working to enhance equity by accumulating reserves using annual earnings and steadily strengthening our

foundation funds (*kikin*) and reserves for redemption of foundation funds (*kikin*) through the public offering of foundation funds (*kikin*), which are the core capital of a mutual company. In addition, we have been diversifying our funding sources by financing through subordinated bonds since fiscal 2012. Under the Mid-Term Management Plan, we are targeting a Group equity of ¥9.0 trillion by the end of fiscal 2023, and we plan to continue strengthening equity to reach this target.

### Objectives of Strengthening Equity

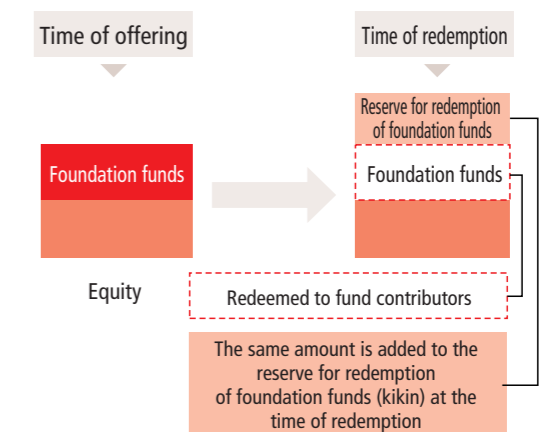
- Ensure world-class financial soundness
- Enhance policyholder interests through investments to achieve further growth
- Fulfill social roles as an institutional investor

\*1 Share capital, etc. at subsidiaries and affiliates within the scope of consolidation that are classified as joint-stock companies.  
\*2 Voluntary reserve funds to provide for the expansion of various risks, including increased payments due to large-scale disasters, infectious diseases, and similar, sudden market fluctuations, and risks associated with new business investments.



### Foundation Funds (*Kikin*)

Foundation funds (*kikin*) can be sold by mutual companies as a method of procuring funds permitted under the Insurance Business Act. They function in an analogous way to the equity capital of a joint-stock company. They take a form similar to a loan, with interest payments and redemption date set at the time of offering, however repayment of principal and interest in the event of bankruptcy or other such event has a lower priority than repayment of obligations to other general creditors or payment of insurance proceeds to customers. Moreover, at the time of redemption, a reserve for redemption of foundation funds (*kikin*) equal to the amount of the fund (*kikin*) to be redeemed is required to be set aside as retained earnings to ensure that the same amount of equity is available.



### Subordinated Bonds

Subordinated bonds are unsecured debt that, in the event that the issuer goes bankrupt, can only be repaid after ordinary debt holders have been repaid and insurance payments to customers have been paid.

These characteristics make this type of debt similar to equity. As a result, life insurers are permitted to incorporate subordinated debt into the calculation of their solvency margins to some degree.



### Fiscal 2023 Policyholder Dividends Based on Results for Fiscal 2022

Nippon Life aims to maximize profits for policyholders over the long term, and strives to make secure payments of policy claims and benefits along with stable annual policyholder dividends each year.

For the settlement of fiscal year ended March 31, 2023, the risk profit margin was substantially decreased due to the increase

in benefit payments related to COVID-19, and the yield on the investment balance decreased. However, from the perspective of stable dividends, risk profit dividends and the interest margin dividend remained stable.

### Policyholder Dividend Payout Ratio (Fiscal Year Ended March 31, 2023)

The policyholder dividend payout ratio equals the reserve for policyholder dividends (including the equalized reserve for dividends to policyholders) divided by adjusted net surplus (in the case of a reversal, the reversal amount is deductible).

Adjusted net surplus equals net surplus plus any excess of reserves such as contingency reserves, and is surplus which can be practically appropriated after considering laws and regulations, etc.

$$\frac{\text{Reserve for policyholder dividends, etc.}}{\text{Adjusted net surplus}} = 73\%$$

● Fiscal 2022

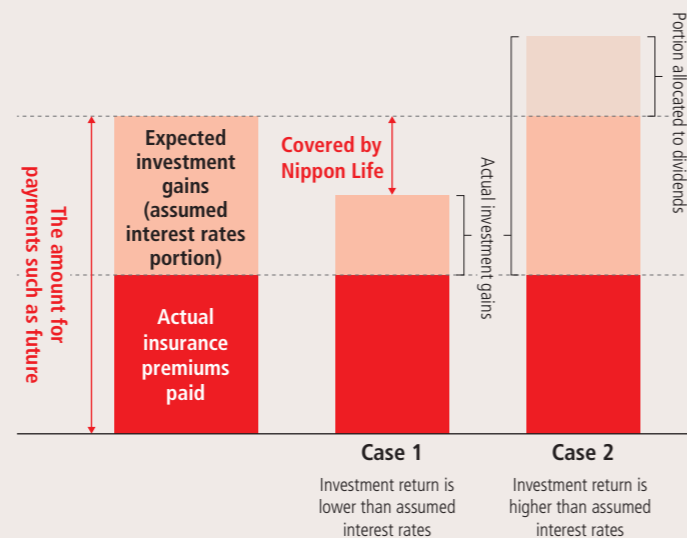
### Policyholder Dividends in Mutual Companies

Life insurance premiums are generally calculated based upon expected rates, including rates of interest and mortality. However, because life insurance contracts are long-term agreements, conditions such as actual investment yields and death rates may differ from expectations due to changes in the economic environment, increasing management efficiency, or other factors. Life insurance contracts can be broadly classified into two categories, namely "participating insurance," where dividend payments are distributed, and "non-participating insurance," where no dividend payments are distributed. In the event that a surplus is generated by the difference between expected rates and actual conditions in participating insurance, the increase is deemed to be distributable to policyholders (excluding non-participating insurance policyholders) based on policy terms as policyholder dividends. In fact, policyholder dividends could be classified, by nature, as the post-settlement of insurance premiums that were originally calculated based upon expected rates.

Nippon Life employs a mutual company format in which all policyholders (excluding non-participating insurance policyholders) are counted as members of the Company. In addition to the accumulation of equity, the majority of the surplus is returned to policyholders as participating policyholder dividends.

● Dividend Framework

The chart on the right shows the framework for dividends based on assumed rates. Insurance premiums are calculated with investment gains based on assumed rates already discounted. Even if actual investment profits are lower than expected, as in Case (1), Nippon Life guarantees that the discount on insurance premiums will stay the same.



Please see the Policy Details Reminder (p. 60) sent out each year to each customer on individual customer dividends.

### Life Insurance Framework

### Life Insurance is Mutual Aid

Life insurance is a framework of mutual aid in which a large number of people pitch in money little by little, and create a large, common reserve of assets. In the event that something happens to one of their companions, a lump sum from that amount is paid out, and everyone helps each other economically. In other words, mutual aid, in which one person does something for ten thousand people and ten thousand people do something for one person, is the philosophy of life insurance.

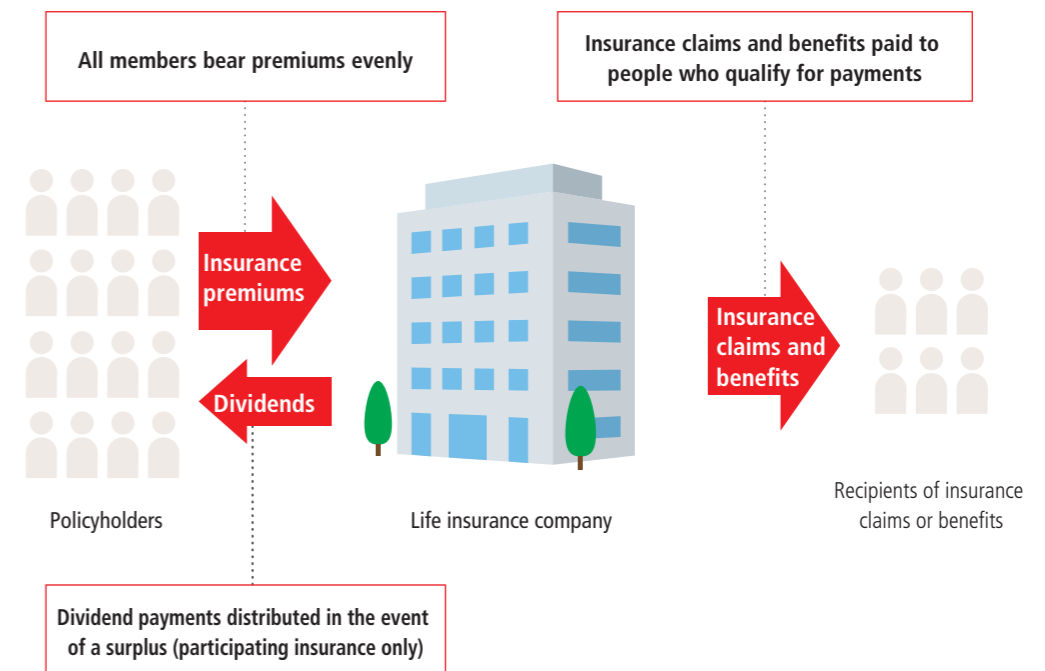
There are many kinds of risks in modern life. We never know when something such as illness, injury, or death will happen or to whom. When such risks materialize, significant amounts of money may be required, including for hospital or treatment fees, family living expenses or expenses for child development.

Life insurance amasses a large amount of money to address the various unpredictable risks of life that could become a reality.

Life insurance can also be used as a means of preparing money needed in the future for one's family or themselves.

In this way, life insurance is a framework based on the philosophy of mutual aid, and the life insurance business is a highly public business that supports lifestyles.

### Life Insurance Framework



# Corporate Governance

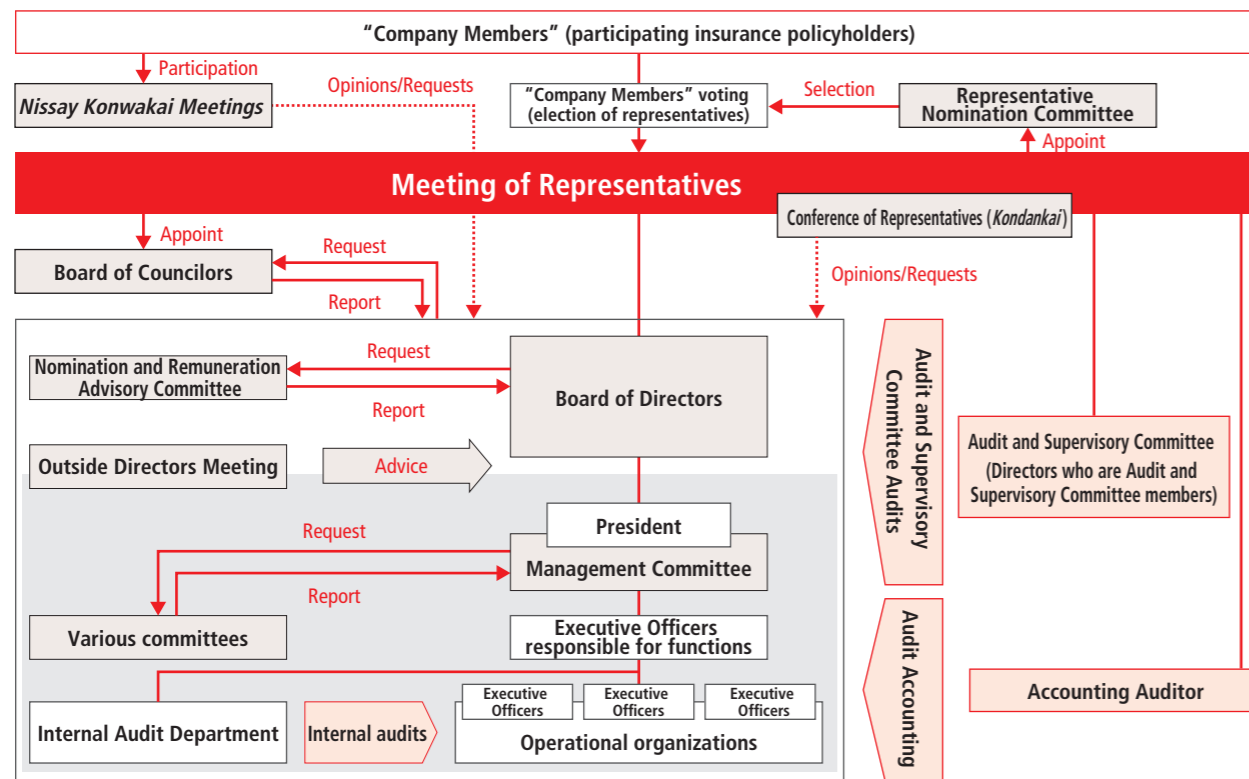
## Mutual Company Operations and Corporate Governance System

A mutual company is a corporate structure based on the concept of mutual aid where policyholders help each other. Policyholders become "Company Members" of a mutual company when they purchase participating insurance policies, for which dividends are paid out.

Nippon Life is constantly working to establish and further develop

the corporate governance system which ensures appropriate management and fosters greater transparency, in order to continue to uphold its responsibilities to policyholders over the long term as a life insurance company, while operating through a mutual company framework that reflects the views of all "Company Members."

[Mutual Company Operations and Corporate Governance System]

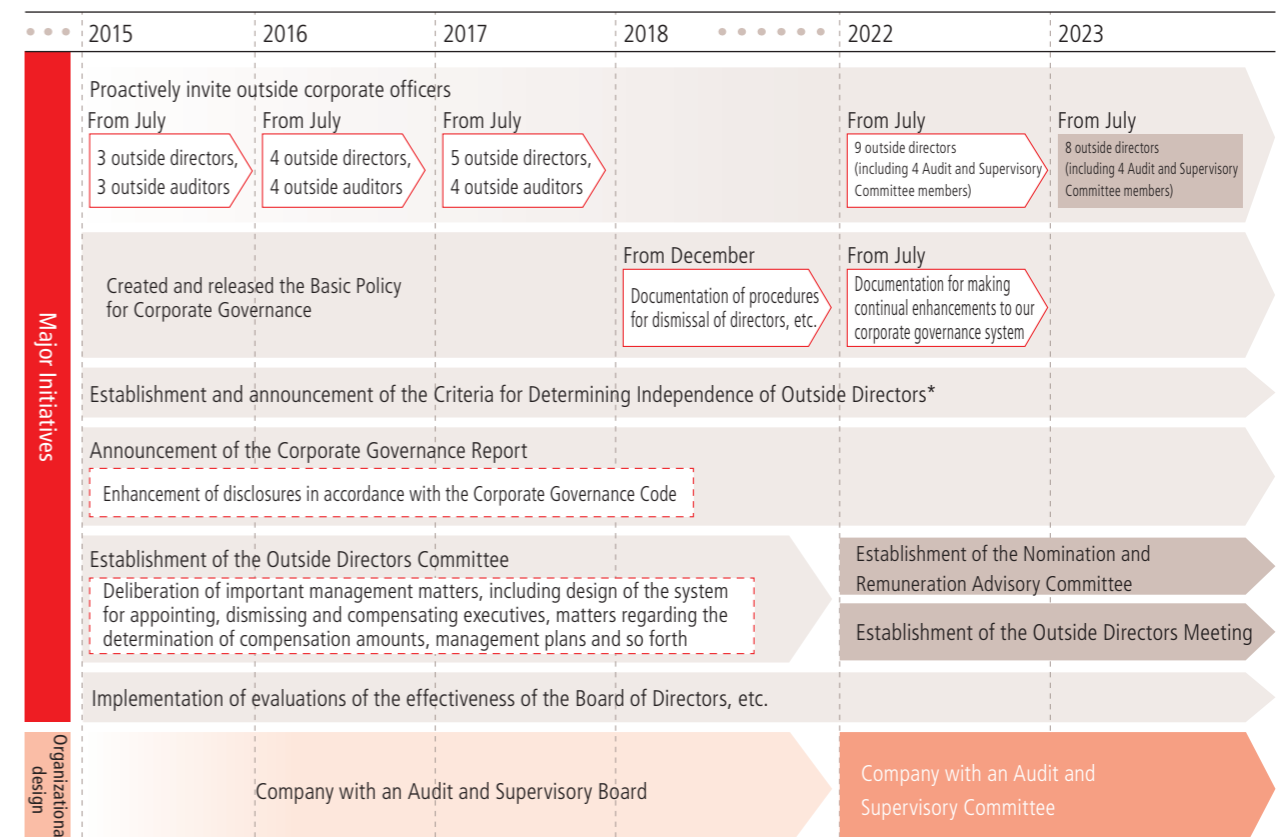


## Past Initiatives for Reforming and Strengthening Corporate Governance

To continue to uphold our responsibilities to policyholders over the long term as a life insurance company, and to realize sustained growth for Nippon Life Group as a whole, we have taken steps to enhance our corporate governance system through various initiatives, including proactively inviting outside corporate officers into our company, establishing a committee centered on Outside Directors,

creating the Basic Policy for Corporate Governance, and transitioning into a Company with an Audit and Supervisory Committee.

To uphold our responsibilities to policyholders over the long term, we will continue our efforts to enhance our corporate governance system.



\*This was called the "Criteria for Determining Independence of Outside Corporate Officers" prior to transitioning to a Company with an Audit and Supervisory Committee in July 2022.

### What is a Mutual Company?

A life insurance company is established as either a joint-stock company or a mutual company as stipulated by the Insurance Business Act. A mutual company is a form of company recognized only in the insurance industry. Based on the concept of mutual aid, it is an incorporated body in which participating insurance policyholders are enrolled in insurance policies and at the same time become "Company Members." Nippon Life has been formed as a mutual company.

Nippon Life decided to form as a mutual company for the following two practical reasons:

- The framework for distributing surplus as a mutual company (through the payment of a major portion of surplus from business operations as dividends to participating insurance policyholders, without the need to consider shareholder dividends in joint-stock companies) corresponds with Nippon Life's belief that policyholder interests come first and should be maximized.
- Life insurance companies have a responsibility to preserve long-term financial soundness and generate a consistent surplus in order to meet obligations for paying claims and benefits to policyholders. We believe that the mutual company structure is best suited to maintaining the long-term stability of business operations.

Mutual companies are often compared with joint-stock companies with respect to the flexibility of fund procurement. For flexibility of fund procurement, by making continuous use of the public securitization of foundation funds (*kikin*) and other fund procurement schemes, as of March 31, 2023, Nippon Life had total foundation funds (*kikin*) (sum of foundation funds [*kikin*] and reserve for redemption of foundation funds [*kikin*]) of ¥1.45 trillion.

For transparency, we are taking steps to improve our corporate governance to make management more transparent and enhancing public access to information about our operations through financial briefings and using the Nissay website.

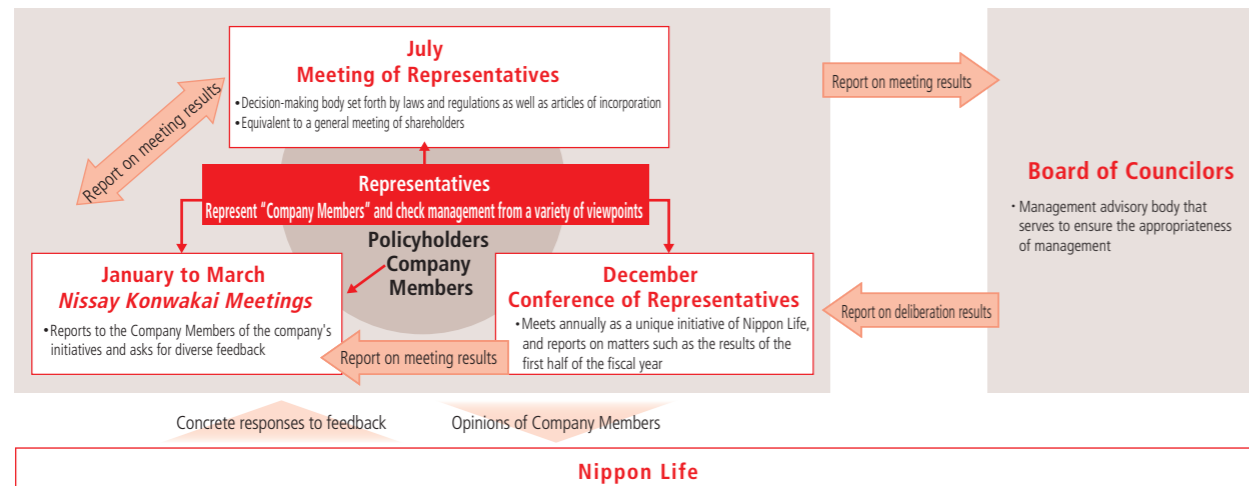
### Primary Differences between a Mutual Company and a Joint-Stock Company in the Insurance Business

Mutual company		Joint-stock company	
Insurance Business Act	Laws governing the insurance industry	Companies Act	
Non-profit/non-charitable intermediate corporate body	Characteristics	Profit-making incorporated association	
Company Members <small>Note: Participating insurance policyholders become Company Members as they enroll in insurance policies</small>	Membership	Shareholders <small>Note: Become shareholders through the acquisition of stock</small>	
General Meeting of Company Members (Meeting of Representatives)	Decision-making body	General meeting of shareholders	
<p>Surplus Implemented based on a resolution to appropriate surplus at a General Meeting of Members (Meeting of Representatives) Payout of dividends to Members ⇒ To Company Members</p>	Image of dividend distribution  <small>Note: This diagram is only meant to explain the dividend distribution system and is not intended to explain amounts of money or advantages and disadvantages.</small>	<p>Surplus Recorded in the provision for policyholder dividends in the statements of income based on a resolution at a Board of Directors meeting Distribution of dividends to policyholders ⇒ To participating insurance policyholders</p> <p>Surplus Implemented based on a resolution to distribute the surplus at a general shareholders' meeting Dividends distributed to shareholders ⇒ To shareholders</p>	


## Mutual Company Management

As a step to prioritize and maximize profits for “Company Members” (participating insurance policyholders) as a mutual company, Nippon Life incorporates the “Management Based on the Voice of Company Members” through the Meeting of Representatives, the Conference of Representatives (*Kondankai*), the *Nissay Konwakai Meetings* and other initiatives.

[Management Based on the Voice of Company Members through the Mutual Company Framework]




## Meeting of Representatives

Item	Content	
Concept/Participants	Established as an alternative to a general meeting of shareholders at a joint-stock company, the Meeting of Representatives comprises 200 Company Members elected to act as representatives. In addition to deliberating and passing resolutions on important management issues, such as those for amending the Articles of Incorporation, approving proposals for the distribution of surplus, and nominating directors, the Meeting of Representatives listens to a wide range of opinions and requests. <b>Representative Selection Method, etc.</b> ▶ P. 122	
Status of Meetings Held Recently	Dates Held	The 76th Meeting of Representatives was held on July 4, 2023
	Main Topics	Fiscal 2022 financial results, initiatives for management issues, items under Board of Councilors consultation, results of <i>Nissay Konwakai Meetings</i> , etc.
	Main Opinions	<ul style="list-style-type: none"> <li>Future response policy based on national government target of “women occupying at least 30% of executive positions”</li> <li>Development of sales representatives with a view to improving retention rate and strengthening consulting capability</li> <li>Usage status of artificial intelligence (AI) and future use</li> <li>Products and activities concerning marriage, childbirth, and childrearing and associated support for employees</li> <li>Regional revitalization through the likes of collaborative agreements with local governments and sports, etc.</li> </ul> <p>Note: Videos and minutes of the proceedings from the 76th Meeting of Representatives can be found on the Nissay website on the right.</p>  <p><a href="https://www.nissay.co.jp/kaisha/annai/sogo/sodaikai">https://www.nissay.co.jp/kaisha/annai/sogo/sodaikai</a> (Japanese only)</p>


### Attendance System for the Meeting of Representatives

Company Members can observe the Meeting of Representatives. Information on observer requirements and how to apply for admission is available on the Nissay website and on posters displayed at our branches every May and June.

## Conference of Representatives

Item	Content	
Concept/Participants	The Conference of Representatives ( <i>Kondankai</i> ) has been held every year since 1962 as a unique Nippon Life initiative to further enhance checks over management by representatives, who attend and discuss a broad range of opinions and requests.	
Status of Meetings Held Recently	Dates Held	Held on December 2, 2022
	Main Topics	Results for first half of fiscal 2022, initiatives for management issues (COVID-19 response, strengthening human capital, etc.)
	Main Opinions	<ul style="list-style-type: none"> <li>Sales representative education and workstyle reform during COVID-19</li> <li>Asset management policy in consideration of geopolitical risks and progressing inflation, etc.</li> <li>Efforts toward sustainability management such as regional contribution and environmental preservations, etc.</li> </ul> <p>Note: Videos and minutes of the proceedings from the fiscal 2022 Conference of Representatives can be found on the Nissay website on the right.</p>  <p><a href="https://www.nissay.co.jp/kaisha/annai/sogo/sodaikai">https://www.nissay.co.jp/kaisha/annai/sogo/sodaikai</a> (Japanese only)</p>

## Nissay Konwakai Meetings

Item	Content	
Concept/Participants	Held every year since 1975, these meetings provide opportunities for Nippon Life to explain its business activities to policyholders throughout Japan, and to hear opinions and requests on overall management, products, services, etc. from them. The main opinions and requests that we receive and our responses regarding them are reported to the Meeting of Representatives and the Board of Councilors. The participants include several representatives and executives, and we continue to work to improve ties among the <i>Nissay Konwakai Meetings</i> , the Meeting of Representatives and the Conference of Representatives ( <i>Kondankai</i> ).	
Status of Meetings Held Recently	Dates Held	Fiscal 2022 meetings were held at branches nationwide from January through March 2023.
	Main Topics	Results for first half of fiscal year 2022, improvement efforts based on customer opinions, etc.
	Main Opinions/Requests/Nippon Life Response	<p><u>Main opinions and requests received at the <i>Nissay Konwakai Meetings</i> for fiscal year 2022</u></p> <ul style="list-style-type: none"> <li>Sales representative activities and training</li> <li>Products and services for young and elderly people</li> <li>Payments due to COVID-19, etc.</li> </ul> <p>Note: Please see the results, main opinions/requests and responses from the fiscal 2022 <i>Nissay Konwakai Meetings</i> on the Nissay website to the right.</p>  <p><a href="https://www.nissay.co.jp/kaisha/annai/sogo/konwakai">https://www.nissay.co.jp/kaisha/annai/sogo/konwakai</a> (Japanese only)</p> <p>Note that among the 6,277 opinions and requests from the fiscal 2021 <i>Nissay Konwakai Meetings</i>, of the approximately 866 items to be addressed (which exclude high ratings and simple questions), 499 [58%] have already been addressed, and 266 [31%] are receiving mid- and long-term deliberation.</p> <p>Note: Figures included inside [] are the percentage of opinions indicating that a response is needed.</p>

## Board of Councilors

Item	Content	
Concept/Participants	The Board of Councilors is a management advisory body that serves to ensure the appropriateness of management. Councilors are elected at the Meeting of Representatives from among “Company Members” and academic experts. Councilors give opinions on advisory matters and important management issues and deliberate on opinions of “Company Members” regarding corporate management.	
Status of Meetings Held Recently	Dates Held	May 25, 2022, Nov 24, 2022, and Mar 2, 2023
	Main Topics	Financial results, initiatives for management issues (“Mid-Term Management Plan” progress status, fiscal year 2023 priority measures, etc.)
	Main Opinions	<ul style="list-style-type: none"> <li>Impact of and response to COVID-19</li> <li>Response to various risks based on environmental changes, etc.</li> <li>Policies on current and future initiatives for global business, etc.</li> </ul>

### NISSAY VOICE

#### Eager to contribute to management as a mutual company based on customer opinions

In the Public Affairs Department, we plan and operate the Meeting of Representatives, the Conference of Representatives, the *Nissay Konwakai Meetings*, and the Board of Councilors meetings as aspects of mutual company governance.

My part in that is to plan the annual *Nissay Konwakai Meetings* held at branches across Japan and provide operational support to various branches. These meetings offer an opportunity to explain our business activities to policyholders all around Japan and listen to their opinions and requests about our general management, products, and services, etc. Representatives also participate in these meetings to fulfill the role of bridging us with policyholders from local region. Considering these features, we position these meetings as being unique to mutual companies. One might say that these meetings are something like a Meeting of Representatives on a local level.

I will continue to try various measures to invigorate the *Nissay Konwakai Meetings* on a much higher level, in order to obtain more opinions and requests from a wider range of customers, taking into account opinions and feedback from past participants, including policyholders around Japan, representatives, host branches, and executives who have participated.



Public Affairs Dept.  
Tatsuya Osaka



## Director

## Tetsuro Tomita

## Profile

Oct. 10, 1951 Born

- Jun. 2008 Executive Vice President and Representative Director and Director General of Lifestyle Business Development Headquarters, East Japan Railway Company
- Jun. 2009 Executive Vice President and Representative Director and Director General of Corporate Planning Headquarters, East Japan Railway Company
- Apr. 2012 President and Representative Director and Director General of Corporate Planning Headquarters, East Japan Railway Company
- Jun. 2012 President and Representative Director, East Japan Railway Company
- Apr. 2018 Chairman and Director, East Japan Railway Company (present)
- Jul. 2020 Director, Nippon Life Insurance Company (present)

## Director (Audit and Supervisory Committee Member)

## Ryoji Sato

## Profile

Dec. 7, 1946 Born

- Feb. 1975 Certified public accountant (present)
- Jun. 2007 Chief Executive Officer, Deloitte Touche Tohmatsu
- Jul. 2009 Chief Executive Officer, Deloitte Touche Tohmatsu LLC
- Nov. 2010 Senior Advisor, Deloitte Touche Tohmatsu LLC
- Jul. 2016 Audit and Supervisory Board Member, Nippon Life Insurance Company
- Jul. 2022 Director (Audit and Supervisory Committee Member), Nippon Life Insurance Company (present)

**Q1** “Sustainability management” has been positioned as a foundation for business operation in our Mid-Term Management Plan. What is your view on the roles that Nippon Life should fulfill in order to help realize a sustainable society as we look to further promote sustainability management?

**A** Meeting customer expectations comes first and foremost. I really hope that Nippon Life leverages the advantages afforded to it by its nationwide network to also promote the revitalization of local communities.

**Sato:** I believe that Nippon Life has two roles: those of a life insurance company and an institutional investor. Taking environmental issues as an example, as a life insurance company, Nippon Life must further endeavor to switch company vehicles to EVs, promote power-saving and paperless operations, and similar. Meanwhile, I think that as an institutional investor, Nippon Life plays a key role in making recommendations to promote decarbonization and other initiatives through dialogues with investee and borrower companies.

**Tomita:** Firstly, I think that in its role as a life insurance company, it is important for Nippon Life to maintain a dynamic management, and meet customer expectations. In particular, amid a difficult environment characterized by lower birthrates and prolonged low interest rates, the question of how Nippon Life should fulfill its mission as a life insurance company is a crucial one.

For that reason, Nippon Life must not overlook the trust it has built with customers throughout its long history. Nippon Life is supported by sales representatives who work closely with each individual customer to support them over their lives. I think that it is therefore crucial to introduce initiatives for further updating and enhancing activities centered on face-to-face interactions between customers and sales representatives. At the same time, it is also important to have even deeper discussions on what customers are looking for in order to create products adapted to the changing times. My hope is that Nippon Life can do its part for Japan’s future, and in particular, for inspiring hope in younger generations, including those raising children.

Next, in respect of Nippon Life’s role as an institutional investor, as one of Japan’s largest institutional investors, I would very much like to see the Company carry out discussions from the viewpoint of what is required for Japan’s society and economy to become sustainable while looking at the bigger picture.

**Sato:** I think that Nippon Life’s efforts to revitalize local communities through collaborations with local governments across all 47 of Japan’s prefectures are a positive step forward. I hope the company will take the lead on further revitalization efforts in future. While some local communities are undergoing revitalization efforts, regional revitalization is an extremely difficult issue on a national scale. Along with local regional governments, it is vital that

infrastructure companies and financial institutions such as banks and life insurance companies are at the heart of efforts to revitalize local communities. In particular, given Nippon Life’s expansive network across Japan, I would very much like to see it take advantage of that network while promoting such efforts.

**Tomita:** I’m in complete agreement. I think that it is incredibly important that Nippon Life leverages the enthusiasm and vitality of its employees not only in revitalizing local communities, but also in helping to realize a sustainable society.

**Q2** “Customer-oriented business operations” have also been positioned as one of the foundations of our business operations in our Mid-Term Management Plan. What do you think is important toward further promoting customer-oriented business operations?

**A** Promoting corporate management that makes use of the ingenuity of the employees is what will result in customer-oriented business operations.

**Tomita:** I believe that a positive starting point for Japanese corporate management is approaching management with “people” as its focus. The term “people” embodies a number of concepts. It comprises customers, employees, business partners, and all other stakeholders involved in corporate activities. I believe that it is precisely for that reason that when promoting customer-oriented business operations, it is crucial not only to invest in “people” in the form of increasing wages, but to also further draw out, expand, and make use of their abilities, as well as broaden the field of employee activities, thereby boosting employee engagement.

In my view, promoting a corporate management approach that makes use of the ingenuity of its employees will ultimately result in customer-oriented business operations and services.

**Sato:** A very distinctive characteristic of life insurance is that its products are long-term. From a customer-oriented perspective, consulting is likely to play an increasingly important role.

To me, providing consulting with the customer’s interests first and foremost in mind, as well as offering careful follow-up care and fulfilling our responsibilities to policyholders, are the core of customer-oriented business operations.



**Q3** What do you feel Nippon Life should focus on going forward in our efforts to achieve further growth through value creation? What issues do you think we will face when trying to achieve that?

**A** Bringing forth products and services that address social issues, such as needs associated with asset formation, will lead to the creation of new value. In addition, as one of Japan's largest institutional investors, it is crucial for Nippon Life to engage in dialogues that encourage long-term value creation by corporations.

**Sato:** While inspecting branches and sales offices last fiscal year, I heard from sales representatives on-site that worksite sales activities had been particularly difficult during the COVID-19 pandemic. As a result, I was once again made aware of the importance of worksite sales activities in the sales representative channel. As we leave the pandemic behind us, I would like Nippon Life to further elevate the level of its sales activities both qualitatively and quantitatively, and by doing so, endeavor to grow as a company while providing value to customers.

Additionally, from the viewpoint of asset management, the most important thing is for Nippon Life to manage assets with a long-term perspective in order to fulfill its responsibilities to policyholders. Not having to emphasize short-term interests is an advantage in asset management. I hope that Nippon Life will leverage that advantage in its asset management endeavors.

**Tomita:** My view is that engagement, that is, carefully holding dialogues with investee and borrower companies on the importance of encouraging investment and finance aimed at DX and GX, as well as management that values "people," will be extremely important for Nippon Life, as one of Japan's largest institutional investors, in order to revitalize Japan's society and economy and impart it with vitality and the capacity for growth.

Further, I also feel that Japanese companies have tended to seek out profit from a short-term perspective up to present. In my opinion, Nippon Life is playing an increasingly large role in efforts to overcome this situation and independently create a new type of corporate governance for realizing the long-term growth of companies, as well as encouraging that kind of corporate management.

**Sato:** Life insurance is not only coverage for use in an emergency. In a social environment where individuals must properly undertake asset formation to prepare for the future, life insurance is a useful step in the asset formation process. From this kind of viewpoint, too, I imagine that strengthening consulting services for customers will also lead to value creation by Nippon Life.

**Tomita:** Additionally, I am wondering the feasibility of creating networks from among Nippon Life's 14.8 million or so customers. Given the increasing number of nuclear families and single households in Japan, my guess is that there is no shortage of people, from those raising children to elderly persons, who feel lonely in their day-to-day lives. I often think that focusing on building networks among such individuals and contributing to people's happiness would constitute a new form of value creation by Nippon Life.

**Q4** In further promoting the strengthening of human capital, what kind of initiatives do you think will be necessary in areas such as securing and developing human resources?

**A** Strengthening human capital is the foundation of corporate management. Along with enhancing corporate value through improved work satisfaction, developing human resources in specialized areas such as DX is also important.

**Tomita:** Strengthening human capital is a core topic in corporate management. This can be examined from perspectives that look both inwardly and outwardly.

Firstly, an example of an inward-looking perspective would be something I mentioned earlier; that is, management that values "people." In order to make use of employees' day to day opinions in management decisions, a combination of top-down and bottom-up approaches will be necessary for management in order to overcome the limitations of using a purely top-down management approach. To that end, I feel that it is important to offer employees opportunities to wear several hats, reassignments through open recruitment, etc., that broaden their work duties and experience, as

well as draw out, expand, and make use of their abilities. In addition, efforts to promote employment to fill specific job posts and disseminate work styles with no fixed location or time, such as flexible working hours and teleworking, are also important.

Next, an outward-looking perspective would be collaboration with other industries. In the era of DX in particular, I believe that the utilization of digital technologies will significantly broaden the range of products and value that can be offered by Nippon Life. As an example, sales representatives are already utilizing digital tools to deepen their relationships with customers. If this is expanded, a variety of databases could be built that would allow the Company to see what customers were looking for, which would in turn give rise to an expansion of efforts to create new products to satisfy those needs. For that purpose, DX personnels are needed, and it is crucial that Nippon Life looks to collaborate with startups and other external parties, as well as in-house. I believe that increased collaboration with other industries will end up doubling the capacity of employees working at Nippon Life.

**Sato:** That's right. I believe in the importance of recruiting and nurturing individuals while being mindful of encouraging diversity and specialism.

I also agree that improving employee work satisfaction is a major topic. The growth of the individuals leads to the growth of the company, connecting to the contribution to society. To help achieve that, it is important that employees work on self improvement of their own volition, and I think that a company's corporate philosophy and purpose are also effective tools in spreading that approach.

Nippon Life also has a wonderful set of Fundamental Management Principles, so it is important to connect those principles to improving engagement, enhancing corporate value, and contributing to society.

**Q5** Could you share any things you have realized or challenges you have perceived from your position as an Outside Director with respect to the corporate governance system at Nippon Life?

**A** Mutual companies serve as an example of corporate governance in that they position customers first among stakeholders. As Outside Directors, in addition to overseeing business execution by the management team, we hope to support management in its efforts to achieve growth investment while taking appropriate risks.

**Sato:** Since the life insurance business provides coverage over the long term, a mutual company configuration seems most appropriate. Mutual companies are considered to be so-called "stakeholder-based" entities that are managed while a variety of interests is coordinated. This is my eighth year serving as an Outside Officer, and

I notice the discussions that take place at Meetings of Representatives are very open and lively. Governance can be said to be effective, as representatives are elected through a fair and transparent process. Further, I feel that thanks to Nippon Life transitioning to a Company with an Audit and Supervisory Committee last year, the Company has oriented toward a clearer division between supervisory and executive functions, which has resulted in a more evolved style of governance. In my opinion, the roles of Outside Directors are to oversee the execution of business by the management team, in addition to providing support to the management team in its efforts to conduct growth investment while taking appropriate risks.

**Tomita:** I agree. In my case, this is my fourth year since being appointed an Outside Officer, and my impression is that governance at Nippon Life is working very effectively. At joint-stock companies, some shareholders are also activist shareholders, which I imagine can make it difficult to strike a balance in carrying out governance effectively. However, as a mutual company, Nippon Life provides forums for constructive, bidirectional dialogue at its Meetings of Representatives and Conferences of Representatives, and its officers also answer questions from Representatives with the utmost sincerity. I feel that that is where the basics of corporate governance lie.

The particulars of execution are also important. The role of Outside Directors is to oversee what kind of strategy is being devised toward realizing a company's purpose and philosophy, what kind of specific measures are formulated based on that strategy, and whether the necessary risks are being taken. In my opinion, this is the whole point of corporate governance. A corporate governance system is something that corporate management decides on proactively and autonomously, and I hope that Nippon Life always keeps that point in mind.



## Our Approach to a Corporate Governance System

We have established the Basic Policy for Corporate Governance\* for the purpose of defining our basic approach to corporate governance and related systems.

\*Please see the Basic Policy for Corporate Governance on the Nissay website.

<https://www.nissay.co.jp/kaisha/csr/governance/pdf/kihonhoushin.pdf> (Japanese only)

### Rationale for the Governance Structure We Have Selected


We selected a governance model that adopts an Audit and Supervisory Committee for we believe the following two features of this model are important: One is the collaboration between the executive function of executive officers working directly with customers and the supervisory function of directors appointed by the Representatives. The other feature is that the committee responsible for audits and supervision is independent from the Board of Directors. In addition, we established the Nomination and Remuneration Advisory Committee and the Outside Directors

Meeting. The former was built to ensure transparency in the appointment, dismissal and remuneration of directors and executive officers, as well as to institute checks with objectivity. The latter was set up to discuss important management issues and other matters while benefitting from the broad range of experiences and insights of our outside directors.

For enabling prompt and decisive execution, we have also adopted an executive officer system in which executive officers are responsible for business operations.

## Current State of the Board of Directors

### Board of Directors

Item	Content
Duties	<p>The Board of Directors is mainly responsible for the following matters in accordance with legal and regulatory requirements, as well as our Articles of Incorporation and other internal rules.</p> <ol style="list-style-type: none"> <li>1. Decisions on basic management policy</li> <li>2. Decisions on the Internal Control System Basic Policy and supervision of its construction and operation</li> <li>3. Supervision of the execution of duties of directors and executive officers</li> <li>4. Development of the corporate governance system</li> <li>5. Appointment and dismissal of representative directors</li> </ol> <p>Directors engage in discharging the duties of the Board of Directors by sufficiently reviewing matters brought forth by the Board of Directors and actively participating in discussions, including requesting explanations and stating their opinions as necessary. Outside directors undertake their duties from an objective position and provide advice on business execution based on their experience and insights.</p>
Composition	<p>The Board of Directors has a scale appropriate for discussions that fulfill the aforementioned duties and ensures diversity in its overall experience, insights, perspectives, and so forth<sup>1</sup>. At least one-third of the directors are outside directors, and directors that concurrently serve as executive officers are appointed. The Board of Directors consists of 21 members<sup>2</sup>, including eight independent outside directors<sup>3</sup>.</p> 
Appointments	<p>Based on the selection criteria<sup>5</sup>, candidates for appointment as director are decided by the Board of Directors after deliberation by the Nomination and Remuneration Advisory Committee, with all appointments (excluding Audit and Supervisory Committee members. The same shall apply hereinafter in this section.) requiring approval by a resolution of the Meeting of Representatives.</p> <p>Representative directors and executive directors are decided by the Board of Directors from among the directors after deliberation by the Nomination and Remuneration Advisory Committee, in consideration of the totality of their experience, performance, insights, character, and other factors.</p>
Status of Activities in Fiscal 2022	<ul style="list-style-type: none"> <li>• 13 meetings</li> <li>• Overall member attendance 99.3%, outside director attendance 98.3%</li> </ul>
Main Agenda in Fiscal 2022	<ul style="list-style-type: none"> <li>• Direction of response to increased payments due to COVID-19</li> <li>• Responses to capital structure changes at Resolution Life Group Holdings and policy relating to whether to participate as a strategic investor</li> <li>• Confirming the status of initiatives in the fiscal 2022 Management Plan (including Group management, sustainability management, and customer-oriented business operations), etc.</li> </ul>

\*1 See p. 110 for more details about our approach to this composition.

\*2 See pp. 108 to 109 for the list of directors as of July 4, 2023.

\*3 The Criteria for Determining Independence of Outside Directors is available on the Nissay website.

\*4 As of July 4, 2023

\*5 The criteria for selecting director candidates are defined in Article 8, Paragraph 1 and Article 21, Paragraph 1 of the Basic Policy for Corporate Governance.

### Evaluation of the Effectiveness of the Board of Directors

Based on the issues revealed by evaluations on effectiveness, we have transitioned to a Company with an Audit and Supervisory Committee, and are reconsidering the scale, composition, and topics for the Board meetings, as well as devising better operations.

#### Overview of Actions Taken


- We have collected opinions from all directors through questionnaires
  - An overview of the questions is shown on the right
  - Each item was evaluated from one to five with a section to write additional comments
- We have conducted one-on-one exchanges of opinions between outside directors and the president
  - In fiscal year 2022, these sessions were held for about 60 minutes each with three outside directors
  - The topics were related to Nippon Life's general management and corporate governance

#### [Questions]

- Items related to the composition of the Board of Directors
- Items related to Board of Directors operations and advance explanations
- Items related to roles and functions of the Board of Directors
- Items related to the Nomination and Remuneration Advisory Committee
- Items related to the Outside Directors Meeting


	Main Successes	Main Concerns
Fiscal 2021 Results	<ul style="list-style-type: none"> <li>• Regarding progress toward our management plan, deliberations take place after explaining each department's initiative status and issues, etc., in an easily comprehensible manner.</li> <li>• Lively discussions among the Outside Directors Meeting Board Members featured topics such as enhancing the corporate governance system, ESG-themed investment and finance initiatives, and product strategies.</li> </ul>	<ul style="list-style-type: none"> <li>• We are expected to do much more to improve diversity, such as appointing more female officers (including audit and supervisory board members), in an effort to improve and expand deliberations within the Board of Directors.</li> <li>• Since last year, we have improved operations at Board of Directors meetings in terms of documents, explanations, the number of agenda items, and deliberation time for each agenda item. However, further improvements are still needed to improve and expand deliberations.</li> <li>• We are expected to further deepen deliberations regarding Group management, sustainability management, and customer-oriented business operations.</li> </ul>
Status of Main Responses in Fiscal 2022	<p><b>Diversifying the composition of the Board of Directors by appointing more female directors, etc.</b></p> <ul style="list-style-type: none"> <li>• We confirmed our direction toward enhancing the candidate pool of the Nomination and Remuneration Advisory Committee with women and candidates with corporate management experience</li> </ul> <p><b>Improvements to Board of Directors operations to enhance deliberations</b></p> <ul style="list-style-type: none"> <li>• We narrowed down the agenda items in order to ensure enough deliberation time for strategy discussion and supervision by the Board of Directors</li> <li>• We implemented well-balanced operations by simplifying explanations with single document summaries and clarifying the points to be discussed and confirmed</li> <li>• We enhanced opportunities for outside directors to conduct on-site observations and share information outside the Board of Directors</li> </ul> <p><b>Discussions on developing more extensive Group management, sustainability management, and customer-oriented business operations</b></p> <ul style="list-style-type: none"> <li>• For Group management, we enhanced deliberations by submitting agenda items as "matters for consultation" ahead of passing resolutions</li> <li>• For sustainability management and customer-oriented business operations, we enhanced deliberations by increasing the number of discussions</li> </ul>	
Fiscal 2022 Results	<ul style="list-style-type: none"> <li>• We improved operations of Board of Directors meetings in terms of documents, explanations, the number of agenda items, and deliberation time for each agenda item by making our corporate governance system more sophisticated.</li> <li>• We conducted sufficiently evidence-based explanations and deliberations on the Nomination and Remuneration Advisory Committee.</li> </ul>	<ul style="list-style-type: none"> <li>• Regarding the composition of the Board of Directors, we appointed directors with diverse backgrounds and insights at an appropriate scale and composition. However, we are still expected to ensure greater diversity, such as appointing more female directors.</li> <li>• Regarding deliberations on the progress status of the management plan, we are expected to engage in more extensive deliberations with a mid- to long-term perspective in consideration of information on changes in the outside environment.</li> <li>• While lively discussions are taking place at the Outside Directors Meeting, we are expected to implement initiatives to make these discussions even more active and vibrant.</li> </ul>

## Nomination and Remuneration Advisory Committee

Item	Content
Duties	The Nomination and Remuneration Advisory Committee is a consultative body to the Board of Directors that deliberates on matters relating to the appointment and dismissal of directors, executive officers, and others, the remuneration of directors (excluding Audit and Supervisory Committee members. The same shall apply hereinafter in this section.) and executive officers, and other important matters. It then reports its conclusions to the Board of Directors. It also makes necessary reports related to the appointment, dismissal, and remuneration of directors the Audit and Supervisory Committee in order for the Audit and Supervisory Committee to carry out their supervisory duties appropriately.
Composition	The committee is made up of outside directors, the chairman, and the president, and a majority of its members and its chair must be independent outside directors. It is made up of 4 outside directors, the chairman, and the president. 
Status of Activities in Fiscal 2022	<ul style="list-style-type: none"> <li>• 4 meetings</li> <li>• Overall member attendance 100.0%, outside director attendance 100.0%</li> </ul>
Main Agenda in Fiscal 2022	<ul style="list-style-type: none"> <li>• Future direction of officer appointments and confirming potential officer candidates</li> <li>• Direction of officer remuneration standards and system, etc.</li> </ul>


\*As of July 4, 2023

## Outside Directors Meeting

Item	Content
Duties	The Outside Directors Meeting deliberates on mid- to long-term management policy and other important management matters.
Composition	The meeting is made up of all the outside directors, the chairman, and the president, with executives, employees, and outside experts participating as needed. It is made up of 8 outside directors, the chairman, and the president. 
Status of Activities in Fiscal 2022	<ul style="list-style-type: none"> <li>• 6 meetings</li> <li>• Overall member attendance 100.0%, outside director attendance 100.0%</li> </ul>
Main Agenda in Fiscal 2022	<ul style="list-style-type: none"> <li>• Important risks for the Nippon Life Group (Top risks)</li> <li>• The future direction of efforts to strengthen human capital</li> <li>• The direction of the fiscal 2023 Management Plan, etc.</li> </ul>

\*As of July 4, 2023

## Audit and Supervisory Committee

Item	Content
Duties	The Audit and Supervisory Committee audits and supervises the execution of duties of directors as an independent function from the Board of Directors, through exercising its authority to conduct active investigations, using the internal control system, and exercising its authority to give opinions on the appointment, dismissal, and remuneration of directors (excluding Audit and Supervisory Committee members).
Composition	The Audit and Supervisory Committee has the necessary scale for conducting effective and efficient audit and supervision, and ensures that as a whole it possesses the necessary knowledge of our business processes, the ability to gather information, and the objectivity and expertise required for conducting auditing activities. A majority of the Audit and Supervisory Committee members must be outside directors. The committee is made up of five members, including four independent outside directors <sup>*1</sup> . 
Appoint	Based on the selection criteria <sup>*3</sup> , Audit and Supervisory Committee candidates are decided by the Board of Directors following deliberation by the Nomination and Remuneration Advisory Committee and approval by the Audit and Supervisory Committee. All appointments must be approved by a resolution of the Meeting of Representatives.
Status of Activities in Fiscal 2022	<ul style="list-style-type: none"> <li>• 13 meetings<sup>*4</sup></li> <li>• Overall member attendance 100.0%, outside director attendance 100.0%</li> </ul>
Main Agenda in Fiscal 2022	<ul style="list-style-type: none"> <li>• Establishing of an audit policy and plan</li> <li>• Reports from the Internal Control Department</li> <li>• Reports on priority audit items (Initiatives for enhancing Group management, etc.)</li> </ul>

### Status of Audits by the Audit and Supervisory Committee

Audits by the Audit and Supervisory Committee involve auditing activities with direct oversight of the status of business execution, and the Audit and Supervisory Committee conducts effective and efficient audits while also using the internal control system, including further strengthening coordination with the Internal Auditing Unit.

Specifically, in fiscal 2022, the following four items are priority audit items from the audit policy and plan established by the Audit and Supervisory Committee. The Committee receives direct reports from operating units primarily about matters related to the priority audit items, receives reports from units responsible for the internal control function including the Internal Auditing Unit and each Audit and Supervisory Committee member, and conducts audits accordingly.

#### Priority Audit Items for Fiscal 2022

- |                                                      |                                                               |
|------------------------------------------------------|---------------------------------------------------------------|
| 1. Adapting to changes in the management environment | 2. Fulfilling our role in society as a life insurance company |
| 3. Promoting a unified Group management              | 4. Enhancing corporate governance                             |

Note that Audit and Supervisory Board members discussed key audit matters<sup>\*5</sup> with Deloitte Touche Tohmatsu LLC, the Accounting Auditor, received reports on the implementation of its audits, and confirmed that audit duties were being performed appropriately.

In addition to the above, full-time Audit and Supervisory Committee members perform daily auditing activities, including attending Board of Directors meetings, Management Committee meetings, and other important meetings, conducting informational interviews with operating units, and coordinating with Group company Audit and Supervisory Board members, then providing opinions and suggestions as necessary. Outside Audit and Supervisory Committee members attend Board of Directors and other meetings, and provide their opinions and suggestions from an objective and independent standpoint. In addition, they also visit branches and other frontline organizations to conduct audits accordingly.

We have assigned an Audit and Supervisory Officer<sup>\*2</sup> and established the Audit and Supervisory Committee's Office (with 14 members<sup>\*2</sup>) as a system to assist the Audit and Supervisory Committee with its auditing duties. The Audit and Supervisory Officer attends Audit and Supervisory Committee meetings and conducts daily audits based on instructions from the Audit and Supervisory Committee. The Audit and Supervisory Committee's Office is staffed with people possessing practical experience from a wide range of departments, who use their expertise to assist in audits by the Audit and Supervisory Committee.

\*1 See p. 109 for the list of Audit and Supervisory Committee members as of July 4, 2023.

\*2 As of March 31, 2023

\*3 The criteria for selecting Audit and Supervisory Committee Member candidates are defined in Article 21, Paragraph 1 of the Basic Policy for Corporate Governance.

\*4 Due to having transitioned into a Company with an Audit and Supervisory Committee in July 2022, the number of meetings held includes both the former Audit and Supervisory Board and the current Audit and Supervisory Committee. Broken down, this includes three meetings of the Audit and Supervisory Board and 10 meetings of the Audit and Supervisory Committee.

\*5 Information on key audit matters is presented in the Independent Auditors' Report on p. 142 of the Materials section.

## Directors (As of July 4, 2023)

### Directors



**Yoshinobu Tsutsui**

**Chairman**

Jan. 30, 1954 Born  
Apr. 1977 Joined Nippon Life Insurance Company  
Jul. 2004 Director  
Jan. 2007 Director and Executive Officer  
Mar. 2007 Director and Managing Executive Officer  
Mar. 2009 Director and Senior Managing Executive Officer  
Mar. 2010 Representative Director and Senior Managing Executive Officer  
Apr. 2011 President  
Apr. 2018 Chairman (present)



**Hiroshi Shimizu**

**President**

Position: Senior General Manager of Group Business Headquarters  
Jan. 30, 1961 Born  
Apr. 1983 Joined Nippon Life Insurance Company  
Mar. 2009 Executive Officer  
Mar. 2012 Managing Executive Officer  
Jul. 2013 Director and Managing Executive Officer  
Jul. 2014 Managing Executive Officer  
Mar. 2016 Senior Managing Executive Officer  
Jul. 2016 Director and Senior Managing Executive Officer  
Apr. 2018 President (present)



**Yuji Mikasa**

**Representative Director and Executive Vice President**

In charge of: Osaka Head Office  
Responsible for: Osaka-Kansai Japan Expo Promotion Dept., Compliance Dept., Risk Management Dept., Internal Audit Dept. (other than audits of Osaka-Kansai Japan Expo Promotion Dept., Compliance Dept., Risk Management Dept., Global Business Risk & Control Dept.), Global Business Risk & Control Dept.  
Sep. 7, 1963 Born  
Apr. 1986 Joined Nippon Life Insurance Company  
Mar. 2013 Executive Officer  
Mar. 2017 Managing Executive Officer  
Jul. 2017 Director and Managing Executive Officer  
Mar. 2020 Director and Senior Managing Executive Officer  
Mar. 2022 Director and Executive Vice President  
Mar. 2023 Representative Director and Executive Vice President (present)



**Nobuto Fujimoto**

**Representative Director and Executive Vice President**

Supervises: Investment Management Unit  
Responsible for: Finance & Investment Planning Dept.  
Oct. 27, 1962 Born  
Apr. 1987 Joined Nippon Life Insurance Company  
Mar. 2014 Executive Officer  
Jul. 2017 Director and Executive Officer  
Mar. 2018 Director and Managing Executive Officer  
Mar. 2021 Director and Senior Managing Executive Officer  
Mar. 2023 Representative Director and Executive Vice President (present)



**Satoshi Asahi**

**Representative Director and Executive Vice President**

In charge of: Agency Marketing Headquarters  
Responsible for: Metropolitan Area Headquarters, Tokai Regional Headquarters, Kinki Regional Headquarters, Metropolitan Corporate & Worksite Marketing Headquarters, Sales Representatives Training Dept., Sales Representatives Operations Management Dept., General Insurance Planning & Operations Dept., Service Network Development Dept., Corporate & Worksite Marketing Dept.  
Position: General Manager of Metropolitan Corporate & Worksite Marketing Headquarters, Senior Manager of Regional Branch Administration, General Manager of Business School for Sales Managers, General Manager of General Insurance Planning & Operation  
Jun. 29, 1963 Born  
Apr. 1987 Joined Nippon Life Insurance Company  
Mar. 2014 Executive Officer  
Jul. 2017 Director and Executive Officer  
Mar. 2018 Director and Managing Executive Officer  
Mar. 2021 Director and Senior Managing Executive Officer  
Mar. 2023 Representative Director and Executive Vice President (present)



**Hideki Ohno**

**Director and Senior Managing Executive Officer**

In charge of: Financial Institution Relations Headquarters  
Responsible for: Head Office 1st to 3rd Corporate Marketing Depts., Head Office East Japan Corporate Marketing Dept., Head Office Tokai Corporate Marketing Dept., Head Office Osaka Corporate Marketing Dept., Head Office Kyushu Corporate Marketing Dept., Corporate Marketing Planning Dept., Group Annuities Dept., Corporate Sales Promotion Dept., Group Marketing Information Center  
Jun. 14, 1965 Born  
Apr. 1988 Joined Nippon Life Insurance Company  
Mar. 2016 Executive Officer  
Mar. 2020 Managing Executive Officer  
Mar. 2023 Senior Managing Executive Officer  
Jul. 2023 Director and Senior Managing Executive Officer (present)



**Naoki Akahori**

**Director and Managing Executive Officer**

Responsible for: Agency Marketing Headquarters, Financial Institution Relations Headquarters, Healthcare Business Dept., Product Planning Dept., Marketing Planning Dept., Sales Representatives Human Resource Dept., Financial Institution & Agency Marketing Planning Dept., Agency Operations Dept., Financial Institution Relations Dept.  
Secondarily responsible for: DX Strategy Planning Dept.  
Aug. 13, 1964 Born  
Apr. 1988 Joined Nippon Life Insurance Company  
Mar. 2017 Executive Officer  
Jul. 2020 Director and Executive Officer  
Mar. 2021 Director and Managing Executive Officer (present)



**Kazuo Sato**

**Director and Managing Executive Officer**

Responsible for: Corporate Planning Dept., Group Business Dept., Public & Investors Relations Dept., Planning and Research Dept., Head Office Public Affairs Dept., DX Strategy Planning Dept., Actuarial Dept., Legal Dept., Internal Audit Dept. (audits of Osaka-Kansai Japan Expo Promotion Dept., Compliance Dept., Risk Management Dept., Global Business Risk & Control Dept.)  
Feb. 16, 1966 Born  
Apr. 1989 Joined Nippon Life Insurance Company  
Mar. 2017 Executive Officer  
Jul. 2020 Director and Executive Officer  
Mar. 2021 Director and Managing Executive Officer (present)



**Kazuya Kishibuchi**

**Director and Managing Executive Officer**

Responsible for: IT Planning Dept., IT Promotion Dept., Customer Service Headquarters  
Secondarily responsible for: DX Strategy Planning Dept.  
Position: General Manager of Customer Service Headquarters  
Feb. 6, 1967 Born  
Apr. 1989 Joined Nippon Life Insurance Company  
Mar. 2017 Executive Officer  
Mar. 2021 Managing Executive Officer  
Jul. 2022 Director and Managing Executive Officer (present)



**Akiko Osawa**

**Director and Managing Executive Officer**

Responsible for: Treasury & Capital Markets Dept., Equity Investment Dept., International Investment Dept., Separate Account Investment Dept.  
Oct. 12, 1965 Born  
Apr. 1988 Joined Nippon Life Insurance Company  
Mar. 2018 Executive Officer  
Jul. 2021 Director and Executive Officer  
Mar. 2022 Director and Managing Executive Officer (present)



**Minoru Kimura**

**Director and Managing Executive Officer**

Responsible for: Global Insurance Business Dept., Global Asset Management Business Dept., Global Representative Office, Global Business Planning Dept.  
Jun. 20, 1967 Born  
Apr. 1990 Joined Nippon Life Insurance Company  
Mar. 2018 Executive Officer  
Mar. 2022 Managing Executive Officer  
Jul. 2022 Director and Managing Executive Officer (present)



**Yoshitaka Nakamura**

**Director and Managing Executive Officer**

Responsible for: Secretarial Dept., Affiliated Business Dept., Human Resource Planning Dept., Human Resource Development Dept., Human Resource Dept., General Affairs Dept., Health Management Dept.  
Position: General Manager of Health Management  
Feb. 26, 1969 Born  
Apr. 1991 Joined Nippon Life Insurance Company  
Mar. 2019 Executive Officer  
Mar. 2023 Managing Executive Officer  
Jul. 2023 Director and Managing Executive Officer (present)



**Shin Ushijima**

**Director**

Sep. 30, 1949 Born  
Apr. 1977 Public Prosecutor, Tokyo District Public Prosecutors Office  
Apr. 1978 Public Prosecutor, Hiroshima District Public Prosecutors Office  
Apr. 1979 Attorney (present)  
Jul. 2007 Director, Nippon Life Insurance Company (present)



**Satoshi Miura**

**Director**

Apr. 3, 1944 Born  
Jun. 2002 President, NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION  
Jun. 2005 Senior Executive Vice President and Head of Corporate Management Strategy Division, NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
Jun. 2007 President and Chief Executive Officer, NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
Jun. 2012 Chairman of the Board, NIPPON TELEGRAPH AND TELEPHONE CORPORATION  
Jul. 2017 Director, Nippon Life Insurance Company (present)  
Jun. 2018 Special Advisor, NIPPON TELEGRAPH AND TELEPHONE CORPORATION (present)



**Tetsuro Tomita**

**Director**

Oct. 10, 1951 Born  
Jun. 2008 Executive Vice President and Representative Director and Director General of Lifestyle Business Development Headquarters, East Japan Railway Company  
Jun. 2009 Executive Vice President and Representative Director and Director General of Corporate Planning Headquarters, East Japan Railway Company  
Apr. 2012 President and Representative Director and Director General of Corporate Planning Headquarters, East Japan Railway Company  
Jun. 2012 President and Representative Director, East Japan Railway Company  
Apr. 2018 Chairman and Director, East Japan Railway Company (present)  
Jul. 2020 Director, Nippon Life Insurance Company (present)



**Junichi Hamada**

**Director**

Mar. 14, 1950 Born  
Apr. 1992 Professor, Institute of Socio-information and Communication Studies, University of Tokyo  
Apr. 1995 Head, Institute of Socio-information and Communication Studies, University of Tokyo  
Apr. 2000 Professor, Graduate School of Interdisciplinary Information Studies, University of Tokyo Concurrently, Dean, Graduate School of Interdisciplinary Information Studies, University of Tokyo Concurrently, Dean, Interfaculty Initiative in Information Studies & Graduate School of Interdisciplinary Information Studies  
Apr. 2005 Executive Vice President, University of Tokyo  
Apr. 2009 President, University of Tokyo  
Jun. 2015 Emeritus Professor, University of Tokyo (present)  
Jul. 2021 Director, Nippon Life Insurance Company (present)

### Directors (Audit and Supervisory Committee Members)



**Yosuke Matsunaga**

**Director (Audit and Supervisory Committee Member)**

May 16, 1961 Born  
Apr. 1985 Joined Nippon Life Insurance Company  
Mar. 2012 Executive Officer  
Mar. 2016 Managing Executive Officer  
Jul. 2016 Director and Managing Executive Officer  
Mar. 2019 Director and Senior Managing Executive Officer  
Mar. 2021 Director and Executive Vice President  
Mar. 2022 Representative Director and Executive Vice President  
Mar. 2023 Director  
Jul. 2023 Director (Audit and Supervisory Committee Member) (present)



**Takashi Imai**

**Director (Audit and Supervisory Committee Member)**

Dec. 23, 1929 Born  
Jun. 1989 Representative Director and Vice President, Nippon Steel Corporation  
Jun. 1993 Representative Director and President, Nippon Steel Corporation  
Jul. 1995 Audit and Supervisory Board Member, Nippon Life Insurance Company  
Apr. 1998 Representative Director and Chairman, Nippon Steel Corporation  
Apr. 2003 Director, Senior Advisor and Chairman Emeritus, Nippon Steel Corporation  
Jun. 2003 Senior Advisor and Chairman Emeritus, Nippon Steel Corporation  
Jun. 2008 Honorary Chairman, Nippon Steel Corporation  
Oct. 2012 Honorary Chairman, Nippon Steel & Sumitomo Metal Corporation  
Apr. 2019 Honorary Chairman, NIPPON STEEL CORPORATION (present)  
Jul. 2022 Director (Audit and Supervisory Committee Member), Nippon Life Insurance Company (present)



**Kantaro Toyozumi**

**Director (Audit and Supervisory Committee Member)**

Oct. 17, 1945 Born  
Apr. 1970 Attorney (present)  
Jul. 2004 Audit and Supervisory Board Member, Nippon Life Insurance Company  
Jul. 2022 Director (Audit and Supervisory Committee Member), Nippon Life Insurance Company (present)



**Keiichi Tadaki**

**Director (Audit and Supervisory Committee Member)**

Jul. 1, 1943 Born  
Jan. 2002 Vice-Minister of Justice  
Jun. 2004 Superintending Prosecutor, Tokyo High Public Prosecutors Office  
Jun. 2006 Prosecutor-General  
Jun. 2008 Retired as Prosecutor-General  
Jul. 2008 Attorney (present)  
Jul. 2009 Audit and Supervisory Board Member, Nippon Life Insurance Company  
Jul. 2022 Director (Audit and Supervisory Committee Member), Nippon Life Insurance Company (present)



**Ryoji Sato**

**Director (Audit and Supervisory Committee Member)**

Dec. 7, 1946 Born  
Feb. 1975 Certified public accountant (present)  
Jun. 2007 Chief Executive Officer, Deloitte Touche Tohmatsu  
Jul. 2009 Chief Executive Officer, Deloitte Touche Tohmatsu LLC  
Nov. 2010 Senior Advisor, Deloitte Touche Tohmatsu LLC  
Jul. 2016 Audit and Supervisory Board Member, Nippon Life Insurance Company  
Jul. 2022 Director (Audit and Supervisory Committee Member), Nippon Life Insurance Company (present)

Notes: 1. Shin Ushijima, Satoshi Miura, Tetsuro Tomita, Junichi Hamada, Takashi Imai, Kantaro Toyozumi, Keiichi Tadaki, and Ryoji Sato are independent outside directors satisfying the Company's Criteria for Determining Independence of Outside Directors.  
2. Yosuke Matsunaga is a full-time Audit and Supervisory Committee Member.



## Composition of the Board of Directors

From the perspective of building a cooperative system of supervision and business execution within the Board of Directors, independent outside directors who have objective viewpoints and diverse outside knowledge constitute at least one-third of the Board. In addition to the chairman and president, we appoint directors responsible for management planning, resource management, risk management, compliance and internal auditing in consideration of deepening Group management to ensure that deliberations focus on actual situations at business execution sites. In addition, we also

\*Please see the Basic Policy for Corporate Governance on the Nissay website.

<https://www.nissay.co.jp/kaisha/csr/governance/pdf/kihonhoushin.pdf> (Japanese only)

take into consideration ensuring diversity on the Board of Directors as a whole.

Further, the experience and insight necessary for directors to discuss strategies in response to changes and to fulfill their supervisory function are provided in Article 8, Paragraph 1 and Article 21, Paragraph 1 of the Basic Policy for Corporate Governance\*. The following table shows the combination of experience and insight of directors as of July 4, 2023.

		Corporate Management	Academia	Legal Affairs, Compliance & Risk Management	Finance & Accounting	IT & Digital	Global & Financial	Life Insurance Business
Director	Yoshinobu Tsutsui	✓	Deeply familiar with the overall operations of Nippon Life, and able to properly conduct Nippon Life management (the experience and insight necessary in Nippon Life management are included in the "Life Insurance Business" section to the right)					✓
	Hiroshi Shimizu	✓		✓				✓
	Yuji Mikasa	✓		✓				✓
	Nobuto Fujimoto	✓		✓				✓
	Satoshi Asahi	✓		✓				✓
	Hideki Ohno			✓				✓
	Naoki Akahori			✓				✓
	Kazuo Sato			✓				✓
	Kazuya Kishibuchi			✓				✓
	Akiko Osawa			✓				✓
	Minoru Kimura			✓				✓
	Yoshitaka Nakamura			✓				✓
	Shin Ushijima Outside				✓		✓	✓
Satoshi Miura Outside	✓							
Tetsuro Tomita Outside	✓							
Junichi Hamada Outside		✓						
Director (Audit and Supervisory Committee member)	Yosuke Matsunaga	✓	Deeply familiar with the overall operations of Nippon Life, and able to properly audit the execution of duties by directors at Nippon Life (the experience and insight necessary in Nippon Life management are included in the "Life Insurance Business" section to the right)					✓
	Takashi Imai Outside	✓					✓	
	Kantaro Toyozumi Outside			✓				
	Keiichi Tadaki Outside			✓				
	Ryoji Sato Outside			✓	✓		✓	

## Fiscal 2022 Board of Directors Attendance Record

		Board of Directors	Nomination and Remuneration Advisory Committee <sup>1</sup>	Outside Directors Meetings <sup>1</sup>	Audit and Supervisory Committee <sup>2</sup>
Director	Yoshinobu Tsutsui	13/13	4/4	6/6	—
	Hiroshi Shimizu	13/13	4/4	6/6	—
	Yuji Mikasa	13/13	—	—	—
	Nobuto Fujimoto	13/13	—	—	—
	Satoshi Asahi	13/13	—	—	—
	Hideki Ohno <sup>3</sup>	—	—	—	—
	Naoki Akahori	13/13	—	—	—
	Kazuo Sato	13/13	—	—	—
	Kazuya Kishibuchi <sup>4</sup>	11/11	—	—	—
	Akiko Osawa	13/13	—	—	—
	Minoru Kimura <sup>4</sup>	11/11	—	—	—
	Yoshitaka Nakamura <sup>3</sup>	—	—	—	—
	Shin Ushijima Outside	13/13	4/4	6/6	—
Satoshi Miura Outside	13/13	4/4	6/6	—	
Tetsuro Tomita Outside	12/13	4/4	6/6	—	
Junichi Hamada Outside	12/13	4/4	6/6	—	
Director (Audit and Supervisory Committee member)	Yosuke Matsunaga <sup>5</sup>	13/13	—	—	—
	Takashi Imai Outside	13/13	—	6/6	13/13
	Kantaro Toyozumi Outside	13/13	—	6/6	13/13
	Keiichi Tadaki Outside	13/13	—	6/6	13/13
	Ryoji Sato Outside	13/13	—	6/6	13/13

<sup>1</sup> Accompanying the transition into a Company with an Audit and Supervisory Committee in July 2022, we reorganized the Outside Directors Committee into the Nomination and Remuneration Advisory Committee and the Outside Directors Meeting. The former Outside Directors Committee met once prior to July 2022.

<sup>2</sup> The number of meetings held includes the former Audit and Supervisory Board and the current Audit and Supervisory Committee. Broken down, this includes three meetings of the Audit and Supervisory Board and 10 meetings of the Audit and Supervisory Committee.

<sup>3</sup> Appointed as directors on July 4, 2023.

<sup>4</sup> Counts the Board of Directors meetings held after they assumed their positions as directors on July 5, 2022.

<sup>5</sup> Retired as director on July 4, 2023 and, on the same day, was appointed as an Audit and Supervisory Committee member.

## Enhancing the Internal Control System

To ensure that operations are appropriate and raise corporate value, we established the Company's Internal Control System Basic Policy\* at a Board of Directors. Based on this policy, we have developed an internal control system that includes the following systems:

### Various systems stipulated in this policy (examples)

- Management control system
- Business execution system based on a responsible executive officer system
- Compliance promotion system
- System to handle antisocial forces
- Internal reporting system
- Risk management system
- Crisis management system
- Information management system
- System for ensuring the reliability of financial reporting
- Internal audit system
- Group company management system

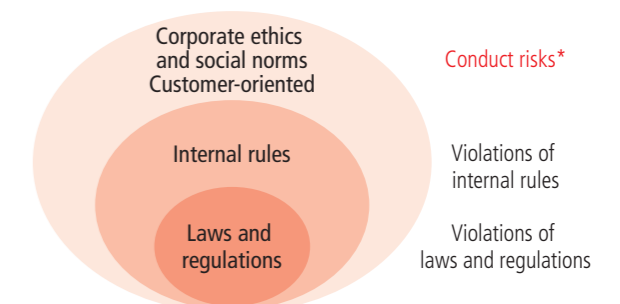
\*Please see the Internal Control System Basic Policy on the Nissay website.

<https://www.nissay.co.jp/kaisha/csr/governance/hoshin.html> (Japanese only)

## Promoting Compliance

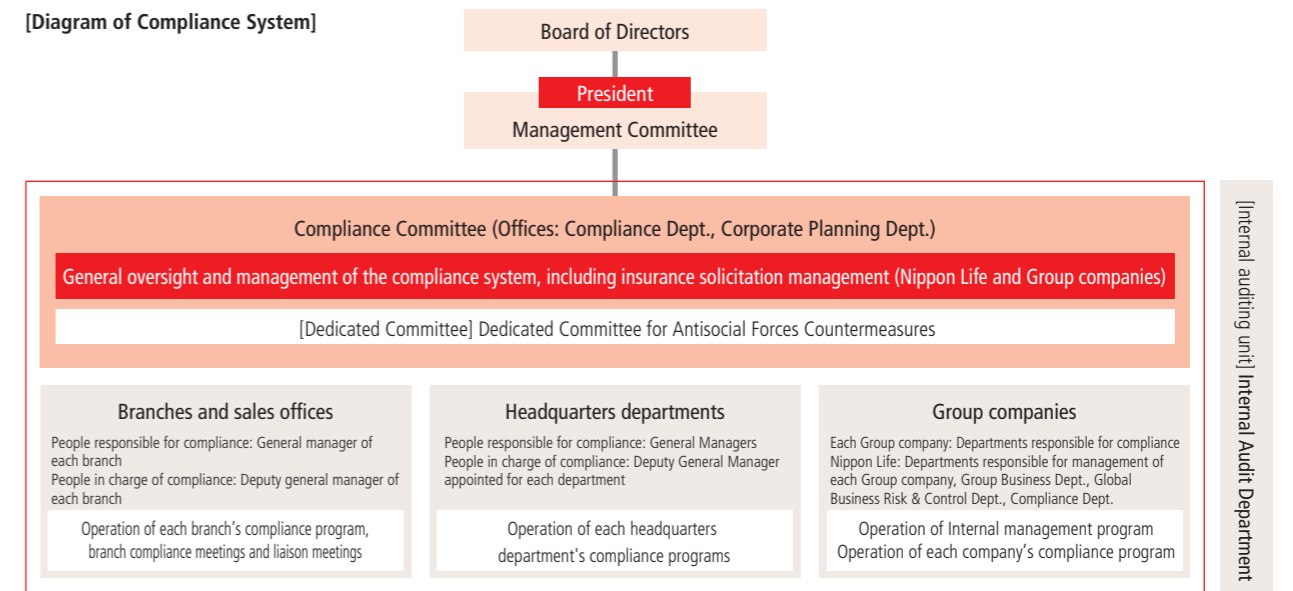
Compliance at Nippon Life goes beyond merely observing relevant laws and regulations; it extends to complying with all social norms, living up to the trust that customers and society place in us, and performing our work with sincerity. All executives and employees bear the responsibility of and strive to promote compliance throughout the Company based on the fundamental principle that compliance is a precondition for operation.

\*Conduct risk refers to risk of significant damage to corporate value arising from acts that violate social norms, business customs, and market practices and do not consider the standpoint of users, even if no legal statutes have been established regarding such conduct.



## Compliance System

[Diagram of Compliance System]



Nippon Life established the Compliance Committee as an advisory body to the Management Committee. The Compliance Committee comprehensively controls and manages the compliance system, including insurance solicitation management, by deliberating on measures related to compliance issues and by monitoring organizational efforts.

In addition, the Dedicated Committee for Antisocial Forces Countermeasures was established as an advisory body to investigate and implement specific countermeasures for issues including conferring on measures for blocking antisocial forces, such as organized crime groups, and promoting internal education.

The Compliance Department was established to exert Company-wide control over compliance. It strives to instill an understanding of compliance-related information throughout the Company by adopting an integrated system for reporting inappropriate or suspicious behavior from each branch and headquarters department and by creating an internal reporting system. Also, we

have appointed individuals (compliance officers) at each branch and headquarters department to take charge of and follow up on compliance-related efforts.

Additionally, in order to promote compliance at Group companies, Nippon Life has established the Group Company Compliance Policy. Under this policy, the Company requires Group companies to establish autonomous compliance systems and ensure conformity with basic compliance-related matters, and carries out management and guidance related activities regarding this. In addition, we exchange opinions with the responsible units at Group companies and take steps to increase the level of compliance throughout the Nippon Life Group.

Note: Please refer to p. 27 of the Materials Section regarding promoting compliance.

## Strengthening Risk Management

The environment surrounding life insurance companies is changing greatly as a result of fluctuations in economic conditions, including share prices and interest rates, rapid progression in medical technology, the occurrence of major disasters and pandemics, and the rising sophistication and complexity of cyberattacks. We are promoting forward-looking risk management in recognition that the

correct identification and appropriate management of risks caused by these various factors are of the utmost importance.

Based on this recognition, Nippon Life continues to develop its risk management systems, including those at Group companies, and operates these systems appropriately while also working to increase their sophistication.

## Risk Management System

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 system, the Risk Management Committee, an advisory body to the Management Committee, and dedicated committees that are advisory bodies to the Risk Management Committee manage each type of risk appropriately according to its profile, and conduct integrated management of the overall impact of the various types of risk on operations.

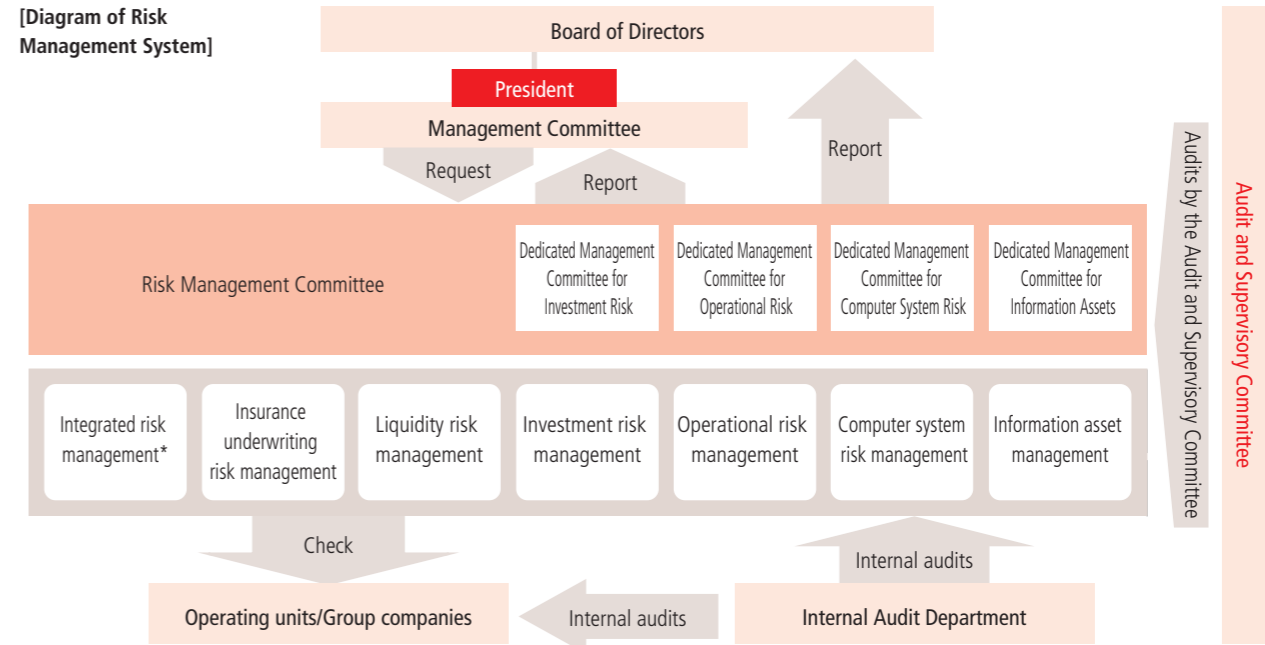
In fiscal 2022 we also established the Dedicated Management Committee for Information Assets as an advisory body to the Risk Management Committee. The committee deliberates on all issues pertaining to data protection and risk management, and shapes the system for reporting the status of this risk management to the Management Committee and the Board of Directors.

In addition, we also have 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.

We have established the Group Company Risk Management Policy for risk management at Group companies. We conduct integrated risk management within our Group, apply our various types of risk management to Group companies according to the type of risk, its profile, and its severity, and carry out management and guidance for various types of risk management implemented by Group companies. In addition, we periodically confirm the status of risk management at Group companies and take steps to increase the level of our Group risk management, including exchanging opinions with the units responsible for managing risk at major insurance subsidiaries.

[Diagram of Risk Management System]



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

## Internal Audit System

### System and Policy

The Internal Audit Department has been created as an internal audit organization that works independently from other operating units. The department conducts internal audits of business processes at Nippon Life and Group companies (as of April 2023, the number of members in the Internal Audit Department is 106).

The Board of Directors has approved a basic policy on internal auditing that stipulates a basic approach and structure. This clarifies specifics such as the purpose, mission, independence, authority, liability, and other aspects of internal auditing.

Based on this policy, the Internal Audit Department conducts audits to verify the suitability and effectiveness of internal controls,

risk management systems, and corporate management systems, among other items. The results of internal audits are reported to the Management Committee, the Board of Directors, the Audit and Supervisory Committee, and related committees.

In addition, the Internal Audit Department, Audit and Supervisory Committee members, and the Accounting Auditor periodically exchange opinions regarding audit plans and their status of execution, results, and so forth. They maintain close coordination, such as through the Internal Audit Department and the Accounting Auditor attending Audit and Supervisory Committee meetings.

### Initiatives to Make Internal Auditing More Sophisticated

The Board of Directors has approved an auditing policy (2021–2023) for audits to contribute to the realization of the Mid-Term Management Plan, “Going Beyond.” The policy states that we will generate added value and contribute to improvement by implementing measures such as further promoting audits with an

emphasis on risk and conducting audits based on an awareness of the roles and responsibilities of the operating units, Risk Management Unit, and Legal and Compliance Unit.

# Outline of Group Companies and Foundations

## Outline of Group Companies (As of March 31, 2023)

### Domestic Insurance Related Businesses 14 Companies

#### TAIJU LIFE INSURANCE

TAIJU LIFE INSURANCE Co., Ltd. is a life insurance company originally founded as Mitsui Life Insurance Co., Ltd. in March 1927. The company underwent management integration with Nippon Life in December 2015, and changed its name to TAIJU LIFE in April 2019. Going forward, TAIJU LIFE will continue working as part of a unified Group in various areas and strive toward supplying products and services that meet the diverse needs of customers.

Established	1947*
Number of Employees	11,285
Revenues from insurance and reinsurance	¥884.8 billion
Main Distribution Channel	Sales Representatives
Main Products and Services	Insurance with Customizable Coverage
Investment Ratio	85%

\*Established in 1927 (as Mitsui Life Insurance Co., Ltd.)

#### Nippon Wealth Life

Since the management integration with Nippon Life in May 2018, Nippon Wealth has made progress on initiatives toward creating synergy between both companies with the aim of upgrading and expanding its lineup of Group products and strengthening its system of sales and support for partner financial institutions. Both companies will continue working together to expand their network of partner financial institutions and the products they carry.

Established	1947*
Number of Employees	463
Revenues from insurance and reinsurance	¥570.5 billion
Main Distribution Channel	Financial institution channel
Main Products and Services	Individual annuities
Investment Ratio	100%

\*Founded in 1907

#### Hanasaku Life Insurance Co., Ltd.

HANASAKU LIFE INSURANCE Co., Ltd. is a life insurance company that started operations in April 2019 to respond flexibly and quickly to diversifying customer needs. The company flexibly provides competitive products through the agency channel, as well as direct channels using mail-order and online. In the future, it will continue working to upgrade and expand the products and services on offer.


Established	2018
Number of Employees	298
Revenues from insurance and reinsurance	¥22.2 billion
Main Distribution Channel	Agencies Direct (mail-order and online)
Main Products and Services	Medical insurance
Investment Ratio	100%

#### ニッセイ プラス 少額短期保険

Nissay Plus SSI Company Inc.

Nissay Plus SSI Company Inc. was established in April 2022 in order to respond to diversifying coverage needs against a background of lifestyle changes and the digital environment becoming more widespread. The company aims to provide products that can meet diverse customer needs by collaborating with various partner companies and combining partner company products and services with highly compatible insurance products.

Established	2021
Number of Employees	17
Revenues from insurance and reinsurance	¥2 million
Main Distribution Channel	Direct (online)
Main Products and Services	Small-amount, short-term insurance
Investment Ratio	100%

 Corporate-Pension Business Service Co., Ltd.

 ニッセイ保険エージェンシー

Nissay Insurance Agency Co., Ltd.

 LHL

 LifeSalon

 LIFE PLAZA PARTNERS

 ほくとずつとほくと 国民の100年

### Asset Management Related Businesses 56 Companies



Nissay Asset Management is a 100% subsidiary asset management company that brings together the Group's asset management capabilities. The company leverages its expertise in insurance asset management to supply a wide range of investment products that meet the needs of pension funds, as well as individual investors and other customers, for long-term, stable asset formation.

Country	Japan
Established	1995
Number of Employees	685
Assets under Management*	¥34.0 trillion
Investment Ratio	100%

\*As of March 31, 2023

#### Nippon Life India Asset Management Ltd

Nippon Life India Asset Management Limited

Nippon Life India Asset Management is a fast-growing asset management firm and subsidiary with an expansive investment product lineup ranging from stocks to bonds and ETFs in India's asset management industry, which continues to experience high growth. By supplying products to Nissay Asset Management, the company also provides Japanese customers with opportunities to invest in India.

Country	India
Established	1995
Number of Employees	980
Assets under Management*	¥4.7 trillion (2.8 trillion INR)
Investment Ratio	73.7%

\*As of March 31, 2023; mutual funds only

#### TCW The TCW Group, Inc.

The TCW Group is a US-based asset management firm with expertise in managing US bonds. Along with managing one of the largest mutual funds in the US and supplying investment products to the world's largest pension funds, institutional investors, and others, the company also provides Japanese customers with global, primarily American, investment opportunities.

Country	United States
Established	1971
Number of Employees	680
Assets under Management*	¥27.2 trillion (205.1 billion USD)
Investment Ratio	24.75%


\*As of December 31, 2022



Post Advisory Group is a US-based asset management firm that primarily manages high-yield US corporate bonds. With a bottom-up investment style relying primarily on corporate analysis from analysts to generate profit, the company is characterized by its organization of highly selective investment professionals. The company provides investment products to institutional investors and others in countries such as the US and Japan.


Country	United States
Established	1992
Number of Employees	51
Assets under Management*	¥2.2 trillion (16.5 billion USD)
Investment Ratio	18.85%

\*As of December 31, 2022

 NIPPON LIFE REALTY MANAGEMENT Inc.

 The Master Trust Bank of Japan, Ltd.

 Nissay Credit Guarantee Co., Ltd.

 Nissay Leasing Co., Ltd.

 NISSAY CAPITAL CO., LTD.

SHINJUKU NS Building, Omiya Sonic City Aroma Square

## Global Insurance Related Businesses 7 Companies



Nippon Life Insurance Company of America

Established in 1991 as our first overseas insurance company, Nippon Life Insurance Company of America provides products and services, mainly group medical insurance, in New York, Los Angeles, Chicago and other cities under its motto of "Nissay even in America." In particular, the company has been highly evaluated by Japanese and South Korean companies that are operating in the U.S. by offering customer service in Japanese and Korean.

The company will continue working on initiatives aimed at strengthening product-specific business strategies and enhance customer satisfaction.



MLC Limited

In 2016, Nippon Life acquired the life insurance business of National Australia Bank and established MLC Limited as a subsidiary.

MLC is working to realize its vision to be "Australia's leading and most trusted life insurer." The company aims for the realization of stable uplift in revenue as well as growth, providing individual and group insurance products and services mainly through financial advisers, etc. In addition, MLC and Nippon Life actively share initiatives with each other across a wide range of areas.



Reliance Nippon Life Insurance Company Limited

Reliance Nippon Life Insurance has an extensive network of sales offices throughout India and mainly offers products and services to individuals and groups through agents and other channels. Since invested in the company and made it an affiliate company in 2011, Nippon Life has shared expertise across various areas including launching distribution channels based on Nippon Life's sales representatives model. In the future, in addition to expanding its bancassurance and agency channels, the company is working to create synergy in various areas.



Grand Guardian Nippon Life Insurance Company Limited

Grand Guardian Nippon Life mainly offers endowment and other insurance products through bancassurance and agents.

Since establishing the company as a joint venture with one of the leading conglomerates in Myanmar in 2019, Nippon Life has focused on building management foundation, such as developing new products and establishing distribution channels based on Nippon Life's sales representatives activity model, through seconding Nippon Life's senior management personnel to the company and other efforts. The company is committed to penetrate life insurance in Myanmar society, and to contribute to the development and growth of the country's life insurance market.

Country	United States
Established	1991
Number of Employees	85
Premium revenue (FY2022)*	¥40.5 billion
Main Distribution Channel	Brokers
Main Products and Services	Group medical insurance
Investment Ratio	96.96%

\*Jan. 2022 to Dec. 2022

Country	Australia
Established	1886
Number of Employees	1,363
Premium revenue (FY2022)*	¥167.5 billion
Main Distribution Channel	Financial advisers
Main Products and Services	Term life insurance, income protection insurance, critical illness insurance
Investment Ratio	80.00%

\*Jan. 2022 to Dec. 2022

Country	India
Established	2001
Number of Employees	12,245
Premium revenue (FY2022)*	¥84.0 billion
Main Distribution Channel	Agents, sales representatives
Main Products and Services	Endowment insurance and other savings products
Investment Ratio	49.00%

\*Apr. 2022 to Mar. 2023

Country	Myanmar
Established	2019
Number of Employees	307
Premium revenue (FY2022)*	¥0.4 billion
Main Distribution Channel	Bancassurance, agents, sales representatives
Main Products and Services	Endowment insurance and other savings products, agricultural and travel insurance
Investment Ratio	35.00%

\*Apr. 2022 to Mar. 2023



Great Wall Changsheng Life Insurance Company Limited

Great Wall Changsheng Life Insurance mainly provides long-term and protection products mainly through agents in Shanghai, Zhejiang, Jiangsu, and other parts of China.

Since 2003, when the company was established as the first joint venture between a Japanese life insurance company and a local firm in China, Nippon Life has shared knowledge and is working to advance Great Wall Changsheng's business and risk management in partnership with a major Chinese financial asset company. Going forward, the company will continue to promote collaborative efforts in areas such as unique product development and services for Japanese companies based in China.



Bangkok Life Assurance Public Company Limited

Bangkok Life Assurance is a listed company with operations in Bangkok and throughout the rest of Thailand, which provides insurance and related services in line with diverse customer needs through its major shareholder, Bangkok Bank, the largest bank in Thailand, as well as agents.

Nippon Life invested in the company in 1997 and made it an affiliate in 2004. The company will continue to further expand sales in the bancassurance channel by strengthening its relationship with Bangkok Bank, as well as promoting the expansion and strengthening of sales of its agent channel through the knowledge and other support offered by Nippon Life.



PT Asuransi Jiwa Sequis Life

Sequis Life provides insurance products and services in Jakarta and throughout the rest of Indonesia, through high-quality agents.

Nippon Life invested in the company and made it an affiliate in 2014. Together with one of Indonesia's leading conglomerates, we are promoting the sophistication of asset management utilizing Nippon Life's expertise and network.

The company is working to further meet asset formation and coverage needs, and to assist these efforts, Nippon Life will continue to support the training of agents and the diversification of distribution channels of the company.

Country	China
Established	2003
Number of Employees	513
Premium revenue (FY2022)*	¥62.0 billion
Main Distribution Channel	Agents, bancassurance
Main Products and Services	Critical illness insurance, annuities, cancer insurance when visiting Japan
Investment Ratio	30.00%

\*Jan. 2022 to Dec. 2022

Country	Thailand
Established	1951
Number of Employees	1,176
Premium revenue (FY2022)*	¥134.9 billion
Main Distribution Channel	Bancassurance, agents
Main Products and Services	Endowment insurance, whole life insurance
Investment Ratio	24.21%

\*Jan. 2022 to Dec. 2022

Country	Indonesia
Established	1984
Number of Employees	808
Premium revenue (FY2022)* <sup>1</sup>	¥24.0 billion
Main Distribution Channel	Agents
Main Products and Services	Whole life insurance, endowment insurance, unit-linked products
Investment Ratio	20.00%* <sup>2</sup>

\*1 Jan. 2022 to Dec. 2022

\*2 Includes indirect investments

## General Affairs Related Businesses 11 Companies



Nissay Information Technology Co., Ltd.

Nissay Information Technology was established in 1999 as a company responsible for the IT strategy of the Nippon Life Group.

Along with undertaking system development and other processes for new products of Nippon Life that meet diversifying market and other needs, the company is harnessing its vast experience in order to provide high-quality IT services and consulting in the social insurance market, such as insurance and mutual aid, annuities, and healthcare.

Established	1999
Number of Employees	2,480
Sales	¥79.0 billion
Main Products and Services	<ul style="list-style-type: none"> <li>• System services related to insurance and finance</li> <li>• System services related to medical and nursing care</li> <li>• Network services</li> <li>• Outsourcing</li> </ul>
Investment Ratio	83.92%



Nissay Business Service Co., Ltd.



Nissay Shoji Co., Ltd.



NISSAY NEW CREATION CO. LTD.



NLI Research Institute



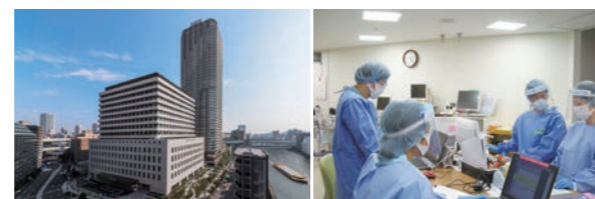
Life Care Partners Co., Ltd.

## Public Interest Incorporated Foundations Established by Nippon Life

Nippon Life has established five foundations to further contribute to society in the following areas: medical care, which has a strong affinity with the life insurance business; cultural promotion, which fosters rich emotional development; the sound development of children and adolescents, who will be responsible for the future of our prosperous society; issues related to population aging, an area in which Japan outstrips the rest of the world, which will be passed on to the next generation. Each of these public interest incorporated foundations is currently working to build better communities and a better society, and Nippon Life supports their activities through donations.

### Nippon Life Saiseikai Foundation Medical Care Established in 1924

The Nippon Life Saiseikai Foundation was established in 1924 as a place to put "co-existence, co-prosperity, and mutual aid" into practice under the guiding philosophy of "Saisei Rimin" (helping people by saving lives and living and being a help for people). Operated by the Saiseikai Foundation, Nippon Life Hospital works to further improve and expand medical services. We do this by, for example, strengthening regional, emergency, and women's medical care, introducing the latest medical equipment, and merging preventative care and medical treatment in pursuit of extending healthy lifespans. In the early stages of the COVID-19 pandemic, the hospital put measures in place to accept infected patients and contributed to regional medical care by balancing the provision of COVID-19 diagnoses and treatment with general medical care.



Nippon Life Hospital

The COVID-19 ward

Annual number of in-patients is **approx. 100K**  
Annual number of out-patients is **approx. 240K**

### Nissay Culture Foundation Children and Adolescents Culture Established in 1973 The Nissay Theatre celebrated the 60th anniversary of its opening

The Nissay Culture Foundation was established in 1973 for the purpose of promoting culture for children. Its current name came into use in 1993. Countless children and adolescents have been invited to watch the Nissay Masterpiece Series, sponsored by Nippon Life, free of charge in the hopes of fostering a rich emotional development and diverse values. The foundation is also making efforts toward developing human resources that support performing arts. It has produced and held performances as part of its full-scale performing arts programs, such as the Nissay Theatre Family Festival and the Nissay Opera, all well as establishing the Nissay Backstage Award, which recognizes outstanding stage technicians.



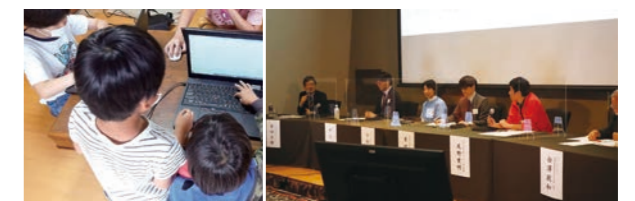
Nissay Theatre

From a 2022 performance of "Elisa and the Swan Princes"  
(Photo: Chikashi Saegusa)

The total number of children and young people invited to the Nissay Masterpiece Series is **approx. 8 million** (over 59 years)

### Nippon Life Foundation Children and Young People Seniors Environment Established in 1979

The Nippon Life Foundation was established in 1979 with the goal of contributing to the creation of a prosperous society filled with humanity and culture. It offers grants with a focus on the three areas of "children and adolescents," "seniors," and "the environment." In the areas of "children and adolescents" and "seniors", grants and awards are provided with cooperation from all of Japan's 47 prefectural governments based on recommendations by governors. The results of research grants in the above three areas are returned to society through symposiums and workshops.



Mountaintop Free School Saita (Itoshima, Fukuoka Prefecture) [Items covered by grant] Computers, etc. Symposium on the aging society

The total number of grants awarded is **20,960, totaling approx. 17.9 billion yen** (over 44 years)

### Nissay Seirei Health & Welfare Foundation Seniors Established in 1989

The Nissay Seirei Health & Welfare Foundation was established in 1989 with the aim of creating better communities where everyone can live healthy and active lives in reassurance and security. The foundation operates Nissay Eden-no-Sono, facilities offering comprehensive services for seniors centered around private nursing homes, in the two cities of Nara and Matsudo. Other initiatives include promoting health and well-being, conducting surveys and research on welfare services, providing scholarships for students aiming to become caregivers and similar, and engaging in community outreach activities that lead to inter-generational interaction.



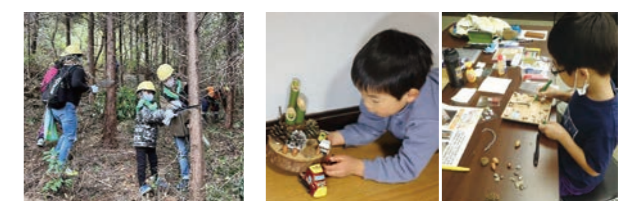
Nara Nissay Eden-no-Sono

Scene from an inter-generational interaction initiative

The number of residents in private nursing homes is **approx. 900**  
The number of people using these facilities annually is **approx. 65K in total**  
The total number of people granted scholarships is **727** (over 34 years)

### Nissay Green Foundation Environment Established in 1993 The Nissay Green Foundation marked its 30 anniversary since founding

The Nissay Green Foundation was established in 1993 to work toward the protection and development of forests and further increase their socially beneficial functions. Under its Forest Development Program, over 1.38 million saplings have been planted and the network of "Nissay Forests" has been expanded to 207 sites nationwide in an effort to conserve forest environments. Meanwhile, under its Forest Lover Development Program, the foundation offers opportunities to participate in activities both within and outside Nissay Forests in various ways, such as forest development volunteer activities and woodworking events using thinned wood taken from Nissay Forests. The foundation also donates School Tree Pamphlets and Tree Name Plates to elementary and middle schools across Japan.



Tree development at Nissay Nagasaki Forest Scene of activities

Scene from a craft event

The total number of volunteers is **40,744** (over 30 years)

## Executive Officers (As of July 4, 2023)

### Executive Officers

**Managing Executive Officer**  
**Kouki Utsumi**  
 Responsible for: Finance Planning & Management Dept., Structured Finance Dept., 1st to 3rd Corporate Finance Dept., Metropolitan Area Corporate Finance Dept., Corporate Finance Dept., Tokai Area Corporate Finance Dept., Osaka Corporate Finance Dept., Kyushu Area Corporate Finance Dept., Real Estate Investment Dept.  
 May 8, 1963 Born  
 Apr. 1986 Joined Nippon Life Insurance Company  
 Mar. 2017 Executive Officer  
 Jul. 2018 Audit and Supervisory Board Member  
 Mar. 2021 Senior Audit and Supervisory Board Member  
 Jul. 2022 Managing Executive Officer (present)

**Managing Executive Officer**  
**Mitsugi Iwasaki**  
 Position: General Manager of Osaka Head Office Corporate Marketing Dept.  
 Jul. 25, 1965 Born  
 Apr. 1989 Joined Nippon Life Insurance Company  
 Mar. 2017 Executive Officer  
 Mar. 2021 Managing Executive Officer (present)

**Managing Executive Officer**  
**Yasutoyo Takada**  
 Responsible for: Public Affairs Dept., Corporate Promotion Dept., Credit Dept., Securities Operations Dept.  
 Position: General Manager of Corporate Promotion Dept.  
 Jul. 6, 1967 Born  
 Apr. 1990 Joined Nippon Life Insurance Company  
 Mar. 2018 Executive Officer  
 Mar. 2022 Managing Executive Officer (present)

**Managing Executive Officer**  
**Eiichi Hanawa**  
 Secondly responsible for: Public & Investors Relations Dept., Planning and Research Dept.  
 Aug. 24, 1967 Born  
 Apr. 1991 Joined Nippon Life Insurance Company  
 Mar. 2019 Executive Officer  
 Mar. 2023 Managing Executive Officer (present)

**Executive Officer**  
**Tetsuya Ueda**  
 Position: Adviser of IT Planning Dept.  
 Sep. 23, 1967 Born  
 Apr. 1991 Joined Nippon Life Insurance Company  
 Mar. 2019 Executive Officer  
 Mar. 2023 Managing Executive Officer  
 Apr. 2023 Executive Officer (present)

**Executive Officer**  
**Akihiro Maeda**  
 Position: General Manager of Kinki Regional Headquarters, Deputy General Manager of Agency Marketing Headquarters (Kinki), Deputy General Manager of Financial Institution Relations Headquarters (Kinki), Deputy General Manager of Head Office Osaka Corporate Marketing Dept. (Kinki)  
 Feb. 2, 1963 Born  
 Apr. 1986 Joined Nippon Life Insurance Company  
 Mar. 2020 Executive Officer (present)

**Executive Officer**  
**Takahiro Miyajima**  
 Position: General Manager of Risk Management Dept.  
 Apr. 14, 1966 Born  
 Apr. 1990 Joined Nippon Life Insurance Company  
 Mar. 2020 Executive Officer (present)

**Executive Officers**  
**Shinichi Okamoto**  
 Position: Head of the Americas and Europe, Adviser of Global Insurance Business Dept., Adviser of Global Asset Management Business Dept., Adviser of Global Business Planning Dept.  
 Jun. 4, 1969 Born  
 Apr. 1992 Joined Nippon Life Insurance Company  
 Mar. 2020 Executive Officer (present)

**Managing Executive Officer**  
**Tatsuya Haraguchi**  
 Position: General Manager of Head Office 1st Corporate Marketing Dept. General Manager of Head Office 3rd Corporate Marketing Dept.  
 Jan. 20 1967 Born  
 Apr. 1989 Joined Nippon Life Insurance Company  
 Mar. 2017 Executive Officer  
 Mar. 2021 Managing Executive Officer  
 Apr. 2021 Executive Officer  
 Mar. 2022 Managing Executive Officer (present)

**Managing Executive Officer**  
**Norihiro Fujimasa**  
 Position: General Manager of Metropolitan Area Headquarters  
 Feb. 11, 1967 Born  
 Apr. 1989 Joined Nippon Life Insurance Company  
 Mar. 2018 Executive Officer  
 Mar. 2022 Managing Executive Officer (present)

**Managing Executive Officer**  
**Takayuki Maeda**  
 Position: General Manager of Agency Marketing Headquarters, Deputy General Manager of Financial Institution Relations Headquarters  
 Feb. 5, 1967 Born  
 Apr. 1989 Joined Nippon Life Insurance Company  
 Mar. 2019 Executive Officer  
 Mar. 2023 Managing Executive Officer (present)

**Managing Executive Officer**  
**Naoki Akiyama**  
 Position: General Manager of Financial Institution Relations Headquarters, Deputy General Manager of Agency Marketing Headquarters  
 Mar. 28, 1969 Born  
 Apr. 1991 Joined Nippon Life Insurance Company  
 Mar. 2019 Executive Officer  
 Mar. 2023 Managing Executive Officer (present)

**Executive Officer**  
**Seiichi Tachi**  
 Position: Adviser of Group Business Dept., Adviser of Financial Institution & Agency Marketing Planning Dept.  
 Dec. 5, 1967 Born  
 Apr. 1991 Joined Nippon Life Insurance Company  
 Mar. 2019 Executive Officer  
 Mar. 2023 Managing Executive Officer  
 Apr. 2023 Executive Officer (present)

**Executive Officer**  
**Shinji Kuge**  
 Position: General Manager of Head Office 2nd Corporate Marketing Dept.  
 Jul. 11, 1965 Born  
 Apr. 1989 Joined Nippon Life Insurance Company  
 Mar. 2020 Executive Officer (present)

**Executive Officer**  
**Shinichiro Ito**  
 Position: General Manager of Sales Representatives Operations Management Dept.  
 Mar. 23, 1969 Born  
 Apr. 1991 Joined Nippon Life Insurance Company  
 Mar. 2020 Executive Officer (present)

**Executive Officer**  
**Kei Nakashima**  
 Position: General Manager of Head Office East Japan Corporate Marketing Dept., Deputy General Manager of Agency Marketing Headquarters (Hokkaido, Tohoku), Deputy General Manager of Financial Institution Relations Headquarters (Hokkaido, Tohoku), General Manager of Market Development (Hokkaido, Tohoku), Adviser of Sales Representatives Operations Management Dept.  
 Jun. 19, 1963 Born  
 Apr. 1987 Joined Nippon Life Insurance Company  
 Mar. 2021 Executive Officer (present)

**Executive Officer**  
**Takashi Masuyama**  
 Position: General Manager of Corporate Planning Dept., Adviser of Group Business Dept.  
 Dec. 21, 1969 Born  
 May 1993 Joined Nippon Life Insurance Company  
 Mar. 2021 Executive Officer (present)

**Executive Officer**  
**Takeshi Kimura**  
 Secondly responsible for: Planning and Research Dept., Finance & Investment Planning Dept.  
 Position: Adviser of Sustainability Planning Office  
 Feb. 13, 1965 Born  
 Sep. 2020 Joined Nippon Life Insurance Company  
 Mar. 2022 Executive Officer (present)

**Executive Officer**  
**Kayoko Nakano**  
 Position: General Manager of Internal Audit Dept.  
 Sep. 18, 1968 Born  
 Apr. 1992 Joined Nippon Life Insurance Company  
 Mar. 2022 Executive Officer (present)

**Executive Officer**  
**Terumasa Ito**  
 Position: General Manager of Tokai Regional Headquarters, General Manager of Head Office Tokai Corporate Marketing Dept., Deputy General Manager of Agency Marketing Headquarters (Tokai), Deputy General Manager of Financial Institution Relations Headquarters (Tokai)  
 Jun. 24, 1970 Born  
 Apr. 1994 Joined Nippon Life Insurance Company  
 Mar. 2022 Executive Officer (present)

**Executive Officer**  
**Yoshitsugu Umehara**  
 Position: Deputy General Manager of Metropolitan Corporate & Worksite Marketing Headquarters, General Manager of Corporate & Worksite Sales Office  
 Apr. 29, 1966 Born  
 Apr. 1989 Joined Nippon Life Insurance Company  
 Mar. 2023 Executive Officer (present)

**Executive Officer**  
**Tomohiro Yao**  
 Position: Head of Asia and India, Adviser of Global Insurance Business Dept., Adviser of Global Asset Management Business Dept., Adviser of Global Business Planning Dept.  
 Jun. 1, 1971 Born  
 Apr. 1995 Joined Nippon Life Insurance Company  
 Mar. 2023 Executive Officer (present)

### Audit and Supervisory Officer

**Audit and Supervisory Officer**  
**Hiroshi Iwama**  
 Feb. 8, 1967 Born  
 Apr. 1989 Joined Nippon Life Insurance Company  
 Jul. 2022 Audit and Supervisory Officer (present)

\*Please see p. 108 for details on Executive Officers who are concurrently serving as Directors.

### Composition by Gender Ratio

Directors	Executive Officers
Male: 20 / Female: 1 (Ratio of female: 4.8%)	Male: 37 / Female: 2 (Ratio of female: 5.1%)

## Representatives and their Election

### Representatives

According to the Articles of Incorporation, each representative's term of office is generally four years, and can be extended to eight years if they are selected for a second term. The number of representatives stands at 200.

Representatives are elected from policyholders. Since representatives check management from diverse perspectives, they are nominated from among a wide range of people from different age groups and holding different occupations, from all over the country. They are required to attend the Meeting of Representatives and deliberate with the Company through direct question and answer sessions.

From this perspective, Nippon Life believes that the number of representatives is set at an appropriate amount.

### Election of Representatives

It is required that from among the approximately 9.58 million policyholders, people who can represent the interests of all policyholders with no ties to the interests of specific policyholders are elected from the perspective of fairly reflecting the opinions of policyholders at the Meeting of Representatives. In this context, the Representative Nomination Committee recommends candidates, and policyholder voting has been adopted as the means to directly reflect policyholders' opinions of the candidates.

In addition, representatives are also elected from among policyholders who have attended *Nissay Konwakai Meetings*, a forum where management receives opinions and requests from policyholders. While we have not adopted a system that allows policyholders who want to become representatives to be directly selected as representative candidates, we will proactively promote the method of selecting representative candidates from among policyholders who have attended *Nissay Konwakai Meetings*, and aim to diversify selection methods.

#### Selection Standards for Representative Candidates

##### 1. Required Qualifications

- (1) Is a participating insurance policyholder of Nippon Life
- (2) Is not a representative of another life insurance company

##### 2. Eligibility Standards

- (1) Has a strong interest in and a deep understanding of the life insurance business and management of Nippon Life, and adequate insight as a representative
- (2) Can be expected to actively participate as a representative, such as attending the Meeting of Representatives and similar
- (3) Is able to check and advise on operations and management as necessary, in addition to making fair decisions at the Meeting of Representatives, to promote the interests of all policyholders

##### 3. Selection

Representative candidates are elected from among a broad base of policyholders from the perspective of emphasizing the functions of representing policyholders and evaluating management.

- (1) We select representative candidates in consideration of ensuring well-balanced policyholder representation in terms of geographic region, age, and gender.
- (2) We select representative candidates from the aspect of evaluating management, specifically candidates who are able to evaluate operations and advise management from diverse viewpoints, including from management, consumer, and specialist perspectives, while also giving consideration to occupation, specialisms, and other factors.

#### ◎ Representative Nomination Committee

The Representative Nomination Committee is composed of members appointed from among insurance policyholders at the Meeting of Representatives. The Representative Nomination Committee decides on selection standards for representative candidates and selects candidates from among a broad base of policyholders. In addition, the Representative Nomination Committee strives to ensure its independence from the Company while working to ensure the fairness and enhance the transparency of the representative nomination process.

#### ◎ Policyholder Voting

All policyholders vote for individual representative candidates selected by the Representative Nomination Committee. If the total number of no-confidence votes for individual candidates is less than 10% of the total number of policyholders, candidates are elected as representatives.

#### Policyholder Voting Period

Voting for representative candidates is held once every two years between August and September. The next policyholder vote is scheduled to take place in fiscal 2024 (voting slips will be sent out to all policyholders).

#### Selection Standards for Representative Nomination Committee Members

1. Has a strong interest in and a deep understanding of the life insurance business and mutual company management and adequate insight as a representative
2. Is able to fairly and impartially select representative candidates and manage policyholders' votes

#### Selection Standards for Councilors

1. Has specialized knowledge in fields related to Nippon Life management topics
2. Can be expected to give opinions on important management issues regarding management practices and similar

# Balance Sheets/Statements of Income

(Financial results for fiscal year ended March 31, 2023)

## Balance Sheet (Nonconsolidated)

	End of FY2022
Total assets	75,604,068 <b>A</b>
Cash and deposits	744,569
Cash	69
Deposits	744,500
Call loans	426,706
Monetary receivables purchased	124,514
Investments in securities <b>B</b>	63,234,750
National government bonds	27,526,011
Local government bonds	905,096
Corporate bonds	2,029,531
Domestic stocks	10,312,131
Foreign securities	19,122,228
Other securities	3,339,751
Loans	7,794,689
Policy loans	437,868
Industrial and consumer loans	7,356,821
Tangible fixed assets	1,723,066
Land	1,137,664
Buildings	546,152
Lease assets	4,124
Construction in progress	21,217
Other tangible fixed assets	13,907
Intangible fixed assets	187,716
Software	86,049
Other intangible fixed assets	101,666
Reinsurance receivables	269
Other assets	1,342,332
Accounts receivable	220,050
Prepaid expenses	18,274
Accrued income	301,363
Money on deposit	31,905
Deposits for futures transactions	108,687
Futures transactions variation margin	371
Derivative financial instruments	247,094
Suspense payments	7,765
Other assets	406,820
Customers' liability for acceptances and guarantees	62,486
Allowance for doubtful accounts	(8,530)
Allowance for investment loss	(28,502)

### **A** Total assets

Total assets, which are based on insurance premiums and other items paid by policyholders, are indicators of company size.

### **B** Investments in securities

From the standpoint of gradually increasing profits for policyholders through the medium- and long-term improvement of revenues and profits, Nippon Life holds stocks and foreign securities domestic bonds within the scope of acceptable risk, centered on national government bonds, local government bonds, and corporate bonds, all of which can be expected to yield stable yen-denominated returns.

	End of FY2022
Total liabilities	68,781,784
Policy reserves and other reserves	60,951,264
Reserve for outstanding claims	203,782
Policy reserves <b>C</b>	59,675,536
Reserve for dividends to policyholders	1,071,945
Reinsurance payables	394
Corporate bonds	1,263,265
Other liabilities	4,283,512
Payables under repurchase agreements	1,951,398
Loans payable	937,308
Accounts payable	175,898
Accrued expenses	63,872
Deferred income	16,818
Deposits received	125,233
Guarantee deposits received	87,625
Futures transactions variation margin	129
Derivative financial instruments	839,853
Cash collateral received for financial instruments	52,672
Lease obligations	4,268
Asset retirement obligations	6,632
Suspense receipts	13,418
Other liabilities	8,383
Accrued bonuses for directors and executives	439
Accrued retirement benefits	378,333
Reserve for program points	8,444
Reserve for price fluctuations in investments in securities <b>D</b>	1,584,428
Deferred tax liabilities	149,863
Deferred tax liabilities for land revaluation	99,350
Acceptances and guarantees	62,486
Total net assets	6,822,283
Foundation funds <b>E</b>	(1) 100,000
Reserve for redemption of foundation funds	(2) 1,350,000
Reserve for revaluation	(3) 651
Surplus	(4) 506,285
Legal reserve for deficiencies	21,282
Other surplus reserves	485,003
Reserve for social public welfare assistance	351
Reserve for financial base	221,917
Reserve for reduction entry of real estate	73,248
Reserve for reduction entry of real estate to be purchased	2,961
Other reserves	170
Unappropriated surplus	186,354
Total foundation funds and others (= (1) + (2) + (3) + (4))	1,956,936
Net unrealized gains on available-for-sale securities	(5) 5,297,929
Deferred losses on derivatives under hedge accounting	(6) (376,317)
Land revaluation losses	(7) (56,264)
Total valuations, conversions, and others (= (5) + (6) + (7))	4,865,347
Total liabilities and net assets	75,604,068

### **C** Policy reserves

Policy reserves are reserves that must be accumulated under the Insurance Business Act in order to prepare for payments of future insurance claims and other benefits.

### **D** Reserve for price fluctuations in investments in securities

Reserve for price fluctuations in investments in securities is accumulated in accordance with the Insurance Business Act to cover losses caused by a decrease in prices of remarkable assets, such as a fluctuation in stock prices.

### **E** Foundation funds (kikin)/Reserve for redemption of foundation funds

When funds are redeemed, the reserve for redemption of foundation funds is used to accumulate an equivalent amount of funds to those redeemed as required by the Insurance Business Act.

## Statements of Income (Nonconsolidated)

	FY2022
(1) Ordinary income	7,360,995
Revenues from insurance and reinsurance <b>F</b>	4,647,991
Insurance premiums	4,646,819
Reinsurance revenue	1,172
Investment income <b>G</b>	2,594,821
Interest, dividends, and other income	1,728,151
Interest on deposits and savings	3,004
Interest on securities and dividends	1,479,023
Interest on loans	122,250
Real estate rental income	112,193
Other income	11,679
Gain on sales of securities	805,588
Gain on redemptions of securities	28,309
Foreign exchange gains, net	31,355
Reversal of allowance for investment loss	364
Other investment income	1,053
Other ordinary income	118,182
Income from annuity riders	5,971
Income from deferred benefits	71,018
Other ordinary income	41,192
(2) Ordinary expenses	7,113,111
Benefits and other payments <b>H</b>	4,099,273
Death and other claims	1,073,139
Annuity payments	807,193
Health and other benefits	857,331
Surrender benefits	1,167,297
Other refunds	192,304
Reinsurance premiums	2,007
Provision for policy reserves	1,030,263
Provision for reserve for outstanding claims	11,356
Provision for policy reserves	997,732
Provision for interest on reserve for dividends to policyholders (mutual company)	21,174
Investment expenses <b>I</b>	1,191,746
Interest expenses	37,477
Loss on sales of securities	874,392
Loss on valuation of securities	6,234
Loss on redemptions of securities	7,045
Loss on derivative financial instruments, net	175,940
Provision for allowance for doubtful accounts	4,855
Depreciation of rental real estate and other assets	19,286
Other investment expenses	60,204
Loss from separate accounts, net	6,310
Operating expenses	565,673
Other ordinary expenses	226,154
Deferred benefit payments	93,968
Income taxes	53,019
Depreciation	53,844
Provision for accrued retirement benefits	129
Other ordinary expenses	25,191
(3) Ordinary profit (= (1) - (2))	247,884

### **F** Revenues from insurance and reinsurance

Total amount of insurance premiums paid by policyholders and revenues from reinsurance.

### **G** Investment income

This includes interest, dividends, and other income, as well as gain on sales of securities.

### **H** Benefits and other payments

This includes payments related to insurance policies, such as death and other claims, annuity payments, health and other benefits, and surrender benefits.

	FY2022
(4) Extraordinary gains	8,427
Gain on disposals of fixed assets	2,623
Reversal of reserve for price fluctuations in investments in securities	5,804
(5) Extraordinary losses	53,430
Loss on disposals of fixed assets	6,202
Impairment losses	11,465
Loss on reduction entry of real estate	1,208
Contributions for assisting social public welfare	3,000
Loss on valuation of shares of subsidiaries and associates	31,554
(6) Surplus before income taxes (= (3) + (4) - (5))	202,882
Income taxes — current	29,564
Income taxes — deferred	(14,135)
(7) Total income taxes	15,428
(8) Net surplus (= (6) - (7)) <b>J</b>	187,453

### **I** Investment expenses

These are expenses including loss on sales of securities, loss on valuation of securities, and others.

### **J** Net surplus

Total of extraordinary gains, extraordinary losses, and total income taxes will be added or subtracted from ordinary income.



## Balance Sheets/Statements of Income (Financial results for fiscal year ended March 31, 2023)

## Balance Sheet (Consolidated)

	End of FY2022
Total assets	87,594,649 <sup>A</sup>
Cash and deposits	1,590,868
Call loans	426,706
Monetary receivables purchased	244,146
Investments in securities	72,332,848 <sup>B</sup>
Loans	8,636,410
Tangible fixed assets	1,858,492
Land	1,199,750
Buildings	592,624
Lease assets	6,028
Construction in progress	21,305
Other tangible fixed assets	38,784
Intangible fixed assets	368,478
Software	111,347
Goodwill	80,049
Lease assets	23
Other intangible fixed assets	177,057
Reinsurance receivables	12,925
Other assets	2,032,999
Net defined benefit asset	1,276
Deferred tax assets	36,701
Customers' liability for acceptances and guarantees	62,523
Allowance for doubtful accounts	(9,728)

(Unit: Millions of Yen)

	End of FY2022
Total liabilities	80,543,645
Policy reserves and other reserves	71,359,550
Reserve for outstanding claims	267,686
Policy reserves	69,968,872 <sup>C</sup>
Reserve for dividends to policyholders of a mutual company	1,071,945
Reserve for dividends to policyholders of a limited company	51,046
Reinsurance payables	28,564
Corporate bonds	1,378,865
Other liabilities	5,342,930
Accrued bonuses for directors and executives	439
Net defined benefit liability	437,909
Accrued retirement benefits for directors and executives	634
Reserve for program points	8,444
Reserve for price fluctuations in investments in securities	1,684,717 <sup>D</sup>
Deferred tax liabilities	139,712
Deferred tax liabilities for land revaluation	99,350
Acceptances and guarantees	62,523
Total net assets	7,051,004
Foundation funds	(1) 100,000
Reserve for redemption of foundation funds	(2) 1,350,000 <sup>E</sup>
Reserve for revaluation	(3) 651
Consolidated surplus	(4) 654,426
Total foundation funds and others (= (1) + (2) + (3) + (4))	2,105,077
Net unrealized gains on available-for-sale securities	(5) 5,176,583
Deferred losses on derivatives under hedge accounting	(6) (375,789)
Land revaluation losses	(7) (56,264)
Foreign currency translation adjustments	(8) 60,847
Remeasurement of defined benefit plans	(9) (5,938)
Total accumulated other comprehensive income (= (5) + (6) + (7) + (8) + (9))	4,799,438
Share acquisition rights	1,921
Noncontrolling interests	144,567
Total liabilities and net assets	87,594,649

<sup>A</sup> Total assets

Total assets, which are based on insurance premiums and other items paid by policyholders, are indicators of company size.

<sup>B</sup> Investments in securities

From the standpoint of gradually increasing profits for policyholders through the medium- and long-term improvement of revenues and profits, Nippon Life holds stocks and foreign securities domestic bonds within the scope of acceptable risk, centered on national government bonds, local government bonds, and corporate bonds, all of which can be expected to yield stable yen-denominated returns.

<sup>C</sup> Policy reserves

Policy reserves are reserves that must be accumulated under the Insurance Business Act in order to prepare for payments of future insurance claims and other benefits.

<sup>D</sup> Reserve for price fluctuations in investments in securities

Reserve for price fluctuations in investments in securities is accumulated in accordance with the Insurance Business Act to cover losses caused by a decrease in prices of remarkable assets, such as a fluctuation in stock prices.

<sup>E</sup> Foundation funds (kikin)/Reserve for redemption of foundation funds

When funds are redeemed, the reserve for redemption of foundation funds is used to accumulate an equivalent amount of funds to those redeemed as required by the Insurance Business Act.

## Statements of Income (Consolidated)

	FY2022
(1) Ordinary income	9,639,129
Revenues from insurance and reinsurance	6,373,557 <sup>F</sup>
Investment income	2,992,141 <sup>G</sup>
Interest, dividends, and other income	1,943,738
Gain on sales of securities	847,517
Gain on redemptions of securities	28,473
Foreign exchange gains, net	171,339
Other investment income	1,072
Other ordinary income	273,429
(2) Ordinary expenses	9,496,759
Benefits and other payments	5,470,849 <sup>H</sup>
Death and other claims	1,320,943
Annuity payments	1,005,860
Health and other benefits	1,120,911
Surrender benefits	1,415,286
Other refunds	302,264
Reinsurance premiums	305,583
Provision for policy reserves	1,427,716
Provision for reserve for outstanding claims	6,334
Provision for policy reserves	1,400,198
Provision for interest on reserve for dividends to policyholders (mutual company)	21,174
Provision for interest on reserve for dividends to policyholders (limited company)	8
Investment expenses	1,391,908 <sup>I</sup>
Interest expenses	40,398
Loss from trading securities	31,446
Loss on sales of securities	905,286
Loss on valuation of securities	10,011
Loss on redemptions of securities	7,118
Loss on derivative financial instruments, net	301,425
Provision for allowance for doubtful accounts	4,315
Write-offs of loans	7
Depreciation of rental real estate and other assets	21,680
Other investment expenses	65,310
Loss from separate accounts, net	4,906
Operating expenses	816,448
Other ordinary expenses	389,836
(3) Ordinary profit (= (1) - (2))	142,369

(Unit: Millions of Yen)

	FY2022
(4) Extraordinary gains	4,444
Gain on disposals of fixed assets	4,420
Gain on reversal of share acquisition rights	23
(5) Extraordinary losses	23,422
Loss on disposals of fixed assets	7,427
Impairment losses	11,645
Provision for reserve for price fluctuations in investments in securities	141
Loss on reduction entry of real estate	1,208
Contributions for assisting social public welfare	3,000
(6) Provision for reserve for dividends to policyholders (limited company)	11,593
(7) Surplus before income taxes (= (3) + (4) - (5) - (6))	111,797
Income taxes — current	21,492
Income taxes — deferred	(31,021)
(8) Total income taxes	(9,529)
(9) Net surplus (= (7) - (8))	121,326 <sup>J</sup>
(10) Net surplus attributable to noncontrolling interests	3,115
(11) Net surplus attributable to the parent company	118,211

<sup>F</sup> Revenues from insurance and reinsurance

Total amount of insurance premiums paid by policyholders and revenues from reinsurance.

<sup>G</sup> Investment income

This includes interest, dividends, and other income, as well as gain on sales of securities.

<sup>H</sup> Benefits and other payments

This includes payments related to insurance policies, such as death and other claims, annuity payments, health and other benefits, and surrender benefits.

<sup>I</sup> Investment expenses

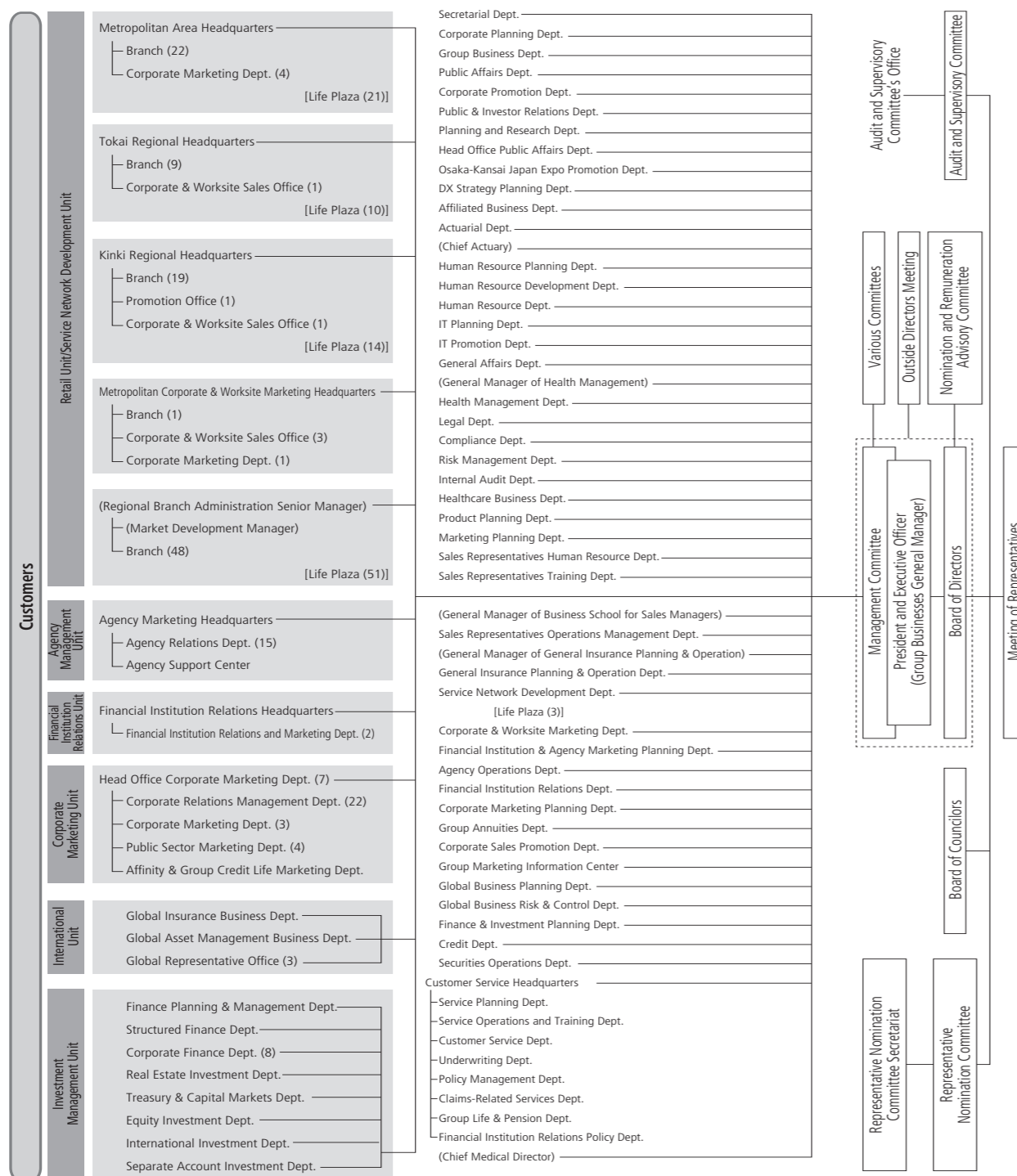
These are expenses including loss on sales of securities, loss on valuation of securities, and others.

<sup>J</sup> Net surplus

Total of extraordinary gains, extraordinary losses, provision for reserve for dividends to policyholders (limited company), and total income taxes will be added or subtracted from ordinary income.

# Organization Structure/Business Structure

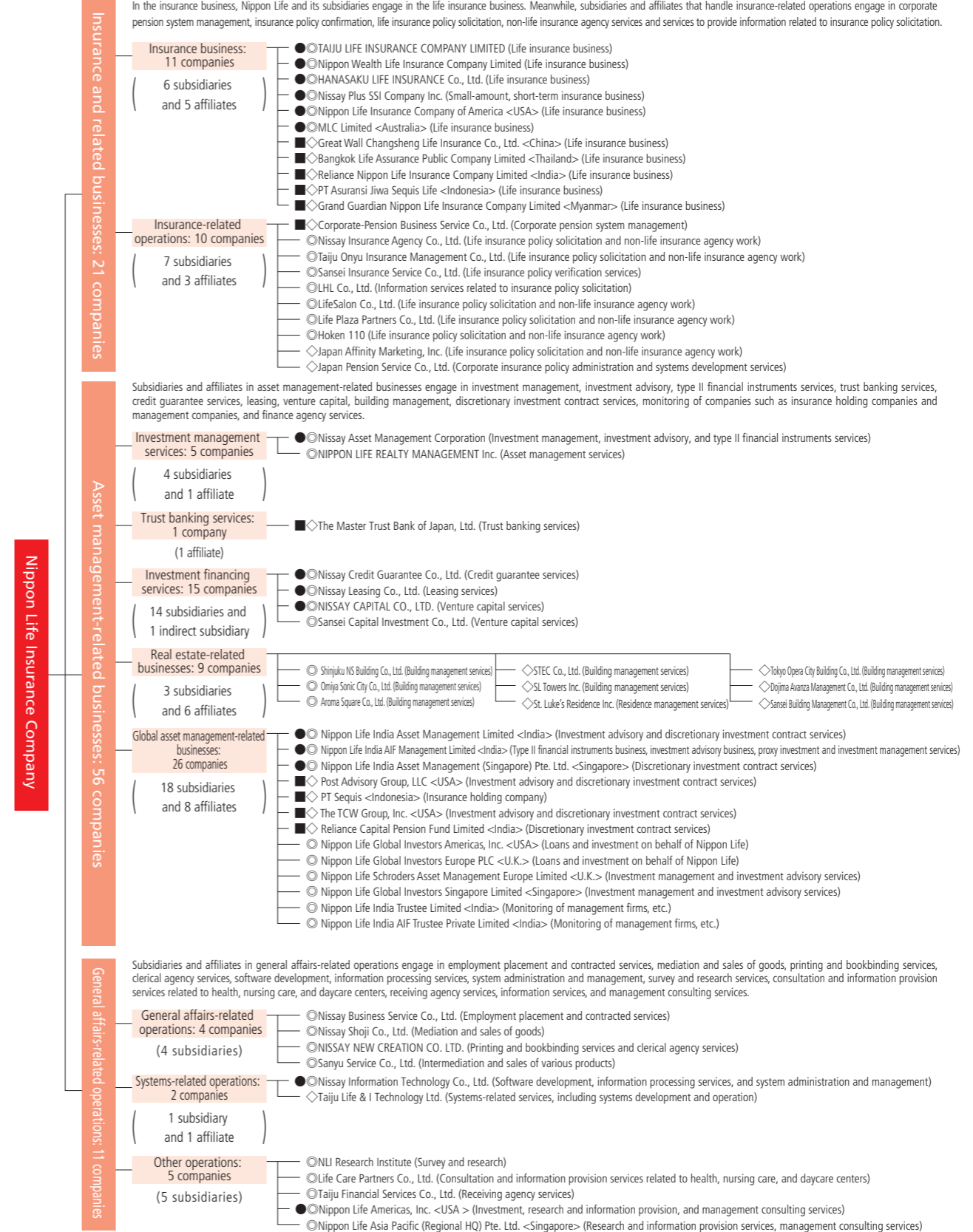
## Organization Structure (as of Mar. 25, 2023)



### \* Offices and centers installed within departments

Consumer Loan Planning Office (Finance Planning & Management Dept.)	Sales Material Inspection Office (Product Planning Dept.)	(Corporate & Worksite Marketing Dept.)
Shin Kusei Program Promotion Office (Sales Representatives Training Dept.)	Shin Kusei Program Promotion Office (Sales Representatives Training Dept.)	Public Sector Management Office (Corporate & Worksite Marketing Dept.)
Store Planning Office (Real Estate Investment Dept.)	New Activities Promotion Office (Sales Representatives Training Dept.)	Corporate Product Planning Office (Corporate Marketing Planning Dept.)
Head of Sustainability Planning Office (Corporate Planning Dept.)	Business School for Sales Managers (Sales Representatives Training Dept.)	Corporate Sales Planning & Product Development Office (Corporate Marketing Planning Dept.)
Business Planning Office (Corporate Planning Dept.)	Regional Headquarters Support Office (Sales Representatives Operations Management Dept.)	ESG Investment Strategy Office (Finance & Investment Planning Dept.)
Innovation Office (Corporate Planning Dept.)	Regional Revitalization Support Office (Sales Representatives Operations Management Dept.)	General Insurance Planning & Services Office (Service Planning Dept.)
International Accounting and Actuarial Affairs Office (Planning and Research Dept.)	Corporate Sales Strategy Office (Corporate & Worksite Marketing Dept.)	Medical Research and Development Office (Service Planning Dept.)
Kagayaki Promotion Office (Human Resource Development Dept.)	Corporate & Worksite Marketing Dept. (Corporate & Worksite Marketing Dept.)	Call Center (Customer Service Dept.)
Digital Promotion Office (IT Planning Dept.)	Corporate Sales Strategy Office (Corporate & Worksite Marketing Dept.)	Claims-Related Services Center (Claims-Related Services Dept.)
Sound Business Promotion Office (Compliance Dept.)	Corporate & Worksite Marketing Dept. (Corporate & Worksite Marketing Dept.)	Corporate Service Center (Group Life & Pension Dept.)
Compliance Consultation Office (Compliance Dept.)	Corporate & Worksite Marketing Dept. (Corporate & Worksite Marketing Dept.)	
Administrative Risk Management Dept. (Risk Management Dept.)	Corporate & Worksite Marketing Dept. (Corporate & Worksite Marketing Dept.)	
System Risk Management Dept. (Risk Management Dept.)	Corporate & Worksite Marketing Dept. (Corporate & Worksite Marketing Dept.)	
Investment Risk Management Dept. (Risk Management Dept.)	Corporate & Worksite Marketing Dept. (Corporate & Worksite Marketing Dept.)	
Information Asset Management Office (Risk Management Dept.)	Corporate & Worksite Marketing Dept. (Corporate & Worksite Marketing Dept.)	

## Business Structure (as of Mar. 31, 2023)



Notes: 1. Subsidiary is prescribed in Article 2, Paragraph 12 of the Insurance Business Act; indirect subsidiary is prescribed in Article 13-5-2, Paragraph 3 of the Order for Enforcement of the Insurance Business Act and affiliate is prescribed in Article 13-5-2, Paragraph 4 of the Order for Enforcement of the Insurance Business Act.  
2. ● Indicates consolidated subsidiaries, ■ Indicates affiliates accounted for by the equity method  
3. ○ Indicates subsidiaries, ◇ Indicates affiliates  
4. Major company names shown

# Participation in Initiatives

Nippon Life, has signed and endorsed various initiatives to fulfill its social responsibilities as a life insurance company and contribute to the creation of a society with reassurance, security and sustainability. Moreover, Nippon Life executives are appointed to key posts at PRI and NZAOA, which are flagship ESG investment and finance initiatives.

## General



Equator Principles



Principles for Responsible Investment (PRI)



United Nations Global Compact (UNGC)

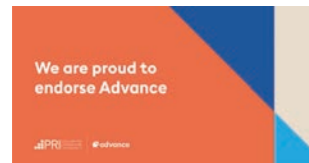


Japan Impact-driven Financing Initiative



Principles for Financial Action for the 21st Century

## People and Community



Advance



Women's Empowerment Principles (WEPS)



Collaboration Platform for Tackling Loneliness and Isolation



Human Capital Management Consortium

## Environment



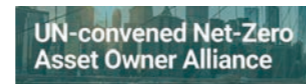
Carbon Disclosure Project (CDP)



Climate Action 100+



Glasgow Financial Alliance for Net Zero (GFANZ)



Net-Zero Asset Owner Alliance (NZAOA)



Partnership for Carbon Accounting Financials (PCAF)



Task Force on Climate-related Financial Disclosures (TCFD)



Taskforce on Nature-related Financial Disclosures (TNFD)  
\*Nippon Life is a member of the TNFD Forum.



GX League



Japan Climate Initiative



Initiative based on the Declaration of Biodiversity by Keidanren

## Outline of Nippon Life Insurance Company (figures as of March 31, 2023)

Name	Nippon Life Insurance Company	
Locations	Osaka Head Office: 3-5-12, Imabashi, Chuo-ku, Osaka 541-8501, Japan Tokyo Headquarters: 1-6-6, Marunouchi, Chiyoda-ku, Tokyo 100-8288, Japan	
President	Hiroshi Shimizu	
Established	July 4, 1889	
Offices	● Branches ..... 108 ● Sales offices ... 1,495	● Global representative offices ... 3 ● Agencies* ..... 19,033
Subsidiaries and Affiliates	● Insurance and insurance-related businesses ..... 21 ● Asset management-related businesses ..... 56 ● General affairs-related businesses ..... 11	

\*Included banks and other financial institution-related agencies.



Head Office

## For life insurance procedures or inquiries, please contact us via the following (Japanese only)

Nissay Website	<p><a href="https://www.nissay.co.jp">https://www.nissay.co.jp</a></p> <p>Note: Customers can perform procedures such as address changes on our website, as well as confirm policy details and request documents. The website also accepts consultations and other inquiries.</p>	
Nissay Life Plaza	<ul style="list-style-type: none"> <li>● <b>Business days: Monday to Friday</b> (Excluding public holidays and the period from December 31 to January 3) Certain Nissay Life Plaza locations provide insurance consulting services on Saturdays. *Insurance procedures are not performed on Saturdays. *Services are available on Saturdays by reservation only. Please make a reservation on the Nissay website before visiting the location.</li> <li>● <b>Business hours: Business hours vary with each Nissay Life Plaza retail outlet</b> For details, please check the Nissay website.</li> <li>● <b>Please visit the following website for details on Nissay Life Plaza:</b> <a href="https://www.nissay.co.jp/madoguchi/">https://www.nissay.co.jp/madoguchi/</a></li> </ul>	
Nissay Call Centers	<b>0120-201-021</b>	
Phone line for elderly customers	<b>0120-147-369</b> Operating hours: 9:00–18:00 Monday to Friday; 9:00–17:00 on Saturdays (Excluding public holidays and the period from December 31 to January 3)	

## A Note on the Publication of the Nippon Life Integrated Report 2023

Thank you for taking the time to read the Nippon Life Integrated Report 2023. All of us at the Nippon Life Group endeavor to provide value to our customers and other stakeholders based on our Fundamental Management Principle of contributing to the stability and enhancement of people's lives.

In this year's Report, we have revised the structure and enhanced the contents to more clearly show that since establishment, the Nippon Life Group has been approaching management in a way that leads to sustainability, and further, that we are engaged in efforts to realize sustainability for

"People," "Community," and "Environment". As the executive in charge of editing the Report, I hereby declare that the process used to prepare the Report is legitimate and the content contained herein is accurate.

I hope that all of our stakeholders will find this Report useful in understanding and becoming more familiar with the Nippon Life Group. Going forward, we hope to continue to strive to enhance disclosure and increase transparency while valuing the dialogues we have with each and every stakeholder, so we would very much appreciate your honest and candid feedback.

Yasutoyo Takada, Managing Executive Officer



Enhance today for your future.  
Nippon Life Insurance Company

